

A GREENER TOMORROW

How Caring for Climate Signatories are Leading the Way to a Low-Carbon Economy



United Nations Global Compact

Dalberg

A report by the UN Global Compact and Dalberg Global Development Advisors

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“Climate change is the defining challenge of our time. I also believe it is the most potent game-changer for business over the next century. The Caring for Climate initiative is helping blaze the trail to a greener future. I urge you to further your efforts and widen the circle of corporate involvement. Together, you can lead by example and demonstrate that a sustainable, clean energy economy is the ticket to long-term prosperity for all.”

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

Executive Summary

Three years ago, a broad coalition of companies spanning the global economy united to confront the shared risks presented by climate change. By doing so, they rendered obsolete the old storyline of environmental campaigners battling big business. Today, managers at companies of all sizes know that they must find greener ways of working, both for their immediate profitability and for the long-term sustainability of their operations. Moreover, executives have realized that leading their companies — and even their industries — toward a greener future can address the interests of shareholders and society at large.

The setting for this collaboration is Caring for Climate, an initiative of the United Nations Global Compact. Since July 2007, it has provided a platform for executives from the private sector to exchange ideas and monitor their companies' progress toward better stewardship of the environment. Caring for Climate's strategic focus is three-pronged, with equal emphases on hands-on change at the corporate level, innovation in best practices at the industrial level, and public leadership at the national and global levels.

In just a few years, progress has been remarkable. More than 4 in 5 of the 256 large companies among Caring for Climate's signatories and roughly 1 in 3 of its 113 small and medium-sized enterprises (SMEs) already have easily identifiable and publicly available strategies for managing their impact on the environment. **During the first year of Caring for Climate's existence, the platform's signatories lowered their emissions by a total of 3 percent even as their turnover grew by 14 percent, proving that green growth is possible.** By comparison, emissions in major economies such as the United States and Canada fell by only about 2 percent in that same time period, while national GDP grew less than 1 percent for both countries.¹

Leaders among Caring for Climate's signatories have pursued comprehensive long-term strategies, radically changing their ways of doing business to combat the causes of climate change and deal with its current and potential effects. They have engaged not only their own employees but also supply chain partners, industry peers, regulators, and civil society to find solutions that are in the long-term interests of all their stakeholders and the broader environment in which they operate. Rather than attempting solely to mitigate risks, they have seized the emerging opportunities generated by a global economy eager to go green.

This report provides a summary of progress made by the corporate signatories of Caring for Climate and outlines areas that are ripe for improvement. The early years of an effort like this one bring organizational challenges but also quick wins; ensuring further progress will require innovative thinking and enhanced cooperation. Along the way, Caring for Climate will continue to support the efforts of its signatories as an advocate, advisor, and authority on the climate change agenda.

We hope the findings and framework outlined herein will inspire and equip companies to build on the progress they have already achieved as they contribute to a greener future.

¹ Source: Energy Information Administration; UNFCCC; U.S. Bureau of Economic Analysis



— The State of Play

The Overall Landscape

Caring for Climate’s signatories are spread across a wide variety of industries and locations, with the highest numbers in Europe and Asia.

Since the Caring for Climate platform was launched in July 2007, the signatories have made some remarkable steps toward cleaner – and leaner – ways of doing business. In reviewing their progress, we have developed a framework for action that will help them to move further ahead. We hope that the framework will also aid other companies seeking to develop practical and meaningful strategies for dealing with climate change.

In our initial research, we found that more than 4 in 5 of Caring for Climate’s 256 large companies and roughly 1 in 3 of its 113 small and medium-sized enterprises (SMEs) already have easily identifiable and publicly available strategies for managing their impact on the environment.² Overall, almost two-thirds of

the signatories are actively pursuing these strategies – a strong indication of their commitment to the goals set out by Caring for Climate and the Global Compact.

To find out more, we selected a diverse sample of 65 companies for a more in-depth study. In 2008, these companies produced 1.4 billion metric tons of direct Scope 1³ GHG emissions and 160 million metric tons of indirect Scope 2⁴ GHG emissions, or roughly 5 percent of the global total of greenhouse gases emitted from fossil fuel usage that

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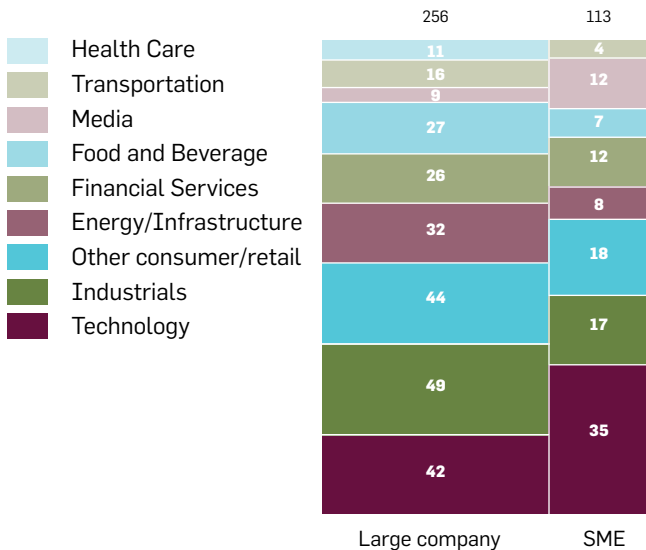
² Since the platform’s inception, 7 corporate signatories and 8 SME signatories have been delisted from this group due to non-participation.

³ Scope 1 emissions are those directly occurring from “sources that are owned or controlled by the institution,” as defined by the Greenhouse Gas Protocol

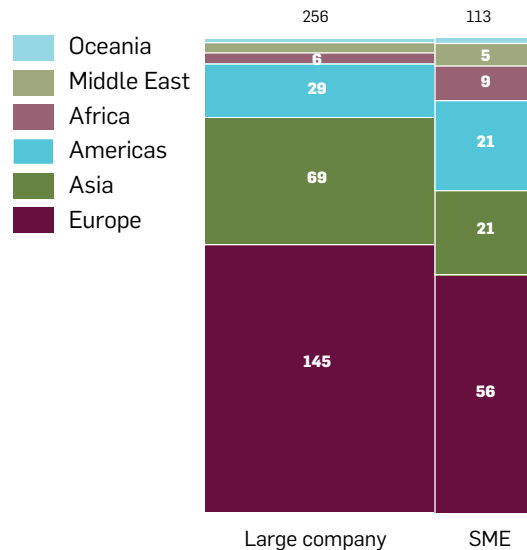
⁴ Scope 2 emissions are those “generated in the production of electricity consumed by the institution,” as defined by the Greenhouse Gas Protocol

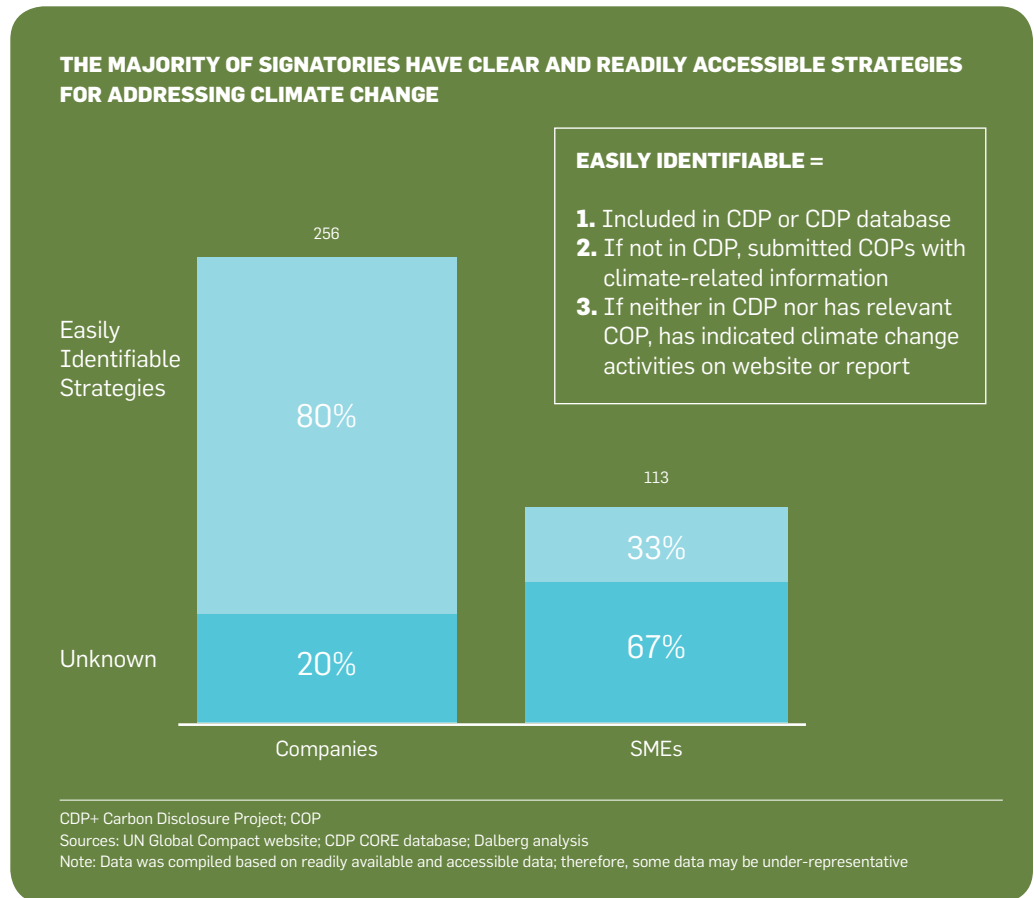
CARING FOR CLIMATE SIGNATORIES ARE A DIVERSE GROUP, COMPRISING 256 LARGE AND 113 SMALL AND MEDIUM SIZED (SME) COMPANIES

