

**I propose that you,
the business leaders,
and we,
the United Nations,
initiate a
global compact
of shared values
and principles,
which will give a
human face
to the global market.**

ANNUAL REVIEW

1  **YEARS**
2000 – 2010

United Nations Global Compact

United Nations Global Compact Annual Review – Anniversary Edition June 2010

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Additionally, we are grateful for the financial support provided by business participants to the **Foundation for the Global Compact**. \$1.7 million in private sector contributions were raised in 2009, helping to fund a number of important programmes and events. The list of foundation contributors can be found on page 76 of this publication.

The Wharton School of the University of Pennsylvania has been our partner in conducting the annual Global Compact Implementation Survey since 2007, and we thank Professor Keith Weigelt and his teams of students for their invaluable work over the years.

About the United Nations Global Compact

The United Nations Global Compact is a call to companies everywhere to voluntarily align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take actions in support of UN goals, including the Millennium Development Goals. Endorsed by chief executives, the UN Global Compact is a leadership platform for the development, implementation, and disclosure of responsible corporate policies and practices. Launched in 2000, it is largest corporate responsibility initiative in the world – with over 8,000 signatories based in more than 135 countries. For more information: www.unglobalcompact.org.

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Foreword	4
Global Compact 2000 - 2010	8
Local Networks	22
Issues	28
Human Rights	
Labour	
Environment	
Anti-Corruption	
Development	
Peace	
Investment	
Business Education	
Communication on Progress	68
UN-Business Collaboration	72
Foundation for the Global Compact	75
Annex	78

CONTENTS



Foreword

The Global Compact has now entered its second decade. What began as a rhetorical call for business engagement on global issues has evolved into the world's largest and most visible leadership platform to advance corporate responsibility. With nearly 6,000 participating businesses in more than 130 countries, the Compact has made a significant contribution to the diffusion of UN values across the globe.

Companies in all regions and sectors are demonstrating that a commitment to human rights, decent workplace standards, environmental responsibility and the fight against corruption pays off. Some firms have saved money; others have minimized risks; still others have discovered new opportunities linked to the concept of sustainability. But a common thread runs through almost all companies' experiences in bringing the Compact's ten principles to life: expanding markets and advancing the economic and social well-being of people and societies can be two sides of the same coin.

Just as the Global Compact has left its mark on business, so has business had an impact on the United Nations. UN agencies, funds and programmes are benefiting from partnerships with companies of all sizes that advocate our causes or bring expertise, resources and capacities to bear in support of our mission. The Compact has helped to prepare the Organization for these new forms of cooperation, while helping businesses develop a better understanding of the many ways in which they can contribute.

One of the primary challenges ahead is to bring responsible business to true scale. This Annual Review shows what must be done, what works and where we need to fill gaps. The Global Compact is determined to continue doing its part to show the way towards a more sustainable future for all.

H.E. Ban Ki-moon
UN Secretary-General

Building a New Era of Sustainability



Georg Kell
Executive Director
UN Global Compact

This year marks the 10th anniversary of the United Nations Global Compact. Our appeal a decade ago for business to “initiate a global compact of shared values and principles” resonates as much, if not more, today.

We embark on the UN Global Compact’s next decade at a critical moment in the history of the global economy. In some ways, the current atmosphere is unnervingly similar to ten years ago: national barriers are rising in the aftermath of painful financial adjustments; public outcry over corporate and investor mismanagement and greed is widespread; and there is a pervasive mood of uncertainty over the course of globalization. As a result, efforts to reach global climate and trade agreements, eliminate poverty and hunger, and safeguard against systemic market failures have yet to fully materialize.

While the need for responsibility and leadership has never been greater, neither has the opportunity to build a new era of sustainability. Over the past ten years, fundamental shifts have occurred. What began as a peripheral movement around business “ethics” has evolved into a mainstream corporate practice around the world. Today, there is growing recognition from all corners – the private sector, investors, employees, consumers, Governments, non-profits and educators – that when companies embed human rights, labour standards, environmental stewardship and anti-corruption measures throughout their organizations, it is good for both business and society.

Seen as purely aspirational in the early days, our mission is increasingly achievable – and increasingly called for. The fall-out from the financial crisis and the intense spotlight on the threats of climate change have brought critical momentum to the agenda. There is now broad understanding that our globalized marketplace requires a stronger ethical orientation, better caretaking of the common good, and more comprehensive management of risks. With a growing dedication to corporate responsibility by business globally, we will help the world chart a course where sustainable development, a healthy planet and peaceful cooperation prevail.

THE FIRST TEN YEARS

The notion and practice of corporate responsibility – defined as both implementing universal principles into business practices and taking actions to support societal goals – has evolved significantly in the past ten years.

FROM MORALITY TO MATERIALITY. While working towards the common good remains integral to corporate responsibility agenda, it is no longer the only “selling point”. Today, environmental, social and governance (ESG) issues – as covered by the Global Compact principles – are understood to be real factors in the long-term viability and success of companies, whether small suppliers or large transnationals.

GONE GLOBAL. Only 47 companies were present at our launch in July 2000. Today, the UN Global Compact is the world’s largest voluntary corporate sustainability initiative with over 8,000 business participants and non-business stakeholders from 135 countries. Companies represent nearly every industry and sector, and hail from developed, emerging and developing economies.

GONE LOCAL. Global Compact Local Networks can be found in over 90 countries. Through the networks, participants work individually and collectively to advance understanding and implementation of the ten principles, as well as engage in partnerships around local priority issues.

MAINSTREAMING OF THE PRINCIPLES. The level of awareness of the business relevance of human rights, good governance, and conflict-sensitive practices – as examples – has rapidly grown. So has cooperation among unlikely bedfellows, with unprecedented collaboration occurring between NGOs and companies, and corporate competitors coming together in ways not previously imagined to fight challenges – such as corruption and climate change.

“A” FOR ACCOUNTABILITY. Ten years ago, it was a challenge for companies to simply explain the connection between principles and business, now thousands are communicating annually in public reports on tangible efforts to address ESG issues. Moreover, new efforts to advance disclosure in areas such as human rights, water and anti-corruption are pushing this field to the next level.

CHANGING MARKETS. Until a few years ago there was no framework to mobilize investors around the materiality of ESG issues. Now, through the UN-backed Principles for Responsible Investment (PRI) a network of more than 700 institutional investors, representing roughly \$20 trillion in assets, are putting ESG considerations into the heart of investment analysis and decision-making. Importantly, they are using their influence to encourage improvements in sustainability performance by companies.

CHANGING MINDSETS. Through the UN-backed Principles for Responsible Management Education (PRME), there is now a global framework in place for academic institutions to advance corporate responsibility through their curricula and research. There is a long way to go to develop a new generation of business leaders, but with 300 business schools from 50-plus countries signed on to the PRME, a strong movement is afoot.

RESPONSIBLE LOBBYING. Recent collective efforts by CEOs on climate (calling for a global agreement) and anti-corruption (calling for an effective UN Convention against Corruption) are important “firsts”, signaling the potential impact of responsible business-government relations on global issues. This is a step towards overcoming the disconnect between a company’s stated commitment to principles and their, too often, contradictory lobbying efforts.

RISE OF “SOFT” POWER. Ten years ago, the only relationship between policymaking and business was one of regulation. Today, Governments play an increasingly prominent role in promoting responsible business practices, as a complement to regulatory measures, and are taking actions such as raising awareness, building business capacity, developing tools, and providing funding for voluntary initiatives. Also, public-private partnerships have become a mainstay in bringing practical solutions to societal challenges.

GLOBAL COMPACT 2000 – 2010

The Ten Principles of the United Nations Global Compact

The Global Compact asks companies to embrace, support and enact, with their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption.

Human rights

- Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2 make sure that they are not complicit in human rights abuses.

Labour

- Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4 the elimination of all forms of forced and compulsory labour;
- Principle 5 the effective abolition of child labour; and
- Principle 6 the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7 Businesses should support a precautionary approach to environmental challenges;
- Principle 8 undertake initiatives to promote greater environmental responsibility; and
- Principle 9 encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

- Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.

Since launching in 2000, the United Nations Global Compact has worked to embed principles, values and responsibility into the global marketplace. Our founding mission has not wavered; we strive for the day when companies everywhere integrate universal principles into their strategies, operations and culture. We believe that global markets must contribute to a world where all people can live in societies that are prosperous and peaceful.

The need for a “global compact”

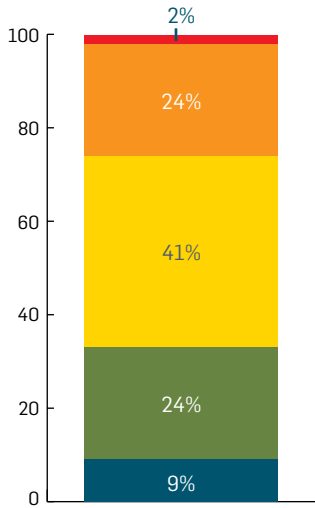
The Global Compact launched on 26 July 2000, at the dawn of a new century and at a time when the world was calling out for new solutions and forms of cooperation in the context of rapid globalization. Too many people and nations were not benefiting from the growth and opportunity associated with massive increases in international investment and trade. The gap between commercial advances and the neglect of human rights, social and environmental issues was provoking widespread backlash.

To address serious shortfalls in global governance, a new way of thinking emerged within the United Nations, whereby UN values – which were traditionally used to forge understanding among nations – could be applied to the private sector, calling on companies to act in a principled way *wherever* and *whenever* they operated.

The proposal that business and the UN jointly initiate a “global compact of shared values and principles, to give a human face to the global market” was introduced by former Secretary-General Kofi Annan in a speech to a gathering of chief executives in 1999. Unsure of how business and the global community would respond to this new posture by the UN, it was with a fair amount of surprise that, from one speech, a global movement was borne. The following year, a small Global Compact initiative – comprised of just 40 companies, as well as influential civil society, labour and employer organizations – set out on a mission to introduce universal principles to business everywhere.

Ten years later, the Global Compact stands as the world’s largest, global corporate responsibility initiative. As of 1 June 2010, over 8,000 signatories – 6,000 from business and 2,000 from civil society and other non-business groups – based in more than 135 countries were committed to implementing the Global Compact principles into business practices and taking actions to advance UN goals, such as the Millennium Development Goals (MDGs).

Overall, how has participation in the Global Compact helped advance corporate responsibility policies and/or practices within your company?



- Advancement would not have happened otherwise
- Significantly helped
- Moderately helped
- Minimally helped
- No impact

Reviewing progress and milestones

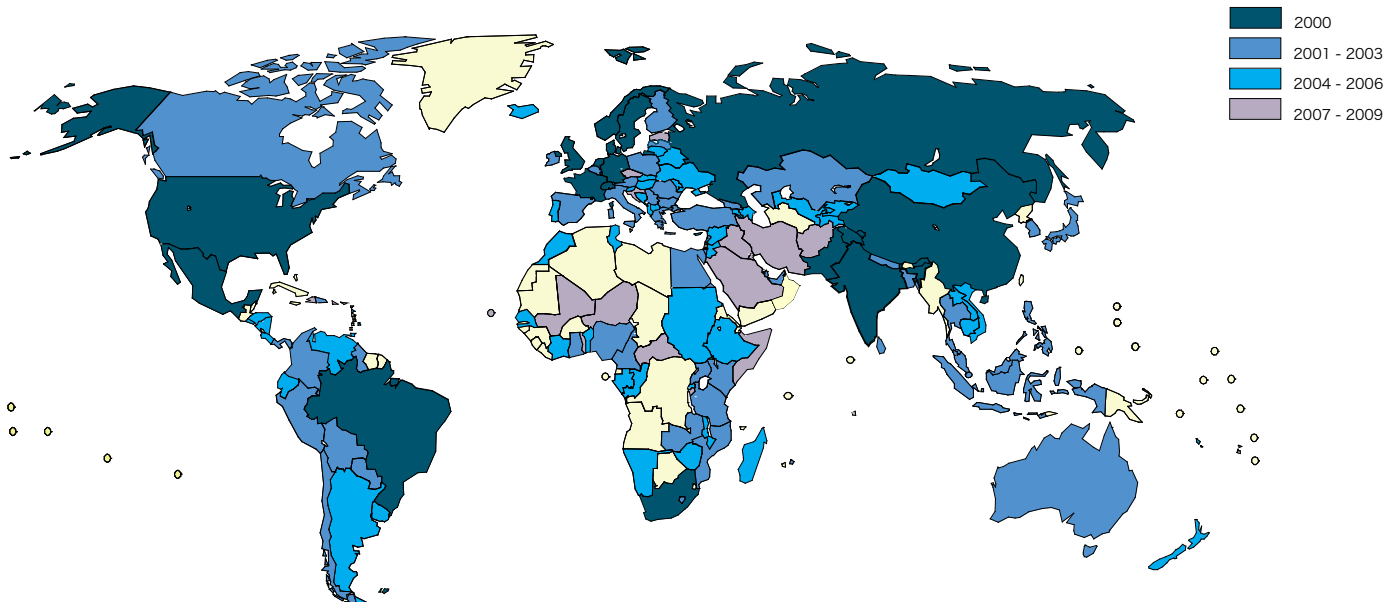
This special edition of the Annual Review takes stock of the initiative today and highlights milestones since 2000. It touches on efforts taken by all relevant parties – business, civil society, labour, educators, Governments, the UN, Local Networks and the Global Compact Office – across the wide range of issues linked to our work, including the ten principles and development, as well as peace, responsible investment, business education and broader UN-business collaboration.

Central to the review are findings from the Global Compact Implementation Survey, which is conducted annually to assess policies, actions and depth of corporate engagement on sustainability issues, as covered by the Global Compact. Completed in 2009 by 1,044 companies from 97 countries, it is one of the largest, most comprehensive surveys ever conducted on global corporate responsibility implementation.

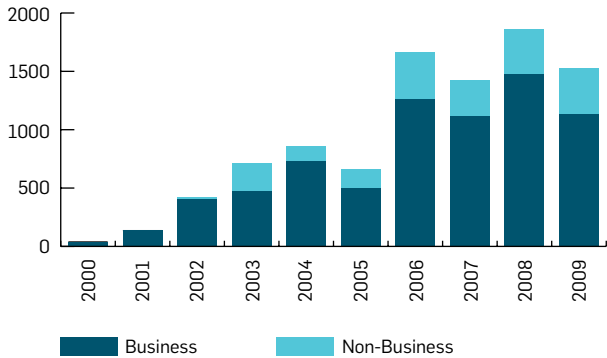
This Annual Review also places special focus on the economic downturn – benchmarking results from 2008 and 2009 to understand any impact on sustainability performance. Findings show that, overall, business participants have maintained efforts to implement policies and take tangible actions that advance Global Compact principles despite the economic decline. This data is backed by robust business engagement around the world during 2009 – for example in global working groups, international events and through special platforms on climate and water – and the addition of more than 1,500 new signatories to the Global Compact.

Global Compact, Global Reach

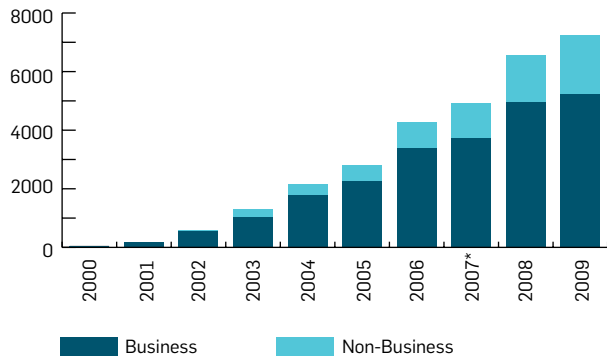
This map shows the global expansion of the initiative over time, categorizing countries by the year that the first signatory joined the Global Compact.



New signatories per year

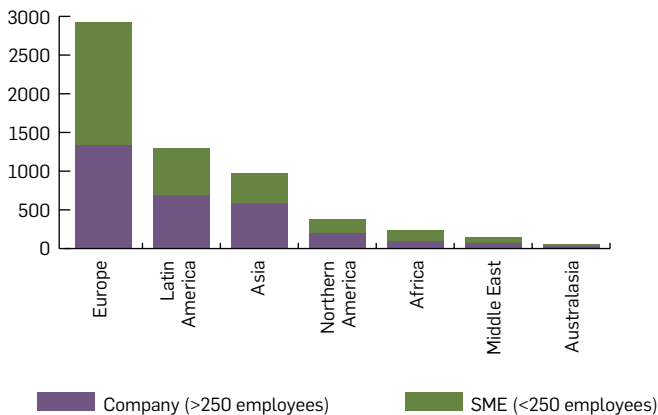


Total Global Compact signatories



* Beginning in 2007, for the first time companies could be categorized as "inactive" and subsequently removed from the Global Compact. These companies are not included in the total stakeholder count, resulting in net growth in 2007 and later years that is less than the number of new signatories.

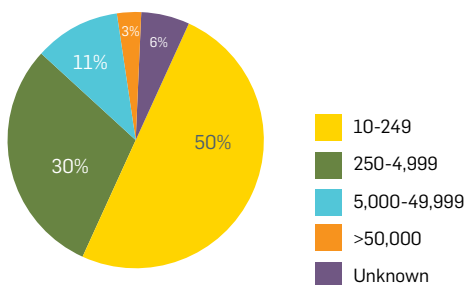
Business participants by region and size



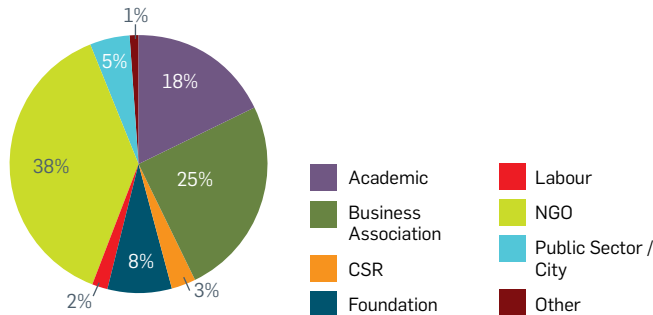
Business participants - top 20 countries



Business participants by employee

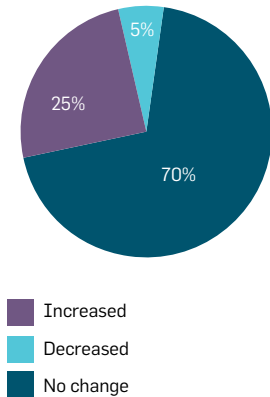


Non-business participants by type



Economic Downturn

Has the relevance of your company's participation in the Global Compact been impacted by the global economic downturn?



2009 was a critical test for the Global Compact, and the corporate responsibility movement more broadly. Despite fears that the economic downturn would dampen work to advance Global Compact principles, business participants sustained efforts to implement policies and take tangible actions.

Throughout this Annual Review, survey findings show that, overall, from 2008 to 2009 companies maintained their work to advance human rights, labour, environment and anti-corruption principles in their operations. There was a modest increase in labour and environmental policies – which is in line, respectively, with the focus on jobs and workplace in the midst of the economic downturn, and the global spotlight on climate change leading up to the UN Climate Change Conference (COP15) in December. On the other hand, implementation of human rights and anti-corruption policies experienced a slight decrease in 2009.

Understanding the link between the economic downturn and any change in corporate responsibility efforts by business was a priority for the Global Compact in 2009. Therefore, the 2009 Implementation Survey was conducted late in the year to allow maximum time following the emergence of the financial crisis. With the previous survey

conducted in March 2008, we believe that, where appropriate, conclusions can be drawn regarding participant behaviour before and after the onset of the downturn – especially since the same questions and answer choices were posed year to year.

When asked specifically about the impact of the economic downturn on the bearing of the corporate responsibility agenda, nearly all – 94% – report that the relevance of participation in the Global Compact did not decrease last year, with 25% considering the initiative more relevant than before.

These findings are supported by strong business engagement around the world during 2009 – for example in our working groups on human rights, environment, anti-corruption and supply chain, and through our CEO Water Mandate and Caring for Climate platforms. We witnessed record turn-out at our Local Networks Forum and welcomed over 1,500 organizations to the Global Compact throughout the year.

About the 2009 Global Compact Implementation Survey

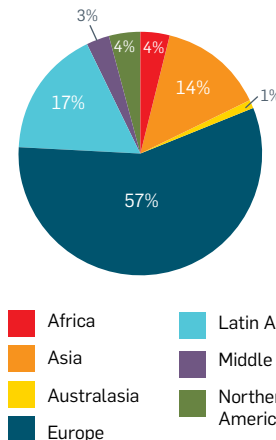
The 2009 Global Compact Implementation Survey received 1,044 responses from 97 countries – making it one of the largest, most comprehensive studies conducted on global corporate responsibility implementation. Results are featured throughout this Annual Review.

The Implementation Survey is conducted annually to help the Global Compact better understand, and benchmark, how corporate participants of all sizes and from all regions are taking action to advance responsible business practices and contribute to development goals.

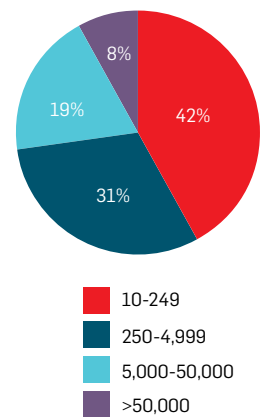
In November 2009, all companies participating in the Global Compact were invited to take the anonymous online survey – available in English, Chinese, French and Spanish – which was administered by The Wharton School of the University of Pennsylvania.

2009 survey respondents are generally representative of the Global Compact participant base, especially in terms of region and year that the company joined the initiative. There was a significant increase in the percentage of SMEs (companies with less than 250 employees) that completed the survey in 2009 – 42% versus 34% in 2008. Because half of Global Compact participants are SMEs, our survey findings are increasingly representative of the many small businesses in the initiative.

Responses by region



Responses by company size (employee #)



Management Practices

Engagement by chief executive officers (CEOs) is a hallmark of the Global Compact, and this is reflected in survey results – with 69% of companies reporting that corporate responsibility policies and strategies are developed at the CEO level – the same figure reported in 2008. This finding is consistent across all demographics, including company size and the length of time the company has participated in the Global Compact.

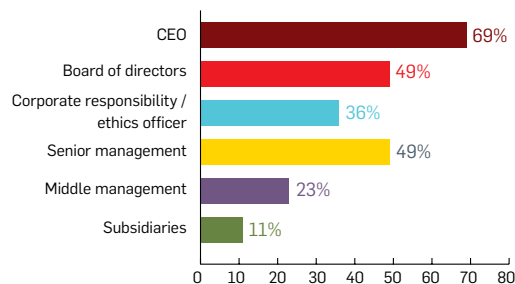
Increasing engagement by Boards of Directors is an area that continues to be a priority for the Global Compact. 49% of companies report Board engagement on corporate responsibility issues, a slight decrease from 53% in 2008. To help advance this area, the Global Compact – together with an expert group of participants and academics – released “Moving Upwards: The Involvement of Boards of Directors in the Global Compact” in June 2010 outlining how, and in what specific areas, the engagement of Boards of Directors can act as a crucial reinforcement of the leadership role of CEOs in advancing implementation of corporate citizenship in general, and the Global Compact specifically.

Overall, only 36% of companies report having a position for a corporate responsibility or ethics officer – down slightly from 2008. Companies with more than 5,000 employees report having such a position at a much higher rate than smaller companies, however this figure fell significantly between 2008 and 2009 – from 71% to 58%. The economic downturn is a likely culprit in this

sizeable reduction of corporate responsibility officers in larger companies.

“Increasing trust in the company” took the top spot when companies were asked to list the top five reasons for engagement in the Global Compact. The top 5 reasons were consistent with 2008 results, however trust moved to the first position from second place last year – not surprising in the wake of loss of trust and confidence in markets and business following the financial crisis. While still ranking relatively low, the reason “addressing climate challenges” rose significantly between 2008 and 2009 (from 20% to 27%), suggesting that the intense focus on climate externally and through Global Compact efforts resonated with participants. “Pressure from external stakeholders” and “financial market expectations” continue to rank in the lowest positions.

At what levels are corporate responsibility policies and strategies developed and/or evaluated?



Top 5 Most Popular Reasons for Engagement in the Global Compact

- 1**
Increase trust in company
- 2**
Integration of sustainability issues
- 3**
Universal nature of the principles
- 4**
Networking with other organizations
- 5**
Address humanitarian concerns

Governments play a key role in promoting corporate responsibility and private sector engagement in development. The Global Compact enjoys the support of the UN General Assembly and has also been recognized in a number of other inter-governmental contexts, including by the G8.

In December 2009, in the resolution “Towards Global Partnerships” (A/RES/64/223), the UN General Assembly renewed our mandate, encouraging “the

United Nations Global Compact to continue its activities as an innovative public-private partnership to advance United Nations values and responsible business practices within the United Nations system and among the global business community”.

Additionally, the 2009 G8 Leaders Declaration called for “enhanced efforts to avoid wider consequences of the financial crisis and to promote responsible business practices”, referencing the Global Compact as a key

initiative in this regard.

Governments also provide essential financial support to the Global Compact Office through our trust fund. Over time, generous support has been provided by the following Member States of the United Nations: Sweden, Norway, Switzerland, Denmark, Spain, Germany, UK, Italy, Finland, France, Republic of Korea, Colombia, China and Brazil.

In June 2010, the Global Compact and Bertelsmann Stiftung jointly released the

paper “The Role of Governments in Promoting Corporate Responsibility and Private Sector Engagement in Development”. It provides an overview of policies around the world relating to corporate responsibility and provides suggestions on policy interventions and instruments that can foster responsible business practices. The paper is intended for Governments that wish to develop policies to encourage voluntary business activities.

Supply Chain

Given the scope of supplier relations today for companies of all sizes, it is essential for business to extend their commitment to responsible practices to their value chains. They must do so not just to protect against the social and environmental risks and the governance challenges the supply chain poses, but also because of the rewards supply chain sustainability can deliver – namely advancing corporate responsibility globally and helping to achieve development objectives.

State of Supply Chain Implementation

Ensuring that supply chain partners adhere to the Global Compact principles is rising on the agenda of companies of all sizes – though it remains a challenge to translate policy into action.

66% of companies indicated in the 2009 annual survey that they consider the issue – with 12% requiring suppliers to comply with Global Compact principles in order to be selected as a partner.

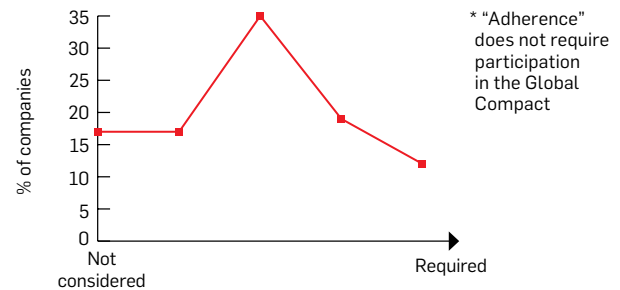
Companies reported an increase from 2008 to 2009 in their policies related to suppliers, across all issue areas: human rights (+7%), labour (+4%), environment (+9%) and anti-corruption (+3%). In the cases of human rights, labour and anti-corruption, the increase represented the only area of improvement with regard to groups for which policies apply (e.g., employees, subsidiaries, communities).

Moving beyond policy is proving quite difficult for companies. Of those that report being concerned with responsible practices in the supply chain, there is much room for improvement in actions taken when selecting new partners and in assessing current partners. Approximately one-third of companies conduct audits by company staff, and equally rely on self-assessment questionnaires by new and current partners. Less common are audits by third parties and verification of remediation activities.

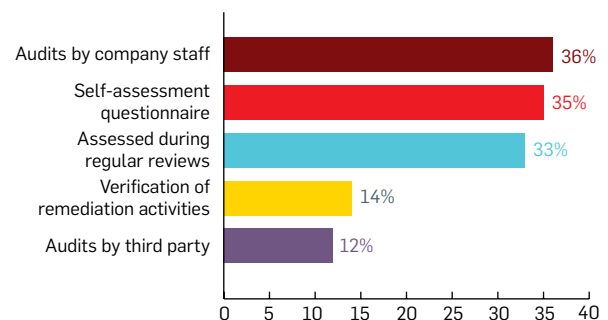
While companies are struggling to assess performance of suppliers, they are even more hard-pressed to assist suppliers in improving adherence to Global Compact principles. In this regard, 28% of companies report taking “no actions”, and less than 25% are taking key steps, such as assisting with setting and reviewing goals, reviewing remediation plans, or providing training on management systems.

A fair number of companies – 17% – still do not even consider supplier adherence to responsible practices. This number is significantly lower – at 6% – for companies with over

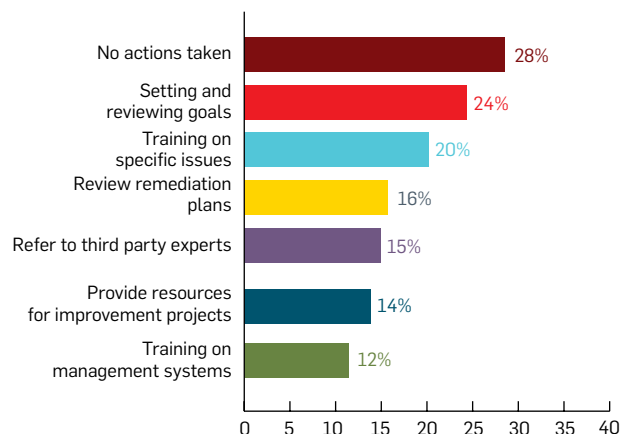
To what extent do you consider adherence* to the Global Compact principles by supply chain partners?



How does your company assess adherence by suppliers to Global Compact principles?



What actions does your company take to assist supply chain partners in improving their adherence to Global Compact principles?



50,000 employees, a positive trend given their typically large supply chains. The top reasons cited by companies for failure to consider supplier adherence to the principles are: lack of capacity, not a priority, and lack of knowledge on how to integrate principles into procurement practices.



Advisory Group and Guidance Materials

To strengthen focus and guidance on supply chain practices, the Global Compact established an advisory group in 2009 comprised of business participants

and stakeholders, with the task of providing input to the initiative's overall strategy and work around supply chain sustainability. The advisory group is chaired by Mr. Mads Ovlisen, a member of the Global Compact Board.

With the support of the advisory group, the Global Compact and BSR jointly developed strategic guidance materials. Launched in June 2010, "Supply Chain Sustainability: A Practical Guide for Continuous Improvement" is intended for companies with significant sourcing activities that are interested in learning how to incorporate sustainability into their supply chain management strategies and practices. It outlines practical steps companies can take and presents examples to inspire action.

As a complement to this new guide, the Global Compact and BSR also have produced an online self-assessment and learning tool for companies to determine their current level of supply chain sustainability implementation and to learn how to make progress over time in implementing a holistic approach.

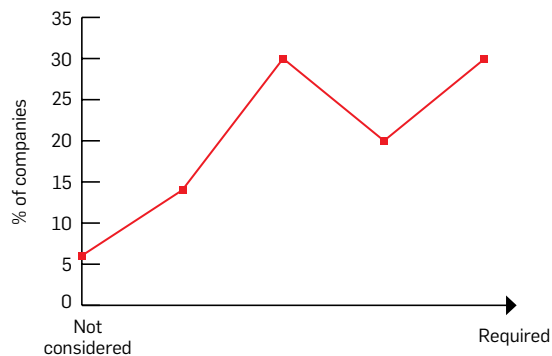
What is Supply Chain Sustainability?

