



## **Global Compact**

### **Vigeo's Communication on Progress**

**PARIS – 23 January, 2009**

Edito by

Nicole Notat, Chairman

Our core profession is to measure the performance of companies on environment, social and governance issues, as well as to assess their level of management of the extra-financial risks they may be exposed to.

While offering products and services to companies and organisations, as well as investors and asset managers, Vigeo contributes to promote corporate social responsibility objectives as displayed in the Global Compact.

While delivering our clients and partners with information which act as a leverage for decision-making and with operational tools to be in line with the Global Compact principles, Vigeo contributes to companies and organisations performance on environment, social and governance issues.

In 2009, Vigeo will continue its efforts in observing the relation between the tangible actions of companies on CSR issues and their capacity to face the current environment of financial and economic turmoil. The demonstration of this correlation will be decisive for the audience of initiatives that, like the Global Compact, have seen the fundamental necessity to include sustainable development into the centre of what defines the performance of companies, whatever their size, activities and locations.



## Global Compact

### Vigeo's Communication on Progress 2008

Like previous years, Vigeo has made efforts to carry out and promote various actions that aim at reinforcing its commitment to the 10 principles of the Global Compact. However, this year our attention has been focused on the 5 principles stated below that have particularly concerned Vigeo's activity:

#### **Human Rights**

**Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights**

**Principle 2: A make sure that they are not complicit in human rights abuses**

In terms of contribution to CSR in companies, Vigeo conducted an important research study\* in 2008 on « international public standards in the perception and practices of Corporate Social Responsibility in European corporations » in which approx. 90 listed companies participated.

This study on the voluntary consideration of international instruments by European companies was carried out for free, and was made public, and was specifically attentive to the role of the Global Compact in the promotion of CSR alongside with other instruments such as the OECD Guidelines for Multinational Enterprises and the Tripartite Declaration of the ILO.

For the study, we questioned European companies that, from our point of view, have integrated CSR principles and tangible objectives into their strategy and processes, on the importance they give to the UN Global Compact and to the Global Reporting Initiative, GRI.

Our objective was to measure to what extent the universal public standards are intelligible, operational and, on a longer term, capable of contributing to the regulation of international markets and of the behaviour of its main actors, the companies.

Almost all companies state that their commitment is based, at a minimum, on the UN Global Compact (92%) and two thirds of them refer to the ILO Tripartite Declaration (64%) and just over half of them declare to be compliant, or at least compatible with the management principles in the OCDE guidelines (55%).

\* the study is accessible on the Vigeo website [www.vigeo.com](http://www.vigeo.com)



#### **Labour Standards**

**Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.**

On December 12<sup>th</sup> 2008, Vigeo concluded a strategic partnership agreement with UNI, a Global Union Federation that cover service activities and have 20 million members in 900 trade unions.

UNI will provide Vigeo with data, information and comments on companies that belong to sectors covered by UNI. The covered issues are: freedom of association; the right to collective bargaining and the quality of social dialogue. This information exchange also concerns an analysis of labour relations and all social themes relevant to the sectors covered by UNI.

Vigeo and UNI, who both support the Principles for Responsible Investment (PRI) a UN initiative, will collaborate to promote the integration of environmental, social and governance criteria into investment decisions, with investors, asset managers and institutional investors.

This Partnership agreement has been communicated by Vigeo to national and European press.

#### **Labour Standards**

**Principle 6: The elimination of discrimination in respect of employment and occupation**

In 2007-2008, Vigeo conducted a study for the ILO on the theme « non-discrimination and equal opportunities in employment and occupation or How do European companies take into account the ILO principles » that was presented in January 2008.

This study \*\* conducted by Vigeo focused on the behaviour of large European companies with regards to the principle of Equal opportunities in the workplace. All companies were headquartered in countries having signed the Conventions 100 and 111, the two main ILO conventions on non-discrimination.

In the 1<sup>st</sup> part, the study reminds about that equal opportunities in the workplace are a part of fundamental human rights and how the respect, and the promotion of this right requires active attention to the non-discrimination principle by all members of society, including companies.

The criteria and the scope for non-discrimination in companies have been expressed by basing actions on ILO instruments and on the contributions given by its Committee of Experts on the Application of Conventions and Recommendations (CEACR)

The 2<sup>nd</sup> part of the study provides a comparative analysis of commitments and managerial processes that European companies dedicate to non-discrimination. It presents their performances by sector and by country of origin and reports on the strategies and measures set-up for preventing discrimination and for promoting equal opportunities.



Best and innovative practices were identified with 50 European companies that Vigeo consider being the most committed ones on the issue.

\*\* The study is accessible on Vigeo [www.vigeo.com](http://www.vigeo.com)

Etude non discrimination - Janvier 2008 Copyright Vigeo 2007 - Reproduction of this document in whole or part is prohibited without the express authorised of Vigeo and is protected by the provisions of the French intellectual Property Code.

[www.vigeo.com](http://www.vigeo.com) "contact@vigeo.com" corporate social responsibility ratings agency

## **Environment**

### **Principle 8: undertake initiatives to promote greater environmental responsibility**

In this domain, Vigeo continues its environmental commitments by maintaining the actions that were initiated previous years:

- Purchasing of material with suppliers that offer environmentally friendly products;
- Usage of 100% recycled paper;
- Recycling of ink cartridges via Alphalaser, a collecting and developing company;
- Waste sorting of office material in separate containers for paper and other waste;
- Organising of video conferences to reduce environmental impacts related to travelling.

### **In 2008, Vigeo conducted its first inventory of its carbon footprint**

During the year, Vigeo kept records on its carbon emission linked to travelling, which enabled the company to report on its consumption. This first analysis showed a production of approx. 70 tons of CO<sub>2</sub>.

For 2008, Vigeo compensated this carbon production by subsidising sustainable development projects with CompenCO<sub>2</sub>, a Belgian association whose revenues and expenses are annually audited by Forum Ethibel.

The next step in 2009 will be to go from reporting to more active commitments relative to transport modalities.



**In France, Vigeo subscribed to « kWh Equilibre » with EDF to buy green energy:** a subscription that could be extended during the next few years to the other countries where Vigeo is located if a similar offer is available in these countries.

#### **And more generally, in terms of communication**

Vigeo informs all its stakeholders about its commitment to the Global Compact and communicates about progress via:

- Regular press releasers;
- Interviews with Nicole Notat, Chairman and Fouad Benseddik, Director of Methodology and Public Relations;
- Its Annual report and information pamphlets;
- The annual research studies;
- Its website;
- Its internal newsletter "In Focus"
- And since December 2008, its Newsletter destined for the clients of the SRI department.

#### **About Vigeo**

Vigeo is the leading European Corporate Social Responsibility rating agency. It measures the organisations' CSR commitments and identifies extra-financial risks related to environmental, social and governance issues.

Vigeo provides two services:

- SRI analysis, ratings and benchmarks for investors and asset managers
- CSR audits for companies and local governments.

The team:

- 83 employees,
- 14 different nationalities
- 4 locations: Paris, Brussels, Milan, Casablanca.

[www.vigeo.com](http://www.vigeo.com)