

**GLOBAL CORPORATE  
CITIZENSHIP:**  
The Leadership Challenge for  
CEOs and Boards

This joint statement of a task force of World Economic Forum CEOs was developed in partnership with The Prince of Wales International Business Leaders Forum



# GLOBAL CORPORATE CITIZENSHIP:

## The Leadership Challenge for CEOs and Boards

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The following joint statement by a task force of World Economic Forum CEOs recommends a *Framework for Action* that chief executives, chairmen, board directors and executive management teams can use to develop a strategy for managing their company's impact on society and its relationships with stakeholders. The framework produces a template for a leadership process within the company and is intended to be complementary to the various voluntary corporate citizenship principles and guidelines that have been developed in specific issue areas. Although the statement uses the language of corporate citizenship, we recognize that definitions and approaches vary, with terms such as corporate responsibility, sustainable development and triple-bottom-line also in common usage and different conceptions of what each of these terms means in practice. Our aim is not to focus on specific definitions, but to emphasize the point that these issues are not an 'add-on' but fundamental to core business operations and to identify some key leadership actions that can be adapted by most business leaders to their own circumstances.

# I The Leadership Challenge

Over the past decade the forces of economic globalization, political transition and technical innovation have created new opportunities for improving the living standards of millions of people. For the first time in history most of the world's population live in democratic societies and market-based economies, with the potential for increased political participation and economic prosperity. There are widespread concerns, however, that this potential is not being met; that many people are still facing high levels of inequality, insecurity and uncertainty, as well as new sources of conflict, environmental decline and lack of opportunity. World events since September 11th have reinforced the inter-connected nature of these global challenges and the inter-dependence of nations and their citizens. Leaders from all countries, sectors and levels of society need to work together to address these challenges by supporting sustainable human development and ensuring that the benefits of globalization are shared more widely. It is in the interests of business that these benefits continue both for companies and for others in society.

We speak as a group of business leaders from different countries and industry sectors, with a wide diversity of activities. We recognize that enterprise is a principal driver for increased productivity and development and that commerce and investment, both domestic and foreign, large-scale and small-scale, have a crucial role to play in helping to build prosperous societies. We also recognize that sound institutions and clear regulatory and normative frameworks are needed at both the national and international levels. These can only be created by effective and efficient governments and inter-governmental organizations which are supported by an open and active civil society.

Within this context we believe we have an important role to play, in partnership with others in the public and private sectors and civil society, to help spread the benefits of development more widely by the manner in which we pursue our primary business activities. We believe that a commitment on our part to listen to and work with these other groups makes sound business sense and will enable us to better serve the interests of our shareholders and other key stakeholders, especially over the longer term. What does this mean in practice for business leaders?

**1 First and foremost, our companies' commitment to being global corporate citizens is about the way we run our own businesses.** The greatest contribution we can make to development is to do business in a manner that obeys the law, produces safe and cost effective products and services, creates jobs and wealth, supports training and technology cooperation and reflects international standards and values in areas such as the environment, ethics, labour and human rights. To make every effort to enhance the positive multipliers of our activities and to minimize any negative impacts on people and the environment, everywhere we invest and operate. A key element of this is recognizing that the frameworks we adopt for being a responsible business must move beyond philanthropy and be integrated into core business strategy and practice.

**2 Second, our relationships with key stakeholders are fundamental to our success inside and outside our companies.** Being global corporate citizens requires us to identify and work with key stakeholders in our main spheres of influence: in the workplace, in the marketplace, along our supply chains, at the community level and in public policy dialogue. Our key stakeholders will vary based on our particular circumstances, but for most of us our employees, customers and shareholders are of fundamental importance, together with host communities and governments and a growing variety of civil society organizations.

**3 Third, ultimate leadership for corporate citizenship rests with us as chief executives, chairmen and board directors.** Although it is essential that we assign clear responsibilities, resources and leadership roles to our managers for addressing these issues on a day-to-day basis, ultimate responsibility rests with us. While specific definitions, approaches and issues may differ according to industry sector, location of operations, size and type of company ownership, we believe the *Framework for Action* provides a template for leadership that is relevant for all companies, industry sectors and countries. Some of us will use the terminology of corporate citizenship, others of corporate social responsibility, ethics, triple-bottom-line or sustainable development, but we believe the core principles and actions required are the same. First, provide leadership. Second, define what it means for your company. Third, make it happen. Fourth, be transparent about it.

