

JOINING FORCES
FOR CHANGE:
DEMONSTRATING INNOVATION
AND IMPACT THROUGH
UN-BUSINESS PARTNERSHIPS



THE GLOBAL
COMPACT



JOINING FORCES FOR CHANGE: DEMONSTRATING INNOVATION AND IMPACT THROUGH UN-BUSINESS PARTNERSHIPS

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Global Compact

Launched in 2000, the UN Global Compact is the largest corporate citizenship initiative in the world. As of May 2007 more than 3,000 companies from 100 countries, as well as over 700 hundred civil society, international labor organizations and academic institutions are engaged in the initiative. All are working to promote responsible corporate citizenship, ensuring that business is part of the solution to the challenges of globalization. In this way, the private sector – in partnership with other social actors – can help realize a more sustainable and inclusive global economy.

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With its broad international political mandate and presence, the United Nations has an unprecedented capacity to initiate dialogue and negotiations among diverse parties.

INTRODUCTION

The Global Compact provides engagement opportunities for socially responsible companies to contribute to the mission of the United Nations. In addition to promoting the internalization of its ten universal principles, the Global Compact's second objective is to catalyze actions in support of broad UN goals. Participating companies are encouraged to undertake partnerships with United Nations Agencies, other companies, governments, and Non-Governmental Organizations (NGOs) in order to help address significant global issues. Increasingly, companies are finding that the UN can be an effective partner for creating replicable and scalable initiatives. Many Global Compact participants have done precisely this, simultaneously demonstrating their commitment to social responsibility while reaping the many rewards offered by partnering with the United Nations. Working with issues like poverty reduction, crisis prevention and children's rights, companies have found innovative ways to use their own expertise and resources to help address crucial global issues. The benefits of partnerships between the private sector and the United Nations extend to companies as well. As the connection between economic growth and development issues becomes more self-evident, companies are increasingly finding that helping others is a necessary step to ensure the growth and stability of their own business operations. The potential benefits for responsible businesses are numerous and include, among many others, help with risk management, more efficient supply chains, access to new investment sources, the development of new markets and greater brand value. Whether companies are working to combat the impact of HIV/AIDS on their workforce or to improve worker safety and productivity in their supply chain, the goals of the public and private sectors are becoming increasingly aligned.

The Case for Partnering with the United Nations

Whether working to fight global climate change or finding new and creative ways to provide access to clean drinking water for local populations, companies that seek to create scalable solutions to development challenges need a partner with the credibility, know-how and experience to support their efforts. For companies committed to making a difference, the United Nations has the universal reach to help sustain these efforts on a global scale. With widespread intergovernmental support and specialized Agencies that span a broad range of issues, the UN provides unique partnership opportunities. Over the past decade, partnerships between the private sector and the United Nations have increased significantly, producing innovative solutions across a broad spectrum of local and global initiatives and laying the foundation for greater engagement. Those companies creating partnerships with the United Nations benefit from the credibility, know-how, experience and global reach of its many specialized Agencies and Programmes.

Credibility

With its broad international political mandate and presence, the United Nations has an unprecedented capacity to initiate dialogue and negotiations among diverse parties. As such, the United Nations provides its partners with a neutral platform for bringing together various stakeholders. For example, with respect to the Sustainable Building and Construction Initiative (SBCI), the United Nations Environment Programme (UNEP), an Agency with an international mandate to address global environmental issues, has facilitated and fostered dialogue among companies from all different stakeholder groups. Broad support for this multi-stakeholder process has allowed the SBCI's recommendations to be well received by the private sector and NGOs alike.

Similarly, the United Nations lends legitimacy to its partners' social responsibility initiatives. For example, when Stora Enso (a Finnish paper products company) decided to begin a new project in China, they were determined to build a strong relationship with their stakeholders by involving them when conducting a comprehensive environmental and social impact assessment (ESIA). Recognizing the added credibility of the United Nations Development Programme (UNDP), Stora Enso invited the Agency to conduct an independent stakeholder-driven assessment that was publicly disclosed. The assessment was widely embraced, and Stora Enso was able to gain the trust and cooperation of its customers, investors and other stakeholders in its Chinese plantation operations.

Know-How

Many companies are committed to working on specific issues because of a personal preference or a natural synergy with their core business. Regardless of the reason, whether a company is interested in working with water management, global malnutrition or women's rights, the United Nations has the know-how to be an effective partner. The United Nations encompasses a wide variety of specialized Agencies and Programmes in fields as varied as agriculture, telecommunications, aviation and finance. When Renata (an Indian auto components supplier) decided to expand its operations abroad, the United Nations Industrial Development Organization (UNIDO) provided its vast know-how in technical development and trade capacity building to transform the company into a global supplier. Likewise, when German chemical and petroleum producer BASF decided to get involved in the post-tsunami recovery, the company turned to the United Nations Human Settlements Programme (UN-HABITAT). The Agency draws on broad expertise to rebuild and revitalise communities impacted by natural disasters in an ecologically sustainable manner.

Experience

Established in 1945, the United Nations has been at the forefront of development issues for more than six decades. With offices and Programmes in nearly every country in the world, the United Nations has extensive experience working with a vast network of companies, governments and NGOs on a global and local level. Along with this experience, the United Nations has the infrastructure and network necessary to build successful partnerships in complex and uncertain settings. For example, when Nike, Microsoft, Manpower and other members of the Council of Business Leaders sought to build an advocacy campaign on behalf of child refugees, they naturally turned to the United Nations High Commissioner for Refugees (UNHCR). In its nearly six decades of experience, UNHCR has provided assistance to approximately 50 million people and acquired an unprecedented level of experience working with refugee communities in locations hit by conflicts and disasters. This experience sets UNHCR aside as a partner unlike any other.

The United Nations' on-the-ground experience and local knowledge likewise make it an effective facilitator for local development initiatives. When SUEZ (a French utilities company) decided to expand its employee volunteer programme, it turned to United Nations Volunteers (UNV) Programme to seek out potential projects. Active in more than 140 countries, UNV has working relationships with local development organizations across the globe. Using its vast network, the Agency was able to facilitate SUEZ's engagement in a number of projects working with local NGOs to provide access to drinking water and basic services in rural areas of East Timor, Niger, Ecuador and several other countries.

Types of Partnerships

In the past, partnerships were conceived of as fund-raising activities, in which companies provided money to organisations working on specific issue areas. Today, however, it is widely recognized that the most effective and sustainable partnerships include more active engagement of core competencies. Both the United Nations and the private sector have come to realize that the real potential in partnering lies in the synergy and scalability of competencies, resources and expertise that drive successful initiatives. The Global Compact has adopted a three-pronged model for describing the types of partnerships that companies can undertake. These include Core Business, Advocacy, and Strategic Social Investment/Philanthropy partnerships. Of course, most partnerships involve more than one type of engagement, but the following breakdown is useful for envisioning potential partnership projects.

Core Business

Examples of Core Business partnerships include initiatives in which companies seek to use their own business operations to contribute to United Nations goals. These can take any of a number of forms, including projects that create employment and foster entrepreneurship; contribute to economic growth; generate tax revenues; implement social, environmental or ethical standards; or provide appropriate and affordable goods and services. For example, Volkswagen engaged in a partnership with the International Labour Organization (ILO) to improve safety measures in its supply chain. As part of this partnership, the company implemented significant changes in its own factories to improve working conditions for thousands of factory workers. Similarly, Unilever has been working with UNDP's Growing Sustainable Businesses

The United Nations has the infrastructure and network necessary to build successful partnerships in complex and uncertain settings

Partnerships have become
an increasingly vital tool
in helping to reduce
poverty and advance
human development as
well as the Millennium
Development Goals (MDGs)

initiative to build a supply chain in Tanzania for oil made from the seed of the Allanblackia tree. By creating a demand for a product indigenous to Tanzania, Unilever is simultaneously building a new source for its own supply chain while contributing to the economic advancement of disadvantaged communities in the developing world.

Advocacy

Advocacy partnerships include initiatives in which companies collaborate with the United Nations to advance a specific cause or promote dialogue on important issues. These partnerships include efforts to engage stakeholders in order to develop principles or guidelines in support of broad United Nations goals. For example, as part of the Sustainable Building and Construction Initiative, Lafarge continues to work with UNEP and industry leaders to develop more sustainable practices for the buildings sector. Similarly, Shell International has partnered with the Joint United Nations Programme on HIV/AIDS (UNAIDS) to produce a scenario planning document intended to guide policy decisions for combating the spread and impact of HIV/AIDS in Africa.

Strategic Social Investment/Philanthropy

Examples of Strategic Social Investment/Philanthropy partnerships include a wide array of initiatives in which companies provide funds or in-kind donations to support United Nations projects. Additionally, these initiatives focus on strategic alignment, with companies contributing to UN efforts in areas related to their core business operations and expertise. For example, as part of its partnership with UNHABITAT, German chemical and petroleum producer BASF provided materials, funding, and technical expertise to help revitalize communities affected by the Tsunami in Sri Lanka. Similarly, in its partnership with the World Food Programme (WFP), Dutch mail transportation company TNT has invested €25 million in the form of knowledge transfer and specific projects to help make WFP's delivery systems more efficient and effective. The company's employees also have raised an additional €7 million for WFP School Feeding Projects while the company itself has engaged in extensive private fundraising efforts. TNT's contribution of financial and human resources has significantly improved WFP's capabilities to deliver food to those who need it most.

