# Fair Player Club Newsletter

March – August 2015







## Fair O Player Club

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Endorsed by Ministry of Trade, Industry & Energy (MOTIE) Sponsored by Siemens Integrity Initiative

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### The Fair Player Club Launching Ceremony to Promote Collective Action for Anti-Corruption

(May 19, 2015)



The Fair Player Club Launching Ceremony & the 1st Joint Public-Private Industry Council Meeting were held at Studio 4 of Conrad Seoul on May 19, 2015. Fair Player Club is established as part of the Siemens Integrity Initiative by Siemens AG (<u>www.siemens.com/integrityinitiative</u>) from 2015 for three years -- the only project in South Korea in its second funding round. A total of 25 anti-corruption projects around the world were selected out of more than 180 project proposals submitted by well-known non-profit organizations from about 60 countries.

Fair Player Club is a joint platform between public and private sectors aimed at promoting compliance and sound business ethics. It is hosted by Global Compact Network Korea (GCNK), organized by Global Competitiveness Empowerment Forum (GCEF), endorsed by the Ministry of Trade, Industry & Energy (MOTIE), and sponsored by Siemens Integrity Initiative.

The launching ceremony for Fair Player Club was attended by 45 people from the government, industry associations, private enterprises and the UN. LEE Kwansup, Vice Minister of Ministry of Trade, Industry & Energy (MOTIE) expressed his wish for the success of Fair Player Club through his congratulatory speech.

KWAK Jin-young, Vice Chairperson of Anti-Corruption and Civil Rights Commission (ACRC) also delivered her congratulatory speech. Sabine ZINDERA, the Head of Siemens Integrity Initiative & VP of Siemens AG and KIM Jong-kap, Chairman and CEO of Siemens Ltd. Seoul, celebrated the launch of Fair Player Club through their congratulatory speeches. From UN Global Compact Headquarters in US, Georg KELL, (former) Executive Director, made his congratulation speech. Angela Joo-Hyun KANG, Founder and Executive President of GCEF, introduced Fair Player Club.

The most significant part was the co-signing ceremony for Fair Player Club, attended by Sabine ZINDERA, the Head of Siemens Integrity Initiative & VP of Siemens AG, and IM Hong-jae, VP and Secretary-General of GCNK.



For industry specific anti-corruption efforts, KO Changnam (Charlie), former Acting VP of Korea Railway Association, KIM Yong-geun, President & CEO of Korea Automobile Manufacturers Association, NAM In-suk, CEO & President of Korea Electronics Association, PARK Young-tahk, Executive Vice Chairman of Korea Association of Machinery Industry, and PAEK Young-sun, Vice Chairman of International Contractors Association of Korea, attended the ceremony to mark the launch of Fair Player Club. All representatives have co-signed the memorandum of understanding to cooperate together to kick-start and promote Fair Player Club.



Fair Player Club started with its Seminar for Compliance and Business Ethics of Railway Industry as a side event of Korea Railways & Logistic Fair in June 2015 co-hosted by GCNK and the Korea Railway Association. In addition, Fair Player Club will co-host education seminars with automobile, construction, electronics, and machinery industry associations, hold various events, and spearhead activities to enhance compliance and business ethics and raise the public awareness about anti-corruption.

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The Opening Speech by IM Hong-jae, VP and Secretary-General, UN Global Compact Network Korea (GCNK) : "Today is a very important day. South Korea's recent situation requires integrity and compliance more than ever. Corruption never

dies and is an invincible creature. However, I think that we can overcome this obstacle, if we try to work together. Our initial effort might seem small, but the future, thanks to our effort, will be far more prosperous."

The Congratulatory Speech by LEE Kwan-sup, Vice Minister, Ministry of Trade, Industry & Energy (MOTIE): "Compliance is a basic step toward business ethics. Business ethics is not a choice but an essential element of corporate



management. Now is the time to change our mindset. Social contribution activities like donation and volunteering are important. However, business ethics should start from the compliance of the rule of law and the prevention of corruption by companies as members of society. In addition, we have to regard business ethics as a strategy to realize the corporate essence -accelerating profit-making, competition, and innovation in the right way."



The Congratulatory Speech by KWAK Jin-young, Vice Chairperson, Anti-Corruption and Civil Rights Commission (ACRC) : "ACRC has reached a milestone in preventing inappropriate solicitation and graft practices, which are considered as

the root causes of corruption in our society recently, through the enactment of the Improper Solicitation and Graft Act. It is not easy to correct abnormal practices and restore ethics in various standards. However, I am sure that the integrity of private sector will be improved and its level would reach to that of the advanced country, if the representatives of major industry associations and the people in private sector could strengthen their intention, participate in education and training of compliance and business ethics, produce out positive outputs, and share those outcomes."