Supply chain sustainability is the management of environmental, social and economic impacts, and the encouragement of good governance practices, throughout the lifecycles of goods and services. The objective of supply chain sustainability is to create, protect and grow long-term environmental, social and economic value for all stakeholders involved in bringing products and services to market.

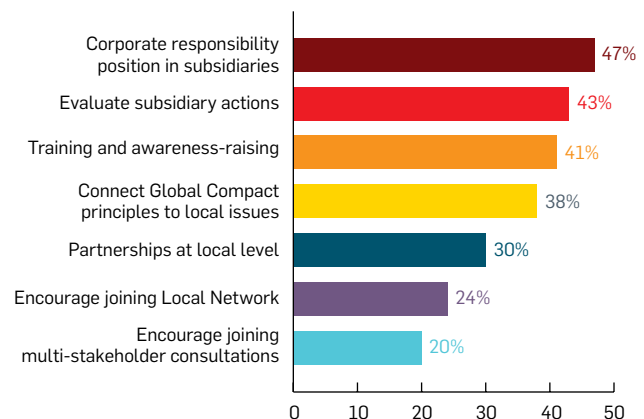
Subsidiaries

In 2009, companies maintained efforts to spread their commitment to the Global Compact throughout their subsidiaries – with little change from 2008. 80% of companies with subsidiaries report making at least moderate efforts – with 30% requiring subsidiaries to engage in responsible practices. Only 6% report not taking any action beyond headquarters – down from 9% in 2008. For the first time, in 2009 companies identified actions taken to spread their Global Compact commitment at the subsidiary level, which include: establishing a corporate responsibility position (or similar) in subsidiaries; monitoring subsidiary actions through reporting to headquarters and conducting awareness-raising sessions for subsidiaries.

Does your company spread its commitment to the Global Compact throughout its subsidiaries?

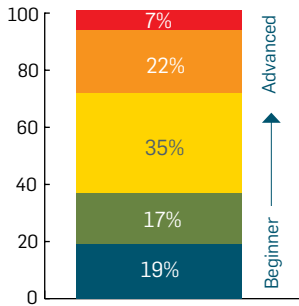


Actions your company takes to spread its commitment to the Global Compact throughout subsidiaries



From Learners to Leaders

Corporate responsibility performance of participants



The global issues, challenges and opportunities of the 21st century call for a new level of corporate performance which generates long-term value for both business and society. The ultimate goal of Global Compact participation is for a company to fully integrate human rights, labour, environment and anti-corruption principles into the organization’s DNA. This requires a long-term commitment from the highest levels of a company and willingness to take action over time that improves performance and deepens engagement.

Given the range of participants in the Global Compact – for example, in terms of company size, length of time in the initia-

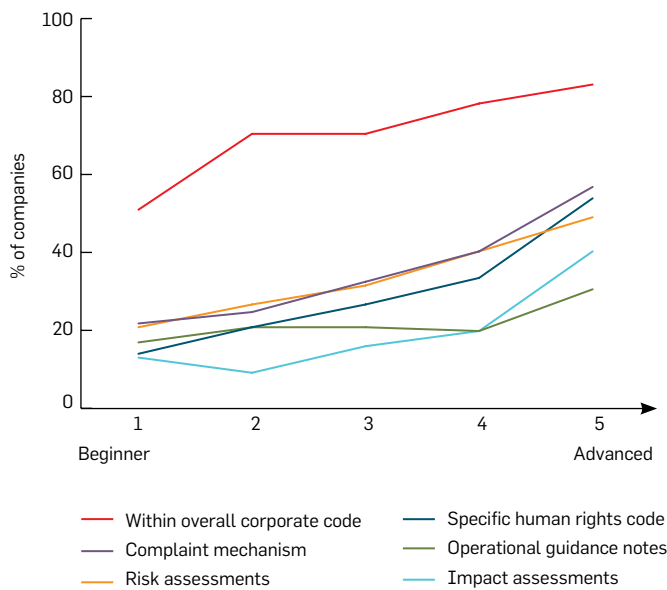
tive, and development level of home-country economies – there is a large spread in actions taken to advance sustainability issues.

Companies engage in the Global Compact at very different stages of understanding, implementation and innovation on sustainability issues – a fact proven out by both experience and our annual survey findings. When asked in the 2009 Implementation Survey to assess their overall level of corporate responsibility performance, a majority of businesses rated themselves in the beginner to intermediate range. Only 7% of Global Compact participants consider their implementation of sustainability issues to be at an advanced level.

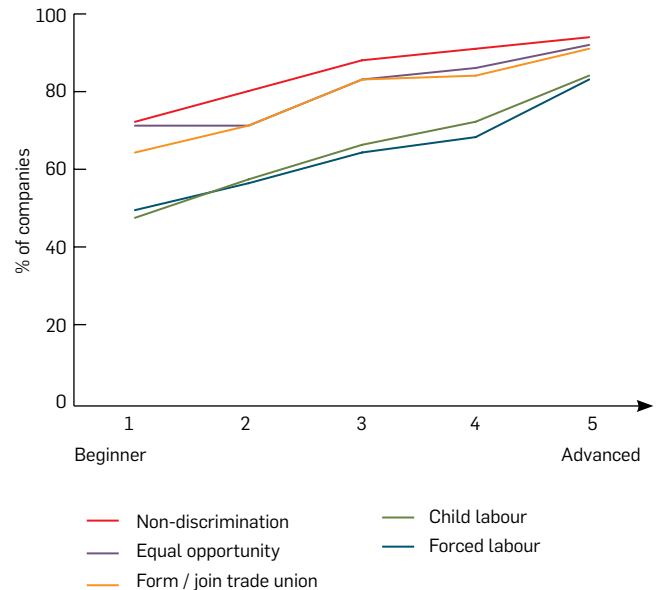
POLICY IMPLEMENTATION BY ISSUE

The Global Compact’s broad participant base – ranging from sustainability learners to leaders – translates into a wide spread in actions to implement policies related to the ten principles. The charts below illustrate this spread – bringing to light areas where both beginners and advanced performers are challenged, such as anti-corruption in the supply chain or human rights operational guidance. Also it is evident that in many cases a company’s level of

Human Rights



Labour



Driving higher levels of performance by companies — whether just starting on the path of sustainability or at the cutting-edge of practice — is critical. The Global Compact has worked over the past decade, together with key partners and experts, to develop tools and resources in all issue areas (see Annex B for a full list of resources). Additionally, a number of issue-specific platforms — such as Caring for Climate and the CEO Water Mandate — have been launched for companies seeking to lead the way to new solutions and actions.

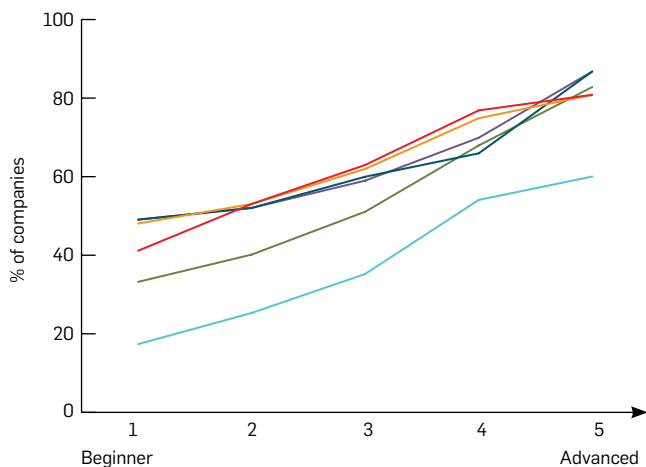
Civil society organizations are active partners in Global Compact issues areas. They are members of all Working Groups — in the areas of human rights, labour, environment and anti-corruption — and also active in special projects, particularly the CEO Water Mandate, supply chain sustainability and responsible investment in conflict-affected areas.

Additionally, civil society organizations actively participate in most Local Networks around the world — in many cases collaborating on partnership projects and commenting on Communications on Progress. Following the Annual Local Networks Forum in Istanbul in 2009, recommendations are being developed on how to increase engagement with civil society locally and globally.

Moving forward, the Global Compact seeks to strengthen the role of civil society in the initiative — both in its role to hold companies accountable for their commitments under the Global Compact and as partners on common causes.

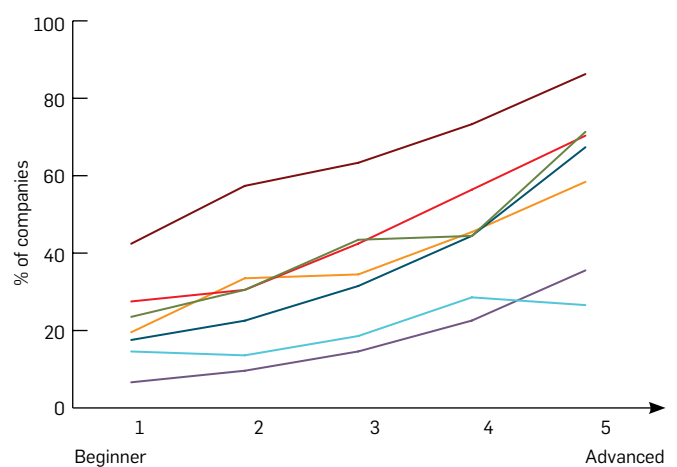
performance is linked to its ability to advance policies, for example on environment measurement and tracking systems. Despite the range in performance, overall, the 2009 survey findings show that companies are implementing key policies on human rights and anti-corruption at lower rates than labour and environment — which is consistent with 2008 findings.

Environment



- Performance targets & indicators
- Company's own codes
- Cleaner & safer production objectives
- Sustainable consumption & responsible use objectives
- Measurement & tracking systems
- "Triple bottom line"

Anti-Corruption



- Within overall code
- Specific anti-corruption policy
- Zero-tolerance policy
- Management systems
- Pre-approve facilitation payments
- Suppliers must have policies
- Limit value of gifts

Building on ten years of experience, in June 2010 the Global Compact released two new resources designed to drive sustainability management and performance — one targeted for “learners”, the other for more experienced companies. The “UN Global Compact Management Model”, developed in collaboration with Deloitte, is especially useful for new participants seeking to align practices with the ten principles. For more advanced participants, the “Blueprint for Corporate Sustainability Leadership” assists in both broadening and deepening sustainability implementation — with criteria for leadership-level practices identified.

Management Model

The “UN Global Compact Management Model” guides companies through the process of formally committing to, assessing, defining, implementing, measuring, and communicating a corporate sustainability strategy based on the Global Compact and its principles. It is a simple, yet broad and flexible, model to guide companies of all sizes through the process of organizational change to embrace corporate sustainability. Produced in collaboration with Deloitte and a range of corporate sustainability and management experts, the model is particularly helpful for those just entering the sustainability realm, but also offers guidance on Leadership Practices for more experienced companies.

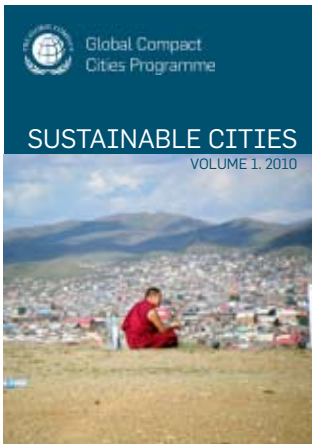


Defining Leadership

The “Blueprint for Corporate Sustainability Leadership” is designed to inspire advanced performers to reach the next level of Global Compact sustainability performance. The Blueprint identifies leadership practice in the following areas:

- Maximizing implementation of the ten principles, as well as fully leveraging the Global Compact’s special platforms – for example, linked to climate and water;
- Producing a “Leadership” Communication on Progress that demonstrates adoption and performance; and
- Aligning with and building greater linkages to the UN system in order to advance broader societal goals and issues, including the Millennium Development Goals.

By outlining leadership criteria, the Blueprint will assist third-party stakeholders – including investors, educators, civil society groups and Governments – in gauging the advanced performance of companies.



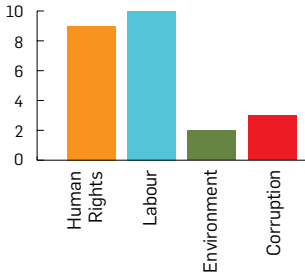
Cities have the potential to make enormous strides in creating sustainable societies – where economic, social, political and environmental issues are integrated and advanced. Recently, we have scaled up efforts – through our Global Compact Cities Programme – to advance urban engagement in the initiative and provide support to city leaders in demonstrating this commitment.

The Global Compact Cities Programme, launched in 2003, is dedicated to helping cities translate the ten principles into day-to-day urban governance and management. It focuses on collaboration between all levels of Government, business and civil society to find solutions to complex urban challenges. As of April 2010, the Cities Programme provides three levels of engagement: signatory, reporting and innovating. Each successive level involves a progression in terms of the commitment by the city, as well as the advice and tools provided.

Additionally, “Sustainable Cities: Volume 1” has been released, providing the first comprehensive review of the Cities Programme and its member cities. Administered by an International Secretariat based at the Global Cities Institute at RMIT University in Melbourne, Australia, the Global Compact Cities Programme provides expertise and guidance to approximately 40 cities around the world.

Governance

Matters Raised by Issue Area



Note: Matters that are raised will often encompass multiple issue areas. Further, issue areas often overlap in subtle ways; some subjectivity by the Global Compact Office, therefore, must be taken into account

Global Compact Inter-Agency Team

Seven UN agencies that are closely associated with the Global Compact's Ten Principles comprise the Inter-Agency Team:

OHCHR Office of the UN High Commissioner for Human Rights

ILO International Labour Organization

UNEP United Nations Environment Programme

UNODC United Nations Office on Drugs and Crime

UNDP United Nations Development Programme

UNIDO United Nations Industrial Development Organization

UNIFEM United Nations Development Fund for Women

The Global Compact governance framework is designed to foster greater involvement in, and ownership of, the initiative by business participants and other key stakeholders. Governance of the initiative is shared by seven entities which collectively represent all stakeholder groups: Global Compact Leaders Summit; Local Networks; Annual Local Networks Forum; Global Compact Board; Global Compact Office; Inter-Agency Team and Government Donor Group.

Integrity Measures

The Global Compact Integrity Measures are comprised of the Communication on Progress (COP) policy, logo policy and dialogue facilitation process. Implementation of these measures is overseen by the Global Compact Board.

Dialogue Facilitation

In 2009, the Global Compact Board adopted a set of Frequently Asked Questions (FAQ) to help clarify the purpose and functioning of the dialogue facilitation procedure. The FAQ reiterates the Global Compact's nature as a learning platform and not as a system of sanctions, nor an adjudicatory body.

In 2009, 17 separate matters alleging abuses of the ten principles by business entities were raised with the Global Compact Office:

- 2 were handled under the Integrity Measures dialogue facilitation mechanism;
- 6 did not fall within the "systematic or egregious" definition of abuse and as such were not appropriate for formal dialogue facilitation;
- 4 matters were not further pursued by the raising party;
- 3 matters related to companies that were not participants of the Global Compact; and
- 2 matters were raised by concerned individuals who were not stakeholders and thus, formal dialogue facilitation would not have been appropriate.

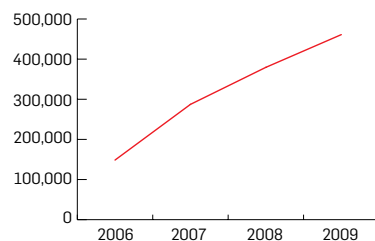


Global Compact Logo Policy

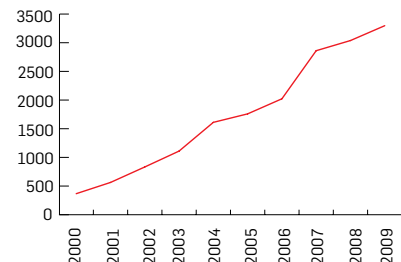
Global Compact participants are encouraged to use the "We Support the Global Compact" logo as a way to further show commitment and raise awareness of the initiative, for example on corporate websites. Organizations must request permission from the Global Compact Office – and submit a sample of desired usage – before each use of the logo. In 2009, 1,155 logo requests were received.

Global Compact Brand and Visibility

Unique visitors to the Global Compact website (per year)



Global Compact mentions in media and press releases (per year)





Global Compact Leaders Summit

Held every three years, the Summit is the forum for Global Compact participants to renew their commitment to responsible practices, share progress made and set the direction for the coming years. Chaired by the UN Secretary-General, the Summit convenes chief executives with leaders from civil society, Government and the UN to elevate the role of responsible business

in bringing about the needed transformation to more sustainable and inclusive markets. In 2010, the Summit, convened on 24-25 June in New York City, focused on building a new era of sustainability – an era where environmental, social and governance (ESG) issues are deeply integrated into business based on both material and ethical rationales.

Government Donor Group

The Global Compact wishes to thank Governments that have, over time, generously supported the initiative by contributing to the Global Compact Trust Fund:

Sweden
Norway
Switzerland
Denmark

Spain
Germany
UK
Italy

Finland
France
Republic of Korea
Colombia
China
Brazil

Global Compact Board

The Global Compact Board, chaired and appointed by the UN Secretary-General, is a multi-stakeholder body that provides ongoing strategic and policy advice for the initiative as a whole. The Board has met twice since the beginning of 2009.

July 2009 Discussion centered on the status of the integrity measures, including a review of each component. Additionally the Board agreed on creating a new working group on environmental stewardship.

March 2010 Deliberations focused on a review of the Communication on Progress mechanism. The Board discussed the structure and content of the Leaders Summit 2010, expressing strong support for the Summit's objectives and preparations.

Board Members (as of 1 June 2010)

Ms. Habiba Al Marashi
Chair, Emirates
Environmental Group

Mr. Toshio Arima
Director and Executive Advisor
to the Board, Fuji Xerox, Japan

**Mr. José Sergio
Gabrielli de Azevedo**
President and CEO,
Petrobras, Brazil

Mr. Guillermo Carey
Senior Partner, Carey &
Allende Abogados, Chile

Mr. Tae-won Chey
Chairman & CEO, SK Group,
Republic of Korea

Ms. Ying Chen
Director, Beijing Rong Zhi
Institute of Corporate Social
Responsibility, China

Mr. Juan De La Mota
President, Global Compact
Network Spain

Mr. Oded Grajew
Chair of the Board, Instituto
Ethos de Empresas e
Responsabilidade Social

Mr. Charles O. Holliday
Chairman of the Board, Bank
of America, United States

Mr. Jamshed Irani
Director of the Board,
Tata Sons Limited, India

Mr. Georg Kell
Executive Director,
UN Global Compact Office*

Ms. Huguette Labelle
Chair, Transparency International

Ms. Anne Lauvergon
Chair of the Executive Board,
Areva, France

Sir Mark Moody-Stuart
Chairman, Foundation for
the Global Compact*

Ms. Ntombifuthi Mtoba
Chair of the Board, Deloitte,
South Africa

Mr. Mads Øvlisen
Chairman, Danish Council on
Corporate Social Responsibility,
Denmark

Mr. Fernando Chico Pardo
President of Grupo Aeroportuario del Sureste (ASUR),
Mexico

Mr. Antonio Peñalosa
Secretary-General,
International Organisation
of Employers

Mrs. Mary Robinson
President, Realizing Rights:
The Ethical Globalization
Initiative

Mr. Jean Rozwadowski
Secretary-General,
International Chamber
of Commerce

Mr. Guy Ryder
General Secretary,
International Trade Union
Confederation

Mr. Manfred Warda
General Secretary,
International Federation of
Chemical, Energy, Mine and
General Workers' Unions

*Ex-Officio

LOCAL NETWORKS

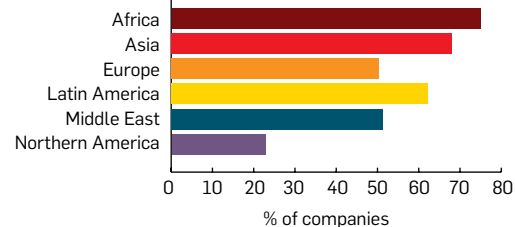
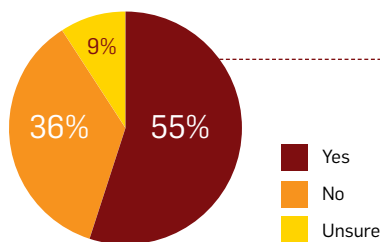
To manage a truly global initiative, with business in more than 135 countries, local operations have become the lifeline of the Global Compact – translating universal principles into local actions that support global priorities and address needs on the ground. The concept of “local networks” emerged organically early, in 2001, as stakeholders naturally began to join together at the country level to discuss their new commitments to advance the ten principles – sharing early experiences and ideas about how to take relevant actions.

Ten years on, there are over 90 established and emerging Global Compact Local Networks (GCLNs). They play an essential role in the initiative and are an integral part of the overall governance of the Global Compact initiative. While retaining diverse management systems and operations, all networks operate with the mission to advance the Global Compact principles in business activities – and, today, there are clear criteria for network operations. In 2009, more than half of Global Compact companies reported that they engage in a GCLN – citing networking with other companies and assistance with implementation of Global Compact principles as the top reasons for local participation.

Increasingly robust engagement takes place locally through the networks. For example, in 2009: networks in China, Japan and Korea established a collaborative platform to advance the Global Compact in the region; the UK network strengthened its peer review and mentoring programme; Ghana and Zambia hosted practical training workshops; US participants convened on the topic of board engagement; and France and Spain both hosted numerous events in their capacity as the largest Global Compact networks. These are just a small sample of the diverse efforts underway globally.

Using a blend of activities, workshops, regional meetings and the recently launched online Knowledge Sharing System (KSS), Local Networks are building on nearly a decade of experience to help weave sustainability issues into the daily operations of participating companies around the world.

Is your company engaged in a Global Compact Local Network?



MILESTONES

2000

First Global Compact outreach event takes place in India

2000

2001

Nordic countries host meeting that introduces the notion of a local engagement platform

Chile is the first Latin American country to launch the Global Compact



Ghana is the first African country to launch the Global Compact

2002

II ALNF in London results in a set of minimum governance requirements

2004

Fundació Fòrum – Barcelona Center for the Support of the Global Compact is launched in Spain



2003

Networks gather for the first time in Berne, later to be known as the "Annual Local Networks Forum". Representatives from over 30 countries call for increased guidance on local operations.

Spain is the first network to adopt a formal governance framework

Regional Support Center for Eastern Europe and the CIS is established

India is the first to form an association, "Global Compact Society", with legal status

New guidelines are introduced to support network organization of events and activities

2005

First policy document released on network governance and criteria



IV ALNF in Barcelona results in adoption of terms of reference on the ALNF's role in the Global Compact's overall governance framework

2006

III ALNF in Barcelona focuses on recommendations for enhancing the effectiveness of networks

2007

V ALNF in Monterrey facilitates the exchange of good practices



Global Compact releases detailed analysis of network activities and governance, to be developed annually in the future

Launch of the Global Compact Project hosted by UNESCAP in Thailand

2008

Japan transitions to a CEO-led network



Gulf Region launches a regional network in Dubai

VI ALNF in Bonn focuses on integrity and management of networks, introduces annual Memorandum of Understanding between networks and the Global Compact Office

2009

Global Compact Network China gains formal legal status

VII ALNF in Istanbul results in recommendations on COPs, micro-enterprises, civil society organizations

First meeting of Regional Support Hubs results in development of a training package for networks

Regional Support Center opens in Latin America

China-Japan-Korea establish a Roundtable to increase collaboration in the region

2010

India hosts Asia-Pacific Regional Conclave attracting delegates from 21 countries

Turkey launches sectoral approach for promoting the Global Compact

Global Compact Around the World

Regional Meetings for Network Focal Points

Regional meetings give networks an opportunity to pinpoint common opportunities and challenges, then map out relevant approaches and joint activities. Since the beginning of 2009, the following meetings were held:

Africa:
Lagos
18-19 March 2009

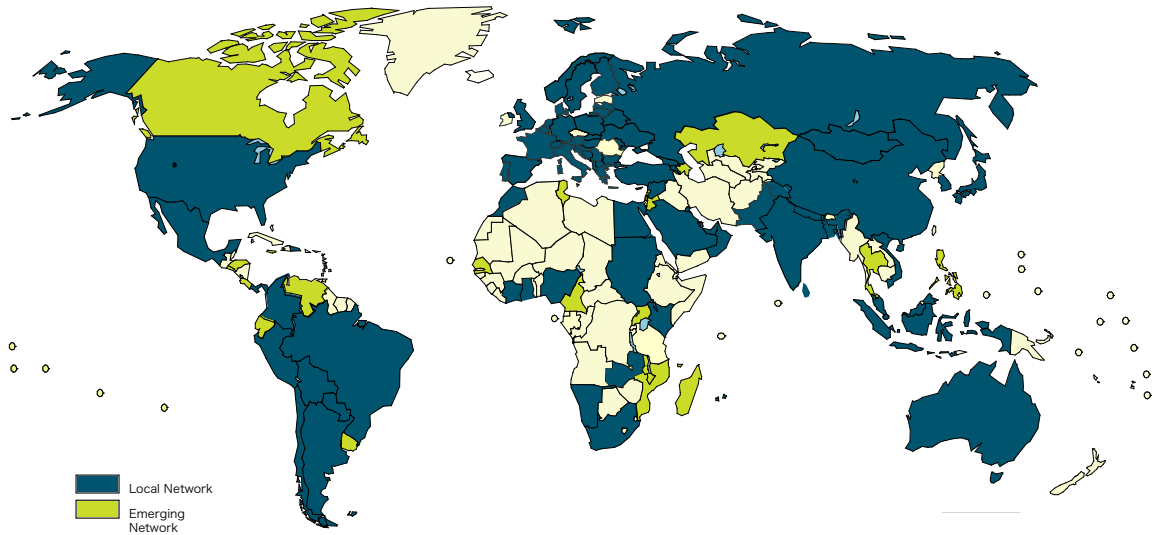
Latin America:
Santiago
4-5 November 2009

Asia:
New Delhi
15-16 March 2010

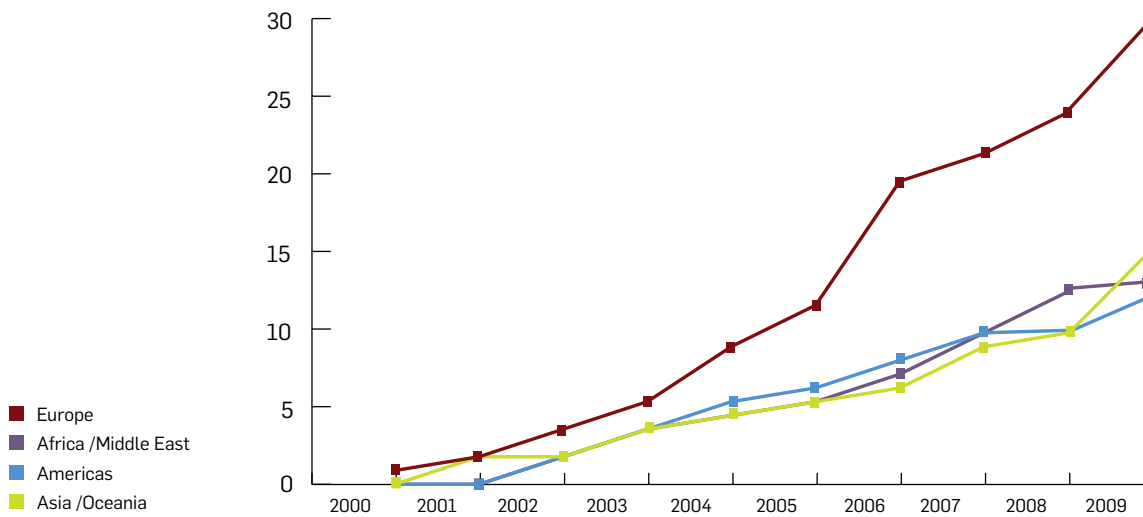
**Eastern Europe/
Central Asia:**
Sofia
15-16 April 2010

**Middle East/
North Africa:**
Cairo
19-20 April 2010

In 2009, the number of established networks expanded to 70 as Australia, Bangladesh, Belgium and Portugal officially launched. Combined with 22 emerging networks, the number of Global Compact Local Networks reached 92 by the end of the year.



Number of established networks per region



Networks at Work

ARGENTINA: Convened its second general meeting, with a majority of participants approving a two-year plan outlining public-private partnerships for development, the promotion of roundtables with the Government on corporate responsibility, and integration of non-traditional players, such as consumers, into the responsibility movement.

AUSTRIA: At a workshop in 2009, participants had the opportunity to discuss human rights with two top United Nations experts, including the Special Representative of the Secretary-General on business and human rights.

BANGLADESH: The network hosted a training programme in 2009, helping participants to develop stronger COP reports that would be more attractive to customers and investors.

BULGARIA: Sponsored the contest "Socially Responsible Company of 2009" to publicize the good practices of Bulgarian companies. Participants included some of the largest local and international companies in the country.

CHINA-JAPAN-KOREA ROUNDTABLE: Convened its first Roundtable Conference in Seoul in 2009, bringing together representatives of the three networks to discuss joint promotion of the Global Compact, as well as corporate responsibility issues throughout East Asia. A "China, Japan, South Korea Tripartite Cooperation Agreement" was signed at the event.

COLOMBIA: In an effort to facilitate implementation of responsible practices, the network developed and disseminated a methodology tool that will help companies determine the starting point for their work, evaluate their progress and compare with other companies over successive years.

FRANCE: Recruiting, promoting and coaching business executives were key themes of the network in 2009. The network held 42 individual sessions to retain existing members, recruit new players and promote further understanding of the Global Compact.

GEORGIA: In 2009, the network began a series of formal discussions on the private sector and development – which have focused on ways to improve the competitiveness of human resources operations and promote the development of the country's small- and medium-sized businesses.

GERMANY: A series of workshops were held in 2009 that focused on the opportunities and risks that climate change poses for companies. The workshops aimed to help participants integrate learnings into their daily business practices.

GHANA: To help Global Compact participants produce and submit the required annual COP report, the network organized a practical workshop series in 2009 which was carried out three times.

GREECE: A conference was organized in 2009 to help Greek companies promote diversity and equal opportunity in the workplace. Titled "Multicultural Business and Diversity", the conference aimed to educate relevant managers, as well as academics.

ITALY: A seminar on the opportunities and challenges of implementing responsible practices within the Italian context, "International Initiatives on CSR: A Dialogue on Local Impact", was hosted by the network. Corporate representatives, Government officials and academics were in attendance.

INDIA: Hosted the Asia-Pacific Regional Conclave on the topic of "Enhancing Enterprise Value through the Global Compact", which drew delegates from 21 countries. A main outcome of the event was agreement on closer collaboration between stakeholder groups, expected to lead to a road map for spreading corporate sustainability throughout the region.

KOREA: In the midst of the financial crisis, the network held a conference in conjunction with the Federation of Korea Trade Unions to discuss using the Global Compact platform to address labour issues.

PAKISTAN, SRI LANKA: In an example of collaboration among regional networks, Sri Lanka received the Best Performing Global Compact Network in Asia Award 2009 – which is managed by the Local Network in Pakistan. The Sri Lankan network was recognized for its newsletter and developing case studies on business implementation of the principles.

SOUTH AFRICA: The network, along with the National Business Initiative, convened representatives from Government, business and civil society to develop coordinated and innovative approaches to address the region's food security.

SPAIN: "Square Table" discussions have been held regularly to provide businesses, universities, non-governmental organizations and labour associations the opportunity to interact. The network also met several times with Spanish business associations to spread the Global Compact message.