We commend this Framework to all business leaders to discuss with their Boards of Directors and executive management teams and to adapt to their own industries and circumstances.

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# II A Framework for Action

**1 PROVIDE LEADERSHIP:** Set the strategic direction for corporate citizenship in your company and engage in the wider debate on globalization and the role of business in development.

- (i) **Articulate purpose, principles and values internally and externally**
  - (ii) **Promote the 'business case' internally**
  - (iii) **Engage the financial sector**
  - (iv) **Enter the debate on globalization and the role of business in development**
- 

**2 DEFINE WHAT IT MEANS FOR YOUR COMPANY:** Define the key issues, stakeholders and spheres of influence which are relevant for corporate citizenship in your company and industry.

- (i) **Define the issues**
  - (ii) **Agree on company's spheres of influence**
  - (iii) **Identify key stakeholders**
- 

**3 MAKE IT HAPPEN:** Establish and implement appropriate policies and procedures and engage in dialogue and partnership with key stakeholders to embed corporate citizenship into the company's strategy and operations.

- (i) **Put corporate citizenship on the board agenda**
  - (ii) **Establish internal performance, communication, incentive and measurement systems**
  - (iii) **Engage in dialogue and partnership**
  - (iv) **Encourage innovation and creativity**
  - (v) **Build the next generation of business leaders**
- 

**4 BE TRANSPARENT ABOUT IT:** Build confidence by communicating consistently with different stakeholders about the company's principles, policies and practices in a transparent manner, within the bounds of commercial confidentiality.

- (i) **Agree what and how to measure**
- (ii) **Develop a graduated programme for external reporting**
- (iii) **Be realistic**

# 1

## **PROVIDE LEADERSHIP:** Set the strategic direction for corporate citizenship in your company and engage in the wider debate on globalization and the role of business in development.

*Experience has shown that for corporate citizenship to flourish, CEO, board and senior management leadership are essential.*

- (i) **Articulate purpose, principles and values internally and externally** – Business leaders play a crucial role in serving as role models and champions by communicating and behaving in a manner that is consistent with the company's stated principles, values and purpose. Platforms for doing this include:
- Annual General Meetings and other briefings with investors
  - Annual Report and other corporate publications
  - Regular meetings and communications with employees
  - Interaction with trade, industry and business associations
  - Other focused stakeholder dialogues and communications
  - Non-executive roles on other company boards
  - Conference platforms and media interviews
  - Daily actions that 'walk the talk'.
- (ii) **Promote the 'business case' internally** – Business leaders are uniquely placed in highlighting to their employees in a persuasive manner the costs of 'getting it wrong' in terms of economic, social and environmental performance and the business and societal benefits of 'getting it right'.
- (iii) **Engage the financial sector** – The shareholder-driven and short-term nature of the financial markets is often cited as an obstacle to social and environmental innovation both within companies and in the market more generally. Leaders in the financial sector play an important role in increasing awareness of these issues among their peers, but all business leaders can engage proactively with their major institutional investors, bankers and insurers on issues related to their companies' social and environmental risks, innovations and business opportunities.
- (iv) **Enter the debate on globalization and the role of business in development** – There is a growing need to ensure that the public debate on these subjects is an open and rational one, backed as much as possible by solid evidence, practical examples and experience of the business contribution to development. Business leaders can play a role by being forthright about the benefits and constructive about the shortcomings of trade, investment and globalization. They can actively engage in dialogues aimed at defining the different roles and responsibilities of governments, business and civil society in helping to make globalization work for more people and countries.