Building Partnerships: Goals for the Future

Partnerships have become an increasingly vital tool in helping to reduce poverty and advance human development as well as the Millennium Development Goals (MDGs). While existing efforts have made great progress, there is a need to engage in dialogue to create more scalable, innovative and sustainable solutions to global problems. Finding these solutions will only be possible through a dynamic synergy of ideas, resources and competencies between the private and public sectors. The Global Compact has an important role to play in providing a forum for dialogue and innovation. Global Compact participants are setting the standard for successful partnerships aimed at sustainable and long-term efficacy. Together with other United Nations Agencies, they are calling on companies around the world to become actively engaged in support of broad United Nations' goals. As development issues continue to threaten the global business climate, companies which recognize this will understand that partnerships are not only a means to fulfil their social responsibilities, but a necessary step to ensure the continued success of their business operations.

CORE BUSINESS

Alcatel-Lucent 



The Challenge

Increasingly, public officials at both state and local levels are deciding to leverage information and communication technologies for transformational e-government programmes. E-governance can improve the efficiency as well as the quality of services given to citizens and businesses. These programmes also have the potential to improve regional reputation, as they demonstrate a region's openness to change and help it become more efficient. In 2003, Alcatel-Lucent (at that time Alcatel) started an initiative to address

the needs of public administrations stemming from the implementation of e-government programmes. The company acknowledged the position of local authorities at the front lines of technological change, noting that even though programme design occurs at the national level, implementation generally takes place at the local level. As such, Alcatel-Lucent recognized that capacity building and improved knowledge management mechanisms among civil servants and local authorities would help ensure a successful implementation of e-government programmes.



After participating in the 1st World Summit of Cities and Local Authorities on the Information Society held in Lyon, France in 2003, Alcatel-Lucent chose to partner with UNITAR for their "Local e-Governance" initiative, which they established in May 2004. This summit, as well as the 2nd World Summit of Cities and Local Authorities on the Information Society in Bilbao, Spain in 2005 (Bilbao Summit), brought local authorities into the broader discussions of the World Summit on the Information

Society. The company based its decision to collaborate with UNITAR on its track record for efficient training and innovative knowledge management methods.

Actions Taken

In 2005 and 2006, Alcatel-Lucent sponsored three UNITAR e-administration workshops for local authorities. The workshops were designed as platforms for sharing practical experiences, knowledge, skills and innovative ideas among local decision makers. They were held in UNITAR's associated international training centres in three locations: in Shanghai, China for Chinese cities; in Plock, Poland for Polish and Baltic cities; and in Durban, South Africa for English-Speaking African local authorities. Alcatel-Lucent also contributed to the workshops by sharing its expertise in the transformation of local administrations and providing best practice examples. Additionally, the partners collaborated with local authorities in a city-to-city approach in order to understand their needs, expectations and the constraints related to information and communications technologies.

Benefits to Society

More than 75 local authorities representing more than 130 million citizens have been trained in establishing and maintaining e-government programmes. The trainings let authorities initiate e-administration projects, thus improving the quality of public service in their regions. Furthermore, close collaboration during this process fostered greater city-to-city cooperation. Insights from the collaboration provided valuable input for the Bilbao Summit in November 2005.

Benefits to the Company

This partnership has provided Alcatel-Lucent with an opportunity to better assess the needs of local authorities. Through its increased understanding, the company has been able to enhance its value proposition to cities and regions internationally and to further develop its business activities with public administrations.

Company Name:

Alcatel-Lucent

Website:

www.alcatel.com

Headquarters:

France

Countries Operating In:

130

Employees:

79,000

Products/services:

**Telecommunications
and Information
Technology**

Global Compact Signatory Since:

2003

UN Partner:

**The United Nations Institute
for Training and Research**

(UNITAR) is an autonomous body within the United Nations System aiming at enhancing the effectiveness of the Organization through appropriate training and research.

Partnership Type:

Core Business

Issue Area:

Technology for Development

Location:

China, Poland, South Africa



Company Name:

Cisco Systems

Website:

www.cisco.com

Headquarters:

San Jose, USA

Countries Operating In:

**75+; Networking
Academies operating
in 166 countries**

Employees:

56,790

Products/Services:

**Internet Networking
Hardware, Software
and Services**

Global Compact

Signatory Since: **2001**

UN Partner:

**The United Nations
Development Fund
for Women (UNIFEM)**

provides financial and technical assistance to innovative programmes and strategies to foster women's empowerment and gender equality.

Partnership:

**Achieving E-Quality
in the IT Sector**

Partnership Type:

Core Business

Issue Area:

Women's Rights

Location:

North Africa, Middle East



The Challenge

A study presented at the World Summit on the Information Society in 2005 showed that the percentage of women graduating with science and technology education is declining in about a third of the countries for which data is available. The study also showed that the gender divide extends into Information Technology (IT) occupations, with women accounting for about 21 percent of IT workers in India, 28 percent in Japan, 16 percent in Australia and 35 percent in the United States. In developing countries, the participation of women lags

far behind. Without a concerted effort to bridge the gender gap in technology, the IT industry will continue to experience a shortage of skilled workers, and women around the world will be excluded from critical opportunities to promote economic development and innovation.

Ten years ago, Cisco launched the Networking Academy programme to train young people in technical skills. Cisco worked with instructional designers and educators to develop an Internet-based curriculum to teach students and instructors how to design, build and maintain computer networks. The programme expanded rapidly to schools, colleges, universities and not-for-profit educational institutions around the world. Today, over 2 million students have graduated from this programme worldwide. There are approximately 10,000 Networking Academies with a total of 500,000 students actively studying in this programme in 166 countries across the globe.

Actions Taken

Cisco partnered with UNIFEM because of the Agency's global credibility and expertise in promoting women's empowerment. Their joint partnership began in January 2001 with the creation of the 'Achieving E-Quality in the IT Sector' programme in North Africa and the Middle East. This programme provides scholarships and training to women in under-served communities. The goal of these projects is to increase the number of women contributing to a country's economic development. Since the project's inception, 1,620 students have participated in the programme, with 44 percent female enrolment and 1,057 programme graduates.

'E-Quality' is part of Cisco's global 'Gender Initiative.' This initiative is dedicated to achieve three fundamental goals:

- 1) Provide access to the Internet.** Create strategies and solutions to increase Internet access for women, such as donating networking equipment to global NGOs and nonprofits in support of sustainable programmes.
- 2) Build Knowledge.** Increase access to knowledge and skills through technology-based delivery platforms such as the Networking Academy.
- 3) Create Careers.** Connect Cisco volunteers and partners with community organizations to provide mentoring opportunities for girls and women, educate them about career opportunities in technology and attract and retain women in the IT industry.

The partnership with UNIFEM has leveraged Cisco's existing partnerships in order to reach more women in developing countries. In April 2000, Cisco established the Least-Developed Countries (LDCs) Initiative in collaboration with the United Nations Development Programme (UNDP), the U.S. Agency for International Development (USAID), and, later, the International Telecommunication Union (ITU). This initiative encourages academies in LDCs to maintain 30 percent female enrolment in their courses and has met this target, with an average enrolment of 30 percent women in the countries of operation since the beginning of the programme.

Benefits to Society

Cisco's Networking Academy and its partnership with UNIFEM has had a positive impact on the participation of women in technology. The initiative helps to bridge the gender digital divide and provide an educational framework for building 21st century skills within connected communities. For example, in Jordan, the project has resulted in the graduation of 889 Cisco CCNA students, 46 percent of whom are women. The programme was launched in Morocco in September 30, 2004 and in less than six months instructors from 11 institutions successfully completed their training and enrolled more than 500 students in the CCNA course. Female participation in this programme currently reaches more than 50 percent and 238 students

have graduated. In Lebanon, 20 instructors have been trained, and there are currently six active academies with 270 students enrolled, 50 percent of whom are women.

Benefits to the Company

In addition to demonstrating Cisco's commitment to social responsibility and the professional advancement of women, this partnership has also strengthened the company's relationships with emerging markets in the developing world. Furthermore, these efforts serve as a catalyst for the continued growth and development of skills that will be required in every country, benefiting not only Cisco, but any company/sector that uses the internet to conduct business, govern society, or educate people.



Company Name:

The Coca-Cola Company

Website:

**www.thecoca-
colacompany.com**

Headquarters:

USA

Countries Operating In:

200 +

Employees:

55,000

Products/Services:

**Beverage Producer
and Distributor**

Global Compact

Signatory Since:

2006

UN Partners:

**The United Nations
Development Programme
(UNDP)** is the UN's global
development network.

**The United Nations
Foundation (UNF)** builds
and implements public-private
partnerships and broadens
support for the UN through
advocacy and public outreach.

**The United Nations
Fund for International
Partnerships (UNFIP)**
provides a "one-stop" service
for partnership opportunities
with the UN family.

The Coca-Cola Company



**UNITED NATIONS
FOUNDATION**

The Challenge

The scale and scope of the December 26, 2004 tsunami tragedy presented a serious challenge to international and humanitarian agencies and prompted an outpouring of help from across the world, much of which came from the private sector. Coca-Cola was among many companies that quickly provided support. The Coca-Cola Company (TCCC), its bottling partners and employees contributed US\$20 million to tsunami relief and recovery efforts, including both financial and in-kind donations such as bottled drinking water.

