

Care and Ambitions-Book Launch Ceremony (Event Summary)

- Date: Saturday, May 29, 2004, 3:50 pm
- Location: Taipei Grand Formosa Regent, Reception Hall B
- Sponsors: Business Council on Sustainable Development, Ministry of Economic Affairs Industrial Development & Investment Center
- Co-Sponsor: Chinese National Association of Industry and Commerce

After this afternoon, May 29th, 2004, Taipei City will never be the same. Never before have so many Taiwan business leaders gathered in one place to share their knowledge and experiences on social concern and corporate responsibility. In a turbulent and rapidly changing world, how can Taiwan companies build a society based on the principles of concern, action and sincerity?

In attendance at this Book Launch today are a number of important representatives of government, industry and academia including Vice-Minister of Economic Affairs Shih Yen-shiang, Business Council for Sustainable Development and Chinese National Association of Industry and Commerce Chairman Theodore Huang, Taipei Mayor Ma Ying-jeou, National Chiao Tung University President Chang Chun-yan, National Chung-Cheng University President Luo Jen-chuan, and Commonwealth Magazine Chairman Yin Yun-peng. This book, entitled “From Social Concern to Corporate Responsibility,” is the result of cooperation between the Ministry of Economic Affairs, the Business Council for Sustainable Development and 13 major Taiwan corporations. This is the first bilingual (Chinese/English) book in the Chinese world focusing on corporate social responsibility case studies. Mayor Ma Ying-jeou, Vice-Minister Shih and Chairman Huang are here today for the signing ceremony. The publication of this book is a testament to the commitment of nonpartisan government, industry, academia and the media to working together and building corporate concern for Taiwan’s society.

In appreciation of the outstanding contributions of the 13 companies who participated in this project, Vice-Minister Shih presented the participants with these special crystal commemorative awards. I would like to thank Chinese Petroleum Corporation

President Pan Wen-tan, China American Petrochemical Company Chairman Chen Hu-wei and Uni-President Vice-President Luo Chih-hsian for appearing in person today.

The recent political turmoil in the country has led to increased uncertainty and distance between people, to the detriment of the nation. Therefore, with the support of the Industrial Development & Investment Center (IDIC) under the Ministry of Economic Affairs, the Business Council for Sustainable Development has brought together 13 domestic companies -- Chinese Petroleum Corporation, China American Petrochemical Company, CTCI Corp., SOGO Department Store, YFY Corp., Taiwan Cement Corp., Everlight Chemical Industrial Co., Taipower, Taiwan Semiconductor Manufacturing Company, TECO Corp., Inventec, Uni-President and President Chain Store Corp., -- in hopes that through concrete action, we can encourage the entire country to consider ways to care for our society, care for disadvantaged groups, build a peaceful, humane society, and encourage corporate social responsibility to build a foundation for sustainable development in Taiwan.

In the book “From Social Concern to Corporate Responsibility,” thirteen well-known Taiwan companies provide 42 case studies to offer readers various perspectives on the issues surrounding corporate social responsibility. Major topics covered in the book include: how Taiwanese companies can build a better society through social action, working together with employees, and building a brighter future for our children. The case studies are divided into five chapters under the following titles: Sincerity and Respect – Basic Human Rights; Innovation and Care – Employee Benefits; Caring for the Public – Consumer Protection; Wholehearted Concern – Social Welfare; and Care for the Planet – Environmental Protection.

Theodore Huang, Chairman of the Business Council for Sustainable Development and the Association of Industry and Commerce, said that recent political turmoil has caused increased uneasiness in Taiwanese society and raised doubts about the future. On the other hand, we have also felt Taiwan’s vitality as the country’s global competitiveness continues to grow. Overseas investment continues to grow, and the strength of our society continues to increase. However, there is one phenomenon that we can all recognize -- our feelings toward people, affairs and things seem to be decreasing. Maintaining a peaceful and prosperous society, building an environment of tolerance and forgiveness between people and their environment is everyone's ideal. But the realization of this ideal in our society seems to be moving farther and

farther away.

Chairman Huang said that in order to reverse this trend, we have to start from each individual. Companies are the same – a company cannot succeed in an unstable society. Therefore, we must hold on to this ideal and we must transform social concern into concrete action. What we need most at this time is a movement toward social responsibility based on concrete actions. This is the only way to stimulate the spirit of movement and improvement in society.

