

World Confederation of Businesses Communication on Progress 2012

As World Confederation of Businesses (WORLDCOB) starts this ninth 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 2012 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 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 from eighty countries. 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 and this brought an interesting opportunity. 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 signatory 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 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 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.

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Jesús Moran Chief Executive Officer (1.1- 1.2 GRI correspondence)















World Confederation of Businesses

Communication on Progress

Report for the period: 2012

(3.1)

Profile Information (3.2): Date of most recent previous report: Period 2011 Processing Cycle (3.3): Annual Contact for questions regarding the report or its contents (3.4): Walter Javier DIR. djavier@worldcob.org Process for defining report content (3.5): COP UN and GRI guidelines Entire organization Report scope (3.6): **Organization Profile Information** (2.1; 2.6) MPBM Co. Filing number: 800386005 **Registered: The State of Texas** Commercial name: WORLD CONFEDERATION OF BUSINESSES (WORLDCOB) Major products and services brands (2.2) **BIZZ AWARD:** International Recognition of Business Excellence WORLDCOB-CSR: Corporate Social Responsibility Certificate **EXPOBIZZ:** Business Conventions **BIZZNEWS:** Entrepreneurial and General Business News **BIZZTRAINING:** Business Seminars and Training Services **BIZZMARKET.COM:** Worldwide Supply and Demand Web Portal BIZZMARKET.com BIZZNEWS BizzTraining XPOBIZZ BIZZ

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Organizational Structure: (4.1;4.2; 4.3;4.6)

The organization is guided by a Board of Directors and supported by an Honorary Committee made up of outstanding WORLDCOB members from around the world. The Board of Directors is composed of three dedicated executives and two experienced professionals, all from different countries.

http://www.worldcob.org/index.php/about-us/board-of-directors





Statements of mission or values, codes of conduct, and principles relating to economic, environmental and social that have been developed internally, and the status of their implementation (4.8)

MISSION:

To globally promote business growth and provide opportunities through education, networking, and motivation.

VISION:

WORLDCOB's vision is to become the business organization with the largest global presence by reaching every continent. WORLDCOB seeks to open more branches worldwide to be closer to its Associate Members, in order to reach more markets and offer its services in a more personalized way.

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.

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.

Information available on our website: <u>http://www.worldcob.org/index.php/about-us</u>

Procedures of the highest governance body for overseeing the organization's identification and performance management economic, environmental and social. (4.9; 4.10)

The organization is guided by the standard that has developed: CSR Worldcob-2011.1 to behave in a socially responsible way in a process of continuous improvement:

http://www.worldcob.org/index.php/category/worldcob-csr















WORLDCOB-CSR: 2011.1 is an international standard and certification in Corporate Social Responsibility developed by World Confederation of Businesses (WORLDCOB). Compliance with this standard requires the organization to adhere to a culture of ethical values, maintain and comply with a Corporate Social Responsibility Policy, and sustain a process of continuous improvement in the topics defined by the standard.

WORLDCOB developed this standard consistently with its own corporate mission where it is publicly committed to promote Corporate Social Responsibility values among its members and reach of influence. This commitment inspires WORLDCOB to continually develop and offer tools for companies to adhere to such values.

An organization that is certified with WORLDCOB-CSR: 2011.1 have made public commitments, as required by the standard, which will benefit its stakeholders and community. WORLDCOB's role is to provide the framework, assist in the implementation process, and finally audit the results. In addition to the direct benefits to the parties outlined, the certification will create benefits for the organization itself, as its prestige is increased, along with employee and consumer confidence and loyalty.















Letters, principles, initiatives and partnerships (4.12; 4.13)

WORLDCOB is an associate member of the U.S. Chamber of Commerce.

WORLDCOB is signatory of the UNGC.

WORLDCOB is an organizational stakeholder of GRI.

WORLDCOB is a DUNS Registered organization. Dun and Bradstreet provide credit information on businesses and corporations. <u>http://www.dnb.com/us/</u>

Human Rights Principles (DH)

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

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

Assessment, Policy and Goals

WORLDCOB operates in the United States, Mexico, and Peru. Human Rights ratings for the environment in which WORLDCOB operates vary from very good to at risk. Mexico and Peru are developing countries with limited enforcement capabilities for its existing human rights laws.

WORLDCOB'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.

Implementation

WORLDCOB 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).

There are no complaints or claims regarding human rights. (DH4)

The company has a Code of Conduct and a Policy of Corporate Social Responsibility which are made known to the public, including to suppliers, available through our web page.

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;

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

Assessment, Policy and Goals

WORLDCOB operates in the United States, Mexico, and Peru. Labor standards ratings for the environment in which WORLDCOB operates vary from very good to at risk. Mexico and Peru are developing countries with limited enforcement capabilities for its existing labor laws.

WORLDCOB'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.

Implementation

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.

There are no complaints regarding these principles. Any disputes that may arise between employees and the company are resolved in accordance with law.

In 2012, there were no lawsuits related to labor issues

The employees of WORLDCOB have freedom of association. (DH5)

All employees work in conditions of strict compliance by the company with national labor laws. (LA4)

There is a committee and procedures to act in emergencies, such as earthquakes. There are elements of first aid, training and commissioned people by area. (LA6; LA8)

There is direct communication with the management and surveys are taken in order to determine the degree of satisfaction among the personnel.