The Congratulatory Speech by Sabine ZINDERA, the Head of Siemens Integrity Initiative & VP of Siemens AG : "We are sure that Korea can be a great example in building alliances throughout the country. It was clear to us to continue our support from the Siemens www.fairplayerclub.org Integrity Initiative to Korea also in the second funding round. Fair Player Club will facilitate positive change, inspiration and success for the Korean business environment. Today's event reminds us all that 'fighting corruption' requires



Collective Action, and not only a strong business stance against it (corruption) but also strong engagement with governments and civil society. Therefore, 'fighting corruption' is everyone's responsibility – a critical mass of engaged stakeholders working on a happy future of tomorrow."

The Congratulatory Speech by KIM Jong-kap, Chairman & CEO, Siemens Ltd. Seoul : "As a corporate citizen in South Korea, Siemens Ltd. Seoul is delighted to share our experiences with various companies and industry associations regarding the issues



of anti-corruption, compliance and business ethics -the problems that we have to tackle in our generation. We are always ready to discuss anti-corruption, compliance and business ethics with you."

The Congratulatory Speech by Georg KELL, Executive Director, UN Global Compact Headquarters : "There is



no doubt in the minds of many people, everybody in the world that anti-corruption is at the core and at the heart of trust. Trust in public institutions and trust in corporations, and it is the DNA of success for the future. More and more enlightened companies

realize this and begin to take actions. I am so delighted and privileged to witnesses this important event and can pledge full collaboration in the future to all you."

Introduction of Fair Player Club by Angela Joo-Hyun KANG, Founder and Executive President, Global Competitiveness Empowerment Forum (GCEF) : "In sport games, a 'Fair Play' spirit for fair and just competition is the most important thing. Likewise, in



business, we aim to make sure that all market players should comply with the rule of law with a 'Fair Play' spirit for fair and clean business by promoting anticorruption, compliance and business ethics."

#### KO Chang-nam (Charlie), (former) Acting VP, Korea Railway Association : "Korea Railway Association



(KORASS) was established in June 2009 to support the development of railway policies and technologies, to promote overseas expansion of the Korean railway industry, and to contribute to the railway industry and economic development.

Currently, KORASS consists of about 350 member companies. It supports the development of railway policies, informatization of railway technologies, overseas expansion, training of railway experts, events to celebrate the Railway Day, and various activities including advancing Eurasia Railway and railway system connection of two Koreas, in order to realize the renaissance of Korean railway industry. I'm looking forward to collaborating with UN Global Compact Network Korea and Global Competitiveness Empowerment Forum for promoting anti-corruption and developing the railway industry and KORASS."

#### KIM Yong-geun, President & CEO, Korea Automobile Manufacturers Association : Korea Automobile

Manufacturers Association (KAMA) consists of five automakers. Automobile parts companies run their association separately, but we maintain a close cooperation to enhance the corporate management conditions in the automobile industry in line with



global standards. It can be said that automotive companies have already reached the global standard level with their global corporate management. Moreover, we will try to do our best to persuade them to pay attention to external social evaluation as we help them comply with not only the rule of law but also other regulations. I am delighted that KAMA has become one of the founding members of Fair Player Club and promise to cooperate actively."



NAM In-suk, CEO & President, Korea Electronics Association : "Korea Electronics Association (KEA) was founded 39 years ago and consists of 800 member companies and 20,000 online members. When I was a

government official, I was involved in setting up ISO 26000 by representing South Korea and reflecting its opinions. Also, when I was CEO of a state-owned electric power company a few years ago, I had a chance

to participate in an event of Global Compact Network Korea by sharing experiences regarding compliance and business ethics. Based on my experiences, I promise to strive for improving integrity of the electronics industry, including my indirect contribution in the past. KEA consists of conglomerates, component suppliers and small and medium enterprises, while each of them takes a different position. We will try to do our best to convey the message that collaboration is important and business ethics is not an option but a necessity."

#### PARK Young-tahk, Executive Vice Chairman, Korea



Association of Machinery Industry : "There is a saying that the integrity of the upright shall guide them but the perverseness of transgressors shall destroy them. For anticorruption, business people have to act with belief. I think another

competitiveness is also needed in order not to be swayed by the temptation of corruption. In the machinery industry, it would be technological competence. Siemens AG has a high level of technology, which may give it confidence to take the lead in the areas of anti-corruption. South Korean companies should also try to work harder to be equipped with both high technology and sound business ethics. I think that only if these two wheels would work together, companies, industries and the country could move forward. People of all industries including me should endeavor to contribute to the development of individuals, companies, society, and country, by getting two wheels to work together smoothly."