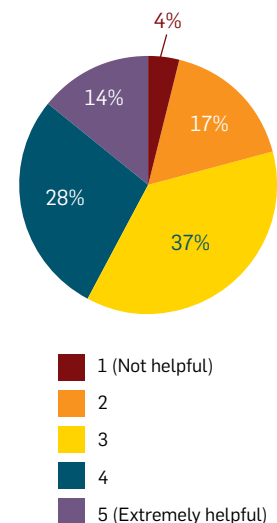
UKRAINE: At a 2009 workshop, businesses and organizations discussed how volunteer programmes can strengthen corporate responsibility. The workshop stressed that volunteers develop leadership skills and learn the value of a commitment while companies enhance dialogue with the community.

UNITED KINGDOM: To ensure the integrity of the reporting process, the network developed a COP Peer Review and Mentoring Programme. To participate in the network, companies must agree to submit their COP for review, and act as a reviewer when called upon. New participants have the option of entering into a mentoring relationship with existing members.

UNITED STATES: The network hosted two symposiums in 2009. The first was held in May 2009 in Washington, D.C., on the topic of "Integrating CSR into Public Policy Initiatives". In October the second meeting was held in San Francisco, focused on "The Boardroom Imperative: Redefining Corporate Governance in the 21st Century".

ZAMBIA: In early 2009, the network held training programmes for approximately 4,000 service industry employees in Lusaka on the topic of HIV/AIDS. The programmes were structured primarily for security service employees.

How helpful is engagement in the Local Network to your company?



Knowledge Sharing System

Launched in October 2009, the Knowledge Sharing System (KSS) is a web-based information sharing tool for Local Networks. The KSS provides an online database for GCLNs to search and view the activities of other networks. Content is provided by individual networks, and has already led to increased collaboration and learning across networks. Now, networks can turn to peers for lessons and guidance as they seek to undertake activities, such as planning a workshop on anti-corruption for local businesses, developing a publicity campaign on environmentally-sound manufacturing, or supporting company reporting efforts.

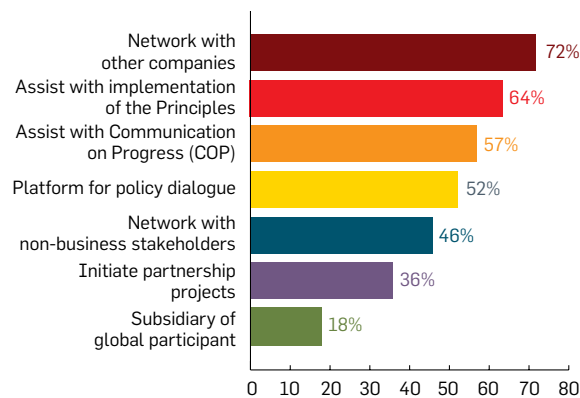
Engaging Locally

Over half of participants report engaging in Local Networks, with larger companies and those that have been Global Compact participants the longest are more likely to join networks. Of those that engage, the vast majority (79%) find them moderately to extremely helpful for their company.

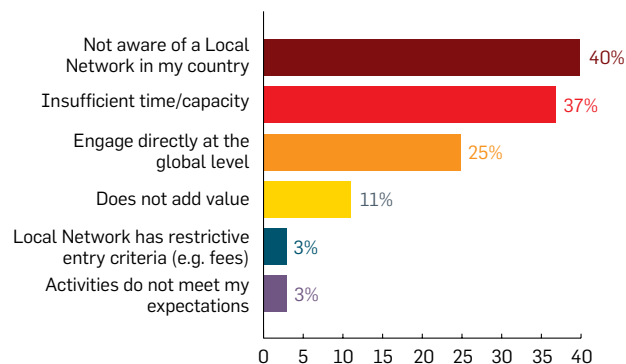
There was a significant increase in 2009 in companies turning to networks for assistance with preparing the annual Communication on Progress (COP) – rising to 57% from 50% in 2008. Networking with other companies and assistance with implementation of Global Compact principles remain the most common reasons that companies engage in networks.

Of those companies that do not participate in networks, a higher number report having insufficient time or capacity compared to 2008 – perhaps given a rise in pressures linked to the economic downturn. At the same time, lack of awareness of Local Networks fell significantly between 2008 and 2009 – from 55% to 40% – as a reason for not engaging, suggesting that participants are better informed than in past years but have other priorities that impede engagement.

Why does your company engage in a Global Compact Local Network?



Why does your company not engage in a Global Compact Local Network?



VII Annual Local Networks Forum

A record number of participants – more than 300 people from nearly 80 countries – attended the VII Annual Local Networks Forum (ALNF) in Istanbul on 9-10 June 2009. At the meeting, network focal points shared their experiences and ideas on how to best integrate the Global Compact's principles into local businesses and communities. At the conclusion of the forum, participants agreed on a set of recommendations including:

- Increasing Local Network support in the COP process;
- Considering further engagement with micro-enterprises;
- Engaging more with global and local civil society organizations; and
- Rearticulating network governance responsibilities.

In addition, executives and experts in corporate responsibility were invited to provide views on a variety of topics, from fighting corruption in the supply chain to the impact of the economic crisis on the adherence to human rights and environmental standards in the workplace.

The Forum was convened by the Global Compact Office in collaboration with the Fundació Fòrum (Barcelona Center for the Support of the Global Compact) and the Global Compact Network Turkey, with the support of Sabancı Holding, Bursa Chamber of Commerce and Industry, China Development Bank, Gulor and the Spanish Embassy in Istanbul.

Secretary-General Visits

In his visits with Local Networks in Europe and Asia in 2009, Secretary-General Ban Ki-moon recognized the important work being carried out locally to advance principles into business practices.

Spain (January 2009): In remarks at the celebration of the fifth anniversary of the network, the Secretary-General noted that Spanish businesses were among the first to embrace the Global Compact's principles and that the network had become one of the largest with more than 600 participants.

Nordic Countries (May 2009): Prior to the World Business Summit on Climate Change, Mr. Ban met with 19 chief executives active in the Local Network. The executives shared their climate goals and initiatives with the Secretary-General and made further commitments to tackle climate change.

Japan (July 2009): During a roundtable dialogue on the role of business in sustainable development, Mr. Ban stressed the need for Governments, companies and citizens to cooperate in the fight against climate change.

Republic of Korea (August 2009): In a breakfast meeting with 120 chief executive officers, the Secretary-General stressed that lack of corporate responsibility played an important role in the global economic crisis and that lessons must be learned.



Annual Network Review

In June 2009 and June 2010 the Global Compact released a Local Network Report, taking stock of efforts by established and emerging networks around the world in the previous year. Each report features statistics and case examples on network governance, composition, activities, issues and communications.

HUMAN RIGHTS

Companies today are increasingly aware of their responsibilities, risks, impacts and opportunities related to human rights. This marks a significant shift from a decade ago when the human rights-business connection was an altogether unfamiliar area.

The Global Compact, together with key partners, has worked in recent years to develop over a dozen tools and resources that guide business on respecting and supporting human rights – from best practices to interactive dilemma forums. In 2009, much focus was placed on rolling out these resources and helping to improve their uptake and implementation. Our 2009 survey of participants shows that there is much to be done in this regard, with a majority of businesses still not aware of the full range of guidance materials. Thus, the Global Compact has increased attention on better promoting materials and improving learning platforms for use of business and human rights resources. Additionally, we have worked to ensure alignment between guidance offered by the Global Compact and the outputs of the work of the Special Representative of the Secretary-General on business and human rights.

Our human rights work has benefited from the active guidance of the Human Rights Working Group, chaired by Mary Robinson of Realizing Rights: The Ethical Globalization Initiative. The group has helped to: enhance coherence among tools and resources; foster a number of workstreams, such as a forum for recommending and identifying good practices; and provide substantive input on the human rights dimension of many Global Compact products.

While progress has been made on implementation of the Global Compact human rights principles by business, there is a long way to go – with a majority of companies yet to initiate key policies and practices. Given the recent increase in practical guidance materials and networks for exchanging practices, there is reason to be optimistic that actions by business to respect and support human rights will continue to rise.



Office of the High Commissioner for Human Rights (OHCHR) serves as guardian of Principles 1 & 2

MILESTONES

2000

2000

2000-2003

Human rights principles are addressed in the context of Global Compact policy dialogues on conflict, HIV/AIDS, sustainable development and supply chain. The workstream gains strength and focus in 2003.



Launch of "Embedding Human Rights in Business Practice" case study series, subsequent editions published in 2007 and 2009

2004

2003

- Collaboration with the Danish Institute for Human Rights
- Global Compact holds first meeting on "Human Rights Principles and their Practical Meaning"
- Business Leaders Initiative on Human Rights is established, and becomes key partner

2005

UN appoints Special Representative of the Secretary-General on business and human rights (SRSG)

2006

Establishes Human Rights Working Group to provide strategic input and define new areas of work. Chaired by Mary Robinson, former UN High Commissioner for Human Rights

2007

- New human rights tools and resources launched with partners, including a human rights management framework
- First meeting of Human Rights Working Group

SRSG puts forward policy framework organized around the three foundational principles of "protect, respect and remedy"

2008



Human Rights and Business Dilemmas Forum released, in addition to other new resources

2009

Launch of Global Business Initiative on Human Rights, supporting an exchange of business practices and challenges, in collaboration with Global Compact

60th Anniversary of the Universal Declaration of Human Rights marked by year-long UNGC campaign to raise awareness of human rights by business globally



250 CEOs issue statement renewing commitment to respect and support human rights

2010

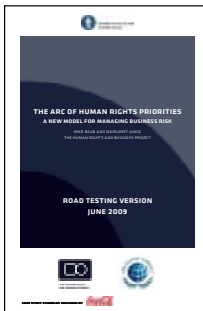
Collaboration with UNICEF and Save the Children initiated to develop voluntary principles for business on children



Women's Empowerment Principles launched with UNIFEM

2010

Advancing Business Understanding and Performance on Human Rights



Enhancing Uptake of Tools and Resources

To promote greater use of business and human rights tools by companies everywhere, several efforts were undertaken in 2009 and early 2010. The “Business and Human Rights Tools and Resources Webinar Series” was launched to help companies navigate available resources and identify those that are most relevant to their operations. Conducted in multiple languages, the series has introduced materials to companies globally, with more webinars planned for the future. Additionally, the Global Compact has developed “Some Key Business and Human Rights Tools and Ways to Use Them”, a simple one-page overview of essential guidance material for businesses.

Practical Solutions

The Human Rights and Business Dilemmas Forum is an online, multi-stakeholder forum to discuss dilemmas confronting business and identify related good practices. It also includes interactive workbooks and case studies. A number of dilemmas have been addressed to date. For example, a dilemma focused on HIV/AIDS posed the question: *When operating in countries with a high prevalence of HIV/AIDS and poor health care systems, how does a competitive business respect the right to privacy and ensure non-discrimination against employees when implementing an effective and responsible disease management programme?* Additional topics include human trafficking, freedom of association and collective bargaining, migrant workers, equality and gender, and security forces.

Special Representative of the Secretary-General on Business and Human Rights

The Global Compact continues to support and advance the mandate of the SRSG, especially as it relates to the responsibility to respect human rights. A variety of activities were undertaken in 2009 in this regard. In addition to maintaining close working relationships with the team of the SRSG, the Global Compact has taken steps to keep participants updated on the “Protect, Respect, Remedy” framework and alert them to relevant opportunities, such as the SRSG’s online forum seeking input on the framework.

In January 2010, the Human Rights Working Group launched a “Good Practice Notes” series that spotlights issues faced by companies when implementing human rights principles. The practice notes identify general approaches that have been recognized as being good for business and good for human rights. To date, notes have been released on how business can encourage governments to fulfil their human rights obligations, as well as setting up a multi-stakeholder panel for effective dialogue.

New Resources

Embedding Human Rights III – The third volume in the series explores the development, practical implementation and outcomes of corporate human rights policies as they relate to a variety of issues, including child labour, occupational health and safety, and supply chain.

Human Rights and Business Learning Tool – A web-based tool to help managers and corporate responsibility professionals better understand the relevance of human rights principles to business operations, providing exercises, case studies and links to facilitate learning. An embedded self-assessment is offered for each module. Produced with OHCHR.

A Guide for Integrating Human Rights into Business Management – The second edition of the Guide is an online tool that provides guidance on taking a proactive approach to advancing human rights within business operations. Produced with OHCHR and Business Leaders Initiative on Human Rights (BLIHR).

The Arc of Human Rights Priorities: A New Model for Managing Business Risk – The model offers a new approach to in-house human rights management. The Arc is designed to allow companies to focus resources on the most urgent human rights issues in their operations, with issues mapped by degree of impact and company connection, allowing for better identification of risks, impact and responsibility. Produced with the Danish Institute for Human Rights.

Women's Empowerment Principles

Empowering women to participate fully in economic life across all sectors and throughout all levels of economic activity is essential for establishing more stable and just societies, achieving internationally agreed goals for development, sustainability and human rights, and building strong economies. Ensuring the inclusion of women's skills, experience and energies requires intentional actions and deliberate policies.

The Women's Empowerment Principles provide a set of considerations to help the private sector focus on key elements for promoting gender equality in the workplace, marketplace and community. They are the result of a collaboration between the United Nations Development Fund for Women (UNIFEM) and the Global Compact, which included an international multi-stakeholder consultation process. Launched on International Women's Day in March 2010, the principles provide a "gender lens" through which business can survey and analyse current initiatives, benchmarks and reporting practices. Sub-titled Equality Means Business, the principles emphasize the business case for promoting gender equality and women's empowerment and are informed by real-life business practices and input gathered from across the globe.

Principles for Business Regarding Children

The Global Compact, UNICEF and Save the Children are collaborating on the development of a set of Principles for Business Regarding Children, to be launched in late 2010. Recognizing that business has an enormous potential to impact children's lives, both positively and negatively, the principles will provide guidance to companies on a full range of practices to respect and support children's rights within their spheres of influence. Topics to be addressed include child labour, marketing practices and child protection.

WOMEN'S EMPOWERMENT PRINCIPLES

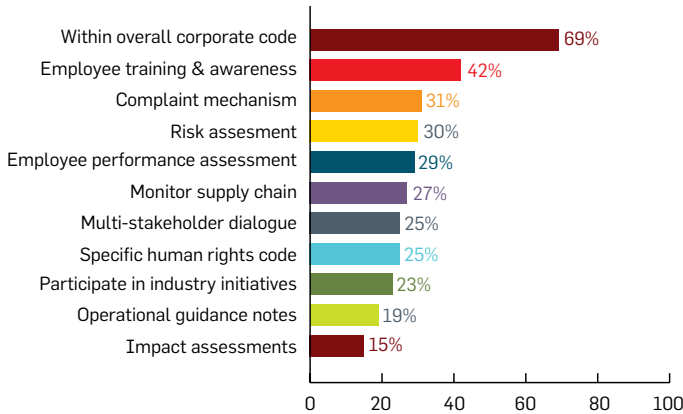
**EQUALITY
MEANS
BUSINESS**

- 1** Establish high-level corporate leadership for gender equality.
- 2** Treat all women and men fairly at work – respect and support human rights and nondiscrimination.
- 3** Ensure the health, safety and well-being of all women and men workers.
- 4** Promote education, training and professional development for women.
- 5** Implement enterprise development, supply chain and marketing practices that empower women.
- 6** Promote equality through community initiatives and advocacy.
- 7** Measure and publicly report on progress to achieve gender equality.

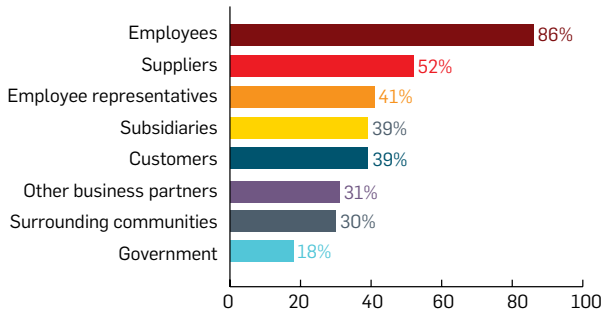


Implementation Data

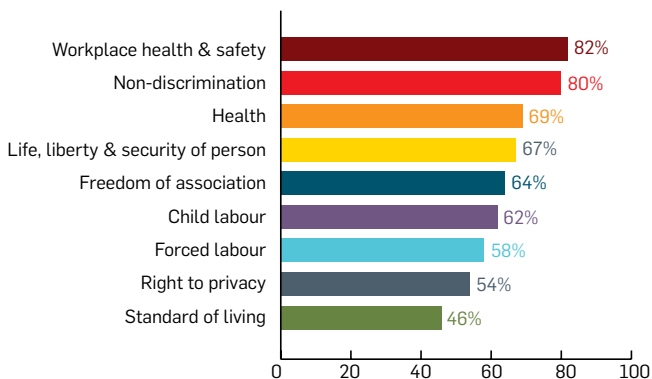
How does your company take the human rights principles into account in its policies or practices?



To which groups do your company's human rights policies and practices apply?



Which aspects of human rights are addressed in your company's policies and practices?



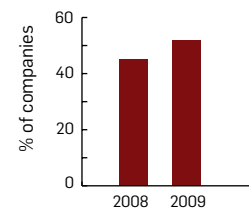
Highlights

There are high levels of awareness and inclusion of human rights in overall corporate codes. Yet, a minority of companies are taking key steps to ensure that human rights are respected, including use of complaint mechanisms, conducting risk and impact assessments, and engaging in multi-stakeholder dialogue.

Overall, these figures are consistent between 2008 and 2009 – though there were notable decreases in use of complaint mechanisms (-5%) and operational guidance notes (-6%) for companies of all sizes.

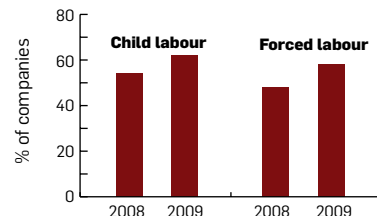
Companies reported an increase in policies related to suppliers compared to 2008, representing the only area of significant improvement with regard to groups to which policies apply.

Suppliers policies



Regarding aspects of human rights addressed in company policies, in 2009 there was a significant increase in the inclusion of child labour and forced labour by companies of all sizes. Guidance on good practices in these areas was promoted by the Global Compact Office in 2009.

Policies address:



Human Rights in Practice

Employees training & awareness

BHP Billiton (Australia, Metals & Mining) has implemented human rights training programmes throughout various sites – mainly in South Africa and South America. To date, human rights training has been delivered to over 11,000 employees and 14,000 contractors. Approximately one-third of their sites have cultural awareness programmes in place. In a majority of the sites where BHP Billiton has security forces in place, human rights training has been provided to these security units.

Surrounding communities

Unilever (UK, Consumer Goods) has implemented HIV/AIDS prevention programmes within the communities surrounding their operations in Africa. The programmes include training peer health counsellors, providing educational materials, conducting promotional events, and distributing free condoms. In Kenya and Tanzania, where Unilever runs hospitals for workers on its tea estates, the company is working to ensure that HIV/AIDS treatment is integrated with the local public healthcare infrastructure.

Non-discrimination

Infosys (India, Information Technology) has established the Infosys Women Inclusivity Network, to promote gender sensitive work environments, and the Family Matters Network, to provide support to employees on parenting matters. As a result, today women constitute more than 32% of the Infosys workforce. This commitment to gender diversity has been recognized, for example by receiving the NASSCOM Corporate Award for Excellence in Gender Inclusivity for two consecutive years.

CEMEX (Mexico, Construction & Materials) developed a policy of inclusion for workers with disabilities to enhance job opportunities and raise community awareness on the issue of social equity. This programme is managed through a specialized website that provides information on vacancies and human rights. The programme currently involves more than 20 public and private institutions, which promote favorable conditions for social and labour inclusion.

Operational guidance

Carlson Companies (US, Travel & Leisure) was the first US company to sign the ECPAT (End Child Prostitution, Child Pornography and Trafficking of Children for Sexual Purposes) Code of Conduct. Following this Code, Carlson requires all of its hotels to train employees to identify and report on child sex tourists, to raise awareness among travellers regarding the legal sanctions against child sex tourism, and to develop a relevant policy.

م	الإسم	رقم التسجيل	رقم الدفتر	النوع
6907	كلتومة عبدالله جمعة عوض	22732699	113664	أنثى
6908	كلتومة عبدالله حسن ابكر	22744286	113722	أنثى
6909	كلتومة عبدالله علي سليمان	22731826	113660	أنثى
6910	كلتومة عثمان هارون ابودرر	22743643	113719	أنثى
6911	كلتومة علي خاطر عبد الله	22730069	113651	أنثى
6912	كلتومة علي بخت عبد الرحمن	22731378	113657	أنثى
6913	كلتومة عيسى احمد ابوة	22732733	113664	أنثى
6914	كلتومة عيسى الطيب احمد	22743640	113719	أنثى
6915	كلتومة محمد امم ابراهيم	22741332	113707	أنثى
6916	كلتومة محمد امم حمدان	22744720	113724	أنثى
6917	كلتومة محمد حامد وادي	22741225	113707	أنثى
6918	كلتومة محمود محمد امم	22743932	113720	أنثى
6919	كلتومة بل حسن خميس	22731521	113658	أنثى
6920	كلتومة جنو امم	22741391	113707	أنثى
6921	كلتومة ناهر حامد	22741288	113707	أنثى
6922	كلتومة ناسم	22727795	113639	أنثى
6923	كلتومة ناسم خميس	22731333	113657	أنثى
6924	كلتومة ناسم خميس	22732454	113663	أنثى
6925	كلتومة ناسم خميس	22730631	113654	أنثى
6926	كلتومة ناسم خميس	22729980	113650	أنثى
6927	كلتومة ناسم خميس	22742218	113712	أنثى
6928	كلتومة ناسم خميس	22744318	113722	أنثى
6929	كلتومة ناسم خميس	22729995	113650	أنثى
6930	كلتومة ناسم خميس	22742824	113715	أنثى
6931	كلتومة ناسم خميس	22742351	113712	أنثى
6932	كلتومة ناسم خميس	22742974	113715	أنثى
6933	كلتومة ناسم خميس	22742366	113712	أنثى
7069	كلتومة ناسم خميس	22743413	113718	ذكر
7070	كلتومة ناسم خميس	22743103	113716	ذكر
7071	كلتومة ناسم خميس	22727581	113638	ذكر
7072	كلتومة ناسم خميس	22730952	113655	ذكر
7073	كلتومة ناسم خميس	22730961	113655	ذكر
7074	كلتومة ناسم خميس	22742733	113714	ذكر
7075	كلتومة ناسم خميس	22742426	113713	ذكر
7076	كلتومة ناسم خميس	22730008	113651	ذكر
7077	كلتومة ناسم خميس	22741901	113710	ذكر
7078	كلتومة ناسم خميس	22743139	113716	ذكر
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7080	كلتومة ناسم خميس	22743133	113716	ذكر
7081	كلتومة ناسم خميس	22727510	113638	ذكر
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LABOUR

With many countries experiencing economic downturns in 2009, there has been increased scrutiny of the size, composition and quality of the workforce – with real concerns by labour and other stakeholders that workplace standards could be sacrificed in challenging financial times. In this climate, renewed emphasis must be placed on ensuring decent work, given its fundamental linkage to sustainable development.

With the four Global Compact labour principles championed by the International Labour Organization, much practical and operational guidance exists, especially related to child labour, forced labour and discrimination. The Global Compact mainly focuses its work in this area on raising awareness of key resources among business participants globally and supporting related ILO projects. In 2009, the creation of the ILO Helpdesk, which provides free advice to employers and workers on the application of the principles contained in international labour standards at enterprise level, was enthusiastically welcomed and promoted by the Global Compact as a mechanism for learning.

While the labour principles are among the most specific of the ten principles, their implementation is certainly not easy in all environments. We will continue to host dialogues and share good practices related to decent work standards, especially in the supply chain. In 2010, we will also strengthen efforts related to tackling the worst forms of child labour.

MILESTONES 2000



International Labour Organization (ILO) serves as guardian of Principles 3 - 6

Global employers and labour organisations present at launch, and subsequently involved on advisory groups

2000

2001

Companies convene in Bangkok for ILO Regional Employers' Meeting on the Global Compact and report on early efforts to implement labour principles

Early growth is spurred by advocacy of employers, notably the International Organization of Employers (IOE), leading to key endorsements in Africa, Asia and Latin America

Global Compact hosts panel and releases publication on discrimination at the World Conference Against Racism

2002

2003



Policy dialogues held on supply chain and HIV/AIDS address labour standards. Employers and labour call on members to make addressing HIV/AIDS a priority

Policy dialogue co-hosted with ILO on Combating Discrimination and Promoting Equality for Decent Work

2006

2007

Symposium with ILO on Globalization and Diversity



Global Compact Labour Working Group is established, co-chaired by the heads of the IOE, Antonio Peñalosa, and International Trade Union Confederation, Guy Ryder (pictured left to right)

2008

2009

Working Group hosts training session for Local Networks

Outreach efforts raise awareness among business on forced labour and related ILO guidance

First joint Global Compact-ILO publication is released: "The Labour Principles of the United Nations Global Compact: A Guide for Business"



Undertakes work to raise awareness of human trafficking together with UN.Gift and ILO

2010



Announces collaboration with ILO to tackle the worst forms of child labour

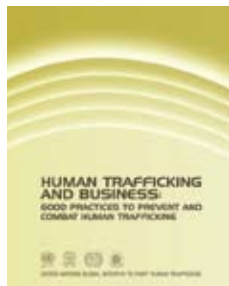
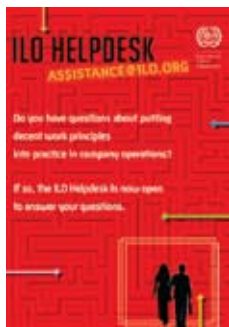
2010

Tackling Forced Labour and Child Labour

The Global Compact continues to work with the ILO to combat forced labour and child labour. In 2009, a number of joint efforts were undertaken to raise awareness, including sending a letter to all Global Compact participants alerting them to “Combating forced labour: A handbook for employers and business” which provides detailed guidance. Additionally, the Global Compact will step up work to combat the worst forms of child labour. There are plans to develop a multi-stakeholder platform through which corporations that are actively addressing child labour concerns can share experiences and advance their work.

Eradication of Human Trafficking

Although business activity can both perpetuate human trafficking and contribute to its eradication, most companies are unaware of the linkages. This was one of the findings of the Private Sector Survey on Human Trafficking, conducted jointly by the Global Compact, UN.GIFT and the ILO. Results of this study were published in 2009 in “Human Trafficking: Everybody’s Business”. In 2010 “Human Trafficking and Business: Good Practices” was released, providing guidance on how companies — through the use of their products, services or facilities — can avoid being implicated in human trafficking, as well as what they can do to make a positive contribution to the eradication of human trafficking.



World Day Against Child Labour

Held amid concerns over the impact of the economic crisis on child labour, and in particular girls, the World Day 2009 (12 June) celebrated progress made toward the elimination of child labour, while at the same time urging governments, business and others to take action on continuing challenges. The 2010 World Day focused on tackling the worst forms of child labour, under the theme “Go for the goal... end child labour”. A brief document outlining ways to raise awareness and combat child labour was distributed to all Global Compact companies and Local Networks in advance of the day in both 2009 and 2010.

Labour Working Group Training

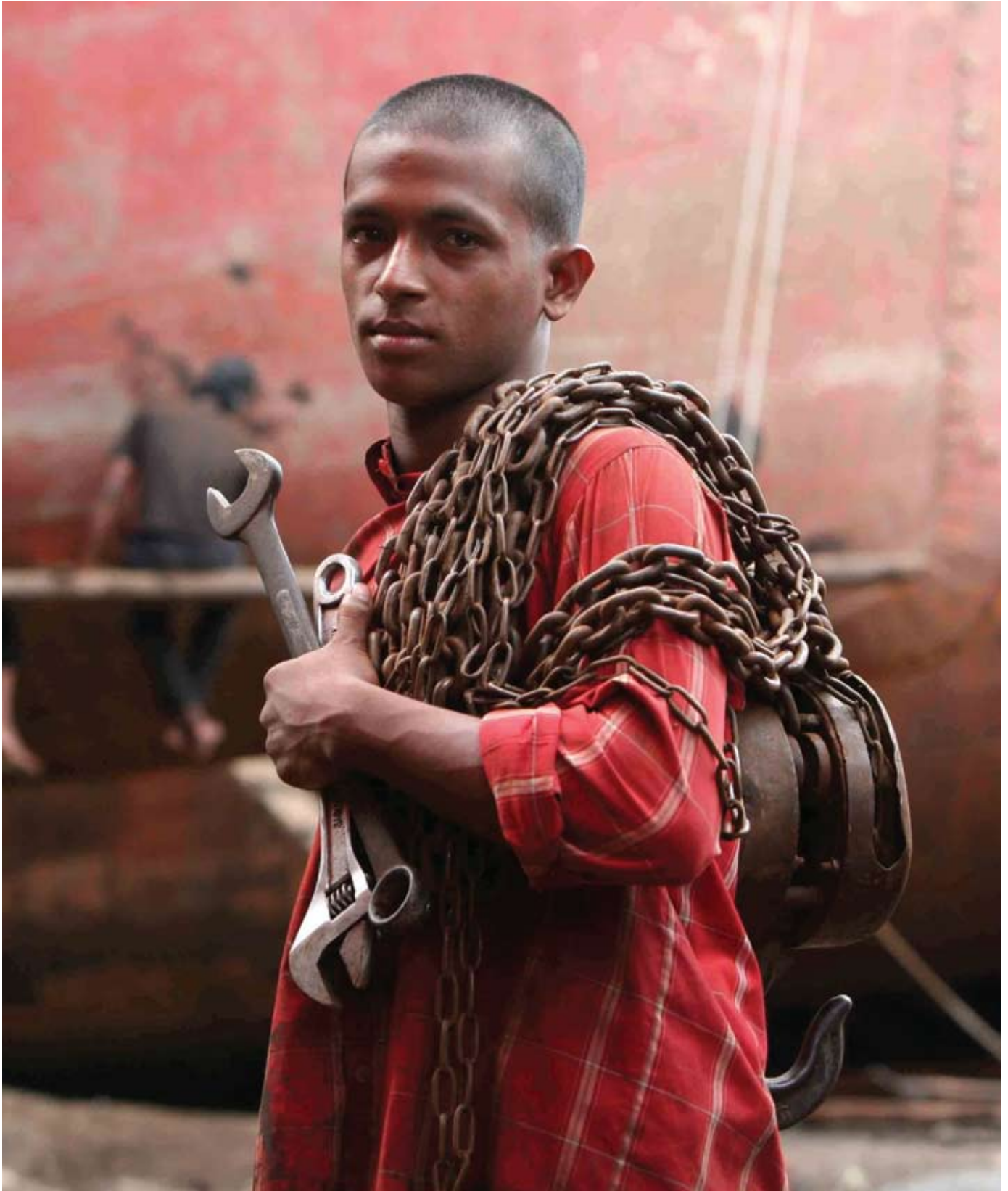
The Labour Working Group conducted its first training in June 2009 at the Annual Local Networks Forum in Istanbul. Developed for Global Compact network focal points and business participants, the training reviewed the labour principles, what they mean for business and practical steps to implement labour rights throughout business operations. Co-chaired by the International Organisation of Employers and the International Trade Union Confederation, the Working Group is supported by the Global Compact Office.

