



16 January 2008

Dear Global Compact Stakeholder,

The UN Global Compact is beginning 2008 with strong momentum and optimism. Thanks to your commitment and efforts, the initiative is in a better position than ever to serve as a catalyst for responsible business actions that result in more sustainable and inclusive markets.

Indeed, several milestones helped to bolster the Global Compact in 2007. Most importantly, Secretary-General Ban Ki-moon has fully embraced the Global Compact and supported the initiative in meaningful ways, notably as chair of both the Global Compact Board and the Global Compact Leaders Summit. Additionally, our [Leaders Summit](#) was the largest high-level event ever held on the topic of corporate responsibility. It allowed Compact stakeholders to candidly assess the initiative's progress, renew commitment and project our future course. Finally, we have experienced record growth in 2007 – with over 1,500 new participants joining – and our 60 country-level networks have continued to mature, allowing them to facilitate Global Compact participation in an increasingly comprehensive manner. The Communication on Progress (COP) process remains our most important means for balancing growth with quality engagement. To underline our goal of accountability and action by all Global Compact participants, approximately 850 companies have been delisted from the initiative so far.

For our part, we will make every effort to provide you with a valuable framework for corporate change and innovation around environmental, social and governance issues. The Global Compact's portfolio of engagement opportunities has never been stronger and I hope that you will take full advantage of the areas listed below. Of course, all activities listed will not be applicable to every organization. However, given the range of areas, I hope you will find that there are multiple opportunities for organizations of all sizes, sectors and geographic locations.

Areas for engagement in 2008: How you can generate the greatest value

- 1) Local Networks.** Participants are encouraged to heighten engagement in [Local Networks](#) – or link up for the first time – where possible. Many of these are located in emerging and developing markets. Around the world, these networks are offering a range of value-add activities, including: holding workshops and dialogues on core issues; engaging in partnership projects; and providing guidance on Communication on Progress. In networks that are emerging or are in early stages after launching, you have the opportunity to help shape the agenda in important ways. Please join our Local Networks in every country where you do business. (Soren Petersen, petersens@un.org)
- 2) Subsidiary engagement.** For multinational participants, the engagement of subsidiaries can generate significant business value and is one of the most important contributions that can be made to scale up corporate responsibility and strengthen the Global Compact around the world. To encourage greater involvement, we have clarified [methods for subsidiary engagement](#), particularly related to submission of Communications on Progress. Many companies are already setting great examples of how to implement the Global Compact across complex, global organizations. We hope that more large companies will take comprehensive efforts to advance the

ten principles wherever they operate and encourage their subsidiaries to participate in Local Networks. (Soren Petersen, petersens@un.org or Jeff Senne, senne@un.org)

- 3) **Strategic tools & resources.** Our offering of strategic resources grew significantly in 2007 and the menu of tools is considerable. At least a dozen new publications and online tools were developed this year – often in coordination with key partners and experts – to aid Global Compact participants in implementing the ten principles, engaging in partnerships and communicating progress on corporate responsibility actions. I encourage all participants to take advantage of these resources, which can be accessed on the [“Tools and Resources”](#) page of our website.
- 4) **Notable Communications on Progress.** The Communication on Progress (COP) programme remains a priority; it is the backbone of our accountability and quality efforts. On the Global Compact website, top-quality COPs are recognized through the [Notable COP programme](#). Showcasing outstanding COPs – with respect to the quality and comprehensiveness of the information they provide – is proving to be a strong incentive for companies, particularly as efforts increase to link COPs with mainstream financial market analysis. All companies are encouraged to review the criteria for a Notable COP, and work to develop an illustrative and inspirational communication to your stakeholders on progress integrating the ten principles. (Oliver Johner, johner@un.org or Jeff Senne, senne@un.org)
- 5) **Partnership projects.** All stakeholders are encouraged to take part in [cross-sector partnerships](#) that advance broad UN goals, particularly the Millennium Development Goals (MDGs). To help ensure effective and high-impact partnerships for all parties involved, we have worked with key partners to develop improved guidance. Two examples include: [Guide to Partnering with NGOs and the United Nations](#) and [Partnership Assessment Tool](#) (PAT). In 2008, we encourage companies to be involved in our work to further improve the PAT. Additionally, the Global Compact Office is increasingly capable of providing referral services for potential partnerships between our stakeholders and other UN Agencies, Funds or Programmes. (Cecilie Hultmann, hultmann@un.org or Melissa Powell, powell1@un.org)
- 6) **Environmental leadership initiatives.** Two CEO-led action platforms related to the environment were launched in 2007:
 - a. [“Caring for Climate: The Business Leadership Platform”](#) is for Global Compact participants wishing to demonstrate leadership on the climate issue. Those who join are prepared to set goals, to change strategies and practices, and to publicly disclose emissions. Additionally, “Caring for Climate” provides a unique interface between business and governments at the global level. Please consider joining over 200 companies from around the world that have endorsed the initiative and are committed to finding solutions to this crucial issue. (Lila Karbassi, karbassi@un.org)
 - b. 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. The CEO Water Mandate seeks to build an international movement of committed companies, both leaders and learners. (Gavin Power, powerg@un.org)
- 7) **Working groups.** Continually developing information and practical guidance on our priority issues is critical. One way that this is accomplished is through issue-specific working groups that are made up of interested parties and experts across all stakeholder groups.
 - a. [Human rights](#). In 2008 – the year of the 60th anniversary of the Universal Declaration of Human Rights – the human rights working group will focus on increasing understanding and integration of human rights principles by Global Compact participants. (Ursula Wynhoven, wynhoven@un.org)