PAEK Young-sun, Vice Chairman, International Contractors Association of Korea : "I would like to extend my heartfelt congratulations on the successful

launch of Fair Player Club, initiated by Global Compact Network Korea and Siemens Integrity Initiative. International Contractors Association of Korea (ICAK) was established in 1976 under the Overseas Construction Promotion Act. It assists 800 member



companies to explore overseas construction markets, develop projects, and negotiate contracts. I am sure that inauguration of Fair Player Club offers us a fresh invitation to make joint efforts to create clean and fair business conditions in major industries of Korea including the overseas construction industry. I take this opportunity to assure you that ICAK will play an active and constructive role for this purpose together with our member companies."

### The Fair Player Club Seminar for Compliance and Business Ethics of Railway Industry

(June 11, 2015)

The Fair Player Club Seminar for Compliance and Business Ethics of Railway Industry was held on June 11, 2015 at the Bexco, Busan, South Korea, as a side event of Korea Railways & Logistics 2015 Expo.

It was co-hosted by Korea Railway Association (KORASS) and Global Compact Network Korea (GCNK), organized by Global Competitiveness Empowerment Forum (GCEF), endorsed by the Ministry of Land, Infrastructure and Transport and the Ministry of Trade, Industry & Energy, and sponsored by Siemens Integrity Initiative.



With attendants from member companies of KORASS and participants of Korea Railways & Logistics 2015, the seminar started with the opening speech of HONG Soon-nam, Acting VP of KORASS. IM Hong-jae, VP and Secretary-General of GCNK introduced Fair Player Club and global anti-corruption trends and Angela Joo-Hyun KANG, Founder and Executive President of GCEF presented the latest trends of compliance and business ethics of the railway industry.

For corporate cases involving compliance and business ethics in the railway industry, KIM Dong-bum, Business Ethics Director, Business Performance Bureau of Korea Rail Network Authority and KIM Myung-hwan, Director, Creativity Management of Korea Railroad Corporation presented the cases of their companies, respectively.

HONG Soon-nam, Acting VP of KORASS, said, "This cohosted seminar will give a chance to strengthen the competence of the railway industry regarding compliance and business ethics by embracing the national agenda of President Park Guen-hye's



administration for eradicating corruption and unreasonable practices." Especially, she stressed the significance of co-hosting the seminar with GCNK, which enabled KORASS to present the importance of integrity to the Korean railway industry.

IM Hong-jae, VP and Secretary-General of GCNK said, "This seminar showcases willingness of KORASS to raise the awareness of compliance and business ethics in the railway industry, which is a cradle to nurture fair play spirit in its marketplace." He added, "I hope this seminar



can be a driver to prevent corruption and manage risks linked to corruption effectively by empowering business strategies. Through this seminar, I hope that companies in the railway industry can participate in Fair Player Club, a platform for pursuing anti-corruption and clean and fair business through Collective Action."

Angela Joo-Hyun KANG, Founder and Executive President of GCEF, said, "The strategic importance of railway is increasing globally. The Korean railway industry is trying to find new possibility in transcontinental and international railway transportation arena. It is important to build a reliable image of the Korean railway industry as a new growth engine, based on excellent technology, compliance and business ethics, rather than the one tainted by corruption, among the public and in the international community."



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KIM Dong-bum, Business Ethics Director at the Business Performance Bureau of Korea Rail Network Authority, explained how it has created a clean corporate culture through sharing values such as understanding, sympathy, and participation. Also, he outlined how it has been pursuing its goal to become a clean and sustainable public institution.

In addition, KIM offered details about its business ethics system and four major tasks to improve it: eradicating malpractices in contracts, banning the act of steering privileges to one's former post, empowering responsibility for business ethics and integrity, and preventing corruption in the supply chain. He also presented the way Korea Rail Network Authority has recovered public trust through these efforts and endeavors to move forward toward a clean future.



KIM Myung-hwan, Director of Creativity Management at Korea Railroad Corporation introduced its endeavors to pursue a sustainable growth. After nine years since it became a public corporation, it turned a profit in 2014 for the first time. Since then, it has embraced diverse opinions from various external and internal stakeholders and incorporated them into its management, based on the core values of trust, responsibility, passion, innovation, and environment.



Citing various programs as examples, he showed how they helped spread a transparent corporate culture. The 3C system – Compliance Check Organization, Code of Conduct, and Consensus by Ethics Education – has been handled by Creativity Management Team and Compliance Team. The system focuses on improving fairness and transparency in contracts and procurement practices.

