

1st of September 2016

The Wenlock Centre
50-52 Wharf Road
London, N1 7EU
United Kingdom

Tel +44 (0)20 3246 0066
info@isealliance.org
www.isealliance.org

Re: Statement of Continued Support to the UNGC Principles (Part I of COE)

To our stakeholders,

I am pleased to confirm that ISEAL Alliance continues to support the mandate of the UN Global Compact and its principles in the areas of human rights, labour, environment and anti-corruption.

The ISEAL Alliance is the global association of sustainability standards. We work to promote the uptake and use of credible, multi-stakeholder sustainability standards across all sectors and industries. We work towards this goal together with our members and the broader ISEAL community which consists of a diverse set of stakeholders across regions and sectors. In particular we would like to underline our support for the UNGC's Food and Agriculture Business Principles. The implementation of these principles are embodied by those ISEAL members which aim to shape and transform agricultural supply chains.

Our first Communication of Engagement summarizes ISEAL Alliance's work and outcomes that have contributed to the UNGC principles and shaped sustainable supply chain practices over the past two years.

Further information about ISEAL, its members, and its activities, can be found on our website (<http://www.isealliance.org>). We welcome all feedback on the content of this Communication on Engagement.

Sincerely,



Ms Karin Kreider
Executive Director
ISEAL Alliance

Part II. Description of Actions

Area of action: propose and implement partnerships on corporate sustainability and engage with other stakeholders

The ISEAL Alliance supports and enables the creation of multi-stakeholder sustainability standards, which embody market-oriented sustainability partnerships. The ISEAL Alliance currently consists of 18 standards systems and three accreditation organisations;

- Alliance for Water Stewardship (AWS)
- Aquaculture Stewardship Council (ASC)
- Better Cotton Initiative (BCI)
- Bonsucro
- Equitable Origin (EO)
- Fairtrade International (FLO)
- Forest Stewardship Council (FSC)
- Global Coffee Platform (GCP – formerly 4C Association)
- Golf Environment (GEO)
- GoodWeave
- Linking Environment and Farming (LEAF)
- Marine Stewardship Council (MSC)
- Rainforest Alliance/Sustainable Agriculture Network (RA/SAN)
- Responsible Jewellery Council (RJC)
- Roundtable on Sustainable Palm Oil (RSPO)
- Roundtable on Sustainable Biomaterials (RSB)
- Union for Ethical Biotrade (UEBT)
- UTZ Certified
- Accreditation Services International (ASI)
- International Organic Accreditation Service (IOAS)
- Social Accountability Accreditation Services (SAAS)

These ISEAL standards systems cover a range of environmental, economic, labour and human rights aspects, and are key tools which enable businesses to implement the ten UNGC principles.

ISEAL aims to maximize the sustainability impacts of its members in their respective sectors and industries. To this end, all full ISEAL members have to be compliant with the three ISEAL Codes of Good practice which define how a credible and impactful multi-stakeholder standards system should be developed and implemented.

In addition to supporting the creation of new credible standards and improving existing standards, ISEAL also partners with a range of other actors to promote and increase the awareness and uptake of sustainable supply chain management. With a focus on emerging

markets, ISEAL has organized a range of events and training sessions, and provides public webinars on a running basis on the topic of standards and sustainable supply chain management.

Moreover, ISEAL has been a founding member of new initiatives, such as the Global Living Wage Coalition, a partnership between six ISEAL standards and their partners which seeks to deliver continuous improvements in workers' wages, ultimately, for the workers to be paid a living wage. A similar partnership on living incomes has been launched more recently and other partnerships supported or facilitated by ISEAL include its working group on integrated pest management.

Area of action: support UN Global Compact business participants as they implement and report on their sustainability efforts.

By using effective, credible sustainability standards, businesses can improve their sustainability performance. As such the use of credible standards is a key indicator which UNGC business participants can use to report on their implementation of sustainability efforts.

