

UN GLOBAL COMPACT

COMMUNICATION ON ENGAGEMENT (COE)





Part I. Statement of Continued Support by the Chief Executive or Equivalent



Part I. Statement of Continued Support by the Director

January 10, 2018

To our stakeholders:

I am pleased to confirm that Smart Kolektiv reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labor, Environment and Anti-Corruption.

This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

In this Communication of Engagement, we describe the actions that our organization has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours, Neven Marinović, Executive Director



Part II. Description of Actions

I Engage with Global Compact Local Networks

Smart Kolektiv has been engaged with Global Compact Local Network in Serbia. A representative of Smart Kolektiv has been present at the meetings of Serbia's local Global Compact group and events and joined the working group for the promotion of the Global Goals.

II Engage companies in Global Compact-related issues

Smart Kolektiv has been engaging companies with a Global Compact local network and Global Compact-related issues through the Responsible Business Forum Serbia, that it administers, and its activities, as well as through reporting, promotion of GRI standards, participating in the European Hub for Human Rights and supporting entrepreneurship and social entrepreneurship. Smart Kolektiv has been active in engaging companies in Global Compact-related issues through:



Administrating Responsible Business Forum Serbia

 Smart Kolektiv administers Responsible Business Forum
 Serbia and is one of the initiators of founding the Forum.
 Smart Kolektiv has the professional and logistic capacity in the area of CSR and analyses and constantly follows and initiates trends, communicates with other relevant

subjects from the field in the country and on the international level.

Smart Kolektiv enables functioning of the Forum in the way that it coordinates the work of Forum members, gives them support and services and realizes Forum projects. With the leadership of the executive director of the Forum Office it suggests elements for further development of Forum activities, prepares strategy, annual work and action plan and realizes and leads concrete activities and projects of the Forum with the resources that are at its disposal. For further information on RBF's activities see RBF Serbia Communication on Engagement Report.

Development and promotion of CSR:



2. CSR Forum – CSR forum is the Responsible Business Forum's annual international conference, established in 2010, and brings together the representatives of all the sectors of society, enabling insight into the most current trends in the field of CSR and the exchange of experiences and ideas, and establishing cross-sector dialogue. For the business sector leaders, the CSR Forum provides a unique opportunity to define their views on sustainable business thereby



influencing policies and decision makers, in order to create a more enabling environment for the development of sustainable business practices in Serbia.



3. CSR index – Smart Kolektiv and the Responsible Business Forum Serbia have launched the first national platform for corporate responsibility – CSR index. The index serves as an indicator for the state of CSR in companies and

their ranking among other companies, as well as implicates the connection of CSR and overall economic performance. CSR index was launched in March 2016 and in December 2016 first CSR index list was published.

4. Reporting

4a. Consulting: Smart Kolektiv provided consulting support to companies in creating their GRI reports. In 2016 and 2017 SK successfully cooperated with Erste Bank, Eurobank, Vojvodjanska Bank, Nelt, Coca-Cola HBC Serbia, Banca Intesa Belgrade and Atlantic Group.



4b. Responsible Business Forum Member's Contribution to Sustainable Development— This is an annual analysis, in the period of 2016-2018 two surveys were conducted. Launched in 2012, it is a research on RBF Serbia members' investment in socially responsible activities. It measures business's support to the local community

development, work environment, environmental protection and good market practices. In 2017, the research has focused on members' contribution to the sustainable development goals, as well as on how the activities on realizing the goals correspond with regular activities in this domain. More information about the contribution of RBF member companies is available in the <u>publication</u>.

4c. Survey on the implementation of the Law on employing people with disabilities and social inclusion – RBF Serbia, in partnership with other organizations, has realized a survey on the views of the business, public and civil sector on the implementation of the Law and has realized empirical research on the implementation of the Law. Through the consultative process with various stakeholders and, in the consultation with legal advisors, it has created recommendations for the advancement of the current legal frame.

