

COMMUNICATION ON PROGRESS 2014



EURO MEC

Purpose of this report

This annual report aims to inform and update readers of Euro Mec's commitment to, and actions in support of, the United Nations Global Compact.

More information on the initiative can be found here: <http://www.unglobalcompact.org/> (accessed 06.06.2014)

Target Audience

This annual report provides information to numerous target audiences such as employees, shareholders, clients past, present and future, partners, suppliers, local councils, community groups and people based in Euro Mec's home city and in the cities, towns, villages and camps near our project sites.

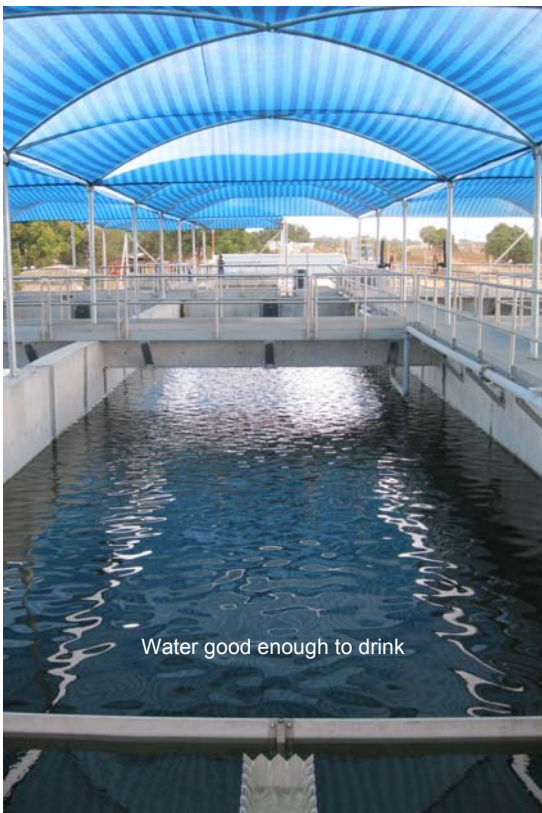


Photo of upgraded drinking water treatment plant serving the city of Nampula, Moazambique.

COMMUNICATION ON PROGRESS 2014

Prepared by Euro Mec Srl for the United Nations Global Compact

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Nampula, Mozambique
Photo of drinking water distribution pipes taken during the upgrade
of the drinking water treatment plant serving the city of Nampula

STATEMENT BY CEO

Tough economic times are testing our commitment to many things, strengthening our belief in some, opening our eyes to others that are worth reevaluating. It is with conviction that I renew my commitment to the ten principles of the Global Compact and reiterate my support for the CEO Water Mandate through this Communication on Progress 2014.

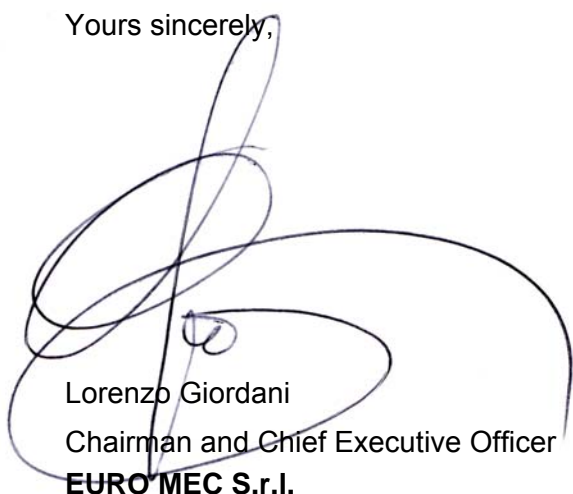
The rough seas of economic crisis and political change referred to in my statement in our last COP are still not calm, diligence is required going forward as we continue to strengthen internal operations and keep a lookout for new opportunities. At the end of 2013 Euro Mec announced the formation of a new Board of Directors tasked with helping the company to reconcile accounts along with strengths and weaknesses. This board sustains Euro Mec's commitment to the UN Global Compact and has been asked to use the ten principle as a foundation for decisions and strategy.

Euro Mec has enjoyed strong growth since its establishment in 1999 and in the last twelve months that growth has manifest itself as the Euro Mec Group of companies. First there was the strategic acquisition of a significant share in a historic Italian company EMIT (Ercole Marelli Impianti Tecnologici) then the creation of Euro Mec Service and Euro Mec Research. In 2013 we also established Euro Mec Water Group LLC in the U.S.A. It is my intention, and within my power, to see that the Euro Mec family of companies benefit from each other's know-how and come to share a common set of positive business values.