Actions Taken

TCCC contributed just over US\$1 million of its direct cash support to the United Nations Foundation (UNF), which, along with the United Nations Fund for International Partnerships (UNFIP) helped to coordinate a partnership initiative with UNDP designed to build on the UN's post-tsunami recovery efforts in the region. The goal of the partnership was to support the long-term reconstruction effort with a focus on sustainable, community-based water and sanitation activities in remote, tsunami-affected areas of Thailand, Sri Lanka, Indonesia and the Maldives. Both the UN and TCCC were also keen to have the company's involvement entail more than a simple cash contribution. For example, TCCC loaned one of its managers to the UNDP Regional Centre in Bangkok on a full-time basis for one year to help build and manage the partnership activities.

Additionally, TCCC and its bottling partners immediately used manufacturing capability for the large scale production of bottled drinking water and harnessed the distribution and logistics reach of its business system to meet the needs of local communities and various relief and government agencies in affected areas.

Benefits to Society

In the south of Thailand, the TCCC partnership is helping tsunami-affected communities on Lanta Island by funding and working with local villagers on a series of initiatives to ease water shortage problems. In the fishing community of Sanga-U, for example, ten check dams have been built





Partnership:
Providing Water and Sanitation in Tsunami Affected Areas

Partnership Type:
Core Business

Issue Area:
Access to Water and Basic Services

Location:
Thailand, Sri Lanka, Indonesia and the Maldives

along the village stream to collect and retain rainwater for use in more than 100 households. In Sri Lanka, the project serves two badly-hit areas of the country – Kattankudi in the East and Kalupe in the South – providing improved access to water and sanitation as well as building greater community awareness on water, sanitation and hygiene issues. The project in Indonesia provided the government with comprehensive hydro-geological data and mapping on freshwater resources in the Pidie and Sigli districts of Aceh. Building on this data, the project now provides safe and regular water supply and sanitation facilities to more than 7,000 villagers in this region of the country. On the isolated island of Dhambidhoo in the Maldives, meanwhile, the project is installing a sustainable sanitation system for all island residents, preventing further sewage-based pollution of the precious groundwater and local marine environment.

Benefits to the Company

The partnership project laid the foundation for a deeper strategic collaboration between Coca-Cola and the UN system around the world. In particular, shared efforts have evolved on the topic of water resource management – an area of considerable focus for both organizations. TCCC and UNF have since launched The Global Water Challenge, an initiative meant to save lives and reduce suffering in developing countries by providing safe drinking water, sanitation and hygiene education. In March 2006, TCCC became a signatory to the UN Global Compact and, later that year, initiated a pioneering, five-year regional partnership with UNDP in Eurasia and the Middle East to help local communities tackle water-related development challenges.

Company Name:

Hewlett Packard

Website:

www.hp.com

Headquarters:

USA

Countries Operating In:

170 +

Employees:

156,000

Products/Services:

Information Technology

Global Compact

Signatory Since:

2002

UN Partner:

**The United Nations
Educational,
Scientific and Cultural
Organization (UNESCO)**

is tasked with promoting international co-operation in the fields of education, science, culture and communication.

Partnership:

**Piloting Solutions for
Alleviating Brain Drain**

Partnership Type:

Core Business

Issue Area:

**Technology for
Development**

Location:

Africa, Eastern Europe



i n v e n t



United Nations
Educational, Scientific and
Cultural Organization

The Challenge

In the 1990s, conflict in South-Eastern Europe resulted in a great loss of life, as well as the large-scale emigration of skilled professionals. Many countries experienced emigration of up to 70 percent of their skilled professionals, with up to two-thirds of the teaching and research staff leaving universities. This devastated higher education and scientific research. Likewise, over the past decades, African countries have suffered greatly from the emigration of skilled professionals, scientists, academics and researchers who are estimated to be leaving the continent at the rate of 20,000 a year. In both contexts, this has led to a problem known as brain drain/waste.

Actions Taken

Hewlett Packard is committed to working toward the revitalization of these regions through the spread of communications technologies. Due to its unique and long-standing relationship with UNESCO, the company sought to leverage the Agency's expertise in building human and institutional capacities throughout the world. Since 2003, UNESCO and Hewlett-Packard have been working together to combat the brain drain phenomenon through their "Piloting Solutions for Alleviating Brain Drain" partnership in South-Eastern Europe. In an effort to change the trend of academic and professional emigration, UNESCO and Hewlett-Packard are helping to re-establish links between researchers who have stayed in their own countries and those who have left, to improve research, increase dialogue and strengthen human capital across the region. Young scientists in South-Eastern Europe now have the possibility to link up with fellow-nationals abroad through a powerful Information Technology (IT) platform. The project is using a cutting-edge technology called grid computing, which has been extended to universities in Bosnia and Herzegovina, Croatia, Montenegro, Serbia, Albania and the former Yugoslav Republic of Macedonia. In November 2006, a second phase of the project was launched in Africa to provide university laboratories and research centres with the means to collaborate with researchers and professionals around the world. The grid computing technology will now be provided by Hewlett-Packard and UNESCO to universities in Algeria, Ghana, Nigeria, Senegal and Zimbabwe.

Benefits to Society

Three years after its launch, the project has resulted in the development of websites, databases and new research projects at several of the universities involved. Academics and students from across South-Eastern Europe have collaborated with international colleagues, improved research capacities and shared scientific knowledge, thereby encouraging scientists to remain in the region. By helping to build the human capital in these countries, this partnership between UNESCO and Hewlett-Packard has contributed to co-operation and stability in the whole region, which serves as a catalyst for its successful integration into the global community. The UNESCO/Hewlett-Packard digital hubs in South-Eastern Europe and Africa are working to attract migrants back to these regions and create the conditions for the circulation and even reintegration of trained professionals.

Benefits to the Company

In addition to working towards Hewlett Packard's vision of corporate responsibility, this partnership has allowed the company to develop greater expertise in working with universities as well as cutting-edge technology in emerging markets. Additionally, by stimulating the spread of new technologies and helping countries strengthen research and professional institutions, the project lets people around the world benefit from the potential of Hewlett Packard's technology solutions, potentially increasing demand for their products.



The Challenge

There are more than 200 million children engaged in child labour today. Combating child labour is particularly difficult because it cannot be eliminated by simply removing a child from work at one factory, or terminating a supplier's contract, since the child would simply move on to a different employer and the supplier would move on to different customers. The complexity of this problem makes it difficult for companies to address alone.



In the past 20 years, many multinational corporations including IKEA developed and diversified their supply sources in Asia and other developing countries. In the early 90's, increased attention was given to the risk of child labour in the supply chains of multinational corporations. With IKEA's purchasing in developing countries growing, and a strong commitment since the mid-1990s to understanding and preventing child labour, IKEA has sought ways to partner with others to be part of the solution.

Actions Taken

In 2000, IKEA joined forces with UNICEF in India to help prevent and eliminate child labour in 'the carpet belt' in the state of Uttar Pradesh, the country's largest, most populous state, where a high level of child labour is known to exist. IKEA sources many of its carpets from Uttar Pradesh suppliers, and decided to enter into a partnership with UNICEF because of its focus on prevention rather than the conventional focus on rehabilitation.

Both parties are convinced that child labour is best tackled by addressing root causes, such as indebtedness in marginalized communities, adult unemployment, poverty, disability and ill health, and children's lack of access to quality primary education.

The concrete project is focused on creating awareness and mobilizing these rural communities around strategies designed to prevent child labour. School enrolment drives have been conducted to enrol children into primary school, as well as the establishment of alternative learning centres (ALCs) as a transitional measure to formal mainstream primary schooling. Quality educational opportunities are essential to prevent child labour. The IKEA initiative complements the government's efforts to enrol all six to twelve year olds in the project area into primary school.

The burden of debt, often accrued over generations, is a root cause for families feeling compelled to put their children to work. As of late 2006, IKEA had helped to establish 1,600 women's self-help groups in Uttar Pradesh, reaching almost 22,000 women. Through these groups, women learn about children's rights, health and nutrition, saving money, and starting up a small business in order to get rid of debts and contribute income to their families.

IKEA launched a further step with the self-help groups in 2005. As a strategy for economic empowerment, women from the groups earn income for embroidering cushions that are sold in IKEA stores.

Benefits to Society

The child rights project in Uttar Pradesh has now grown to cover a population of more than a million, of whom nearly 35 per cent are children under the age of 14, living in 500 villages across eastern Uttar Pradesh with intensive carpet fabricating activity. As a result of the school enrolment drives and the ALCs, more than 80,000 children previously out of school in the 500 villages now can attend primary school. IKEA and UNICEF will continue the project in the coming years, adding on villages in a planned manner to reach millions more in the region.

The self-help strategy has boosted women's economic and social status, self-confidence and decision-making abilities, both within their families and in the local community. Through education and economic opportunity, women and their families have broken out of the vicious circle of debt, liberating them from child labour and the exploitative interest rates of local money-lenders.

IKEA is using its unique position to leverage resources and this partnership for change.

Benefits to the Company

IKEA's partnership with UNICEF has allowed the company to achieve its business objectives while supporting children and women and their opportunities for learning and developing. Although it cannot be quantified for the bottom line, IKEA's actions have built trust, a significant intangible asset, within the communities it touches. A simple economic intervention has engendered significant social impact on the quality of life of children and women and improved their access to income-generating opportunities.

Company Name:

IKEA International

Website:

www.ikea.com

Headquarters:

Netherlands

Countries Operating In:

44

Employees:

104,000

Products/Services:

Home furnishings

Global Compact Signatory Since:

2004

UN Partner:

The United Nations Children's Fund (UNICEF) works for children's rights, their survival, development and protection.

