

## UN GLOBAL COMPACT ACCELERATING AND SCALING GLOBAL IMPACT

# **ABOUT THE UN** GLOBAL COMPACT



#### A PRINCIPLES BASED APPROACH

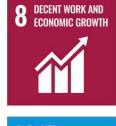
**ANTI-CORRUPTION** 



**ENVIRONMENT** 



13 CLIMATE ACTION



2 ZERO HUNGER











INSTITUTIONS













#### **UN GLOBAL COMPACT: OVERVIEW**



14,000+ businesses committed to the Ten Principles of the UN Global Compact

3,800+
non-business
participants

160+
countries with
UN Global Compact
participants

69
local networks

**87** million employees



# **SIGNIFICANT** PROGRESS

#### SIGNIFICANT PROGRESS FROM THE BUSINESS COMMUNITY HAS BEEN MADE

88%

Companies taking action on the SDGs

#### **Policies and practices in place**

**89%** Human Rights

**94%** Labour

92% Environment

90% Anti-corruption

86%

Our global and economic systems need to refocus on equitable growth





#### THERE IS SIGNIFICANT PROGRESS FROM THE BUSINESS COMMUNITY



Over 1,000 companies have signed up to Business Ambition for 1.5°C



82% of companies have gender embedded into their sustainability plans 83% of TGE Accelerator participants are setting gender targets at senior management levels



Developed the first framework and guidance for companies to set contextual water targets Developed a methodology for quantifying the multiple benefits of nature-based solutions



200 business innovations launched as a result of the Young SDG Innovators Accelerator



#### BUT THE WORLD IS NOT ON TRACK TO MEET THE SUSTAINABLE DEVELOPMENT GOALS



268 years to close the economic gender gap globally



19% of all workers are working poor,
160 million children in child labour







Annual cost of bribery is 1.5 to 2 trillion dollars – 2% of global GDP

Global warming predicted to reach over 3°C by 2100





SOCIAL PROGRESS INDEX ESTIMATES WE ARE 62 YEARS BEHIND SCHEDULE



#### WE NEED TO ENABLE SCALE OF THE ACTIONS

39% setting ambitious targets aligned with societal needs

53%

CEOs say extending sustainability through the supply chain is the top barrier

+14%ps vs 2019

% Companies ensuring a Living Wage to

Employees 71%

Supply Chain 20%







## SCALING GLOBAL COLLECTIVE IMPACT

To do it, we need to do it together. Collaboration. North, South, East, West. Black, Brown, White. Strengthen the diversity of the human family is what we need right now. It might sound like it's impossible, but that's what we work towards. Making the impossible, possible."

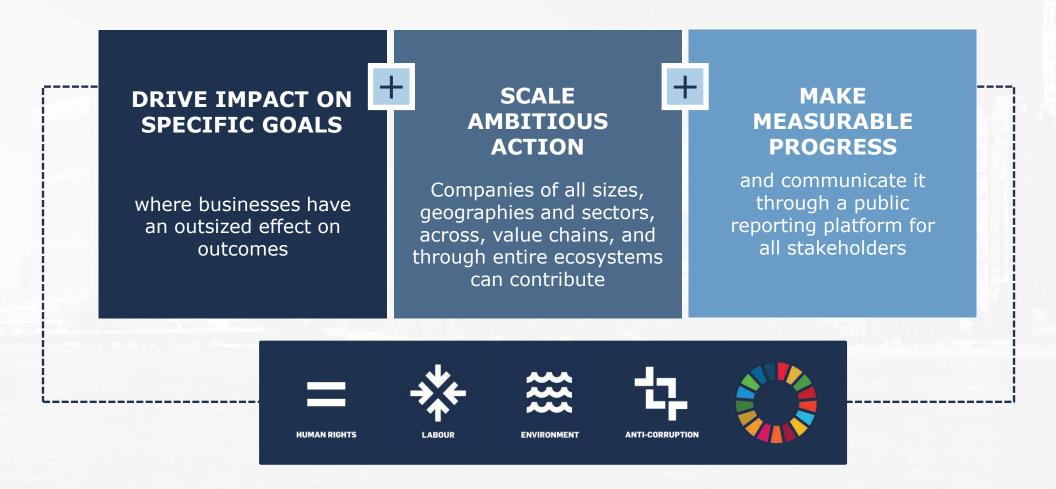
United Nations Deputy Secretary-General, Amina J. Mohammed

