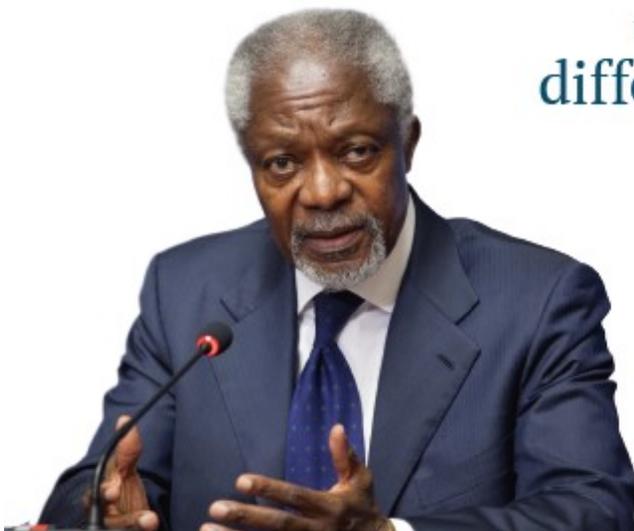




# Global Compact Network Switzerland

Annual Report 2015

**“We are not asking  
corporations to do something different  
from their normal business;  
we are asking them  
to do their normal business  
differently.”**



## Editorial

The UN Global Compact is an important catalyst for companies to align their strategies and operations with universal principles on human rights, labor, environment and anti-corruption by learning from each other and by reporting on their progress. 2015 has been an important year for the Global Compact Network Switzerland (GCNS). After an intensive process to define our strategy and setting our priorities, we GCNS negotiated a strategic partnership with the Swiss Confederation. This new collaboration allowed us to create an innovative governance structure that is now successfully established. We are very encouraged by the positive work undertaken by our new Secretariat, a team of two people fully dedicated to promoting the spirit of the UN Global Compact in Switzerland and to energizing our membership base with added value initiatives.

We feel the time is right for us to enable and promote the ideas of the UN Global Compact in Switzerland. Many companies have already integrated the 10 Principles in their daily operations, but we can always do better, and our ambition to make the Swiss Network a best-in-class responsible business initiative is high. With our local Network we aim to engage with many more Swiss business leaders so we can all contribute positively to the Sustainable Development Goals (SDGs) in Switzerland and beyond our national borders.

After having chaired the Board of Global Compact Network Switzerland for five years, I will hand over the Presidency at the end of May 2016. It has been a great journey working with my fellow Board members, with our Secretariat and with our members from all sectors. In particular, I would like to thank the Swiss Agency for Development and Cooperation for its willingness to engage with Swiss companies and for this very important strategic partnership that will, I am sure, open a new paradigm for all of us.

Bérange Magarinos-Ruchat, President

## A Functioning Governance Structure and a Strategic Focus

In 2014 the Board initiated a strategic process and negotiated a partnership with the Swiss Agency for Development and Cooperation. This allowed the creation of a Secretariat with two new job positions: The *Senior Programme Leader* Antonio Hautle and the *Assistant Manager* Alice Harbach-Forel started working in August 2015 and in July 2015 respectively. With these recruitments, a major step towards the achievement of the GCNS's aims has been taken.

### New Partnership with the Swiss Federal Administration

In January 2015 the GCNS has entered into a cooperation agreement with the Swiss Agency for Development and Cooperation (SDC), in representation of the Swiss Federal Administration. The resulting public-private partnership includes, in addition to SDC, the State Secretariat of Economic Affairs (SECO) as well as the Federal Department of Foreign Affairs (EDA). The objective of this partnership is to revitalize the GCNS by “creating and operating a productive multi-stakeholder platform on the global responsibility of the Swiss private sector, resulting in an effective dialogue between the private sector (including both small and large companies), the civil society, the government and other organizations on issues that are directly related to the Global Compact's principles”.

