

Webinar: Enhanced CoP - requirements and useful tips for preparation and submission

Welcome and thank you for joining. The webinar will start shortly.



Global Compact
Network
Switzerland & Liechtenstein



This webinar is the third part of the UN Global Compact Network Switzerland & Liechtenstein Sustainability Strategy & Disclosure Training Series, offered by the Local Network to its participants that will take place between September and November 2022.





HUMAN RIGHTS



LABOUR



ENVIRONMENT



ANTI-CORRUPTION



Global Compact
Network
Switzerland & Liechtenstein

Webinar:

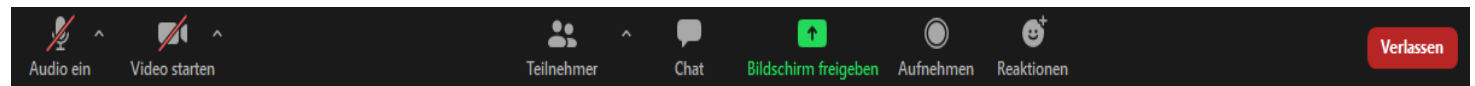
Enhanced CoP - requirements and useful tips for
preparation and submission

3/10/2022, 14.00 - 15.30

Webinar: Housekeeping

- This session is being recorded.
- Slides and recording will be made available by UN Global Compact Network Switzerland & Liechtenstein after the webinar.
- Language: English with the possibility to ask questions in French and German.

*Activate the video before
you make an intervention.*



*Make sure you are muted during the
webinar. Unmute yourself if you wish
to say something.*



*Use the chat function to
type in your questions or
make a comment.*

The Ten Principles of the UN Global Compact

Corporate sustainability starts with a company's value system. By incorporating the Ten Principles into strategies, policies and procedures, and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success.

Companies operate responsibly



HUMAN RIGHTS

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.



LABOUR

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.



ENVIRONMENT

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.



ANTI-CORRUPTION

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

Companies contribute to progress

SUSTAINABLE DEVELOPMENT GOALS



Let's make Global Goals Local Business



Global Compact
Network
Switzerland & Liechtenstein

UN Global Compact Network Switzerland & Lichtenstein Sustainability Strategy & Disclosure Trainings

	Webinar: How to develop a sustainability strategy	Training: Development of a sustainability strategy	Webinar: Enhanced CoP - requirements and useful tips for preparation and submission	Webinar: Introduction to reporting requirements in Switzerland and the EU
Date & Time	6 September 2022 14:00 – 14:45	20 September 2022 13:00 – 17:30	3 October 2022 14:00 – 15:30	8 November 2022 10:00 – 11:00
Content	<ul style="list-style-type: none"> • Expectations and requirements regarding sustainability strategies • Introducing 5-step approach towards a sustainability strategy • Best-practices examples 	<ul style="list-style-type: none"> • Developing an individual roadmap for the development of a sustainability strategy by following the 5-step approach • Embedding the strategy within the UNGC / CoP reporting 	<ul style="list-style-type: none"> • Overview of the enhanced CoP • Insights into the five sections of the CoP, incl. explanation of terms, guidance on preparation 	<ul style="list-style-type: none"> • Reporting requirements in Switzerland • Reporting requirements in the EU • Approach for integrating the requirements into reporting process

Contents

1. Enhanced CoP in brief
2. CoP Questionnaire
3. Questions & Answers
4. How to proceed?

Today`s input:



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Enhanced CoP in brief

Enhanced CoP - effective 2023

Reasons for the revision

- Enhanced **stakeholder access to information** about participants`...
 - actions and status of implementation of the Ten Principles as well as
 - contributions towards achievement of the Sustainable Development Goals (SDG)
- Foster **accountability on corporate sustainability performance** to safeguard the integrity of UN Global Compact initiative
- Promote participants` **continued learning** by providing a framework to operationalize the Ten principles
- Support to **drive corporate sustainability performance** by guiding participants to identify gaps in their current sustainability performance, set goals to improve their performance and to enable them to compare their performance with peers

Major changes

- Transition from a narrative format to single standardized questionnaire (supporting documentation optional) at the CoP Digital Platform
- No differentiation levels (likely to be introduced over the next several years)
- Introduction of a Digital Signature System for submission of the CEO statement
- Introduction of a universal 4-month submission period (1st March - 30th June each calendar year)
- Reduction of the “non-communication period” from twelve to six months (until 31st December)

