



CONNECTING  
PEOPLE IN A  
**WORLD  
OF NEED**  
聯繫世界回應需要

To Whom It May Concern,

**Crossroads Foundation's Communication on Engagement (COE) due October 31, 2015**  
**Period reported on: 2013-2015**

Crossroads Foundation is a Hong Kong based, non-profit organisation serving global need. We believe that, in a broken world that sees too much suffering, we should do all we can to link those who are in need with those who can provide help. So we provide an intersection, literally a crossroads, to bring both together. We offer four global crossroads services:

- Global Distribution: This distributes Hong Kong's quality excess goods as needed, internationally and locally. It provides a crossroads between need and supply.
- Global X-perience: This offers simulated x-periences of global need. It provides a crossroads between the lifestyles of the rich and poor.
- Global Handicrafts: This sells fair trade goods from people in poverty. It is a crossroads between those needing a fair income and those with buying power.
- Global Hand: This provides a 'matching' website for public-private partnerships. It is a crossroads between for-profit and non-profit organisations who wish to address global need.

The following COE outlines the practical steps Crossroads has taken to contribute to the Global Compact's principles and to engage with the initiative. Chief among these is Crossroads' partnership with the Global Compact to develop the UN-Business Action Hub, [business.un.org](http://business.un.org), in order to engage businesses with the United Nations as a whole and the Sustainable Development Goals. In addition, we have also implemented partnerships with many companies to help them fulfil their corporate sustainability goals, supported the implementation of fair business practices through our Global Handicrafts division and have showcased environmental responsibility throughout our core operations.

We remain committed to supporting the Global Compact initiatives and upholding its principles through our work in the coming years.

Yours faithfully,



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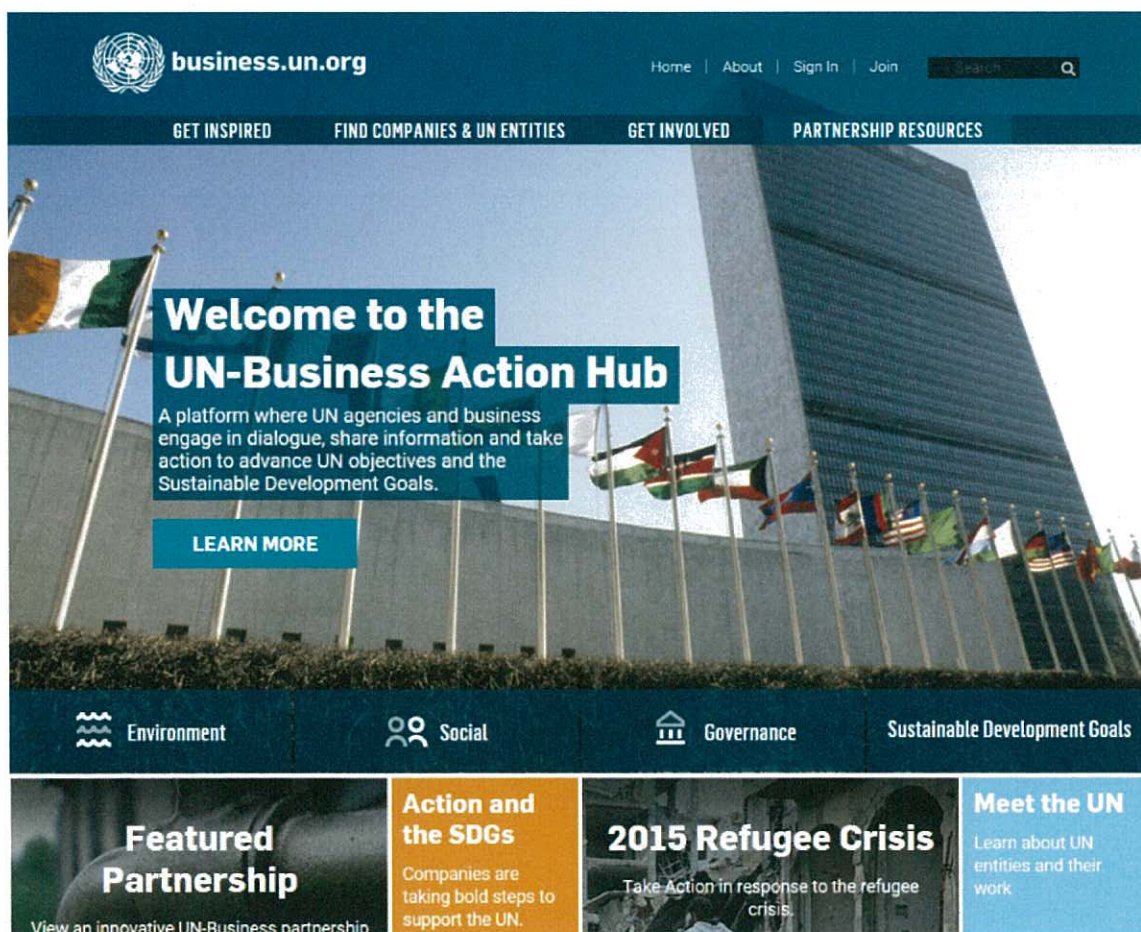
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## UN-business website [business.un.org](http://business.un.org)