**United Nations**Global Compact

# WE ENABLE COMPANIES



### WITH THE UN GLOBAL COMPACT, PARTICIPATING COMPANIES ACHIEVE SUSTAINABLE VALUE BY DELIVERING MEASURABLE IMPACT TO THE WORLD'S MOST PRESSING CHALLENGES

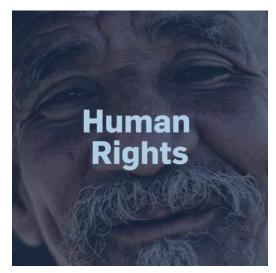




#### DRIVE IMPACT ON SPECIFIC GOALS

#### **SOLVING THE WORLD'S MOST PRESSING CHALLENGES**

**FOCUS AREAS WHERE BUSINESS HAVE AN OUTSIZED EFFECT ON OUTCOMES** 

















#### **SCALE AMBITIOUS ACTION**

#### **COMPANIES OF ALL SIZES, GEOGRAPHIES AND STAGES OF SUSTAINABILITY**

#### **FOCUS AREAS WITH IMPACT GOALS**

#### CONNECT | LEARN | LEAD | COMMUNICATE

#### PORTFOLIO OF ENGAGEMENT OPPORTUNITIES\* THAT SCALE CHANGE ACROSS 69 LOCAL NETWORKS AND 160 COUNTRIES, MNCs-> SMEs:













Photo: Katie Rodriguez/Unsplash



#### MAKE MEASURABLE PROGRESS

#### **COMMUNICATE**

**COMMUNICATION ON PROGRESS** 



Digital platform with mandatory and voluntary questions to communicate performance, track and measure progress and continuously improve



Public data base, open to all stakeholders for transparency, benchmarking and comparison



Links to resources, relevant initiatives and support from Global Compact (Local/region al /global) to help companies learn at every step & benefit from peer experience



#### **COALITIONS**

#### MULTI-STAKEHOLDER COALITIONS TO DELIVER ON THE SUSTAINABLE DEVELOPMENT GOALS









Scaling adoption of water stewardship practice by companies in critical geographies and sectors

A principles-based approach to sustainable ocean business

Enabling companies to set science-based emissions reduction targets

Scaling corporate finance and investment as a catalyst for delivering the SDGs



# WAYS TO ENGAGE



#### **ENGAGEMENT OPPORTUNITIES**

ALL COMPANIES WHATEVER SIZE, SECTOR OR GEOGRAPHIC LOCATION CAN CONTRIBUTE.
WHEREVER YOU ARE ON YOUR SUSTAINABILITY JOURNEY YOU WILL FIND ENGAGEMENT
OPPORTUNITIES TO HELP YOU ACCELERATE PROGRESS

#### **CONNECT**



Connect with industry, experts peers and with the UN at the global and national level

#### LEARN



Gain the knowledge and skills to make progress and deliver impact.

#### LEAD



Show bold leadership and inspire others. Leverage your position and advocate for major impact

#### **COMMUNICATE**



Build trust and credibility by communicating measurable progress towards your sustainability goals and targets















#### **FLAGSHIP EVENT PARTICIPATION**

15 March 2022	TARGET GENDER EQUALITY LIVE	TBD
1-2 June 2022	LEADERS SUMMIT 2022	Virtual
19-21 September 2022	UNITING BUSINESS LIVE	
		TBD