Enhanced CoP - effective 2023

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Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Preparation									Preparation		
		Submission period									
							Adapt approach / Benchmark				



Communication on Progress (CoP) - effective 2023

CoP features



Format

- CoP Digital Platform:
- CEO Statement of continued support
 - CoP Questionnaire

*attachments are optional
(e. g. Sustainability Report)*



Translations

CoP Questionnaire will be available in all six official UN languages:

- Arabic
- Chinese
- English
- French
- Russian
- Spanish

**German will be provided
by UN GCNSL**



Language

Participants are encouraged to use the same language as the one selected for the questionnaire when narrative answers are required;
participants may respond in any language



Alignment

CoP Questionnaire is aligned with existing reporting standards (GRI, CDP, ISAR) and relevant frameworks (UN Guiding Principles on Business and Human Rights, ILO conventions)



Accessibility and data display

CoP Questionnaire and e-signed CEO Statement will be available for **public view and download** on participant's profile on the UNGC website (*same applies for optional attachments*); participants will also have access to a data visualisation dashboard (view own & peer performance)

Communication on Progress (CoP)

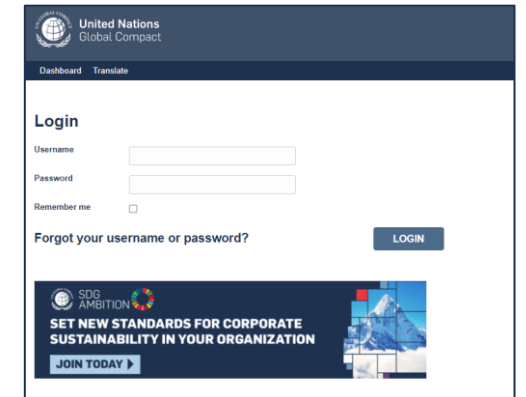
Two requirements

CoP needs to fulfil two requirements:

- 1 A **digitally signed statement by the chief executive** expressing continued support for the Global Compact and renewing the company's ongoing commitment to the initiative and its principles.
- 2 **Completion of the online Communication of Progress (CoP) Questionnaire** demonstrating the company's commitment to corporate sustainability, the Ten Principles of the UN Global Compact and the Sustainable Development Goals by disclosing information on processes, policies, actions taken and performance achievements.

Both requirements need to be completed and submitted through the UN Global Compact Website on the CoP Digital Platform.

i Updated *CoP Guidebook* published by end of October 2022

The screenshot shows the login interface of the UN Global Compact CoP Digital Platform. At the top, there is a header with the United Nations Global Compact logo and navigation links for 'Dashboard' and 'Translate'. Below this is a 'Login' section with input fields for 'Username' and 'Password', a 'Remember me' checkbox, and a 'LOGIN' button. A link for 'Forgot your username or password?' is also present. At the bottom of the login section, there is a promotional banner for 'SDG AMBITION' with the text 'SET NEW STANDARDS FOR CORPORATE SUSTAINABILITY IN YOUR ORGANIZATION' and a 'JOIN TODAY' button.

Enhanced CoP – effective 2023

CEO Statement of continued support

How to complete:

- Access the CEO Statement on the CoP Digital Platform
- Clarify who will sign the statement (ability is given to sign on behalf of CEO)
- Provide a digital signature: name, position, company name

CEO Statement | Signing on behalf of CEO

XX/XX/XX Date will auto populate with date CoP is submitted

To our stakeholders, Company name will auto populate form

I am please to confirm that XX reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, and Anti-Corruption.

In this annual Communication on Progress we disclose our continuous efforts to integrate the Ten Principles into our business strategy, culture, and daily operations, and contribute to United Nations goals, particularly in the Sustainable Development Goals.