Resources

The Labour Principles of the Global Compact: A Guide for Business

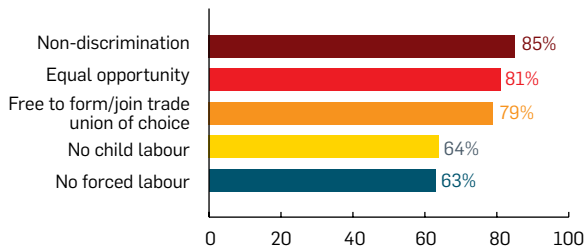
– Produced jointly with the ILO, the Guide is designed to help companies understand the four labour principles and take actions to put them into practice. The Guide provides a brief description and suggested actions for each principle, and also contains an inventory of key ILO resources for integrating the principles into business operations. The Guide has been updated for release at the Global Compact Leaders Summit 2010.

ILO Helpdesk – This service of the ILO helps company managers and employees understand the application of the principles contained in international labour standards and build good industrial relations. The Helpdesk draws on guidance from a range of ILO declarations, conclusions, guidelines, tools and instruments. Companies are encouraged to submit labour-related questions directly to the Helpdesk. Replies are prepared by a multi-disciplinary team, ensuring that users receive a comprehensive response.

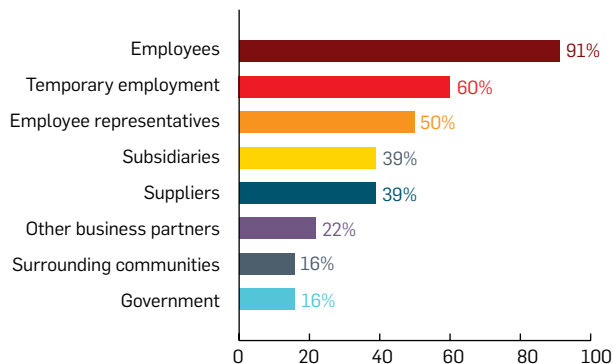


Implementation Data

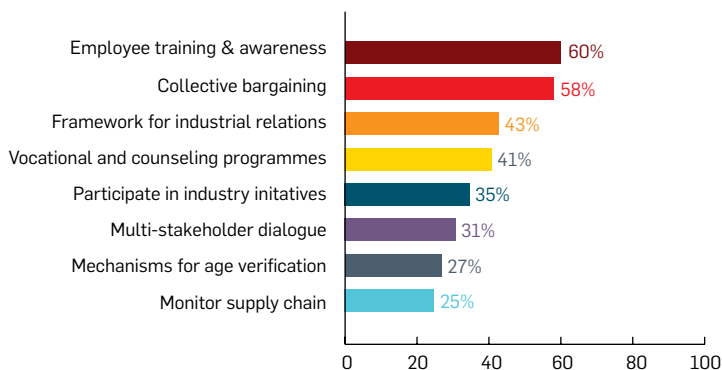
How does your company take the labour principles into account in its policies or practices?



To which groups do your company's labour policies and practices apply?

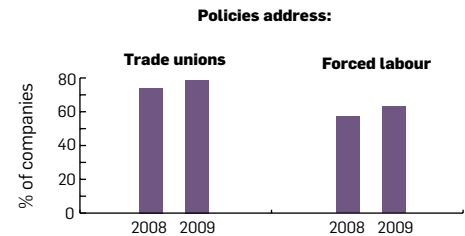


What actions does your company take to implement labour policies and practices?



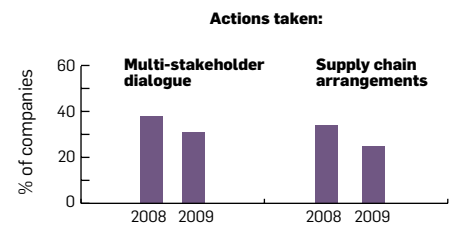
Highlights

2009 saw a modest increase in all labour policy areas compared to 2008 – with the largest gains found in: recognition that workers are free to form/join a trade union (+5%) and policy not to use or benefit from forced labour (+6%).

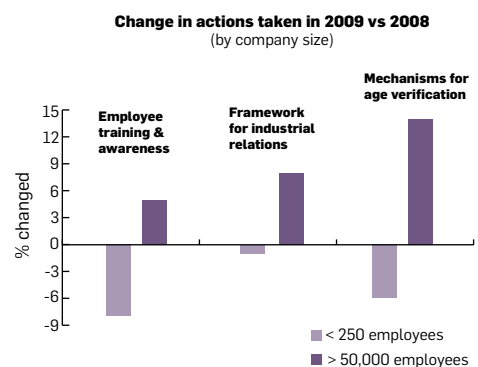


Larger companies are consistently more likely than the smallest firms to have explicit policies on any of the topics covered by the labour principles.

Actions by business to support their labour policies are less robust – and saw a slight overall decrease from 2008, especially in the areas of multi-stakeholder dialogue and supply chain arrangements.



SMEs appear to be hit harder in this area, while the largest companies actually took more action in most areas compared to 2008 – notably on employee training, age verification, dialogue, and participation in frameworks for industrial relations.



Labour in Practice

Free to form & join trade union of choice

G4S (UK, Support Services), one of the world's largest international security firms, signed a global agreement with UNI Property Services, a global union, to ensure that all of its 570,000 employees – spread across more than 110 countries – have the right to organize in a free and fair atmosphere. This agreement is in addition to their compliance with international standards and national laws in relations with workers.

Equal opportunity

The Chemical Industries Development (Egypt, Pharmaceuticals) joined the Gender Equity Model in Egypt and committed to promoting equal opportunity by developing gender equality policies such as emphasizing equal pay for males and females. The commitment, made at the senior management level, has also ensured the development of a Gender Equity Committee, a staff training programme on equality issues and a staff-complaint procedure.

Child labour

Eurotex Apparel Ltd. (Denmark, Personal Goods) participates in an advisory committee in Bangladesh with representatives of suppliers, Bengali professional bodies and NGOs. Together with Dutch sector partners, a Child Labour Toolkit had been developed in accordance with international conventions. Eurotex Apparel has incorporated operational guidelines for the employment of 14 to 18 year-olds who work in factories while attending formal vocational training.

Suppliers

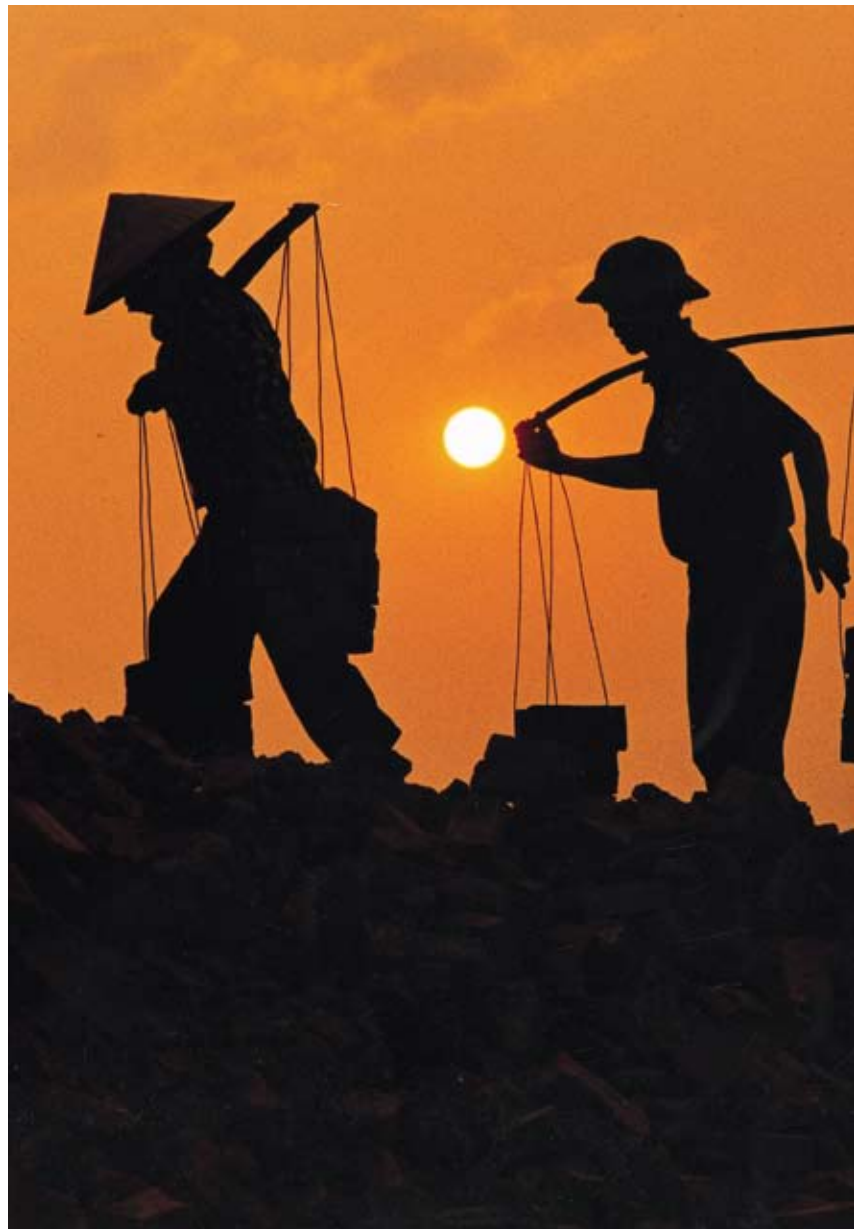
H&M (Sweden, Personal Goods) monitors supplier performance to assure that all implement the basic requirements under H&M's Code of Conduct. The company has auditor units in various markets that oversee adherence to the Code of Conduct. Auditor inspections are used to identify improvements that are needed, with the supplier required to develop a remediation plan. H&M also offers workshops for suppliers on international labour standards and implementation.

Collective bargaining

Gap Inc. (US, Personal Goods) strengthened engagement between compliance officers and local worker rights representatives in India and Southeast Asia, through holding workshops on collective bargaining. Today, there are fewer strikes and stoppages in the countries where the workshops occurred. Additionally, there has been roughly a 90% drop in matters that have escalated to the head office for resolution, as most are now dealt with in the factories or at the local level.

Employee training and awareness

Tata Steel (India, Metals & Mining) provided a comprehensive safety training programme for their contract workforce prior to the construction of a new plant, which was subsequently built and commissioned without injury – recording 25 million accident-free hours. Tata received the 2009 Safety and Health Excellence Recognition Award at the World Steel Association's annual congress for implementation of steel safety and health principles, their ability to measure impact of safety metrics, and transferability of these procedures to other companies.



ENVIRONMENT

Environmental issues – be they related to climate change, water scarcity or other natural-resource and ecological challenges – are growing in scale and complexity. It is increasingly clear that traditional corporate environmental management approaches – based largely on compliance and narrow risk assessments – will not be sufficient to successfully navigate and address these 21st century challenges.

In 2009, the intense efforts and global awareness around climate change leading up to the UN Climate Change Conference in Copenhagen (COP15) energized our work with business to put forward practical solutions that will protect and sustain our planet. Specifically, we continued efforts to improve corporate commitments and actions on climate and water. With progressive action being undertaken by hundreds of businesses around the world under these initiatives, Caring for Climate and the CEO Water Mandate now stand as leading business platforms in their respective areas.

Additionally, the Global Compact initiated a timely project to develop a corporate environmental stewardship approach, which assists companies in managing environmental risks and opportunities and integrating a host of environmental challenges into a comprehensive strategy.

Recognizing that climate change and water sustainability are challenges to both societal development and the sustainability of the global market, it is critical to further explore the interconnectivity of climate change, water, food, energy, and poverty. Moving forward, the Global Compact will further align its environmental portfolio with development priorities, particularly ahead of the UN Conference on Sustainable Development 2012: Rio + 20.

MILESTONES

2000

United Nations Environment Programme (UNEP) serves as guardian of Principles 7 - 9



2000

2001

Early conference explores role of Global Compact in advancing international environmental protections

Policy dialogue focuses on Sustainable Consumption



2004

2005

UNEP develops Global Compact Environmental Principles Training Package

Caring for Climate and CEO Water Mandate are launched by Secretary-General at Global Compact Leaders Summit

Business for the Environment (B4E) conference is launched with UNEP, annual meeting commences

Innovative government-business collaboration announced in San Francisco with launch of Business Council on Climate Change

Hosts Bali event for business in conjunction with UN Climate Change Conference (COP13)

2007

2008

- CEO Water Mandate:
 - Convenes inaugural working conference, semi-annual meetings commence
 - Announces transparency and disclosure policy
 - Urges G8 to take action on emerging water crisis
- B4E Summit is held in Singapore
- First meeting of Caring for Climate signatories focuses on progress made

2009

2009



Environmental Stewardship Working Group is established, chaired by Chad Holliday, Chairman of the Board of Bank of America, and Habiba Al-Marashi, Chair of the Emirates Environmental Group (EEG)



Ahead of the **UN Conference on Climate Change (COP15)** in December, Global Compact takes a number of steps to harness the voice of business in urging for a global agreement

May: Co-hosts World Business Summit on Climate Change in Copenhagen

May: Launches Caring for Climate Series, a collection of reports by investment, academic and civil society organizations.

April: B4E Summit, Paris, results in 'Manifesto' urging for a low-carbon world

September: Organizes UN Leadership Forum on Climate Change in New York

December: Convenes business in Copenhagen during COP15

B4E Summit, Korea

CEO Water Mandate releases Public Policy Guide

2010



Environmental Stewardship Strategy is released following year-long project with Duke University

Caring for Climate holds 2nd meeting and focuses on climate-development link

2010

Environmental Stewardship Model

To give further expression to the Global Compact's three environmental principles and assist companies in addressing this increasingly challenging landscape, the Global Compact Office brought together a group of committed participants during the 2009-2010 period and – in partnership with Duke University – developed a next-generation Environmental Stewardship approach and resource.

This Environmental Stewardship model is designed to help companies – at the highest levels of the organization – develop a holistic and comprehensive strategy. Importantly, it recognizes the growing linkages among various environmental issues, as well as their connections to social and development priorities. This Environmental Stewardship strategy incorporates and leverages the Global Compact's Caring for Climate and CEO Water Mandate initiatives.



RECOMMIT

Leadership's recommitment to environmental principles through a Global Corporate Policy Statement.

ASSESS

A continuous assessment of stewardship strategies for the identification of gaps in policies and practices.

DECLARE

A statement of environmental goals related to every aspect of the organization.

ENGAGE

Public policy engagement to establish standards, form partnerships, and inform the global environmental policy agenda.

PERFORM

Develop internal management systems and tools leading to consistent environmental performances.

EVALUATE

Develop internal management systems and tools to track, monitor, measure and report environmental performance.

ANTICIPATE

Influence and anticipate future market trends in order to build a more sustainable business.

DISSEMINATE

Communicate challenges, risks and results to stakeholders for greater accountability and transparency.

Caring for Climate

Caring for Climate has the support of approximately 400 companies in 65 countries. Signatories are spread across a wide variety of sectors and regions, with strong support in developing and emerging markets.

Caring for Climate signatories are making notable progress in pursuing comprehensive long-term strategies on energy efficiency and innovative low-carbon technologies within their processes, products and services. Analysis by Dalberg Global Development Advisors shows that between 2007 and 2008, in the first year of Caring for Climate, signatories lowered their emissions by a total of 3%, even as their turnover grew by 14%, proving that green growth is possible.

Additionally, 80% of companies in Caring for Climate with more than 250 employees have easily identifiable and publicly available strategies for managing their impact on the environment.

Comprehensive reviews on the progress of Caring for Climate signatories were undertaken in 2009 and 2010:

- **A Greener Tomorrow: How Caring for Climate is Leading the Way to a Low-Carbon Economy** (June 2010, Dalberg/UNGC)
- **Emissions Reductions and Lower Carbon Intensity: Are We Making Progress?** (May 2009, Yale University)

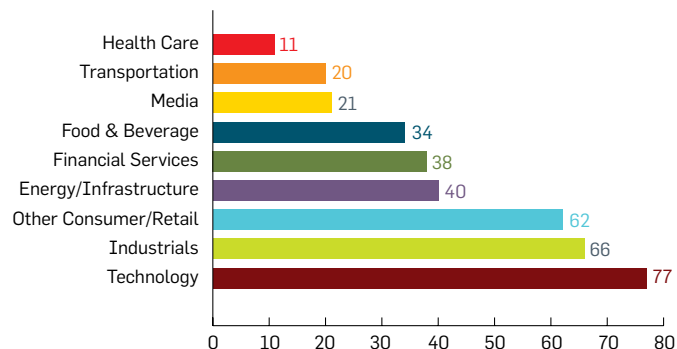
Towards a Global Climate Agreement

The magnitude and urgency of the climate challenge was in focus in 2009. Ahead of COP15, Caring for Climate took a number of steps to bring the support of business to the debate. Together with partners, we supported global advocacy campaigns, convened several international events and produced a number of publications. All efforts were aimed at advancing the role of business in addressing the climate challenge and outlining expectations for the global policy agenda. As climate change negotiations are entering the next round in pursuit of a legally-binding global agreement, Caring for Climate continues to focus on accelerating business action and solution-finding.

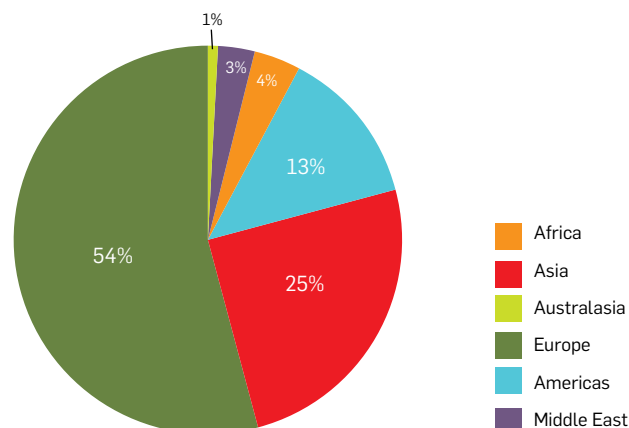
UN Leadership Forum on Climate Change

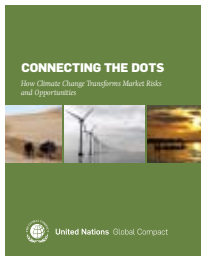
Held on 22 September 2009 in New York, the UN Leadership Forum on Climate Change brought together Heads of State and Government from over 50 nations with 200 leaders of global business and civil society organizations in order to build momentum for a climate agreement. Private sector leaders made it clear that they are prepared to be part of the solution and demonstrated that radical transformations are underway, but stressed that only with regulatory certainty will innovation, investment and efficiencies occur at the levels needed to bring climate mitigation and adaptation approaches to full scale.

Caring for Climate signatories by sector



Caring for Climate signatories by region





Meeting of Caring for Climate Signatories

The second meeting of signatories and stakeholders (April 2010, Geneva) convened approximately 100 senior representatives from business, finance, the public sector and United Nations, as well as civil society. In focus at the conference was the link between climate change and development, including the Millennium Development Goals, and important work leading up to the UN Conference on Sustainable Development 2012: Rio + 20. The meeting provided a platform for companies to demonstrate their continued commitment to addressing climate change.

Connecting the Dots: How Climate Change Transforms Market Risks and Opportunities

This report charts the intimate interaction between climate change and other key issues on the global agenda, and identifies the requirement this places on governments and international agencies to develop a new level of policy coherence. It warns business that both the success or failure of climate policy will transform the landscape of risk and opportunity for investment. The report further urges faster and more imaginative development of partnerships between governments, international agencies, businesses and civil society organizations.

Caring for Climate Series: Transformation is Possible

A collection of reports and research studies by leading investment, academic and civil society organizations. The Series offers a range of perspectives on the roles of business, investors and government in tackling climate change. While each report has a unique focus, leadership and investment are cross-cutting themes. A clear message emerges from the Caring for Climate Series: *Transformation is necessary and possible*. Publications in the Series include:

- **Best Practices and Policy Frameworks: 2009 Survey of Caring for Climate Signatories** *By GlobeScan/UNEP*
- **Change is Coming: A Framework for Climate Change - A Defining Issue of the 21st Century** *By Goldman Sachs*
- **Investor Leadership on Climate Change: An Analysis of the Investment Community's Role and Snapshot of Recent Investor Activity** *By Principles for Responsible Investment*
- **Building a Green Recovery** *By HSBC*
- **Carbon Markets: the Simple Facts** *By Mission Climat of Caisse des Dépôts*



A Challenge for Society and Business

Factors including population growth, urbanization, industrialization and climate change are serving to escalate a global crisis in water access and sanitation. The related issue of declining water quality is also becoming a critical concern. All regions of the world are being affected to some extent – some acutely so. Water should not be seen as an isolated environmental topic, but rather as a profoundly cross-cutting issue that relates to economic development, the health of societies and ecosystems, as well as other key sustainability concerns such as food security and energy.

The business community faces a range of growing water-related risks – including disruptions to operations as a result of water shortages, growing societal concerns and uncertain regulatory environments. On the flip side, there is an opportunity to improve water efficiency – and therefore operating expenses – while also becoming better water stewards for the sake of both business and the wider community.

CEO Water Mandate

Launched by the UN Secretary-General in July 2007, the CEO Water Mandate has rapidly established itself as one of the world's leading business-oriented initiatives on water sustainability. It is both a call-to-action and a strategic framework to manage water issues in a comprehensive way. Endorsing companies are expanding their water policies and practices, and beginning to realize improvements in water efficiencies in their operations. In addition, endorsers have begun expanding their work into supply chains and in relation to local watersheds.

While still a relatively small initiative, the CEO Water Mandate has pursued, in partnership with the Pacific Institute, a robust programme of activities and projects. By mid-2010, approximately 75 companies from a range of sectors and regions had endorsed the Mandate.

Working Conferences

Each year the CEO Water Mandate convenes two theme-based conferences, bringing together endorsing companies with the public sector, civil society, UN agencies and other stakeholders. Since the beginning of 2009, the Mandate has convened three working events – Istanbul (March 2009), Stockholm (August 2009) and New York (April 2010).

Each conference focused on the Mandate's three declared work streams: i) water and public policy; ii) water and human rights; and iii) water disclosure. On each of these topics, the Mandate has created special working groups to advance thinking and practice, and to produce related products. For example, in 2009 the Mandate released "Water Disclosure 2.0", which analysed the effectiveness of 110 corporate sustainability reports. Subsequently, guidance was developed on how companies can report information in a manner that is consistent and meaningful for stakeholders.

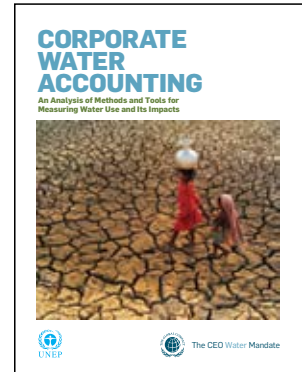
In addition, the Mandate partners with UN agencies on research and partnership projects. At the New York conference, for example, the Mandate and UNEP published "Corporate Water Accounting: An Analysis of Methods and Tools for Measuring Water Use and Impacts".

Water and Public Policy

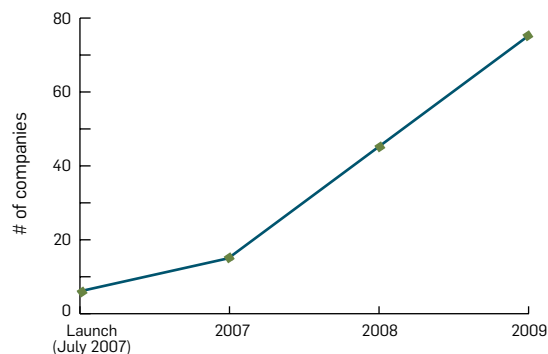
Water scarcity, pollution, climate change, inadequate infrastructure and ineffective water management create risks for companies and governments alike. To advance water management, the Mandate and the Pacific Institute – in collaboration with WWF International – are developing "Guide on Business Engagement with Water Policy and Management". This Guide – to be released in 2010 in two stages – will provide principles, concepts, practical steps and case examples that can facilitate responsible engagement with water policy in a manner that reduces business risks.

Water and Climate Change

Recognizing the growing links between climate change and water-related issues, the Global Compact and the Pacific Institute issued "Climate Change and the Global Water Crisis: What Businesses Need to Know and Do". This paper concludes that climate change will: affect water scarcity and sustainable supply; impact water quality; and increase water demand. Strategic recommendations for business are identified including: measuring water and carbon footprints throughout the value chain; assessing physical, regulatory and reputation water risks; and seeking opportunities for collective action.

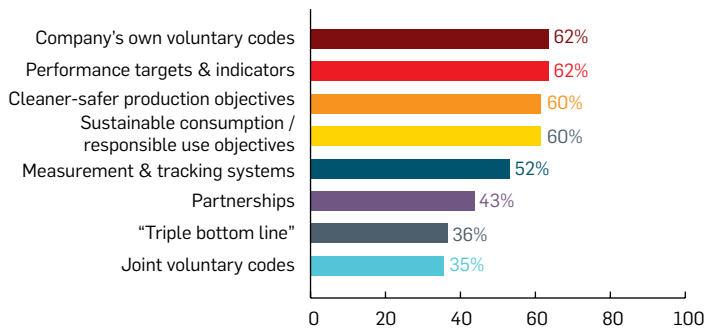


CEO Water Mandate endorsers

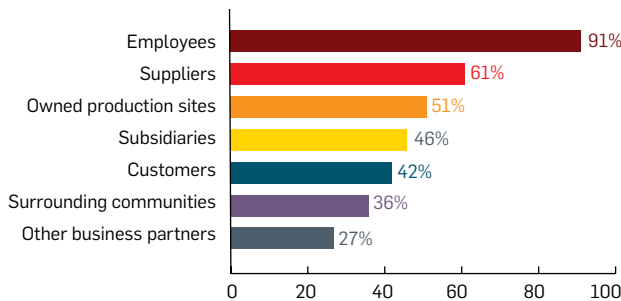


Implementation Data

How does your company take the environmental principles into account in its policies or practices?



To which groups do your company's environmental policies and practices apply?



What actions does your company take to implement environmental policies and practices?



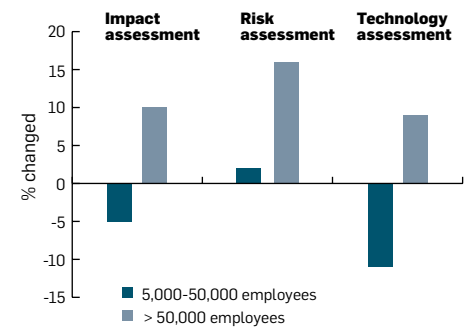
Highlights

Survey results in 2009 show that companies of all sizes are increasingly developing key environmental policies and practices – with notable increases in policies linked to suppliers (+9%) and customers (+12%).

While the overall change from 2008 was very slight, marked improvements can be found when analysing by company size. For example, SMEs (<250 employees) saw increases in: performance targets (+5%), risk assessment (+4%) and eco-design (+7%).

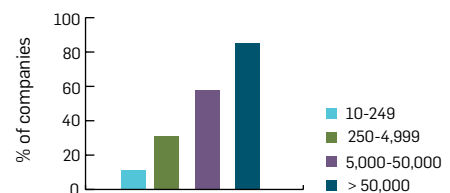
The largest companies made significant improvements in impact assessment, risk assessment, technology assessment, and 3R – reduce, reuse, recycle. On the other hand, companies with 5,000 – 50,000 employees were not as successful in improving their actions to implement environmental policies – with losses seen in key areas.

Change in actions taken in 2009 vs 2008 (by company size)



32% of all companies state that they report greenhouse gas emissions and strategic climate data – though this figure varies greatly by company size. The vast majority – 85% – of companies with more than 50,000 employees report emissions. This number decreases by company size: 58% for companies with 5,000 – 50,000 employees; 31% for companies with 250 to 5,000 employees; and only 11% of SMEs with less than 250 employees.

Report GHG emissions and strategic data



Environment in Practice

Cleaner and safer production objectives

Natura Cosméticos (Brazil, Personal Goods) implements a comprehensive plan focusing on three work fronts including inventory, reduction and offsetting, and involving all of its production chain. The company also supports reforestation and renewable energy projects. As part of its sustainable waste management strategy, the company focuses on recycling projects, including post-consumption recycling. The company is also implementing new water and energy consumption reduction policies in its units.

Suppliers

Levi Strauss & Co. (US, Apparel) was the first company in its industry to establish Water Effluent Guidelines which mandate maximum wastewater contaminant levels for its manufacturing operations worldwide. In 2009, Levi Strauss expanded application of the Guidelines to first and second tier suppliers, including bulk fabric suppliers and sundry items (e.g., buttons, zippers, threads). In conjunction, Levi Strauss provides support to suppliers to address problems if they are found to be out of compliance.

Reed Elsevier Group (UK, Media) introduced supplier training to its ongoing Socially Responsible Supplier Programme on calculating and reporting carbon emissions. In 2009 they conducted a Supplier Heat Mapping study to look at the breakdown of supplier emissions to identify key target areas for further reduction. Reed Elsevier also collaborates with British publishing companies to encourage emissions reduction at the industry level.

Management system

China Minmetals Corporation (China, Metals & Mining) implemented a comprehensive environmental stewardship strategy with commitment from the board level as part of their integral company operations. China Minmetals sustainability report indicates three priorities for sustainable development: enhancing the core competitiveness; the necessity of safe production and environmental protection; and the continuous pursuit of social and world harmony.

Good industry practices

Nokia (Finland, Technology Hardware & Equipment) has engaged in ongoing efforts in sustainable environment management, focused on energy consumption and product stewardship. Key milestones in 2009 include launching products with improved environmental features, which will be rolled out across product lines; driving a new energy rating for chargers in the industry; piloting the sale of phones without a charger; reducing energy consumption in facilities; and expanding its global take-back programme.

Multi-stakeholder dialogue

Sasol (South Africa, Energy) has implemented a plan to operate – through recycling and other measures – a zero waste-water discharge facility in Sasolburg. In addition, Sasol is hosting dialogues on water management and sustainability with industry peers, government and external experts and stakeholders. The goal is to raise awareness of water stewardship issues in order to help ensure that communities and the business sector have access to adequate and safe supplies.

Life cycle assessment

Vestas Wind Systems (Denmark, Technology Hardware & Equipment) continues to use a Life Cycle Assessment to provide a “cradle to grave” evaluation of the environmental impact of its products and activities. These assessments concentrate on documenting the environmental performance of Vestas wind turbines and analysing results to develop wind turbines that have less impact on the environment.

“Climate change is the defining challenge of our time. I also believe it is the most potent game-changer for business over the next century. It is an opportunity we must seize. Today, I want to challenge you. I want to see you in the vanguard of an unprecedented effort to retool the global economy into one that is cleaner, greener and more sustainable.”

— UN Secretary-General, Ban Ki-moon

ANTI-CORRUPTION

Corruption is the single greatest obstacle to economic and social development around the world; it distorts markets, stifles economic growth, debases democracy and undermines the rule of law. Not only does corruption make business far more costly, but it also brings the threat of serious legal sanctions to companies and individuals. Following the financial crisis, the anti-corruption agenda has gained fresh impetus as investors, customers and the public-at-large are demanding that companies prove their commitment to transparency and accountability.