For this purpose, multiple contacts were established, and concrete ideas for future joint activities and projects were discussed. Collaboration is planned in the fields of the UN Guiding Principles on Business and Human Rights, the Sustainable Development Goals (SDGs), the OECD-Guidelines the National Action Plan on CSR and on Business and Human Rights as well as for joint support for Swiss companies in sensitive countries (especially small and mid-sized enterprises SMEs), big sporting events and gold supply chain issues. The GCNS will play a facilitator's role to enable a constructive dialogue towards practicable solutions.

### Governance Structure

The highest body of the Global Compact Network Switzerland is the annually convening **General Assembly**. It took place on the June 19, 2015. The governing body of the Network is the **Board**. It is constituted by seven business members and represents the Network in public. Internally, the Board is responsible for enabling the achievement of the Network's goals. In 2015, the Board met for five half-day meetings. Its main concerns were the introduction of the Secretariat team Antonio Hautle and Alice Harbach, the discussion of concepts on communication, new members and marketing as well as the development of work priorities, finance and planning for 2016.

The **Programme Committee** had been created under the Partnership Agreement with the SDC to manage that partnership. The Committee is constituted by three members of the GCNS Board and three members from the Swiss Federal Administration.

It met in four sessions in 2015 to help the Secretariat team in the planning and building of the Network's activities.

The **Stakeholder Council** (SC) – to be established in 2016 – will be composed of six to nine stakeholders and shall support the Board's strategic direction.

### Work Streams and Priorities

The Programme Committee, in charge of setting strategic objectives and detailing the concrete work program under the partnership, decided to focus on the following five work streams:

- (1) Business and Human Rights (UN Guiding Principles);
- (2) the extractive industry – including gold supply chain;

- (3) financial industry – including management education;
- (4) country level cooperation around high-profile events – incl. Qatar/Soccer World Cup;
- (5) CSR dialogue facilitation among SMEs – including non-financial reporting.

The aims and targets of the GCNS, as outlined in the Partnership Agreement between GCNS and the SDC, entail a considerable enlargement of financial means, which was accounted for by both parties equally. Accordingly, membership fees were raised starting in 2016. The partnership is intended to last for three years, after which positions and advancement of the partnership will be reviewed and a possible renewal discussed.

The five work streams proved to be quite comprehensive. Since it is crucial to get a larger membership basis, the current focus is on Business and Human Rights, CSR dialogue among SMEs and Key Account Management. The many requests from multiple stakeholders show the need and interest in promoting the 10 UN Global Compact Principles, along with the SDGs and responsible business practices in Switzerland.

## Engagements and Activities

### **GCNS Communication on Engagement towards the UN Global Compact**

The Global Compact Network Switzerland is dedicated to the mission and objectives of the United Nations Global Compact initiative. All who constitute the Global Compact Network Switzerland (members, Board, Programme Committee and the Secretariat) link their respective Corporate (Social) Responsibility, Sustainability or Corporate Citizenship efforts with the Global Compact community worldwide and contribute to such activities in Switzerland.

Being the official platform for the Global Compact in Switzerland, the local Network serves as an intermediary between its members and the UN Global Compact (UNGC) Office in New York. As a legally independent association we commit to aligning all our activities with the goals and strategies of the UN Global Compact and to spreading and implementing the ideas of corporate social responsibility, including the 10 Principles of the UN Global Compact and to contributing to the United Nations' SDG Agenda.

### **Secretariat Activities**

Starting in July 2015, we had to transmit the work and the knowledge from Thomas Pletscher, Emmanuelle Benitex de Roux and Manuel Sadowski to Alice Harbach-Forel and Antonio Hautle. The new team had to be introduced to many stakeholders, members and partners (much more than one could think). A lot of new things had to be learned, and there are many more to come.

Most important was and is the contact with our members, since we aim to serve their needs in the best possible way.

Since the Local Network is still quite small, the acquisition of new members is crucial. For this purpose we elaborated a concept and started to contact as many potential members as possible. This work is central to the success and the future of our Network.