# 2

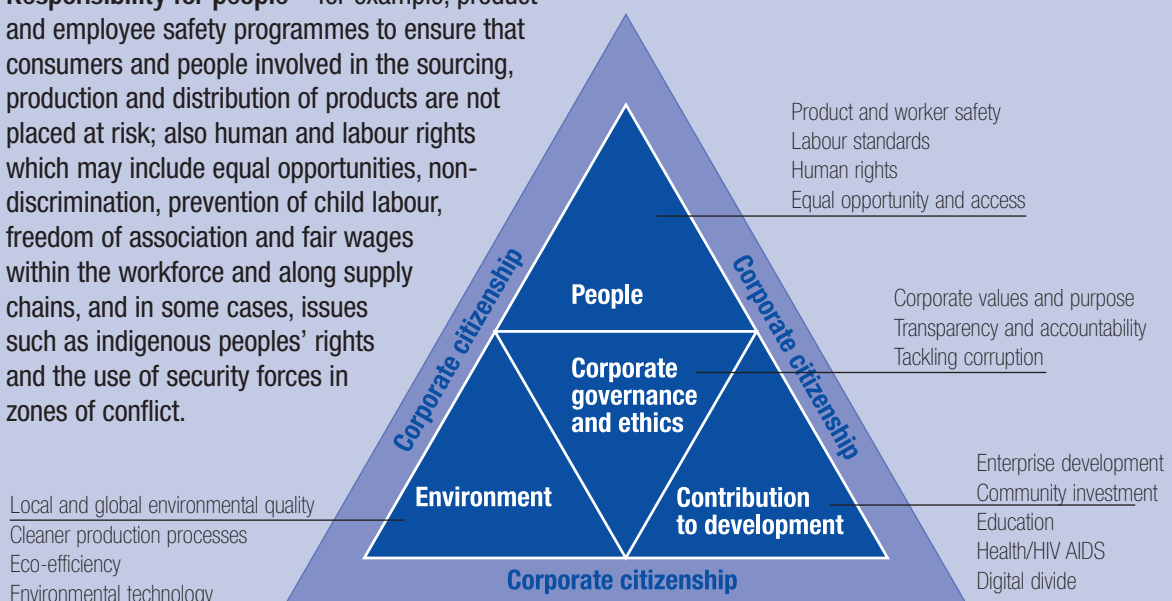
## DEFINE WHAT IT MEANS FOR YOUR COMPANY: Define the key issues, stakeholders and spheres of influence which are relevant for corporate citizenship in your company and industry.

*Broad areas of action for corporate citizenship can be identified, although the specific issues, dilemmas and strategies will vary for different companies.*

(i) **Define the issues** – Corporate citizenship is often talked about in the abstract, but it is fundamentally concerned with real and compelling issues. They will vary in nature and importance from industry to industry and location to location. The environmental issues faced by an energy company, for example, will be of a different magnitude compared to those faced by a pharmaceutical company, and tackling HIV/AIDS in the workplace will take on added intensity for operating units in Southern Africa, compared to those in Europe. At the same time, expectations of a company or industry sector’s responsibility for addressing a particular issue are likely to vary between different stakeholders. Setting the boundaries of a company’s role and responsibility *vis à vis* government and other actors, is therefore often a question of dialogue and negotiation. In most cases, however, global corporate citizenship will include elements of:

- **Good corporate governance and ethics** – including compliance with the law, existing regulations and international standards, efforts to prevent bribery and corruption and other issues addressed through ethical conduct policies or statements of business principles.
- **Responsibility for people** – for example, product and employee safety programmes to ensure that consumers and people involved in the sourcing, production and distribution of products are not placed at risk; also human and labour rights which may include equal opportunities, non-discrimination, prevention of child labour, freedom of association and fair wages within the workforce and along supply chains, and in some cases, issues such as indigenous peoples’ rights and the use of security forces in zones of conflict.

- **Responsibility for environmental impacts** – for example maintaining environmental quality, adopting clean and eco-efficient production processes, sharing environmental technologies and for some industries, engaging in global challenges such as climate change and bio-diversity protection.
- **Broader contribution to development** – efforts to contribute to broader social and economic benefits in host countries and communities, for example: building local business linkages; spreading international business standards; increasing access to essential products and services for poorer communities, such as credit, water, energy, medicines, education and information technology; and so on. These contributions to development may be part of a company’s core business operations or part of its social investment, philanthropic or community relations activities, depending on the industry sector and company concerned.





**(ii) Agree on company's spheres of influence –**

Companies and business leaders have different spheres of influence, where they have different levels of authority and ability to manage their impacts and to influence the actions of their own employees, stakeholders and others. These spheres of influence include:

- **Core business operations** – business leaders have their greatest authority and responsibility within their own business activities, in the manner in which they source, produce, market, distribute and in certain cases dispose of their products and services. Their primary focus should therefore be on their core activities in the workplace, the marketplace and along their supply chain. Companies can have an especially valuable influence and multiplier impact through their supply chain, although in many cases joint ventures and other ownership structures along the supply chain limit the level of direct influence that a Head office can exert.
- **Host communities** – for companies with a major physical presence, the surrounding communities where they operate are another important sphere of influence where they need to consult with community leaders to address issues of common interest and concern. In some cases, 'host communities' may cover a wide geographic area or region.
- **Industry associations** – many business leaders have relationships with trade, industry and business associations, ranging from chambers of commerce and organizations of employers, to sector bodies and issue-specific business leadership groups. This is another sphere of influence where they can support innovative thinking and new approaches to tackling wider economic, social and environmental issues.