In 2010, Crossroads, through its Global Hand division, launched the UN-business partnerships website, [business.un.org](http://business.un.org). The lead agency within the UN on this project was the Global Compact.

In 2013, the United Nations asked us to further the website to align with a series of 'action hubs' where various stakeholders could come together, online, to partner around issues including water, social enterprise, climate change and energy. Matthew Gow, Global Hand's Vice President, led the project and attended the UN Global Compact Leaders Summit in September 2013 where the new version was launched.

In 2015, the Global Compact once again engaged Crossroads to re-align the website with the Sustainable Development Goals. The new-look UN-Business Action Hub was launched in September 2015 at the United Nations Private Sector Forum, convened by the Global Compact.



## Business participation in simulations

Each year, global leaders gather in Davos, Switzerland to discuss ways to improve the state of the world at the World Economic Forum. Since 2009, Crossroads has brought one of our Global Xperiences to the event. In 2014 and 2015 we were part of the official Forum programme and have been invited to do so again in 2016. 441 corporate participants attended our simulations in Davos in 2013, 2014 and 2015.

Many of the CEOs who attend tell us the impact of the event stays with them for years: people who are used to managing their international companies, but who found themselves feeling helpless and disempowered when confronted with the reality simulated. We had scores of comments that echoed one another's themes.

*"A profound experience..."* Ban Ki-moon, Secretary-General of the United Nations

*"Beautifully done."* Sir Richard Branson, Virgin Management Ltd.

*"Everyone should do this."* Jimmy Wales, Founder of Wikipedia

*"The simulation was as close to real as I could imagine."* Dan Brutto, President, UPS International

*"I don't know how anyone could do this experience and not come out morally obligated to do something about it."* Paul Ellingstad, Director, Office of Global Social Innovation, HP

*"Most impactful experience I've had in a long time, with real inspiration to take action."* Mack Gill, President, Global Services, Sungard

*"Thank you on behalf of the 43 million refugees."* Peter Brabeck Letmathe, Chairman of the Board, Nestle

*"A truly eye-opening session. It was a pause for deep reflection. I hope we can help in the future and will do all to make that happen."* Peter Lacy, Managing Director for Sustainability Service Group, Accenture

A large number of other companies have participated in our Global Xperiences in Hong Kong and elsewhere. They have gone on to find ways their strengths can be used to help people in need. Between 2013-2015, the total number of participants from the business world that have taken part in our simulations was more than 5,000. These came from more than 300 different companies, including:

Accenture	Credit Suisse	Marks & Spencer
Alcatel-Lucent	Crown Worldwide Holdings Group	Marriott International
ANZ Banking Group Ltd.	Deutsche Post DHL	MasterCard WorldWide
Associated Press (AP)	Etihad Airways	McKinsey & Company
AXA Group	Facebook Inc	Merck & Co Inc
Baker & McKenzie	Forbes	Microsoft
Bank of America Merrill Lynch	Goldman Sachs	Nestlé S.A.
Bank of England	Herman Miller	Novartis
Barclays Bank	Hewlett-Packard (HP)	PayPal
BASF	Hindustan Construction Company	PricewaterhouseCoopers
BBC	Ltd	Prudential Hong Kong Ltd.
Bloomberg	HSBC Bank International	Qlik
BNP Paribas Group	John Swire & Sons (H.K.) Ltd.	Reuters
Caterpillar	Jones Lang LaSalle (JLL)	Royal Bank of Scotland (RBS)
Cathay Pacific Airways Ltd.	JP Morgan	Salesforce
Cisco	KPMG AMERICAS	Skadden, Arps, Slate, Meagher &
Clifford Chance	LexisNexis	Flom
CNBC	Linklaters	Standard Chartered Bank
CNN International	Lloyds TSB Pacific Limited	The World Bank
Colliers International	L'Occitane	Thomson Reuters Foundation

UBS AG  
Unilever  
UPS

Western Union  
Westpac Banking Corporation  
Wikipedia

Yahoo! Inc.

Some examples of partnerships Crossroads has formed with businesses to help them implement partnerships on corporate sustainability are given below.

## Bank of America Merrill Lynch: Helping Communities Thrive



When Bank of America Merrill Lynch embarked on an office move project in Hong Kong, it took the opportunity to partner with Crossroads to help communities across the globe. Like most Hong Kong firms shifting offices, BofAML faced the challenge of decommissioning thousands of technology equipment – including computers, monitors, and peripherals – that would otherwise have ended up in landfills. BofAML's senior managers designed a program that would donate all this equipment to Crossroads,

ultimately benefiting people in need.

BofAML's IT department designed an integrated plan to maximise the utility of the equipment for Crossroads beneficiaries. Besides funding the reformatting and refurbishment of the machines, employees of the firm also volunteered their time and skills to prepare the computers for donation.

This strategic partnership with Crossroads is part of BofAML's efforts as a responsible company to help its communities thrive, and could well form the blueprint for other firms looking to give their excess goods to

Crossroads.

"They wanted to complete the whole story, end to end," said Jason Noble, from Crossroads' partnership team.

## L'OCCITANE FIGHTS BLINDNESS



It is a shocking truth, but 8 out of every 10 people with sight problems should be able to

see. Visual impairment can be prevented or cured with the right resources made available. 9 out of 10 live in low income countries or communities.

French retailer L'Occitane understands this. It has long felt a connection with those with sight problems. The company and their richly fragranced cosmetics and beauty products, so reliant on the senses of smell and touch, have adopted blindness as a particular focus for their social

responsibility activities. Their founder, Olivier Baussan, wants to turn one of his old factories into a museum where he can teach blind children about careers working with aromas.

The company, worldwide, supports work against preventable blindness and its Hong Kong office therefore contacted us to book our Blind X-perience for their employees. Mo Tam, one of their staff, said of the x-perience, afterwards, "I felt dazed and confused. It was very scary to walk in the dark. I was afraid to fall. Fortunately, our guide led us all the way. I realised the importance of being helped and how we should always help people in need."

Not only was Crossroads able to help L'Occitane, but L'Occitane graciously helped Crossroads too. The company raised over HK\$5000 for our Blind X-perience. Having been open for some years, its

complex equipment needed funding for renovation. Now, with L'Occitane's help, it is open, year round, to serve its purpose: giving sighted people an x-perience of life for those who cannot see.



## MAERSK



transporting up to twenty 40' containers in 2013. David Skov, head of South China Cluster at Maersk Line, is seen here signing

Maersk shipping line has entered into a strategic partnership with Crossroads, committed to

the commitment with Malcolm Begbie, director of Crossroads. Begbie said, "This is a first for Crossroads: an empowering gift for which we are grateful. When shipping is assured by a company, we can guarantee help to those who cannot afford transportation of the goods they so badly need."



## MICROSOFT SERVING A WORLD IN NEED

The digital divide is very real in remote parts of Nepal. About 50% of the population is illiterate and, given the pressure of poverty, there is a high drop-out rate from schools. Even those who stay in school might not emerge with an ideal education as infrastructure and equipment is often insufficient.

