

UN Global Compact Implementation Survey 2010

Results specific Argentinean companies

DEMOGRAPHICS

35 companies from Argentina completed the 2010 Global Compact Implementation Survey

BY COMPANY SIZE by number of employees

10-249	37%
250-4999	49%
5000-50000	11%
>50000	3%

BY OWNERSHIP TYPE

Privately Owned	71%
Publicly Traded	11%
Partially state-owned enterprise	0%
Fully state-owned enterprise	3%
Other	14%

BY JOIN YEAR

2000	3%
2003	3%
2004	23%
2005	3%
2007	14%
2008	14%
2009	14%
2010	26%

MANAGEMENT

At what levels within your company are corporate responsibility policies and strategies developed and/or evaluated?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
CEO	46%	71%	-25%
Board of Directors	60%	47%	13%
Corporate Responsibility or Ethics Officer	23%	39%	-16%
Senior Management	54%	51%	3%
Middle Management	29%	24%	4%
Subsidiaries	9%	11%	-2%

BOARD

How does your company's Board of Directors (or equivalent*) address corporate responsibility issues?

**For companies without a formal Board, other governance or ownership body assumes these responsibilities*

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
Board routinely discusses and acts on these issues as part of its agenda	29%	39%	-10%
Board sub-committee or individual member has responsibility for corporate responsibility	51%	46%	6%
Board approves reporting on corporate responsibility (e.g., Sustainability report, Communication on Progress)	49%	49%	-1%
Board does not address corporate responsibility issues	6%	6%	0%

TOP REASONS FOR ENGAGING IN THE GLOBAL COMPACT

TOP 5 REASONS

Promote organizational integration of environmental, social and governance (ESG) issues

Increase trust in company

Universal nature of principles

Improve operational efficiency

Address Humanitarian concerns

SUBSIDIARY

To what extent does your company spread its commitment to the Global Compact throughout its subsidiaries?

On a scale of 1 to 5: 1 = Not spreading commitment beyond headquarters, 5 = Require all subsidiaries to implement the Global Compact principles and assess their progress

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
1 (Not spread beyond HQ)	19%	9%	10%
2	5%	12%	-7%
3	19%	30%	-10%
4	38%	21%	17%
5 (Require all subsidiaries)	19%	28%	-9%

SUPPLY CHAIN

To what extent do you consider a company's participation in the Global Compact when selecting supply chain partners?

On a scale of 1 to 5: 1 = Not taken into consideration, 5 = Required for partner selection

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
1 (Not taken into consideration)	20%	18%	2%
2	23%	17%	6%
3	26%	33%	-8%
4	23%	20%	2%
5 (Required for partner selection)	9%	12%	-3%

HUMAN RIGHTS

How does your company take the human rights principles into account in its policies or practices?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
Set of corporate principles on human rights specifically	23%	26%	-4%
Within an overall corporate code or principles	69%	69%	0%
Operational guidance notes	9%	20%	-12%
Risk assessments	34%	30%	4%
Impact assessments	23%	16%	7%
Participate in industry specific initiatives	17%	21%	-3%
Multi-stakeholder dialogue	31%	24%	8%
Training and awareness programmes for employees	43%	41%	2%
Complaint mechanism	37%	34%	3%
Employee performance assessment	34%	29%	5%
Supply chain and subcontracting arrangements	29%	24%	4%
System to monitor and evaluate performance	29%	21%	7%
Public disclosure of human rights policies and practices	46%	25%	21%

Which aspects of human rights are addressed in your company's policies or practices?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
Life, liberty and security of the person	71%	67%	4%
Forced labour	40%	59%	-19%
Child labour	57%	62%	-5%
Right to privacy	37%	53%	-16%
Non-discrimination	83%	80%	3%
Workplace health and safety	91%	82%	9%
Adequate standard of living	51%	44%	8%
Health	86%	67%	19%
Freedom of association and other rights at work	66%	63%	2%

LABOUR

How does your company take the labor principles into account in its policies or practices?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
Recognize that all workers are free to form and join a trade union of their choice	89%	78%	10%
Policy not to use or benefit from forced labour	51%	62%	-11%
Policy not to use or benefit from child labour	57%	66%	-8%
Non-discrimination	77%	84%	-7%
Equal opportunity	80%	81%	-1%

What actions does your company take to implement labor policies?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
Participate in institutional framework for industrial relations and collective bargaining	66%	44%	22%
Working conditions and terms of employment are addressed through collective bargaining	74%	60%	14%
Reliable mechanisms for age verification	46%	40%	5%
Supply chain and subcontracting arrangements	26%	31%	-6%
Multi-stakeholder dialogue	29%	29%	-1%
Participate in industry-specific initiatives	51%	34%	18%
Training and awareness programmes for employees	54%	58%	-4%
System to monitor and evaluate performance	46%	45%	1%
Public disclosure of labour policies and practices	46%	39%	7%
Support vocational training and counseling programmes	46%	39%	6%

ENVIRONMENT

How does your company take the environmental principles into account in its policies or practices?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
Voluntary charters or codes	57%	51%	6%
"Triple bottom line" policy or strategy for sustainable development	43%	41%	2%
Performance targets and indicators	63%	65%	-2%
Cleaner and safer production objectives	69%	65%	3%
Sustainable consumption and responsible use objectives	86%	71%	15%