- **Public policy realm** – many companies, especially major investors, are engaged in public policy dialogues either directly or through their trade and industry associations, at the local, national and international levels. Although not traditionally considered an aspect of corporate citizenship, this is an area where the private sector can have an important impact and where transparency and alignment with other corporate activities is increasingly important.

**(iii) Identify key stakeholders –** i.e. those who

contribute to the success of the corporation and those who are affected by it. As with issues and spheres of influence, a company's stakeholders will fall into similar broad categories, with variations depending on industry sector and other circumstances:

- **Investors, customers and employees** are important stakeholders for almost all companies. Many have long-standing experience on defining and communicating with these groups on a wide range of issues including social, ethical and environmental issues.
- **Other stakeholders** may or may not be important depending on the company and industry sector. They may include business partners, industry associations, local communities, trade unions, non-governmental organizations, research and academic institutions, the media and government bodies – from local municipalities to regional, state and national governments and international bodies such as those in the United Nations system.

# 3

**MAKE IT HAPPEN:** Establish and implement appropriate policies and procedures and engage in dialogue and partnership with key stakeholders to embed corporate citizenship into the company's strategy and operations.

*All the right words and statements will achieve little without embedding the company's principles and values and its commitment to corporate citizenship in the way people carry out and are supported in their daily work.*

- (i) Put corporate citizenship on the board agenda –** For example by establishing appropriate board policies and structures that embed corporate citizenship in the strategic direction of the company and monitor social and environmental performance. These structures can include board committees, external advisory panels and selection of diverse non-executive directors. Recent research in the USA and Europe by the US-based Conference Board, the International Business Leaders Forum and SustainAbility indicates that a growing number of companies are establishing board committees focused on ethics, environment, corporate responsibility and similar issues.
- (ii) Establish internal performance, communication, incentive and measurement systems –** These form the heart of embedding corporate citizenship into a company's "DNA" and senior executives play a vital role in ensuring that management systems are developed and implemented in a manner that is appropriate to the company's purpose, values and operational circumstances.
- (iii) Engage in dialogue and partnership –** Having identified the company's stakeholders, managers at all levels of the company are important intermediaries in building opportunities for productive dialogue and partnership, but senior management has an especially important outreach role particularly on sensitive and/or strategically important issues and especially with key stakeholders.
- (iv) Encourage innovation and creativity –** Innovative new technologies, products and services can help to address many environmental and social challenges. By creating incentives and support for social and eco-innovation inside the company and encouraging external partnerships with relevant innovators, researchers and customers, business leaders can help to provide a framework for new product development that meets business objectives, as well as other development needs. Examples include carbon emissions trading initiatives, energy efficient products and technologies, innovative medical and education pricing mechanisms, social and eco-labelling, sustainable product sourcing, fair trading networks and so on.
- (v) Build the next generation of business leaders –** Leadership development is an important element of 'making it happen' and today's business leaders play a vital role in helping to develop tomorrow's. They can ensure that issues of corporate citizenship form an integral part of mentoring and coaching initiatives and executive development programmes. They can also influence the teaching and research of corporate citizenship in business schools and act as role models for business students.

# 4

**BE TRANSPARENT ABOUT IT:** Build confidence by communicating consistently with different stakeholders about the company's principles, policies and practices in a transparent manner, within the bounds of commercial confidentiality.

*One of the most consistent demands that companies are facing from different stakeholders, ranging from institutional investors to social and environmental activists, is to be more transparent about their wider economic, social and environmental performance.*

- (i) Agree what and how to measure** – In most companies communication efforts are initially focused internally to identify what to measure and how to measure it, in consultation with employees and key business partners, but in some companies also in consultation with external stakeholders. Business leaders play a role in agreeing the most appropriate indicators or other methods for assessing the company's performance and directing and monitoring progress against these.
- (ii) Develop a graduated programme for external reporting** – Once the company has decided how best to evaluate its progress against the issues or stakeholders identified as being important, senior management has a role to play in communicating this externally and in ensuring that such communication is regular and consistent. If problems occur, CEO or senior management involvement, openness and timely discussion are important in order to build or sustain trust.
- (iii) Be realistic** – There is a danger of trying to move too fast, or promising too much in terms of organizational change and other deliverables, which can result in the creation of unrealistic expectations and/or low trust amongst stakeholders, both inside and outside the company. Executive management teams play an important role in setting the pace and managing expectations by agreeing on clear strategies, timetables or roadmaps for implementing the company's evolving commitments to corporate citizenship.