**30,000+**Event Attendees
2021

160+
Countries
Represented 2021

1.8M Social Media Reach



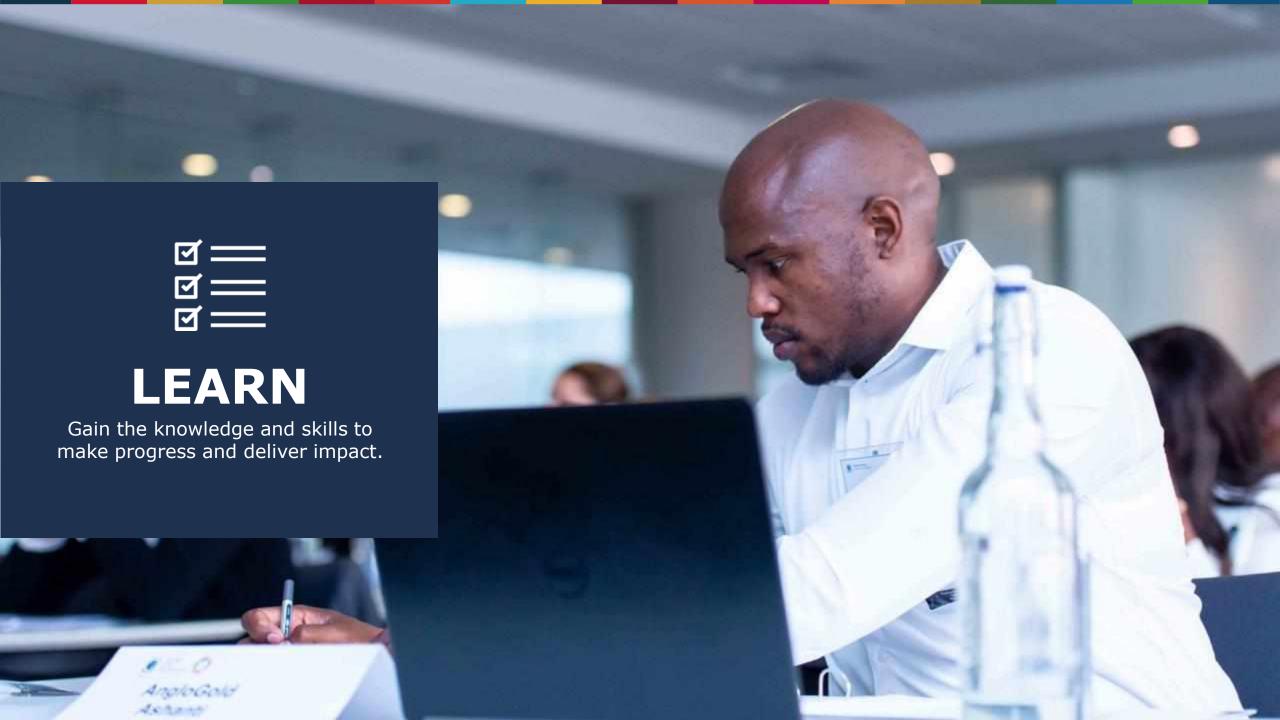
#### **REGIONAL/LOCAL EVENTS**

2 DECEMBER 2021	UNITING BUSINESS AFRICA	VIRTUAL
5 APRIL 2022	UNITING BUSINESS EASTERN EUROPE	VIRTUAL
May 2022	UNITING BUSINESS AUSTRALIA & OCEANIA	HYBRID
2 June 2022	UNITING BUSINESS ASEAN	HYBRID

2,200+
Local Events

40,000+
Companies
reached





#### **GUIDANCE**

#### **UN GLOBAL COMPACT LIBRARY**







#### **TOOLS**

#### WEPS GENDER GAP ANALYSIS TOOL, SDG ACTION MANAGER AND DECENT WORK TOOLKIT FOR SUSTAINABLE PROCUREMENT







#### **TRAINING**

#### **UN GLOBAL COMPACT ACADEMY**



VIRTUAL SESSIONS

E-LEARNING COURSES

REGIONAL SESSIONS

INFLUENCER SERIES

**MASTER CLASSES** 

LOCAL LANGUAGE TRANSLATIONS

#### **UPCOMING THEMES**

- Ten Principles
- Inclusive Procurement & Women Entrepreneurship
- Just Transition to a green economy
- Breakthrough Innovation
- Transformational Governance
- Reporting
- Financing the 2030 Agenda
- Ocean Sustainability