NUMBER OF C4C SIGNATORIES BY COMPANY SIZE AND SECTOR



NUMBER OF C4C SIGNATORIES BY COMPANY SIZE AND REGION





year.⁵ They also accounted for 4 percent of global GDP.⁶ The biggest emitters of Scope 1 emissions were energy and infrastructure firms, with 1,332 metric tons of emissions per million dollars of revenue. They were followed by industrials (1,043) and transport companies (590).⁷

In our selection of sample companies, we have made every effort to reflect the overall signatory pool's geographic and industry spread, while optimizing for availability of data through sources such as UN Global Compact Communications of Progress (COPs), the Carbon Disclosure Project (CDP), and annual sustainability reports.

Most of the companies sampled appear in the Carbon Disclosure Project's database, a valuable source of information about their activities. For the purposes of this document, we have primarily used data from 2007 and 2008, as 2009 data has not yet been collected for many of these signatories. While it is difficult to make concrete conclusions based on data from one year (2007 to 2008), we believe the analysis con-

ducted in this report provides a general sense of direction of progress. Additionally, carbon dioxide emissions are only one metric for assessing environmental impact. We, therefore, incorporate other metrics — for example, the number of companies participating in product redesign processes — to proximate the overall progress of companies in climate change activities.

Our sample of 65 companies does not include SMEs as comprehensive data were not available for the majority of them. Understandably, SMEs cannot dedicate the same resources as large companies to developing strategies or reporting their actions. Therefore, although left out of the numerical analysis, SMEs are introduced anecdotally throughout the report to highlight demonstrated examples of success within this unique group of signatories.

⁵ Source: US Environmental Protection Agency

⁶ Source: World Bank

⁷ Scope 3 emissions (all other emissions such as those emitted from employee travel, etc.) were excluded from analysis due to lack of robust data for all signatories; many greenhouse gas protocols consider reporting of Scope 3 emissions optional

A Framework for Moving Forward

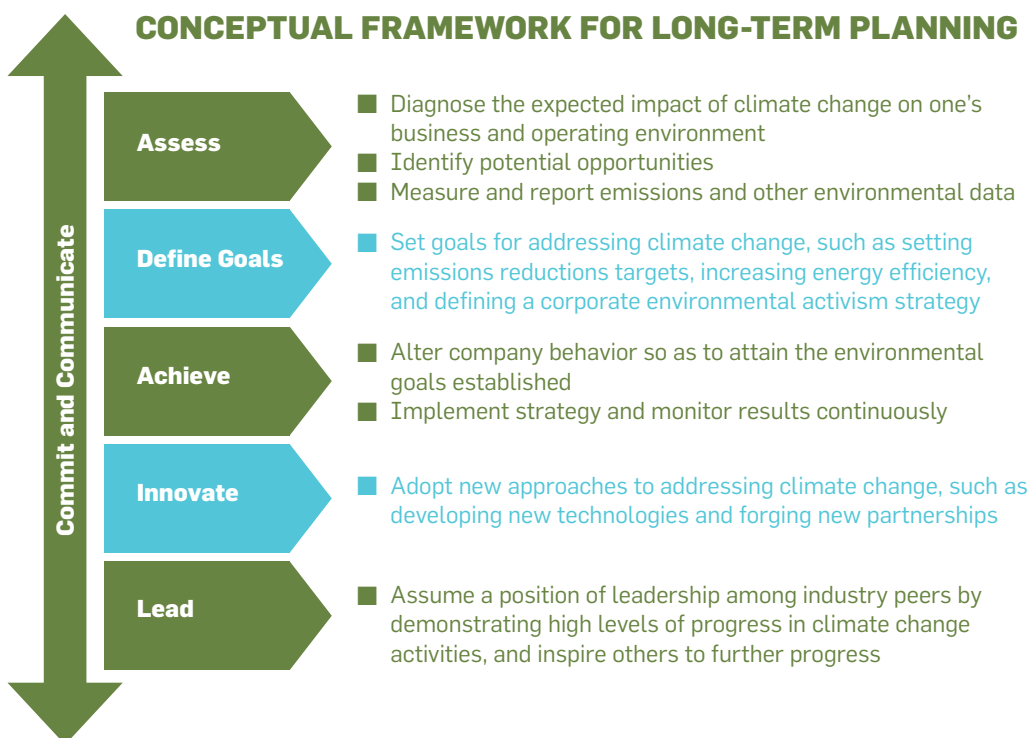
Even before climate change gained currency as a global issue, dialogues about the issue regularly focused on two themes: mitigation and adaptation. Solutions that could be classified as mitigation consisted mainly of incremental changes intended to reduce emissions in existing business processes, such as installing scrubbers on smokestacks or using low-energy fluorescent lighting in facilities. Adaptation solutions, on the other hand, typically sought altogether new ways of doing business - such as an agriculture company developing drought-resistant crops or a vehicle manufacturer redesigning cars to generate less pollution during their manufacture and usage.

Undoubtedly, this was and continues to be a useful dichotomy for analyzing a company's choices to address its environmental footprint. But a forward-looking strategy for dealing with climate change encompasses a lengthy series of choices that cannot be simply understood as either mitigating or adaptive. To create a coherent strategy, it helps to have a conceptual framework that assesses current risks and opportunities, puts in context what has already been achieved, and

then sets long term goals. In other words, an executive needs to know where her company is and where she wants it to be before she can decide how to get there; and a more nuanced framework is helpful in this regard.

Drawing on the results of our research, we have developed a conceptual framework that seeks to incorporate long-term planning. Its guiding principles are designed to mesh well with the decision-making processes that corporate executives already manage every day. The framework begins by encouraging executives to first **assess** the status quo and **define** their **goals** for the future. Then it maps the options for moving from the status quo to the future underpinned by those goals: to **achieve** measurable progress given available tools; to **innovate** and raise the bar for green products and ways of doing business; and to **lead** other public and private companies and constituents as they pursue their own climate change strategies in parallel. The figure below provides an overview of the framework.

During the course of our analysis, a more nuanced framework emerged that reflects a spectrum of corporate climate change activity.



The most successful companies engaged willingly with stakeholders from all sectors of society in an effort to find common ground between the interests of their investors and those of a world facing unprecedented risks.

The most successful companies in our sample — those that demonstrated the most significant progress in combating climate change — engaged in all five of these processes as members of Caring for Climate. They began by assessing the potential impact of climate change on their business and examining how their operations and products contributed to the problem; for example, by using comprehensive and proprietary risk-assessment tools to calculate potential emissions across all their lines of business and across their supply chains. Next, they set targets for themselves by defining specific goals, such as cutting corporate travel by 50 percent over three years. These two steps supplied the start and finish lines for the strategy.

The third step was to take action, implementing company-wide changes in behavior and processes, and monitoring the results to track progress toward their goals. At first glance, taking these steps appeared to be enough for a successful climate change strategy, and indeed noticeable progress could be achieved versus the status quo with just these three. But our research suggested strongly that companies could do even more by going further through innovation and leadership.

The companies that asked, “How can we do more?” found that the answers were myriad and worthwhile. As we will see in greater detail in chapter 5, these companies sought out new technologies and partnerships that could fundamentally alter their ways of doing business without reducing their competitiveness, gaining in profitability and sustainability along the way. They made radical and sometimes extremely

technical changes that required substantial upfront investments, such as replacing traditional energy sources en masse with hydrogen fuel cells. These are courageous moves that will be rewarded with many years of benefits for shareholders and for society as a whole.

The most successful companies did not stop there, however. They also took up the mantle of leadership among their peers, convening forums to share innovative ideas and representing their industries before the authorities that would determine the scope of new regulation. They acted at both the local and global levels, supporting green activities in their own communities as well as international initiatives like the UN Global Compact. They also reached out to their shareholders to gain the trust and support needed to robustly engage in these activities. In short, they engaged willingly with stakeholders from all sectors of society in an effort to find common ground between the interests of their investors and those of a world facing unprecedented risks.

