

# PRESS RELEASE



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## 10 MALAYSIAN FIRMS PLEDGE TO THE UNGC

**Kuala Lumpur, Aug 27:** Ten Malaysian firms, including three large government-linked companies, are strengthening their competitive edge, by signing on *en bloc* to the world's largest voluntary global corporate social responsibility (CSR) initiative, the United Nations Global Compact (UNGC).

The UNGC pledges participating businesses to align and observe 10 universal principles regarding human rights, labour rights, environmental sustainability and anti-corruption in their operations and strategies as well as produce a comprehensive annual report on their implementation.

By participating in the UNGC, the Companies join a group of key corporate leaders worldwide who recognize that stakeholders – customers, partners, investors, employees and government – prefer to support businesses that are environmentally sensitive, ethical and trustworthy as well as those that play an active role addressing critical development challenges such as global poverty and climate change.

Present at a signing ceremony today to submit letters of undertaking to the UN were Telekom Malaysia Berhad (TM), Malaysian Resources Corporation Berhad (MRCB) and CIMB Group.

The local business units of several multinational companies including Digi Telecommunications Sdn. Bhd Talisman Energy Malaysia, and Phillips Malaysia, pledged to the UNGC at the same event.

Other signatories included Asian Overland Services Tours and Travel, OWW Consulting, RUSS Consulting, and SL+A Sdn Bhd (The Stephen Leach Group), as well as Universiti Sains Malaysia (USM), the EU-Malaysia Chamber of Commerce and Industry and the Equator Society which joined the UNGC under the banner of academic and non-governmental organizations.

Together, these organizations join the five homegrown companies and 62 multinational firms with operations in Malaysia that are already on board.

According to En Abdullah Abdul Hamid, Executive Director, Transformation Management Office, Khazanah Nasional Berhad, the main advantage that the UNGC delivers to Malaysian signatories is a broad international reach to showcase their corporate responsibility initiatives and a strong channel to engage with civil society.

Linking the move with Khazanah's flagship CSR platform, the Silver Book, Encik Abdullah said, "The Silver Book has been acknowledged as a highly progressive CSR agenda – the UNGC allows us to demonstrate how that agenda has benefited Malaysia and share our experiences worldwide as a nation of CSR practitioners.

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"We must know where we are today and what we hope to achieve tomorrow. This is where the thinking behind the Silver Book integrates with the opportunities offered by the Global Compact."

Commenting on the participation of the GLCs, Datuk Dr. K. Govindan, Deputy Director General, Economic Planning Unit in the Prime Minister's Department said that it was encouraging to see leading businesses play a more active role in responding to national development challenges.

The event was held in conjunction with a two-day Silver Book workshop on measuring impact which aimed at review trends in Corporate Responsibility (CR), as well as highlight the importance and benefits of CR measures.

The workshop was organized by Khazanah Nasional Berhad as the secretariat to the Putrajaya Committee on GLC High Performance (PCG).

The Silver Book, which was launched in late 2006, is one of the 10 initiatives under the GLC Transformation Programme, an effort to promote high performing GLCs under the auspices of the PCG.

The Silver Book promotes corporate best practices and provides guidelines for companies to incorporate corporate responsibility into their corporate strategies and core businesses in line with ensuring sustainability of their organisations, society and the environment.

During the event it was announced that DiGi Telecommunications, Sdn. Bhd has also endorsed the "Caring for Climate" initiative under the UNGC, a first for a Malaysian company.

"DiGi is honoured to support the UNGC and endorse the Caring for Climate statement for business entities. It is especially timely for us, as we have just launched our own Climate Change programme last week, called, "Deep Green," "said Johan Dannelind, CEO of DiGi Telecommunications, Sdn. Bhd.

"As we go on our journey to halve our CO2 emissions in 3-4 years time, we look forward to sharing experiences with other companies that are passionate about addressing climate change," said Johan Dannelind, CEO of DiGi Telecommunications, Sdn. Bhd."

The UNGC through the Malaysia Compact provides thought leadership to and brings together all parties concerned with the promotion of good corporate governance and social responsibility under a main umbrella body.

Membership is open to all and participants have access to resources, instruments, and facilities to discuss CSR issues through mechanisms including policy dialogues to engage with key stakeholders, locally as well as abroad.

As the national local network, the Malaysia Compact seeks to build up a critical mass of ethical companies to create a truly business-led, nationally owned, multi-stakeholder platform for corporate responsibility for the country. It aims to enlist at least 50 corporate players by the year end.

Since it was launched in 2000, the UN Global Compact has witnessed steady growth, encompassing over 4, 600 business participants and other key stakeholders from over 120 countries. It includes the participation of six UN agencies, including UNDP, as well as the labour movement, NGOs and other civil society groups.

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UNDP is working with the private sector to translate Corporate Social Responsibility into action and to promote the development of inclusive markets that benefit the poor.