COMMUNICATION ON PROGRESS | AN INTRODUCTION

About the COP
The Communication on Progress (COP) is an annual disclosure to stakeholders on progress made in implementing the ten principles of the UN Global Compact in the areas of human rights, labour, environment and anti-corruption, and in supporting broader UN development goals. The COP is posted on the Global Compact website by business participants. Failure to issue a COP will change a participant’s status to non-communicating and can eventually lead to the expulsion of the participant.

Minimum Requirements
A statement by the chief executive expressing continued support for the Global Compact and a description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) in each of the four issue areas. In cases where a COP does not address one or more of the four issue areas, it must provide an explanation.

A measurement of outcomes (i.e., the degree to which targets/ performance indicators were met, or other qualitative or quantitative measurements of results)

Differentiation Levels
GC Active: COPs that meet the minimum requirements (see left)
GC Advanced: COPs that qualify as GC Active and, in addition, cover the company’s implementation of advanced criteria and best practices
GC Learner: COPs that do not meet one or more of the minimum requirements

Issue Area Reporting
Some participants choose to dedicate special efforts to issues they deem critical to their business, such as water or gender. They commit to transparently report on these, above and beyond the minimum COP requirements.

Signatories of the CEO Water Mandate, the Women’s Empowerment Principles and Business for Peace already do so. Other issues will follow.

COP Matters
For businesses: The COP helps drive continuous sustainability performance improvement within the company. The library of COPs at the UN Global Compact website represents the largest repository of corporate practices in sustainability.
For investors: The COP provides investors with sustainability performance information of companies, thus allowing for a more effective integration of environmental, social and governance (ESG) considerations in their investments and resulting in a more effective allocation of capital.
For civil society: The COP is an important demonstration of a company’s commitment to transparency and accountability and it serves as an effective tool for multi-stakeholder dialogue.

REPORTING ON SUSTAINABILITY 1999-2014

UN GLOBAL COMPACT

Launch of UN Global Compact
Secretary-General calls for participants to report annually on progress as part of their commitment to the Global Compact.

COPs submitted per year

Launch of COP
COP Policy announced requiring annual disclosure by business participants and voluntary disclosure for non-business participants.

Local Networks take an active role in supporting participant reporting.

Global Compact calls for companies to publish examples of progress in existing communications such as annual reports.

First edition of “Making the Connection” to support use of GRI Guidelines to fulfill COP requirements.

For the first time, 538 participants marked as inactive due to failure to communicate progress, in alignment with the COP Policy.

For the first time, companies are expelled from the Global Compact for failure to meet COP requirements.

The COP provides investors with sustainability performance information of companies, thus allowing for a more effective allocation of capital.

The COP is an important demonstration of a company’s commitment to transparency and accountability and it serves as an effective tool for multi-stakeholder dialogue.

EXTERNAL CONTEXT

About the COP

Dow Jones Sustainability Index (DJSI) introduced.

FTSE4Good Index Series introduced containing companies listed on London Stock Exchange.

The Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises revised.

The International Integrated Reporting Council (IIRC) launched.

The International Integrated Reporting Framework launched.

The Global Compact is mentioned in the European Union’s Directive on disclosure of non-financial and diversity information as one of the recommended reporting guidelines.

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