Through this report I communicate our renewed commitment to promoting the ten principles within our sphere of influence. We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations.

I give you Euro Mec's fourth Communication on Progress.

Yours sincerely,



Lorenzo Giordani
Chairman and Chief Executive Officer
EURO MEC S.r.l.



Lorenzo Giordani
CEO, Euro Mec S.r.l.

INTRODUCTION

This Communication on Progress (COP) focuses on Euro Mec's activities relevant to the ten principles in the last twelve months and highlights developments of particular interest.

This report will also be permanently available through our website www.euomec.net where we have a section dedicated to our participation in the UN Global Compact: www.euomec.net.

EURO MEC works on a national and an international scale designing, constructing and managing water treatment plants, equipment and technologies, according to the highest standards of quality and safety. These systems are employed around the world for the production of drinking water, the collection and treatment of civil and industrial waste water and the collection and treatment of meteoric water, in particular:

- large waste water treatment plants
- prefabricated waste water treatment plants
- plants and equipment for the treatment of meteoric water
- desalination and primary drinking water treatment plants
- mobile drinking water treatment units
- containerized water treatment plants for field installations
- industrial plants and special works
- water treatment plants for environmental restoration
- vacuum sewage systems
- filtration systems for the oil & gas industry

Euro Mec also provides technical support for plant installation, operator training and plant management - critical elements to the long term sustainability of any project.

Euro Mec is proud to have a certified Quality Management System (QMS) in place (UNI EN ISO 9001:2008) along with an approved Environmental Management System (UNI EN ISO 14001:2004) and Occupational Health and Safety Management System (BS OSHAS 18001:2007).

Euro Mec is also a registered supplier to the United Nations and is proud to be actively supporting UN missions and projects around the world through various supply and service contracts.

IN THIS REPORT

Euro Mec's COP 2014 offers an snapshot of the company under the headings of HUMAN RIGHTS, LABOUR, ENVIRONMENT, ANTI-CORRUPTION, PARTNERSHIPS and ENGAGEMENT with some specific examples of achievements in the last twelve months.

This COP is Euro Mec's fourth and as such it is important to acknowledge what we said we would do in past reports and to present what has been done. Incorporated in each section are updates on past actions and also indications of goals and improvements to be achieved.

Addressing THE CEO WATER MANDATE: Hot off the press! The CEO Water Mandate and WWF have just published the discussion paper "*Shared Water Challenges and Interests: The Case for Private Sector Engagement in Water Policy and Management*". Euro Mec has taken the opportunity to promote some of the important points made within this recent publication by incorporating them in this report.

Herein we have included quotes from the discussion paper indicating possible connections with our activities. Please see the paper for original context and citations, you can access it here: <http://ceowatermandate.org/files/private-sector-water-policy-engagement.pdf> (accessed 05.06.2014).

The discussion paper concludes suggesting that businesses should be encouraged to expand their role to positively contribute to broader water challenges on a wider stage. Increased communication and awareness such as that facilitated by the UN Global Compact and specifically the CEO Water Mandate, including through reports like is, in our opinion, a good start.

As an operator in the water sector Euro Mec feels well positioned to promote responsible water management. Furthermore we are being asked more and more frequently to find solutions for, and become a partner to, companies striving to better their water management and efficiency.

Euro Mec retains that business is not only a key player but is already warmed up and on the playing field when it comes to advancing sustainable water management. As always referees and rules are required to ensure fair play and now corporate, social responsibility initiatives are helping all players realize that it everyone can win, including the crowd!

Herein please look for quotes from the discussion paper indicating possible connections with our activities and hopefully giving ourselves and our stakeholders food for thought.

Please see the paper for original context and citations.

THE TEN PRINCIPLES

Euro Mec supports the United Nations Global Compact which is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with the following ten principles:

HUMAN RIGHTS

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

LABOUR

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

10. Businesses should work against corruption in all its forms, including extortion and bribery.

Euro Mec embraces and supports these principles and strives to integrate them into policy, strategy and practice.

HUMAN RIGHTS

UPDATE: Recalling the UN's recognition of water as a basic human right (UN General Assembly (GA) resolution (A/64/292, draft resolution A/64/L.63/Rev.1), last year we introduced a public-private initiative undertaken by Euro Mec at home in Mantova, Italy.

