



Confederation of Indian Industry

The Mantosh Sondhi Centre
23, Institutional Area, Lodi Road
New Delhi-110 003, India
T:+91-11-2462 9994-7
F:+91-11-2462 6149

E: info@cii.in W : www.cii.in

27 October 2016

COMMUNICATION ON ENGAGEMENT

Period covered by this Communication on Engagement

From: 1 January 2015

To: 30 September 2016

Part I. Statement of Continued Support by the Chief Executive or Equivalent

To: Stakeholders

The Confederation of Indian Industry (CII) reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

CII is a non-government, not-for-profit, industry-led and industry-managed organization, playing a proactive role in India's development process. Founded in 1895, India's premier business association has over 8000 members, from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 200,000 enterprises from around 240 national and regional sectoral industry bodies.

Extending its agenda beyond business, CII assists industry to identify and execute corporate citizenship programmes. Partnerships with civil society organizations carry forward corporate initiatives for integrated and inclusive development across diverse domains including affirmative action, healthcare, education, livelihood, diversity management, skill development, empowerment of women, and water, to name a few.

In this Communication of Engagement, we describe the actions that our organization has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Yours sincerely

Chandrajit Baneriee Director General, CII

Part II. Description of Actions

CII was one of the local network partners of Global Compact in India, until UNGC decided to have only one local network. CII since then has been working with Global Compact Network India (GCNI) and also directly promotes UNGC Principles, and sustainable and responsible business practices in general. CII sits on and actively participates in the Governing Council of GCNI through which it continues to advise GCNI on penetrating Indian business.

CII's contribution to UNGC Principles is directly through its own activities on sustainable and responsible business. The most significant is measuring progress of companies in India on the Principles. CII has developed a comprehensive sustainability performance tool with around 300 indicators that map with UNGC Principles. Each year, more than 100 businesses use this tool to measure their performance, identify areas of improvement, and develop roadmaps for improvements. CII also builds capacities of business professionals on sustainability aspects that relate to UNGC Principles.

CII was involved in the development of India's National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by Ministry of Corporate Affairs. CII played an important role with other experts in the group, to ensure that the principles of NVGs were aligned to UNGC Principles. The Securities Exchange Board of India or SEBI has mandated reporting on NVGs by top 500 companies on stock exchanges in form of Business Responsibility Reporting (BRR). CII has been helping many of these companies to prepare BRR or map NVG Principles with UNGC Principles and report that in their sustainability reports in accordance with GRI.

Lately, CII has been promoting Sustainable Development Goals (SDGs). It has begun to raise awareness and build capacities of business on SDGs. It has already trained about 100 business professionals on SDG strategies and activities development. In September 2016, CII organised a conference on SDGs and connected it to development and growth agenda of the Indian government. In September 2015. CII

organised a conference to rally its commitment to SDGs which were likely to be adopted by UN member states five days later.

In 2015, CII launched an initiative on business integrity which relates directly to UNGC Principle on anti-corruption. The initiative is supported by World Banka and Siemens. Global Compact Network of India is also a member of this initiative. Via this initiative, CII is reaching out to large and small businesses to build their capacities on managing integrity issues in organisations. Various case studies, training modules, and training programmes are being developed and conducted.

CII has also been working with supply chains of large Indian and multinational businesses to improve processes and performance related to human rights, labour and environment in supply chain.

Besides these, CII has been working with business and government on climate change, GHG inventorisation, GHG emissions reduction, resource-use efficiency, clean technologies, renewable energy, green buildings, water, skills development, sustainable cities, and many others.

Part III. Measurement of Outcomes

Each year, more than 100 businesses use the sustainability performance tool to measure their performance, identify areas of improvement, and develop roadmaps for improvement.

Each year, at least 500 business professionals are trained and certified on India's NVG Principles that are aligned with UNGC Principles.

Has helped at least 20 companies to prepare BRR or map NVG Principles with UNGC Principles and report that in their sustainability reports in accordance with GRI.

In September 2016, CII organised a conference on SDGs and connected it to development and growth agenda of the Indian government. In September 2015. CII organised a conference to rally its commitment to SDGs which were likely to be adopted by UN member states five days later. The UN Representative in India has spoken along with Indian ministers at these conferences and called on CII members to work towards SDGs. Indian ministers for Environment & Climate Change, and Power, CEO of NITI Aayog (Indian government's planning and thinking arm) have also spoken on the importance of business role in achieving SDGs and how that would also add to their competitiveness. Together, at least 800 business professionals have benefitted on SDGs from these two conferences.

Since the launch of the business integrity initiative, more than 200 people have been trained across large and small cities in India.

In the last two years, CII has improved processes and performance in supply chains of large buyers in automobile, chemicals, textiles and retail industries.

CII has various committees and task forces to work on a broad range of issues mentioned in Part II. Measurable outcomes of these are reflected in policies and standards of the Indian government, growth of business in these sectors, and deployment of processes at companies.