#### PEER LEARNING GROUPS



OFFERED AT THE GLOBAL, **REGIONAL, AND LOCAL LEVEL** 

- **FACILITATED LEARNING GROUPS** with a variety of stakeholders
- **SHARE BEST PRACTICES & CHALLENGES** on critical sustainability issues
- **HEAR FROM PEERS AND SHARE INSIGHT** in group sessions
- **GAIN ACCESS to industry experts and** networking opportunities

ON

**LABOUR** 

**GENDER** 

REPORTING

TRANSFOR-**MATIONAL GOVERNANCE** 



#### **ACCELERATORS**



- BASED ON THOUGHT LEADERSHIP WORK, best practices and resources
- DESIGNED TO GENERATE CORPORATE BEHAVIOR CHANGE and outcomes at scale with a view to reach 1000+ companies
- COMBINES A DIVERSE SET OF ENGAGEMENT OPPORTUNITIES such as awareness-raising campaigns, trainings, mentoring and blended learning
- OFFERS BOTH GLOBAL AND LOCAL ENGAGEMENT with at least 70% of activities delivered by Global Compact Local Networks on the ground
- **DESIGNED TO DELIVER** concrete company-specific outcomes



YOUNG SDG INNOVATORS CLIMATE AMBITION ACCELERATOR

TARGET GENDER EQUALITY





#### **ACCELERATORS**

ACCELERATOR PROGRAMS ROLLED OUT IN COLLABORATION BETWEEN GLOBAL COMPACT OFFICE AND LOCAL NETWORKS WITH A VIEW TO MAINSTREAM SUSTAINABLE BUSINESS PRACTICES, SCALING THE COLLECTIVE IMPACT OF BUSINESS TOWARD THE ACHIEVEMENT OF THE SDGS









#### WHAT PARTICIPANTS ARE SAYING

"One of the most enriching and rewarding academic experiences!"

"An amazing and practical journey in the world of corporate sustainability"

Target Gender Equality has helped us accelerate the pace and set the stage for gender equality to be our company's priority "SDG Accelerator is one of most interesting programmes that I have participated in, in over 20 years"

94% recommend the Young SDG Innovators Programme

"Thanks for facilitating this great session. Lots of valuable takeaways and the benefit of networking with so many colleagues across industries" – Climate Ambition Accelerator







#### **COALITIONS**

#### MULTI-STAKEHOLDER COALITIONS TO DELIVER ON THE SUSTAINABLE DEVELOPMENT GOALS



Scaling adoption of water stewardship practice by companies in critical geographies and sectors

Enabling companies
to adopt leading
water stewardship
practices that support
better outcomes for at
least 3 billion people
in 100 basins
worldwide



A principles-based approach to sustainable ocean business

Scaling and broadening engagement in emerging markets, and small island developing states (SIDs)



Enabling companies to set science-based emissions reduction targets

Near-term targets aligned with 1.5°C

Net-Zero Standard: First science-based framework to set long term net-zero targets



Scaling corporate finance and investment as a catalyst for delivering the SDGs

1,000 companies linking 50% of corporate financing to the SDGs

\$500 billion in corporate investment



#### **POLICY ADVOCACY**

INCREASE AMBITION ACROSS POLICY OR INDUSTRY WITHIN TARGETED AREAS. OUR POLICY ADVOCACY ACTIVITIES CONNECT RELEVANT STAKEHOLDERS AND SHAPE POLICY POSIITIONS.







Business Climate Action

\_\_\_\_\_

- CONVENE INFLUENCERS and decision makers from business, governments and other stakeholders for dialogue at global, national, city/state level.
- BUSINESS ADVOCACY through media, social media, partners, events
- POLICY/AMBITION loop dialogues and event
- STRONGLY CONNECTED to UN and UN Agencies

#### **CALL TO ACTION CAMPAIGNS**

JOIN OUR CALLS TO ACTION FOR BUSINESS TO PUBLICLY SUPPORT POLICY POSITIONS OR JOIN CAMPAIGNS ADVOCATING FOR CHANGE AT THE GLOBAL AND LOCAL LEVEL.