Partnership:

Tackling the Root Causes of Child Labour

Partnership Type:

Core Business

Issue Area:

Child Labour

Location:

India

Company Name:

Microsoft

Website:

www.microsoft.com

Headquarters:

USA

Countries Operating In:

100 +

Employees:

76,539

Products/Services:

**Computer Software
& Technology**

Global Compact

Signatory Since:

2006

UN Partner:

**The United Nations
Industrial Development
Organization (UNIDO)**

seeks to reduce poverty in
countries with developing
and transition economies
through sustainable
industrial growth.

Partnership:

**Enabling Economic
Empowerment in
Africa through Access
to Technology**

Partnership Type:

Core Business

Issue Area:

**Technology for
Development**

Location:

Africa

Microsoft The Challenge



Small and medium-sized enterprises (SMEs) in less developed countries face a significant challenge in accessing hardware and software to leverage the benefits of Information and Communication Technology (ICT). The objective of this partnership is to tackle the root causes of poverty by promoting innovative uses of ICT that support entrepreneurship and help create business opportunities, especially for SMEs in Africa.

Actions Taken

Microsoft is committed to leveraging technology to help enable social and economic development. The company was interested in working with UNIDO for several reasons. First, as the UN specialised Agency on industrial development, UNIDO offers in-depth expertise on small-scale entrepreneurship programmes. Furthermore, UNIDO is in a unique position to act as a neutral broker by bringing together various stakeholders, including governments, the SME community and local development agencies. Both the expertise and the support of various stakeholders are needed to develop ICT-based solutions for SMEs in developing countries. Under the UNIDO-Microsoft Partnership framework agreement, the following collaborative initiatives are currently being implemented:

1) Investment Monitoring Platform Microsoft has supported UNIDO through the development of a technology solution to enhance the effectiveness of the Africa Investment Promotion Agency Network (AfrIPANet) initiative. A key UNIDO programme, AfrIPANet helps policy-makers tailor their strategies to attract foreign direct investment and private decision-makers to make sound investment choices. Microsoft has applied its technology to enhance the analysis and tracking functionality of the network's information platform for greater effectiveness. The solution increases transparency, information sharing and the articulation of strategies while creating synergies for the four categories of end users – companies, government agencies, development partners and civil society.

2) Rural Business Information Centres UNIDO had already started a programme in Uganda to establish eight Business Information Centres in rural towns in Uganda, offering business advisory services, information access and training to small-scale entrepreneurs. Microsoft works with UNIDO to provide technology access, curriculum and training development and guidance on sustainability models to help support the centres.

3) UNIDO-Microsoft Refurbished Computer Initiative This UNIDO-Microsoft programme addresses the widespread demand for access to affordable hardware. The aim of the initiative is to build a sustainable business model for refurbished computers in Africa, which focuses on SMEs as their primary clients. During the African sub-regional Forum on ICT Best Practices held in Ouagadougou, Burkina Faso in June 2007, UNIDO and Microsoft officially launched the joint Refurbished Computer Initiative. It is envisaged that the first pilot refurbishment centre will become operational by the end of 2007.

Benefits to Society

Within less than a year after signing the Partnership Agreement, both parties have initiated three solid co-operation projects. The partnership aims to support SMEs in developing countries by providing relevant software as well as access to affordable, quality hardware and training tools. Furthermore, the investment-monitoring platform provides greater transparency, thereby enhancing communication between governments and foreign investors. Through these achievements, the partnership hopes to strengthen entrepreneurship and business opportunities, attract more investment to the region and stimulate the growth of powerful new technologies.

Benefits to the Company

This partnership provides a platform to further expand Microsoft's commitment to help enable new avenues of social and economic empowerment through access to technology. Collaborative programmes designed to bring the benefits of technology and related skills to entrepreneurs in SMEs in Africa promote jobs and opportunities, and help the company gain a better understanding of the needs of the emerging information technology markets in the region.



The Challenge

Many Small and Medium-sized Enterprises (SMEs) face significant challenges in their efforts to compete with multi-national corporations in the global market. Renata Precision Ltd. was determined to become a global supplier of auto components, but the company lacked the expertise and means to achieve this goal on its own.



Actions Taken

As a purely domestic company, servicing the Indian automotive supply chain, Renata needed to find a partner to help it expand into international markets. When (UNIDO) announced a programme to increase the

production capabilities of selected automotive component suppliers, Renata jumped at the opportunity. They viewed themselves as fortunate to be one of 21 companies selected for this year-long programme, which would give them access to UNIDO's vast expertise in technical development and trade capacity building. Additionally, the partnership benefited from the collaboration of several expert partners including the Government of India, Fiat Group, the French business school INSEAD, the Automotive Components Manufacturers Association (ACMA) of India, the Automotive Research Association of India (ARAI), and the Prince of Wales Foundation.

This partnership involved the selection of 21 automotive component manufacturers who were put through two phases of training. The first was classroom-based. In the second phase, an international expert spent 10 days (spread over three separate visits) at the participating companies' shop floor to make observations and formulate a list of suggested changes. Many improvements were made under this expert guidance. Finally, UNIDO took the best six companies to Europe to expose them to international automotive component buyer expectations. In addition, UNIDO organized visits to six component suppliers based in Italy.

Benefits to Society

Increasing globalization has resulted in a process of economic marginalization for many developing countries. By strengthening the production capacities and competitiveness of SMEs like Renata, this partnership helps to further integrate economies-in-transition into the global market place, helping to build the infrastructure and skills necessary to combat poverty in the developing world. Additionally, the guidance given to participating companies included an emphasis on environmentally sustainable practices, helping companies improve their performance with respect to environmental standards.

Benefits to the Company

As a result of this partnership, Renata was able to expand its product base from delivering plastic components (without any significant added value) to two companies, to delivering more than 135 different types of high-quality plastic and metal components to 10 customers in a variety of industries. This includes the automotive, electronics, telecommunications and engineering industries. Several national and international clients have selected the company as a preferred supplier for plastic and metal components. In the environmental and social area, new management methodologies adopted from the project, and grounded in guidance from the UN Global Compact, have resulted in a reduction of energy consumption, 100 percent recycling of used water and a newly established measurement of employee satisfaction, all of which go hand-in-hand with increasing productivity and competitiveness. Having been a purely domestic supplier, Renata now sees the world as its market.

Company Name:

Renata Precision

Website:

www.renata.co.in

Headquarters:

India

Countries Operating In:

1

Employees:

88

Products/Services:

Auto Components

Global Compact Signatory Since:

2004

UN Partner:

The United Nations Industrial Development Organization

(UNIDO) seeks to reduce poverty in countries with developing and transition economies through sustainable industrial growth.

Partnership:

Empowering Small and Medium Enterprises in the Indian Auto-Supply Chain

Partnership Type:

Core Business

Issue Area:

Capacity Building

Location:

India, Europe

Company Name:

Stora Enso

Website:

www.storaenso.com

Headquarters:

Finland

Employees:

44,000

Products/Services:

**Paper, Packaging,
Forest Products**

Global Compact

Signatory Since:

2002

UN Partner:

**The United Nations
Development Programme
(UNDP)** is the UN's global
development network.

Partnership:

**Building Trust through
Environmental
and Social Impact
Assessments**

Partnership Type:

Core Business

Issue Area:

Sustainability

Location:

China

STORAENSO



The Challenge

For multinational companies, gaining and retaining stakeholder trust can be difficult. One might question whether the company applies the same high standards for environmental protection in all of its operations. The question of credibility might arise when an environmental and social impact assessment (ESIA) for a project does not appear to be independent. Difficulties compound for a company when an ESIA reveals issues that are beyond the scope or capabilities of what a company could or should address.

Actions Taken

To achieve genuine credibility and sustainability improvements, Stora Enso's strategy involves building long-term partnerships with credible and professional organisations that have similar goals to those of Stora Enso, as well as complementary skills and resources to reach those goals.

Conducting a thorough assessment of the environmental and social impacts of any new project is a common practice for Stora Enso. The assessment is a tool for identifying risks that could affect the project and a way of showing stakeholders how the company is managing its environmental and social impacts.

When the decision was made to conduct an ESIA on the company's plantation operation in Guangxi, UNDP China was approached with a proposal to compile the report. UNDP China and Stora Enso agreed that UNDP would conduct the study independently and that the results would be made publicly available. The work consisted of analyzing South Guangxi's economic, environmental and social dimensions through data analysis and field visits. UNDP broadened the approach beyond a conventional technical analysis to also include the opinions of residents and other stakeholders on mitigation measures and development priorities. The ESIA report was published in 2005. The report results, in addition to the company policies and principles, then formed the basis for Stora Enso Guangxi's Sustainability Agenda and action plan.



Directly after publishing the report, UNDP China proposed a partnership to address the main areas identified in the report: engagement of local villagers and biodiversity protection. UNDP China and Stora Enso signed a five-year partnership agreement in November 2006. The partnership is jointly managed, but closely involves expert stakeholders and national, provincial and local government representatives.

Benefits to Society

The partnership has been highly successful in gaining the trust of Stora Enso's customers, investors and other stakeholders in the company's management of sustainability issues in its Chinese plantation operation. Conducting ESIA's is not yet a common practice in China. UNDP plans to establish this study as a model for future ESIA's of other large-scale commercial or public projects.

Benefits to the Company

The ESIA report is a powerful communication tool, but more importantly it has provided the company with an external view on where it should concentrate its sustainability activities. Bringing in an independent party to provide an "extra pair of eyes" has helped Stora Enso identify environmental and social issues that it might have missed and added transparency and credibility to its sustainability communications.