A major part of ISEAL's work consists of outreach to businesses (as well as governments and non-governmental organizations) in both industrialized and emerging markets to capacitate them to work and use credible standard systems.

As documented below (under 'Measurements of Outcome'), ISEAL has reached out to a growing business audience to raise awareness around the impact and business case of using credible sustainability standards.

Area of action: lend capacity to Global Compact Local Networks and/or the UN Global Compact in New York.

ISEAL has been actively collaborating with UNGC UK and the UNGC Headquarter in New York. These exchanges have mainly focussed on how sustainability standards and sustainable supply chain management are key elements in private sector approach to implementing the sustainable development goals (SDGs).

Representatives of UNGC UK were invited to present on this topic to ISEAL members, and from its side ISEAL has been an participant in the activities and consultations of the UK Stakeholders for Sustainable Development (UKSSD) - of which UNGC UK is a co-organizer.

Area of action: join and/or support issue platforms and workstreams.

ISEAL has recently joined the UNGC's Sustainable Supply Chain group and aims to share it's resources and collaborate through this platform.

Part III. Measurement of Outcome

Since it joined UNGC in 2014 ISEAL has achieved a number of outcomes. A few highlights are included in this COE: a short infographic with key figures and a selection of outcome examples below. For more information about ISEAL's activities, outcomes, and impacts, please contact Ms Norma Tregurtha, Manager Policy and Outreach (norma@isealliance.org).



Development of the Credibility Principles; what is a credible approach to implementing sustainability measures and policies? The ISEAL credibility principles represent ten core values upon which effective sustainability standards are built. They were developed through a year-long multi-stakeholder consultation that engaged more than 400 stakeholders.

The ISEAL Guide to credible claims and labelling: The Sustainability Claims Good Practice Guide was launched at the Global Sustainability Standards Conference in May 2015. The guide provides a wealth of information for standards systems to manage, develop and monitor their claims: a blueprint for setting clear rules and processes that govern the use of claims about their systems. The guide is further supported by a set of in-depth

guidance documents, which provide information on claims and risk, the use of multiple logos, and an overview of chain of custody models

Look behind the label: In 2015 we were delighted to launch the 'Challenge the Label' online tool. Using the tool, businesses can assess whether a claim is credible based on a set of five universal truths of a credible claim. The tool aims to drive credibility and understanding of sustainability claims and labels, featuring four important questions that buyers should ask in order to look behind the labels they are developing or accepting from suppliers. The five universal truths encompass concepts such as relevance, accuracy and transparency, among others. In the first month more than 3,000 people visited the Challenge the Label website, and the number continues to grow www.challengethelabel.org

A growing sustainability community in China: Many ISEAL members have been working with partners and actively engaging in China for just over four years. Seven members have now opened offices and more have developed teams or collaborations on the ground, signalling their aims to invest long-term in the China market. In 2015 ISEAL worked with a growing community of standards practitioners in China, from building capacity around good standard setting practices to encouraging collaboration with regulators and other key stakeholders.

India and sustainability standards: In November, more than 400 people came together in Delhi for a three day conference on sustainability standards. Testament to the growing discussion around sustainability standards in India, many ISEAL members had a platform in the conference to discuss how we address the challenges and opportunities in the country. Conversations ranged from discussions around mining, electronics and finance to workshops on responsible tea production. The conference was hosted by ISEAL's partner, Centre for Responsible Business, and was run in collaboration with members and a range of other international partners.

Discussing credible standards in Brazil: Standards and business leaders, NGOs, government officials and industry experts came together for the Global Sustainability Standards Symposium in São Paulo, Brazil. Top of the agenda was a discussion around how to scale up the use of credible standards systems in emerging markets. Among other topics, participants discussed the challenges of bringing small, medium and micro enterprises into the mainstream markets, and how innovation is needed to ensure greater inclusion of producers and improve traceability.