Sincerely yours,

CEO's/ Highest executive name: XX Type in CEO name

CEO's/ Highest executive full title: XX Type in CEO title

Company name: XX Type in Company name

If applicable, form completed on behalf of highest executive by: XX Person filling out form types in their name; this will not be publicly displayed

☐ By checking here, I affirm I have received permission to sign on behalf of the CEO or highest-ranking official

Check box confirming that person filling out form has permission from CEO to sign on their behalf; this will not be publicly displayed

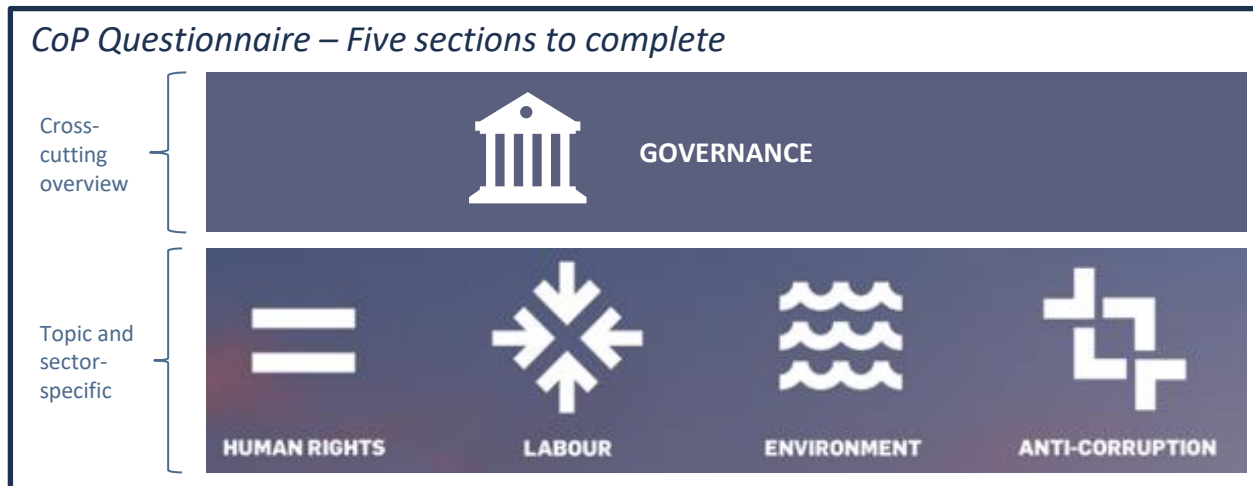
Source: UN Global Compact: Webinar Session #1: CoP Policy and requirements, August 2022

Enhanced CoP – effective 2023

CoP Questionnaire

Questionnaire structure

- Contains **52-74 questions** that are connected to the Ten Principles and SGD
- Organized into five sections
- Approx. 65% are matrix progression or multiple choice questions



Structure of sections

Within each (topic) sections, questions address...

- **Commitment:** company's policy commitment in relation to the specific topic
- **Prevention:** type of action with the aim of preventing/mitigating the risks/impacts associated with the specific topic; engagement with affected stakeholders in reporting period
- **Performance:** specific KPI in relation to the specific topic
- **Response, remediation and reporting:** cases of providing or enabling remedy; practical actions to implement the principles in reporting period

- **All questions** need to be completed prior to submission
- **No scoring or ranking** associated with completion of CoP Questionnaire
- **Data Assurance is not mandatory**, but encouraged

Enhanced CoP – effective 2023

CoP Questionnaire

How to complete:

- Access the CoP Questionnaire on the CoP Digital Platform
- Complete the questionnaire and submit

Question breakdown:

Example: Select multiple

G1. Does the board/highest governance body or most senior executive of the company:
Linked to: GRI Disclosures 2-12, 2-14, 2-22 (2021)
(Select all that apply)

- ☐ Issue an annual statement about the relevance of sustainable development to the company
- ☐ Issue an annual statement that addresses impacts on both people and the environment
- ☐ Issue an annual statement highlighting a zero tolerance for corruption
- ☐ Sign off on organizational sustainability targets
- ☐ Supervise Environmental, Social, and Governance reporting
- ☐ Regularly review potential risks related to the business model
- ☐ None of the above

Please provide additional information:

Hyperlinks to referenced standards and frameworks

Instructions on how to answer the question

If none of the answers apply, select "none of the above"

Provide additional context to your answer (mostly optional)



Download the CoP Questionnaire as **Excel spreadsheet** on CoP Digital Platform to draft your answers and to support your data collection

Example: Matrix progression

G6. Does the company have a process or processes to assess risk?
Linked to: GRI Disclosure 205-1 (2018)
(Matrix – Select one answer option per line)

Progress/ higher performance in the answer options (from left to right)

Risk Category:	No, this is not a current priority	No, but we are planning to develop one in the next two years	Yes, related to our own operations [Prompts G6.1 for each yes]	Yes, related to our own operations and suppliers [Prompts G6.1 for each yes]	Yes, related to our own operations and the value chain (including suppliers, consumers, communities, other business relationships) [Prompts G6.1 for each yes]
Human rights risks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Labour rights risks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Environmental risks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Corruption risks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please provide additional information:

Certain answer options may prompt additional questions

Example: Narrative format

HR8. Briefly describe additional relevant practical actions the company has taken during the reporting period and/or plans to take to implement the human rights principles, including goals set and any challenges faced and actions taken towards prevention and/or remediation.
Linked to: GRI Disclosures 3-3-c and 3-3-d (2021)

(Text Box)

Example: Quantitative format

Board Composition

G11. Percentage of individuals within the company's Board/highest governance body by:
Linked to: ISAR D.1.2., ISAR D.1.3.; GRI Disclosures 2-9 (2021), 405-1 (2018)
(Matrix – Percentage & Commentary for each line)

	Number	Not applicable
Total number of board members (#)		
Male (%)		
Female (%)		
Non-binary (%)		
Under 30 years old (%)		
30-50 years old (%)		
Above 50 years old (%)		
From minority or vulnerable groups (%)		
Executive (%)		
Independent (%)		

Please provide additional information:

If you select "not applicable", provide a brief explanation (e.g. data is not existent; it is not material for us)

CoP Questionnaire

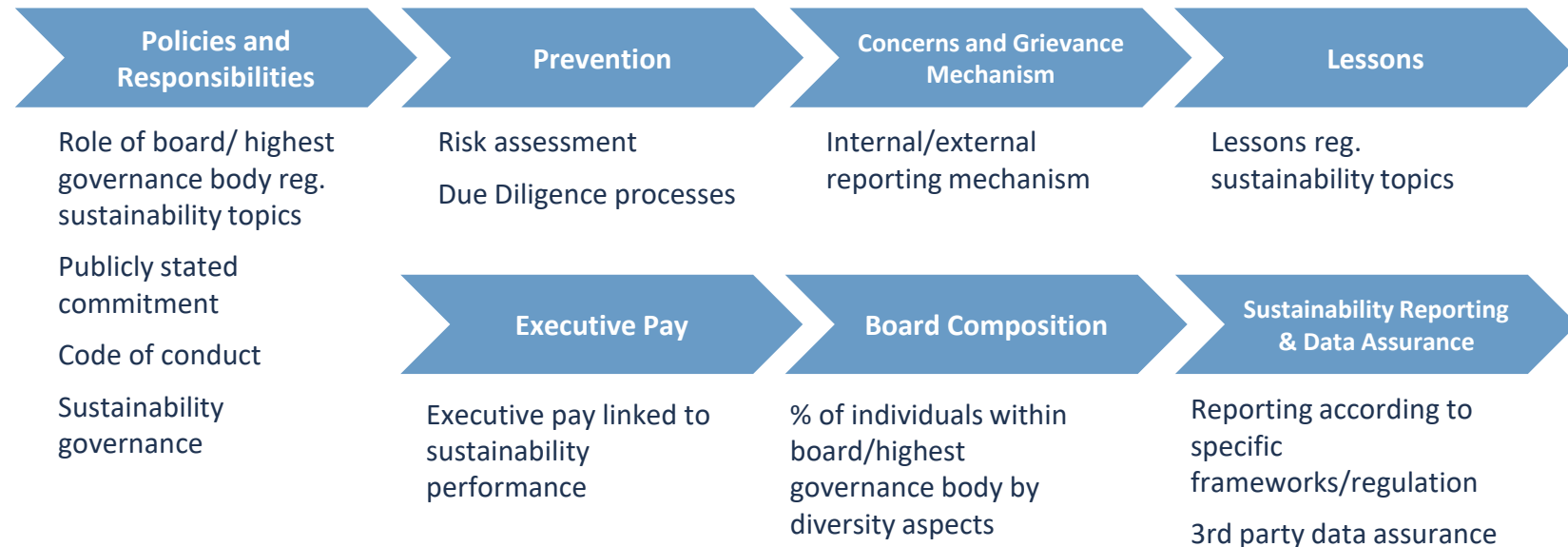
Section 1 of the CoP Questionnaire

Governance



Companies demonstrate their **systems and processes** that facilitate an effective strategy and operations **towards achieving the Ten Principles and the SGD** with respect to good governance, incl. accountability, integrity, inclusivity and transparency.