The Challenge

In many developing countries, a lack of investment presents a serious obstacle to economic growth and poverty alleviation. To develop a new source of oil for its products and as part of its overall commitment to social responsibility, Unilever has partnered with the UNDP's Growing Sustainable Business (GSB) initiative, a unique platform for companies to engage in pro-poor business activities in developing countries with a challenging business environment. Working together, UNDP

and Unilever created a project to combat poverty in Tanzania by helping to establish a locally owned supply chain for oil made from the seed of the Allanblackia (AB) tree. AB oil can be used in products such as margarines and soaps. Such a supply chain would provide local farmers, who currently earn less than US\$1 a day, with a promising new source of income. Additionally, the project demonstrates positive environmental impact by bringing value to Non-Timber Forest Products (NTFP) through the use of Allanblackia, an indigenous tree.

Actions Taken

This project includes several partners, each with a critical role in ensuring its success. Unilever works with regional and local governments. The company provides funding, as well as managerial, technical, logistical and financial expertise and market access. Local crushers process AB seeds into crude oil. The Partnership helps farmers in each region to manage tree nurseries. Likewise, local farmers have been trained to grow AB trees and they invest land as well as other resources to plant these trees. UNDP provides social and economic impact assessments, environmental baseline work and contacts to governmental institutions. Several organizations have carried out training, including Amani Nature Reserve (ANR), Tanzania Forest Conservation Group (TFCG), and Institut Africain pour le Développement Economique et Social (INADES) Formation Tanzania. Additionally, Faïda-Mali (a development and gender-sensitive NGO), Institute of Cultural Affairs (ICA) and INADES are working with rural farmers to promote the benefits of planting AB and to increase market access for other farm producers. Tanzania Forestry Research Institute (TAFORI) is the local government institution in charge of AB research



Company Name:

Unilever

Website:

www.unilever.com

Headquarters:

United Kingdom and Netherlands

Countries Operating In:

100

Employees:

179,000

Products/Services:

Food, Beverages, Home & Personal Care Products

Global Compact Signatory Since:

2000

UN Partner:

The United Nations Development Programme (UNDP) is the UN's global development network. Their Growing Sustainable Business (GSB) initiative is a platform for companies to engage in pro-poor business activities in developing countries with a challenging business environment.

Partnership:

Building an Allanblackia Oil Supply Chain in Tanzania

Partnership Type:

Core Business

Issue Area:

Sustainable Business for Development

Location:

Tanzania



in collaboration with ICRAF. The project is also supported by IUCN – The World Conservation Union and Netherlands Development Organisation (SNV).

Benefits to Society

The project has made good progress towards establishing a locally owned supply chain. Village organizations and rural farmers engage in collecting AB seeds and then drying, weighing and selling them to Unilever on a regular basis during the harvest season (normally the first quarter). Unilever pays farmers for the seeds, which provides them with additional incomes. Also engaged in the cultivation and domestication process, the village organizations have planted more than 2,000 AB trees on about 100 farms in 2006. In 2007 this number will increase to more than 20,000. Notably, most of the trees are being produced by rural, community-owned nurseries. The World Agro-forestry Center (ICRAF) works with the Amani Nature reserve and TAFORI to improve both quality and quantity of the current AB replication technology. In this work, they use the locally established knowledge of propagating tea plants. Additionally, UNDP has conducted an environmental impact assessment of the project. Unilever has brought samples of the AB oil to its headquarters in the Netherlands in order to conduct extensive quality testing, which has indicated that the supply chain needs optimization to further improve quality.

In Tanzania, the project started in the East Usambaras, but has now expanded along the Eastern Arc Mountains all the way to Mvomero. This has helped increase the number of communities that profit from this development. However, the extremely isolated nature of many communities and poor road access also brings its own challenges as many of the new areas are too far from the original area to profit from the same infrastructure. New support systems and new nurseries have to be built in these areas.

Benefits to the Company

This partnership provides Unilever with an alternative raw material for its products. In an effort to increase the local ownership of the project, Unilever employees and their staff moved into their own, independent company: Novel Development Tanzania Ltd. (NDTL). This company will continue to work on growing the AB supply chain in a sustainable way. NDTL is not owned by Unilever, but Unilever has pledged to support this company for the next three years.

VOLKSWAGEN

AKTIENGESELLSCHAFT



International
 Labour
 Organization

The Challenge

Many multinationals are faced with the challenge of reaching small and medium-sized enterprises in their supply chain in order to improve safety and health in the workplace. Implementing preventive measures is difficult in supplier companies where social protection simply does not exist. Of course, such measures are of vital importance for large companies, which have a responsibility for the welfare of workers throughout their supply chain and are dependent upon good working conditions to meet productivity and other targets.

Actions Taken

The ILO, the Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH, an international cooperation enterprise for sustainable development and Volkswagen (VW) have jointly planned, financed and implemented a Public Private Partnership Project on Occupational Safety and Health and Supply Chain Management. The project develops and implements national safe work programmes, including health and safety standards. Government stakeholders, multi-national companies, policy-makers in employers' organizations and trade unions are urged to adopt more stringent safety measures. VW is strongly committed to protecting the welfare of employees throughout its supply chain, and the company was glad to have ILO as a partner because of the Agency's expertise in worker safety and labour issues. Additionally the GTZ played a vital role in monitoring the impact of proposed safety measures. Started in 2004, the project was tailored to meet the needs of Small- and Medium-sized Enterprises (SMEs) in Volkswagen's supply chain and has involved staff within Volkswagen, its suppliers in Mexico, South Africa and Brazil as well as the national labour inspectorates.

Under the direction of a national co-ordinator – in each case appointed by the ILO – teams of consultants were formed from representatives of public authorities, factory inspectors and planners as well as health and safety experts from the Volkswagen Group. The teams drew up a profile of strengths and weaknesses for each supplier and recommended measures with which to improve processes and cut costs. The company directors then received a copy of the report and findings, together with its recommendations.

Benefits to Society

The programme has proven to be an effective tool to reach out to SMEs throughout the supply chain. Suppliers have implemented all of the recommendations provided by the team, improving conditions for workers throughout Volkswagen's supply chain. Additionally, the partnership has provided a model for other multinationals, serving as a catalyst for efforts to improve worker safety in countries around the world. Through their efforts, Volkswagen, the ILO and GTZ have produced a replicable model that will hopefully produce a chain reaction in the supply chains of other large companies.

Benefits to the Company

The participating suppliers have shown an increased commitment to working with Volkswagen, and as result of new safety measures, accidents have decreased. This partnership has helped Volkswagen extend its support for health and safety measures further down its supply chain, producing safer working conditions for thousands of workers. Additionally, the partnership is beneficial for the company's core business, as Volkswagen's focus on worker safety has the added benefit of increasing productivity and employability while strengthening relationships with workers and suppliers.

Company Name:

Volkswagen Group

Website:

www.volkswagen.com

Headquarters: **Germany**

Countries Operating In: **150 +**

Employees: **325,000**

Products/Services:

**Automobiles and
 Auto Components**

Global Compact Signatory Since:
2002

UN Partner:

The International Labour Organization (ILO) is the tripartite UN Agency which brings together governments, employers and workers of its member states in common action to promote decent work throughout the world.

Additional Partners:

Federal Ministry for Economic Cooperation and Development and Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH, Germany

Partnership:

Improving Health and Safety Standards in Small and Medium Enterprise Suppliers

Partnership Type:

Core Business

Issue Area:

Labour Issues

Location:

**Germany, Mexico,
 South Africa, Brazil**

Company Name:

Lafarge

Website: **www.lafarge.com**

Headquarters: **Paris**

Employees: **71,000**

Countries Operating In: **70**

Products/Services:

Building materials

Global Compact

Signatory Since: **2004**

UN Partner:

The United Nations Environment Programme (UNEP) seeks to provide leadership and encourage partnership in caring for the environment by inspiring, informing and enabling nations and peoples to improve their quality of life without compromising the lives of future generations.

Partnership:

The Sustainable Building and Construction Initiative is a partnership between UNEP and 30 worldwide leading companies to promote and support sustainable solutions in the buildings and construction sector.

Partnership Type:

Advocacy

Issue Area:

Climate Change and the Environment

Location: **Global**

ADVOCACY



The Challenge

The building sector carries great economic importance, representing roughly 10 percent of the world's Gross Domestic Product (GDP) and providing employment to more than 100 million people around the world. At the same time, the construction industry leaves a lasting environmental footprint throughout the many stages of a building's existence. Energy life cycle analysis shows that about 80 percent of a building's total energy is consumed during its use phase. The remaining 20 percent ensues from all other phases of its lifetime: through producing and delivering materials, erecting, maintaining, refurbishing and demolishing the building.

Actions Taken

In April 2006, the United Nations Environment Programme (UNEP) established the Sustainable Building and Construction Initiative (SBCI) in collaboration with 15 global leaders in the buildings and construction sector. Lafarge is a founding member of SBCI as well as its first chairman. As an industry leader, Lafarge is committed to influencing business partners and stakeholders to create more sustainable buildings. The company clearly recognizes that these goals are best achieved via a platform where the construction industry as a whole can develop and present its position. With a mandate to foster the identification and implementation of solutions to global environmental problems, UNEP was ideally positioned to convene such a platform.

SBCI provides stakeholders with a forum to promote the adoption of sustainable construction practices. Within one year, membership of the SBCI doubled to reach 30 companies from the original 15, representing all the different stakeholder groups along the life span of buildings. Industrials, construction companies, real estate developers, financiers, architects and local authorities are working with UNEP to increase energy efficiency and reduce CO2 emissions of buildings as well as develop benchmarks for sustainable building.

