

Communication of Engagement (COE)

UN Global Compact 2013-2015

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- Part I. Statement of Continued Support by the Chief Executive or Equivalent
- Part II. Description of Actions and Measurement of Outcomes

Statement from the Managing Director and the Board of Directors

To our stakeholders and the Secretary-General of the UN, Mr. Ban Ki-moon,

This submission is to demonstrate Festa's continued support for the ten principles of the UN Global Compact (UNGC) with respect to human rights, labor standards, the environment and anti-corruption. With this renewed commitment, we express our continued enthusiasm and intent to advance these principles within our sphere of influence and will make a clear statement of this commitment to our members, stakeholders and the general public.

The Icelandic Center for Corporate Social Responsibility, Festa, is dedicated to raising awareness of CSR among Icelandic businesses and the general public, as well as supporting its member organizations in implementing sustainability and CSR into their strategy and day to day operations.

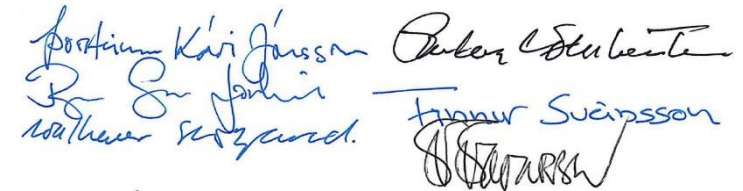
We also pledge our continued participation in the activities of the UNGC. Festa will remain an active participant in the UN GC Nordic Network, sharing and receiving best practices on sustainability amongst Nordic organizations.

Festa's Communication on Engagement (COE) achievements in the years 2013-15 follows. We commit to sharing this information with our stakeholders and we welcome feedback on its content.

Yours sincerely,



Ketill Berg Magnússon
Managing Director



The Board of Directors

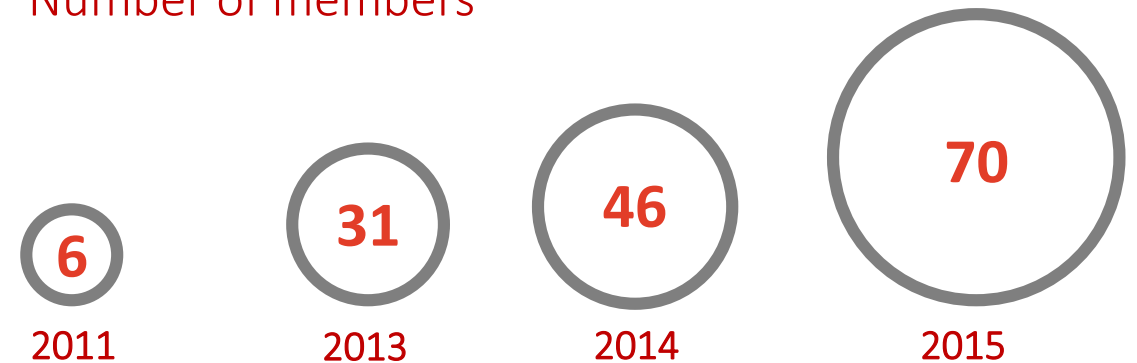
Attract new members who commit to implement CSR into their strategy.

Action

We directly communicate with Icelandic CEOs, Directors of public institutions, mayors and town councils on becoming a member of Festa and implement sustainability and CSR into their strategy and business operations. Founded by six companies in 2011, Festa opened to new membership in 2013. Number of members has grown rapidly. It was 46 at the end of 2014, 70 at the end of 2015 and members are total 81 companies and organizations at the time of the 2016 General Assembly.

Outcome

Number of members



Organize training, dialogue events and workshops on sustainability and CSR

Action

Network meetings organized for members of Festa. The objective is that companies share best practice and learn from each other methods of implementing CSR.

Seminars where two to three speakers are asked to share their expertise on a given subject related to sustainability or CSR. Seminars are open to all.

Workshops on practical methods and tools to implement and manage CSR and Sustainability. Workshops are open to all.

Conferences organized by Festa. Festa's annual January Conference is the largest event on CSR and Sustainability in Iceland. Target group are CEOs and managers. Registration is open to all.

Presentations on conferences organized by others or for at internal meetings organized by member companies.

Outcome

	2013	2014	2015
# Network meetings:	2	7	5
# Total attendees:	15	115	83
# Seminars:	5	2	3
# Total attendees:	225	106	278
# Workshops:	2	2	2
# Total attendees:	53	34	46
# Conferences:	2	3	3
# Total attendees:	150	371	413
# Presentations:	3	17	19
# Total attendees:	145	695	669

Dialogue and meetings with government and policymakers on the importance of sustainability and CSR

Action

Festa proactively communicates the importance of a clear vision of Icelandic policymakers and government on the role and impact of business in society.

It is important that policymakers envision an environment where businesses have a positive impact on society and nature. Policymakers are urged to create a business environment that encourages companies to behave responsibly and use regulations, tax statutes and other incentive systems to do so.

Festa organizes open seminars on public policy and practices as well as discussing CSR and sustainability in business directly with ministers and governmental officials.

Outcome

Festa co-organized an open seminar on the role of government in CSR in October 2013 with the participation of the Minister of Trade and Commerce.