Meanwhile, Microsoft told us they were interested in helping people in need. "We were just looking for an opportunity to allow our team to give back in some way to one of the global communities we serve," they wrote. They came out to Crossroads and took part in our poverty x-perience, the Struggle for Survival, along with a massive volunteering team-build. Following that, they assisted with our shipments, gave Crossroads exceedingly generous software provision and then began discussions about helping people cross the digital divide.

The result? Microsoft, through a partner group, New Zealand non-profit, Global Equity Brokers, donated hardware, software, and expertise to children in a remote part of Nepal. They gave a fully equipped computer lab, with twenty computers and the needed software. They also sent six members of staff to install it and train the students.



This equipped the laboratory to provide 1500 computer training slots for students each week, enabling many to cross the digital divide.

We often say that, in this work, we love to be as our name suggests: a crossroads between people in need and those who can help.

***"Our computer lab is really becoming fruitful for students of class 4-8. It's been nearly 1 year but we can't express the outcome in words."***

School principal to Microsoft

## Fair business practices

Crossroads supports the Global Compact principles of Human Rights and Labor through its Global Handicrafts division.

'Give a hand up, not just a hand out' says the maxim. At Crossroads we believe in supporting poverty alleviation strategies that create sustainable solutions. Through Global Handicrafts, we use a Fair Trade and Social Enterprise model to help unemployed people generate income. Crossroads' Global Handicrafts is a marketplace which sells goods produced by people in Hong Kong and internationally. These are purchased on a 'fair price' basis so that those who make or grow the goods are given a fair income.

The income generated benefits not only the individuals with the gift of dignified work and fair conditions, but also helps the broader community with benefits such as better education opportunities, improved roads, supply of water and more. We also run the Silk Road Cafe, where

refreshments are purchased on a fair trade basis to help provide a fair income for suppliers in struggling economies.

Currently, our Marketplace sees 16,000 lives impacted per year.

What are Crossroads' fair trade principles?

- Fair price: Trading in ways that support sustainable answers to poverty.
- Fair share: Agreeing to appropriate profit share through dialogue and participation.
- Fair chance: Developing producers' skill sets and access to new markets, local and global.
- Fair work: Ensuring no abuse of child labour, gender equity and safe conditions.
- Fair growth: Investing in community improvement, with producer cooperatives setting priorities.
- Fair deal: Ensuring transparency and accountability at each level of trade.
- Fair care: Applying environmentally responsible methods of production.
- Fair mind: Encouraging shoppers to buy Fair Trade.

The Global Handicrafts division, through its fair trade shop and café, since 2013, has covered all its direct, and indirect costs and overheads, and in 2014 began to contribute a surplus to the overall functioning of the philanthropic side of the work. The overall revenue for the Marketplace is currently approx. HK\$900,000 and the Café approx. HK\$550,000.

## Environment

### PRODUCT LIFECYCLE AT CROSSROADS

Crossroads does all it can to keep goods from landfill. We check goods to see if they are of suitable quality to give people in need. Usually they are, but, if not, our volunteers repair or strengthen them where possible. Beyond that point, we seek other ways to make the most of these goods.

In the first half of 2014, our Environment Department fully re-worked our recycling programme. With creativity, energy, and commitment, they found additional ways to give unwanted goods, wherever possible, a 'second life'.



Rejected goods, together with packaging and other waste, are rigorously handled by our Environment Department. It works diligently to undertake product stewardship and recycle all that is possible in Hong Kong.

Cardboard and paper

Metal

Plastics

Glass

For example, we give our Waste Electronic & Electronic Equipment (WEEE), to other NGOs helping people in poverty. In turn, they repair, donate or recycle the WEEE.