- b. **Anti-corruption**. The anti-corruption working group will continue to focus on the needs of the business community in implementing the 10th principle, as well as advancing coherence among existing transparency initiatives. (Olajobi Makinwa, makinwa@un.org)
 - c. **Labour**. A working group focused on workplace standards will be established in 2008. Its objective will be increased understanding and integration of the Global Compact labour principles among participants. (Ursula Wynhoven, wynhoven@un.org)
 - d. **Zones of Conflict**. Also being established in 2008 is a working group that will seek to identify practical options for "responsible investment" in weak states. (Melissa Powell, powell1@un.org)
- 8) Implementation survey.** In 2007, we conducted the "[Global Compact Implementation Survey](#)" – our first in-depth, quantitative look at the actions of business participants to implement the ten principles and advance the initiative. The survey provides critical information on the areas where companies are excelling and others where they lag – which we know can vary greatly by company size and region. The results of this annual survey help us to prioritize and guide the development of resources, dialogues and learning events. We ask that every participating company complete the upcoming 2008 survey, which will be sent via email to each designated company contact point in the first quarter of the year. (Carrie Hall, hallc@un.org)
- 9) Key corporate responsibility drivers.** The Global Compact actively pursues several areas that we view as key drivers and leverage points for achieving truly global action on corporate citizenship: financial markets, business education, and the forthcoming Social Responsibility guidance to be issued by the International Organization for Standardization (ISO).
- a. **Principles for Responsible Investment (PRI).** [PRI](#) invites large institutional investors – both asset owners (e.g. pension funds, foundations, endowments) and asset managers – to commit to a set of six principles designed to put environmental, social and governance issues into the core of investment decision-making. The initiative has surpassed all expectations, with more than 200 institutions representing approximately \$11 trillion in assets committed to the PRI. (Gavin Power, powerg@un.org)
 - b. **Principles for Responsible Management Education (PRME).** [PRME](#) provides an engagement framework for academic institutions to advance corporate social responsibility through curricula and research. All business schools and management-related academic institutions are invited to endorse PRME and actively participate in adapting education, research and thought leadership to the new business environment. (Manuel Escudero, escuderom@un.org)
 - c. **ISO 26000.** The Global Compact has taken an active interest in the development of the forthcoming ISO Social Responsibility guidance (ISO 26000). An ISO 26000 standard that is built on existing expertise and consensus, and encourages voluntary commitment to social responsibility concepts, definitions and methods of evaluation. Over 30 countries have formed national "mirror" committees to provide on-the-ground context and perspectives on the development of ISO 26000. Increasingly, Global Compact Local Networks provide an avenue for engagement with these ISO mirror committees. (Kola Badejo, badejo@un.org)
- 10) International and local events.** Each year, the Global Compact Office and our Local Networks organize and support numerous events related to many of the areas listed above. These events allow stakeholders to exchange experiences, partake in learning and problem-solving exercises, engage in dialogue and identify organizations for partnering projects. Global Compact-related meetings will be taking place around the world every month in 2008. Examples include: "Africa's Industrial Drive: The Private Sector and Corporate Citizenship" in January; "Raising the Bar: Leading Sustainable Business in 2008" in February; "B4E – the Global Business Summit for the Environment" in April; and "Global Forum for Responsible Management Education" in December.

