



World Confederation of Businesses

Communication on Progress from September 4, 2011 to September 3, 2012

As World Confederation of Businesses (WORLDCOB) starts its seventh year promoting best business practices in management, corporate social responsibility, product and service quality, employee training, and business ethics; I am proud to present our 2011 Communication in Progress as suggested by the United Nations Global Compact (UNGC). This Communication in Progress report is intended for all of WORLDCOB's stakeholders, and the general public and it is created in order to publically restate our continued commitment to the ten principles of the UNGC, our values exceeding those requested by the compact, and our continued revision and improvement upon these values.

In the past seven years, WORLDCOB has evolved from a small office with big dreams to a major business association with offices in three countries and over three thousand associated corporate members. With this growth, WORLDCOB has had to be extremely careful to always impact its growing stakeholder groups as positively as possible.

In 2004 WORLDCOB started in Houston with less than ten employees, who all worked to contact and adapt the organization to fit the interests of its corporate contacts and finally arrange small conventions and training sessions in Houston. At that time, WORLDCOB's impact on human rights, labor policies, environmental matters, and anti-corruption issues hardly crossed the minds of WORLDCOB management or stakeholders. However, these topics have grown to become the very core of WORLDCOB.

In the following years WORLDCOB grew to nearly one hundred employees and over a thousand members. This brought an interesting opportunity for WORLDCOB. In order to recognize some of its members for their good business practices, social responsibility, and quality in products and to motivate the continuation of these efforts, WORLDCOB created an evaluation committee. This committee evaluates a number of criteria, among which is the continued commitment to the values set forth by the UNGC.

With this growth, came many opportunities and many risks. As of 2007, WORLDCOB adopted a Code of Conduct and upon becoming a signator of the UNGC, adopted a human rights and labor procedure for each country with employees, environmental standards across all offices, including the use of energy efficient lighting, incentives for group transportation, and recycling. Also, every employee is trained on anti-corruption standards, such as the US Foreign Corrupt Practices Act.

Every year, these policies are evaluated by a committee consisting of human resources and operations management in order to make sure that they are up-to-date, relevant, and





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comprehensive. This has proven to increase our employee retention and our client retention. The past twelve months have granted us the most repeat business we have ever experienced in seven years.

Most recently, upon recommendation of WORLDCOB's members and the perceived interest in the topic, WORLDCOB developed a specialized recognition in the form of a certification for companies that have outlined their CSR awareness and plans of action. WORLDCOB-CSR:2011.1 was launched in 2011, as WORLDCOB's sixth service and brand in order to specifically promote human rights, labor, environment, and anti-corruption.

This certification is an effort to align all of WORLDCOB's three thousand members and the world's business community with a broad CSR policy and a commitment to continue expanding upon it.

We believe that our internal efforts are making WORLDCOB an increasingly better place to work, a better neighbor, and a positive influence in the community and environment. We hope that WORLDCOB's external efforts will help create a movement of conscious and proactive businesses that promote values that increase the living standards of all people and the environment.

I am honored to present this year's Communication on Progress and our endless commitment to our stakeholders.

Houston, September 2011

Jesus Moran
Chief Executive Officer





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Human Rights Principles

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.

Assessment, Policy and Goals

WORLD COB operates in the United States, Mexico, and Peru. Human Rights ratings for the environment in which WORLD COB operates vary from very good to at risk. Mexico and Peru are developing countries with limited enforcement capabilities for its existing human rights laws. WORLD COB's policy is to adhere to the strictest norms in any given context, be it law or morals, and any violation or perceived intention of a violation is subject to an immediate expulsion from the organization. Goals include a minimum requirement and systematic improvement of living standards for all people involved in the organization's reach.

Implantation

WORLD COB has implemented strict codes to require management and employees to maintain the strictest human rights norms in any given context, be it law or morals, and any violation or perceived intention of a violation is subject to an immediate expulsion from the organization.

Measurement of outcomes

Current outcomes include a history clear of violations and continuously improved living standards for stakeholders (employees and community).