Throughout these processes, the most successful companies ensured open communication with the outside world and within their own management structures. Such efforts were reinforced by strong commitment from each company’s executive leaders; CEOs, chairmen, and board members of these signatories all demonstrated high levels of involvement and dedication to their corporate climate change strategies. In addition, these leaders generated a positive culture in which all employees shared a strong commitment to the firm’s sustainability goals. With this uniform commitment and feedback flowing between all levels of the company, progress was rapid and significant.

It is important to note that these companies did not confine their activities to internal processes. They reached beyond their walls to two other spheres of influence: their industries and the external environment — both regulatory authorities and civil



Note that the internal steps of the framework are in alignment with the UN Global Compact Sustainability Management Model, which will also be launched at the June Summit.

society. As leaders, these companies demonstrated competency to influence outcomes in all three spheres, from their own business processes, to industry norms, to national and international policy-making. The figure below provides examples of activities that can occur within each sphere of influence.

A prime example is Cisco Systems, the American networking and telecommunications firm, which has been a member of the Global Compact since 2001. Cisco has turned the effects of climate change into an opportunity for company-wide innovation, fine-tuning its internal operations and finding new ways to serve clients seeking to make their own businesses greener. The company launched a series of virtual meeting tools to substitute for business travel and targeted

more than \$20 million in investment to improve efficiency and sustainability in its own energy use. These activities were overseen by an executive “EcoBoard” and resulted in \$3 million in annual cost savings for Cisco, and many millions more for its clients. Cisco is now recognized around the world as a leader in the innovation-based agenda for dealing with climate change.

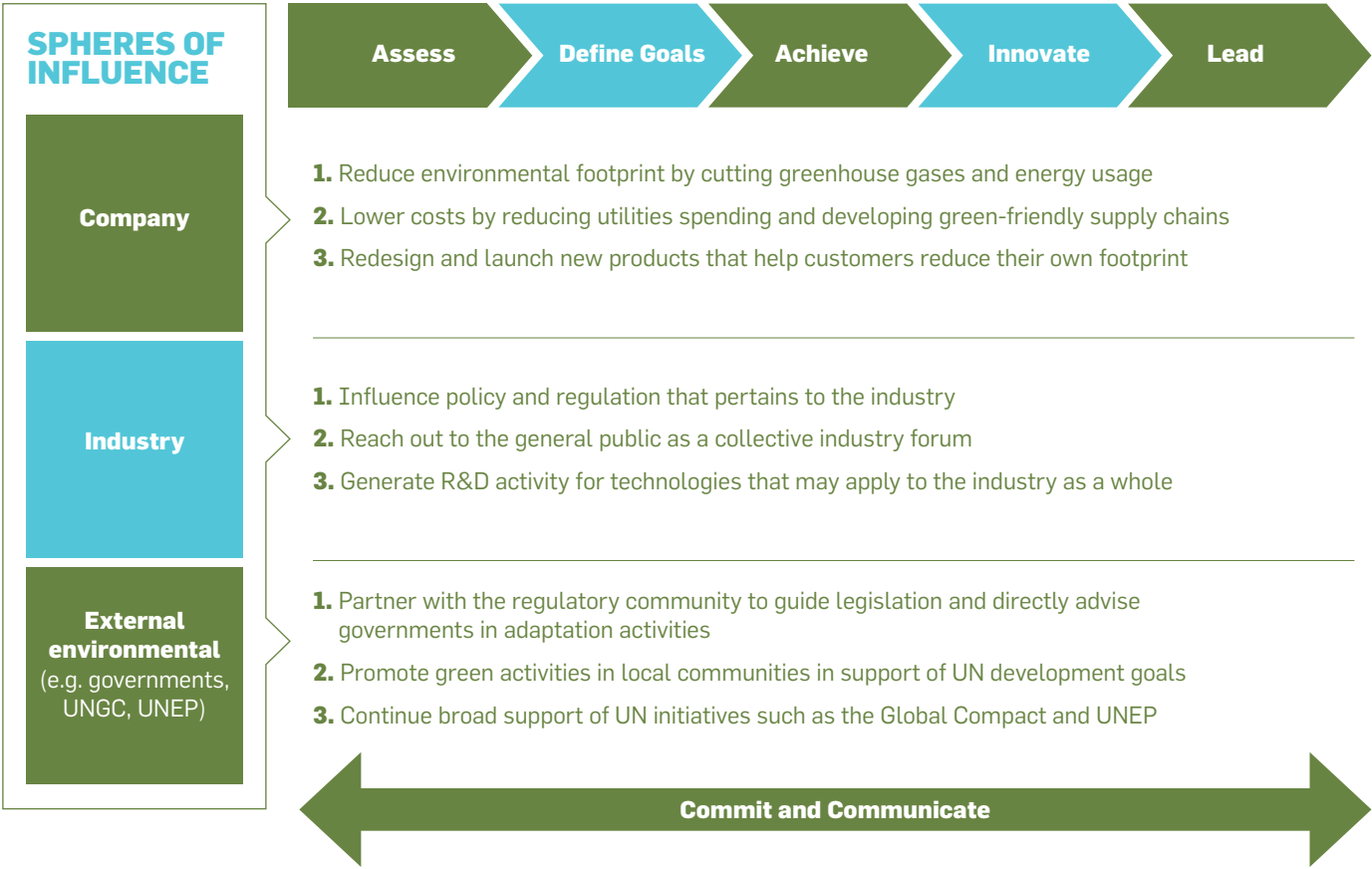
The examples set by Cisco and others send a clear message: caring for the climate is good business. In the following chapters, we will discuss how individual and collective action by the Caring for Climate signatories can make this business even better.

The following three chapters provide further detail on progress made by signatories in each of the steps outlined above.

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LEADING COMPANIES EFFECTIVELY ENGAGE ALL SECTORS OF SOCIETY





➤ Assess the Status Quo and Define Goals

■ Assess

Over 85 percent of the companies in our representative sample consider themselves at risk from the effects of climate change, ranging from the direct physical consequences of a warmer and drier climate to the introduction of new regulations.⁸ This recognition of risk is the first step in assessing the status quo, but it is not the only one. In fact, the onset of climate change also creates significant opportunities for companies in a variety of industries. Some may seize the chance to offer new products, like carbon-capture technologies, for a rapidly changing world. Others, using climate change as an impetus to scrutinize their business processes more closely, may discover ways to save money of which they were previously unaware — for example, using electric vehicles for short trips. All of them will use a combination of tools to make their assessments: measuring their own emissions, enlisting independent auditors, and monitoring compliance with environmental standards, where applicable.

The first companies to conduct these assessments in a given industry will have a strong advantage going forward, not just because of their immediate ability to cut costs or raise revenue, but also because of their ability to plan for a sustainable long-term future. The most advanced of the Caring for Climate signatories have implemented diagnostic tools to identify risks and opportunities on a company-wide basis. These include ISO 14001 management systems, membership in data-sharing organizations such as the Chicago Climate Exchange, and participation in intergovernmental programs such as the climate-related activities of the United Nations Environment Program's Finance Initiative. One of the most notable ways companies assessed their environmental footprint was by measuring their energy efficiency, which is a key enabler in reducing overall carbon dioxide emissions.

As a collective body, however, Caring for Climate still lacks uniform metrics for assessing progress across its entire membership. This is an area for improvement; once Caring for Climate can make news by reporting its results as a group, more companies will have an incentive to emulate its example and take action.

■ Define Goals

Virtually all the signatories that have assessed the risks and opportunities generated by climate change have gone on to define goals for the future, often in the form of specific targets for emissions reductions, use of green suppliers, investments in clean-energy technology, or profits from new climate-related lines of business. **In 2008, over 90 percent of the sampled signatories had, in fact, set an emissions reductions target or plan.**⁹

Because of the differences among companies and industries, the specific goals set by the signatories have varied widely in their content and timeframes. Some signatories have opted to target outputs like emissions directly, whereas others have aimed at inputs like electricity and fossil fuels. For example, Novartis, a Swiss pharmaceutical maker, decided to cut company-wide Scope 1 emissions by 5 percent by 2010 as its initial goal. Sasol, an energy and chemical company based in South Africa, opted to seek a 10 percent cut in the emissions generated in each of its manufacturing processes by 2015. And PepsiCo, the American food and beverage company, chose to target a 20 percent cut in electricity usage and a 25 percent overall decrease in its use of fossil fuels by 2015. Other signatories have implemented different initiatives, targeting cost-savings, changes in employee behavior, and increases in energy efficiency. The list of possible goals could certainly expand as signatories innovate in their planning as well as in their actions. Ultimately, companies should develop these targets based on what is appropriate for their operations at any given moment in time. A company that has more experience with green activities may set more aggressive, long-term targets, whereas a company that is only beginning to address climate change may consider shorter-term targets measuring simple emissions reductions.

Regardless of a company's specific aims, the most effective goal-setting generally involves a long-term strategy with challenging but achievable early milestones that later lead to more ambitious overall targets. The early milestones serve to ingrain a culture of adaptation and also build confidence on the way to greater achievements. Despite the difficult business environment of the past few years, several of the Caring for Climate signatories are well on their way to achieving some very impressive goals, as the next chapter details.