# III The Case for Action

For most business leaders there is a compelling case for taking action on issues relating to global corporate citizenship:

- First, an individual business case, that in today's world good corporate citizenship makes sound business sense. It is increasingly in the shareholders' interests for a company to have a clear purpose and set of values, not just a matter of public relations and avoiding negative publicity.
- Second, a broader case, that business prospers in societies that are prosperous. As such, business leaders and the owners of businesses have a direct interest in the process of globalization continuing and extending its benefits to more people around the world.

A detailed analysis of the 'Case for Action', including a list of recent research and surveys undertaken in this area, is available on the World Economic Forum website.

## The 'business case'

Producing safe goods and services that customers want to buy and doing so profitably and within the law, form the crucial basis for being a good corporate citizen, without which business can offer little else to society over the longer term. There is growing anecdotal and empirical evidence that companies are better able to achieve this by: having a clear sense of purpose and values; taking into account the interests of a broad set of stakeholders, including but not only shareholders; and actively managing their wider economic, social and environmental impacts. Over the past decade, largely as a result of changing societal expectations of business and the challenges of operating in new markets, these factors have become more important drivers that can either enhance or undermine a company's financial performance.

A growing number of research projects and surveys have highlighted the linkages between the quality of a company's stakeholder relationships and/or its wider economic, social and environmental performance, both real and perceived, and key value drivers such as:

- Risk profile and risk management
- Ability to attract, motivate and retain talented employees
- Reputation and brand equity

- Effectiveness at learning and innovation, especially in complex and dynamic environments
- Investor relations and access to capital, especially in terms of the growing socially responsible investment community
- Competitiveness and market positioning, in terms of gaining entry to new markets and building or sustaining customer loyalty in existing markets
- Operational efficiency, in terms of reducing input and transaction costs, increasing process efficiencies and improving quality of products and services
- Licence to operate, in terms of responding to and influencing regulation, as well as public opinion and confidence.

This is not to say that doing what is right will always pay or that there will always be a 'win-win' situation without any trade-offs. Sometimes costs will be incurred or opportunities forgone that outweigh financial gains, especially in the short term, due to the need to adhere to the company's business principles and values, its risk management criteria and/or its voluntary standards that go beyond legal compliance. Defining what these are and communicating to investors and other stakeholders how they are likely to influence the company's long-term and short-term performance is a key element of business leadership.

## Building prosperous societies and sharing the benefits of globalization

There is little doubt that legitimate and legal businesses prosper in societies where:

- The citizens are educated and healthy, with freedom of expression and movement and access to opportunity.
- There is democracy, with the government operating effectively in terms of collecting taxes, promulgating sensible regulation within a liberalized and competitive economic environment, facilitating required investments in physical and social infrastructure and services, providing a fair and effective framework for commercial law and ensuring an absence of corruption.
- There is a vibrant private sector, with a growing small and medium-sized enterprise sector and an efficient and effective financial services sector.
- There is physical safety and the absence of violent conflict.

Only 4% of Americans surveyed in 2000 by a Business Week/Harris Poll agreed that US corporations should have only one purpose – to make the most profit for their shareholders – and their pursuit of that goal would be the best for America in the long run. 95% agreed that US corporations should have more than one purpose and that they also owe something to their workers and the communities in which they operate. Too much corporate power? Business Week, September 2000

During 2001, the US-based Conference Board, working with the Asian Institute of Management, Instituto Ethos in Brazil and the International Business Leaders Forum, undertook one of the largest ever CEO surveys on the role of business in society. Over 700 leading CEOs responded from Europe, Asia, Africa, the Middle East, the United States and Brazil. Economic and political stability and the availability of an educated and skilled workforce were cited as the two most important factors for them to continue to succeed as a business in the future. The CEOs perceived their roles in addressing these factors as partnership first and leadership second. The two factors ranked as most important to their future success in addressing broader societal issues were more effective management within the company of the company's external involvements and clear leadership from government.