We are an equal opportunity employer and we consider all candidates and employees equally, regardless of race, color, religion, sex, nation, origin or disability.

There are no discriminatory practices. Both men and women work at the company, in equal percentages of 50%, and there are no gender-based salary differences. (LA2; LA14)

Percentage of Employees by Sex:



No minors work at the company. (DH6)





In 2012, our Logistics Manager and HR Manager were trained in topics including human rights and CSR. (DH8)

2012 Staff Turnover Table (LA2)

People	2012												2013
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	ОСТ	NOV	DEC	JAN
START	29	26	29	30	31	31	29	29	28	31	34	32	34
INCOMING	0	3	1	2	1	2	1	2	4	5	0	4	6
OUTGOING	3	0	0	1	1	4	1	3	1	2	1	2	1
	26	29	30	31	31	29	29	28	31	34	33	34	39

Environmental Principles (AM1-30)

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility;

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Assessment, Policy and Goals

WORLDCOB'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.

Implementation

In the past years, WORLDCOB has implemented energy saving procedures and waste management procedures.

The company has a CSR culture that includes environmental matters. All employees are familiar with this policy.















In the WORLDCOB offices: Although awareness was raised regarding environmental consciousness, hard data will be kept starting in January 2012 regarding the consumption of electricity, water, printer ink, and paper.

Orders have been given to study and suggest methods for studying the optimal use of air conditioning and possibilities for recycling paper and other waste. This data will be available by the end of the year in order to start comparing it over time (awareness posters).

Orders have been given to waste less paper by using both sides and only print out documents when necessary. At least 20% of the paper used is recycled.

Our emails include a recommendation to print them out only when strictly necessary.

Measurement of outcomes

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

It has been estimated that savings have been made with regard to electricity via a more conscientious use of lights and air conditioning, but we can't publish conclusive comparison data because the figures for month-to-month comparison will not be available until the next record.

Months	Energy Kw	Water Mts3	Paper Kg
ene-12	216.41	15.70	99.32
feb-12	217.38	26.74	55.35
mar-12	50.14	25.85	62.48
abr-12	265.64	30.17	67.56
may-12	209.07	29.63	67.59
jun-12	214.23	27.63	51.99
jul-12	212.32	23.39	85.18
ago-12	238.10	66.18	76.40
sep-12	188.46	27.99	127.20
oct-12	218.37	24.98	68.54
nov-12	201.55	29.29	111.32
dic-12	214.94	30.72	49.98









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With regard to the promotion of environmental matters, we organized CSR events in six countries throughout Latin America (Peru, Bolivia, Costa Rica, Mexico, Colombia, and Argentina) in 2012.

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	ENCUENTROS RSE 2012	
$\mathbf{\Theta}$	Perú - Lima / 17 Octubre	
	Bolivia - Santa Cruz / 25 Octubre	
0	Costa Rica / 7 Noviembre	
٢	México - México D.F. / 14 Noviembre	
-	Colombia - Bogotá / 21 Noviembre	
0	Argentina - Buenos Aires - 28 Noviembre	

An average of more than 150 people attended each event, totaling 1,107 in all. Agreements were made with media outlets to publicize these events.





The target public included business owners and company managers interested in learning more about CSR.

Attendance was completely free of charge and open to the public.

There were four talks given in each country. One of these addressed environmental issues. The videos of the talks given by international experts are freely available to the general public on our website. An in situ survey was taken among speakers and attendees, with excellent results.

In 2013, events will be held in even more countries, including Ecuador, Panama, Honduras, and the U.S.







Anti-Corruption Principle

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

Assessment, Policy and Goals

WORLDCOB operates in the United States, Mexico, and Peru. Corruption ratings for the environment in which WORLDCOB operates vary from very good to at risk. Mexico and Peru are developing countries with limited enforcement capabilities for its existing anti-corruption laws.

WORLDCOB'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.

Implementation

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. (SO3)

Measurement of outcomes

WORLDCOB has not been involved in corruption, bribery, or other illegal activities, despite operating in at risk environments. (SO2; SO4)

WORLDCOB actively promotes ethical business practices and the fight against corruption with its 3,000 member companies around the world. It actively promotes CSR, and specifically, the ten principles of the UN Global Compact, through a range of events and publications. (SO5)

In 2012 six completely free events were held to promote CSR, with an emphasis on the ten principles of the UN Global Compact in Peru, Bolivia, Costa Rica, Mexico, Colombia, and Argentina.

We invite international experts on the topics of human rights, labor issues, responsibility, business ethics, and the environment. The videos of the talks given by the experts are available for free viewing on our site.









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CSR was promoted with letters to WORLDCOB members, offering them certification under WORLDCOB-CSR: 2011.1 standards and/or CSR advisory services.

We have begun the process for the pre-evaluation and certification of over 200 companies around the world. We are including a link to the list of these companies:

http://www.worldcob-csr.com/en/certified_companies.php

On our CSR site we directly promote the 10 principles of the UNGC and you can find also links to the UNGC site.