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OTHER EXAMPLES OF TARGET-SETTING INCLUDE THE FOLLOWING:

- **L'Oreal** (Year-by-year emissions target): 2 percent reduction in Scope 1 and Scope 2 emissions from 2007 to 2008
- **WestPac** (Short-term and long-term targets): 5 percent reduction in overall emissions by Year 1 of climate change strategy and 30 percent reduction by Year 5
- **Deutsche Telekom** (Flexible target): 20 percent reduction in overall emissions up to but before 2020
- **Repsol** (Absolute target): 2.5 million tonnes reduced between 2005 and 2013

^{8,9}Source: Carbon Disclosure Project; company sustainability reports and CDPs



➤ Achieve Meaningful Progress and Innovate To Go Further

■ Achieve

In dealing with climate change as with most other challenges, the best strategic planning and target-setting mean little in the absence of concrete action. In a short period of time, the companies in our sample have managed reductions in emissions, as well as other major improvements in the environmental friendliness of their operations.

Our representative sample of 65 companies saw its collective total revenue rise by about \$320 billion, or 14 percent, between 2007 and 2008. Over the same period, total emissions fell by 3 percent, proving that green growth is possible. These aggregate figures mask a fair amount of heterogeneity within the sample, but it goes without saying that many companies are themselves heterogeneous, with their various divisions involved in very different lines of business. It is also worth noting that exogenous factors can make an enormous difference to emissions, especially during short time periods; mergers and acquisitions, plant closings, outsourcing, and other changes to physical

operations can show up as dramatic changes in emissions, though gauging emissions in terms of revenue can clarify some of these situations. Nonetheless, the data indicate a favorable trend towards an overall reduction in greenhouse gas emissions concurrent with overall business growth.

As with the goals that the signatories defined for themselves, their actions to deal with the challenge of climate change have displayed a great degree of variety. In the transportation sector, for example, companies have retrofitted lighting in their facilities and their frontline equipment to reduce energy consumption. Technology companies have switched their factories from direct power generation using fossil fuels to renewable energy sources; they have also installed energy-efficient fans to cool their manufacturing centers. Among large companies, these two sectors have led the way. Anecdotal evidence from SMEs outside our sample also confirms some clear successes. For example, Avon Metals, a 60-person company in the United Kingdom, reduced energy usage by 5 percent and

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ESTIMATED SCOPE 1 AND SCOPE 2 GHG EMISSIONS FROM 2007 TO 2008

(MILLIONS OF METRIC TONS)

	2007	2008	% change
Total	1627	1584	-3%
Energy and Infrastructure	824	807	-2%
Industrials	703	683	-3%
Transportation	63	57	-9%
Food & Beverage	14.2	13.9	-2%
Technology	13.4	12.9	-4%
Health Care	7.3	8.4	15%*
Financial Services	1.7	1.7	-4%
Consumer / Retail	0.3	0.3	-1%

Notes on methodology:

- For signatories in CDP database, used 2008 data as baseline and calculated back into 2007 based on signatory's indication of percentage change (increase or decrease) in emissions
- For non-CDP signatories, used data from sustainability reports and COPs
- 4 companies excluded from analysis due to lack of robust emissions data
- May include some Scope 3 emissions data due to lack of segmentation

*Driven by one company's annual increase. Sources: UN Global Compact website; CDP CORE database; Dalberg analysis.

Meeting early milestones creates a different kind of room to maneuver: the breathing room needed to think more broadly about the problem and come up with innovative new ways to tackle the climate-change question.

its total emissions of greenhouse gases by a stunning 93 percent between 2006 and 2008.

Not every company can achieve such dramatic results within so short a time period. But all companies can and should accompany their internal changes with activities in other spheres of influence, by participating in industry-wide forums to share knowledge and by engaging with regulators and legislators as they consider new climate-related policies. The exchange of information is particularly important in the external setting; the drafting of policies that reward positive steps to protect the environment can only happen if the drafters understand the opportunities and constraints facing the companies in a given sector.

Achieving initial targets for reducing environmental impact, changing behavior, and finding new sources of profit engenders confidence and builds momentum not just within companies but also in the external setting. Politicians and stakeholders in civil society are more willing to work with leaders of companies who can already cite a strong record of achievement and commitment. Meeting early milestones also creates a different kind of room to maneuver: the breathing room needed to think more broadly about the problem and come up with innovative new ways to tackle the climate-change question. From a financial perspective, the potential cost savings associated with energy efficiency and a lower carbon footprint can enable additional investments in processes and technologies that further improve a company's environmental configuration. In sum, green strategies should not be seen as an investment-heavy commitment but rather an operational approach with significant upside, both financially and reputationally.

■ Innovate

Innovation is not a luxury in pushing forward the Caring for Climate agenda; it is a necessity. Companies can often achieve their early milestones by picking the low-hanging fruit, like low-priced investments in energy efficiency technologies, boilerplate products that are greener versions of existing designs, and small behavioral changes among employees that, when aggregated across the company, can generate big cost savings. Once these fruit have been picked, the task of greening a company becomes more difficult; the company has to innovate, contemplating bigger changes that may amount to reconceptualizing its entire business.

Some Caring for Climate signatories are already taking this fourth step in our five-step framework. They are seeking out materials for manufactured products that would never have been considered just a few years ago, like RICOH's new printer components; the Japanese electronics maker found a substitute for plastic that is 70 percent biomass. They are completely restructuring their energy supplies like Deutsche Post, which now receives two-thirds of the electricity in its German facilities from renewable sources. And they are finding profitable opportunities in new areas like carbon capture, a line of business that would have seemed anathema to a mining company like Rio Tinto — their job was extracting fuel, not burying emissions — not long ago.

Our analysis assessed three example approaches to innovation: 1) redesigning products to "go green" (i.e. use a low-carbon manufacturing process or enable users to reduce their own carbon footprint); 2) investing in renewable energy sources; and 3) investing in carbon capture and storage or sequestration technologies. While there is room for improvement, many of the sampled signatories are applying these innovative schemes to their businesses.

These companies have benefited from decisive leadership at the top and high levels of commitment all the way down through the ranks of their employees. Such leadership, while important across the entire framework of signatory activity, is an important enabler in innovation. These executives are devoted to fostering research and development, and they are also forward-looking; at each stage of their climate-related activities, their focus is on finding new sources of revenue as much as cost reduction and security guarantees.

As in the earlier stages of achievement, innovation can occur in the spheres of influence outside the company as well. Nokia, the Finnish mobile phone manufacturer, has published a white paper that outlines ways for companies across the information industries to reduce the size of their carbon footprints. Veolia Environnement, a French waste management firm, conducted carbon assessments for the entire city of Poznan, Poland through a unique partnership with the local government and civil society. And Saint-Gobain, a French construction company whose origins date to the reign of Louis XIV, helped to create regulatory regimes in France and Germany

for energy-efficient buildings by introducing a new diagnostic system capable of measuring their performance.

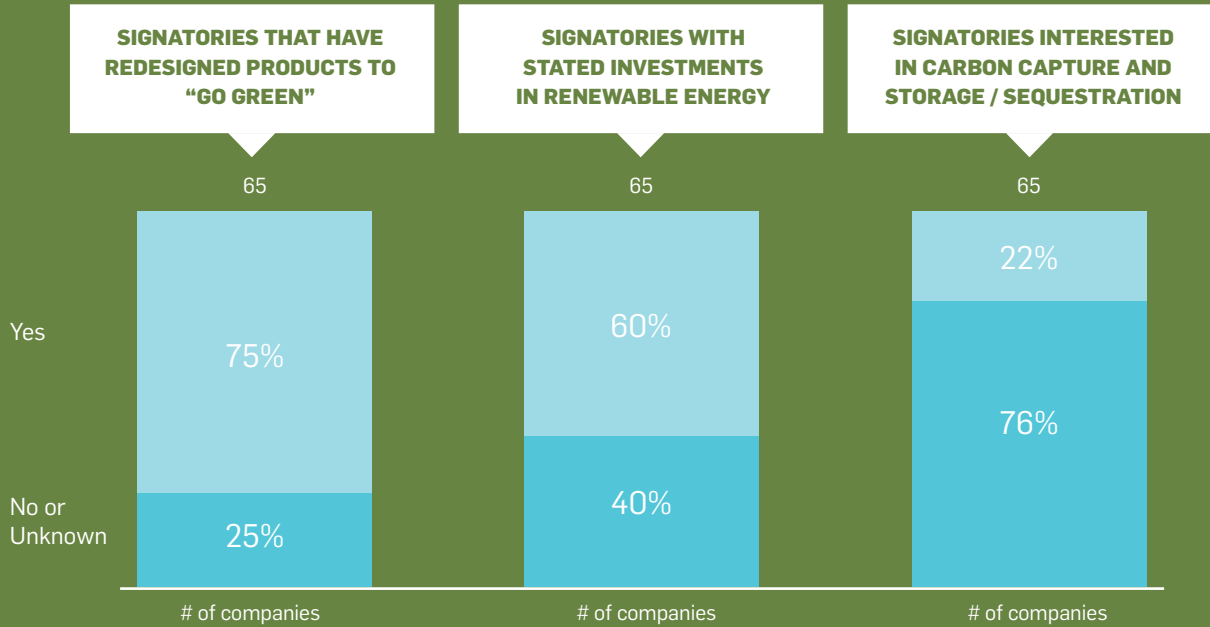
All of these examples of innovation reaching outside the corporate sphere are win-win. By publicly helping its peers and other companies in related industries, Nokia consolidated its position in the vanguard of green thinking. Veolia helped Poznan to gain valuable knowledge about its own environmental impact by launching an unprecedented public-private venture. In the case of Saint-Gobain, the invention of a new product led to profits for shareholders and promised a better

quality of life for more than 140 million citizens in the heart of Europe. Innovation may be more difficult than picking low-hanging fruit, but the payoffs can be tremendous.