What tools and/or actions does your company employ to implement environmental policies?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
Environmental management systems	63%	63%	-1%
Environmental impact assessment	63%	61%	2%
Environmental risk assessment	46%	55%	-9%
Technology assessment and management	49%	38%	10%
Life-cycle assessment and costing	20%	32%	-12%
Water footprinting	66%	30%	36%
Eco-design	26%	25%	0%
3R (reduce, re-use, recycle)	71%	61%	11%
Emissions trading and/or Clean Development Mechanism Projects	23%	23%	0%
Report greenhouse gas emissions and strategic climate change data	26%	37%	-11%
System to monitor and evaluate environmental performance	31%	49%	-17%
Public disclosure of environmental policies and practices	54%	49%	6%
Use good practices from the industry	71%	58%	13%
Training and awareness programmes for employees	71%	64%	8%
Supply chain and subcontracting arrangements	31%	33%	-1%
Multi-stakeholder dialogue	37%	30%	7%

ANTI-CORRUPTION

How does your company take the anti-corruption principle into account in its policies or practices?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
Explicit policy addressing anti-corruption	40%	44%	-4%
Within an overall corporate code or principles	71%	70%	1%
Zero-tolerance policy towards corruption	31%	48%	-16%
Specialized unit within the company (e.g. an ethics/compliance officer, oversight board)	26%	32%	-6%
Pre-approval of facilitation payments required	11%	19%	-8%
Political donations publicized	3%	10%	-7%
Policies limiting the value of gifts	43%	38%	4%
Policies on donations to charitable organizations	51%	32%	19%
Suppliers required to have anti-corruption policies in place	6%	15%	-9%

What actions does your company take to implement anti-corruption policies and practices?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
Management systems addressing bribery and anti-corruption	14%	39%	-25%
Anti-corruption policy is publicly accessible	34%	42%	-7%
Training and awareness programmes for employees	43%	51%	-8%
Country Managers sign "no bribery" certifications	14%	12%	2%
Anonymous hotline for reporting of corruption instances	31%	29%	3%
Record instances of corruption	20%	26%	-6%
Record facilitation payments and gifts	9%	18%	-10%
Sanction system for corruption breaches by employees	29%	29%	-1%
Monitor and evaluate performance	29%	31%	-2%
Public disclosure of anti-corruption policies and practices	23%	27%	-5%
Monitor supply chain	31%	25%	6%
Terminate contracts with suppliers if corruption occurs	40%	35%	5%
Participate in initiatives to eliminate corruption (other than the Global Compact)	14%	19%	-4%
Multi-stakeholder dialogue	23%	18%	5%
Engage in collective action	14%	13%	1%

CONTRIBUTION TO DEVELOPMENT

Does your company take actions to advance UN goals and issues (such as development, disaster relief, health, education) through core business, philanthropy, advocacy or partnership activities?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
Yes	77%	76%	1%
No	23%	24%	-1%

Does your company take actions to:

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
CORE BUSINESS			
Align core business strategy with one or more relevant UN goals / issues	78%	61%	17%
Develop products and services or design business models that contribute to UN goals / issues	33%	55%	-22%
SOCIAL INVESTMENT & PHILANTHROPY			
Pursue social investments and philanthropic contributions that tie in with the core competences	30%	63%	-34%
Coordinate efforts with other organizations– and not negate or unnecessarily duplicate –efforts	67%	46%	20%
Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups	44%	41%	4%
ADVOCACY			
Publicly advocate the importance of action in relation to one or more UN goals / issues	78%	57%	21%
Participate in key summits and other important public policy interactions in relation to one or more UN goals / issues	22%	40%	-18%
PARTNERSHIPS			
Develop and implement partnership projects with public or private organizations	74%	74%	0%

LOCAL NETWORKS

Is your company engaged in a Global Compact Local Network?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
Yes	63%	56%	7%
No	26%	31%	-6%
Unsure	11%	12%	-1%

Why does your company engage in a Global Compact Local Network?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
Assistance with the implementation of the Global Compact principles	64%	58%	5%
Assistance with the Communication on Progress (COP)	59%	50%	9%
Serves as a platform for policy dialogue	59%	46%	13%
Helps initiate partnership projects	45%	28%	17%
Networking with non-business stakeholders	77%	44%	33%
Networking with other companies	73%	69%	4%
Engage as a subsidiary of a global participant	9%	13%	-4%

How helpful is engagement in the Local Network to your company?

On a scale of 1 to 5: 1= Not valuable, 5= Extremely valuable (select only one choice):

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
1 (Not helpful)	5%	4%	0%
2	9%	17%	-8%
3	32%	37%	-5%
4	41%	29%	11%
5 (Extremely helpful)	14%	12%	1%

In the past year, how many times did your organization take part in a Local Network activity?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
None	23%	13%	10%
1	9%	19%	-10%
2 to 5	32%	50%	-18%
6 to 12	23%	11%	12%
Over 12	14%	5%	9%

Why is your company not engaged in a Global Compact Local Network?

	<u>Argentina</u>	<u>Global</u>	<u>Difference</u>
Not aware of a Local Network in my country	33%	39%	-5%
Engage directly with the GC at the global level	44%	26%	19%
Insufficient time/capacity to engage in Local Network	33%	36%	-2%
Activities do not meet my expectations	11%	6%	5%
Does not add value to company's overall corporate responsibility agenda	0%	11%	-11%
Local Network has restrictive entry criteria (e.g. fees)	0%	6%	-6%