In 2006, the initiative focused on three significant issues:

- 1) Establishment of a specialized think tank** to analyze the sustainability performance of the building sector.
- 2) Identification of concrete proposals** to include positive incentives for sustainable building in an agreement following the current Kyoto protocol, which ends in 2012.
- 3) Identification of policies and tools** to promote life cycle analysis and energy efficiency in buildings.

In March 2007, SBCI published the report "Buildings and Climate Change: Status, Challenges and Opportunities." It highlights the significant role that the buildings play in climate change and points out solutions to improve their environmental impact. The report succeeded in increasing public and government awareness of the problems and their solutions.

Benefits to Society

The first year of operation shows that a UN partnership with so many industry leaders has enormous potential to alleviate the environmental impact of global building and construction activity. The work programme and the first results of SBCI generated the necessary global attention to initiate research and action by building specialists, policy makers, business circles and NGOs to address the issue of how buildings impact climate change. With the building sector producing some 40 percent of waste and CO2 emissions in developing countries, this joint effort of private and public actors from across the globe can play an integral role in combating global climate change.

Benefits to the Company

Lafarge's active role in SBCI increased its leadership as an environmentally responsible company. As incentives for sustainable building are increasing, the experience and knowledge gained through this initiative will prove valuable for maintaining the company's role as a leader in the building sector. Moreover, through the SBCI forum, Lafarge has the opportunity to build and share information with a broad range of other key actors in the areas of construction and sustainable development. In this way, the initiative also provides the company with a platform to input their ideas into international climate debates and the strategies for meeting global challenges.



Microsoft



Manpower



The Challenge

Nine million children throughout the world live as refugees, having fled their homes because of war, because their parents have been killed, or because they were born in refugee camps. These boys and girls face the harshest barriers for personal development. Full of potential, they deserve the chance to learn, dream and help build a better world.

Actions Taken

The UNHCR, with its unique capabilities to work in conflict areas across the globe, has been a natural partner for companies committed to helping the world's refugee populations. In June 2006, UNHCR, Nike, Microsoft, Manpower and other members of the Council of Business Leaders brought together their respective expertise to create the ninemillion.org campaign to raise public awareness and donations for refugee youth. Companies have contributed to the campaign in a number of ways. Nike Inc. and the

Nike Foundation are helping UNHCR expand educational, economic, and recreational opportunities for youth living in refugee camps, such as developing sports programmes for adolescent girls in the Dadaab camp in Kenya. Additionally, Nike has: chronicled the reality of child refugees around the world; provided a Nike Foundation matching grant for the first US\$1 million donated to the ninemillion.org fund; created, produced and sold ninemillion.org T-shirts to promote the campaign; and produced 40,000 high-performance, multi-sport balls specifically designed to withstand the harsh surface conditions of a refugee camp. These balls, which were donated to UNHCR, are now being used by refugee youth in over 50 countries worldwide. Microsoft supported the launch of ninemillion.org through MSN, its online media network, by hosting and localizing the Web site content in nine languages and providing 2.8 billion impressions of advertising media worth around US\$1 million. MSN featured ninemillion.org on local portal, Hotmail and Messenger sites in the top ten markets in Europe and the United States. Microsoft also included ninemillion.org as a leading charity in both the "Click for a Cause Campaign" (<http://click4thecause.live.com/Search/Charity/Default.aspx>) and the live messenger "I'm" campaign resulting in additional donations. Additionally, Manpower has contributed to the campaign through various advocacy and fund raising campaigns, including a reception at the World Economic Forum Annual Meeting in January 2007. In April 2007, Manpower hosted an event in Hong Kong with support from UNHCR, Microsoft and Nike to raise awareness of the campaign among key audiences and to raise funds for education in refugee camps around the world. The initial response to this event has been remarkable, and plans are underway to organize a series of road shows throughout Asia.

Benefits to Society

Since its kick-off, the ninemillion.org campaign has attracted some two million visitors and raised more than US\$2 million. Funds are used to implement education, play and sports programmes in refugee camps that



Company Names:

Nike, Microsoft, Manpower

Websites:

www.nike.com

www.microsoft.com

www.manpower.com

Headquarters:

USA

Countries Operating In:

120 + / 100 + / 73

Employees:

29,000 / 76,539 / 30,000

Products/Services:

Athletic Apparel, Footwear & Equipment / Computer Software & Technology / Employment Services

Global Compact Signatory Since:

2000 / 2006 / 2006

UN Partner:

The United Nations High Commissioner for Refugees (UNHCR) is mandated to lead and co-ordinate international action to protect refugees and resolve refugee problems worldwide.

Partnership:

The ninemillion.org Campaign for Child Refugees

Partnership Type:

Advocacy

Issue Area:

Children's and Refugees' Rights

Location: **Global**



engage children, particularly girls, in positive activities that provide them with vital life skills and tools. For example, the Council of Business Leaders recently visited Tham Hin refugee camp in Thailand, where ninemillion.org funded a Community Technology Centre with 24 personal computers providing access to technology and skills training for more than 2,000 refugees in its first year. The campaign has been instrumental in empowering individuals by training local youth to be coaches, leaders and role models and by creating more peaceful communities through the teaching of respect, fair play and conflict resolution.

Benefits to the Companies

In addition to helping refugees throughout the world, this partnership has offered Nike, Microsoft and Manpower the opportunity to demonstrate their commitment to corporate social responsibility and to learn from one another's efforts. Likewise, these companies have been able to expand their capacities in and familiarity with the regions where the campaign has been active. Involvement in the campaign has inspired countless employees throughout the world to embrace their companies' sense of responsibility and become actively engaged in these efforts.



The Challenge

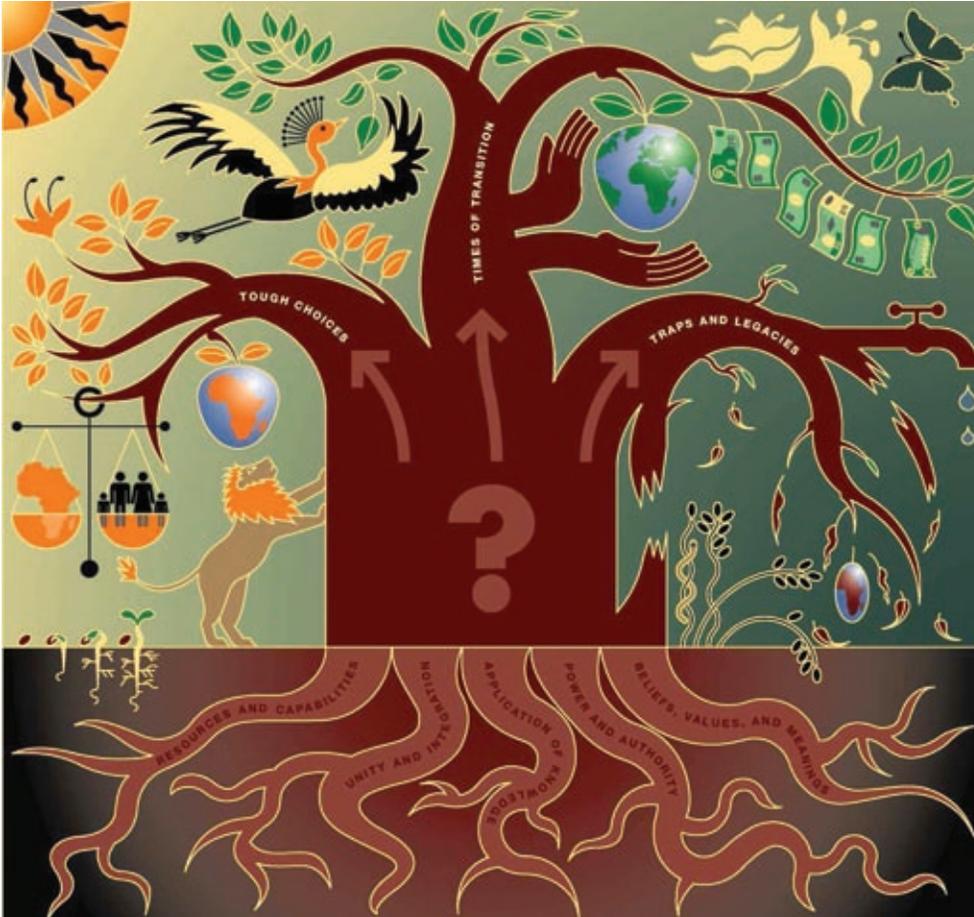
UNAIDS considers the AIDS crisis unprecedented in both scale and longevity of impact. As there is no precedent, there also exists no model to follow. "AIDS in Africa: Three scenarios to 2025," a report by UNAIDS launched in 2005, presents three possible case studies for how the AIDS epidemic in Africa could evolve over the next 20 years based on policy decisions taken today by

leaders in Africa and the rest of the world. This partnership brought together motivated and knowledgeable stakeholders from governments, business and civil society in a comprehensive approach to examining the deeper causes and wider impacts of the epidemic.

The partnership

Shell's approach to prevention and management of HIV includes collaboration with relevant local and global organizations as well as other key stakeholders to fight the AIDS epidemic collectively in the societies where the company operates.

Shell was keen to work with UNAIDS because, along with its many cosponsors, it brings together an unprecedented amount of expertise in the area of HIV. UNAIDS' co-sponsoring organizations are: the Office of the United Nations High Commissioner for Refugees (UNHCR), United Nations Children's Fund (UNICEF), the World Food Programme (WFP), United Nations Development Programme (UNDP), United Nations Population Fund (UNFPA), United Nations Office on Drugs and Crime (UNODC), International Labour Organization (ILO), United Nations Educational, Scientific and Cultural Organization (UNESCO), World Health Organization (WHO) and the World Bank.