To improve our communication we first elaborated a new website. We also linked up with the UNGC Headquarter and our partner networks in Germany, France, Austria, Italy, Spain, Korea, Brazil and Tunisia. It is our intention to intensify this work in the coming months and to make working material and useful information accessible also in German and French.

## Events

With the start of the new Secretariat, more activities were organized in the second half of 2015, and the planning for 2016 foresees many more events. The following events took place in 2015:

### **Dialogue on the Responsible Business Initiative, Zürich**

**19 June 2015**

An event for Swiss companies to understand the aim of the so-called “Responsible Business Initiative”. Initiators of the initiative for responsible business presented their views as to why a legally binding framework must be enacted to make CSR work. The event was embedded in the Annual Assembly.

### **Sharing and Learning Lunch on Reporting, Lausanne**

**3 November 2015**

This was the first so-called “Sharing & Learning Business Lunch” on how to handle the UNGC Communication on Progress (COP) and other CSR reporting schemes. Nestlé shared their experiences, challenges and successes. Nestlé has developed and enlarged its reporting activities and hence contributes more effectively to transparency. Fondation Guilé presented their instrument to analyse the public reporting of companies and showed the Nestlé example. The event with about 30 participants clearly showed that reporting is a crucial issue for companies and that it is important for the implementation of responsible corporate behaviour. SMEs, however, face a big challenge when handling these requirements and “beginners” have to approach it step by step. We will further pursue this topic, and we will especially look for support and possible solutions for SMEs and new members.

### **Public Event on the Sustainable Development Goals (SDGs), Zürich**

**27 November 2015**

This GCNS public event, which was jointly organised with ICC Switzerland, aimed at illustrating the meaning of the new SDGs for businesses.

Representatives from Credit Suisse and Kolb explained their approach to this new set of global goals. It became clear, that the global challenge to reach the SDGs by 2030 is enormous. It is, however, also a unique business opportunity which goes hand in hand with the UNGC 10 Principles. We aim to work alongside the comprehensive SDG agenda in the upcoming years. The UNGC has published an “SDG-Compass” with helpful instruments for businesses: [www.sdgcompass.org](http://www.sdgcompass.org)

### **Webinar on ITC Standards Map Tool, on-line**

**3 December 2015**

GCNS facilitated a Webinar on the ITC Standards Map Tool for UN Global Compact Signatories.

Standard Maps is a very useful instrument for companies that are in search of a credible standard and that want to know more about the requirements and opportunities of such a standard. The event was sponsored by the Swiss Federal Government.

## Partner Events with GCNS participation

To create synergies and networks, we worked with partner organizations and invited our members to participate. We will offer such events on a regular basis also in the future. The following events took place in 2015:

### **A Strategy to handle Human Rights Risks**

**16 September 2015**

Workshop exploring the legal basis, the Swiss government policy and the GC as part of the solution (in cooperation with ecofact)

Discussion of concrete examples (Transnational Companies and SMEs) and case study.

### **Is Switzerland a World-Class Leader in CSR? Geneva**

**24 October 2015**

Semester opening Round Table at the Geneva School of Economics and Management HEC Executive

### **Swiss Green Economy Forum, Winterthur**

**6 November 2015**

High level event in collaboration with [economiesuisse](http://economiesuisse.ch) & ICC Switzerland.

## Partnerships to implement the 2030 Agenda on Sustainable Development, Berne 24 November 2015

Dialogue organized by the Swiss government administration on the SDGs.

### The Future

The elaboration of a work plan for 2016 with “Sharing & Learning”, trainings for existing and potential members, a CSR event in November 2016 and many other activities show that GCNS has launched a new dynamic. It will reach out to our members and to a larger public in the future. Since the resources are limited, we will first focus on the work stream “Business and Human Rights” and on SME training.

Our most important goal is to acquire new members. Together we want to contribute to sustainable principled business practices. Those principles will help Switzerland’s private sector contribute to sustainable social, economic and environmental development, in line with the UN SDG Agenda 2030.