Structure of Governance section & information to compile



03.10.2022

Section 1 – Governance

Explanation of terms

- **Due diligence:** Process focusses on identifying, preventing, mitigating and accounting for how a company addresses adverse impacts on people and the environment; differentiation: risk assessment focusses on addressing how sustainability issues may affect a company
- **Raising concerns:** Processes through which individuals can raise concerns about a company's wrongdoing reg. business conduct whether they are harmed or not (e.g.: confidential interviews during site visits, hotlines, whistleblowing mechanism)
- **Grievance mechanism:** Routinized process through which individuals can raise grievances and seek remedy/remediation for the negative impact on them (mechanism could be state-based, non-state-based, operational-level based)

Preparation tips

- Involve the following **departments** to complete the Governance section: Human Resources, Legal & Compliance, Risk Management
- If you already conducted a **materiality analysis**: map your material topics to the four topic sections
- If not already the case, set up a **data collection system** to capture the percentage of individuals within board/highest governance body by diversity aspects
- For **GRI-Reporters**: align with your approach to GRI G2 disclosures → consistency
- Decide if the information disclosed in the questionnaire should be **assured** by a third-party (*is encouraged but not mandatory*)

Human Rights - Overview



Companies demonstrate their understanding of having a responsibility to respect human rights and address negative impacts related to their company's business operations

Structure of Human Rights section & information to compile



Section 2 – Human Rights

Explanation of terms

- **Material topics:** Topics that represent the organization's most significant impacts on the economy, environment, and people (incl. human rights) (GRI 3: Material Topics 2021)
- **Impact:** Effect the company potentially or actual has on the economy, environment and people (incl. human rights)
- **Human Rights:** Universal rights inherent to all human beings, expressed in the Universal Declaration of Human Rights (1948), e.g. freedom of expression, access to water and sanitation, gender equality, rights of indigenous peoples

Preparation tips

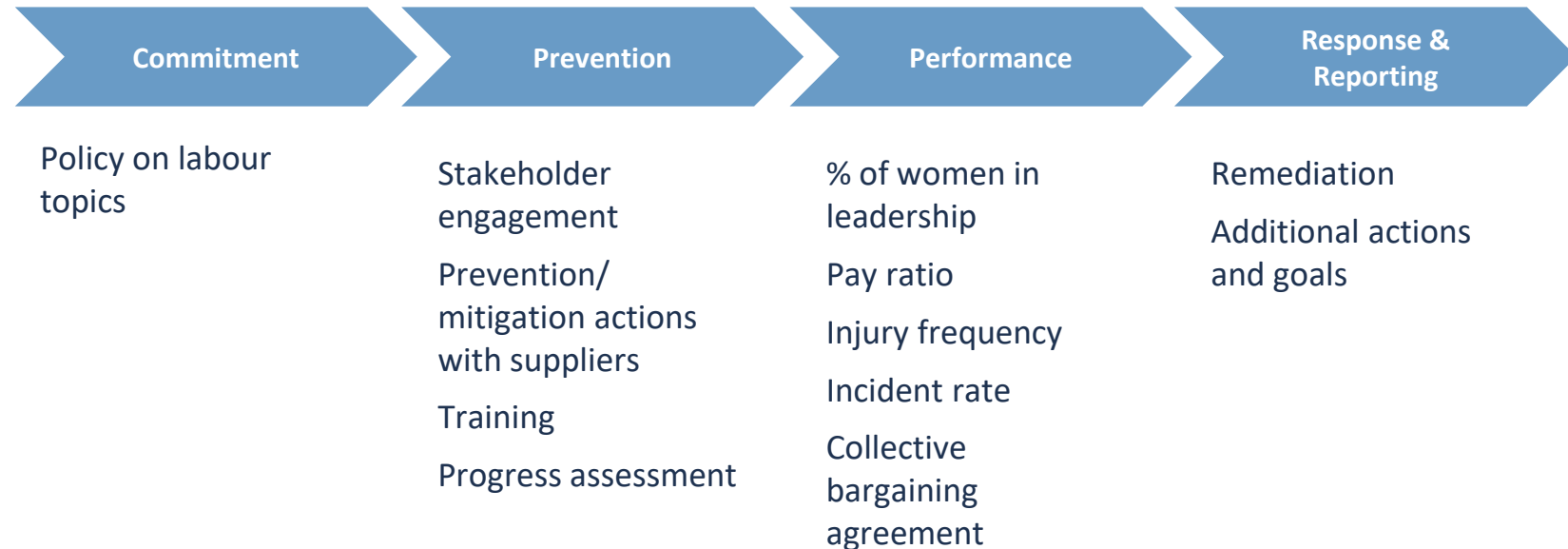
- Identify your company's **material topics** by assessing your impacts through a materiality analysis
 - Take a look at GRI 3-2 for guidance
 - Make sure to consider all potentially relevant topics covered by UNGC/CoP questionnaire
 - Consider your **entire value chain** (upstream, operations, downstream)
 - Involve your **most affected stakeholders** to validate your assessment to better understand and potentially collaborate on the prevention/mitigation of the impacts in question
 - Consider also requirements of **applicable or potential regulation** (e.g. double materiality)
 - **For OR 964:** check on scope regarding minerals & metals and child labor.