The Global Compact – together with key partners including Transparency International (TI), the International Chamber of Commerce (ICC) and World Economic Forum (WEF) – has led a number of projects to advance anti-corruption both through effective global policy and corporate actions.

In the policy realm, the Global Compact undertook a six-month campaign in 2009 with chief executive officers to call for the establishment of an independent, inclusive, transparent and efficient review mechanism of the United Nations Convention against Corruption. This represented the first time the UN had brought the voice of business directly to intergovernmental policymaking, and resulted in a successful outcome. To provide further guidance to companies, the Global Compact Working Group on the 10th Principle led the development of a number of resources, notably in the areas of disclosure and supply chain implementation. A comprehensive disclosure framework on anti-corruption policies and practices was produced in response to the difficulty and complexity expressed by business to report on transparency measures.

Moving forward, the Global Compact will continue to strengthen efforts, engaging a wide range of stakeholders both at the global and country levels. Given the corruption risks in the supply chain, through our Global Compact Local Networks we will more actively reach out to small- and medium-sized enterprises. Also, we will focus on supporting country-specific collective action platforms, a tactic that holds much promise for making real progress in stemming corruption nation by nation.

MILESTONES

2000

Adoption of the UN Convention against Corruption (UNCAC), the first legally binding global instrument designed to help Member States fight corruption in both the public and private sectors

2003

Establishes Working Group on the 10th Principle

Provides a road map of sources and tools to assist in application of policies designed to eliminate corruption, with TI and IBLF

2005

UNCAC enters into force

Initiates extensive consultations with participants on corruption, results in overwhelming expressions of support to include a tenth principle against corruption

Global Compact 10th Principle formally adopted at Global Compact Leaders Summit 2004, New York

2004

UN Office on Drugs and Crime (UNODC) serves as guardian of Principle 10



UNODC

United Nations Office on Drugs and Crime

Working Group is reconfigured for better global representation and to include smaller companies. Priority workstreams are identified, bringing momentum to 10th principle. Chaired by Huguette Labelle, Chair of Transparency International.



2008

Global Compact hosts first board meeting of Extractive Industry Transparency Initiative (EITI)

Co-organizes Forum on Civil Society and Private Sector at 1st Conference of States Parties to UNCAC

2006

Guidance materials launched with key partners, including on collective action and business case



Convenes business at 2nd Conference of State Parties to UNCAC, results in Bali Business Declaration

Releases "Business Against Corruption – Case Stories and Examples" giving guidance on how to deal with difficult dilemma situations



2009

- Launches CEO campaign for the establishment of UNCAC review mechanism and presents statement at 3rd Conference of the Parties. Achieves successful outcome, with the private sector referenced in the resolution.
- Guidance materials launched related to reporting and extortion

2010

Working Group releases new resources at Global Compact Leaders Summit 2010, notably in the areas of reporting guidance and supply chain



2010

Reporting on the 10th Principle



Public reporting can send a strong signal to employees, governments, investors and consumers that a company is serious about transparency and non-corrupt practices. And importantly, quality reporting can support the deeper integration of anti-corruption measures into business operations by establishing an external accountability mechanism and stimulating improvements to internal management systems.

However, disclosure around corruption has been considered one of the most challenging areas for organizations, not only because of its complex and hidden nature, but also due to a lack of a practical guidance. The “Reporting Guidance on the 10th Principle Against Corruption” was developed to assist companies in this task – identifying reporting priorities that can put business on the path of performance improvement and enhanced transparency.

Guidance

“Reporting Guidance on the 10th Principle Against Corruption” provides a comprehensive set of 22 reporting elements in the areas of commitment and policy, implementation and monitoring. To make the resource useful for a range of companies, the Guidance identifies Basic Reporting Elements and Desired Reporting Elements. Seven basic elements are considered the minimal level of reporting on an organization’s anti-corruption policies and procedures:

1. Publicly stated commitment to work against corruption in all its forms, including bribery and extortion;
2. Commitment to be in compliance with relevant laws, including anti-corruption laws;
3. Translation of the anti-corruption commitment into actions;
4. Support by the organization’s leadership for anti-corruption;
5. Communication and training on the anti-corruption commitment for all employees;
6. Internal checks and balances to ensure consistency with the anti-corruption commitment; and
7. Monitoring and improvement processes.

Taskforce

The Guidance was produced under the Working Group on the 10th Principle. Co-chaired by Transparency International and Accenture, a taskforce of businesses, NGOs and anti-corruption experts worked for over a year to develop the guidelines and carry out field tests around the world.

Investors

Arguing that “bribery and corruption are incompatible with good corporate governance and harmful to the creation of value”, a coalition of investors wrote to 21 major companies in 14 countries in April 2010, requesting improvements to their disclosure on the issue. The investors asked companies to explain whether their anti-corruption management systems adhere to international reporting frameworks developed by the International Corporate Governance Network (ICGN) and the Global Compact. The investors – who collectively manage over US\$1.6 trillion of assets – are all signatories to the Principles for Responsible Investment.

Business Urges Governments to Ensure Effective Anti-Corruption Convention

The Global Compact, with key partners, led a six-month campaign to mobilize broad business support for the establishment of an effective monitoring mechanism for the United Nations Convention against Corruption (UNCAC) in the lead up to the Third session of the Conference of the States Parties in November 2009. A CEO statement was presented to Governments urging for the creation of an independent, inclusive, transparent and efficient review mechanism to the Convention. The statement was signed by approximately 100 chief executives from around the world, and led to the adoption of a resolution which explicitly refers to the role of the private sector in the review process. This CEO campaign was the first of its kind in the realm of inter-governmental policy making that was organized by the United Nations. It shows that business advocacy can be an important part of improving global framework conventions and can influence responsible global policy.

New Resources Developed by the Working Group

Since 2008, the Working Group on the 10th Principle has actively worked to develop tools and resources on a range of anti-corruption topics. All products are based on the collaboration and input of leading experts and practitioners from around the world. In addition to the “Reporting Guidance on the 10th Principle Against Corruption”, the following are new resources:

Supply Chain Guide for Customers and Suppliers

To help companies reduce corruption risks in the supply chain, the guide outlines common supply chain corruption scenarios and provides a framework and set of tools for addressing them.

Anti-Corruption E-Learning Tool

Developed with UNODC, the tool offers an online learning platform that companies can easily access to obtain practical guidance on how to fight corruption in all forms through six interactive dilemma scenarios.

Anti-Corruption Inventory Tool

A user-friendly, online catalogue of existing anti-corruption tools and resources, including a short description, types of corruption addressed, target audience, functionality and key content. Tools included in the inventory can all be accessed free of charge or for a small fee. Developed with Global Advice Network.

RESIST

A scenario-based tool for employee training on resisting extortion and solicitation in international transactions, developed jointly with ICC, Transparency International and the World Economic Forum.



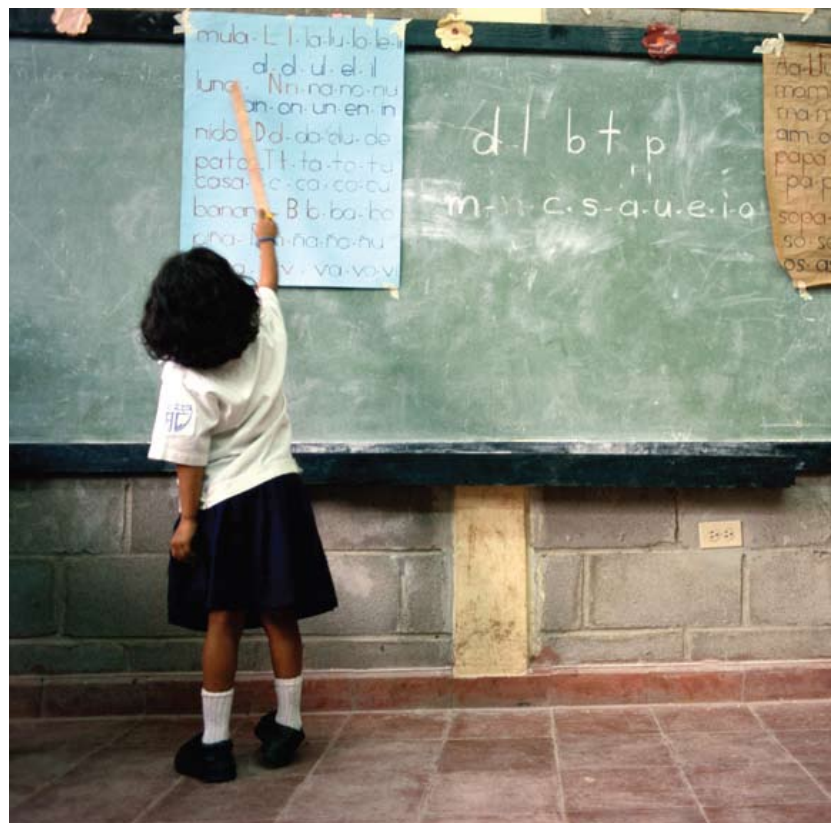
International Meetings

Nigeria Events Focus on Combating Corruption in Africa

The Global Compact co-hosted two events in Nigeria focused on anti-corruption in March 2009. A two-day workshop was organized with the World Bank Institute and UNODC on 16-17 March for businesses and Global Compact Local Network focal points to discuss collective action tools and strategies to counter corruption in business operations. On 18 March, a conference was co-organized with the Global Compact Local Network Nigeria for approximately 200 attendees from 19 African nations to debate strategies that assist companies in the fight against corruption.

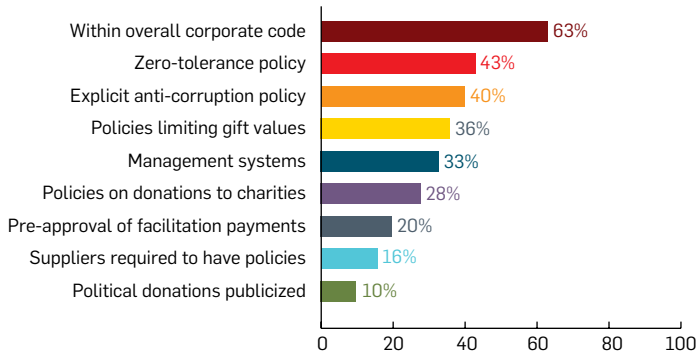
Workshop in India Stresses Anti-Corruption Policies

The Global Compact Society India held a two-day workshop (29-30 June, New Delhi) on the business benefits of greater compliance with the Global Compact's 10th principle. A joint effort of the Global Compact Local Network, Transparency International and the UNODC, the workshop was an important step forward in efforts being made by business in India to advance the anti-corruption agenda and adopt zero-tolerance policies.

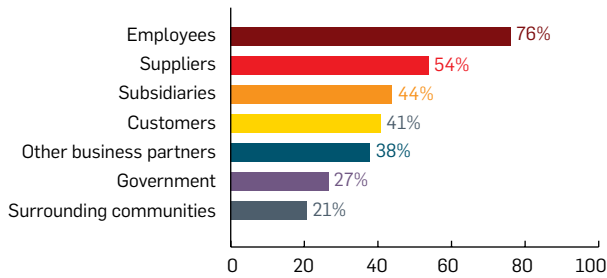


Implementation Data

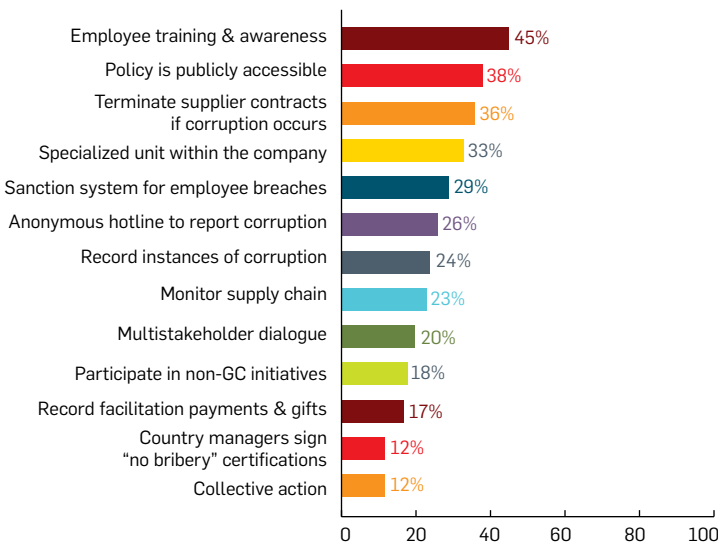
How does your company take the anti-corruption principle into account in its policies or practices?



To which groups do your company's anti-corruption policies and practices apply?



What actions does your company take to implement anti-corruption policies and practices?

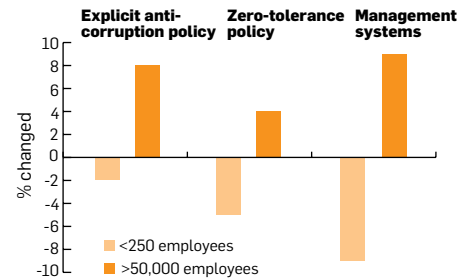


Highlights

Companies remain highly challenged in the area of anti-corruption. With regard to policies, less than half of companies indicate having a zero-tolerance policy towards corruption – with companies in Europe and Latin America reporting significantly lower policy rates than other regions. 63% of companies report addressing aspects of corruption within their overall corporate code of conduct, with lower levels of policy implementation in the key areas, such as management systems.

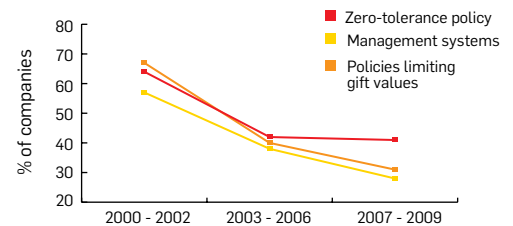
Measures to advance anti-corruption policies can vary greatly based on company size and length of time that the company has participated in the Global Compact. For instance, 29% of SMEs indicate that they have an explicit policy addressing anti-corruption, versus well over 50% of companies with more than 5,000 employees.

Change in policies taken in 2009 vs 2008 (by company size)



There was a substantial difference noted between early joiners to the initiative (2000-2002) compared to more recent participants (2007-2009), where early joiners were twice as likely to have policies limiting gift values and management systems in place.

Policy implementation (by year joined the UNGC)



A minority of companies are taking necessary actions to tackle the issue, including employee training, recording instances of corruption, having sanction systems and establishing hotlines for anonymous reporting of corrupt practices.

Anti-Corruption in Practice

Policies limiting gift values

TNT (Netherlands, Industrial Transportation) established the TNT Group Policy on Gifts and Entertainment to prevent situations where an employee's professional judgment and the interest of the company could be affected by gifts or entertainment offered or received. The Policy, established by the Board of Directors, requires employees to report gifts received that exceed a specific amount to management authorities. The value of acceptable gifts is set by the country's managing director based upon the country's custom and living conditions.

Suppliers

SAP (Germany, Software & Computer Services) established the SAP Supplier Code of Conduct, outlining clear expectations that the company has towards its contractors, consultants, suppliers, vendors, and all third-party companies. The Code prohibits suppliers from making, authorizing, or offering any bribes, kickbacks, or payments of money to anyone including officials, employees, or representatives of any government, public, or international organization. All suppliers are required to be in full compliance with the code.

Specialized unit within the company

Petrobras (Brazil, Oil & Gas) established the Committee of Ethics at the recommendation of the Executive Board to foster, guide and fulfil the principles and commitments set in the Petrobras Code of Ethics. The Committee is linked to the Petrobras CEO's office and has an executive secretariat. Meetings are held regularly to address specific or emergency matters. The Committee of Ethics operates in accordance with the information secrecy regulations adopted by the company.

Record incidents

China Development Bank (China, Financial Services) enhanced supervision over acts that breach corruption regulations. The company addressed these acts through supervision proposals, education, rectification and job removals. The company's COP states that four investigations were concluded, resulting in disciplinary action towards five individuals implicated in the cases.

Collective action

Oil and Natural Gas Corporation (India, Oil & Gas) was the first organization in India to adopt the Integrity Pact concept. The goal of the Integrity Pact is to reduce the opportunity for corruption during procurement through a binding agreement between the agency and the bidders for specific contracts. The Integrity Pact has had several positive results: contracts processed faster; lawsuits reduced; vendor satisfaction improved; increased competitive rates; and improvement of company brand.

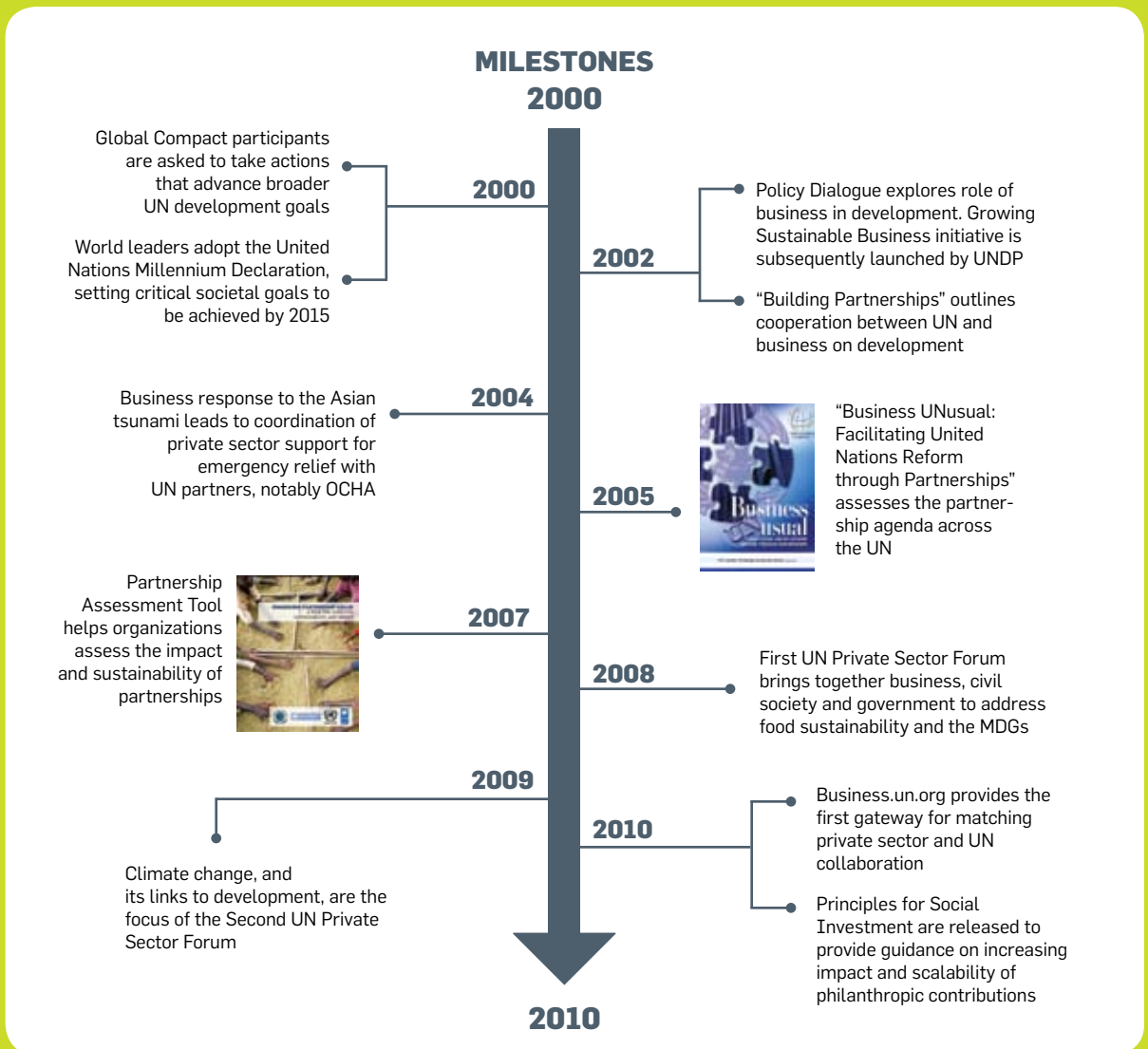


DEVELOPMENT

Business and society are inextricably linked – neither can thrive in the long-term without the strength of the other. The launch of the Global Compact in 2000 was in response to this dynamic – as billions of people were being left in poverty and neglect while others experienced rapid development and excessive prosperity. The same year, world leaders set out a 15-year plan to rectify the massive gaps in critical development areas, as articulated in the Millennium Development Goals (MDGs).

As part of the commitment to the Global Compact, companies are asked to take actions – individually and together with other organizations – to support development objectives. The 2009 survey shows that approximately half of participants are engaging in such work – through their core business, social investments and advocacy campaigns. Efforts are reported most frequently in the areas of environment, gender equality, and poverty and hunger. This corresponds with recent work by the Global Compact to convene business with key stakeholders in forums on climate, water, gender and food sustainability.

The Global Compact plans to intensify its efforts on sustainable development. The third UN Private Sector Forum, to be held in September 2010, will focus on the MDGs and gather chief executives with Government, the UN and civil society with the purpose of bringing a renewed focus on the role of business in helping to achieve development objectives.



Advancing Development

The Global Compact has bolstered efforts to facilitate the business contribution to development. Platforms such as Caring for Climate, the CEO Water Mandate, and the Women’s Empowerment Principles represent the emergence of a promising frontier of business engagement where internalization of principles in business is inherently connected with advancing the MDGs.

For the first time, in 2010 the Global Compact took steps to identify and promote existing projects across the UN system to advance the MDGs that could benefit from additional corporate participation. The outreach project results in a number of new collaborations, as announced at the Global Compact Leaders Summit. Also adding momentum to UN-business partnerships is the new website “business.un.org” which provides a platform to facilitate private-sector contributions and engagement to advance the humanitarian and development work of the United Nations (see p. 74).

A Global Compact for Development

Released in June 2010, this brochure outlines the UN-business partnership framework and clarifies how companies can engage with the UN through their core business, strategic social investments, and advocacy. The document also lists available engagement platforms for business and showcases examples of successful undertakings by Global Compact participants to advance work toward UN development goals.

Principles for Social Investment

Social investment is the practice of making voluntary financial and non-financial contributions that help local communities and broader societies address their development priorities. Leaders of corporations and grant-making institutions increasingly recognize the importance of responsible social investment, ensuring not only the optimal impact of their contributions, but also their alignment with broader societal goals. The launch of the Principles for Social Investment (PSI) in June 2010 provides needed guidance on increasing the impact and scalability of philanthropic contributions. Produced jointly with the Committee Encouraging Corporate Philanthropy (CECP) and St. James Ethics Centre, the PSI offer guidance for organizations pursuing responsible social investment practices, including companies and their foundations, community foundations, private foundations and non-governmental organizations.

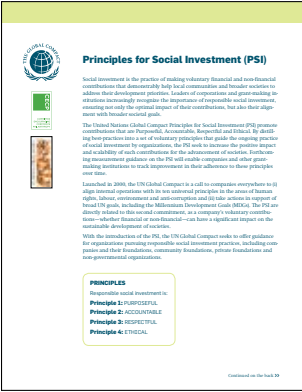
Responsible social investment is:

- Principle 1: Purposeful**
- Principle 2: Accountable**
- Principle 3: Respectful**
- Principle 4: Ethical**

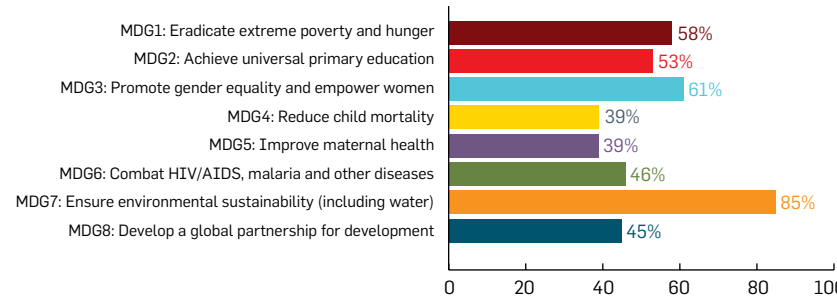
Millennium Development Goals

The MDGs form a blueprint for development agreed upon by all countries and leading development institutions. With only five years left to meet the targeted deadline of 2015, achievement of the goals is far from assured. Much work must be done to bring development, peace, equality and dignity to millions of people. Companies surveyed indicated how they were contributing to specific MDGs, as well as types of organizations with which they have partnered.

Half of survey respondents report engaging in partnerships linked to development – consistent with 2008 findings. Larger companies and those that joined the Global Compact earliest are more likely to engage with other stakeholders in projects – for example, 84% of companies with more than 50,000 employees, and approximately 80% of companies that joined in 2000, 2001 and 2002. Additionally, companies in Africa (76%) and Latin America (70%) are much more likely to undertake development-related partnerships than the average participant.



Which MDG(s) has/have been targeted by your company’s partnerships?



Business Advancing the MDGs

For each MDG, companies were asked to indicate what types of activities were undertaken (advocacy, philanthropy, core business) and with whom they partnered (Government, UN, NGOs, other businesses, academia).

Activities: Advocacy and philanthropy were evenly split as the most popular activity – with core business the least common for all MDGs. Advocacy was the predominant form of engagement in environment and gender equality partnerships, compared to philanthropy as a means to advance MDGs on poverty, education and child mortality.

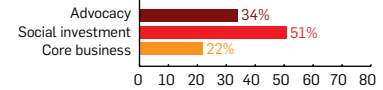
Partners: Companies most frequently partnered with NGOs, followed by Government and other businesses equally. Companies were more likely to partner with Governments on poverty and education, and with other companies on environment and gender equality. Academia were most involved related to the environment. Though ranking lower on the list, the UN was most likely to partner with business in the areas of poverty, environment and global partnerships.

MDG 1

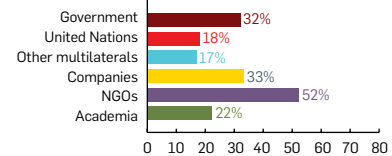
POVERTY

DSM N.V. (Netherlands, Chemicals) partners with World Food Programme (WFP) in "Improving Nutrition, Improving Lives" to ensure that nutritional needs of WFP beneficiaries are met. The programme focuses on enhancing both the quality and quantity of the "food basket" that WFP offers to approximately 90 million impoverished people worldwide. DSM provides WFP with expertise, high nutrient products and financial assistance.

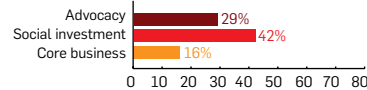
Activities



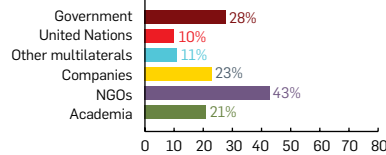
Partners



Activities



Partners



MDG 2

EDUCATION

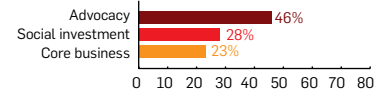
Pearson plc. (UK, Media) worked with Book Aid International to encourage reading in East Africa through the creation of a series of mobile reading tents in areas that lack access to libraries. Pearson has provided financial and in-kind support including books and publishing expertise. It also supports the creation of libraries and community knowledge centres in these regions.

MDG 3

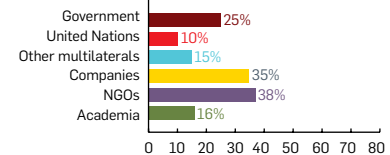
GENDER

MAS Holdings (Sri Lanka, Personal Goods) operates the "MAS Women Go Beyond" programme to encourage female employees – who comprise 75% of their total workforce – to work toward higher positions within the company by equipping them with the right skills. Initiatives include career advancement, work-life balance, skill enhancement and rewarding excellence. Additionally, each year MAS awards "Empowered Women" for their personal and professional achievements.

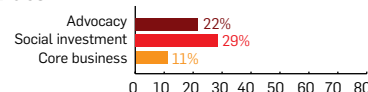
Activities



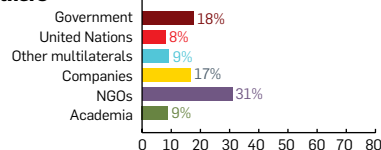
Partners



Activities



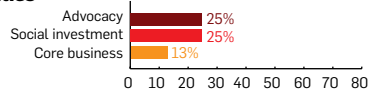
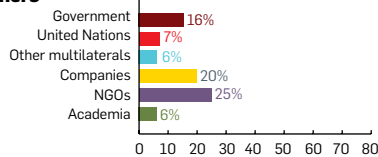
Partners



MDG 4

CHILD MORTALITY

Royal Dutch Shell (Netherlands, Oil & Gas) operates a Breathing Space programme in India helping to achieve reductions in indoor air pollution (IAP), the cause of death for more than 1.5 million women and children annually worldwide. They are expanding the scope of this work through a partnership with the UN Foundation, launching a Global Alliance for Clean Cookstoves that seeks to provide 100 million households with access to clean and safe cooking solutions by 2020.

Activities**Partners**

MDG 5

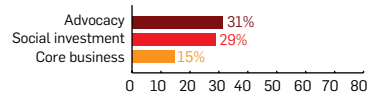
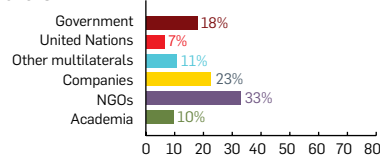
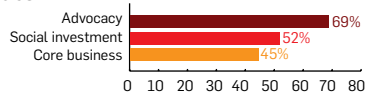
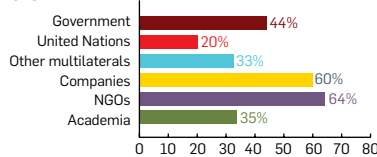
MATERNAL HEALTH

IKEA Group (Sweden, General Retailers) operates a maternal health training programme, the Integrated Management of Newborn and Childhood Illness, in India. It provides infants with immunisation and vitamin supplements; advocates for breastfeeding and nutritious food for children under 24 months in age; and ensures water safety and better sanitation, such as access to toilets and learning about basic hygiene.

MDG 6

DISEASE

MTN (South Africa, Mobile Telecommunications) offers real-time health reporting via the "Phones for Health" programme in Kenya, Rwanda and Tanzania. The project allows health workers in the field to use a standard handset to enter health data, that is then mapped and analysed, and immediately available to health authorities at multiple levels on the internet. The system supports SMS alerting, as well as tools for communication and coordination among field staff.

Activities**Partners****Activities****Partners**

MDG 7

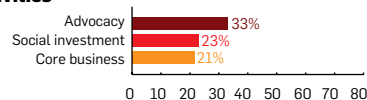
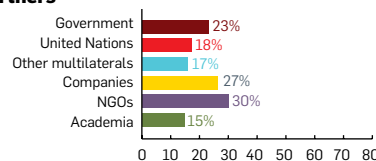
ENVIRONMENT

A.P. Moller - Maersk (Denmark, Industrial Transportation), with the objective of developing a more energy efficient fleet of ships, has been instrumental in initiating the project "Green Ship of the Future". The objective of the cross-sector project is to develop strategies to reduce emissions from both existing ships and new buildings.

MDG 8

PARTNERSHIP

Deutsche Post DHL (Germany, Industrial Transportation) engages in a long-term partnership with the UN Office for the Coordination of Humanitarian Affairs (OCHA) in the area of disaster management. DHL has established a global network of Disaster Response Teams that provide free logistical support in the wake of natural disasters. In January 2010, the team was deployed within 48 hours of the earthquake in Haiti to coordinate warehouse management of incoming aid and support airport logistics.