Euro Mec's "casetta d'acqua" (water houses) improve municipal supply and offer a cost effective alternative to citizens who would pay around 20¢ (euro) per litre for bottled water in an Italian supermarket. Now they can buy water from the self-service "casetta d'acqua" for just 2¢ per litre.

We are pleased to report that in Mantova the "casetta d'acqua" are continuing to benefit residents of Virgilio, Ceresara and Porto Mantovano where Euro Mec's offices are based.

Thanks to a public-private agreement between Euro Mec and the Lombardy Regional Council, this service is facilitated through citizens' Health Care Cards which use Smartcard technology.



Registration & access
through regional
HEALTH CARE CARD

(During the UN General Assembly, "Water, Sanitation, and Sustainable Energy," 18 February 2014) ...the importance of partnering with the business community was repeatedly emphasized.

The use of Health Care Cards is convenient and at the same time reinforces the role of the local government as a key water sector actor. In addition, the Smartcard system also provides us with useful data. Through the information collected we are pleased to report that subscribers have increased from 3293 to 3572 (remembering that one card likely represents a household of two or more people) and that all original users renewed their annual subscription.

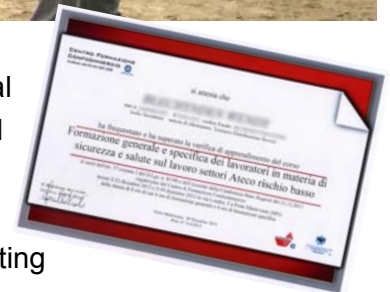
At two of the locations mentioned above water is available for 2¢ a litre however, in the suburb of Ceresara the water is distributed for free. Believing in this initiative and encouraged by community support, Euro Mec is working closely with the other two local councils to eliminate the 2¢ charge so that all locations will distribute the improved water for free. This will be possible by inviting new sponsors into the partnerships and, with the framework already in place, Euro Mec is confident that this will happen by the end of 2014.

LABOUR



Meeting of the civil works team in Nampula, Mozambique

Euro Mec continues to manage and maintain safety and environmental management systems approved according to the standards UNI EN ISO 14001 and BS OSHAS 18001. As required all staff attended occupational health and safety training at the beginning of 2013, each course concluded with testing and the issue of certificates (right) attesting to individual participation and comprehension.



The courses are always specific to occupational area with office workers, construction site technical staff and warehouse employees all receiving work specific information and first aid refresher courses where necessary.

Euro Mec has an emergency plan and elected representatives to follow necessary procedures however Italian law doesn't require an office to be equipped with acoustic alarms signaling evacuation for any reason (earthquake, fire for example). Euro Mec offices have expanded over the years and are somewhat detached from one another, therefore the company is evaluating the possibility of installing acoustic alarms to increase safety for all who use or visit the buildings.

In our last COP we began reporting on the key statistics on the next page. This data is collected with a view to accurately identifying problems and risks and to plan for and demonstrate improvement. The information was recently compiled ahead of a periodic inspection by the ISO 14001 and BS 18001 certifying body in May 2014. Euro Mec is pleased to report that the inspection was positive, the company was found to be in compliance and to have improved upon points worthy of remark in the previous evaluation.

Once again we include these statistics in this section because they relate to Euro Mec's primary place of business, our sales office in Porto Mantovano, Italy, and project sites which are particularly relevant to staff health and safety.

Indicator	Target	Total 2011	Total 2012	Total 2013	Year on Year
No. of accidents at work	0	0	0	0	=
No. of accidents at project sites	0	1	1	0	=
No. of accidents during transfer	0	0	0	0	=
Energy consumption (kW)	170,000	171,364	170,317	171,340	↑ 1%
Water consumption (m³)	500	552	568	837	↑ 47%
Diesel consumption (lt)	70,000	72,384	73,095	83,229	↑ 14%
Gas consumption (heating) (m³)	9000	9,422	12,590	13,892	↑ 10%
Packaging disposed of (kg) (not recycled)	- 5%	3,962	3,911	5,502	↑ 39%

Euro Mec is very pleased to report no workplace accidents in the offices, warehouses, on work sites or during work related travel in 2013.