- DEFINED AND TIME BOUND CALLS FOR ACTION for business to publicly support policy positions or join campaigns driving change and increased ambition across policy or industry within targeted lead and shape areas
- **SHAPE AND INFLUENCE** the level of ambition in an ecosystem and/or issue space.



#### THINK LABS



- SHAPE THE DEFINITION OF LEADERSHIP on critical sustainability issues and inspire continuous performance improvement.
- TIME BOUND INCUBATION of future programs.
   New and forward-thinking opportunities.
- THOUGHT LEADERSHIP DEVELOPMENT for ecosystem engagement & change.
- ADDRESS KEY BUSINESS CHALLENGES driven by thematic need and/or UNGC additionality.
- BEST PRACTICE for business implementations.

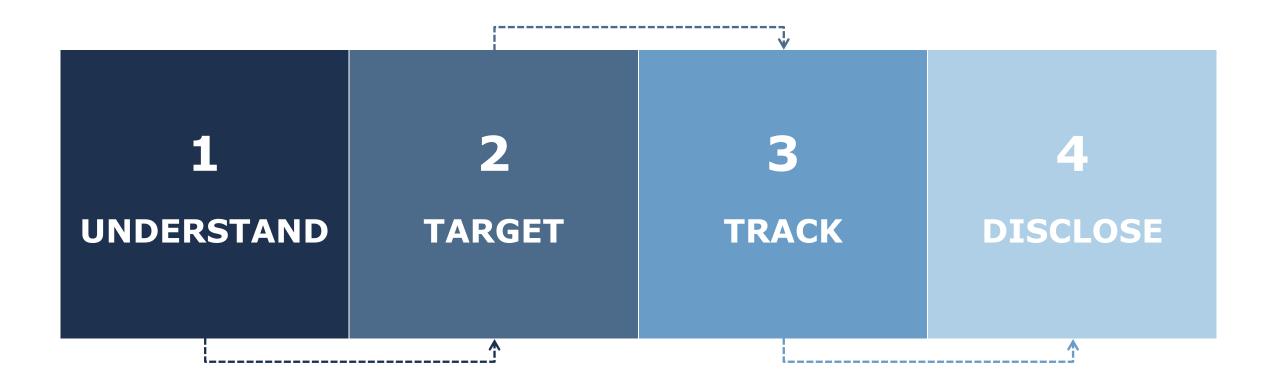
WOMEN ENTREPENEU RS/PROCURE MENT CLIMATE-SMART OCEAN AND BLUE FINANCE





#### **REPORT YOUR PROGRESS**

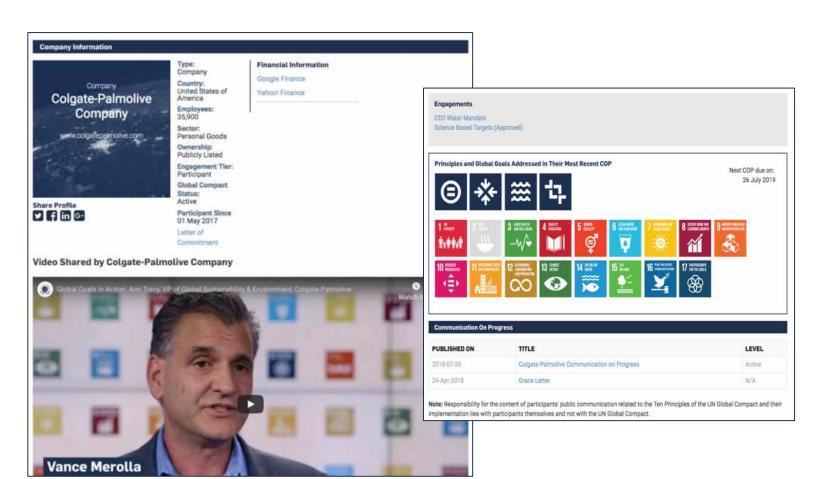
#### AN EASY WAY TO COMMUNICATE YOUR SUSTAINABILITY PROGRESS ON AN ANNUAL BASIS







## **PARTICIPANT PROFILE**



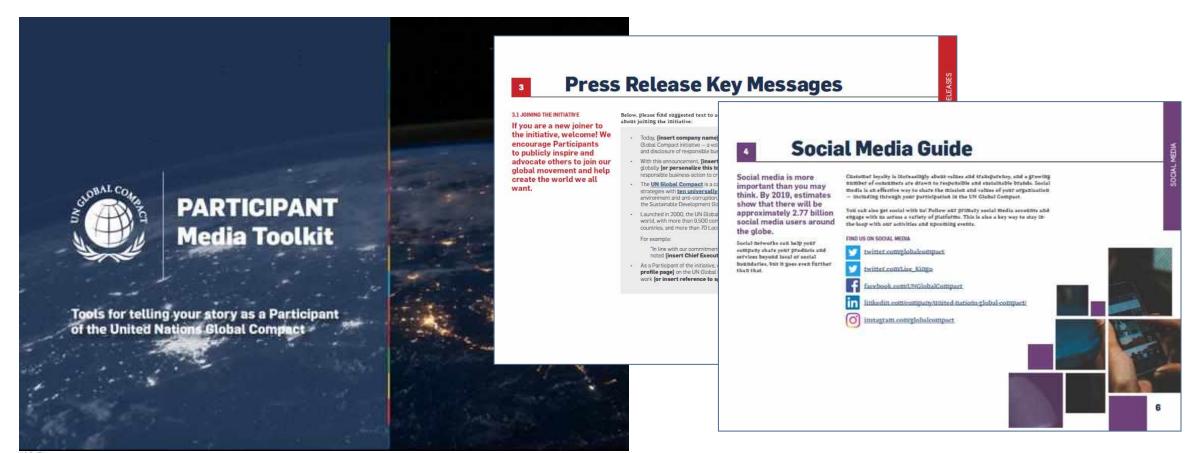






