

Dear partners (employees, clients, providers, suppliers,),

This year (on 10 December 2008) the world will celebrate **the 60th Anniversary of the Universal Declaration of Human Rights** (UDHR).

The **Universal Declaration of Human Rights** was the first global recognition that all human beings have fundamental rights and freedoms and it continues to be living and important document today. The Human rights are inherent to all human beings, regardless of nationality, place of residence, sex, national or ethnic origin, colour, religion, language, or any other status.

The first two Principles of the United Nations Global Compact **derive from the Universal Declaration of Human Rights**, in view of which the United Nations is making continuous efforts to heighten the awareness of the rights and aspirations embodied in the UDHR.

Stopanska Banka AD-Skopje is committed to support and respect internationally proclaimed human rights. Furthermore, being a member in the United Nations Global Compact it additionally pledged itself not only to respect the human rights internally, but also to be proactive in raising the awareness on the subject among all its partners, thus demand strict adherence to the same.

In view of all of the above, let us all use this commemorative year to improve our performance, i.e. to step up our efforts to support, respect and promote human rights.

The below document entitled BUSINESS LEADERS INITIATIVE ON HUMAN RIGHTS, drafted by the UN Global Compact Network in US may provide useful starting point for further action.

The following document is UN Global Compact Publication

BUSINESS LEADERS INITIATIVE ON HUMAN RIGHTS

I. GETTING STARTED

Develop your company's business case for human rights

Make use of existing human rights resources and guidance materials, available on platforms like

www.business-humanrights.org

Understand the implications of the first two principles of the UN Global Compact: to support and respect human rights within your business and your sphere of influence, and to make sure that you are not complicit in human rights abuses

Develop and encourage a transparent and rights-aware approach to your business including by:

- Identifying and consulting with key stakeholders – including critics – to understand their concerns and expectations

- Identifying the key rights at issue, and the potential responsibilities of your company and the appropriate responses

II. STRATEGY

Find out what you are already doing on human rights e.g. under health and safety, union relations and human resources

Identify risks and opportunities and priorities for action, including by:

- Considering – in collaboration with operational colleagues – the nature and scope of the company’s human rights impacts and responsibilities in relation to core business and relations with business partners (supply and distribution chains), local communities and governments
- Comparing current performance against industry standards and good practice
- Conducting a human rights risk or impact assessment, eg. using the IBLF/IFC/UNGC Human Rights Impact Assessment Guide, the BLIHR Matrix, or the Danish Institute’s Human Rights Compliance Assessment Tool
- Identifying any past human rights challenges for the company and feeding lessons into future decision-making
- Prioritising the key human rights objectives for the company

Assign senior management/board level responsibility for the implementation of the company’s human rights strategy

III. POLICY

Use the term “human rights” within policy statements and refer to international agreements, especially the Universal Declaration of Human Rights and ILO core conventions

Include human rights in your existing policies

Develop specific human rights policies where appropriate

Develop local policies that align with global policies to meet local situations

Publish policies internally and externally and apply policies globally and across all operations of the company

Review your policy periodically on the basis of implementation experience and be ready to revise if necessary

IV. PROCESSES & PROCEDURES

Establish procedures for managing any identified human rights-related risks and opportunities

Adequately address human rights impacts and risks within business processes, including by:

- Opting to conduct a dedicated human rights impact assessment or ensuring that environmental and social impact assessments encompass human rights
- Ensuring that other company policies, processes and procedures do not conflict with those on human rights
- Including human rights responsibilities in job descriptions and performance appraisals of key personnel
- Seeing that human rights issues are appropriately addressed in contracts with business partners

Put in place management systems for human rights policy implementation, monitoring and reporting across the company

Learn from sector-wide business initiatives on human rights

Consider a collective action approach with industry peers where appropriate

Provide mechanisms to protect employees who report potential human rights concerns within the company or with business partners

V. COMMUNICATIONS

Share understanding of why human rights are important to business communications

Integrate human rights into your internal and external communications where appropriate

Communicate procedures to employees and business partners

Make procedures available in local languages and accessible to those unable to read

Openly acknowledge events where the company ran into difficulty or could have dealt with a problem more effectively

Use open and ongoing communication as a vehicle to gain active support from stakeholders in resolving problems

VI. TRAINING

Identify target groups in your business to receive human rights training

Review the different types of training materials available Integrate real life dilemma solving into training efforts

VII. MEASURING IMPACT & AUDITING

Set relevant performance indicators for measuring human rights impact across the different functions of your business

Apply continuous monitoring of practice and benchmark against other relevant companies to make sure that human rights policies are being applied

Undertake internal human rights-based audits and consider using third parties to make sure human rights policies are being applied

Use the monitoring and evaluation process as a tool for raising internal awareness and building the capacity of supplier management

Use audit findings to inform the strategic development of your business with respect to human rights

VIII. REPORTING

Report annually to stakeholders on progress against human rights policy pledges

Decide which human rights impacts are priorities for you to report on

Submit a link/description to the Global Compact website (if Global Compact participants)

In particular, explain to both internal and external stakeholders how the company set its human rights priorities and met or attempted to meet its key human rights policy objectives.

UN Global Compact Publication