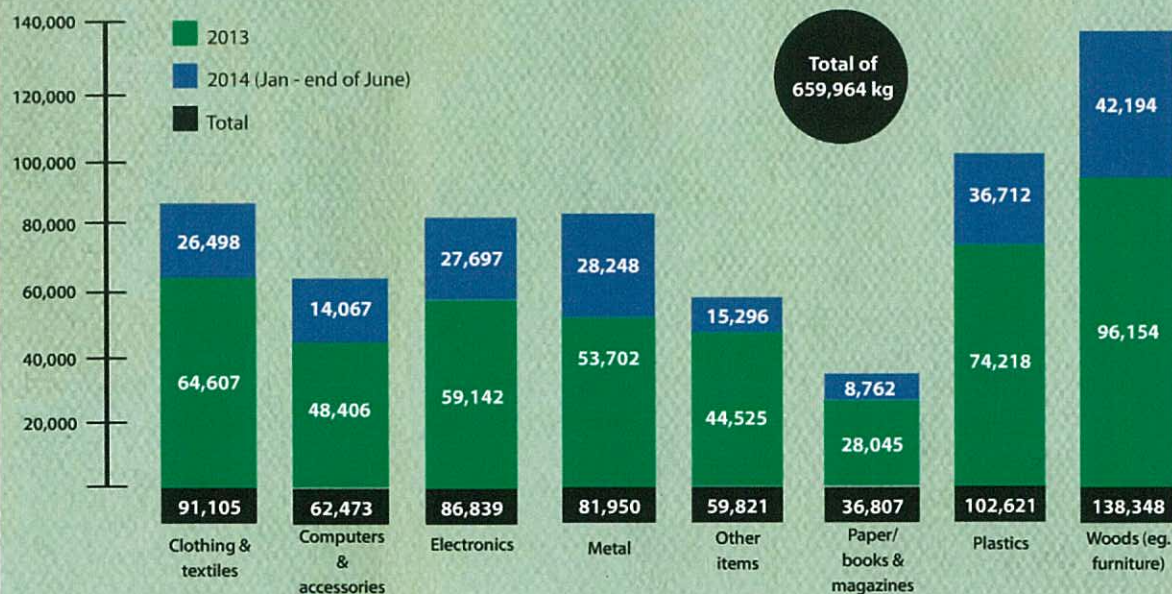
Image credit: WRAP UK



### HURTING PEOPLE ON A HURTING PLANET

Crossroads aims to help a hurting planet as well as its hurting people. We give new life to goods otherwise destined for landfill, placing them strategically in the lives of people in need, re-purposing furniture, medical equipment, clothing, play equipment, computers, building materials, bicycles, tools, and more.

## KILOGRAMS OF GOODS SAVED FROM LANDFILL THROUGH HK DONATIONS

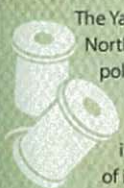


## A COMPACT SOLUTION TO WASTE

Living in a city where 13,800 tonnes of waste are sent to landfill each day, we were excited to receive a donated solution for managing Crossroads' own waste. Every day, as we receive donations, we handle cardboard, metal and plastics: all an abundant by-product of goods donations. With the compacting machine (right), donated by Ladies' Circle Hong Kong, our environmental staff can compress all of this waste to 1/4 of its original volume. That means we can load four times as much waste onto a truck for recycling, than we previously were able to. Just another way, we are able to look after our world better.



## GREEN THE GAP: UPSCALING IN INDIA



The Yamuna River, in Northern India, battles pollution on a tragic scale. Although its waters are clear in the early stages of its journey, when it flows through New Delhi, that drastically changes. Up to 80% of its pollution is gathered in the 22 km stretch within the city.

Entrepreneur Virmlendu Jha sought to make a difference. Targeting young Indian students, the leaders of tomorrow's generation, he sought to gather change-

makers. He soon found, though, that there were more environmental issues to be addressed and, in time, began a very successful scheme they call 'Green the Gap.' It was started as a way to give waste another life by upcycling old materials. They purchase materials from rag-pickers and waste markets, transforming old tyres, juice cartons and waste fabrics into beautifully designed products.

We now stock trendy satchels and bags in our Global Handicrafts store.



These products 'do a double good'. They are good in brilliantly re-purposing trash and, being a Fair Trade organisation, good for employment opportunity. Many 'Green the Gap' workers have come from low income backgrounds and,

by working there, have seen not only their environment improve, but their personal lives as well.