


Experience with CR in a Multinational Company

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What is the most important agenda?

- Millennium Goals (UN)
- Lisbon Agenda (EU)
- National Strategies
- Regional/local Strategies (Agenda 21)
- Sustainable Development of the companies themselves

Who is most important ?

- Politics
- Financial Markets
- NGOs
- Customers
- Citizens
- Employees

What is the adequate wording?

- Corporate Responsibility
- Corporate Social Responsibility
- Corporate Citizenship
- Sustainable Development

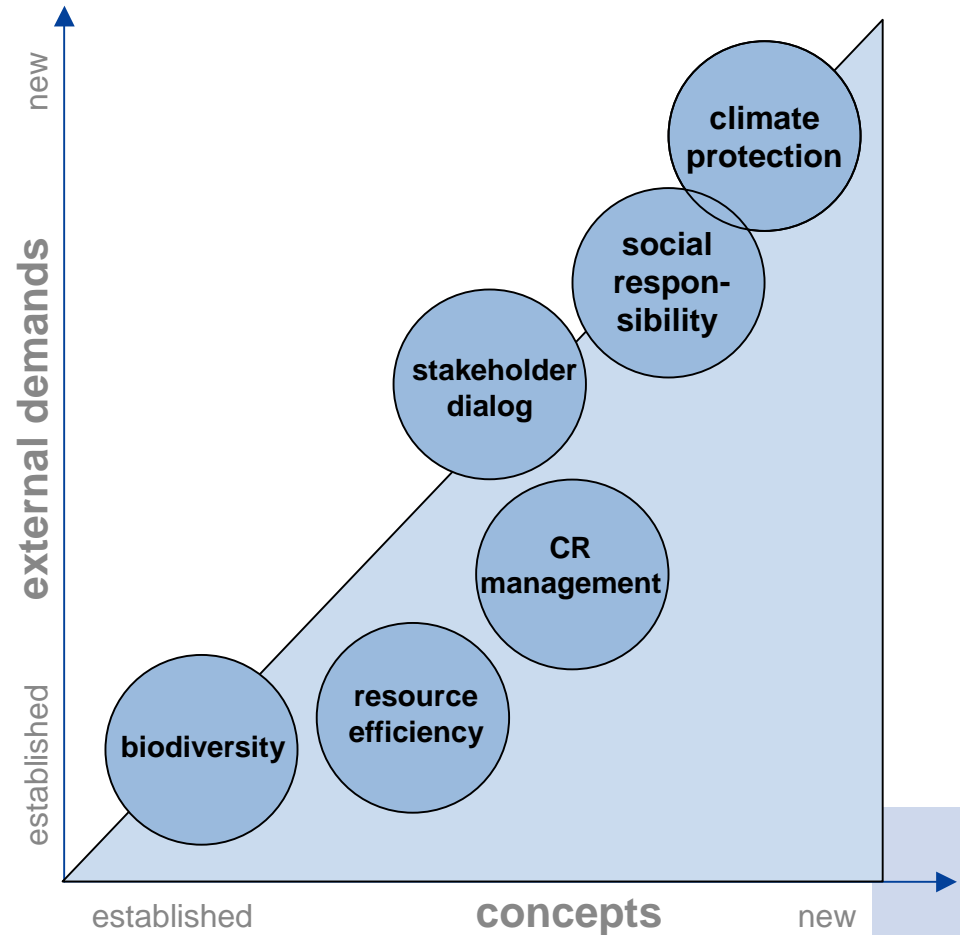
Priorities are Necessary

Companies Today Develop Their Own Specific Approach to CR

- International companies face a multitude of national and regional realities
- Companies are exposed to different issues depending on industry sector
- There is no clear-cut solution – companies react according to their business, values, and culture

RWE Approach

- Strategic focus
- Follow-up projects
- Integration into business
 - Group wide reporting
 - Complementary strategies where necessary
 - Extension of standards
 - Sponsoring Strategy
 - Core Values, Brand Values
 - ...
- Allow for the necessary, business specific nuances



Drivers for Large Companies in D

- Statutory obligations already set a tight framework
- Stakeholders, especially SRI investors and analysts as well as trade unions exert a pull
- Indices and awards set voluntary standards

- The most acknowledged benchmark international
- Differentiates between industry sectors (e.g. utilities in Europe and electrical utilities worldwide)
- Offers a comprehensive questionnaire that serves as a kind of standard
- Serves as a reference for SRI investment decisions



Framework for Reporting – GRI Guidelines

- The most accepted standard international
- Is developed by a broadly based stakeholder consultation
- Prepares industry sector supplements
- Encourages company specific reporting by giving only a baseline of issues and indicators to be reported on
- Providing for a quick orientation by giving a GRI-index



Corporate Responsibility in the UK

**Anita Longley Head of
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RWE npower



Corporate responsibility - a definition



Aim

to operate in an environmentally and socially responsible manner throughout our businesses

What do we mean by corporate responsibility - RWE npower policy

- Develop objectives and targets and report them in the public domain
- Work with our stakeholders so that we are responsive to their concerns and adopt high standards of reporting
- Continuously improve the management of environmental and social issues in our businesses
- Support and train our employees so that they can improve our performance and contribute to the wider community

Drivers for Large Companies in UK

- Government expects companies to report CR
- Reports fulfil some statutory obligations (Sched. 9)
- CR credentials important for customers
- Investors review CR credentials
- 'Added value' e.g. education, renewable energy, energy efficiency services, partnerships
- Protect reputation, manage risk, brand awareness
- Indices - e.g. Business in the Community

Benchmarking - BitC Corporate Responsibility Index



- extensive independent assessment - 139 companies
- identifies key strengths and weaknesses
- RWE npower 36th in the top 100 'companies that count'
- key customers involved

CR Framework for Reporting - BitC

Integration	Strategy, policy, impact and risk, benchmarking, stakeholders
Marketplace	Selling practices, customer service, vulnerable customers, suppliers, energy efficiency, renewable energy
Environment	Emissions, EMS, renewable and non renewable generation, climate change, biodiversity
Workplace	Values, leadership, diversity, health and safety, pensions, absence
Community	Charity, volunteering, power station liaison, investment and impact

Future Expectations in UK

- CSR Academy and CR Minister
- Operating and Financial Review - shareholders
- Increasing legislation - comply or explain
- Voluntary or mandatory reporting?
- Major business customers demands increasing

Differences between UK and D

- Statutory frameworks are set but differ
- Voluntary approach more evident and encouraged in UK
- BitC-index broadly acknowledged in UK
- In UK drive also comes from customers
- Investors in the City of London are much more aware

- Approach to CR should stay:
 - voluntary
 - industry specific
 - internationally applicable

- Drive should come from competition
 - indices
 - awards
 - customers
 - business opportunities

Market mechanisms lead to best approaches to CR