### **MEDIA TOOLKIT**

PARTICIPANT PROFILE, PRESS RELEASE KEY MESSAGES, SOCIAL MEDIA GUIDE + GUIDANCE ON CONTENT, ENDORSER AND COMMUNICATION ON PROGRESS (COP) LOGOS







# **RECOGNITION PROGRAMMES**

#### **SDG PIONEERS PROGRAMME**







# THE BUSINESS CASE

#### THE BUSINESS CASE

#### WHEN A COMPANY EMBEDS SUSTAINABILITY IN ITS STRATEGY AND PRACTICE, IT...

#### **IMPROVES:**

- Customer Loyalty
- Employee Relations
- Operational Efficiency
- StakeholderEngagement
- Supplier Relations
- Sales & Marketing
- Risk Management
- Media Coverage
- Innovation

#### **DRIVES:**

- Greater Profitability
- Higher CorporateValuation
- Lower Cost of Capital

#### **DELIVERS:**

- Short-Term and
  - Long-Term Value
  - Creation for
  - Shareholders and
  - Society

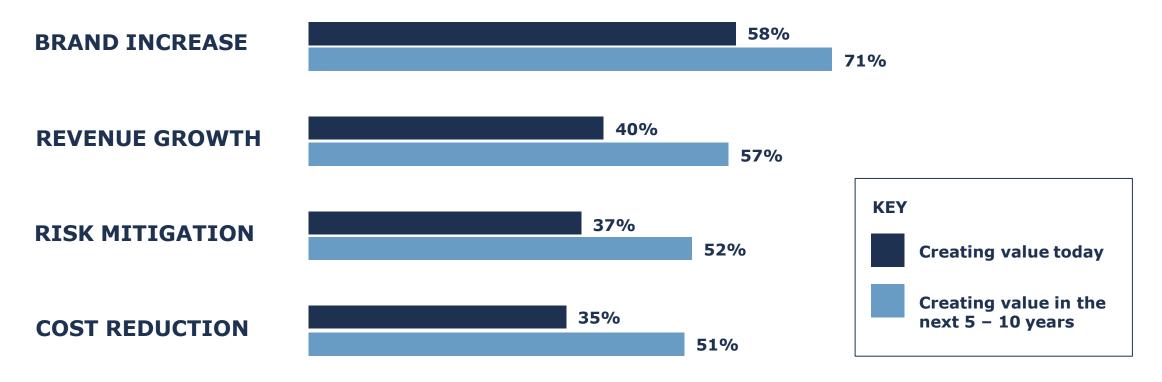




## **CEOS SEE THE FUTURE BUSINESS VALUE**

99%

OF CEOS FROM COMPANIES WITH MORE THAN US\$1 BILLION IN ANNUAL REVENUES BELIEVE SUSTAINABILITY WILL BE IMPORTANT TO THE FUTURE SUCCESS OF THEIR BUSINESS





