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Role of Corporate Responsibility and the OECD Guidelines for Multinational Enterprises
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Let me start by saying that the theme of today's Forum's "The Health of Nations" is extremely inspiring as a topic of discussion and reflection, extremely well chosen. And in this context, it is my pleasure to share with you ideas on how Corporate Citizenship / CSR can contribute to our common journey towards a more healthy, safe and responsible state of the world. It is an ambitious goal and only together we can succeed.

As Kofi Annan said, at the World Summit on Sustainable Development almost two years ago – "Business, like society, cannot thrive as an island of wealth in an ocean of poverty".

We agree.

We also agree that every company needs to consider the impact of its business on society, taking as a starting point the important "triple bottom line" articulated by Shell in a landmark report several years ago: People, Planet and Profit.

But we also recognise that societal expectations continue to evolve and that companies are increasingly expected to also embed Corporate Citizenship in their business by thinking through what it means for them individually and in partnership with society.

This means taking seriously the concept of CSR as an asset for helping society to meet big challenges and big goals – and the appeals to business to do so that are located in frameworks such as the Millennium Development Goals, the European Union's Lisbon Agenda, the New Economic Partnership for Africa's Development, and so on.

And it requires building on – and going beyond - the "People, Planet and Profit" concept, in order to maximise and multiply resources through multi-stakeholder partnerships for sustainable development.

With this as our goal we have 4 areas of focus to our Citizenship efforts at Microsoft, through which we aim to incorporate and extend the concept of "Sustainability for People, Planet, Profit".

Openness in our business practices and with our technology
Ensuring strong corporate governance and sustainable growth of the business is a primary responsibility towards one's shareholders, employees and communities. Everything a company does should contribute to this, even as it is not the only aspect of CSR.

At Microsoft, we're proud that we have always had solid reputation in the investor community for our open and transparent financial reporting. With the introduction of the Sarbanes-Oxley legislation we've stepped up our efforts further. We've developed Standards of Business Conduct for all employees to maintain high ethical standards in dealing with customers and partners.

And we've introduced a 24 hours/ 7 days a week Compliance "hot-line" for guidance to employees on ethical business issues.

For us as an IT industry leader, "openness" also means being open with our technology by increasing access to our source code, to enable the interoperable systems and devices that customers need, by sharing it with others in our industry, with universities, and with governments.

We're also working with national and international bodies to establish common standards and share codes, so that partners and competitors can benefit from programs that operate better together.

Empowering local communities through investments; technology solutions and partnerships for digital inclusion.

In the IT industry, including Microsoft, there is strong commitment to support education and life-long learning through social investments, to help overcome the "digital divide" and illiteracy.

This is born from recognition of Kofi Annan's message for our area of business - because "Islands of education and learning in an ocean of illiteracy and lack of access to IT will not produce a peaceful and prosperous world".

At Microsoft, our Unlimited Potential initiative supports community technology learning centres with funding, training, equipment and software, and employee involvement.

In my region of responsibility, EMEA, we are supporting over 300 Centres in more than 40 countries with over 100 partners, assisting unemployed youth and adults, people with disabilities, older people, women and refugees.

In the last year we have enabled these centers to provide training to almost half a million people and offered access to thousands more

We also have a program called Partners in Learning which operates in partnership with government and education leaders to provide under-served schools and educational institutions with resources to support teacher and student skills development, tailored curriculum development, technical support and research.

And we have international partnerships with United Nations agencies,

With the UN High Commission for Refugees, we are establishing community learning centres in refugee camps and extending the agency's Project FIELD for rapid registration of refugees.

With the UN Development Program, one of the goals of our partnership is to support its Southern Africa Capacity Initiative, exploring ways to use technology to facilitate e-government and delivery of basic services, particularly in support of countries that are hardest hit by the HIV pandemic.

Demonstrating responsible leadership for the sustainable information society

Information technology is a complex and challenging area for government, business and society, with a number of policy issues that concern all our stakeholders. This includes the environmental footprint of the industry, as well as consumer issues such as spam, privacy, and child safety online.

Environment: In the IT industry, including Microsoft, there is strong commitment to responsible practices to minimise product life-cycle impacts on the environment and meet the obligations of legislation such as the forthcoming WEEE Directive in Europe.

At Microsoft, our MAR initiative (Microsoft Authorised Refurbishers) was launched this year across the EMEA region as a way to facilitate access and lower the environmental footprint across the value-chain.

MAR enables authorised PC refurbishers in 153 countries to re-install Microsoft operating systems, for a very low administrative fee, into donated pre-used PCs destined for schools, charities, non-profit organizations and community centres.

Trustworthy Computing: From stopping the flood of spam; protecting our customers from viruses and hackers; maintaining privacy, and keeping children safe online, we are working in coalition and collaboration with industry partners, governments and NGOs to address these issues through legislation, multi-stakeholder partnerships, awareness raising and proactive self-regulation.

Accessibility:

Our Local Language Programme (LLP) aims to extend the benefits of technology to a broader range of computer users by providing software that translates key PC interfaces and commands into a wide range of languages such as Catalanian, Icelandic, Slovenian, Ukrainian and Welsh.

And we continue to work, as we have for the past fifteen years, with independent developers and advocates to build assistive technology features into our software to make computing and the Internet even more accessible for people with disabilities.

Research – We are involved in a wide range of industry and academic research partnerships

Both to open the next frontiers in computing,

And collaboration on research that furthers knowledge and teaching on CSR to better prepare the leaders of tomorrow, e.g. through the European Academy of Business in Society in which we partner with companies like IBM, Shell, Unilever, J&J and business schools such as INSEAD.

Empowerment of our employees to realise their potential and help them to be the best they can be.

The spirit of partnership between the company and its employees is a key element of Corporate Citizenship. At Microsoft our employees have already inspired a number of innovations in our CSR programs, and they derive great pride and motivation from making a real difference through CSR.

We provide ongoing training, functional and geographic mobility, and flexible work options such as home working and childcare. We have a strong commitment to diversity, equal employment, anti-harassment and anti-discrimination policies.

And we have just launched a regional program for employee involvement in the community through which we will mobilize a target of 5% of our employees for 3 days a year.

I think there is also a need for all of us to be self-challenging and innovative about partnerships.

As Jean-Francois Rischard, the European Vice-President of the World Bank, has pointed out in his book “High Noon: 20 years to solve 20 global problems” – traditional governance is faltering or inadequate on many of the deep problems in the world, especially poverty, conflict and several environmental issues.

Rischard argues that, as we live in a networked world, we need “global issues networks” of governments, business and civil society to drive faster and better performance in

overcoming these deep challenges – really committed “partnerships for performance”, with the vision of sustainability; and he proposes that this partnership approach can also help to set norms and standards for everyone to live up to.

I suspect that extending and deepening our thinking about partnership, and about the underlying challenges of sustainability, is a key part of “the next frontier” for CSR. At Microsoft we’re a willing partner to learn and contribute to this challenge. With these initial reflections, I would like to hear from you and engage in this most interesting discussion.

Thank you very much.