The signatories sampled above have demonstrated innovation across the range of their company operations, their respective industries, and their external environment. Having assessed and reported their environmental footprint, defined goals to approach the climate change issue, achieved these targets, and begun innovation, they have worked across the spectrum of activity to prepare for their roles as true leaders in the climate effort.

Leading companies have benefited from decisive leadership at the top and high levels of commitment all the way down through the ranks of their employees.

APPROACHES TO INNOVATION



COMPANIES THAT HAVE INNOVATED ALONG THESE SAME DIMENSIONS INCLUDE:

Products going green:
Kikkoman "Eco-Cap" can be easily removed when recycling bottles
AVIVA Special "green" insurance package for drivers who ride their bicycles to work

Renewable energy investments:
Diageo Bioenergy plant that diverts wastewater to make site self-sufficient
Dow Chemical Methane gas used in manufacturing plants

Carbon capture and storage/sequestration:
ENI partnering with Italian Minister of Environment on GHG sequestration project
ESKOM Developing national carbon storage atlas for South Africa

Sources: UN Global Compact website; CDP CORE database; Dalberg analysis
 Note: Data was compiled based on readily available and accessible data; therefore, some data may underestimate true company count



Lead in All Three Spheres of Influence

It is no small feat to take all five steps in the framework for climate change strategy and, moreover, to make progress in those efforts in the corporate, industrial, and external spheres. Yet several of Caring for Climate’s signatories have already established themselves as unquestioned leaders in the climate change agenda, demonstrating their competence in all aspects of their business. Their top-level executives have shown a lasting commitment to the agenda and have adopted a pro-active, positive mindset oriented toward opportunities rather than risks. They have also taken a holistic approach to their operations, considering every part of the lifecycle of their products as they seek ways to moderate their environmental impact: the sourcing of raw materials, the production process, marketing, distribution, consumption, and disposal.

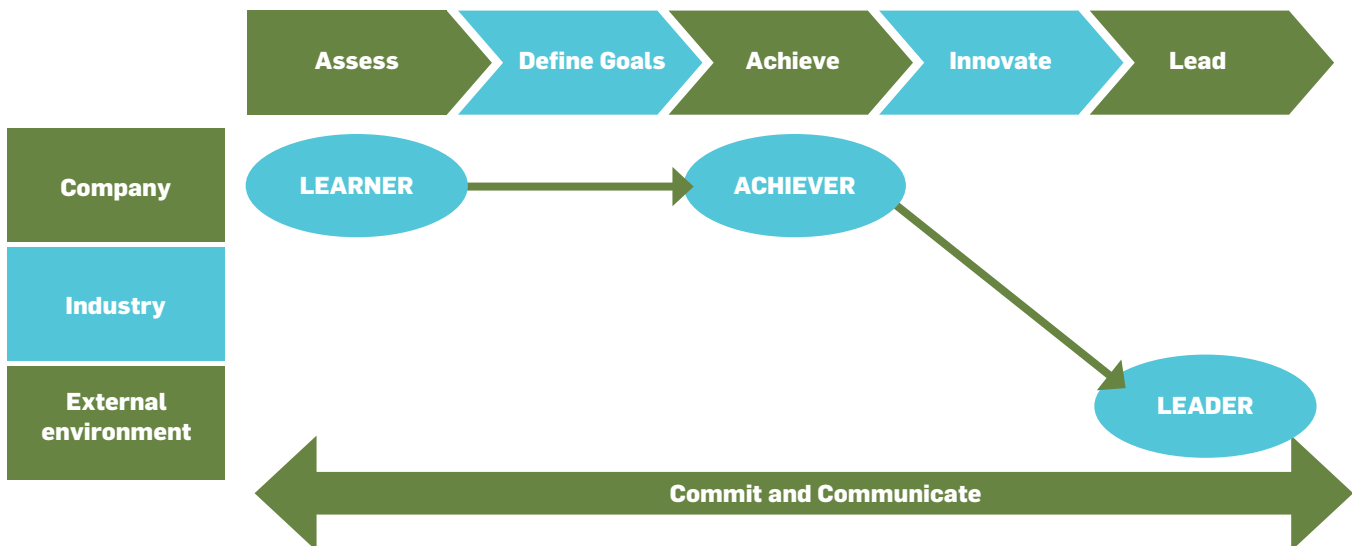
The leaders include large companies and SMEs from a host of different sectors, but they all have one thing in common: their leadership is evident in all three spheres – company, industry, and external setting. Earlier in this report, we identified Cisco Systems as one of them. To give credit where

credit is due and to inspire other companies to follow their examples, we profile seven more outstanding leaders here.

A.P. Møller-Mærsk IMPROVING THE EFFICIENCY OF SEA TRANSPORT AND DESIGNING THE NEXT GENERATION OF SHIPS

As one of the world’s biggest shipping companies, A.P. Møller-Mærsk is a major user of fossil fuels and a major emitter of greenhouse gases. Thousands of companies around the world rely on its services; its subsequent scale and size can lead to significant greenhouse emissions if left unabated. Thus, it is committed to reducing its carbon footprint as much as possible. So far, it has engineered a waste heat recovery system that can reduce fuel consumption by as much as 10 percent; it has created a “slow steaming” protocol that enacts small reductions in its ships’ average speed in order to reduce overall emissions from these vehicles; and it is working with the Danish Technical University and the IT University of Copenhagen to develop new algorithms for fuel usage to reduce energy consumption and emissions across the shipping industry.

LEADERSHIP MEANS BOTH SUCCESSFULLY WORKING ACROSS THE FRAMEWORK OF ACTIVITY AND OPERATING IN ALL THREE SPHERES OF INFLUENCE.



Together, these efforts helped A.P. Møller-Mærsk to reduce its emissions of carbon dioxide per dollar of turnover by 20 percent between 2007 and 2008. But the company is also thinking much further into the future. It is part of a multi-industry partnership with the Danish government that is working to design new cargo ships that will reduce the emissions of greenhouse gases by as much as 90 percent compared to current models.

ASN Bank MAKING GREEN INVESTING AVAILABLE TO CONSUMERS AND ITS OWN OPERATIONS CARBON-NEUTRAL

ASN Bank has a decades-long history of investing in socially responsible projects, and its approach to climate change fits neatly into that heritage. Even as a Dutch SME with just 60 employees, it gained international recognition in 2007 by becoming **the first bank to publish the carbon dioxide emissions of the companies in its investment funds.** It also offered the world's first green pensions fund, which invests retirement funds only in companies that contribute to environmental sustainability.

In its own operations, ASN Bank has striven to reduce its carbon footprint by using wind turbines and hydroelectric power, adopting strict environmental guidelines for company cars, and offsetting its emissions of carbon dioxide through activities like planting trees. Its investing and lending are heavily focused on climate considerations, and it has backed innovative ventures ranging from a wind farm at an industrial park to the construction of a commercial building from renewable materials.

Broad Air Conditioning OFFERING ENERGY-EFFICIENT ALTERNATIVES TO PRODUCTS WITH TRADITIONALLY LARGE CARBON FOOTPRINTS

Broad is an innovator and a leader by its very nature. **The Chinese company originated, and now mass-produces, non-electric air conditioners that use half the energy of conventional air conditioners and generate a quarter of their emissions.** It continues to innovate in this market and has extended its technology to other products, such as air purifiers and vacuum boilers.

In 2008, Broad became one of the first Chinese companies to join The Climate Group, a non-profit organization devoted to finding new solutions to the problems of climate change through research and policy. This year, it is the exclusive supplier of air conditioning, ventilation, and air purification products for the World Expo in Shanghai, where it is the only private Chinese company among its global partners.