Seminar participants came from various public institutions and private companies -- Seoul Metropolitan Rapid Transit Corporation, Busan-Gimhae Light Rail Transit, AREX (Airport Railroad Co., Ltd.), STraffic, NeoTrans Corporation, ShinJok Corporation, Tae Kwang Industrial Co., Ltd., Korea National University of Transportation, and Pusan National University. All received seminar completion certificates issued by GCNK.



Also, the Fair Play Rule Compliance Package was distributed to all participants. It includes compliance and business ethics information related with the railway industry, such as the sample unified code of conducts, guidelines and cases of clean and fair business practices. It also introduces global trends of compliance and business ethics in the railway industry as well as its related industries covering unfair competition, unjust trade, irrational practices, intermediary, engineering, small bribes, and facilitation payment.



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### Global Outreach to the 15th Anniversary Event of UN Global Compact

(June 24, 2015)



The three-day events marking the 15th anniversary of UN Global Compact took place at the United Nations headquarters in New York, June 23-25, 2015 with the participation of over 1,000 representatives of business, government, civil society, labor unions, academia, investment community, intergovernmental organizations, and UN Global Compact local networks from over 60 countries.

As UN prepares to launch Sustainable Development Goals (SDGs) in September 2015, which will be endorsed by government leaders from all over the world, the 15th anniversary events of UN Global Compact held great importance as they were designed to review the progresses made by global collaboration between UN and the private sector and to demonstrate a growing and strategic role of the private sector to solve our world's greatest and multi-dimensional challenges.

The XIII Annual Local Network Forum (ALNF) was one of three-day events marking the 15th anniversary of UN Global Compact. Over 100 local network representatives from 60 countries gathered to discuss the subjects related with the local networks and the objectives of enhancing inter-network collaboration. ALNF focused on the forthcoming SDGs and the role of the local networks to advance corporate sustainability by supporting national action plans. IM Hong-jae, VP and Secretary-General, Eva Eun-kyung LEE, Team Leader, LIM Ae-hwa, Researcher, and CHO Jong-hyun, Researcher from UN Global Compact Network Korea (GCNK) attended the ALNF.

Especially, IM Hong-jae, VP and Secretary-General of GCNK, introduced Fair Player Club. He was invited to the Action/Collective Action & Partnerships session of the sub-session, Good Practices from Global Compact Local Networks among the main-session, Global Compact Local Networks and the Road to Implement SDGs. He introduced goals, backgrounds, collaboration partners, and the activities including the Fair Player Club Launching Ceremony, the 1st Joint Public-Private Industry Council Meeting, as well as the Fair Player Club Seminar for Compliance and Business Ethics of Railway Industry. He also explained how Fair Player Club could contribute to pursuing SDGs. Introduction leaflets of Fair Player Club in English were distributed to all participants.





The 16th Meeting of the Working Group on the 10th Principle against Corruption was also one of three-day events marking the 15th anniversary of UN Global Compact. The Working Group on the 10th Principle against Corruption is a multi-stakeholder platform with 38 member companies such as Siemens, BP, Alcatel-Lucent, Coca-cola, Microsoft, and Alstom. It collaborates with UNODC, ICC and World Economic Forum Partnership against Corruption Initiative (WEF-PACI) etc.

The 16th Meeting of the Working Group on the 10th Principle against Corruption consisted of three sessions.

Session 1 is Implementing and Enforcing the UN Convention against Corruption - Challenges and Opportunities. Session 2 is Promoting Integrity in Sports, Re-defining the Role of Business & Governments. Session 3 is Making Public Procurement Public: Public-Private Cooperation to Promote Integrity and Transparency in the Public Procurement System.

Georg KELL, Executive Director of UN Global Compact Headquarters, said during his congratulatory speech that he had attended the Fair Player Club Launching Ceremony in Seoul, South Korea, in May 2015. Sabine ZINDERA, the Head of Siemens Integrity Initiative & VP of Siemens AG, who participated in the signing ceremony of Fair Player Club with IM Hong-jae, VP and Secretary-General of GCNK, introduced the publication of 'A Practical Guide for Collective Action against Corruption', the final report of the projects financed by the first funding round of Siemens Integrity Initiative as well as various 'Collective Action' activities of Siemens AG.

Angela Joo-Hyun KANG, Founder and Executive President of Global Competitiveness Empowerment Forum (GCEF), attended all the sessions of the 16th Meeting of the Working Group on the 10th Principle against Corruption while promoting Fair Player Club to the session participants from UN, business, government, and civil society.

