

MUSTAFA KOÇ, CHAIRMAN OF KOÇ HOLDING, DELIVERS A SPEECH AT THE SOCIAL RESPONSIBILITY CONFERENCE, 'PROTECT, RESPECT AND REMEDY,' HOSTED BY THE SWEDISH PRESIDENCY OF THE EUROPEAN UNION

“WE ARE ONE WORLD; WE SHOULD ADDRESS PROBLEMS TOGETHER”

Mustafa Koç, Chairman of Koç Holding, spoke at the "Protect, Respect and Remedy" conference on corporate social responsibility, hosted by the Swedish Presidency of the European Union. While corporate social responsibility was discussed in detail from a global perspective, Mustafa Koç emphasized that the business world does not have the luxury of ignoring social problems and needs. As the only Turkish participant at the conference, Mustafa Koç addressed members of the EU Commission and the audience: “Vehbi Koç, our founder, took on responsibility himself, rather than expecting everything from the government, and rendered many services in the social sphere. He established the Vehbi Koç Foundation and institutionalized social responsibility. The last economic crisis has shown that merely generating economic added value cannot single-handedly bring prosperity to the world. Therefore, in order to achieve sustainable growth across the globe, we all have to work in concert.”

Mustafa Koç attended the 'Protect, Respect and Remedy' corporate social responsibility conference, under the auspices of the Swedish Presidency of the EU, and spoke on how corporate social responsibility was perceived by the business world and on its importance as a fundamental practice. Held on November 10-11, with members of the EU Commission attending along with diplomats, academics, and businessmen, the conference hosted Mustafa Koç as the only Turkish speaker.

Organized by Sweden, announcing that during the term of their presidency, ending January 1, 2010, they would set as priorities climate change and other environmental issues as well as the economic crisis affecting European countries and reducing unemployment. The conference started with an opening speech by Dr. Ewa Björling, the Swedish Minister of Trade. As the main speaker at the afternoon session, Mustafa Koç stated that the global economic crisis had reminded us once more that we all shared one world and that we all had to work together to seek remedies.

“We cannot contend that countries, markets, and policies are independent of each other.”

Mustafa Koç began his speech by referring to the fact that human beings share one world, and, therefore, no one has the luxury of ignoring global problems. Mr. Koç insisted that economic growth could not single-handedly bring prosperity to the entire world and that global turmoil had also proved that, without good governance, no action aimed at further development could last. He then suggested that, in the current world order, to surmise that countries, markets, and policies were independent of each other would be naive: “There is a common approach: governments set the rules, and the business world adheres to them. Well, is this true or not? Where do the boundaries begin and end? We need to comprehend the importance of the ties between corporations and people as well as the ties between governments and corporations. Repositioning these balances in favor of a coordinated unity is a must.”

“Vehbi Koç, my grandfather, assumed responsibility and served society.”

Mustafa Koç noted that, as a businessman, he had full command of the practical side of the subject rather than an academic understanding and shared his experiences with the participants. He called attention to the fact that, through the life of his grandfather, Vehbi Koç, he had personally witnessed how a socially responsible businessman acts both as a catalyst between the government and society and as a key driving force for social development: “On the one hand, Vehbi Koç, my grandfather and the founder of our company, assumed a leadership role to broaden the economic prosperity in a newly founded country and then worked towards expanding social prosperity by proactively serving society.” Mustafa Koç pointed out that Vehbi Koç had not waited for the government to set up the legal framework in order to act as a responsible company owner or citizen but pioneered the establishment of associations, foundations, and non-governmental organizations in Turkey by identifying the gaps and needs. Mr. Koç added that his grandfather’s “leadership in this area had been watched with great interest by many of his friends from the business world, resulting in their setting off on the same path to serve society.”

“The Global Compact has tremendous impact.”

Even though perceptions of social responsibility might differ from country to country due to divergent cultural backgrounds and stages of development, Mustafa Koç underlined that the UN Global Compact had created a great reference point regarding that issue. He further remarked that Koç Holding had signed the Global Compact in 2006 and since that time there had been a very significant increase in companies adopting these principles: “Even though there are not any locally compelling factors, the signatory companies pay regard to international standards and undertake to own the values attributed to the Global Compact. At Koç Holding, we signed the Global Compact in 2006 and set a very good example for both Turkey and the region. We aim at continuous progress on all of our commitments. In the last three years, in line with this aim, we formed committees composed of representatives from our human resources, supply chain management, and environmental and risk management departments in order to follow the implementation of these principles. Thanks to the analyses and surveys we carried out, we discovered that Koç Group’s vision and values along with our working practices were compatible with the Global Compact principles. Through the “Koç Group Corporate Social Responsibility Report,” in its second edition this year, we share these efforts with the public and give them examples of best practices from our industry-leading companies. In the last three years, our affiliated companies also began reporting their corporate social responsibility performances and sharing them with the public, with increasing interest, although there are no legal and social obligations.”

“Responsibility should be shared equally between the business world and the government.”

Mustafa Koç indicated that, in many countries, there were no legal or social obligations to publish social responsibility reports and expressed his appreciation for the leadership of Sweden, the UK, and France regarding this matter. Koç accentuated the importance of governmental efforts in increasing awareness and said: “What really matters is not only governments passing laws on human rights, the environment, and social responsibility but adopting strategies to encourage their enforcement.” Mr. Koç emphasized the importance of synergy among developed countries, multi-international corporations and developing countries and concluded, “We should not forget that the business world’s compliance with laws and standards is possible only when the responsibility is shared equally between the business world and the government. The business world is truly rewarded by society only when it supports the right policies and reliable initiatives.”