The New Role of Business in Society: A global CEO survey, The Conference Board, 2002

In today's world there are more opportunities than ever before to build such societies, but enormous challenges. No sector has the capacity to address these challenges alone. Governments and inter-governmental institutions have a more critical role than ever, but they cannot do it alone. The power and creativity of the market needs to be mobilized more than ever before, but is insufficient on its own. An active and open civil society and civic engagement is crucial, but not enough. New modalities of interaction and joint problem solving, both formal and voluntary, need to be developed. While the public sector has primary responsibility for creating effective domestic and international institutions and investing in human development, the private sector has an important contribution to make.

Against this backdrop, business leaders have a direct interest in working with each other and with governments, inter-governmental institutions and civil society organizations to harness the opportunities and resolve the challenges posed by globalization. Failure to develop these new approaches and failure to gain and sustain public support for globalization may seriously undermine progress on trade and investment. This in turn may undermine not only business opportunities and economic growth, but also the potential to reduce poverty and to invest in environmental sustainability.

Companies from all sectors and of all sizes can make a contribution. Small, medium and micro-enterprises have an especially important role to play in job creation, in raising productivity levels and in helping to lift people out of poverty. But so do large-scale and multinational companies. For many citizens business in general and multinational companies in particular represent the 'face' and key drivers of globalization and, rightly or wrongly, they are often seen as part of the problem rather than part of the solution. Business leaders need to demonstrate their ability and willingness, and their existing efforts and experiences, in being part of the solution to the challenges of globalization, either individually or in partnership with others.

The UN estimates that the number of transnational corporations has increased from some 37,000 in 1990 to over 60,000 in 2001, with around 800,000 foreign affiliates and millions of suppliers and distributors along their value chains. Private sector capital flows to developing countries, driven largely by these companies, now outstrip official development assistance (ODA). There are growing calls from politicians, academics and activists for an increase in ODA. Even if such an increase occurs, however, the role of trade and private investment cannot be ignored. According to the World Bank, developing countries stand to gain over three times the \$43 billion they get annually in overseas aid from further trade liberalization – enough to lift an additional 300 million people out of poverty by 2015.

As stated at the outset, the primary duty of companies must be to meet market needs through the efficient and profitable use of resources, thereby preserving and expanding the invested capital of shareholders, while taking into account the interests of a broader set of stakeholders. Efficient allocation of resources is what drives economic growth, and economic growth is the *sine qua non* of improved living standards. As the primary agent of economic growth in market economies, the core responsibility of business to society is therefore to produce safe and cost-effective goods and services thereby generating profits, creating jobs and building wealth.

Having said this, business cannot afford to ignore the wider social, economic and environmental impacts of its activities, both positive and negative. Nor can it ignore the wider challenges faced by governments in terms of investing in human development, infrastructure and institutions, both national and international, that help to create a sound enabling environment and healthy societies. By supporting governments, inter-governmental organizations and civil society in creating such an enabling environment and building such societies, business will prosper over the longer term.



## IV Examples

There are numerous examples of individual CEOs and their companies addressing some or all of the points outlined in the *Framework for Action*. The following examples focus on 'collective leadership' at the national, global or industry sector level. Many of them involve not only the private sector, but also the public sector and civil society organizations. Examples of other partnerships and individual company profiles can be found on the websites of the companies and other organizations listed in the acknowledgements.

**The Global Compact** was proposed by UN Secretary General, Kofi Annan, at Davos in January 1999. He called on business leaders to embrace and enact within their own corporate activities nine core principles derived from universally accepted agreements on human rights, labour and the environment. Today the Global Compact brings together several hundred companies, with some of the world's leading trade union bodies, human rights and environmental organizations in a global learning forum, policy dialogues and variety of development projects. Companies engage in the initiative through the written support of their CEOs. ([www.unglobalcompact.org](http://www.unglobalcompact.org)).