Energy consumption is proving steady however other parameters have increased since 2012, some significantly, and we are asking ourselves why. The data was compiled in May 2014 so we don't have the definitive answers yet but here are the initial observations:

Water consumption: water leaks have been ruled out so the increase in water consumption could in part be due to the addition of a new water analysis laboratory at the end of 2012. It is also possible that there is an error in the figures from 2011 and 2012. This is being checked and eventually 2014 figures will also be factored in to determine if the target consumption is realistic.

Diesel consumption: this figure refers to the fuel consumption of Euro Mec's fleet of diesel driven vehicles. With the acquisition of a EMIT in Milan, approximately 195 kilometers away, more travelling between offices is being done. It has been recognized that an important variable to add to this statistic, to make both the target and the collected data more relevant, is the number of kilometers travelled so that we can determine diesel consumption per kilometer.

Gas consumption: while the 2013-2014 winter wasn't dramatically cold it was long and the increase in this statistic reflects additional weeks of heating. Self-closing mechanisms on doors reducing energy consumption due to lost heat in winter or inefficient cooling in summer were added in 2013.

Packaging not recycled: this figure too has risen partially due to the addition of the water analysis laboratory increasing the amount of packaging received and also the amount not able to be recycled due to it having come in contact with chemical products. It is agreed that the target of a 5% reduction year-on-year is no longer an accurate target as it doesn't take into account increased activity. At the same time it is not possible at this stage to weigh packaging received to know what percentage is being recycled. Euro Mec is committed to maximizing recycling and this particular initiative helps us save money therefore we will find a way to more accurately indicate its success.

Euro Mec confirms that monitoring needs to continue in order to determine not only trends but also useful statistics and meaningful targets.

ENVIRONMENT

In 2010 Euro Mec proactively expanded into industrial water treatment by bringing on board an already experienced team. Here we would like to highlight recent achievements of that team working on water treatment solutions for clients from heavy industry.

The discussion paper mentioned in the introduction “*Shared Water Challenges and Interests: The Case for Private Sector Engagement in Water Policy and Management*”, noted that industry and its supply chains rely on water as a key ingredient in many products and as an essential element in operations, recognizing too that in many cases water in this context is non-substitutable.

Furthermore, water can be scarce, costly and subject to controls and penalties if polluted and discharged into the environment. Euro Mec has seen among industrial clients that these factors incentivize the RECOVERY AND REUSE of process water and industrial waste water and are stimulating collaboration and technological innovation.

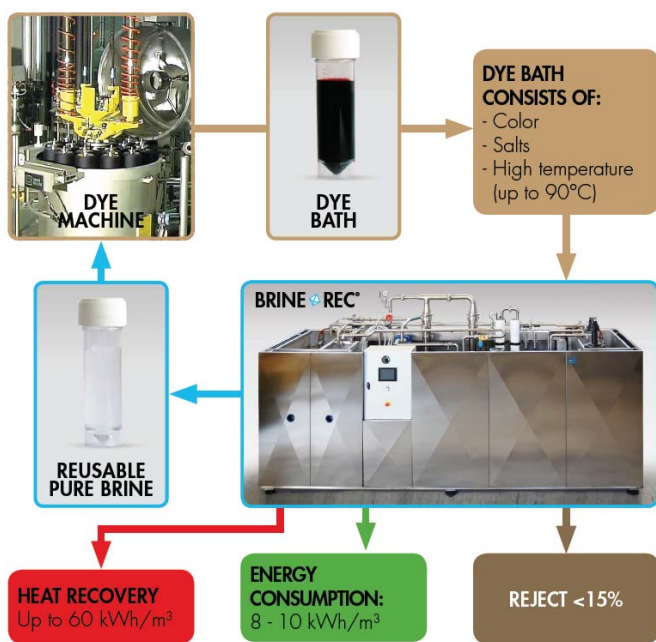
(For many industries) water is non substitutable...many businesses are making the strategic decision to promote and invest in improved water resource management.

In many parts of the world industry is increasingly subject to environmental restrictions regarding the water quantity and quality that they use and discharge into the environment. An extreme but admirable example of such restrictions are India's zero liquid discharge (ZLD) norms that require industry to render all water reusable.

The concept of zero discharge indicates not only the elimination of polluting substances potentially being discharged into the environment but also the recovery and reuse of water and of other materials typically found in industrial waste water.

Stimulated by this challenge Euro Mec has come up with innovative treatment solutions for the WATER INTENSIVE TEXTILE INDUSTRY two of which have been patented this year in Italy and registered internationally.