5. Supporting Entrepreneurship



Smart Kolektiv has established Youth Business Serbia, a program of support to young entrepreneurs in partnership with the Responsible Business Forum Serbia in 2010, by providing top managers from big companies' to be business mentors who have helped with the development of their enterprises in the first years



of their business. In the next few years, the area of support was expanded and, in 2012, the partnership was made with Erste Bank, which has launched a credit line for the young entrepreneurs. Program methodology was developed according to the methodology of the prestigious international network Youth Business International. Youth Business Serbia has been a member of Youth Business International since October 2012.

6. Support to Social Entrepreneurship



6a. Social Innovation Forum – is the biggest annual event on social enterprises in Serbia. There were two Social Innovation Forums held in this period. SIF helped come to the conclusion that social enterprises in Serbia need systemic support from the state, suitable environment for development which includes promotion of social entrepreneurship, improvement of the legal framework, financing, enabling access to the market as well as the support with professional development and research.



6b. SENS - Social economy network Serbia is the only national network that brings together social enterprises. SENS currently has 39 members from all over Serbia, including citizens associations, enterprises for vocational rehabilitation of persons

with disabilities, limited liability companies and cooperatives. Member organizations were on multiple occasions presented at the Responsible Business Forum member companies' meetings.



6c. Academy of Business Skills – Smart Kolektiv has, in cooperation with Responsible Business Forum Serbia launched the Academy of Business Skills, a program of lectures, consultations and mentorships for organizations and social enterprises. Academy enables companies to engage their employees willing to donate their knowledge and skills to CSOs and social enterprises and thus, become a part of the business professionals' volunteer community. The program facilitates the transfer of business

knowledge and skills towards organizations, with a goal to make them more efficient, sustainable and visible.



6d. Partnership Fair – is an annual event, held within the CSR forum, at which representatives from social enterprises and CSOs have a chance to present their work, products and services to the visitors of the Forum.

6e. Speed Meetings – Speed Meetings were conducted within the CSR Forum, on December 7, 2017 at which representatives from social enterprises had a chance to pitch their products and services and business proposals to



representatives from big companies operating in Serbia. This was the second time these kinds of interactions between the companies and the social enterprises were conducted. First speed meetings were organized on CSR Forum in 2015.



6g. Idea for Better Tomorrow – Program was initiated with the aim to encourage social entrepreneurship through financial help and expertise in the development and enhancement of their business. Program is realized in cooperation with Foundation Ana i Vlade Divac, UniCredit Foundation and UniCredit Bank, in partnership with Smart Kolektiv. In 2016 and 2017, 14 social enterprises were chosen for the support program and have received grants in total of 85,000\$.

6f. Catalogue of Social Enterprises – is a catalogue in which are presented products and services of CSOs and social enterprises and their business proposals. The catalogue was presented in 2015 for 2015 and 2016. It is a great marketing tool for social enterprises since they are distributed to big companies in Serbia.

7. Corporate volunteering



7a. Our Belgrade is a traditional annual volunteering day on which employees from the Forum's member companies volunteer in the community. The activities vary from beautification of school yards, planting flowers in the elderly homes, cooking food for the homeless, to spending time and organizing creative workshops with children with disabilities, children without parental care and elderly.



7b. Corporate Volunteering Award – Smart Kolektiv in partnership with Responsible Business Forum presents Corporate Volunteering Award annually with the aim to promote companies whose employees donate their skills and knowledge to the community. The Award was established in 2011. In cooperation with international partners CSR Europe and BITC within the celebration of European year of volunteering, as a part of wider initiative which has been realized in 23 European countries.



Part III. Measurement of Outcomes

CSR Forum – The CSR Forum is the most relevant event of its kind in the country. At this conference, established in 2010, some of the leading world experts in the field of CSR werefeatured as speakers, including Lord Michael Hastings, David Haley, Mallen Baker, Henk Kinds, Graham Baxter, Geoffrey Mazullo, and many others. The CSR Forum is also given its innovative character by the Partnership Fair, where social enterprises and CSOs successfully represent their cooperation proposals to the private sector. In 2016 and 2017 there were over 300 participants from the civil, public and business sector, as well as various guest speakers from partnership companies and organizations from abroad.