**Tackling global health issues:** CEO leadership has been central to the establishment of a number of international initiatives to address global health concerns. **The World Economic Forum Global Health Initiative (GHI)** is designed to foster greater private sector engagement in the global battle against HIV/AIDS, tuberculosis and malaria. In cooperation with the World Health Organization and UNAIDS, the GHI brings together businesses, NGOs, civil society and academic institutions in a partnership, focusing on corporate best practices, resource gaps, partnership opportunities, philanthropy and the role of business in advocacy. ([www.weforum.org](http://www.weforum.org)). **The Global Business Council on HIV/AIDS** ([www.businessfightsaids.org](http://www.businessfightsaids.org)) is an international group of business leaders dedicated to advocating for an increased business response to AIDS both in the workplace and in the community. **The Global Alliance for Vaccines and Immunization** ([www.vaccinealliance.org](http://www.vaccinealliance.org)) was officially launched in January 2000 at Davos, with a mission of combining public and private resources and competencies to support immunization activities. It is a coalition of governments, the WHO, UNICEF and the World Bank; philanthropic foundations; the International Federation of Pharmaceutical Manufacturers Associations (IFPMA); and technical and research institutes.

**Overcoming the digital divide:** CEOs in the ICT sector and beyond have engaged in a variety of policy dialogues and practical initiatives to bridge the 'digital divide' both within and between nations. Examples include: the **G8 Digital Opportunity Task Force** ([www.doforce.org](http://www.doforce.org)) which consisted of leaders from the public, private and not-for-profit sectors; the UN's multi-stakeholder **ICT Task Force** ([www.unicttaskforce.org](http://www.unicttaskforce.org)); and the **World Economic Forum's Global Digital Divide Initiative** ([www.weforum.org/digitaldivide](http://www.weforum.org/digitaldivide)). Business leaders are also supporting

practical projects such as the **Digital Partnership** ([www.iblf.org/digitalpartnership](http://www.iblf.org/digitalpartnership)) and **NetAid** ([www.netaid.org](http://www.netaid.org)); and others such as those listed on the World Economic Forum website.

**Investing in sustainable development:** This has been an area of increased CEO leadership. The International Chamber of Commerce ([www.iccwbo.org](http://www.iccwbo.org)) and World Business Council for Sustainable Development ([www.wbcsd.org](http://www.wbcsd.org)) have established **Business Action for Sustainable Development** ([www.basd-action.net](http://www.basd-action.net)) as a network and platform to provide business input and partnership examples to the World Summit for Sustainable Development in 2002.

**Promoting good corporate governance:** Business leaders are playing a role in several initiatives to promote good corporate governance. Examples include: **The International Corporate Governance Network**, pension funds and financial institutions with over \$8 trillion in assets under management working towards global convergence on standards of governance ([www.icgn.org](http://www.icgn.org)); and business support for **Transparency International** to tackle corruption. ([www.transparency.org](http://www.transparency.org)). Another aspect of good governance is the efforts to promote sustainability reporting such as the **Global Reporting Initiative**. ([www.globalreporting.org](http://www.globalreporting.org)).

**Corporate citizenship at the sector level:** The World Business Council for Sustainable Development and UNEP ([www.uneptie.org](http://www.uneptie.org)) have played an important role in promoting sector-based initiatives for sustainable development in industries as diverse as mobility, cement, pulp and paper, information technology, banking and finance. Other examples include the **E7 network** of electricity companies ([www.E7.org](http://www.E7.org)); the **International Hotels Environment Initiative** ([www.ihei.org](http://www.ihei.org)); and the **Global Mining Initiative**. ([www.globalmining.com](http://www.globalmining.com)).

**Supporting national development:** At the national level business leaders are supporting initiatives focused on goals such as education, local enterprise and job creation, and rural development. Examples include: **Philippine Business for Social Progress** ([www.pbasp.org.ph](http://www.pbasp.org.ph)); the **National Business Initiative in South Africa** ([www.nbi.org.za](http://www.nbi.org.za)); **Instituto Ethos in Brazil** ([www.ethos.org.br](http://www.ethos.org.br)); **Business in the Community** in the UK ([www.bitc.org.uk](http://www.bitc.org.uk)); and **Landcare** in Australia. ([www.landcareaustralia.com.au](http://www.landcareaustralia.com.au)).

**Engaging Tomorrow's Leaders:** Today's business leaders are supporting networks such as the **World Economic Forum's Global Leaders for Tomorrow**, which consists of young leaders from the public and private sectors and civil society, and **AIESEC**, the world's largest student-run organization ([www.aiesec.org](http://www.aiesec.org)) to promote sustainable development and corporate citizenship. A small but growing number of business schools have started to invest in research and teaching in this area supported by some CEOs (see [www.aspeninstitute.org/isib](http://www.aspeninstitute.org/isib) for some leading examples).

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## Organizations:

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## Other Contributors:

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