### CSR within the Network

The Board, the Programme Committee and the Secretariat are committed to respecting and implementing the 10 UNGC Principles in all of our work. We travel by public transport, we use trains in Europe whenever possible and we compensate our CO<sub>2</sub> emissions with the climate protection organization *myclimate*. At our events we use sustainably produced products.



## Financial Report 2015

In order to ensure transparency, we publish the accounts of the previous year and the budget of the current year. The accounts were audited by PricewaterhouseCoopers SA.

### Global Compact Network Switzerland

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## Balance Sheet

in CHF

### Assets

Cash and cash equivalents	245.334,95
Receivables from deliveries and services	4.750,00
<b>Total current assets</b>	<b>250.084,95</b>
Tangible fixed assets	7.900,00
<b>Total non-current assets</b>	<b>7.900,00</b>
<b>Total assets</b>	<b>257.984,95</b>

### Liabilities

Trade payables	27.948,02
Prepayments	100.000,00
Deferred income and accrued expenses	19.800,00
<b>Total current liabilities</b>	<b>147.748,02</b>
Association capital	5.188,48
Profit for the year	105.048,45
<b>Total equity</b>	<b>110.236,93</b>
<b>Total equity and liabilities</b>	<b>257.984,95</b>

**31.12.2015**

# Income Statement

in CHF

	<b>2015</b>
Memberships	20.571,00
Contributions projects	19.000,00
Seminars	700,00
Swiss confederation	250.000,00
<b>Total revenues</b>	<b>290.271,00</b>
Direct costs seminars	1.817,10
Personnel expenses	124.247,48
Maintenance EDP	16.898,00
Office expenses	9.002,80
Advertising costs	1.306,80
Entertainment and travel	16.624,62
Other expenses	150,00
<b>Total operational expenses</b>	<b>170.046,80</b>
<b>Profit before interest, tax and depreciation</b>	<b>120.224,20</b>
Depreciation	765,65
<b>Profit before interest and tax</b>	<b>119.458,55</b>
Financial expenses	-110,10
<b>Profit before tax</b>	<b>119.348,45</b>
Tax expenses	-14.300,00
<b>Profit for the year</b>	<b>105.048,45</b>

## Details of the principles applied in the annual accounts

These annual accounts were created following the general provisions in Swiss law and following art. 957 through to 962 Swiss CO in detail (commercial accounting and financial reporting).

# Audit Report



**Report of the statutory auditors  
on the limited statutory examination  
to the General Assembly of  
Global Compact Network Switzerland  
Zürich**

As statutory auditors, we have examined the financial statements of Global Compact Network Switzerland, which comprise the balance sheet, income statement and notes, for the year ended 31 December 2015. The limited statutory examination of the prior year financial statements was performed by another auditor.

These financial statements are the responsibility of the Board. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of association personnel and analytical procedures as well as detailed tests of association documents as considered appropriate in the circumstances. However, the testing of the operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the association's articles of incorporation.

PricewaterhouseCoopers SA



**Marc Secretan**  
Audit expert  
Auditor in charge



**Marcello Stimato**  
Audit expert

Geneva, 31 May 2016

**Enclosure:**

- Financial statements (balance sheet, income statement and notes)

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## Budget 2016

### Global Compact Network Switzerland

### 2016 Budget

<b>FINANCIAL INCOME</b>	<b>Accounts 2015</b>		<b>Budget 2016</b>		<b>%</b>
<b>Income GCNS Members</b>					
Membership fees regular& associate	20.571	51%	45.000	14%	
Membership fees new members 2016	-	0%	20.000	6%	
Contribution projects (fundrasing needed)	19.000	47%	40.000	12%	
Service charges, events	700	2%	5.000	2%	
Sponsoring for events		0%	15.000	5%	
<i>Total financial income GCNS Members</i>	<b>40.271</b>	<b>14%</b>	<b>125.000</b>	<b>38%</b>	
<b>Financial Income PPP</b>					
Revenues Bund (DEZA)	250.000		200.000		
<i>Total income PPP</i>	<b>250.000</b>	<b>86%</b>	<b>200.000</b>	<b>62%</b>	
<b>Total Financial Income</b>	<b>290.271</b>	<b>100%</b>	<b>325.000</b>	<b>100%</b>	
<b>Total In-Kinde Income</b>	<b>40.271</b>		<b>135.000</b>		
<b>Total INCOME</b>	<b>330.542</b>		<b>460.000</b>		