Company Name:

Shell International

Website:

www.Shell.com

Headquarters:

Netherlands

Countries Operating In:

130

Employees:

108,000

Products/Services:

Oil & Gas

Global Compact Signatory Since:

2000

UN Partner:

UNAIDS, the Joint United Nations Programme on HIV/AIDS, brings together the efforts and resources of ten UN system organizations to the global AIDS response.

Partnership:

**AIDS in Africa:
Three scenarios to 2025**

Partnership Type:

Advocacy

Issue Area:

AIDS

Location:

Africa

Actions Taken

The scenario project gathered divergent views and perspectives to inform a shared understanding of the AIDS challenge amongst a variety of stakeholders. Additionally, it sought to help activate a broad-based response from all segments of society with regard to the prevention of infections and the support, treatment and respect for those who are HIV positive. Through a multi-stakeholder process, the project sought to produce models of the potential consequences of AIDS in Africa over a 20-year time horizon. For three years, Shell contributed its scenario-building expertise to the project, through its Global Business Environment division, and acted as the Process Advisor. Shell also provided the project office. This included office space, computers and general office services, with an approximate in-kind estimate of US\$ 500,000.

Benefits to Society

The process of building scenarios created a shared “future” space through which stakeholders can exchange perspectives, share and stimulate learning, create new understandings, and explore different options. A report, along with the scenarios, was placed in the public domain and widely disseminated. This report and other outcomes of the scenario-building process will hopefully be used by various stakeholders in their own endeavours to design and scale up the response to AIDS. Additionally, it is hoped that the scenarios will inform policy response to the AIDS epidemic; catalyze a partnership approach among key stakeholders; help in shaping public debate by fostering communication and understanding between different parties; and assist in effectively targeting and channelling financial and other resources allocated to preventing and mitigating HIV.

Benefits to the Company

Responsible businesses recognize that AIDS affects their employees, contractors, suppliers and customers and impacts the entire business environment. Business also has the potential to contribute both positively and negatively to the impact of AIDS. Africa is an important region for Shell and thinking broadly and deeply about such key issues serves to better inform business actions and decisions. Involvement in this initiative has provided Shell with an opportunity to learn more about critical factors that affect its businesses and to contribute its own expertise.

STRATEGIC SOCIAL INVESTMENT/ PHILANTHROPY



The Chemical Company



UN-HABITAT

The Challenge

On December 24, 2004, a tsunami in the Indian Ocean killed more than 200,000 people, leaving many more injured and destroying the homes and communities of millions. A catastrophe on this massive scale demands exceptional capabilities in disaster relief and reconstruction.

The Partnership

In response to the tsunami, BASF carried out a worldwide employee donation campaign matched by the company, which resulted in the

collection of 3.8 million Euros. These funds were managed by the BASF Social Foundation. To dispense the funds, the foundation selected partner organizations and for one main project decided to work together with UN-HABITAT because of the Agency's long-standing reputation for rebuilding and revitalising communities affected by natural disasters. BASF and UN-HABITAT had already been in dialogue since 2003, and the two organizations had collaborated during the World Urban Forum in 2004. In April 2005, a formal partnership agreement was announced during UN-HABITAT's 20th Governing Council. Based on this relationship, the partners decided to combine their efforts in sustainable disaster relief and reconstruction for tsunami survivors in Sri Lanka.

Actions Taken

The partnership between UN-HABITAT and BASF began with a joint assessment mission in Sri Lanka, which identified the needs in affected areas. Small-scale fishing communities are among the poorest segments of the country's population and this assessment led to the development of a project geared towards these communities. Together, UN-HABITAT and BASF decided to build a new fish market and restaurant complex in Galle, a town on the southern tip of Sri Lanka, in order to replace the infrastructure that had been destroyed by the tsunami. UN-HABITAT has broad experience and profound competencies in reconstructing homes and community infrastructure, settlement planning and disaster preparedness. It thus forms an integral part of the United Nations' inter-Agency efforts to promote a smooth transition from humanitarian relief to long-term recovery and rehabilitation. Throughout its activities, UN-HABITAT promoted a community-driven approach, bringing the affected families into the centre of the recovery process. BASF supported these efforts with funding and know-how. In addition to the financial resources of BASF Social Foundation, BASF and its partners provided technical and construction expertise to enable intelligent and sustainable solutions for reconstruction

Benefits to Society

The investment in a new fish market was intended to serve as a catalyst to create employment, support the local fishing fleet, afford vocational training, promote tourism and eventually enhance the well-being of the entire fishing community. In this way, the initial investment in physical facilities has a multiplier effect for employment and income within the fishing community. In a broader sense, the project represents an upgrade for the economic infrastructure of the City of Galle and increases the city's revenues.

Benefits to the Company

The partnership between BASF and UN-HABITAT has proven that an effective and efficient response to the humanitarian, recovery and development challenges of today require the multiple capacities and united strengths of complementary partners, such as the private sector and the United Nations. BASF itself benefited from the partnership through its exposure to the competencies and successful business models employed by UN-HABITAT. Additionally, BASF and UN-HABITAT are continuing to collaborate on environmental technology, low-cost housing technology, housing finance models as well as public-private partnerships and business models as a sustainable tool including in the field of humanitarian intervention.

Company Name:

BASF – The Chemical Company

Website:

www.basf.com

Headquarters:

Germany

Countries Operating In:

170

Employees:

95,000

Products/Services:

chemicals, plastics, performance products, agricultural products and fine chemicals, crude oil and natural gas

Global Compact Signatory Since:

2000

UN Partner:

The United Nations Human Settlements Programme (UN-HABITAT) is the Agency tasked with promoting socially and environmentally sustainable human settlements, development and the achievement of adequate shelter for all.

Partnership:

Revitalizing Communities in Sri Lanka

Partnership Type:

Strategic Social Investment

Issue Area:

Sustainable Business for Development

Location:

Sri Lanka

Company Name:

**DPWN (Deutsche
Post World Net)**

Website:

**www.dpwn.com/
sustainability**

Headquarters:

Germany

Countries Operating In:

**220 Countries
and Territories**

Employees:

520,000

Products/Services:

**Mail, Express, Logistics,
and Finance**

Global Compact

Signatory Since:

2006

UN Partner:

**The UN Office for
the Coordination of
Humanitarian Affairs
(OCHA)** is tasked with
the coordination of
humanitarian response,
policy development and
humanitarian advocacy.

Partnership Type:

**Strategic Social
Investment**

Partnership:

**Facilitating Global
Disaster Response
Management**

Issue Area:

Disaster Response

Location: **Global**



The Challenge

At the onset of a large-scale disaster, the UN, in cooperation with local authorities and a number of humanitarian relief providers, must deliver quick and efficient relief to those most affected. Following the devastating natural disasters that occurred in recent years, the international community has steadily increased efforts to improve disaster management. However, the swift distribution of emergency supplies remains a major logistical challenge. It requires standby logistical capacity for immediate deployment where and when required.

In 2005, the UN Humanitarian Response Review identified airport logistics management as an area in need of additional specialized capacity.

Airports present a critical distribution hub for disaster relief in the case of sudden-onset natural disasters. Airport authorities often experience problems in handling the huge quantities of incoming relief goods, which arrive in quick succession. In this situation, air crafts with relief aid may block the airport's apron and runway and, as a result, incoming planes with more supplies might face delays or be unable to land. At the same time, creating a permanent UN entity mandated with airport management—for only occasionally occurring natural disasters—would prove costly and inefficient.

Actions Taken

DPWN wanted to leverage the core competency in logistics of its DHL division to contribute to the management of disaster relief efforts. OCHA has the overarching function of coordinating humanitarian emergency response. As such, it proved to be an ideal partner for DHL. Together with OCHA, DHL aims to address the problem of airport capacity in disaster relief through the creation of a global network of DHL Disaster Response Teams (DRTs). These teams provide airport authorities with the critical logistics support they require to handle emergency relief after a major natural disaster.



The goal of the partnership between DHL and OCHA is to provide standby logistical support and advice to ensure an uninterrupted and effective supply chain at disaster site airports for incoming shipments of relief goods. In order to best use the UN system during deployments, the DRT leaders take part in relevant trainings and exercises organized by OCHA. Additionally, an internal DRT training programme was designed to prepare DHL staff to meet the requirements of a relief situation.

The DRTs carry out three essential tasks. First, they organize the transfer of incoming relief goods from aircraft pallets to standard wooden pallets. Second, they set up and manage a professional warehouse at the airport, including organizing, sorting, stacking and taking inventory of relief goods, as well as working with customs, security and consignees before handing over the relief cargo. Finally, they arrange the loading of relief goods onto vehicles for onward transportation. These tasks minimize the time spent by incoming aircraft on the ground and increase the airport's turnover and reception capacity.

Benefits to Society

DHL's DRT programme helps to address the crucial bottleneck of airport capacity in disaster response. Thanks to DHL's efficient storage and sorting mechanisms, the onward transportation of the relief goods to their final destination can be improved and the volume and strains of unsolicited donations reduced. Overall, DHL's contribution to disaster relief through its core competencies helps to provide emergency support to more people in a shorter period of time.

Benefits to the Company

Active employee participation is of key importance here and DHL's partnership with OCHA is just one way in which the company demonstrates its commitment to social responsibility, which contributes to employee motivation and exemplifies DHL's brand values: Personal Commitment, Proactive Solutions and Local Strength Worldwide.