Cemex CREATING A FLAGSHIP LOW-EMISSIONS PRODUCT AND RETOOLING AN ENERGY-INTENSIVE PRODUCTION PROCESS TO USE RENEWABLE ENERGY AND BIOMASS

Can a company affect its customers' carbon footprint simply by reformulating one of its most popular products? Cemex, the Mexican cement maker, decided that the answer should be yes. **Its Rizal Green masonry cement accelerates and simplifies the construction process so that work is finished more quickly, machines run for fewer hours, and emissions of greenhouse gases are reduced.**

BLUEPRINT FOR CORPORATE SUSTAINABILITY LEADERSHIP IN THE 21ST CENTURY

Overall, these leaders also embody the characteristics of the "Blueprint for Corporate Sustainability Leadership in the 21st Century" as outlined by the UN Global Compact. The UN Global Compact defines corporate sustainability leaders as companies exhibiting three key attributes:

First, they successfully implement the UN Global Compact principles across all aspects of the company, from comprehensive reporting to partnership development to

diffusion of these principles across their business model. Second, they actively engage with the UN Global Compact itself through local networks, issue working groups, Communications of Progress, and branded initiatives such as Caring for Climate.

Finally, they express an overall commitment to the UN's global sustainability priorities, such as Peace & Security, Human Rights, Poverty, Climate Change, Food & Water, and Education.

Cemex has paid attention to its own carbon footprint, too, in what is a very energy-intensive industry. In its manufacturing facilities around the world, the company has begun to replace traditional sources of energy with biomass and renewables, sometimes going so far as to construct the power generation sites itself. Its Eurus wind farm in Oaxaca generates as much power as a good-sized hydroelectric dam and could supply 25 percent of the electricity needed by its Mexican plants.

↪ **Infosys** ADOPTING OVERSEAS RULES FOR EMISSIONS WHILE ITS OWN COUNTRY CATCHES UP WITH GLOBAL NORMS

Although India has no explicit regulatory limits on emissions, Infosys has taken the initiative to distinguish itself as a leader of the climate change agenda and a leading supplier of planet-friendly technology services. **The company's climate change strategy is managed by a Sustainability Executive Council, which oversees audits of environmental impact at existing operating sites and the construction of energy-efficient new sites.**

As a technology company, Infosys has leveraged its in-house brainpower and computing power to devise optimal power management systems for its many terminals and servers. Infosys also trains employees to reduce their own energy usage by following company-wide protocols for business travel and commuting. Between the 2007-08 and 2008-09 periods, the company's emissions of greenhouse gases fell 13 percent.

↪ **L'Oréal** SHIFTING ITS ENERGY SUPPLY AND RAW MATERIALS TO RENEWABLE ALTERNATIVES WHILE PROMOTING A GREEN CORPORATE CULTURE

The French beauty products firm launched one of the most comprehensive climate change strategies in the personal care sector. **Through its Green Chemistry development program, it undertook the complex task of reformulating existing products in order to substitute petroleum-based inputs with raw materials from renewable sources.** At the same time, it redesigned production processes to minimize energy usage and the generation of waste effluents.

Of the remaining waste from L'Oréal's manufacturing, 95 percent is recycled, re-used, or converted to fuel to energy generation. Branded bags containing its products are now biodegradable, and all communications materi-

als distributed to sales outlets, the press, and the public are printed on recycled paper. L'Oréal has also launched an annual program of Safety, Health and Environment awards to encourage employees to find other green ways of doing business that save the company money. The company has also been a leader in civic society outreach, leveraging the strength of its brand to launch public awareness campaigns for "green" consumer activity and participating in consumer-related eco-organizations.

↪ **Unilever** PIONEERING LIFECYCLE ASSESSMENTS OF GREENHOUSE GAS EMISSIONS ASSOCIATED WITH ITS PRODUCTS AND REVOLUTIONIZING PRODUCT DELIVERY

A British-Dutch company with products ranging from hand soap to ice cream, Unilever has shaped its decisions based on intense examination of its own operations; the company studied all its product lines to find out which ones generated the most emissions during their manufacture and which ones had the biggest carbon footprint over their entire useful lives. Using the data generated by these efforts, Unilever identified the areas where the biggest reductions in its environmental impact could be achieved. Among these achievements has been the replacement of 430,000 cold cabinets used for the retail sale of ice cream with energy-efficient alternatives. As an innovator, Unilever has also developed concentrated detergents whose production emits fewer greenhouse gases and saves millions of liters of water, and whose packaging saves thousands of tons of plastic.

As an industry leader, Unilever has been at the forefront of "green partnerships". **It has collaborated with its supply chain partners to standardize carbon emissions reporting; it has commissioned research on consumer behavior and how consumer goods companies can influence behavioral changes; and it has participated in the creation of industry-wide eco-efficiency standards and benchmarks methodologies.**

➤ The Way Forward

Recommendations for Signatories

In just three years, the signatories of Caring for Climate have made the kind of progress in their climate change strategies that might have seemed impossible a decade ago. Most have recognized and assessed the risks and opportunities associated with climate change. Over 90 percent of sampled signatories have set emissions targets or reductions plans. These representative signatories have achieved 3 percent net reduction in greenhouse gas emissions; many companies are entering the innovation playing field; and several corporations are emerging as leaders setting examples for others to follow.

That a number of companies of different sizes and sectors have achieved double-digit percentage reductions in their emissions and energy usage in such a short time is simply remarkable, given that national strategies aim for similar reductions only over the course of decades. The ability to innovate and lead does not appear to depend on the size or type of business, either; companies in sectors ranging from transport, with its self-evident pollution problems, to banking, where the opportunities to go green are less obvious, have made significant strides.

Still, there is much room for improvement. The majority of SMEs do not yet have a comprehensive climate change strategy. Many large companies have not moved from the achievement of basic goals to the pursuit of innovation and leadership. Costly upfront investments in adaptive technologies that could reap substantial benefits over the long term are still a difficult sell for executives — as a point of reference, investments in sustainable energy by members of the Carbon Disclosure Project are still less than 1 percent of total assets under management by these companies. And the Caring for Climate signatories still represent only a small, if non-negligible, fraction of global emissions and economic output.

In these circumstances, global emissions may still increase in the years to come, and the full, long-term impact of climate change remains unknown. We hope that the proposed framework for conceiving a climate change strategy will help companies do more. For those not yet involved, an important first step is to join a global initiative such as

Caring for Climate, which provides access to a comprehensive platform for companies to learn from and share innovative approaches to addressing their environmental footprint or the climate change issue as a whole.

We outline below a series of recommendations for signatories that emerged from our analysis, organized by the various steps in the framework:

■ Assess

Signatories should set up consistent and standardized ways of collecting and reporting data. Often, companies do this through annual sustainability or climate-related reports. These should become regular publications and should ideally utilize accepted reporting frameworks such as the Sustainability Reporting Guidelines by the Global Reporting Initiative or the Carbon Disclosure Project; they should also strive to report their environmental activity consistently through their UN Global Compact Communications of Progress. Additionally, **companies should strive to gain a deeper understanding of the potential impact of climate change on their operations.** They can do this through increased R&D efforts or by establishing a specific strategy & response unit devoted to the climate issue.

■ Define Goals

In setting climate change targets, **signatories should aim to define expected reductions for their industry by benchmarking against corporate peers** and understanding how to maximize energy efficiency across the entire lifecycle of the company's products.

■ Achieve

The first step to improving the achievements made by signatories is to define achievement beyond simple emissions reductions. A paradigm shift that frames the climate change battle across a broader landscape of efforts will encourage signatories to aim for more aggressive and game-changing approaches. Examples of this shift include industry-wide efforts such as R&D initiatives funded by multiple peers in the same sector or active civil engagements such as public awareness and consumer behavior campaigns.

“QUICK-WIN” ACTIONS AND LONG-TERM STRATEGIES



Examples of “quick-wins”

- Create a consistent template for publishing emissions data
- Commission study to explore and benchmark expected emissions ratios
- Set-up investment group to evaluate green technology investments
- Retrofit buildings with solar energy and consider LEED certification
- Encourage peers to join Caring for Climate

Examples of “long-term goals”

- Establish diagnostic tool and share with industry peers to standardize data capture
- Create unit to assess legislation changes and mobilize company response
- Establish green task force to implement and monitor climate change strategy
- Establish R&D unit to redesign products as “green”
- Become “green champions” in communities
■ Launch action campaigns to promote green living

■ Innovate

The key to unlocking progress in innovation is to shift one’s thinking from downside risk management to upside benefit maximization. Once signatories recognize that green efforts are not only risk mitigating but also good for business, there will be increased motivation to innovate and develop solutions to take advantage of this newfound green market.

■ Lead

Current leaders should continue to set the tone for progress by inspiring others to action. Aspiring leaders can continue to evolve their position of leadership by continuing down the spectrum of activity and extending into spheres of influence beyond their

own company operations. One specific area that signatories can demonstrate enhanced leadership is the area of intellectual leadership – that is, devoting R&D resources to better understanding the science behind climate change and how such knowledge can help companies better combat the effects of this phenomenon. Another area of improvement is gaining full C-suite engagement and board adoption of climate change strategies; in other words, encouraging visionary leadership and communication from the top-down to best enable progress in green activities.