Taiwan's status as an industrialized country in the eyes of the world is already an established fact. Taiwanese multinational companies have become a major source of foreign direct investment (FDI), and in many developing countries, Taiwan is among the top three sources of foreign capital. Leveraging Taiwan's resources and advantages in globalization is gradually becoming a necessity for Taiwanese companies. At the same time however, we cannot ignore the global trends toward sustainable development and corporate responsibility for multinational corporations. The global search for a more humane form of globalization is everyone's responsibility as we strive to exploit our advantages, seize market opportunities, and win approval and market support. Therefore, we must work to promote corporate social responsibility and corporate citizenship through international political organizations and through the corporations themselves, gain an understanding and appreciation of foreign investment principles and global operations strategies, and further, build a foundation for the sustainable development of Taiwan's multinational corporations in a global society.

Vice-Minister Shih of the Ministry of Economic Affairs said that after many years of hard work by the government and the public, Taiwan's economy has now reached a respectable level on the world stage. According to the World Economic Forum (WEF) 2003 Competitiveness Report, Taiwan was ranked third out of 102 countries compared in terms of global competitiveness, and was ranked second in the world on the innovativeness index. Taiwan's strengths in technology and innovation have received worldwide recognition and Taiwan today forms an extremely important link in the global manufacturing supply chain.

In the past, Taiwanese companies have been seen as concerned only with revenues, market share and generating profits for investors. Some companies narrowly believe that a company is merely a profit making organization, and that its only responsibility

is to pay taxes and earn profits for its shareholders. However, as Vice-Minister Shih pointed out, the MOEA discovered that, when assisting Taiwan companies, in addition to pressure from competition, Taiwanese companies are now under increasing pressure from anti-globalization organizations, consumer advocacy groups, NGOs and brand name suppliers to assume some modicum of corporate social responsibility. This is an area that Taiwanese companies are unfamiliar with, and could be seen as a new pressure facing Taiwan's multinational corporations in the 21st century. Therefore, Vice-Minister Shih has appealed to Taiwan companies to think like international companies. As a member of the global village, Taiwan must incorporate business philosophies based on corporate social responsibility, turning CSR into a competitive advantage and a new source of business opportunities.

Corporations have an extremely important role and an important responsibility in building a more humane model for globalization and a more peaceful and sustainable future. In recent years, corporate social responsibility and corporate citizenship have emerged as critical topics in government and industry circles around the world. Corporate social responsibility in foreign investment principles and global operations strategies is fast becoming a criterion for successful multinationals.

This criterion for corporate responsibility originates from: the United Nations Global Compact, the OECD Guidelines on Multinationals, the ICC Business Charter on Sustainable Development, the Global Sullivan Principles and the declarations of the 2002 Global Sustainable Development Summit on action plans for corporate accountability.

The impetus behind "Care and Ambitions", which is a joint publication of the IDIC and the Business Council for Sustainable Development, was to pioneer the movement toward implementing the OECD Guidelines for Multinational Enterprises in Taiwanese industry and help the international community to understand Taiwan's work toward achieving CSR. The 42 case studies in "From Social Concern to Corporate Responsibility" show Taiwan's current progress in terms of the principles defined in the OECD Guidelines for Multinationals.

IDIC Chairman Angela Chu noted that the Organization for Economic Cooperation and Development (OECD) laid down the "Guidelines for Multinationals" in 1976 in order to encourage multinationals to make positive economic, social and environmental contributions to the countries in which they invest. The guidelines are

divided into seven major areas including corporate transparency, consumer rights protection, and labor and employment relations. Many European, American and Japanese multinationals today have fully integrated these principles into their business philosophies and their daily operations. Chairman Chu also noted that one of the objectives in producing this book was to provide case studies specific to Taiwan and the unique characteristics of Taiwanese companies, and to clearly present the international trends toward corporate social responsibility and the practical measures that can be taken to achieve these ideals to Taiwanese business leaders.

In coordination with the publication of this book, the Business Council for Sustainable Development also sponsored a research article competition entitled “A Sustainable Taiwan for the Future” in universities around the country. Participants wrote articles on the topic “social concern and the promise of a sustainable future for Taiwan.” The goal of the competition was to raise awareness in colleges and universities throughout Taiwan of how to improve social responsibility and build a better nation. The awards ceremony was presided over by CPC Chairman Theodore Huang. The bronze prize was awarded to Wei Yun-ling, Shih Hsin University Communications Department, the silver prize was awarded to Liu Ming-hsun, Tung-Nan University School of Technology Civil Engineering Department, and the gold prize has not yet been decided. Additionally, there were seven honorable mention awards.