<b>EXPENSES</b>					
<b>Operating Expenses</b>					
Direct costs seminars	1817	1%		0%	
Personal expenses inkl. Social security	124.247	73%	270.000	83%	
Maintenance - EDP, Website etc.	16.898	10%	15.000	5%	
Office rent, admin.services	9.003	5%	10.000	3%	
Phone, internet, postage		0%	3.000	1%	
Marketing costs	1.306	1%	5.000	2%	
Professional continuing education		0%	3.000	1%	
Entertainment and travel expenses	16.624	10%	16.500	5%	
other expenses	150	0%	2.500	1%	
<b>Total Operating Expenses</b>	<b>170.045</b>	<b>100%</b>	<b>325.000</b>	<b>100%</b>	
<b>Total expenses</b>	<b>170.045</b>		<b>325.000</b>		
depreciation&financial expenses	876				
Tax expenses	14.300		0		
<b>Net financial income/loss</b>	<b>105.050</b>		<b>-</b>		

### Budget Annex: Ratio income private sector / public sector partnership (PPP)

<b>IN KIND INCOME</b>	<b>Actual 2015</b>		<b>Budget 2016</b>		<b>%</b>
<i>Total In-kind Income GCNS private sector*</i>	55.000	58%	135.000	52%	
<i>Total Financial Income GCNS private sector</i>	40.271	42%	125.000	48%	
<b>Total Income GCNS private sector</b>	<b>95.271</b>	<b>28%</b>	<b>260.000</b>	<b>57%</b>	
<b>Total Income PPP (Bund/DEZA)</b>	<b>250.000</b>	<b>72%</b>	<b>200.000</b>	<b>43%</b>	
<b>Total Income GCNS</b>	<b>345.271</b>	<b>100,00%</b>	<b>460.000</b>	<b>100,00%</b>	

\*In-kind income includes cost of hosting events, translations, hosting the secretariat and worktime Boardmembers

## Members of the bodies

Name	Company	Appointed	Position
Bérangère Magarinos-Ruchat	Firmenich	August, 2011	Chair of the Board
Matthew Kilgarriff	Richemont	August 2014	Vice-Chair of the Board, Chair of the Programme Committee
Regina Ammann	Syngenta	August 2014	Board Member
Christian Frutiger	Nestlé	March 2011	Board Member, Programme Committee Member
Caroline Portmann	Credit Suisse	June 2015	Board Member
Ruth Blumer Lahner	Kolb	June 2015	Board Member
Jean-Christophe Favre	DEZA/SDC	April 2015	Programme Committee Member
Alex Kunze	SECO	April 2015	Programme Committee Member
Remy Friedmann	EDA	April 2015	Programme Committee Member
Thomas Pletscher	ICC & GCNS	March 2006	Focal Point, Secretary General of the ICC
Antonio Hautle	GCNS	August 2015	Senior Programme Leader and Network Representative
Alice Harbach-Forel	GCNS	July 2015	Assistant Manager and Contact Point

The text of this Annual Report 2015 was approved by the Board on 31 May 2016





# Global Compact Network Switzerland

## A Universal Framework to structure and develop your Corporate Responsibility efforts

### HUMAN RIGHTS

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

### LABOUR

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

### ENVIRONMENT

- Principle 7 Businesses should support a precautionary approach to environmental challenges;
- Principle 8 Undertake initiatives to promote greater environmental responsibility; and
- Principle 9 Encourage the development and diffusion of environmentally friendly technologies

### ANTI-CORRUPTION

- Principle 10 Businesses should work against all forms of corruption, including extortion and bribery.