The following page introduces these new patented systems which we have considered particularly relevant to this section of the report due to their ability to significantly decrease negative environmental impact of industry. The new systems are also important to Euro Mec in the context of UNGC principle no.9, these innovations enable us to better “encourage the development and diffusion of environmentally friendly technologies” not only with regard to water treatment, Euro Mec's core business, but also to the recovery and reuse of potential industrial pollutants.



The first patented system is a designed to recover salts from textile dye baths allowing them to be reused again and again in textile production processes.

The essential elements to a dye bath are water, colour, salts and heat and the Euro Mec plant nominated “Brine Rec” is capable of recovering 99% of the water, around 60 kWh/m³ of heat and reusable salts.

Initial costs are also quickly recovered as running costs are low and NO CHEMICALS are added to the biological plant which produces only a small amount of BIODEGRADABLE WASTE.

Achieving sustainable water management necessitates that we better understand our shared objectives of healthy communities, a clean environment, and thriving industry, and learn how to accomplish them even in the face of water stress.

The second patent also confirmed in 2014 is for technology applied for the recovery and reuse of polyvinyl alcohol (PVA).

It is important through all stages of textile production to protect threads from stretching, strain and abrasion and this is achieved by sizing, or coating, the threads with a smooth, elastic film that minimizes friction and abrasion. Polyvinyl alcohol is the most widely used sizing substance as it forms a tough film on yarn but one that can be easily removed (desized) with hot water.

When washed away PVA immediately becomes a problematic water pollutant as it potentially damages water treatment membranes that are essential to zero liquid discharge (ZLD) plants. With expert understanding of the problem, it is here that Euro Mec was able to develop a solution that not only ensures ZLD plant efficiency but also reclaims PVA for reuse or resale.

Euro Mec’s patented system (detail in photo), trialed and tested in India, achieves PVA recovery of 85-90%. For the textile industry, this means reduced consumption of virgin PVA, lower costs and better environmental compliance as industrial effluent levels are reduced. The recovered PVA can also be sold to various other industries as a component for construction materials, glue or paper for example.



Euro Mec continues to work closely with industrial partners and, encouraged by innovations such as those described on the previous page, is also implementing similar projects for:

- the recovery of CO₂ from atmospheric discharge and its reuse in wastewater treatment
- the separation and recovery of benzyl alcohol
- the treatment of acidic water from mines and its reuse for commercial purposes
- the recovery of soda from wastewater and its reuse in industrial processes

In our next COP we aim to have important updates in the areas above.

UPDATE: In past COPs Euro Mec introduced the proposal made in 2008 for the environmental recovery of the historic lakes in Mantova (photo below). Euro Mec CEO, Lorenzo Giordani, continues to keep the initiative on the agenda of local government bodies by keeping the project up to date and talking about it in both public and private meetings.



We remind readers that the proposal is for the environmentally friendly and sustainable use of fitopurification (living plants as natural water filters) using plant species already thriving in the lakes along with an improved water circulation system in the lakes. The project aims to not only improve the waters exploited by the variety of birdlife in the nearby Mincio Nature Reserve but to also provide the picturesque city of Mantova with a swimming beach for its 50,000 residents and local and international tourists.

ANTI-CORRUPTION

TRACE International is a non-profit membership organization striving to raise the standard of anti-bribery compliance. In 2013 for the first time, and again in May 2014, Euro Mec submitted company data and completed online an anti-corruption course and test in order to work with a key multinational partner and member of TRACE.



The process prescribed by TRACE requires a different company representative to complete the online anti-corruption course each year and Euro Mec embraces this opportunity to gain a more global perspective on anti-corruption standards.

In our first COP in 2010 and each year since then we have included the information below pertaining to anti-mafia legislation in Italy and the UN Supplier Code of Conduct. While we may be proving repetitive Euro Mec retains that it is both necessary and beneficial for us to cite these important references in the context of this current report.

According to law Italian companies and their Principals are required to undergo investigation when they register to ensure conformity to Italy's anti-mafia legislation, specifically: article 10 of legislation no. 575 of May 31 1965 and successive modifications by Art. 38 of Legislative Decree 163/2006.

This law obliges Euro Mec, its directors, technical directors and attorneys, as indicated on the certificate of registration to prove to have no criminal convictions or have been involved in criminal proceedings for acts such as extortion, bribery and association with the mafia, and to have no links with companies with convictions for the same.

