

Overview

European policymakers recognised the importance of Corporate Social Responsibility (CSR) as part of the Lisbon Agenda goal for Europe to become the world's most competitive and inclusive knowledge-based economy by 2010. When setting the strategic goals for Europe, heads of state made a special appeal on CSR, seeking contributions from businesses in meeting such goals. This appeal has been the starting point for a set of milestones on CSR:

- **The European Commission's 2001 Green Paper and 2002 Communication on CSR** launched a vigorous debate about CSR. The Communication defines CSR as a voluntary decision by companies to integrate social and environmental concerns in their business operations and communications with stakeholders. More recently, the 2003 Italian Presidency hosted a conference during which Member State representatives discussed CSR "best practices".
- **The Multi-Stakeholders Forum on CSR** was established at the invitation of the European Commission and launched in October 2002 with the aim "to promote innovation, transparency and convergence of CSR practices and instruments" in the following areas: (1) improving knowledge about CSR and facilitating the exchange of experience and good practice; (2) fostering CSR among small and medium-sized enterprises (SMEs); (3) diversity, convergence and transparency of CSR practices and tools; and (4) development aspects of CSR. The European Commission facilitated and chaired the Forum, whose members included employer's organisations, business groups, trade unions and civil society. In July 2004, the Forum presented the Commission with a report on its work and recommendations on a future framework for CSR. The report recommends, for example, expanded research and analysis of CSR case studies and best practices. In addition, the report states that CSR and related subjects should be integrated into business school education curricula.

Did you know

69.8% of European firms inspect their suppliers' facilities for health, safety, and environmental compliance.

78.3%, 74% and 66.7% of European, North American and Asian firms respectively are committed to protecting local community interests.

68.9% of European firms have a policy restricting the use of child labour.

(University of Hong Kong, Survey Results, Corporate Environmental Governance Project (2004))

Microsoft's Perspective

Microsoft strongly supports EU and Member States' efforts to promote further dialogue, greater activity and good practice sharing on Corporate Social Responsibility, or Corporate Citizenship, as we have defined it internally.

Our support for CSR is driven by the acknowledgement that "CSR can contribute to Europe's reform goals of full employment, better jobs and fewer poor by 2010",¹ as indicated by Anna Diamantopoulou, former European Commissioner for Employment and Social Affairs. We do agree with this approach and we have made Corporate Citizenship an important guiding principle of our corporate practices.

We recognise that Corporate Citizenship involves the voluntary integration of economic, social and environmental considerations into a company's operations. Indeed, as Jean-Philippe Courtois, Microsoft EMEA CEO, recently pointed out, "we are committed to integrating CSR principles into all aspects of our business activities and internal working practices".²

In close alignment with our corporate mission, Microsoft's global Corporate Citizenship initiative is a commitment to being a responsible corporate citizen and industry partner, working with businesses, communities and governments to help advance social and economic well-being and to enable people around the world to realise their full potential. As a company at the vanguard of information technology we recognise our role and responsibility to maximise the opportunities of the information society for all. In this spirit we have identified the focus of Corporate Citizenship in the following four areas:

- **Education and Digital Inclusion:** to enable people, communities and nations to gain access to the technology tools, skills and innovation they need to realize their full potential;

- *Internet Safety and Policy Leadership*: to partner with governments, industry leaders and others to address key societal challenges of information and communications technology, such as spam, security, privacy and children's online safety;
- *Responsible Business Practices*: to ensure integrity and transparency in all of our business practices, and to provide a healthy and safe work environment for employees; and,
- *Economic Opportunity*: to partner with governments and communities to help strengthen local economies, growth, competitiveness and innovation.

Microsoft recognises that high level commitment from management in driving Corporate Citizenship forward is an essential component of a company's strategy. Therefore we have created a team across the company composed of representatives from various departments and business groups at local, regional and national level around the world.

We are fortunate to work with other businesses and groups in several organisations, such as CSR Europe, CSR Europe's Network of National Partner Organisations, the European Academy of Business in Society, Business in the Community, Business for Social Responsibility and the International Business Leaders' Forum, amongst others.

Microsoft welcomes the Commission's support for multi-stakeholder voluntary initiatives. This approach provides the flexibility that is needed in the fast-moving global economy and information society. We believe that CSR principles and practices should take account of local cultural and historical diversity while reinforcing European and international principles and conventions.

The Multi-Stakeholders Forum has been an excellent platform for stakeholders to share experiences, gain mutual understanding, and discuss and promote CSR issues and policies. We look forward to continuing our engagement in such types of platforms.

Helpful Links

Microsoft:

<http://www.microsoft.com/mscorp/citizenship/>
<http://www.microsoft.com/emea/citizenship>

European Commission, CSR Portal:

http://europa.eu.int/comm/employment_social/soc-dial/csr/csr_index.htm

CSR Europe:

<http://www.csreurope.org>

European Academy of Business in Society:

<http://www.eabis.org>

European Trade Union Confederation:

<http://www.etuc.org>

Union of Industrial and Employers' Confederations of Europe:

<http://www.unice.org>

Sources

¹ Anna Diamantapoulou, former Commissioner for Employment and Social Affairs, address at the Presidency Conference on Corporate Social Responsibility, "The role of public policies in promoting CSR", 14 November 2003.

² Jean-Philippe Courtois, Microsoft EMEA CEO, "Integrating citizenship in our business", Executive Essays. (<http://www.microsoft.com/emea/microsoftEMEAProfile/executiveEssays/IntegratingCitizenshipInOurBusiness.msp>)