Additionally, several "Progress & Value Workshops" will be convened around the world in 2008. The workshops aim to deepen understanding of both implementation of the ten principles and methods for communicating progress. We have included the current list of 2008 events at the end of this letter, and encourage you to check the [event calendar on our website](#) for more detailed information and updates.

11) "We Support the Global Compact" logo. As you may know, the Global Compact was proud to launch a new logo at the Leaders Summit. We hope that you will embrace the new logo and encourage participants to use the "We Support the Global Compact" logo as a way to further show commitment, for example on your corporate website and pertinent printed materials. Using the "We Support" logo in this way can help raise awareness and understanding of the Global Compact's mission. We ask that you become familiar with the [policy regarding use of the UN Global Compact name and logo](#) and request permission from our Office – including a sample of desired use – before using any Global Compact logo. Our office will respond quickly to all inquiries. (gclogo@un.org)

12) Funding. Without increased and more predictable funding, the Global Compact will simply not be able to sustain our current activities or grow further. As the initiative has grown, so has the need to provide important services, including: strategic resources, COP guidance and maintenance, workshops, and translations. Shortly, Foundation chairman Sir Mark Moody-Stuart will be sending you a letter which further outlines our funding needs and sponsorship opportunities for 2008. I urgently appeal to you – particularly large companies – to make a voluntary contribution to the [Foundation for the Global Compact](#).

I hope that this condensed list of activities has given you a flavor of the exciting work underway at the Global Compact, and that you will take advantage of the many engagement opportunities offered in the year ahead. With your continued dedication, we can ensure that with each passing year, the Global Compact is better positioned to help achieve a new phase of globalization – one that creates inclusive and sustainable markets, accelerates development and enhances international cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Georg Kell', written in a cursive style.

Georg Kell
Executive Director
UN Global Compact Office

Global Compact Event Calendar 2008

January

First Alliance of Civilizations Annual Forum

15 – 16 January 2008
Madrid

Africa's Industrial Drive: The Private Sector and Corporate Citizenship

22 – 23 January 2008
Addis Ababa
Plenary Hall of the African Union Commission

Regional Meeting of Global Compact Network Focal Points: Africa

24 – 25 January 2008
Addis Ababa

PRME and Net Impact: Meeting of US - East Coast Student Leaders

25 January 2008
United Nations Headquarters, New York

February

Global Compact Network Launch: Albania

7 February 2008
Tirana

Raising the Bar: Leading Sustainable Business in 2008

20 February 2008
Sydney

Global Compact Network Launch: Sudan

20 – 21 February 2008
Khartoum

March

Inaugural Conference of the CEO Water Mandate

5 March 2008
United Nations Headquarters, New York

April

2007 Global Council of Corporate Universities Forum

2 – 4 April 2008
Paris, Campus Veolia Environnement

4th Communication on Progress Workshop

3 – 4 April 2008
Geneva

Progress & Value Workshop: Beijing

21 – 25 April 2008

Beijing

Global Business Summit for the Environment (B4E)

22 – 23 April 2008

Singapore

US Network Conference: Business and Human Rights

28 April 2008

Harvard University, Boston

Regional Meeting of Global Compact Network Focal Points: Latin America

Date/location to be determined

May

Global Compact Human Rights Working Group Meeting

9 May 2008

Amsterdam

Regional Meeting of Global Compact Network Focal Points: Europe

20 - 21 May 2008

Athens

June

Principles for Responsible Investment Annual Meeting: PRI in Person

17-18 June 2008

Seoul

Regional Meeting of Global Compact Network Focal Points: Asia

17-18 June 2008

Seoul

July

Junior Chamber International - UN Summit

28 - 29 July 2008

United Nations Headquarters, New York

September

COPENMIND

1-3 September 2008

Copenhagen

1st General Meeting of Caring for Climate Signatories

Date to be determined

New York

October

Global Forum: Business as an Agent of World Benefit

19 - 22 October 2008

Case Western Reserve University, Cleveland

VI Annual Local Networks Forum

Date/location to be determined

December

Global Forum for Responsible Management Education

1 - 2 December 2008

New York

Please visit the "News and Events" section of the Global Compact website for more details and updates on Global Compact events.