In particular, IM Hong-jae, VP and Secretary-General of GCNK, presented Fair Player Club to participants. He was invited to the sub-session to share best practices of Global Compact Local Networks of the Session 3: Making Public Procurement Public: Public-Private Cooperation to Promote Integrity and Transparency in the Public Procurement System. He explained why Fair Player Club was founded with its specific goals and backgrounds, and the significance of Fair Player Club in South Korea. He also presented its public-private cooperation activities since its launch and future plans to promote anti-corruption in South Korea.

Before, during and after his presentation about Fair Player Club, introduction leaflets of Fair Player Club in English were distributed to participants. The leaflet contains the information about Fair Player Club, introduction of a partner organization as well as participating associations, the Fair Player Club Launching Ceremony, the 1st Joint Public-Private Industry Council Meeting, and the Fair Player Club Seminar for Compliance and Business Ethics of Railway Industry.









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### Media Reports about Fair Player Club

The following is the list of media reports about Fair Player Club until June 30, 2015. You can check the website for full details.

http://www.fairplayerclub.kr/inobbs/bbs\_list3.php?code=e\_i bd03\_03&nbd=e\_ibd03\_03&dbcal=no&Ing=eng

Media	Title of Article
Han	The 'Fair Player Club' Launching Ceremony by UNGC
kyoreh Energy	Siemens Funds 'Fair Player Club',
Economy	the Anti-Corruption Project
Electimes	Siemens Funds 'Fair Player Club',
Electimes	the New Anti-Corruption Project
Financial	Siemens Began to Operate
News	the Anti-Corruption Project in South Korea
Yonhap	Siemens Funds 'Fair Player Club',
News	the Anti-Corruption Project
Etnews	Siemens Joined Fair Player Club and Pursues the Anti-Corruption Project
	Siemens Funds 'Fair Player Club',
Datanet	the New Anti-Corruption Project
	Siemens Funds 'Fair Player Club',
Edaily	the New Anti-Corruption Project
Acrofan	Siemens Funds 'Fair Player Club',
Acroian	the New Anti-Corruption Project
Today Energy	Siemens Actively Supports Anti-Corruption
	Government, International Organization,
SR Wire	and Private Enterprises Hold Hands
	for Fair Play in Business Management
<b>.</b>	The Ministry of Trade, Industry & Energy (MOTIE),
Newsis	Associations, and Siemens Integrity Initiative
Policy	Gather to Promote Compliance and Business Ethics
News of	The Fair Player Club Launching Ceremony &
MOTIE	The 1st Joint Public-Private Industry Council Meeting
Photo	The Fair Player Club Launching Ceremony &
News of ACRC	The 1st Joint Public-Private Industry Council Meeting
ACAC	(Interview) HONG Soon-nam, Acting Vice President
Electimes	of Korea Railway Association – Looking Forward to
	Restoring the Depressed Domestic Railway Industry
Internet	The Fair Player Club Seminar for Compliance and
Rail News	Business Ethics of Railway Industry
	Korea Railway Association Co-Hosted
Rail News	the Fair Player Club Seminar for Compliance and
	Business Ethics of Railway Industry
	with UN Global Compact Korea Network
Land	The Fair Player Club Seminar for Compliance and Business Ethics of Railway Industry Was Co-Hosted
Daily	by Korea Railway Association
1	and UN Global Compact Korea Network

### Industry Associations Participating in Fair Player Club





해외건설협회

Korea Association of Machinery Industry (KOAMI) <u>https://www.koami.or.kr</u> Korea Automobile Manufacturers Association (KAMA) <u>http://www.kama.or.kr</u> Korea Electronics Association (KEA) <u>http://www.gokea.org</u> Korea Railway Association (KORASS) <u>http://www.korass.or.kr</u> International Contractors Association of Korea (ICAK) <u>http://kor.icak.or.kr</u>

### How to Join Fair Player Club

If your company wants to join Fair Player Club, please contact us and fill in a membership application form. Membership is free.

- Apply for membership and participate in Fair Player Club
  Free participation in Fair Player Club workshops by industry,
- region and country.
- Free access to Fair Play Rule Compliance Package, Fair Play Competence Assessment Tools and analysis reports.
- Free attendance to Fair Play Pledge Ceremony
- Free tickets for Fair Player Club summit for speeches and presentations of global and local anti-corruption, compliance, and business ethics experts

Hosted by Global Compact Network Korea (GCNK) <u>www.unglobalcompact.kr</u> Tel. +82-2-749-2149/2150 Fax. +82-2-749-2148 Email. <u>gckorea@globalcompact.kr</u>



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> GCEF Global Competitiveness Empowerment Forum (사)글로벌경쟁력강화포럼

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