Labour - Overview



Companies demonstrate their respect and actions to uphold and promote adherence to fundamental and universally accepted labour rights across their own operations and their value chain

Structure of Labour section & information to compile



Section 3 – Labour

Explanation of terms

- **Work-related injuries:** fracture, burns, loss of consciousness, amputation of a limb, death
- **Incidents:** occupational accidents (unexpected and unplanned occurrences arising out of or in connection with work), injuries or diseases
- **Collective bargaining agreements:** agreements based on negotiations between one or more employers or employers' organization and one or more workers' organization for determining working conditions and term of employment



Preparation tips

- Calculation of **women in senior leadership positions:** Number of women in managerial positions (senior leadership level and non-executive board positions) / total number of employees in this position * 100
- Calculation of **pay equity:** Gross hourly earnings paid to female employees / gross hourly earning paid to male employees for each job level/category * 100
- Calculation of **frequency of injury:** Number of recordable work-related injuries / total number of hours worked by workers in the reporting period * 100 (ISAR C.3.2)
- Calculation of **incident rate:** Total number of lost days (expressed in terms of number of hours) / total number of hours worked by workers in the reporting period * 100

Section 4 of the CoP Questionnaire

Environment

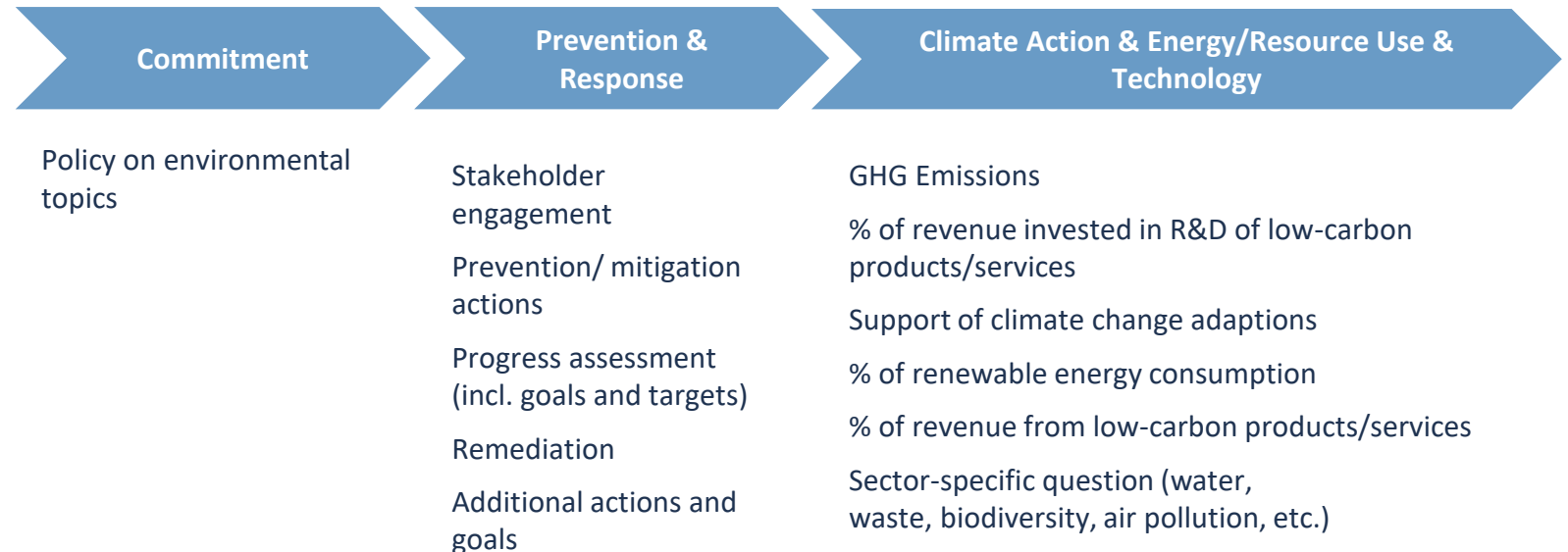


Companies demonstrate their efforts in preventing environmental damage, measuring impacts and participating in environmental stewardship with respect to product/service development, etc.