CSR INDEX - is the first national platform for grading companies's responsibility. First results were announced on CSR Forum in 2016. In total, 20 companies have fulfilled the criteria of 70% of indicators and have found themselves on the list. Out of those 20, five were mid-size companies and three small enterprises. Every company that has participated in CSR index got its report on the accomplished results, the information on the place it has occupied on the ranking list and the comparison with the index average scores. Ranking list is not communicated publicly while the list of the all companise that have joned the the index is available at the CSR index website.

Responsible Business Forum Member's Contribution to Sustainable Development—This annual analysis promotes CSR activities and helps companies that want to improve their CSR activities with a rich source of information and a great reference. In 2015, RBF member companies have invested over 10 million euros in CSR activities and the results for 2016 show that RBF member companies have invested more than 10,4 million euros in CSR activities in Serbia. In 2016, companies have supported 743 organizations across Serbia by giving direct support to 1154 projects. In comparison with the period of five years ago, when the research was established, investments in socially responsible activities have increased two and a half times. The number of hours that the employees are dedicating to corporate volunteering has increased one and a half times. The investments into environmental protection projects have increased three times and the quantity of the materials that were recycled has increased seven times. Last year, 88% of the companies that have participated in the survey have expressed their commitment to global goals, while 65% of them have already taken concrete actions towards goals fulfillment.

Survey on the implementation of the Law on employing people with disabilities and social inclusion — The survey was realized within the project "Cross-sectoral approach to advancing the right on work for people with disabilities". Quantitative part of the research was carried out by equestionnaire for different size and sector companies, and the qualitative part consisted out of depth interviews with the representatives of the chosen companies, state representatives and civil society organizations. Employers have graded the current Law with the average 5,2 out of 10 which illustrates the current law framework quality with an urgent need to change in order for the law to be fully implemented and the rights of the people with disabilities fully protected.

Social Innovation Forum is a part of a broader initiative of promotion and inciting cross-sector cooperation and development of sustainable and innovative civil society in Serbia. The SIF helped come to the conclusion that social enterprises in Serbia need systemic support from the state, suitable



environment for development which includes promotion of social entrepreneurship, improvement of the legal framework, financing, enabling access to the market as well as the support with professional development and research. In 2016 and 2017 there were more than 300 participants from the civil, public and business sector and various guest established speakers from abroad.

Academy of Business Skills – At its very beginning program has shown excellent results in developing capacities of the involved organizations. Since its beginning the program has had 185 users from 83 different civil society organizations and social enterprises across Serbia, and 17 volunteers from RBF member companies have donated over 130 hours of volunteer work.

Our Belgrade - Volunteering actions that RBF organized in the past years gathered more than 3000 employees from 35 companies, and directly improved the quality of life of more than 10.000 citizens from vulnerable social groups. In 2016 alone, 350 volunteers from 11 companies have volunteered. Alongside action days and mobilizing large numbers of employees, the RBF also stimulates individual volunteering, wherein employees donate their knowledge and skills to different target groups through business mentorships, consulting services, and trainings. We are proud of the fact that almost every larger company in Serbia today fosters the employee volunteering culture, while many companies have developed volunteering programs.

Corporate Volunteering Award – Corporate Volunteering Award was presented two times in this period with six companies awarded in 2016 and seven companies awarded in 2017. Awards were presented in the following categories: Best volunteering program, Most successful partnership in the local community, Employees' development, Skill based volunteering, Pro-Bono support, Best volunteering action and special category for Innovative skill based volunteering and Newly established corporate volunteering

Supporting Social Entrepreneurship – Smart Kolektiv offers support to social enterprises in Serbia. It administers SENS Network, the only national network of social enterprises in Serbia. Through various programs such as Academy of Business Skills, Idea for Better Tomorrow, Partnership fair, Speed Meetings with companies, it offers wide range of support for the development of social entrepreneurship in Serbia.



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