Activities**Partners**

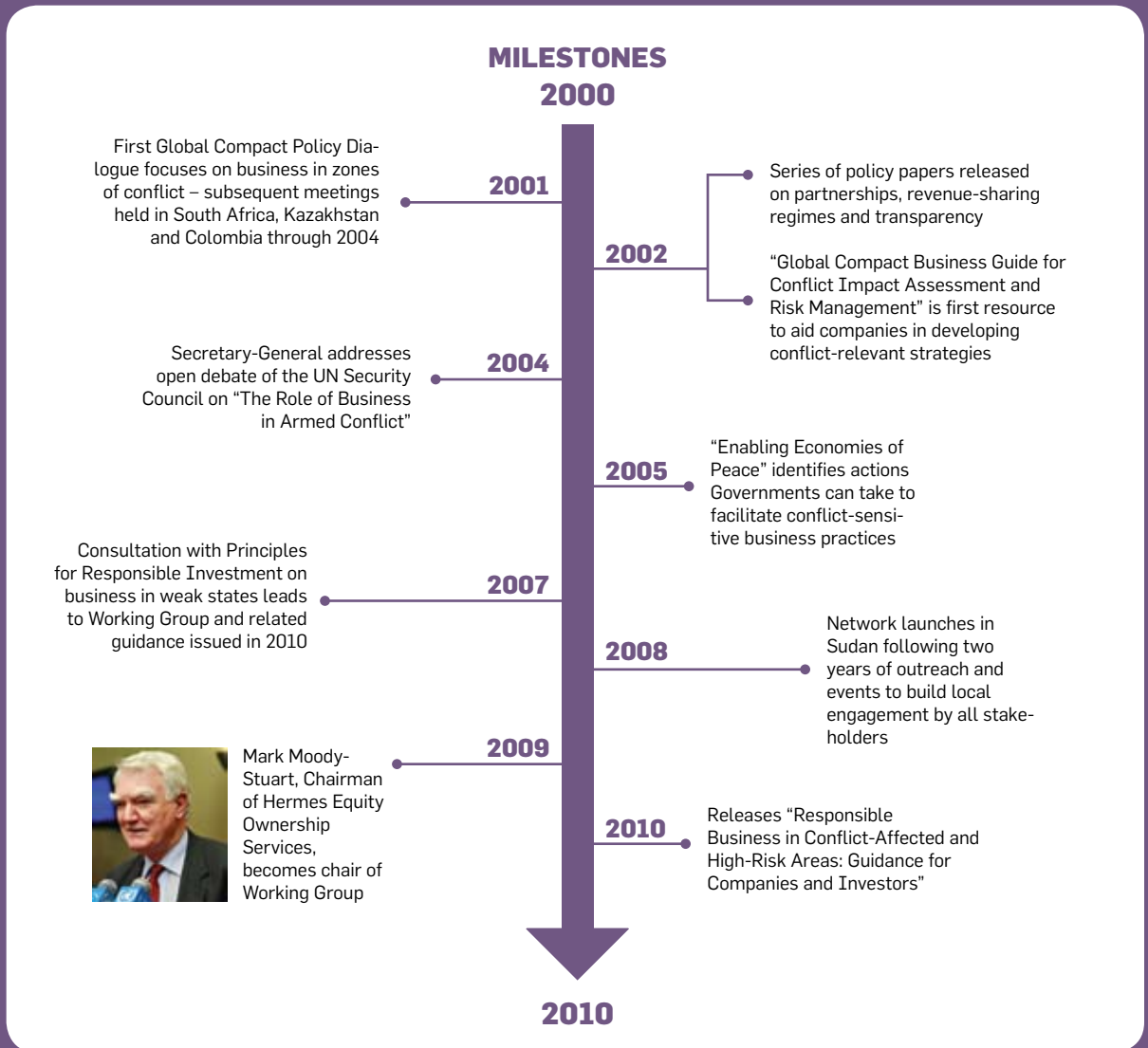
PEACE

Systematic human rights abuses, inhumane working conditions, environmental scarcity and corruption can each be an outcome or trigger of conflicts. By following specific processes for doing business responsibly in difficult settings, all companies – regardless of size or sector – can work to ensure that their practices do not contribute to violence.

In recent years, the Global Compact has intensified work to advance conflict-sensitive practices in business, notably through the development of guidance in collaboration with the UN-backed Principles for Responsible Investment (PRI). Released in June 2010, “Responsible Business in Conflict-Affected and High-Risk Areas: Guidance for Companies and Investors” helps to clarify what constitutes responsible business, as well as identifying and mitigating risks.

At the local level, the Global Compact has provided opportunities for stakeholders to enhance capacity in this realm, including in Japan, Nepal, Pakistan, Sudan and Turkey. A key development was the strengthening of the Global Compact Network Sudan, with an international event held in Khartoum that served to highlight the network’s role as a neutral platform for advancing conflict-sensitive business practices in the country.

Looking ahead, the Global Compact plans to enhance collaboration with PRI and our Local Networks to enable far-reaching dialogue among concerned stakeholders and support widespread implementation of the new responsible business guidance by companies and investors.



Guidance for Companies and Investors



Stemming from a 2007 Global Compact-PRI meeting on responsible investment in weak or conflict-prone areas, an expert group comprised of company representatives, investors, civil society leaders, UN representatives and others was created to explore the issue of divestment versus engagement. Following an extensive consultation process by the group, voluntary guidance was developed for release at the Global Compact Leaders Summit in June 2010.

The primary purpose of “Responsible Business in Conflict-Affected and High-Risk Areas: Guidance for Companies and Investors” is two-fold:

1. Assist companies in implementing responsible business practices by living up to the Global Compact principles in conflict-affected and high-risk areas so they may maximize their long-term financial performance and make positive contributions to peace and development, while minimizing risks and negative impacts to both the business and society.

2. Provide a common reference point for constructive engagement between companies and investors linked to operations in conflict-affected and high-risk areas, as opposed to divestment.

This guidance is designed to stimulate learning and dialogue, and to promote collective action and innovative partnerships through Global Compact Local Networks and other initiatives. It was informed by good corporate practices from around the world, as well as a series of multi-stakeholder events (Istanbul, New York, Khartoum and Tokyo). Global Compact Board members and Local Networks were also involved in the process.

G8 Encouragement of Work

In 2009, the Group of Eight (G8) provided explicit support for the Global Compact’s work in the area of business and peace. In its Leaders Declaration “Responsible Leadership for a Sustainable Future”, the group encouraged the Global Compact to “engage with key stakeholders to further develop practical guidance for business operating in countries with weak governance”.



Global Compact Network Sudan: International event convened in Khartoum

In March 2010, the first ever joint Global Compact–PRI event was held in Sudan. Hosted by the Global Compact Network Sudan, the meeting focused on responsible business and investment in conflict-affected areas and brought together over 120 representatives from all key stakeholder groups, including government. Discussion focused on identifying responsible practices in the context of Sudan with a view to building common understanding. The meeting served to strengthen the Sudanese network, with a series of recommendations developed for how the Local Network can continue to provide a neutral platform for collaboration in order to advance key issues.

Case Examples

There are many ways that business can make a positive contribution to peace and development through their core business, strategic social investment, and advocacy. Actions may include implementation of the ten principles, engagement with communities, public-private partnerships, post-conflict reconstruction efforts and helping to build a culture of peace.

Implementing the global compact principles

Satemwa Tea Estates (Malawi, Food Production) actively supports the strengthening of crime prevention activities. Its efforts have helped to prevent crimes affecting workers, their households, and other members of the community. Satemwa has been a key player in ensuring collective security, with its policing programme increasing community ownership of the security process and improving communication among the community. Satemwa's work to help maintain a peaceful community has created goodwill among the local population and translated into higher productivity among its workforce.

Public-private partnerships

The Coca-Cola Company (US, Beverage) has contributed to the improvement of education in the Palestinian Territories through a variety of initiatives in partnership with the National Beverage Company (NBC), its local bottling partner which is an independent, privately-held company managed by local, Palestinian employees. NBC has partnered with the Government and various NGOs on programmes such as the "Back to School" campaign, which provides thousands of school bags and supplies to children from low-income backgrounds and "We Are All Able", which provides scholarships for students to attend business schools. Also, NBC developed "Schools.com", a campaign to bring computers and technology to over a dozen rural schools.

Post-conflict reconstruction efforts

Energoinvest (Bosnia and Herzegovina, Construction & Materials) developed a project to improve domestic power infrastructure, boost the industry and the business environment. By connecting the three separate power utilities in the country into one electric network, more streamlined infrastructure resulted in increased connections with neighbouring countries Serbia, Montenegro and Croatia. Additionally, 500 workers were employed. Through this project, business relationships with pre-war partners in the region were restored.

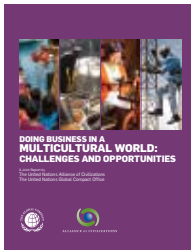
Komatsu (Japan, Construction & Materials) developed a demining machine for anti-personnel landmines, capable of clearing 500 square meters of land per hour, almost 50 times faster than manual clearance. The demining machines are supplied to Afghanistan, Angola and Cambodia. Together, the Japanese Mine Action Services (JMAS) and Komatsu remove landmines and focus efforts on community development through activities such as constructing agricultural water sources and elementary school buildings. These activities are coordinated with the respective relevant governments and organizations.

Building a culture of peace

Safaricom Limited (Kenya, Mobile Telecommunications) partnered with the UN Office in Nairobi to implement a "Text for Peace Campaign" in Kenya, where citizens sent text messages of peace. These were subsequently presented as the Messages of Peace from Kenyans at the 63rd UN General Assembly in New York, International Day of Peace. Through the campaign, customers were given the opportunity to unite around a common message, and the role of mobile technology in promoting peace and healing communities became evident.

New Resources

Doing Business in a Multi-Cultural World: Challenges and Opportunities



Launched at the Second Forum of the UN Alliance of Civilizations in 2009, the publication helps companies address cross-cultural issues in the workplace, marketplace and communities. A high-level reception was also organized coinciding with the General Assembly to further promote the publication.

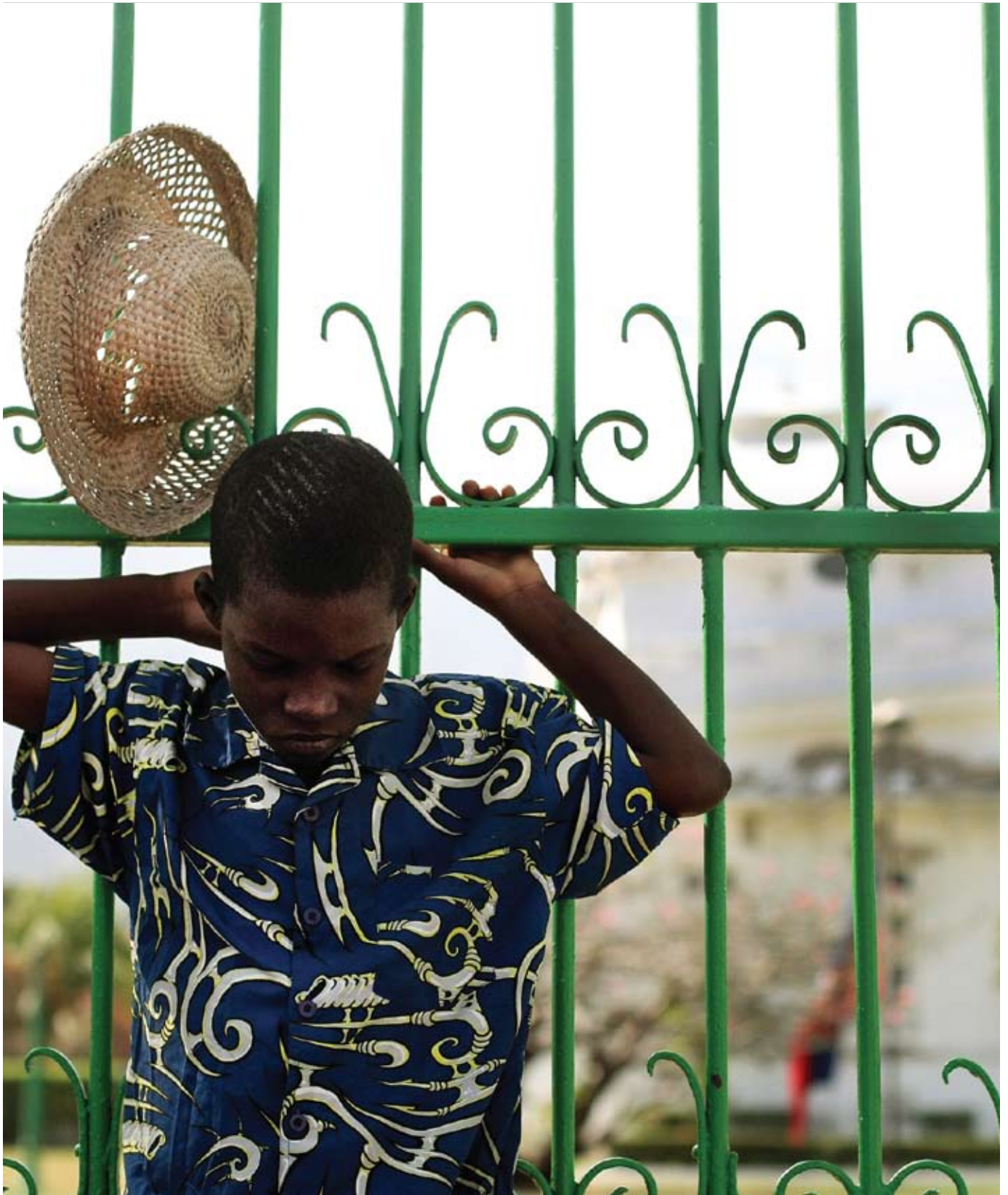
Doing Business While Advancing Peace and Development



Provides illustrative examples of the ways in which companies from a variety of sectors are making a positive contribution to development and peace while operating in conflict-prone or post-conflict environments.

Sustaining Business and Peace: Resource Pack for Small and Medium-Sized Enterprises

Developed by International Alert with input from the Global Compact Network Sri Lanka, the guide outlines a three-step cycle of understanding and analysing, planning and doing, and checking and improving corporate responsibility activities for SMEs. Applicable to SMEs around the world.

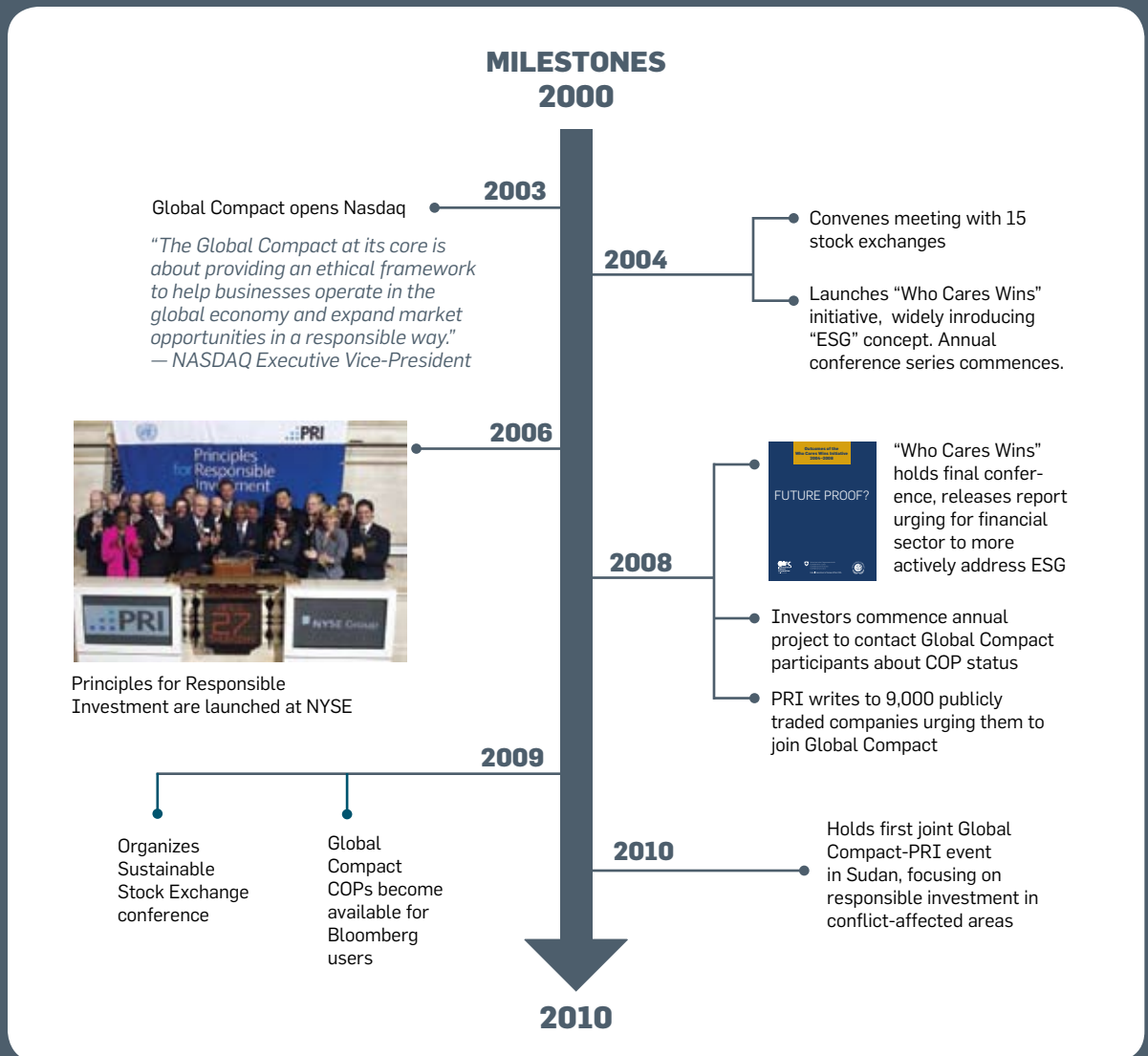


INVESTMENT

If there has been a silver lining in the cloud of the financial crisis, it has been to give added impetus to the recently launched responsible investment movement. While there is concern over returning to dangerous business-as-usual practices, there are a growing number of institutional investors placing greater emphasis on long-term investment horizons and the proper incorporation of environmental, social and governance (ESG) issues into investment processes and decision-making.

This movement has its roots, partly, in the Global Compact's "Who Cares Wins" initiative, which was launched in 2004 to sensitize investment markets to the importance of ESG issues – be they related to climate change, water access, working conditions or corruption, for example. "Who Cares Wins" evolved into the development and launch of the UN-backed Principles for Responsible Investment in 2006, now the world's largest responsible investment movement.

This new era of responsible investment is based on the following premise: companies that proactively manage ESG issues are better placed than their competitors to generate long-term tangible and intangible results – and, therefore, are better investment bets. Such an approach also better aligns investor interests with broader societal goals. Evidence has emerged to validate this assertion. And, importantly, the financial crisis has served to vindicate the underlying tenets of responsible investment – transparency, accountability, materiality, ethics and the importance of "going long".



The Principles for Responsible Investment

The PRI, conceived and launched by the UNEP FI and the Global Compact, continued its rapid growth during the past year-and-a-half, partly fueled by events in the financial markets. By mid-2010 the PRI had reached over 700 investor signatories representing more than US \$20 trillion in assets. Signatories, which include primarily asset owners (e.g., pension funds) and asset managers, have undertaken a range of actions, including adopting new responsible investment policies, devising new incentive structures related to long-term investment performance, and expanding their ownership practices (i.e., engagement with companies).

In addition, increasing numbers of PRI signatories are using the Global Compact and its various sub-initiatives, guidelines and resources in collective engagement activities designed to improve the sustainability performance of investee or potential investee companies.

Responsible Investment in Conflict-Affected Areas

A number of PRI signatories have taken part in the Working Group on responsible investment in conflict-affected and high-risk areas launched by the Global Compact. In June 2010, the group – which includes companies, investors, civil society organizations and other stakeholders – released a guidance document outlining a set of general principles for managing business operations in such settings. Among the guidance's objectives is providing a common reference point on company activities in conflict zones that facilitates constructive engagement between companies and investors, as opposed to divestment. As part of the project, the first joint Global Compact-PRI event was convened in Khartoum, Sudan, in March 2010 in collaboration with the Global Compact Network Sudan. (See "Business and Peace", p. 59).

Sustainable Stock Exchanges

The Global Compact, the United Nations Conference on Trade and Development (UNCTAD) and the PRI, with the participation of the World Federation of Exchanges, organized a Sustainable Stock Exchanges conference at UN Headquarters in New York in November 2009. Featuring more than 100 high-level participants, the event explored how the world's stock exchanges can work together with investors, regulators and companies to enhance corporate transparency, and ultimately performance, on ESG issues and encourage responsible long-term approaches to investment. A follow-up event is planned for September 2010 in China.

Good COP-Bad COP

For three consecutive years, Aviva Investors has led a collaborative engagement with participants of the Global Compact regarding their required Communication on Progress (COP) reports. The coalition of investors send letters annually to the chief executives of listed companies in the Global Compact to either: i) praise exemplary reports; or ii) challenge non-conforming companies to regain full participant status. In 2009, the second annual engagement resulted in 47% of laggard companies submitting reports. The 2010 engagement includes 130 companies – 44 leaders and 86 laggards. Results of this round will be reported in early 2011.

New Resources

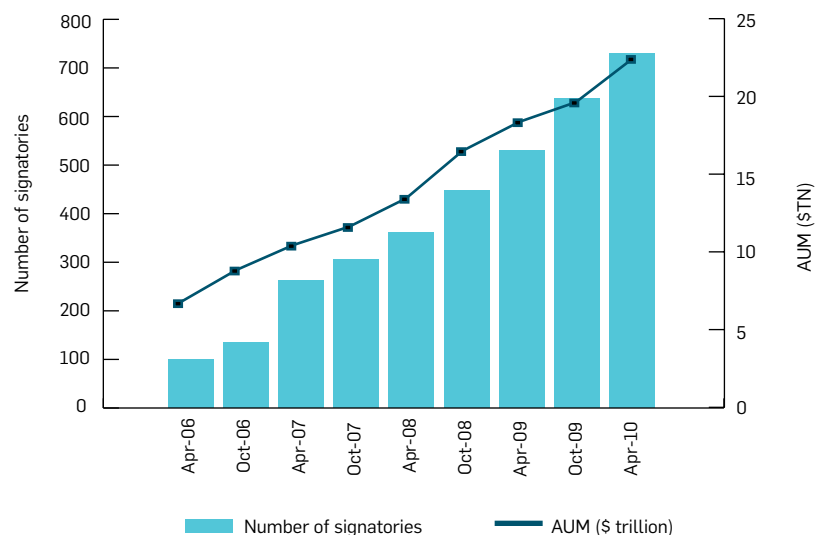
PRI Report on Progress, 2009

Based on responses provided by signatories to the PRI's annual reporting and assessment questionnaire, the results show steady progress among the signatory base, while highlighting challenging areas of implementation within some principles, markets and asset classes.

PRI Annual Report, 2009

Provides a window into the activities of the PRI, notably how the initiative is helping investors incorporate ESG issues across a variety of investment processes.

Number of signatories and assets under management (AUM)

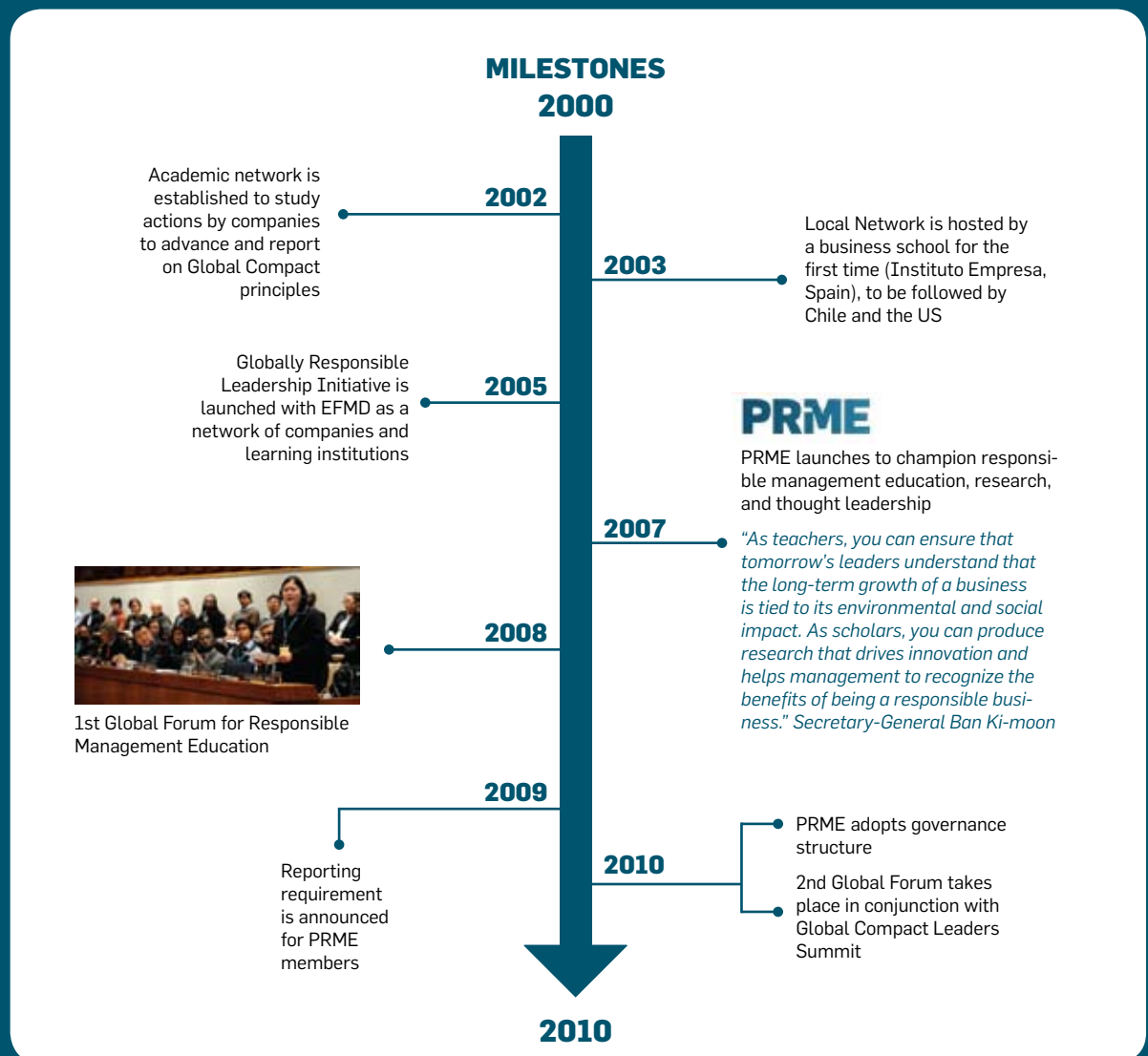


BUSINESS EDUCATION

The Principles for Responsible Management Education (PRME) provide an engagement framework for business schools and management-related academic institutions to integrate corporate responsibility into curriculum and research. Launched by the Secretary-General in 2007, the PRME now includes over 300 signatories from around the world – with participant numbers increasing nearly 50% in 2009. Recognition of the PRME by the UN General Assembly in its November 2009 resolution "Towards global partnerships" (A/RES/64/59) provided a key boost to the initiative and its link to universal values.

In 2009 and early 2010, the PRME focused on providing engagement opportunities for participants around the world through several forums and events, notably in Seoul on responsible education in the Asian context and in Copenhagen regarding leadership on climate change. The 2nd Global Forum – held in conjunction with the Global Compact Leaders Summit 2010 – convened management educators to discuss their progress updating curriculum to address sustainability.

The introduction of a reporting requirement – Sharing Information on Progress – for participating academic institutions in 2009 promises to boost the role of the PRME as a learning community. Further, the adoption of a governance framework in March 2010 signals the growing maturity of the PRME.



Principles for Responsible Management Education

The PRME is a call for a new approach in management education that meets the needs and expectations of the business world and the demands of a new generation of students with regard to sustainability and corporate citizenship. Over 300 business schools and management-related institutions have joined the PRME — committing to implement the principles and report on their progress annually. The initiative has a robust agenda in place globally to advance its mission and principles.

Working Groups

Working Groups bring together faculty from participating business schools around the world, and create a space to share best practices and to develop material for teaching and research. Five working groups have been set up in the areas of climate change, business and peace, travel studies, executive degree programmes, and poverty. Each group has identified outcomes, such as conferences, best practices, handbooks, and online clearing-houses.

Reporting

A key development in 2009 was the introduction and implementation of a reporting framework: Sharing Information on Progress (SIPs). Public reporting through the SIPs will not only create accountability and help assure the integrity of the PRME, but importantly will serve to facilitate an exchange of existing and state-of-the-art experience among the network. PRME participants are expected to report every 18 months. Over 30 SIPs have been submitted and can be reviewed on the PRME website.

Governance

In January 2010, the PRME's Steering Committee formally adopted a governance framework. Signaling the next phase of the PRME, the framework defines the composition and objectives of the initiative's main governance bodies, namely the Steering Committee, the Secretariat and the Global Forum for Responsible Management Education. The Steering Committee's role is to review and give guidance to the initiative's strategy and budget. It is comprised of global and specialized associations, with three new members added to the committee in 2010. The Global Compact Office will continue to manage the PRME Secretariat, with the primary role to drive recruitment of new signatories, conduct proper brand management, coordinate PRME activi-

ties in cooperation with Steering Committee members, and communicate on progress of the PRME initiative to signatories.

Events

Climate change: In November 2009, the PRME — Copenhagen Business School conference on Sustainable Leadership in the Era of Climate Change resulted in a declaration setting out priority areas for business schools, namely: integrating climate-related topics into management education; researching the role of business in a low-carbon economy; and leading by example.

Asia: Within the context of the 1st World Civic Forum, Kyung Hee University School of Management organized a session in May 2009 that helped to refine Asian business schools' planning for and implementation of sustainability in management education. The main outcome was the "Seoul Action Plan", stressing the need for closer collaboration among leading Asian business schools.

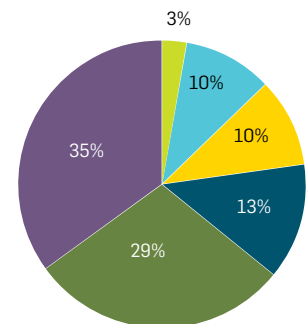
Oath Project

In March 2010, the Global Compact and the PRME announced an alliance to advance a professional oath of honor for business managers worldwide. The Oath, based on a comprehensive round of stakeholder input, forges a link between individual ethics and corporate responsibility. It is designed to inspire students, upon graduation, to live up to high ethical standards when conducting business.

PRME Steering Committee members

AACSB International
 European Foundation for Management Development (EFMD)
 Association of MBAs (AMBA)
 European Academy of Business in Society (EABIS)
 Central and East European Management Development Association (CEEMAN)
 Latin American Council of Management Schools (CLADEA)
 Aspen Institute Business and Society Program (BSP)
 Globally Responsible Leadership Initiative (GRLI)
 Net Impact
 United Nations Global Compact

PRME signatories by region



■ Africa and Middle East
■ Asia
■ Eastern Europe
■ Latin America
■ Northern America
■ Western Europe

COMMUNICATION ON PROGRESS

From the earliest days of the Global Compact, we recognized that the initiative would only be as credible and strong as the work of our participants to advance the ten principles. At our launch in July 2000, the Secretary-General declared that "at least once a year [business participants] will post on our website specific examples of progress they have made, or lessons they have learned, in putting the principles into practice in their own corporate domains". Over the years, this reporting expectation strengthened into a requirement, known as the Communication on Policy (COP), and became the cornerstone of our Integrity Measures.