These recommendations should not be undertaken in a vacuum but defined using concrete goals. Below we have drafted some examples of specific ways signatories can continue progressing in this effort.



Recommendations for Caring for Climate

Caring for Climate will support these efforts by taking on three important roles. First, it will be an **advocate** for its signatories, offering a formal liaison to the global climate policy agenda and a nexus for outreach to civil society. It will also serve as an **advisor** to the signatories, helping them to share climate change strategies among themselves and pick the best options for duplicating the leaders' progress. Finally, as an **authority** on the climate change agenda, it will ensure transparency among its signatories, recognizing their achievements when appropriate, and provide a context for the disclosure of data on emissions and energy usage.

During an initial presentation of these findings at the Second Meeting of Caring for Climate Signatories on April 7-8, 2010, in Geneva Switzerland, meeting participants provided their perspective on ways Caring for Climate can appropriately engage across these three dimensions. The following recommendations were brought forward.

■ Advocacy

The Caring for Climate platform should proactively demonstrate that the private sector can be an instrumental part of the climate change solution; it can do this through global advocacy campaigns. Caring for Climate should also play an educational function by developing high quality white papers on climate change for input into regulatory and policy processes, and developing studies that quantify the benefits associated with climate change actions. It should actively seek representation from emerging markets such as Africa, South America, and the Middle East, where climate change efforts are still in their infant stage. Finally, as part of a multilateral institution, the Caring for Climate platform should organize collective action forums to facilitate innovative solutions and collaborate with investors to accelerate adoption of clean technologies.

■ Advisory

As an advisor to corporate signatories, Caring for Climate is uniquely positioned to conduct the following activities. First, it can develop a holistic, integrated approach to climate change efforts (e.g., facilitating inter-sectoral collaboration, linking Caring for Climate with other environmentally-related initiatives such as the CEO Water Mandate, and organizing

cross-country cooperative research). Second, it can develop tools and intellectual property for its signatories: setting global best practices and providing benchmarks around value chain management and low-carbon technologies; showcasing notable "green" supply chains; and providing members with tools for lifecycle analyses. Third, it can reinforce country-level activities, providing input to local UN Global Compact networks. Fourth, in the area of SMEs, it can showcase progress made by these smaller entities, for whom transaction costs are often higher and who require additional support to facilitate climate change efforts. Fifth, it can convene members to action by facilitating interactions among low-carbon service providers, creating issue working groups; developing industry-specific initiatives; and facilitating industry-wide discussion and advisory forums. Finally, as an advisor to governments, it can provide recommendations to regulatory bodies on sound policies that would set the right incentives for businesses to accelerate the movement to a low-carbon economy.

■ Authority

As a part of the United Nations Global Compact, Caring for Climate has the opportunity to solidify its authoritative capacity through the following efforts. First, it can rank companies based on outstanding contributions to the climate change effort, then develop a peer ranking tool to chart progress across industries; as a follow-up to these efforts, it can actively assist companies in meeting their disclosure requirements and setting robust climate change strategies. Second, the platform can standardize reporting requirements across its signatories, creating a consistent database that can be used to track emissions and other pertinent data. It can integrate its data pool with that of the Global Reporting Initiative and the Carbon Disclosure Project, and in turn facilitate the building of a low-carbon best practice information repository. It can also strengthen its own platform by engaging in public communication campaigns, organizing national and regional workshops to foster partnerships, and facilitating collaboration amongst companies, governments, and civil society to encourage corporate climate change disclosure and action.

Moving forward, the Caring for Climate platform expects to offer additional opportunities for signatory engagement. For example, in a recent meeting in South Korea in April 2010, the Caring for Climate team launched the Low-Carbon Leaders Project, an initiative to develop 20 in-depth case stories of companies that have developed transformative solutions for climate change. Caring for Climate plans to actively measure gains in emissions reductions, energy efficiency, and other social returns on investment, and hopes to use initiatives such as this to pave the way to key climate-related forums in 2012.

Caring for Climate is committed to responding to the needs of its signatories and assisting them in a coordinated fashion in the effort against climate change. It hopes to see full institutional engagement with the climate change mandate and will continue to establish itself as a leading authority on the green effort. Assessing the needs of its constituents through active surveys and interviews, as it has done, is the first step. As the framework of activity set up for signatories suggests, Caring for Climate itself will establish a long-term plan that best shapes its strategy to meet signatory needs moving forward. The next step will be to select, out of the proposed recommendations, which actions to take first, creating a sequenced timeline of priorities and key milestones, while constantly monitoring and evaluating the platform's progress as we have done in this report.

We look forward to seeing how the signatories build on the progress they have already achieved as they contribute to a greener future. **The leaders among these signatories have shown what is possible. For the rest, now is the time for action.**



List of Caring for Climate Signatories (June 2010):

Caring for Climate has the support of over 360 companies in 65 countries. Signatories are spread across a wide variety of sectors and regions — with strong support in developing and emerging markets.

Large Companies

- A.P. Moller - Maersk
- AarhusKarlshamn AB
- AB Electrolux
- ABB Ltd.
- Abengoa
- ABN AMRO Holding N.V.
- AG2R LA MONDIALE
- Agbar - Sociedad General de Aguas de Barcelona, S.A.
- AIRBUS SAS
- Aitken Spence & Company Ltd
- Aksa Akriklik Kimya Sanayi A.S.
- Aktiebolaget SKF
- Akzo Nobel nv
- Alcatel-Lucent
- Allergan
- Allianz SE
- Aluminum Corporation of China
- Anglo American plc
- ARAMEX PJSC
- ArcelorMittal
- Areva
- Arla Foods amba
- Asia Pacific Resources International Limited
- Attock Refinery Limited
- Auchan France
- Autostrade per Italia S.p.A.
- AVIVA plc
- AvivaSA Emeklilik ve Hayat AS
- AXA
- Bancaja
- Banco Do Brasil
- Baosteel Group
- Banyan Tree Hotels & Resorts Pte Ltd
- Bayer AG
- BBVA, S.A.
- Bring Citymail Sweden AB
- Broad Air Conditioning
- Broedrene Hartmann A/S
- BT Group plc
- Cable & Wireless Panama S.A.
- Cadbury
- Caja de Ahorros y Pensiones de Barcelona (La Caixa)
- Capgemini
- Carlsberg Group
- CEMEX
- Central Warehousing Corporation
- Centrica plc
- China International Marine Containers Ltd
- China Minmetals Corporation
- China Mobile Communications Corporation
- China National Offshore Oil Corp. (CNOOC)
- China Ocean Shipping Group - COSCO
- Cisco Systems
- City Developments Limited
- Coca-Cola Hellenic
- Coloplast
- Congrex Group
- Consort NT
- Coop
- COWI A/S
- CPFL Energia SA
- Daegu Bank
- Danfoss Group
- Danisco
- Deloitte South Africa
- Det Norske Veritas
- Deutsche Post DHL
- Deutsche Telekom AG
- Development Bank of the Philippines
- Diageo Plc
- DiGi Telecommunications Sdn Bhd
- DONG Energy A/S
- Dudalina SA
- DuPont
- E.ON AG
- EADS France
- EADS NV
- Ebro Puleva, S.A.
- EDF
- Edita Sverige AB
- El Corte Inglés, S.A.
- Empresa Nacional del Petróleo
- Empresas Bern S.A.
- Endesa, S.A.
- Energoinvest
- ENI
- ESKOM
- Esquel Group of Companies
- Essilor International
- Esteve
- Eulen,S.A.
- Euskaltel
- Ferrocarrils de La Generalitat de Catalunya
- Fomento de Construcciones y Contratas, S.A.
- France Telecom
- Fuji Xerox Company Ltd.
- Gamesa Corporación Tecnológica
- Gas Natural Mexico
- Gas Natural SDG, S.A.
- GDF Suez
- Groupe Bial
- Groupe La Poste
- Groupe ONET
- Grundfos
- Grupo Cementos Portland Valderrivas
- Grupo Fidanque
- Grupo Sos
- Hilti Aktiengesellschaft
- Hinopak Motors Limited
- Hiscox Ltd
- Holmen AB
- Homeplus Inc.
- Iberdrola S.A.
- ICA AB
- IKEA Group
- Industrial Bank of Korea
- Infosys Technologies Ltd
- International Industries Limited
- Japan Airlines Corporation
- Johnson Controls Inc.
- KB Kookmin Bank
- Kelani Valley Plantations Limited
- Kikkoman Corporation
- Koninklijke Philips Electronics N.V.
- Korea East-West Power Co.,Ltd.
- Korea Land Corporation
- Korea National Housing Corporation
- Korea Railroad Corporation
- Korea South-East Power Co.
- KPMG, Cardenas Dosal, S.C.
- Kromann Reumert
- L'OREAL
- La Prensa
- La Seda de Barcelona
- Lafarge
- Landsbanki Islands
- LEGO A/S
- Li & Fung Limited
- LG Electronics, Inc.
- Lindex
- LM Ericsson
- Loc Maria
- LVMH
- Mane
- Manpower
- Mansour Manufacturing & Distribution Group of Companies
- MAS Holdings (Pvt.) Ltd.
- MCI Group Holdings SA
- MediaCorp Pte Ltd.
- Metito (Overseas) Ltd.
- Metso Corporation
- Mitsubishi Chemical Holdings Corporation
- Mitsui Chemicals, Inc.
- Multibank
- Munich Re Group
- Natura Cosmeticos S/A
- Nedbank Group
- New Zealand Post Group
- Newmont Mining Corp
- Nippon Yusen Kabushiki Kaisha (NYK Line)
- Nokia Corporation
- Novartis International AG
- Novo Nordisk AS
- Novozymes
- NTUC Healthcare Co-operative Ltd
- OCBC Bank Ltd.
- Oil and Natural Gas Corporation
- Olympus Corporation
- OMV Aktiengesellschaft
- Osram GmbH
- Pakistan Refinery Limited
- Pentland Group Plc
- PepsiCo, Inc.
- Perstorp Holding AB
- Pfizer, Inc.
- Piraeus Bank
- Pranda Jewelry Public