In turn all Euro Mec employees and contractors, are bound by individual contracts requiring conformity to the same.

Another important reference for Euro Mec is the UN Supplier's Code of Conduct (UN Supplier Code of Conduct Rev.04 - January 2011) and similar agreements that we have with individual UN clients (not only). Euro Mec respects this code and continues to bring it to the attention of stakeholders in the company and along the supply chain.

The lack of financial, technological, and informational resources in many watersheds underscores the reality that current governmental expenditure and investment in sustainable water-resource management is low in many places across the globe... this may be due to corruption or a lack of awareness of the importance of sustainable water management.

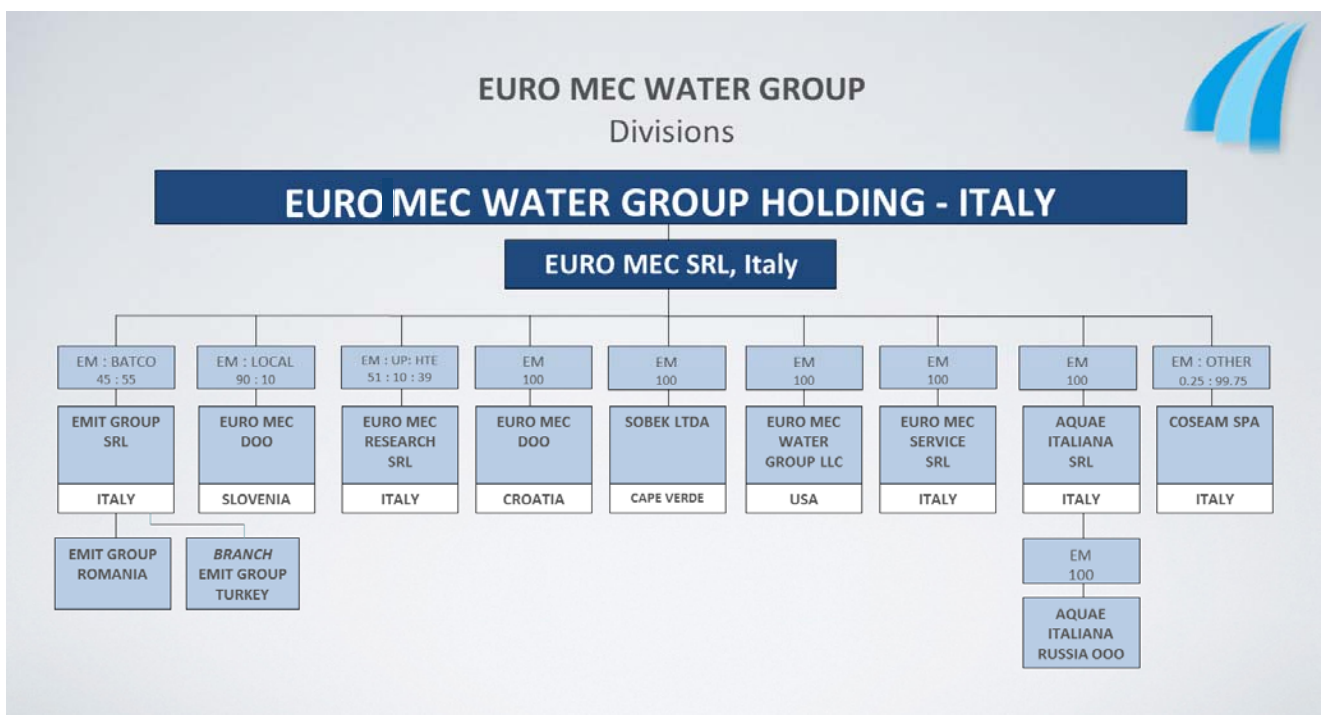
And again here we recall the ten principles of the UN Global Compact. Euro Mec continues to cite the ten principles and the UN Supplier's Code of Conduct as primary references for our ethical conduct.

PARTNERSHIPS FOR DEVELOPMENT

In November 2013 Euro Mec announced to employees and stakeholders the formation of a new Board of Directors tasked with consolidating the Euro Mec Group of companies and actively guiding the strategic development of the same.