Today, with over 7,000 COPs available on our website for public review, the Global Compact hosts one of the largest repositories of corporate sustainability disclosure used by a variety of stakeholders, including the investment community. Amid the growth of the COP concept, many companies have struggled to meet their reporting deadlines – resulting in more than 1,000 companies being removed from the Global Compact by the end of 2009.

The number of COPs submitted annually has grown steadily, with 2,452 COPs posted in 2009. However, with only 50% of companies meeting their COP deadlines, the Global Compact has increased focus on ensuring that COP submissions rise in line with our growing participant base – avoiding a situation where the initiative becomes a revolving door with new participants coming in, and older participant removed for failure to communicate.

A number of developments in 2009 and early 2010 have contributed to the effort to improve COP quantity and quality. Specific guidance in the areas of human rights and anti-corruption reporting have recently been released, and campaigns by investors around improved reporting by Global Compact businesses are providing powerful incentives (see "Good COP, Bad COP", p. 63). Additionally, the Global Compact and the Global Reporting Initiative (GRI) agreed in May 2010 to strengthen collaboration, with plans to provide standard reporting language for COPs and develop additional guidance. Looking ahead, we seek to better highlight the achievements of advanced participants while addressing the reporting challenges faced by smaller companies, especially those in less-developed countries.

MILESTONES

2000

At launch, Secretary-General calls for participants to report annually on progress as part of their commitment to the Global Compact

2000

2001

Learning Forum assesses 30 "examples" submitted by companies at 1st year anniversary of Global Compact

Cooperation with GRI is announced



2002

Newly established Academic Network focuses on improving company examples, later to play role in reviewing COPs

2003

Global Compact calls for companies to publish examples of progress in existing communications, such as annual reports, not just in reports to UN

2004

COP policy is announced requiring annual disclosure by business, with the first reporting deadline set for July 2005



"Notable" programme is introduced to recognize outstanding COP reporting

2005

COP policy is enforced for companies in the initiative more than 2 years – 38% submit a COP. This figure rises over time.

2007

Investors commence annual project to contact companies regarding COP status



Releases "Making the Connection" to support use of GRI reporting guidelines to fulfill COP requirement

2008

For the first time, companies are removed from the Global Compact for failure to meet COP requirements

The CEO Water Mandate introduces reporting requirements

2009

Total number of delisted participants passes 1,000

GRI and the Global Compact announce further alignment of reporting frameworks

2010

The total number of COPs submitted exceeds 8,000

New guidance is released to aid reporting on human rights and anti-corruption

COPs become available to Bloomberg users

2010

2452

COPs posted to the Global Compact website in 2009

This represents a 32% increase from 2008. With over 5,000 business participants in the initiative, this equates to an annual submission rate of 47%. This figure is weighed down by low submissions by SMEs – which represent half of our participant base and consistently face difficulty maintaining an “active” status.

72%

Companies in the Global Compact with an “active” status

This number decreases when narrowing the pool to those companies that have been engaged in the initiative more than two years and, thus, have passed their first COP deadline. 50% of these companies remain in good standing. This figure varies significantly by company size, with 64% of larger companies (with over 250 employees) being “active” compared to 35% for SMEs.

COMMUNICATING PROGRESS STATUS

Active: A company that is in compliance with the Global Compact COP policy.

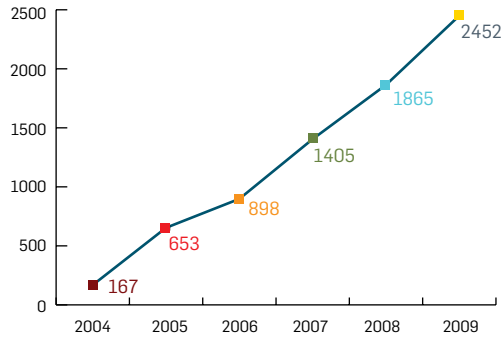
Non-communicating: A company that has failed to produce a COP within the deadline.

Inactive*: A company that has been non-communicating for more than 1 year.

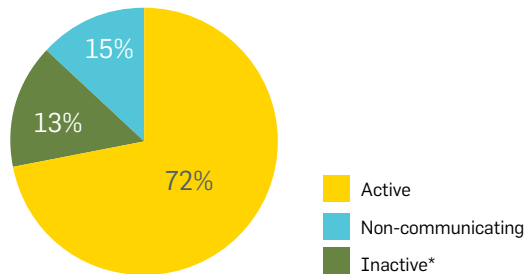
Delisted: A company that has been inactive for more than 1 year.

COP Landscape (as of 31 December 2009)

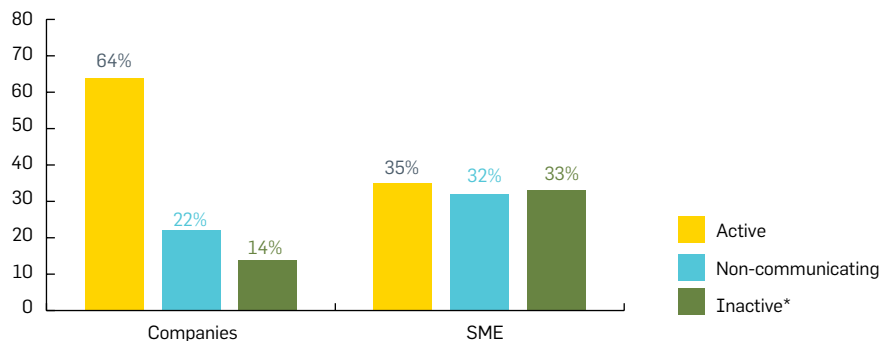
COPs submitted per year



Status of Global Compact participants



Status of participants in Global Compact more than 2 years



* As of 1 January 2010, the inactive category was removed in order to simplify COP status. Now, companies can remain in the non-communicating category up to 2 years until they are delisted. Companies can submit a COP at any time to regain active status. This new status system will be reflected in the next Annual Review.

4 OUT OF 5

Companies report participation has helped them communicate on corporate responsibility

A high number of participants indicate in the annual survey that participation in the Global Compact has helped their company communicate progress to stakeholders – with 78% rating it at least moderately helpful. Of those, 39% state that participation was significantly helpful, and some say even essential, to their ability to communicate on corporate responsibility.

TOP 3

Benefits of COP identified by companies that have reported

1. Demonstrates active participation in Global Compact
2. Motivates integration of commitment into core business
3. Improves corporate reputation

1043

Total number of companies delisted from the Global Compact

Since enforcing the COP policy in 2005, companies of all sizes, sectors and regions have been removed from the initiative. In past years, the breakdown of delisted companies has matched our overall participant base, in terms of company size and region. More recently, a high percent of SMEs and companies from developing countries are non-communicating and subsequently delisted.

Rising Demand for ESG Disclosure

Accountability and transparency are rising on the agenda of companies, shareholders, and investors alike in the wake of the financial crisis, where lack of accurate and comprehensive disclosure allowed too many organizations to hide poor practices. Disclosure around environmental, social and governance (ESG) issues is increasingly sought by stakeholders and factored into valuation by the investment community.

A key development in 2009 was the decision by Bloomberg Professional Services – the most widely used platform for financial professionals worldwide – to make the content of COPs available to its users. The collaboration with Bloomberg is an important step to help facilitate consideration of ESG issues in investor decision-making. We also continue to work closely with the Principles for Responsible Investment (PRI) to involve asset owners in the drive to increase transparency and relevance of ESG information for financial valuation. For example, in April 2010, a coalition of PRI investors wrote to 21 major companies in 14 countries asking them to improve their disclosure of bribery and corruption risks and avoidance measures. Additionally, for the past three years PRI signatories have written to chief executives of approximately 100 listed Global Compact companies regarding their COP status (see “Good COP, Bad COP”, p. 63).

Achieving Quality and Inclusion

Following the rapidly increasing removal of a disproportionate number of smaller companies and those from developing countries for failure to communicate progress, the Global Compact began work in early 2010 to review COP preparation and submission procedures to ensure their suitability for all companies. While not weakening the COP requirements, an updated “differentiation” model is being explored that would better allow corporations of all sizes and from all regions to be active, reporting participants in the Global Compact.

At an advanced level, the model would recognize participants that demonstrate superior corporate sustainability disclosure through the COP, as well as aim to provide a framework for companies, financial analysts and other stakeholders to identify extra-financial opportunities and risks. For smaller companies and those less developed markets, where the rates of communicating progress are lowest, the differentiation model would simply provide a platform to promote increased transparency and accountability. Increased training and other support at the local level is needed to facilitate communication by these companies.

GRI-Global Compact Collaboration

To strengthen the quality of sustainability reporting in the corporate sector, in May 2010 the Global Compact and GRI agreed to further align work in advancing corporate responsibility and transparency. Under the terms of the agreement, the GRI will integrate the Global Compact ten principles centrally in the next iteration of its Sustainability Reporting Guidelines. At the same time, the Global Compact will adopt the GRI Guidelines as the recommended reporting framework for our businesses participants. In addition to creating a reporting framework that will be implemented universally, the new collaboration is intended to provide a benchmark for financial analysts and other stakeholders to better analyse and identify risks and opportunities as they relate to environmental, social and governance (ESG) issues.

NEW RESOURCES

Human Rights

Corporate Human Rights Reporting – An Analysis of Current Trends:

Surveys recent sustainability reports by over 50 companies, examining trends in current corporate disclosures on human rights and highlights good practice examples as well as ongoing shortcomings in reporting in this area. (UNGC/GRI/Realizing Rights, 2009)

A Resource Guide to Corporate Human Rights Reporting: Provides a practical guide for companies on steps they can take to improve their coverage of human rights as part of their sustainability reports; developed through extensive expert consultation over the past year. (UNGC/GRI/Realizing Rights, 2009)

Anti-corruption

Reporting Guidance on the 10th Principle Against Corruption:

Equips business with a practical means to report on anti-corruption policies and actions comprehensively and effectively. A set of 22 reporting elements in the areas of commitment and policy, implementation, and monitoring are outlined in the guidance. (UNGC/Transparency International, 2009)

Water

Corporate Water Accounting – An Analysis of Methods and Tools for Measuring Water Use and its Impacts:

Assesses existing and emerging water accounting methods and tools being used in the private sector. Identifies six key areas in which water accounting practices can be improved through emerging practice, including harmonized reporting criteria. (UNGC/UNEP/Pacific Institute, 2010)

WHAT IS REQUIRED

COP Requirements

A company must post a COP to the Global Compact website annually. The COP should be integrated into the company's primary communication channels (e.g., sustainability report or financial report), however, the format is flexible given our wide participant base. Stand-alone COP documents are often submitted by smaller companies.

A COP must contain three elements:

1. Statement by the CEO, or equivalent, expressing continued support for the Global Compact.
2. Description of actions:
 - During the first five years of participation in the Global Compact, a COP must address activities and, if applicable, policies which reflect the company's implementation of at least two of the four issue areas (human rights, labour, environment, anti-corruption).
 - After five years, business participants are required to address all four issue areas. In cases where a participant finds that an issue area is not relevant, an appropriate explanation must be provided in the COP.
3. Measurement of outcomes using, as much as possible, indicators or metrics, such as those developed by the Global Reporting Initiative (GRI).

1540	3974	48000
1861	500	37000
2415	5251	84000
26500	3911	59000
29591	231	44000
29045		

UN - BUSINESS COLLABORATION

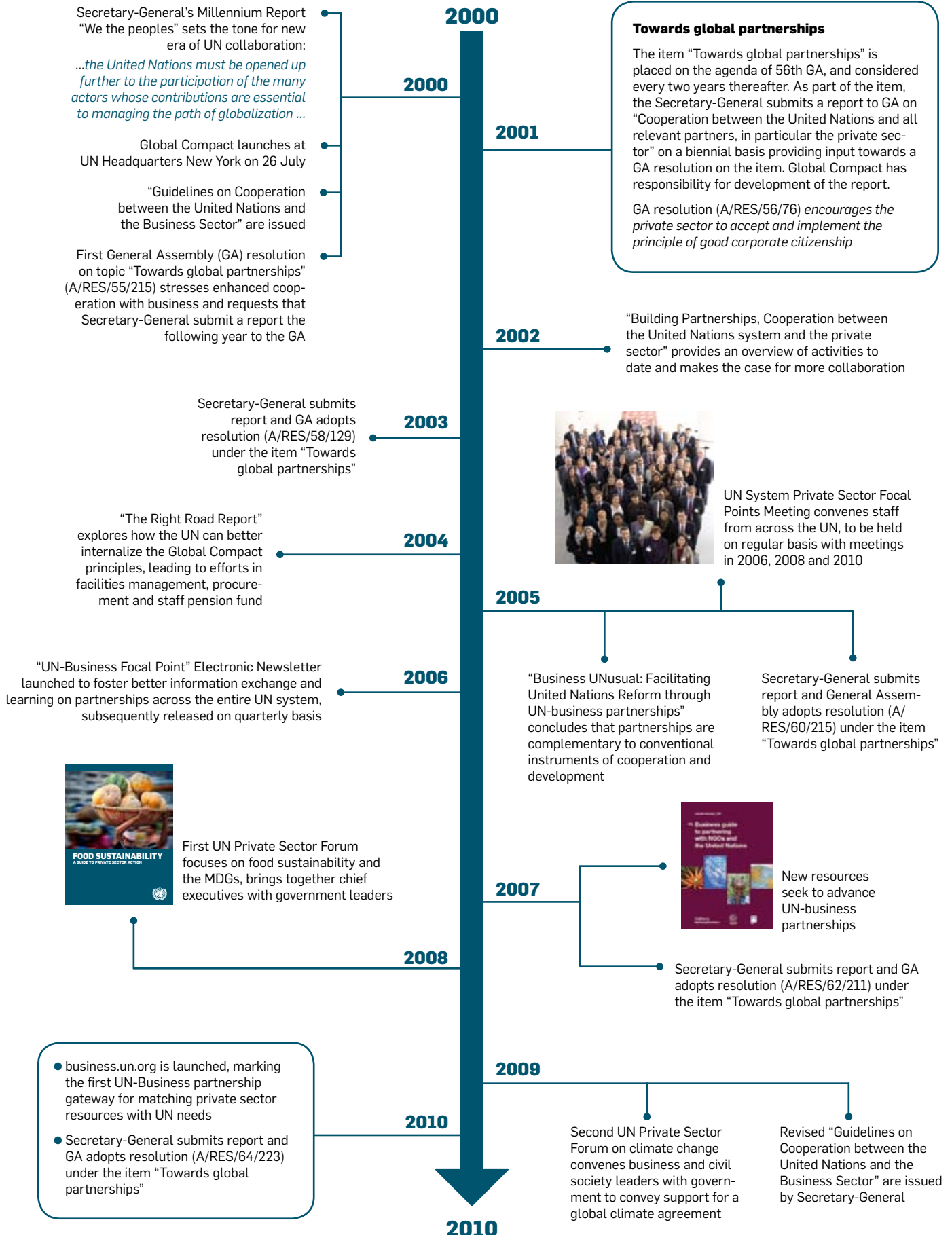
In 2000, as the United Nations embarked on a new century – with a range of new global threats and global players – the Organization took unprecedented steps to work with non-State actors, particularly the private sector. In the Secretary-General's April 2000 "Millennium Report", a new posture on UN engagement was declared: *Global companies occupy a critical place in this new constellation. They, more than anyone, have created the single economic space in which we live; their decisions have implications for the economic prospects of people and even nations around the world.*

Not long after this pronouncement, in July 2000 the UN formally launched the Global Compact initiative as well as the first ever "Guidelines on the Cooperation between the United Nations and the Business Community". At the end of the year, the General Assembly affirmed this new position in its resolution "Towards global partnerships", stressing that enhanced cooperation with the private sector could help ensure that globalization becomes a positive force for all.

Ten years on, private sector collaboration is a common and increasingly sophisticated mechanism used across the UN system for addressing priority challenges, especially linked to the Millennium Development Goals (MDGs). Early days of skepticism within the UN have been replaced by an understanding that the participation of the private sector – through responsible business practices and partnerships – is essential for achieving UN goals. The Global Compact has worked since its inception to help bring about this shift in mindset – by bringing committed business leaders together with government, civil society and the UN to work towards common causes, both locally and globally.

In 2009 and early 2010, the Global Compact worked with numerous UN entities to strengthen business relations by sharing good practices and lessons learned, and developing new resources and tools. Initiatives include the UN Private Sector Forum, revision of UN guidance for working with business, development of a new partnership website, and convening the annual meeting of UN private sector focal points. Among these, the revised "Guidelines on Cooperation between the United Nations and the Business Sector" and the UN-Business website are milestones, and essential to the modernization of the organization. The Global Compact will continue to play a central role in facilitating and advancing the UN-Business agenda at the system level, in accordance with our General Assembly mandate.

MILESTONES



UN Leadership Forum on Climate Change

At this second annual forum, nearly 200 leaders of global business and civil society met with Heads of State and Government in September 2009 to convey a clear message on the need for a global climate agreement. Organized by the Global Compact in collaboration with a broad group of UN agencies, funds and programmes, the event featured discussions on key issues including water and food security, energy solutions, financing, disaster preparedness and risk reduction, and sustainable enterprises and decent work. Dozens of commitments and partnerships were announced and several publications were released. Forum participants issued a joint declaration calling for “a new level of leadership” on climate.

UN Partnership Gateway: business.un.org

Launched in January 2010, business.un.org marks the first online gateway to match business resources with the needs of the UN around humanitarian crises and long-term partnerships. Businesses seeking to contribute to UN work can browse available humanitarian needs and partnership opportunities on the site, or submit ideas for collaboration. In the wake of the disaster in Haiti, business.un.org was used by companies around the world to support UN efforts by pledging cash and in-kind contributions, including medical supplies, logistics support, food and water, shelter and communications equipment.

The site is a joint effort of more than 20 UN organizations, coordinated by the Global Compact and the Office for the Coordination of Humanitarian Affairs. business.un.org was developed in close collaboration with Global Hand, a Hong Kong-based NGO specializing in matching services for non-profit and for-profit organizations, with project funding by the UN Foundation.

Revised “Guidelines on Cooperation between the United Nations and the Business Sector”

Developed in 2000 as a common framework for UN-business collaboration and to help uphold the integrity and independence of the UN, the Secretary-General signed and issued the revised Guidelines in November 2009.

They were updated to reflect the experiences of the Organization in recent years and to place greater emphasis on impact, transparency, accountability and sustainability of business partnerships. Chaired by the Deputy Secretary-General, the Global Compact coordinated and supported the revision process, which involved over 30 UN entities.

Secretary-General’s Report on UN-Business Cooperation

The Secretary-General’s report on “Enhanced cooperation between the United Nations and all relevant partners, in particular the private sector” (A/64/337) was presented in November 2009, and highlights the need for sustainable business practices and broader UN-private sector engagement in light of global challenges. It concludes that the UN is “well-positioned to bring private sector engagement to the next level and significantly enhance its contribution to the goals of the Organization”. The Global Compact is responsible for development of the report, with the next one due in 2011.

General Assembly Resolution

The General Assembly adopted a resolution (A/RES/64/223) in December 2009, reaffirming the critical role of business in supporting UN goals and stressing the importance of a values-based approach when engaging business. The resolution recognized the role played by the Global Compact Office to strengthen the capacity of the UN to partner strategically with the private sector, and additionally recognized for the first time the Principles for Responsible Investment and the Principles for Responsible Management Education, both established with the support of the Global Compact.

UN Private Sector Focal Point Meeting

More than 100 representatives gathered in April 2010 to discuss how to leverage the private sector contribution to advancing the MDGs. The importance of improving collaboration across the UN system was emphasized as a means of ensuring integrity and brand. Based on lessons learned following the earthquake in Haiti, special attention was placed on collaboration with the private sector in the wake of disasters and emergencies.

Through the Foundation for the Global Compact, business participants financially support the UN Global Compact. All companies participating in the initiative are asked to make an annual voluntary contribution.

In 2009, donations to the Foundation helped fund a number of important programmes, events and publications, on a wide range of topics including Human Rights and Anti-Corruption, Local and Regional Network meetings, and the CEO Water Mandate and the Caring for Climate initiatives, and IT infrastructure projects.

FOUNDATION FOR THE GLOBAL COMPACT

Contributions totaling US\$1.7 million were received in 2009 thanks to generous support by the following companies:

Over US\$ 100,000

- SAP AG

US\$ 20,000 – US\$ 99,999

- BSH Bosch und Siemens Hausgeräte GmbH
- Broad Air Conditioning
- Companhia Vale do Rio Doce
- German Global Compact Network
- Nestle S.A.
- SK Telecom
- The Coca-Cola Company
- The Dow Chemical Company
- Unilever

US\$ 10,000 – US\$ 19,999

- Accenture
- Adecco Management and Consulting SA
- Allergan
- AMEC plc
- Atlas Copco AB
- Aviva plc
- AXA
- Banco Bradesco S.A.
- BHP Billiton
- CA, Inc
- China Mobile Communications Corporation
- China National Offshore Oil Corp. (CNOOC)
- Chocoladefabriken Lindt & Sprungli AG
- Commonwealth Bank of Australia
- Companhia Energetica de Minas Gerais
- Consolidated Contractors Company
- Danfoss Group
- Danske Bank Group
- De Beers
- Deutsche Telekom AG
- DHV Group
- DSB
- Enel
- ENI
- Fairmount Minerals
- FDB
- FLSmidth & Co A/S
- Fuji Xerox Company Ltd.
- GDF Suez
- Gemalto SA
- General Mills
- Goldcorp
- H. Lundbeck A/S
- Hewlett-Packard Company
- ICA AB

- IKEA Group
- Infosys Technologies Ltd
- Intel Corporation
- JCPenney
- KPMG International
- Lenovo
- Levi Strauss & Co.
- Lonza Group Ltd
- Nalco Holding Company
- Newmont Mining Corp
- Nexen Inc.
- NKT Holding A/S
- Norsk Hydro ASA
- Novartis International AG
- Oceanic Bank International PLC
- PetroChina Company Limited
- Rabobank Group
- Rosy Blue
- SABIC Innovative Plastics Corporation
- Shanghai Baosteel Group Corporation
- Siemens AG
- Sika AG
- Skandinaviska Enskilda Banken AB
- Snam Rete Gas S.p.A.
- Sociedades Bolivar S.A.
- Syngenta International AG
- Tata Steel
- Tetra Pak Group
- The Davis Service Group Plc
- TORM
- Total
- UBS AG
- Woolworths Limited
- DiGi Telecommunications Sdn Bhd
- DnB NOR ASA
- Ducati Motor Holding S.p.A.
- Ernst & Young AG
- Ferraz Shawmut
- Fonds de solidarite FTQ
- Fourtis Holdings SA
- Gas Natural SDG, S.A.
- GSM Kazakhstan OJSC Kazakhtelecom LLP
- Hager SE
- JSC Polymetal
- Karl Storz GmbH & Co. KG
- Koc Holding
- LEGO A/S
- Mansour Manufacturing & Distribution Group of Companies
- Marshalls plc
- Mittal Steel Zenica Ltd.
- Mobilitas - AGS Holding
- Nordjysk Elhandel A/S
- Novo Nordisk AS
- Oil and Natural Gas Corporation
- Pentland Group Plc
- PricewaterhouseCoopers
- Proactiva Medio Ambiente
- PT Rajawali Corporation
- Ramboll Group
- Redes Energeticas Nacionais, SGPS, SA
- Sanofi-Aventis
- SBS
- SINTEF
- Steel Authority of India Limited
- Sumitomo Chemical Company
- Sund & Baelt Holding A/S
- Symantec Corporation
- Thales
- The Rezidor Hotel Group
- Transurban Group
- Van Lanschot Bankiers NV
- VST, AB
- VUB, a.s.
- Westpac Banking Corporation

US\$ 5,000 – US\$ 9,999

- A.S. Pindel Corp.
- Access Bank Plc
- Aegean Airlines S.A.
- Aktiebolaget SKF
- Aluminum Corporation of China
- Bank Leumi Le-Israel B.M.
- Broedrene Hartmann A/S
- Business Post Group Limited
- Caja de Ahorros y Pensiones de Barcelona (La Caixa)
- Camfil farr
- Cerveceria Nacional Dominicana, C. por A.
- Chr. Hansen A/S
- City Developments Limited
- Clas Ohlson AB
- Copagaz Distribuidora de Gas Ltda- Grupo Zahran
- Corio N.V.
- Deutsche Post DHL

US\$ 1,000 – US\$ 4,999

- 888 Holdings plc
- Agbar - Sociedad General
- Arab Center for Engineering Studies (ACES)
- Aviva Sigorta AS
- Avon Cosmeticos Ltda.
- Banco Comercial Portugues S.A.

- Bayer AG
- Beraca Sabara Quimicos e Ingredientes Ltda.
- Cadbury
- Centrica plc
- China International Council for the Promotion of Multinational Corporations (CICPMC)
- CNP Assurances
- Coca-Cola Enterprises Inc.
- Firmenich
- Fuluhashi Corporation
- Groupe La Poste
- H & M, Hennes & Mauritz AB
- infeurope S.A.
- Invest for Children
- Itaipu Binacional - Brazil
- Macondo
- Mane
- Motor Oil - Hellas - Corinth Refineries S.A.
- Nefab Group
- Oesterreichische Kontrollbank AG
- PepsiCo, Inc.
- PerkinElmer, Inc.
- Royal Dutch Shell plc
- Saint-Gobain
- Sirti SpA
- Sungjin Geotec Co., Ltd.
- Tolaram Corporation Pte. Ltd.
- Wilmar International Limited

US\$ 500 – US\$ 999

- A. Raymond
- AAR Holdings Ltd.
- Abreu Advogados
- AC Tecibat S.A.
- AC Tecibat S.L.
- ACS audiovisual solutions
- Advanced Chemical Industries Ltd - ACI
- Aequator Groen & Ruimte
- Agrani Bank
- Agrofiel
- Agrovot Market S.A.
- Al Marzouqi & BinSalem Fire Fighting Coatings LLC
- Alex and Gross
- Alfadel Group
- Alphaville Urbanismo S.A.
- Alta ehf.
- Altran Italia SpA
- Amara Brasil Ltda.
- Amathus Public Ltd
- Amoria Bond Limited
- ANKSAN BESICILIK A.S
- APS Holding Spa
- Arab Company for White Cement
- Armor
- Arval Service Lease SA
- ASN Bank
- Atlantic Grupa
- AUXEL
- AXES Management
- Axis Communications AB
- Axon cable SAS
- Balnak Logistics Group
- Banco Santander Peru S.A.
- Barangaroo Delivery Authority
- Bech-Bruun
- Berlin Chemie Menarini Baltic UAB
- BETC Euro RSCG
- Biblmodel, SA de CV
- Borch Textile Group A/S
- Bow Industrial Co.
- Bull & Co Advokatfirma AS
- Butler A.S.
- Cabo Verde Telecom (CVTelecom)
- Cafes Malongo
- Caja Rural de Toledo
- Capital Legal Solutions, LLC
- Carey and Allende
- Cartay Productos de Acogida S.A.
- Celer Soluciones, S.L.
- Cementarnica USJE - AD Skopje
- Central Warehousing Corporation
- Centre International De Development Clinique LTEE & GROUP
- Changsha Huaneng Automatic Control Group Co., Ltd
- Chia Sing Fasteners Industrial Suzhou Co., Ltd
- CIKEL BRASIL VERDE MADEIRAS LTDA
- CIWI GmbH
- Clinica Las Condes S.A.
- Cloetta AB
- CMO Srl
- Columbit (Pty) Ltd.
- Comel S.P.A.
- Companhia de Agua e Esgoto do Ceara
- Compania Energetica del Tolima - Enertolima S.A. ESP
- CompuMe
- Condor Building Contracting LLC
- Cool House
- Cosmos Aluminium
- CPT AG
- Crystal Window & Door