#### IMPROVED FINANCIAL PERFORMANCE

**Arabesque / University of Oxford Meta-analysis of 200 Academic Studies** 

#### **GOOD ESG PERFORMANCE RESULTS IN:**

50%

Lower cost of capital

88%

Better operational performance

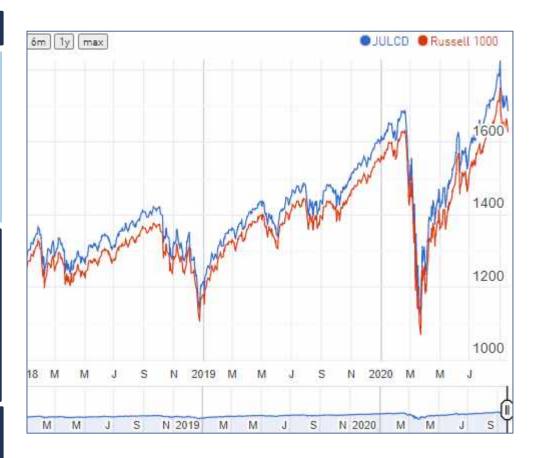
80%

Better stock price performance

7%
Higher Return on Equity (ROE)

During COVID-19, companies with higher ESG scores performed 50% better than their peers (Bloomberg)

# JUST US Large Cap Diversified Index vs Russell 1000 Tracking Total Return





## **INVESTORS ARE RAISING EXPECTATIONS**

3,900

Signatories to the Principles for Responsible Investment

92%

of investors say that companies with strong ESG performance deserve a premium valuation on their share price



88%

Of investors believe companies that prioritise ESG initiatives represent better opportunities for long-term returns that companies do not

Global ESG assets are on track to exceed

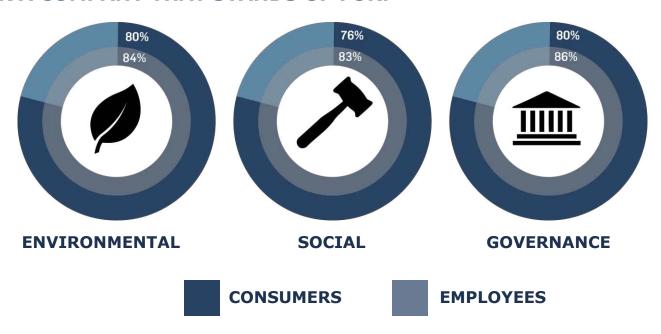
**\$53** trillion by 2025





#### **CONSUMER AND EMPLOYEE EXPECTATIONS**

ESG COMMITMENTS ARE DRIVING CONSUMER PURCHASES AND EMPLOYEE ENGAGEMENT. I AM MORE LIKELY TO BUY FROM / WORK FOR A COMPANY THAT STANDS UP FOR:



Consumers and employees want businesses to invest in making sustainable improvements to the environment and society, not just comply with regulation, and they're prepared to reward (or penalize) brands accordingly. Overwhelming majorities of both consumers and employees said they're more likely to buy from or work for companies that share their values across the various elements of ESG.

73%

of CEOs say that consumers have the biggest impact on the way they manage sustainability

83%

of consumers think companies should be actively shaping ESG best practices

'I will discontinue my relationship with companies that treat the environment, employees, or the community in which the operate, poorly'.