Labor Principles

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 labor;

Principle 5: the effective abolition of child labor; and





Principle 6: the elimination of discrimination in respect of employment and occupation.

Assessment, Policy and Goals

WORLD COB operates in the United States, Mexico, and Peru. Labor standards ratings for the environment in which WORLD COB operates vary from very good to at risk. Mexico and Peru are developing countries with limited enforcement capabilities for its existing labor laws. WORLD COB's policy is to adhere to the strictest norms in any given context, be it law or morals, and any violation or perceived intention of a violation is subject to an immediate expulsion from the organization. Goals include a minimum requirement and systematic improvement of working standards for employees of the organization.

Implantation

Management and any employee with the ability to affect work standards are required to sign an agreement committing to the adherence of labor laws and internal company standards. At least one Human Resources administrator per office is assigned to assess the labor environment and continually suggest improvements to management.

Measurement of outcomes

Employee retention has increased dramatically as of the implementation of these standards, including the Code of Conduct.

Environment Principles

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.

Assessment, Policy and Goals

WORLD COB's operations are typically within the confines of office buildings and non-tangible services are offered with minimal impact to the environment. However, an environmentally conscious corporate policy is at the company's core and the organization's goal is to ensure that its net impact is positive.

Implantation

In the past years, WORLD COB has implemented energy saving procedures, waste management procedures, and encourages the protection of wildlife.



Measurement of outcomes

WORLD COB's footprint has dramatically decreased to near paperless offices which are routinely inspected for minimal consumption and waste.

Anti-Corruption Principle

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

Assessment, Policy and Goals

WORLD COB operates in the United States, Mexico, and Peru. Corruption ratings for the environment in which WORLD COB operates vary from very good to at risk. Mexico and Peru are developing countries with limited enforcement capabilities for its existing anti-corruption laws. WORLD COB's policy is to adhere to the strictest norms in any given context, be it law or morals, and any violation or perceived intention of a violation is subject to an immediate expulsion from the organization. Goals include a minimum requirement and systematic review of all anti-corruption policies and procedures and avoiding illegal and unethical situations to ensure the long-term growth of the organization, benefitting all stakeholders.

Implantation

All employees are trained on local anti-corruption laws, including the US Foreign Corrupt Practices Act. Executives and employees dealing with outside parties are all required to sign an internal anti-corruption policy, and all employees are subject to the Code of Conduct.

Measurement of outcomes

WORLD COB has not been involved in corruption, bribery, or other illegal activities, despite operating in at risk environments.





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Corporate Social Responsibility Policy

WORLD CONFEDERATION OF BUSINESSES undertakes, as an organization, to:

Act consistently with the 10 principles of the United Nations Global Compact.

Develop a Social Responsibility management system inside the organization and a corporate culture governed by ethical principles with regard to economic, environmental and social matters.

Promote and disseminate Corporate Social Responsibility values among its associated members, as well as all of the organization's stakeholders.

Seek out and develop tools to be made available to its associated members to ensure their participation in a culture of Corporate Social Responsibility.

Work for a better world, guided by the mission and vision established by the organization.

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Code of Conduct

WORLD CONFEDERATION OF BUSINESSES is a member of the United Nations Global Compact, according to which it undertakes to:

Ensure that its behavior as an organization is consistent with the 10 principles of the United Nations, as well as, to promote and disseminate such principles.

Act in the best interest of its associated members.

Respect the confidentiality of the information of its associated members.

Work against corruption and promote ethical business practices.

The employees, understood as all persons working in and for the organization, shall act consistently with the commitments assumed by the organization.





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They shall, at all times, act correctly and with common sense, consulting their direct superior in case of doubt.

They shall always act in accordance with the laws, honestly and loyally.

They shall prioritize the interest of the organization and its associated members before their own.

The members of the Confederation shall be required to behave consistently with this code, collaborating for such purpose with all available resources.

If any representative of any stakeholder of the Confederation believes that there is a situation which is incompatible with the principles of the UN Global Compact or the code of conduct, he/she shall report it to a member of the certifying team, so that the situation may be investigated and corrected if necessary.