In May 2014 Festa co-organized an open seminar on the responsibility of governmental institutions and businesses owned by the government.

In January 2015 Festa's CEO and Chairman had a meeting with the Minister of Finance where Festa introduced three suggestions:

1. Public institutions become a role model for CSR and sustainability.
2. Public procurement will be directed towards responsible suppliers.
3. Authorities set a clear vision about companies in the community.

In August 2015 Festa's CEO and Vice Chairman had a meeting with the Minister of Industry and Commerce to discuss the adaption of the EU Directive on mandatory reporting by larger companies on non-financial performance. Festa introduced the following suggestions:

1. Authorities form a clear vision on companies in the community.
2. Create a business environment that encourages responsibility.
3. Adopt regulations on non-financial reporting from the EU and the other Nordic countries.
4. More emphasis on training and research on CSR and sustainability.

Encourage Business and non-state actors to act on climate change

Action

In the fall of 2015 the Mayor of Reykjavik initiated a cooperation between Festa and the City of Reykjavik to encourage businesses and other non-state actors to sign a pledge on climate issues.

Festa, together with a team from the City of Reykjavik designed a framework and statement on climate actions which Festa introduced to Icelandic leaders.

To support the participating companies Festa designed a program which companies can participate in with the aim of being better prepared to publish the climate goals.

Outcome

On November 16, 2015, a group of 104 leaders from businesses, public institutions, universities and the third sector signed a statement where they promised to publish goals on the following by June 30, 2016:

- i. Reducing emission of greenhouse gases.
- ii. Reducing waste
- iii. Monitor the results of the measures and regularly publishing information on the status of the above-mentioned issues

Festa has designed a training program of 12 events on climate issues and goal setting that take place from December 2015 to September 2016. The program consists of:

- 7 monthly Idea exchange meetings
- 3 Seminars with short and practical presentations from experts
- 2 Workshops where participants are introduced to various tools to measure and monitor greenhouse gas emissions and waste in their operations.

Media activity to raise awareness on sustainable and responsible business practices.

Action

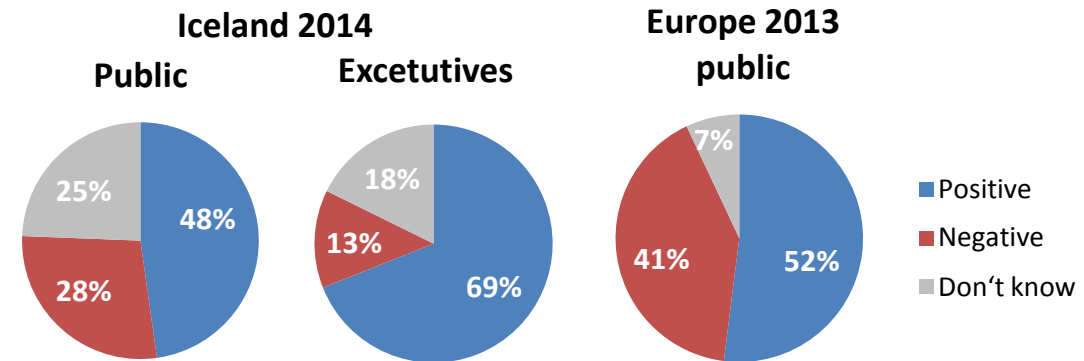
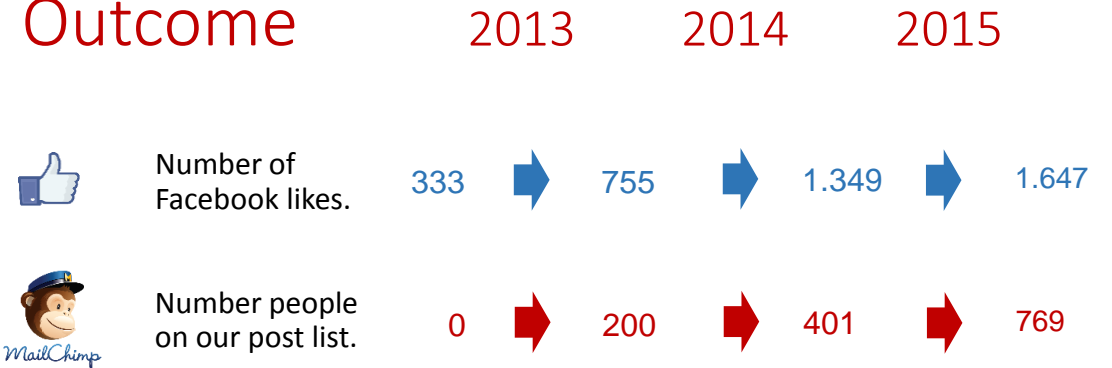
Social Media

Festa uses traditional media as well as social media to raise awareness on CSR and sustainability.

Measure Public Awareness

Surveys are conducted to find out how the public perceives responsibility of companies. In 2014 Gallup Iceland asked the general public and Icelandic executives if they think companies have a positive impact on the Icelandic society. This is the same question as the EU Flash Eurobarometer 363 asked the general public in Europe in 2013.

Outcome





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