- Systems, Ltd.
 - CSP
 - Cybersonic
Constructions Lda.
 - Cypri Cola Co. Ltd.
 - Danimex Communication A/S
 - Davey Bickford
 - Davis & Shirtliff Ltd
 - Deloitte South Africa
 - Digicore Limited
 - Dinuy
 - Dong-il Corporation
 - Draka Comteq Norway AS
 - Dudalina SA
 - Echo Research Ltd.
 - ECORYS Nederland B.V.
 - Edita Sverige AB
 - effico
 - Egyptian Transport & Commercial Services Co S.A.E. (EGYTRANS)
 - Eksport Kredit Fonden
 - Elite Rent-a-Car
 - EMAC
 - Empresa Minera Inti Raymi S.A.
 - Enigma Security Solutions Ltd.
 - Entebbe Handling Services Limited
 - EPAL - Empresa Portuguesa das Aguas Livres, S.A.
 - Ernesto Malvestiti Spa
 - Essilor International
 - Eternit Colombiana S.A.
 - Ethos Advisors
 - EURO OPS INTL / ICARE
 - Eurobank EFG Bulgaria AD
 - European Service Network
 - Exima
 - Expoforma - Design Espacos e Construcao, SA
 - F.E. Bording
 - Farmacias Carol
 - Feed & Food Additifs
 - FERSOL INDUSTRIA E COMERCIO
 - Finar Kurumsal
 - First Hotels AS
 - FONDACTION
 - Foshan Huahong Copper Tube Co., Ltd
 - Fundacao Oriente
 - Fundaci3n Centro de Investigaci3n de Economía y Sociedad CIES
 - GCM Resources plc
 - Gemini Life Insurance Co.
 - Geolog International B.V.
 - Georg Jensen
 - Gertrude Saem
 - Glezco Asesores y Consultores
 - Global Alliance for Improved Nutrition (GAIN)
 - Goteborgs stads bostadsaktiebolag
 - Gottlieb Paludan Arkitekter A/S
 - Greencap Limited
 - Grieg Shipping Group
 - Grindeks
 - Groupe Banques Populaires
 - Groupe Cepovett
 - Groupe Henner/ GMC
 - Groupe Mecanique Decoupage
 - Growrite Substrates Pvt. Ltd.
 - Grupo Cliba
 - Grupo Los Grobo S.A.
 - GSE S.A.
 - Guangxi Beihai Panshibao Co., Ltd
 - Guilin Coninst Electrical and Electronic Material Co., Ltd.
 - H & L High-Tech Sdn. Bhd.
 - Harineras Villamayor, S.A
 - Hartmann Ltd. Koprivnica
 - Hartmanns plc.
 - Helios MPPD BV
 - Herco SP. Z O.O.
 - Holship Holding
 - Hurley Palmer Flatt
 - Hypo Alpe-Adria-Bank AD Beograd
 - I.M.E. Istrumenti Misure Elettriche S.p.A.
 - iJET International, Inc.
 - InCity Immobilien AG
 - Independence Drilling S.A.
 - International Armored Group FZE
 - International Business Leaders Forum - IBLF
 - Intracom Holdings S.A.
 - Intrepid Travel
 - IPBI
 - Ireland Blyth Limited
 - Istanbul Stock Exchange
 - ITDistributors
 - ITECO Oilfield Supply Group
 - IUT Global Pte Ltd
 - Kamitec Limited Liability Company
 - Kamza Development shpk
 - Kazakh-German Joint Venture Becker and Co.
 - Kenyon Repatriation Limited
 - Kinnarps
 - Kluntz A/S
 - Kohberg Bakery Group A/S
 - Kromann Reumert
 - Kummel & Co. GmbH
 - Kunshan Chaitai-Xincheng
 - Kuo Huei Industries Sdn. Bhd.
 - Labaronne-CITAF
 - Laboratorios Liomont, S.A. de C.V.
 - Landis-Gyr Equipamentos de Medico Ltda
 - Landsteiner Scientific, SA de CV
 - Leuville Objects
 - Lincoln Crowne & Company
 - Lisi Automotive
 - Longitude 174 Limited
 - M2H
 - Malaysian Resources Corporation Berhad
 - MarkPlus&Co
 - Martha Tilaar Group
 - Masafi Company LLC
 - MediaCorp Pte Ltd.
 - Mercantile Insurance Company Limited
 - Miele & Cie. KG
 - Moment A/S
 - Montreux Music and Convention Centre
 - MYRRA
 - Nefab Group
 - Neimeth International Pharmaceuticals Plc
 - Nestle Adriatic d.o.o.
 - Niras A/S
 - Odontoprev SA
 - Olympus Espana, S.A.U.
 - Orsys
 - Osborne Energy Ltd
 - Ovotherm International Handels GmbH
 - PAC Doverie
 - Packoflove International AB
 - Pages BBDO
 - Panda Security SL
 - Parsons Brinckerhoff Australia Pty Ltd
 - PBU - Pension Fund of Early Childhood Teachers
 - PE International
 - Peter Louvros Sons Consulting, Inc.
 - PLH Arkitekter A/S
 - Poch Ambiental
 - Poch Gestion
 - Pollpar S.A.
 - Pranda Jewelry Public Company Ltd
 - Primex
 - Primo Espresso GmbH
 - Proderam
 - ProFuturo
 - PROgroup
 - PT. Cedefindo
 - PT. Datascrip
 - PT. NEC Indonesia
 - Public Investment Corporation
 - Rab Processors Limited
 - Rahimafrooz Batteries Ltd.
 - REEL
 - Regeneris PLC
 - Reibel (Belgium) SA
 - Rekbul A/S
 - Riko d.o.o.
 - Rio Uruguay Cooperativa de Seguros Ltda.
 - Robinson Low Francis LLP
 - Rorbak og Moller Arkitekter ApS
 - Roxas Holdings, Inc.
 - Royal Danish Seafood Group A/S
 - Rozenblit
 - RTP Company (Singapore) Pte Ltd
 - SAET Group
 - Saga Furs
 - SAMA Minera3es Associadas S.A.
 - Saybolt International
 - SCLE Systemes pour le Ferroviaire et L'Energie
 - Scott Bader d.o.o.
 - Seafast Logistics
 - Sekem Group
 - Serck Controls Ltd
 - Siemens d.o.o.
 - SITE A/S
 - Softway AG
 - Solarig
 - Solution Managers International
 - Solystic
 - South East Consortium for International Development - SECID
 - SPIRIT WHOLESAL
 - Stanbic Bank Zambia Limited
 - Statkraft Norfund Power Invest AS
 - Stormport Professional Services Ltd
 - Stormtech
 - Streamline Cartons Pty Ltd
 - Sungjoo D & D Inc.
 - Sunwing Hotels Hellas S.A.
 - Sustainable Living Fabrics Pty Ltd.
 - Sydsvenska Dagbladets AB
 - Tayburn Kurumsal
 - Techni As
 - Tele-Consultants, Inc.
 - The Continuum Network
 - The ESB Group LLC
 - The Swedish Housing Finance Corporation, SBAB
 - The Value Brand Company de Argentina SCA
 - Theben AG
 - Thieme Grafimedia Group
 - TIEL - TRANSPORTADORA
 - TIMA International GMBH
 - Tirana Konstruksjon ltd
 - Trace One
 - Trafomec S.p.A.
 - Tridonic Atco Oceania Holdings PL
 - Tropical Cable and Conductor Ltd.
 - TruTeq Wireless (Pty) LTD
 - Uniglas i Vetlanda AB
 - Vangsgaard A/S
 - Vending Arabica, S.L.
 - Vestergaard Frandsen S.A.
 - Vigeo
 - Vioral S.A.
 - Viyellatex Group
 - VS Vereinigte Spezialmobel-fabriken GmbH & Co. KG
 - VSP Technology (M) Sdn Bhd
 - WAREX spol. s r.o.
 - Wilkhahn Wilkening & Hahne GmbH & Co. KG
 - Wisefull Technology Ltd.
 - Witteveen Bos
 - Zego Communications Strategies
- US\$ 1 – US\$ 499**
- Actuaris
 - Add Value Technologies Comercio e Servicos de Informatica Ltda
 - Bamburi Cement Ltd.
 - Cerantola SPA
 - Else Consultants
 - ENABLON SA
 - Gris Decoupage
 - INGECAL
 - Innovative Systems, Inc.
 - Invesport Conseil
 - Mabuhay Vinyl Corporation
 - Ruyton Girls' School
 - Schiel & Denver Publishing Limited
 - Valley Fastener Group
 - World Forum Convention Center
 - x-act Ltd.
 - Xiring

Annex A

SELECT MILESTONES 2000 - 2010

2000

April

"We the peoples: the role of the United Nations in the twenty-first century" – this report of the UN Secretary-General sets the tone for new era of UN collaboration with non-State actors, especially the private sector.

July 26

The Global Compact is launched at a High-level Meeting held by UN Secretary-General with approximately 40 companies attending, as well as influential civil society, labour and employers organizations.

September

World leaders come together at UN Headquarters to adopt the United Nations Millennium Declaration, committing their nations to a new global partnership to reduce extreme poverty.

2001

February

First World Social Forum takes place in Porto Alegre, Brazil to voice deep concerns and convictions about the direction in which globalization is taking our world.

July

Release of approximately 30 examples of actions undertaken by the companies that joined at the launch. They form an early version of Communication on Progress (COP).

September

9/11: "The Global Compact is about the values that unite us. The attacks were a direct challenge to these values – they were an attack on fundamental human rights." Mary Robinson, UN High Commissioner for Human Rights (1997–2002)

First Policy Dialogue deals with the "Role and Responsibilities of Business Operating in Zones of Conflict".

November

Global Compact and Global Reporting Initiative announce cooperative framework.

2002

February

Policy Dialogue on Sustainable Development explores practical experiences of business in contributing to development and facing related challenges.

June

Academic network is established early, highlighting role of academia in advancing corporate responsibility in research and, eventually, curricula.

August/September

World Summit on Sustainable Development, "Earth Summit 2002", brings together tens of thousands of participants to focus the world's attention and direct action toward meeting critical challenges, including improving people's lives and conserving our natural resources.

December

Annual Learning Forum held in Berlin to discuss good practices of corporate behaviour around the Global Compact.

2003

January

Global Compact stresses that participants should publish examples of work in their annual reports, not only in reports to the UN – a shift in approach that leads to the current "COP" concept.

May

Global Compact Policy Dialogue on HIV/AIDS includes call by employers and labour to their members to make HIV/AIDS a priority.

June

Local Networks gather for the first time in Berne, later to be known

as the "Annual Local Networks Forum". Representatives from over 30 countries call for increased guidance on local operations.

Policy Dialogue explores Supply Chain Management.

October

Global Compact opens NASDAQ: "The Global Compact at its core is about providing an ethical framework to help businesses operate in the global economy and expand market opportunities in a responsible way." – NASDAQ Executive Vice-President

2004

January

Global Compact convenes dialogue on Transparency. The establishment, three months later, of a high-level inquiry into the UN Oil-for-Food programme underscores the urgent need for greater transparency and efforts to tackle corruption by all stakeholders.

June

Global Compact's first Leaders Summit held in New York with more than 400 participants. At the Summit:

- Launch of 10th Principle: "Businesses should work against corruption in all its forms, including extortion and bribery."
- Investment houses endorse Global Compact finance initiative "Who Cares Wins", helping the ESG (environmental, social, and corporate governance) concept to take off globally.
- Communication on Progress (COP) policy is announced requiring annual disclosure by business, with the first reporting deadline set for July 2005.

December

The tsunami of 2004 is one of the worst disasters in history, killing nearly 230,000 people in 14

countries. The generous business response through the Global Compact – donating money and services – leads to coordination of private sector support for relief and re-building with UN partners, notably OCHA and the UN Foundation.

2005

March

Global Compact launches "We Support" logo for participants as a way to promote their commitment to the initiative and raise awareness of the Global Compact.

July

COP policy is enforced for companies in the initiative more than 2 years – 38% submit a COP. This figure rises over time.

UN appoints Special Representative of the Secretary-General on human rights and transnational corporations

September

Global Compact releases "Business Unusual: Facilitating United Nations Reform through Partnerships", an assessment of the partnership agenda across the UN, finding that partnerships play a complementary role to conventional instruments of cooperation and development.

December

UN Convention Against Corruption enters into force.

Global Compact Summit in China: 500 international business leaders and representatives of Government and civil society assembled. It is the largest event ever held in China on the topic of responsible business.

2006

April

UN Secretary-General launches Principles for Responsible Investment (PRI) at NYSE with international funds worth USD 2

trillion announcing endorsement. By 2010, PRI includes 700 investor signatories representing more than USD 20 trillion in assets and is the world's largest responsible investment movement.

June

The Global Compact Board – a multi-stakeholder body appointed by the UN Secretary-General to provide strategic and policy advice to the initiative – holds inaugural meeting.

October

Policy Dialogue on Discrimination and Equality in the Workplace hosted with ILO.

GRI releases next version of reporting guidelines, "G3", with clear links to Global Compact principles.

The "Stern Review on the Economics of Climate Change" is released, making the case for strong, early action on climate change and bringing new momentum to the agenda.

2007

January

On 1 January 2007, Ban Ki-moon becomes the eighth Secretary-General of the United Nations. Mr. Ban commits to carry forward the Global Compact in his first public address outside the UN, proclaiming: *The United Nations and business need each other.*

July

Second Global Compact Leaders Summit is held in Geneva with more than 1,000 participants. Chaired by UN Secretary-General Ban Ki-moon, numerous platforms for future action on climate, water, and business education are launched at the Summit: Caring for Climate, the CEO Water Mandate and the Principles for Responsible Management Education.

September

Global Compact launches new visual identity.

December

General Assembly resolution (A/RES/62/211) renews and strengthens Global Compact mandate: *"encourages the activities of the UN Global Compact as an innovative public-private partnership to advance United Nations values and responsible business practices within the United Nations system and among the global business community"*.

2008

January

For the first time, companies are removed from the Global Compact for failure to meet annual COP disclosure requirements – totaling more than 1,000 by 2010.

September

Global financial crisis: While the "Great Recession" is estimated to have begun in 2007, the bankruptcy of investment firm Lehman Brothers is seen as a key event of the financial crisis of the late 2000s. The crisis, and subsequent economic downturn, puts a spotlight on the tenets of responsible business and investment.

First UN Private Sector Forum seeks long-term response to global food crisis, endemic poverty – bringing together more than 100 heads of business and civil society with Government leaders.

October

Global investors write to CEOs of 9,000 listed companies urging them to join the Global Compact.

December

The Universal Declaration of Human Rights (UDHR) turns 60 on 10 December 2008 – marked by a year-long campaign by the Global Compact to raise awareness of human rights by business globally.

Local Network launches in Sudan following two years of outreach and events to build local engagement by all stakeholders – highlighting role as a neutral platform

for advancing conflict-sensitive business practices.

2009

January

UN Secretary-General declares 2009 the year of climate and calls for business to help lead the way to a low-carbon future. The Global Compact takes a number of steps throughout the year to show the ways that business can be part of the solution to climate challenges and to harness private sector support for a fair, balanced and effective global agreement.

June

Largest ever Annual Local Networks Forum is held in Istanbul with representatives from 77 networks discussing their work to advance the Global Compact locally.

Human Rights and Business Dilemmas Forum is launched, providing a multi-stakeholder platform to discuss dilemmas confronting companies and identify related good practices. The forum is one of a number of human rights resources launched during the year.

September

Second UN Private Sector Forum on climate change convenes business and civil society leaders with Government to convey support for a global climate agreement.

G20 leaders meet in Pittsburgh, USA to focus on generating sustainable and balanced global growth following the financial crisis. The outcome statement includes a section on Core Values for Sustainable Economic Recovery and calls for "businesses to support the efficient allocation of resources for sustainable economic performance", underscoring the complementary role of voluntary corporate responsibility efforts to regulatory measures.

December

COP15: United Nations Climate Change Conference held in Copenhagen. Results in last-minute political agreement, with future work aiming to turn this Copenhagen Accord into an effective agreement by COP16 in Mexico.

2010

January

UN introduces business.un.org, a one-stop gateway to broker UN-business partnerships, facilitate donations and highlight success stories. The site is released just days after a devastating earthquake hits Haiti resulting in unimaginable suffering and loss. Companies around the world use the new site to support UN efforts by pledging cash and in-kind contributions, including medical supplies, logistics support, food and water, shelter and communications equipment.

March

The Women's Empowerment Principles are launched, providing key elements for promoting gender equality in the workplace, marketplace and community.

June

Building a New Era of Sustainability – Third Global Compact Leaders Summit in New York convenes 1,200+ leaders from business, civil society and Government to elevate the role of responsible business in achieving more sustainable and inclusive markets. A wide range of new resources and projects are launched, including a Blueprint for Corporate Sustainability Leadership, the world's largest study on CEO views on sustainability, an updated Global Compact management model, the Principles for Social Investment, guidance on responsible business practices in conflict-affected areas, and ground-breaking guidance on anti-corruption disclosure.

Annex B

Global Compact Resources

The following resources have been produced by the Global Compact Office – often in cooperation with key partners and experts – or by one of the associated UN agencies. For more information and to download resources, please visit the Global Compact website: http://www.unglobalcompact.org/AboutTheGC/tools_resources/index.html

General

Blueprint for Corporate Sustainability Leadership

A new model of leadership within the Global Compact, designed to inspire advanced performers to reach the next level of sustainability performance. Identifies leadership criteria linked to implementation of principles, efforts to support development objectives and engagement in the Global Compact. (UNGC, 2010)

UN Global Compact Management Model

An updated performance model that guides companies through the process of formally committing to, assessing, defining, implementing, measuring, and communicating a corporate sustainability strategy based on the Global Compact and its principles. (UNGC/Deloitte, 2010)

A New Era of Sustainability:

UN Global Compact – Accenture CEO Study 2010
Provides an overview of CEO perspectives CEO reflections on progress to date, challenges ahead and the impact of the journey towards a sustainable economy. The report is based on an extensive study of nearly 1,000 Global Compact CEOs. (UNGC/Accenture, 2010)

Moving Upwards: The Involvement of Boards of Directors in the UN Global Compact

Advances understanding of boardroom engagement in environmental, social and governance issues and provides a roadmap for how companies can better integrate oversight of these issues into the board agenda. (UNGC, 2010)

Supply Chain Sustainability: A Practical Guide for Continuous Improvement

Guidance on how to implement the ten principles throughout supply chains, including how to measure progress, implement a holistic sustainable supply chain approach, assess gaps and share common challenges and successes. (UNGC/BSR, 2010)

Sustainable Supply Chains: Resources and Practices

Provides information on initiatives, resources and tools to assist companies in developing more sustainable supply chains, as well as case examples of good business practices. (UNGC/BSR, 2010)

The Role of Governments in Promoting Corporate Responsibility and Private Sector Engagement in Development

Reports on trends and policy options regarding the role of Governments in promoting corporate sustainability and engaging the private sector in achieving the MDGs. (UNGC/Bertelsmann Foundation, 2010)

Lawyers as Leaders: The Essential Role of Legal Counsel in the Corporate Sustainability Agenda

An online video — divided into modules on the four main issue areas of the Global Compact — to develop awareness of lawyers on minimizing risk and advising on legal issues associated with corporate sustainability. (UNGC/International Bar Association, 2010)

An Introduction to Linkages between UN Global Compact Principles and ISO 26000 Core Subjects (draft)

Provides a high-level overview of the key linkages between the Global Compact's ten principles and the core subjects of social responsibility defined by ISO 26000. (UNGC, 2010)

2008 Global Compact Annual Review

Takes stock of the broad array of efforts undertaken by business participants and other key stakeholders to advance the principles of the Global Compact. (UNGC, 2009)

UN Global Compact - Corporate Citizenship in the World Economy

Provides a brief introduction to the Global Compact, outlining the main objectives of the initiative, the business case for participation as well as some of the ways

in which companies can engage. (UNGC, 2008)

After the Signature – A Guide to Engagement in the Global Compact

Introduction to the Global Compact and overview of the commitment that companies make when signing on to the initiative. Practical steps are suggested to start the implementation process and maximize engagement, such as participation in Global Compact Local Networks. (UNGC, 2008)

Inspirational Guide to Implementing the Global Compact

Presents practical examples of how corporate signatories of the Global Compact have approached implementation of the ten principles, emphasizing the solutions developed to related challenges and dilemmas. (UNGC, 2007)

2007 Global Compact Annual Review

Provides a comprehensive picture of the initiative and the efforts made by business and other stakeholders to advance the Global Compact's mission and principles. (UNGC, 2007)

Communication on Progress

Practical Guide to Communication on Progress

Revised edition contains updated information about creating, sharing and posting a COP, as well as practical examples of how companies are communicating progress. Also included are helpful definitions, tips on where to begin, examples and relevant GRI indicators. (UNGC, revised 2009)

Making the Connection: The GRI Guidelines and the Global Compact Communications on Progress

Advice and support for linking sustainability reporting under the new Third Generation (G3) of GRI's Sustainability Reporting Guidelines with the preparation of an annual COP. (UNGC/GRI, 2007)

Local Networks

Global Compact Local Network Report 2010

Takes stock of the work of over 90 local networks around the world. The report features statistics and case examples on network governance, composition, activities, issues and communications. (UNGC, 2010)

Global Compact Local Network Report 2008

Takes stock of the work of over 80 local networks around the world. The report features statistics and case examples on network governance, composition, activities, issues and communications. (UNGC, 2009)

Global Compact Local Network Report: Deepening Engagement at the Local Level

Presents the results of the first comprehensive survey of Global Compact Local Networks and highlights lessons learned about network building and performance, as well as numerous activities and examples of solutions developed by networks. (UNGC, 2007)

Human Rights

Women's Empowerment Principles – Equality Means Business

A set of principles for business, offering guidance on how to empower women in the workplace, marketplace and community. (UNGC/UNIFEM, 2010)

A Human Rights Management Framework

A poster designed and translated into six languages to provide a publicly displayed, easily referenced overview for companies on implementing a human rights policy. (UNGC/OHCHR/BLIHR/IBLF, revised 2010)

Dialogues on Integrating Human Rights: Testimonials by Business Leaders

A collection of testimonials by business leaders around the world on the mainstream importance of human rights. (UNGC/GBI, 2010)

Human Rights and Business Learning Tool

An interactive web-based platform for enhancing knowledge regarding implementation of human rights principles. (UNGC/OHCHR, 2010)

Guide on How to Develop a Human Rights Policy

Provides instruction on how businesses can develop and implement a human rights policy within their company. (UNGC, 2010)

Human Rights and Business Dilemmas Forum

An online, multi-stakeholder forum to discuss dilemmas confronting business and identify related good practices. It also includes interactive workbooks and case studies. (UNGC/Maplecroft/GE Foundation, 2009)

A Guide for Integrating Human Rights into Business Management

Offers practical guidance to companies wanting to take a proactive approach to human rights within their business operations. (UNGC/BLIHR/OHCHR, 2009)

Embedding Human Rights in Business Practice I – III

The three volumes in this case study series explore the practical meaning of human rights for companies through peer-reviewed case studies on business practices. (UNGC/OHCHR, 2004 - 2009)

Human Rights Translated: A Business Reference Guide

Illustrates, through the use of examples and suggested practical actions, how human rights are relevant and can be managed in a corporate context. (UNGC/Castan Centre for Human Rights Law/IBLF/OHCHR, 2008)

Human Rights Impact Assessment Guide

Provides overview of the process of implementing a human rights assessment programme into a company. (UNGC/IBLF/IFC, 2007)

Labour

The Labour Principles of the United Nations Global Compact: A Guide for Business

A resource for enhancing knowledge regarding implementation of labour principles, including suggested actions for each principle and an inventory of key resources. (UNGC/ILO/IOE/ITUC, revised 2010)

Human Trafficking and Business: Good Practices to Prevent and Combat Human Trafficking

Guides business on how to avoid being implicated in human trafficking through the use of their products, services or facilities, as well as how to make a positive contribution. (UNGC/UN.GIFT/ILO/IOM, 2010)

From Principles to Practice: The Role of SA8000 in Implementing the UN Global Compact

Presents case studies of companies that have adhered to the SA8000 standard as a way to advance their commitment to the Global Compact. (UNGC/SAI/CIPE, 2010)

Combating Forced Labour – A Handbook for Employers and Business

Provides guidance to employers' organizations and individual companies on forced labour and human trafficking, including practical tools and materials that help identify why it is a concern for business and actions that can be taken. (ILO, 2008)

Eliminating Child Labour – Guides for Employers

Three practical guides provide ideas, advice and examples for the prevention of child labour, the withdrawal of children from work and the protection of young workers from hazardous conditions. (ILO, 2007)

Environment

Environmental Stewardship Strategy: Overview and Resource for Corporate Leaders

Designed to help companies develop a comprehensive environmental strategy, following an 8-step model. (UNGC/Duke University, 2010)

Caring for Climate: A Call to Business Leaders

Outlines engagement opportunities through the Caring for Climate initiative, which assists companies to advance practical solutions, share experiences and inform public policy. (UNGC/UNEP, revised 2010)

A Greener Tomorrow – How Caring for Climate Signatories are Leading the Way to a Low-Carbon Economy

Analyzes progress made by signatories in addressing climate change and assesses public

disclosure of greenhouse gas emissions. The report outlines corporate leadership in climate mitigation and adaptation. (UNGC/Dalberg, 2010)

Low-Carbon Leaders – Transformative Solutions for a Low-Carbon Future

Presents transformative solutions that businesses around the world are implementing to save energy, reduce emissions and ensure a low-carbon future. (UNGC/WWF, 2010)

Framework for Responsible Business Engagement with Water Policy

Assists companies in responsible water policy engagement, providing core principles, strategies, and operational practices. (UNGC/Pacific Institute/WWF/Government of Germany, 2010)

Corporate Water Accounting: An Analysis of Methods and Tools for Measuring Water Use and Impacts

A stocktaking and assessment of existing and emerging water accounting methods and tools being used in the private sector. (UNGC/UNEP/Pacific Institute, 2010)

Connecting the Dots – How Climate Change Transforms Market Risks and Opportunities

Charts the intimate interaction of climate change with other key issues on the global agenda, and identifies the requirement this places on governments and international agencies to develop a new level of policy coherence. (UNGC, 2009)

Champions of the Low-Carbon Economy – Why CEOs are Ready for a Global Climate Agreement

Conveys insights of 40 chairpersons and CEOs around the globe regarding the need for climate change action. (UNGC/Dalberg, 2009)

Caring for Climate Series:

Presents a range of perspectives on the roles of business, investors and governments in tackling climate change. The following reports are part of the Series:

- Best Practices and Policy Frameworks: the 2009 Survey of Caring for Climate Signatories. (GlobeScan, 2009)
- Emissions Reduction and Lower Carbon Intensity: Are We Making Progress? (Yale University,

School of Forestry & Environmental Studies/Centre for Business and the Environment at Yale, 2009)

- Change is Coming: A Framework for Climate Change - A Defining Issue of the 21st Century. (Goldman Sachs, 2009)
- Investor Leadership on Climate Change: An Analysis of the Investment Community's Role and Snapshot of Recent Investor Activity. (PRI, 2009)
- Building a Green Recovery. (HSBC, 2009)
- Carbon Markets - the Simple Facts. (Mission Climat of Caisse des Dépôts, 2009)

Water Disclosure 2.0 – Assessment of Current and Emerging Practice in Corporate Water Reporting

Examines and analyses corporate reporting on water sustainability for 110 companies across 11 water-intensive sectors. (UNGC/Pacific Institute, 2009)

CEO Water Mandate – Independent Review of 2008 Programme of Activities

Assesses the initiative with respect to a number of areas including governance, working conferences, stakeholder participation and transparency. (Arthur D. Little, 2009)

The CEO Water Mandate

Assists companies in developing a comprehensive approach to water management, covering six key areas: direct operations, supply chain and watershed management, collective action, public policy, community engagement, and transparency. (UNGC/Ministry for Foreign Affairs Sweden, 2007)

Anti-Corruption

Fighting Corruption in the Supply Chain: A Guide for Customers and Suppliers

Outlines common supply chain corruption scenarios and provides a framework and set of tools for addressing them. (UNGC, 2010)

E-learning Tool: The Fight Against Corruption

Offers an online learning platform that companies can easily access to obtain practical guidance on how to fight corruption in all forms through six interactive dilemma scenarios. (UNGC/UNODC, 2010)

Collective Action – Building a Coalition against Corruption

Provides options for combating market corruption based on “how to” examples, including a range of tools that help users tailor collective action frameworks to their specific circumstances. (UNGC/ICC/Transparency International/WEF/WBI/CIPE/Global Advice Network/Grant Thornton/Siemens, 2010)

Reporting Guidance on the 10th Principle Against Corruption

Equips business with practical means to report on anti-corruption policies and actions comprehensively and effectively through a set of 22 reporting elements. (UNGC/Transparency International, 2009)

RESIST – Resisting Extortion and Solicitation in International Transactions

A scenario-based tool for employee training on resisting extortion and solicitation in international transactions. (UNGC/ICC/Transparency International/WEF, 2009)

Clean Business is Good Business – The Business Case Against Corruption

Brochure outlining why companies and corporate practitioners should actively engage in the fight against corruption. (UNGC/ICC/Transparency International/WEF, 2008)

Business Against Corruption – Case Stories and Examples

Examples of how to deal with challenges when implementing the Global Compact’s anti-corruption principle. (UNGC, 2006)

Business Against Corruption – A Framework for Action

Resources and tools to assist companies in implementing the 10th principle on corruption. (UNGC/IBLF/Transparency International, 2005)

Development

A Global Compact for Development

Outlines the UN–business partnership framework and clarifies how companies can engage through their core business, social investments and advocacy. The document also lists available engagement platforms for business and showcases examples of successful partnerships. (UNGC, 2010)

Principles for Social Investment (PSI)

A set of voluntary principles to guide the ongoing practice of social investment by organizations, seeking to increase the impact and scalability of such contributions. (UNGC/St. James Ethics Centre/CECP, 2010)

business.un.org

Provides an online platform to connect businesses with UN entities seeking collaboration, based on resources and needs. Also includes a repository of UN-business examples. (UNGC/OCHA/Global Hand, 2010)

Innovating for a Brighter Future: The Role of Business in Achieving the MDGs

Assesses the contribution that the private sector has made to UN development goals including progress made since 2000. The report identifies the most significant and scalable trends. (UNGC/Dalberg, 2010)

Coming of Age: UN-Business Collaboration Since 2000

Reviews the evolution of the first decade of UN-business cooperation, looking at cases and achievements. (UNGC/GPPI, 2010)

Food Sustainability – A Guide to Private Sector Action

Examples of best and emerging practices in seven key areas relating to food sustainability, as well as suggested actions for businesses. (UNGC with broad alliance of collaborators, 2008)

The United Nations and the Private Sector: A Framework for Collaboration

Outlines different ways in which the private sector can collaborate with UN agencies, funds and programmes to address global challenges. (UNGC, 2008)

Business Guide to Partnering with NGOs and the UN

A tool providing information to assist in the partner selection process and by identifying leading non-profit social actors from around the world that have demonstrated skill and excellence in partnering with companies. (UNGC/Dalberg, 2007)

Enhancing Partnership Value – A Tool for Assessing Sustainability and Impact

An interactive tool to improve the effectiveness and developmental value of partnerships between the UN system and the private sector. (UNGC/UNDP/UNOP/UNITAR, 2007)

Joining Forces for Change: Demonstrating Innovation and Impact through UN-Business Partnerships

Showcases a broad spectrum of initiatives seeking to unleash the potential of UN-business partnerships. (UNGC, 2007)

Business UNusual – Facilitating United Nations Reform Through Partnerships

Shows how partnerships between UN and business have acted as a catalyst for reform and institutional innovation throughout the UN system by infusing private sector management practices and performance based thinking. (UNGC/GPPI, 2005)

Peace

Guidance on Responsible Business in Conflict-Affected and High-Risk Areas: A Resource for Companies and Investors

Provides general principles to assist companies and investors in their efforts to make a positive contribution to sustainable peace and development in conflict-affected countries. (UNGC/PRI, 2010)

Doing Business while Advancing Development and Peace

Provides examples of how companies from a variety of sectors are positively contributing to peace and development in conflict-prone or post-conflict operating environments. (UNGC, 2010)

Doing Business in a Multicultural World

Helps companies to address cross-cultural issues and explore how they can facilitate intercultural understanding in ways that benefit both business and society. (UNGC/UN Alliance of Civilizations, 2009)

Peace through Commerce – Responsible Corporate Citizenship and the Ideals of the United Nations Global Compact

Part of the Notre Dame Series in Business Ethics, the book looks at the purpose of the corporation, the influence of legal and peace studies, and the experiences of career NGO officials and business leaders to better understand how com-

merce can help promote peace (Notre Dame, 2008). Purchase required.

Enabling Economies of Peace: Public Policy for Conflict-Sensitive Business

Identifies a range of concrete actions that Governments and international organizations can undertake to better assist private-sector efforts to promote effective conflict-sensitive business practices. (UNGC, 2005, revised 2009)

Investment

Principles for Responsible Investment

Voluntary principles providing guidelines on how to incorporate environmental, social and governance issues into mainstream investment decision-making and ownership practices. (UNGC/UNEPFI, 2006)

Who Cares Wins Series

Series of publications that explore the consideration of environmental, social and governance by mainstream investors and analysts.

- Future Proof (UNGC/FDFA/IFC, 2008)
- New Frontiers in Emerging Markets Investment (UNGC/FDFA/IFC, 2007)
- Communicating ESG Value Drivers at the Company-Investor Interface (UNGC/FDFA/IFC, 2006)
- One Year On (UNGC/IFC, 2005)
- Connecting Financial Markets to a Changing World (UNGC/FDFA, 2004)

Additional resources:
www.unpri.org

Business Education

Principles for Responsible Management Education: A Global Initiative – A Global Agenda

The mission of the PRME initiative is to inspire and champion responsible management education, research and thought leadership globally. PRME seeks to establish a process of continuous improvement among institutions of management education in order to develop a new generation of business leaders. (UNGC, 2008)

Additional resources:
www.unprme.org

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The Ten Principles of the United Nations Global Compact

HUMAN RIGHTS

- Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2 make sure that they are not complicit in human rights abuses.

LABOUR

- Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4 the elimination of all forms of forced and compulsory labour;
Principle 5 the effective abolition of child labour; and
Principle 6 the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

- Principle 7 Businesses should support a precautionary approach to environmental challenges;
Principle 8 undertake initiatives to promote greater environmental responsibility; and
Principle 9 encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

- Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.