One of the first tasks of the Board is to transition the organisation to the model below with the formation of the holding company indicated below by the end of 2014. The Group companies are already in position (the numbers indicate % of ownership) and this year include four new members of the Euro Mec family:

- * EMIT Group Srl in partnership with BATCO Group based in Lebanon
- * Euro Mec Water Group LLC in the United States of America
- * Euro Mec Service Srl in Italy
- * Euro Mec Research Srl in partnership with HTE and the University of Pavia in Italy



Euro Mec has always been an advocate of reaching new markets through strategic partnerships and the new structure and ventures above would not have been possible otherwise.

Perhaps the most significant example of this is the acquisition of EMIT Group. EMIT (Ercole Marelli Impianti Tecnologici) is a historic Italian company that has been providing engineering, procurement and construction services in the water and waste sectors since the 1970s. Complimenting Euro Mec's strengths in different areas EMIT has an expert team specialized in large scale civil water treatment plants in energy production from renewable sources.

The acquisition of EMIT became an exciting reality when Euro Mec was introduced to now partner BATCO Group. Like EMIT, BATCO was also established in the 1970s and has since realized an impressive portfolio of references in the areas of engineering, construction, solid waste management and related technical services for the public and private sectors. The BATCO Group operates in fourteen different countries worldwide including Europe, Middle East, and Africa.

Euro Mec Service Srl in Italy provides water plant management services and consulting. This is an important spin off company for Euro Mec in that it is charged with sustaining existing projects with parts and ongoing service. Euro Mec Service will also be revamping systems that may be outdated or not operational and it manages plants on behalf of public, private and industrial clients.

Meanwhile, in the U.S.A., Euro Mec Water Group LLC has been established to better reach some existing client organisations. This new company has quickly become a facilitator for new partnerships in the North American region and potentially a launching pad for concession agreements with government and industry.

While a priority for the Euro Mec Group continues to be taking care of new and existing clients, the acquisition and development of new capacities such as those indicated above enable the company to consider significant new opportunities such as participation in long term concession agreements for the provision of water and waste water treatment systems and management.

...collaboration will be required in the quest to achieve water security, on the local and global levels.

Increasingly Euro Mec is seeing opportunities presented in the form of concession projects where government bodies, for example, will pay for the water produced rather than for the infrastructure and its ongoing management.

Concessions are not only for government bodies. Euro Mec also has various multinational industrial clients drafting concession type agreements to better manage their water systems worldwide. These agreements not only have the scope of efficiently satisfying the business' water needs but also of ensuring conformity to environmental and CSR policies. The commitments are serious and for the long term and Euro Mec and partners are preparing for the challenge.

With all this new activity Euro Mec feels young again, right now time and energy is being spent on confirming legal frameworks and business plans and in our next COP we aim to have important updates and new goals for the ventures indicated above and the group as a whole.

UPDATE: As mentioned in previous COPs, Euro Mec was instrumental in forming the consortium AQUAE ITALIANA presenting the collective capabilities of Italian companies and partnerships initially to the Russian Federation and now to wider audiences.



In the past twelve months Aquae Italiana has strengthened its presence in Russia, with the establishment in July 2013 of a OOO company Aquae Italiana "Аква Италияна" based in Moscow.

We are confident that, in addition to better supporting promotional activities, this step will enable the partnership to be ready for the demands on the ground and to directly participate in competitive tenders from various Governorates.

ENGAGEMENT

UPDATE: In our COP last year we mentioned that Euro Mec had responded to a call in the UN Global Compact Bulletin of November 2012 for examples of good practice in high risk and conflict affected areas. Selected responses were to be included in a resource package showcasing actions taken by companies to implement responsible business in such areas.

The Global Compact and PRI officially released the resource package "Responsible Business Advancing Peace" at the Global Compact Leaders' Summit on 19 September 2013 with Euro Mec's contribution elaborated over three pages.

The image shows the cover and content page of a report titled "Responsible Business Advancing Peace: Examples from Companies, Investors & Global Compact Local Networks". The cover features a photograph of a coastal town with a beach and boats. The content page is titled "EURO MEC" and includes the following text:

Company name: Euro Mec
Industry and type of operation: Manufacturing of water treatment plants and related equipment & services
Location of global headquarters: Italy
Location where the project/ action took place: Sudan
Additional tools and references used by the company: International Labor Organization, Italian Embassy
Resources aligned to lead engagement: Human Resources department, two to four experienced engineers and technicians for maintenance
Timeline: 2007 - 2012 (before this project began prior to the implementation of the Guidelines, company policies and activities in Sudan have been reviewed in light of the Guidelines)

Guidance Point addressed:
Core Business - Guidance point #1. Companies are encouraged to take adequate steps to identify the interaction between their core business operations and conflict dynamics and ensure that they do no harm. They are encouraged to adopt existing due diligence measures to the specific needs of conflict-affected and high-risk contexts.