➤ Section contains sector-specific environmental questions



Structure of Environment section & information to compile



Section 4 – Environment

Explanation of terms

- **Climate change adaption and resilience:** Ability to anticipate, prepare for and adapt to changing conditions to reduce loss and damage as well as respond and recover quickly from negative climate effects
- **Scope 1 emissions:** direct emissions from sources that are owned or controlled by the organization (e.g. from fuel consumption)
- **Scope 2 emissions:** indirect emissions that result from the generation of purchased or acquired electricity, cooling, heating, etc. consumed by the company
- **Scope 3 emissions:** other indirect emissions that occur outside of the organization, incl. upstream and downstream emissions (e.g. through use of sold products, investments)

Preparation tips

- Make yourself familiar with the **sector-specific environmental questions** that are applicable for your company
- Select “**not applicable**” if not material for your company and briefly explain why
- Refer to the **GHG Protocol** to calculate your scope 1, 2 and 3 GHG emissions
- Calculation of **R&D investment**: $\text{R\&D budget allocated to low-carbon products or services} / \text{total revenue} * 100$
 - Classification for low-carbon products/services: e.g. EU Taxonomy
- To clarify the requirements of the **sector-specific questions, check the GRI topic standards, CDP disclosures, etc.**; e.g.:
 - GRI 303: Water and Effluents 2018
 - GRI 304: Biodiversity 2016
 - GRI 305: Emissions 2016
 - GRI 306: Waste 2020

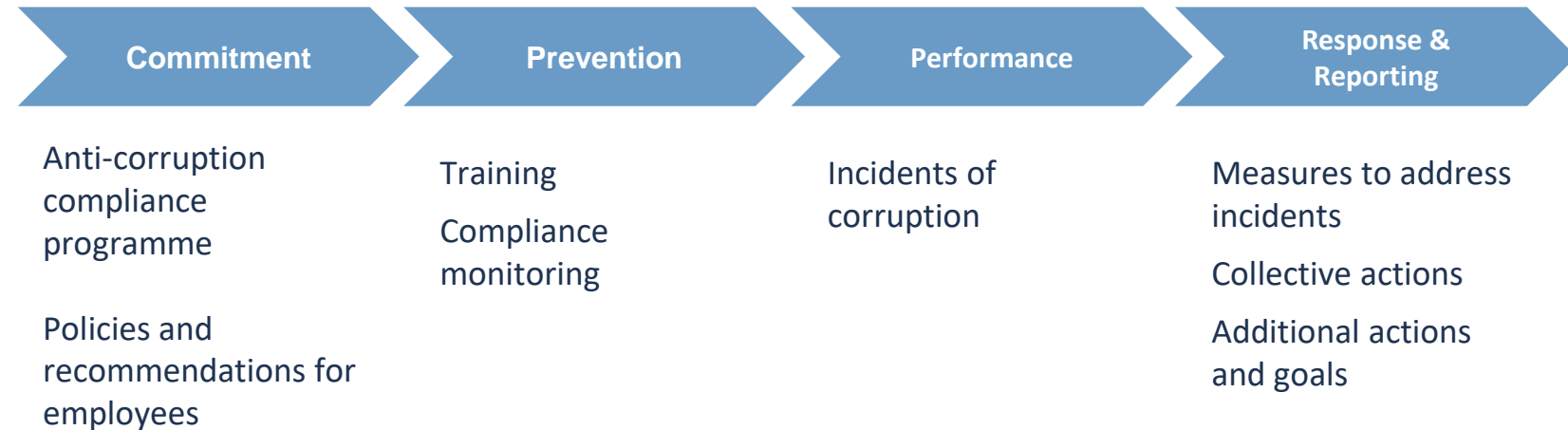
Section 5 of the CoP Questionnaire

Anti-Corruption



Companies demonstrate their active prevention of dishonest and fraudulent behavior that undermines competition as well as taking corrective action should an incident arise.

