Corporate Social Responsibility

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Business is good for society

- **Value of base business**
  - tax, employment, skills, technology, infrastructure, ethics etc.

- **Energy**
  - improves quality of life; empowers and frees people

- **Monetization of natural resources**
  - contributes to improved distribution of revenue and other benefits

Force for Good?

bp

Oil and Mineral Dependence leads to:

- Reduced economic growth
- Poor health care & high child mortality
- High rates of child malnutrition
- Poor education
- Vulnerability to economic shocks
- Corrupt, authoritarian & ineffective Government
- High military spending & heightened risk of civil war

Source: Oxfam USA, Extractive Sectors & the Poor
http://www.oxfamamerica.org/eireport/index.html

Where are the boundaries?

the five BP policies

In summary, we are committed to:

- **Ethical Conduct** (respecting the law & human dignity)

- **Employees** (fair treatment, and support in their performance-delivery & development)

- **Relationships** (creating mutual advantage & trust)

- **HSE** (respect for the natural environment & no harm)

- **Control & Finance** (transparency & long-term value)
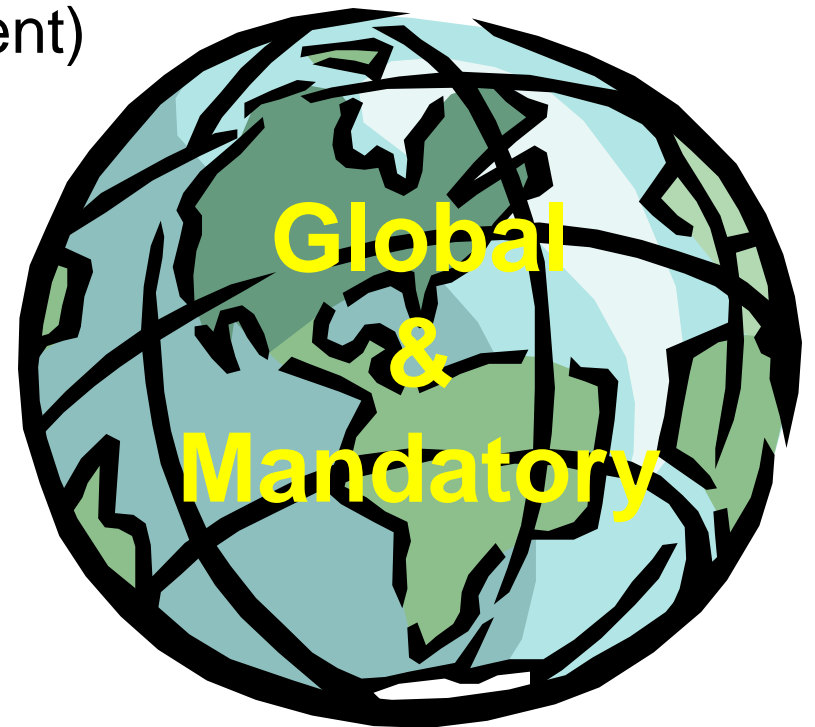
Global
&
Mandatory

Approaches

- Global Policies

- Regional Ethics Committees

- Line management responsibility

- Assurance

- Reporting
  - http://www.bp.com/location_rep/Angola/index.asp

- Stakeholder engagement and partnership

Location Reports

External Verification

Recent Policy initiatives

- No political donations

- No facilitation payments

- Increased transparency

- Voluntary Principles on Security and Human Rights

- HIV / Aids Policy

HIV/Aids policy in South Africa

- New policy for employees and their families

  - Key principles: non-disclosure, confidentiality, tolerance, non-discrimination

  - No compulsory testing

  - Primary care and medical services to those infected and affected

- Education and counselling programmes

  - Guidelines and training to managers

  - Voluntary counselling available to employees

- Partnerships with NGOs and organised labour

  - Soul City

Issues

- Boundaries

- Compulsory codes or conventions?

- Where should the focus be?

  - Reporting

  - Compliance

  - Advancing standards

- Local cultural practices

- Role of NGOs

- Globalisation and trade

Members of CSR Europe

CSR: Conclusions

- CSR is a strategic issue

  - not an optional extra

  - a business approach, not a philanthropic programme

  - a source of distinctiveness

- Increasing emphasis on reporting

- Expectations will continue to rise