**PwC Consumer Intelligence Series June 2, 2021** 



# CEOs RECOGNISE THAT INCREASED TRANSPARENCY IS BEING DEMANDED

2016 2021

of CEOs say that the pressure to act on sustainability grew significantly over the last three years

**73**%

of CEOs say they **expect the pressure to act on sustainability to grow** significantly over the next
three years

## % CEOs ranking in the top 3 influencers:

**55**%

Customers and Consumers

**73**%

18%

**Investors** 

**31**%



# HIGHER MARGINS, MARKET VALUATION, CREDITWORTHINESS

COMPANIES PARTICIPATING IN THE UN GLOBAL COMPACT HAVE HIGHER ESG SCORES THAN NON-PARTICIPATING COMPANIES. HIGHER ESG SCORES LEAD TO:



Up to 190/0
higher market valuation premiums

POSITIVELY IMPACT creditworthiness in the long term

Source: JP Morgan Chase





### PARTICIPATING COMPANIES SAY

#### THE UN GLOBAL COMPACT HAS HELPED:







# UN GLOBAL COMPACT COMPANIES OUTPERFORM THEIR PEERS

31%

higher on corporate governance

29%

higher on emissions management

22%

higher on human and labour rights







#### SUPPLY CHAIN PERFORMANCE

An analysis of approximately

30,000

companies and organizations revealed UN Global Compact participants

+12<sub>pts</sub>

have more advanced CSR management systems

+13<sub>pts</sub>

Outperform on supply chain sustainability

ecovadis

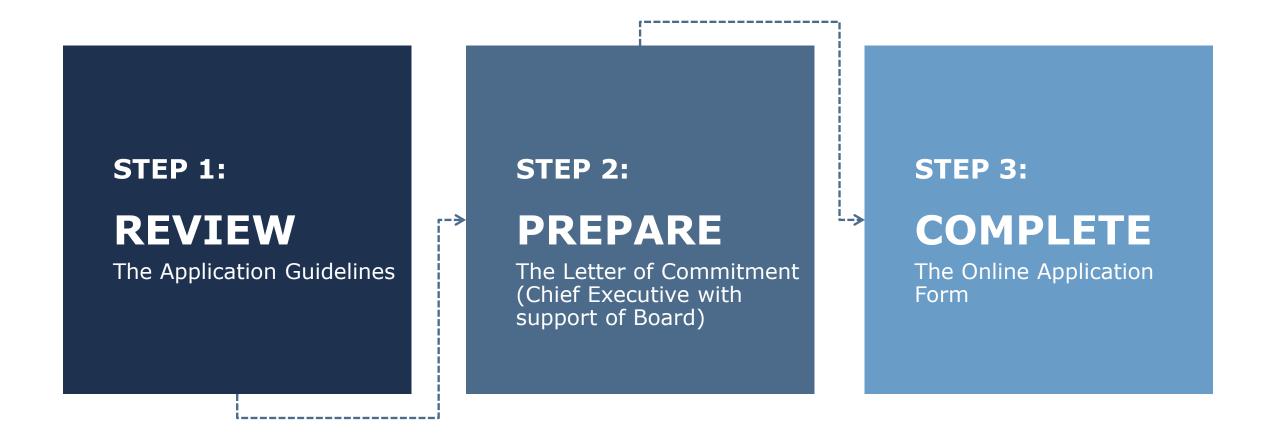








### THREE STEP JOINING PROCESS







# **ANNUAL CONTRIBUTIONS**

	PARTICIPANT
COMPANY REVENUE TIERS BY ANNUAL GROSS SALES/REVENUE	REQUIRED ANNUAL CONTRIBUTION (USD)
> 30 billion +	\$30,000 (USD)
10-30 billion	\$25,000 (USD)
5–10 billion	\$20,000 (USD)
1–5 billion	\$15,000 (USD)
500 million-1 billion	\$7,500 (USD)
250-500 million	\$5,000 (USD)
50-250 million	\$2,500 (USD)
25-50 million	Local network fee will apply
<25 million	Local network fee will apply



# JOIN US

If you are ready to deliver impact that matters and unite for a more sustainable and equitable future for all, join us. Visit unglobalcompact.org/participation/join/application to apply



www.unglobalcompact.org
Find us on social media @globalcompact