Company Ltd
 • Primex
 • PSA Peugeot Citroen
 • Publicis Groupe S.A.
 • Pulmuone Holdings Co., Ltd.
 • Pwani Oil Products Ltd
 • Rahimafrooz Batteries Ltd.
 • Rastgar Engineering Company Private Limited
 • Red Electrica Corporacion
 • Redes Energeticas Nacionais, SGPS, SA
 • Reed Elsevier Group plc
 • Repsol YPF
 • Richards Bay Coal Terminal Company Limited
 • RICOH Company Ltd
 • Rio Tinto plc
 • RWE AG
 • Sabaf S.p.A.
 • SAET Group
 • Saint-Gobain
 • Samjong KPMG Inc.
 • SAP AG
 • SAS Group
 • Sasol Ltd.
 • Scott Wilson Holdings Ltd.
 • Scottish & Newcastle plc
 • Seiko Epson Corporation
 • Sekem Group
 • Senoko Power Limited
 • Seri Sugar Mills Ltd.
 • Shinhan Bank
 • Shiseido Co., Ltd
 • Sing Lun Holdings Ltd
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 • Teckwah Industrial Corporation Ltd
 • Telecom Italia
 • Telefónica S.A.
 • Telvent

• Thal Engineering
 • Thales
 • The Coca-Cola Company
 • The Dow Chemical Company
 • The Linde Group
 • The Rezidor Hotel Group
 • Titan Cement Company
 • TNT N.V.
 • Toms Gruppen A/S
 • Unilever
 • Union de Cervecerias Peruanas Backus y Johnston S.A.A.
 • Union Fenosa
 • United Company RUSAL
 • UPM-Kymmene Corporation
 • V & S Group
 • Vasakronan AB
 • Vattenfall AB
 • Veolia Environnement
 • Viyellatex Group
 • Westpac Banking Corporation
 • Woongjin Coway Co., Ltd.
 • Woori Bank
 • Yara International ASA
 • Yuhan-Kimberly

Small and Medium-Sized Enterprises

• A.C.P. Confidenza
 • Abreu Advogados
 • Adviser Publicity S.A.
 • Africa Investment and Business Advisers SARL - AFIBA
 • Agriauto Industries Limited
 • Aldelia Ltd
 • Allied Soft
 • Alteco AB
 • Ambiental Consultores
 • ARGE Consulting
 • Article 13
 • ASN Bank
 • Atacama S.A. de Publicidad
 • Avon Metals Ltd
 • Banco Fonder
 • Beraca Sabara Quimicos e Ingredientes Ltda.
 • Bergendal Meetings
 • BidGive International Inc.
 • Bull & Co Advokatfirma AS
 • Carroll Properties Corporation
 • Caz Creole
 • Celer Soluciones, S.L.
 • Cierra Total Recycling Solutions, Ltd.
 • Compania Energetica del

Tolima - Enertolima S.A. ESP
 • CompuMe
 • Constructus Ltd.
 • Cool House
 • Copagaz Distribuidora de Gas Ltda- Grupo Zahran
 • Cre-en Inc.
 • Crescendas Group
 • Datum Internacional S.A.
 • Deans Beans Organic Coffee
 • Ecofact AG
 • Edita Bobergs AB
 • Edita Vaestra Aros AB
 • Enel Fortuna S.A.
 • Energy Management Services
 • Fertilizantes de Centro America SA
 • Forsitec
 • Genctur Tourism and Travel Agency Ltd.
 • Generation Investment Management LLP
 • GES Investment Services
 • Ghana Oil Company Limited
 • Global Synergetic Foundation
 • Global Tanitim
 • Grupo Abril - Abril S/A
 • Grupo Via Delphi, SA de CV.
 • Hai Consult - Consulting Fund
 • Harineras Villamayor, S.A
 • Hauska and Partner International Communications
 • Hoo Bee Investment Limited
 • Icono Comercial, S.A. de C.V.
 • Impact International
 • Ingenieria y Proyectos Graficos, S.L.
 • Inoxia
 • IRH Environnement
 • ITDistributors
 • ITT Water and Wastewater AB
 • IUT Global Pte Ltd
 • KanEnergi Sweden AB
 • Kempartner
 • Kjaer Group A/S
 • Liwal Limited
 • Longpan (Lopal) Petrochemical Co., Ltd.
 • Macondo
 • Marc J. Lane & Company
 • Martha Tilaar Group
 • Mater A/S
 • MDD Comercio e Representacoes de Papel Ltda.
 • MittMedia Print AB
 • MSM Group AG
 • Newports Institute of Com-

munications and Economics
 • Noir.Illuminati II
 • NTUC Thrift and Loan Cooperative Ltd
 • Origin Exterminators Pte Ltd
 • Paharpur Business Centre and Software Technology Incubator Park
 • Pancrop Commercial Co. Ltd.
 • PARTICIP GmbH
 • Pasell s.r.I.
 • Phoenix Design Aid A/S
 • Planetic
 • Planson International
 • PR Communications Pte Ltd
 • Rayess Kingdom Group
 • Respect Europe
 • Rio Uruguay Cooperativa de Seguros Ltda.
 • Roslagens Sparbank
 • Salterbaxter Design Limited
 • Sanga-Saby Kurs och Konferens
 • SEMCO Senior Management Consultants
 • Sin Hwa Dee Foodstuff Industries Pte Ltd
 • Solarig
 • SOMMAR
 • Southern Trident Pty Ltd
 • Spona Communications
 • Storebrand ASA
 • Straits Law Practice LLC
 • Superskill Graphics Pte Ltd
 • Sustainable Living Fabrics Pty Ltd.
 • SVQ Comunicacion y Desarrollo Corporativo SL
 • Taiwo Adewole and Associates Ltd
 • Tarrerias Bonjean
 • TC Centre Pte Ltd
 • The Consortium for Purchasing and Distribution Ltd.
 • TIMA International GMBH
 • TNT Argentina S.A.
 • Total Project Management
 • UDC - United Development Consultants AB
 • Visão Sustentável - Dorpas Assessoria Empresarial S/C Ltda.
 • VisitSweden AB
 • Water Company
 • XL Group
 • Yaseconsult Ltd.
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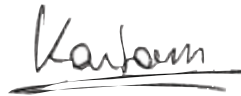
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First and foremost, we are grateful to the signatories of Caring for Climate for their efforts to address the climate change crisis. Through their leadership and commitment, they demonstrate to all sectors of society that change — and green growth — are possible. Their achievements in mitigating and adapting to climate change suggest a hopeful future as they lead us in the low-carbon economy.

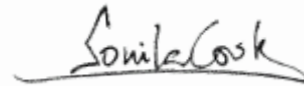
We would also like to thank The Carbon Disclosure Project for providing access to a wealth of data for Caring for Climate signatories, and Daniel Altman of North Yard Economics for communicating the progress of signatories with masterful skill, in a way that inspires others to take on the challenge.

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Lila Karbassi
Chief Coordinator, Caring for Climate
UN Global Compact



Sonila Cook
Partner
Dalberg



About the United Nations Global Compact

Launched in 2000, the United Nations Global Compact is both a policy platform and a practical framework for companies that are committed to sustainability and responsible business practices. As a multi-stakeholder leadership initiative, it seeks to align business operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption and to catalyze actions in support of broader UN goals. It is the world's largest voluntary corporate citizenship initiative, with over 6,500 signatories based in more than 130 countries. Visit www.unglobalcompact.org.

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The Ten Principles of the United Nations Global Compact

HUMAN RIGHTS

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

LABOUR

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

ENVIRONMENT

- Principle 7 Businesses are asked to 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.