1. BACKGROUND
1.1. About the company
Euro Mec is a manufacturer of water treatment systems based in Italy. It has 61 employees. The company designs, builds and maintains a wide range of water treatment plants including mobile drinking water stations and modular waste-water treatment systems (peptic systems, pumping stations and treatment plants) that are used at field range of UN Peacekeeping Missions. Euro Mec has been a member of the Global Compact since 2010. The company is still evaluating and improving its operations and processes along the guidelines recommended by the Global Compact.
1.2. The situation
Euro Mec was engaged by the UN Procurement Division on behalf of Peacekeeping Operations to supply around 500 modular waste water treatment systems designed to treat waste water from UN field missions in high-risk and conflict-affected areas, including peacekeeping camps in the war-torn Darfur region of Sudan. Euro Mec faced a number of risks due to the armed conflict and political unrest in Sudan.
While working together, the UN could afford the company the same level of protection that the UN provides to its own people, but there were no guarantees for the safety of anybody traveling or working in Darfur. In terms of government risk, at times it was difficult to obtain permits and visas from the central government in Khartoum to work in the conflict-affected areas of the country. So the company decided to hire on a contractual basis a local professional engineer, referred to in this case as the local partner, to facilitate the installation and maintenance of their water treatment systems.
1.3. The issue
Euro Mec was concerned that political unrest in Sudan would prevent its engineers from entering the country to complete the installation of water treatment systems in the country. There has been armed conflict in Darfur since the 1990s in which rebels have fought against the central government. It is estimated that more than 300,000 have been killed and 2.8 million people displaced. A peace agreement was signed by one of the rebel groups in 2006 (later there was also a 2011 agreement), but the conflict has continued, albeit less intensely. A joint UN-African Union peacekeeping mission has been in Darfur since July 2007. More than 40 members of the UN forces have been killed there between July 2007 and October 2012.
1.4. The Business Drivers
Euro Mec needed to ensure the delivery of its contract with the UN Peacekeeping Division. The ability of the organization to obtain the rights to work in Sudan sometimes proved difficult and it was hard to ensure the safety of foreign nationals in a volatile environment. An alternative way to deliver the service was required. Additionally there

The Resource Package is accessible online at the following link (under "Featured Resources"):
http://www.unglobalcompact.org/Issues/conflict_prevention/index.html (accessed 29.05.2014.)

COMMUNICATION

Euro Mec actively promotes our participation in the United Nations Global Compact and the importance of the ten principles to stakeholders and the general public.

In addition to the aforementioned engagement opportunities taken by Euro Mec, the company's Global Compact communication initiatives continue to include:

1. UN Global Compact flyer included as standard with marketing material;
2. Specific presentations at meetings and events in Italy and abroad;
3. Section of company website www.euromec.net dedicated to the UN Global Compact;
4. Inclusion of the WE SUPPORT logo on company letterhead and drawing blocks;
5. UN Global Compact posters displayed in offices;
6. General promotion of UN Global Compact participation at meeting and events.

The image displays two documents related to Euro Mec's communication of the UN Global Compact. On the left is a screenshot of the company website, showing the 'GLOBAL COMPACT' section. On the right is a 'project data sheet' flyer.

EURO MEC
water treatment plants
euromec.net

AT A GLANCE

Participants Since:
March 2010

Local Network:
Global Compact Network, Italy
www.globalcompactnetwork.org

Related Initiatives:
CEO Water Mandate
www.unglobalcompact.org/Issues/Environment/CEO_Water_Mandate/

Resources:
The UN Global Compact's ten principles are derived from:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption

UNITED NATIONS GLOBAL COMPACT

Euro Mec supports the United Nations Global Compact which is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with the following ten universally accepted principles:

Human rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

Euro Mec embraces and supports these principles and strives to integrate them into policy, strategy and practice. Further details and Euro Mec's annual Communication on Progress (COP) are available on the website: www.euromec.net

THE GLOBAL COMPACT
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