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 EXECUTIVE OFFICE OF THE SECRETARY-GENERAL
 CABINET DU SECRETAIRE GENERAL

REFERENCE

11 January 2006

Dear Mr. Vergara,

Thank you very much for your letter to the Secretary-General expressing your company's commitment to implement the Global Compact's principles and to use the Compact as a forum for advancing responsible corporate citizenship. We appreciate your leadership and welcome your participation in what has become a rapidly growing movement to underpin global markets with universal principles on human rights, labour standards, environmental sustainability and anti-corruption practices. The Compact seeks to contribute to the Secretary General's vision of building more sustainable and inclusive global markets by embedding in them shared values that will provide access and opportunities for the world's poorest, most vulnerable populations.

The Global Compact pursues two complementary goals. The first involves efforts to internalize the Compact and its principles by making them part of business strategy and operations. The second is to catalyze cooperation and collective problem solving between different sectors and stakeholders. As a voluntary initiative, we build on your commitment and sustained actions, while emphasizing public accountability and transparency. Specifically, we expect you to undertake the following:

➤ **Communicate That You Are a Global Compact Participant**

As a first step, you are expected (i) to inform your shareholders, personnel, suppliers, clients and the general public about your decision to participate in the Global Compact and (ii) to publicly advocate the Global Compact wherever possible. Communications vehicles can include websites, letters, press releases, speeches, etc. To ensure your company's commitment extends beyond any individual leader, the CEO and the Board of Directors should fully back this process. In this way, the Global Compact employs a "Leadership Model."


Mr. Rafael Jaén Vergara
 Chairman
 Grupo Tragsa
 Madrid

- **Publish Your Activities in the Annual Report or Other Public Document**
 To advance public accountability and transparency, Global Compact participants are expected to communicate with their stakeholders on an annual basis about progress in implementing the Global Compact principles through their annual reports, sustainability reports or other corporate communications. To safeguard the integrity of the initiative as a whole, only those participants who communicate progress will be allowed to continue their participation in the Global Compact. Guidelines for preparing and submitting your company's "Communications on Progress" report are attached.

Finally, the Global Compact offers several optional engagement opportunities through its regional and national networks, including dialogue, learning and partnership projects. Details on how you and your company may participate in such programs can be found in the attached document entitled "Opportunities to Engage in Global Compact Activities."

We are eager to hear your ideas, suggestions and feedback, and we encourage you to share your views with us. We stand ready to support your efforts to embrace the ten universal principles in the areas of human rights, labour standards, environment and anti-corruption.

Yours sincerely,


 Georg Kell
 Executive Head, Global Compact
 Office of the Secretary-General