Structure of Anti-Corruption section & information to compile



Section 5 – Anti-Corruption

Explanation of terms

- **Anti-corruption program:** includes procedures on how to handle bribes, appointing a manager to implement and improve the programme, communicating anti-corruption commitments to business partners, providing training, etc.
- **Collective action:** voluntary collaborative and sustained process of cooperation between stakeholders or with initiatives to combat corruption (e.g. civil society organizations, governments, public sector, peers, trade unions)

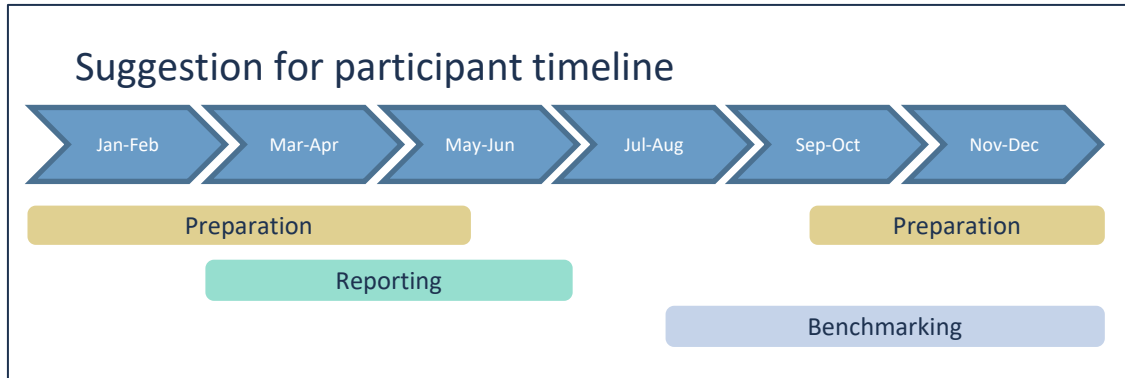
Preparation tips

- Involve the **Legal & Compliance department** to complete the questions
- Check the **annual report** for existing information and data on this topic
- Check on completeness of **Code of Conduct** (if existing) and reference to value chain (also upstream!)
- Check if there are standardized procedures to **monitor application and breaches of Code of Conduct**
- Check if there are **regular trainings**, does your company have a **risk-based approach** distinguishing between employees and business relation types

Questions & Answers

How to proceed?

Steps to **prepare** for the Enhanced CoP



Source: UN Global Compact: Webinar Session #1: CoP Policy and requirements, August 2022

- **Preparation**

- Make yourself familiar with the **required disclosures/** of the questionnaire
- Attend **CoP information sessions** (via your local Global compact network or UN Global Compact global)
- Download the **excel spreadsheet** of the questionnaire at the digital platform and start completing it by collecting data and information

- **Reporting**

- Complete online questionnaire
- (Digitally) Sign CEO statement of continued support
- **Double check the provided information/ answers** and submit your CoP (note: amendment phase of two weeks for requesting minor changes in case of errors made in submitted CoP)

- **Benchmarking**

- Utilize your **participant dashboard** to visualize your company's performance
- **Compare progress against peers** (e. g. dashboards/ aggregated data with respect to sector, geography, etc.)

- **Use of available data of the most recent closed 12-month data collection cycle**
- **no grace period or extensions**



Additional Information

UN Global Compact Guidance

- [Communication on Progress – Website](#)
- CoP [Policy](#) – *revised policy to be published soon*
- [CoP Questionnaire – effective 2023](#)
- [COP Questionnaire Guidebook](#) – *update to be published end of October*
- [CoP Frequently Asked Questions](#) – *to be regularly updated*
- [UN Global Compact Academy](#) - *recorded sessions on dedicated CoP Academy page*



Please contact the [Global Compact Network Switzerland & Liechtenstein](#) for any questions.

UN Global Compact Webinar Series: Learn about the new Communication on Progress coming in 2023

- Session #1: [CoP Policy and requirements](#), 25th August 2022
- Session #2: [Overview of the questionnaire and CEO statement of continued support](#), 14th September 2022
- Session #3: Questionnaire Structure & Governance section, 28th September 2022
- Session #4: Human Rights & Labour section, 12th October 2022
- Session #5: Environment & Anti-corruption section, 26th October 2022



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ANTI-CORRUPTION



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