The Challenge



Many people in developing countries lack access to basic Water and Sanitation, Energy Supply and Waste Management services, a fact that further aggravates economic and health care-related issues. As one of the world's leading industrial utilities providers, SUEZ has long contributed to Sustainable Development by

helping to provide the world's most disadvantaged populations with access to drinking Water, Sanitation and electricity as well as Waste treatment. SUEZ employees have established two volunteer associations, Aquassistance and Energy Assistance, to support humanitarian projects across the globe.

Actions Taken

Building on years of positive experiences with employee volunteering, SUEZ decided to expand its activities in this area into its core business. Impressed by the local knowledge, network and experience of the UNV Programme, SUEZ sought to produce a natural synergy by partnering with the Agency to provide its uniquely skilled employees for UNV's utilities-related projects. SUEZ and UNV signed a Memorandum of Understanding in 2001 by which SUEZ agreed to provide volunteer employees to UNV for three years, mainly to perform consulting and expert appraisal missions. In September 2004, the SUEZ-UNV agreement was renewed, including Aquassistance and Energy Assistance (two NGOs set up by SUEZ's employees), and joint development projects continued until 2007.

Aquassistance has carried out several missions under this agreement. Volunteers carried out waste management assessments in Albania, Niger and Senegal. In Gabu (Guinea Bissau), Aquassistance provided regular technical support to UNV in a waste management project, equipment to ASPAG (the local structure in charge of waste collection and disposal), as well as support and equipment to ENAFUR (a water supply utility in Gabu).

Energy Assistance has performed three missions under the SUEZ-UNV partnership. It has developed recommendations concerning power distribution networks in Honduras; it has assessed the sources of pollution in the Galapagos Islands and recommended changes in energy production; and it has performed an audit of an electric power plant in East Timor. A follow-up to this project is now in progress.

Benefits to Society

The expert knowledge SUEZ employees provided to the UNV missions has contributed significantly to their success in local development and raising the living standards of highly disadvantaged populations. All projects conducted with the support of SUEZ employees have received a positive evaluation with regard to overall development impact including the creation of activities linked to essential services.

Benefits to the Company

SUEZ employees benefit from the opportunity to employ their skills in new and challenging contexts. Participation in a mission tends to be a rewarding experience and employees recognize its value for personal development and overall satisfaction. The initiative thus contributes to the development and retention of human resources, a key asset for any business. Moreover, this partnership has further exemplified SUEZ's commitments to humanitarian initiatives and increased its reputation as a leader in Water, Sanitation, Waste Management, and Energy Supply.

Company Name:

SUEZ

Website:

www.suez.com

Headquarters:

Paris

Employees:

140.000

Countries Operating In:

Approx. 100

Products/Services:

Utilities

Global Compact Signatory Since:

2000

UN Partner:

**The United Nations
 Volunteers Programme**

(UNV) is the United Nations focal point for promoting and harnessing volunteerism for effective development.

Partnership Type:

**Volunteering Technical
 Assistance for Development**

Partnership Type:

Strategic Social Investment

Issue Area:

**Access to Water &
 Sanitation, Energy and
 Waste Management**

Location:

**Albania, Niger, Senegal,
 Guinea Bissau, Honduras,
 East Timor, Ecuador**

Company Name:

Tetra Pak

Website:

www.tetrapak.com

Headquarters:

Switzerland

Countries Operating In:

165

Employees:

20,000

Products/Services:

**Food Processing
and Packaging**

Global Compact
Signatory Since:

2004

Partner:

**The Global Alliance
for Improved Nutrition**

(GAIN) seeks to reduce malnutrition through the use of food fortification and other strategies aimed at improving the health and nutrition of populations at risk.

Partnership:

**The Nasarawa State
School Feeding
Programme**

Partnership Type:

**Strategic Social
Investment**

Issue Area:

Malnutrition

Location:

Nigeria

 **Tetra Pak**
protects what's good™

 **gain**
Global Alliance for
Improved Nutrition

The Challenge

Malnutrition is widespread in Nigeria. A large part of the youth population is underweight or stunted as a result of poor nutrition. The Nasarawa State School Feeding Programme aims to combat malnutrition through the distribution of a nutritious drink to school children in Nasarawa State throughout the five-day school week. The drink is fortified with 27 micronutrients, giving the children the recommended daily allowance of a number of essential vitamins and minerals.

Actions Taken

Funded by the State of Nasarawa, the programme was set-up with the support of Nigerian President Olusegun Obasanjo. It has been developed as a public-private partnership with the participation of Tetra Pak, a world leader in the processing and packaging of liquid foods. Tetra Pak has contributed expert knowledge derived from many years of involvement in school feeding programmes around the world. Several full-time resources have been deployed for the programmes, and Tetra Pak has introduced partners who contribute to different parts of the value chain. Tetra Pak found a natural partner in GAIN, a Swiss foundation working to reduce malnutrition through the use of food fortification and other strategies. GAIN is itself an Alliance; it works in collaboration with various UN Agencies including WHO, FAO, UNICEF and WFP. GAIN contributes to this and other projects by building alliances of public and private partners and providing financial support and technical expertise for improving nutrition. GAIN is assisting Tetra Pak by conducting an efficacy study of nutritious drinks among primary school children in Nasarawa. Conducted in partnership with Helen Keller International and the Nutrition Division of Cornell University, the study looks at the effect of the nutritious drinks on blood levels of hemoglobin, iron, zinc and vitamin A and on growth and school performance.



Benefits to Society

The programme currently covers around 200,000 children and continues to expand. GAIN's introduction of scientific best practices and the generation of efficacy data are expected to contribute significantly to the further development of school feeding programmes in other states of Nigeria. One positive impact, obvious from the start, is the marked increase in enrolment and attendance at schools participating in the programmes.



Benefits to the Company

Apart from addressing malnutrition, the programme works as a catalyst for the development of the agricultural sector in Nigeria. Tetra Pak has worked with Nigerian and international partners to develop a drink formulation based on the local crop cassava. Processing and filling capacity for the production of this drink is currently being installed in Nigeria and is expected to be in operation in the second half of 2007. This capacity will increase the demand for locally grown crops and drive the development of more value-added agricultural products in the Nigerian market, which may provide future opportunities for Tetra Pak's Nigerian operations.

Company Name:

TNT

Website:

www.tnt.com

Headquarters:

Netherlands

Countries Operating In:

200

Employees:

128,000

Products/Services:

Strategic Social Investment

Global Compact Signatory

Since: **2004**

UN Partner:

The World Food Programme (WFP)

provides food and logistical support to meet emergency needs and support economic and social development. The Agency also promotes policies, strategies and operations that directly benefit the poor and hungry.

Partnership:

Engaging in Funding and Knowledge Transfer Projects to Optimize the World Food Programme's Capacities

Partnership Type:

Philanthropy

Issue Area:

World Hunger

Location: **Global**



The Challenge

TNT's Chief Executive Officer Peter Bakker was appalled to read that every five seconds a child dies from starvation and related causes, and yet there is enough food in the world to feed everyone. Bakker realized that emergency situations can represent an enormous logistical challenge and saw the contribution TNT could make to address this challenge by leveraging its knowledge, skills and resources.

TNT wanted to help make disaster relief more effective and was looking for the right partner. WFP, with its global reach and record of helping populations in crisis, was a natural choice. It is for this reason that Peter Bakker approached WFP to ask how TNT could use its skills to support the Agency and make a life-saving difference. A long-term partnership between TNT and WFP was officially launched on 19 December 2002.

Actions Taken

In the period between 2003 and 2006, TNT invested €25 million in the form of knowledge transfer and projects to help make WFP more efficient and effective. It provided hands-on support in emergencies as well as awareness and fundraising initiatives. TNT employees have raised a further €7 million for WFP School Feeding Projects through awareness and fundraising initiatives, such as the annual "Walk the World" event. More than 100 employees have volunteered at initiatives related to the WFP School Feeding Projects to provide hands-on assistance in the recipient countries. Knowledge transfer projects have helped to optimize WFP's supply chain. TNT also undertakes private sector fundraising initiatives, helping WFP find other corporate partners, such as Unilever, Citigroup, BCG and DSM.

2005 was a defining year in the partnership between TNT and WFP. TNT deployed more than 130 employees in 12 countries to assist with disaster relief after the catastrophic tsunami in the Indian Ocean and the earthquake in Kashmir. This involvement has led TNT to establish a stand-by Emergency Response team.

Benefits to Society

The collaboration between TNT and WFP has helped to better achieve WFP's mission to feed the world's poorest people. WFP has also been able to adapt its operations to become a more efficient organization. TNT's contribution of financial and human resources has let WFP reach more people in need of help.

Benefits to the Company

From a corporate perspective, TNT's partnership with WFP instils pride in its people – 57 percent of TNT employees are involved in the partnership and 68 percent of employees see TNT as a highly attractive company to work for. It has also helped create value for shareholders – over the last two years, TNT was ranked #1 in its industry in the Dow Jones Sustainability Index.



Photos provided by:

Page 5 **Alcatel-Lucent**

Page 7 **Cisco Systems**

Page 8 and 9 **The Coca-Cola Company**

Page 14 **Stora Enso**

Page 15 **Unilever**

Page 19 **The United Nations High Commissioner for Refugees**

Page 21 **The Joint United Nations Programme on HIV/AIDS**

Page 24 **DPWN (Deutsche Post World Net)**

Page 26 and 27 **Tetra Pak**

GLOBAL COMPACT PRINCIPLES

The United Nations Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption. The principles are as follows:

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.

