

# A GLOBAL COMPACT FOR SUSTAINABLE DEVELOPMENT

Business and the Sustainable Development Goals:  
Acting Responsibly and Finding Opportunities



**United Nations**  
Global Compact

# GLOBAL GOALS FOR PEOPLE AND PLANET

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In September 2015, all 193 Member States of the United Nations adopted a plan for achieving a better future for all – laying out a path over the next 15 years to end extreme poverty, fight inequality and injustice, and protect our planet. At the heart of “Agenda 2030” are 17 Sustainable Development Goals (SDGs) and 169 related targets that address the most important economic, social, environmental and governance challenges of our time. The SDGs clearly define the world we want – applying to all nations and leaving no one behind.

**We are all in agreement on where the world needs to go. The new global goals result from a process that has been more inclusive than ever, with Governments involving business, civil society and citizens from the outset. Successful implementation will require all players to champion this agenda.**

Governments have responsibility to lead the way by setting national implementation plans, taking action to prepare the enabling environment and letting their constituents know that this agenda is important. At the same time, business will be indispensable in achieving the SDGs. Private sector action will be key to the success of each goal – through responsible business operations, new business models, investment, innovation and technology, and collaboration.

For companies, successful implementation of the SDGs will strengthen the enabling environment for doing business and building markets around the world. Even the most principled and best-managed companies are challenged to thrive in communities marked by instability, to find skilled labour where adequate education is lacking, or to withstand natural disasters stemming from climate change. The case is clear for business to get involved, taking action on the goals which are strategically relevant from both a risk and growth standpoint.

# BUSINESS CONTRIBUTION TO THE SDGs = ACT RESPONSIBLY + FIND OPPORTUNITY

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The Sustainable Development Goals provide a powerful aspiration for improving our world – laying out where we collectively need to go and how to get there. Responsible business and investment will be essential to achieving this transformational change.

**All companies can play a role in meeting the ambitious targets of the SDGs.** While the scale and scope of the global goals is unprecedented, the fundamental ways that business can contribute remain unchanged. The UN Global Compact asks companies to first do business responsibly and then pursue opportunities to solve societal challenges through business innovation and collaboration – both important contributions to the SDGs. In short, companies must not make our world's problems worse before they try to make them better.

The good news is that through the UN Global Compact companies are responding to the call. Our more than 8,000 corporate participants in over 160 countries represent nearly every industry sector and size, and come equally from developed and developing countries. The idea and practice of responsible business is global. With business activity, investments and supply chains reaching all corners of the earth, companies are choosing to become active stakeholders in societies for the long run, knowing that they can only succeed when the world around them is thriving.

From principled business practices to making long-term commitments aligned with the SDGs, we need more companies around the world to join the UN Global Compact and help to change the world around them.

# BUSINESS CONTRIBUTION TO THE SDGs = ACT RESPONSIBLY + FIND OPPORTUNITY

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The UN Global Compact principles are the foundation for any company seeking to advance the SDGs.

Sustainability begins with a company's values and culture. The Ten Principles provide a universal definition for responsible business, calling on all companies to operate in ways that, at a minimum, respect fundamental responsibilities in the areas of human rights, labour, the environment and anti-corruption.

In practice, this means making sure that a company identifies, prevents, mitigates and accounts for any negative impacts it may have on society and the environment, and establishes a culture of integrity and compliance. Companies should carefully consider business risks related to each SDG, and adjust their business practices to avoid doing harm.

Importantly, a culture of responsibility must be integrated throughout the organization. This involves upholding the same standards wherever companies have a presence, and understanding that good practices in one area do not make up for doing harm in another.

**If all companies were to take fundamental steps – like respecting employee rights, not polluting land, sea or air, and refusing bribery and extortion – we would make enormous progress towards achieving the SDGs.**

By incorporating the UN Global Compact principles into strategies, policies and procedures, companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success. There is a world of opportunity once companies have taken care of their basic responsibilities.

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Global challenges – ranging from climate, water and food crises, to poverty, conflict and inequality – are in need of solutions that the private sector can deliver, representing a large and growing market for business innovation.

With trillions of dollars in public and private investments expected to redirect towards achieving the SDGs, there is an enormous opportunity for responsible companies in the coming years.

Through the UN Global Compact we have been working with companies all over the globe for years to address a range of SDG-related issues, including gender equality, climate, water, peace, good governance, poverty and education. The record shows that business can take many steps to minimize risks in these areas and then go beyond to provide solutions that are good for both society and the bottom-line.

**Companies are transforming business models to serve societal needs and tap into new markets, at the same time driving corporate growth and success.** The UN Global Compact is working to help companies set corporate goals inspired by the new SDGs, which can stimulate innovation, investment, engagement and ultimately performance.

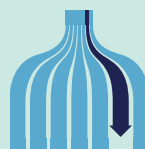
It is important to recognize that all SDGs may not be relevant to every business. Companies should conduct an assessment of impacts, risks and opportunities – with sector and geography being key factors – to determine the most significant and strategic goals they can address.

# WHAT IT TAKES

## LEADERSHIP

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Effectively incorporating sustainability into core business and strategies entails top-level commitment, which is why the UN Global Compact requires CEO and Board sign-off to join the initiative. We urge leaders to send a strong signal throughout the organization that sustainability counts, and all responsibilities are important. This means instigating action in key areas: setting ambitious goals; adjusting policies, procedures, and investment strategies; aligning government affairs; training and motivating



employees; pushing sustainability into the supply chain; and disclosing efforts and outcomes. Leaders also recognize they cannot shift systems alone, working with others to shatter barriers and increase the odds of success. Sustainability requires a long-term vision and commitment to ongoing efforts, both to ensure progress and keep pace with a rapidly changing world. Through our Global Compact LEAD initiative, we work closely with business to shape cutting-edge leadership practices.

## COLLABORATION

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No one segment of society can achieve the SDGs alone. Increasingly, companies are understanding that they must collaborate and coinvest in solutions to shared, systemic challenges. In a major shift over the past 15 years, stakeholder groups – including business, investors, Governments, civil society, industry associations and labour – are increasingly joining forces with the United Nations on common objectives



covering all societal goals from poverty alleviation and peace, to disaster relief, environmental protection and equality. For business, this also means a willingness to move beyond first-mover approaches and embrace partnerships and collective action efforts that pool resources, share risks and aim to find solutions faster.

## TRANSPARENCY

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Reporting to stakeholders in a transparent and public manner is fundamental for companies committed to sustainability. A number of stakeholders are driving businesses to be more transparent – from regulators and investors, to consumers, citizens and civil society groups. The UN Global Compact requires participating companies to produce an annual Communication on Progress (COP) that details their work to embed the Ten Principles into their strategies



and operations, as well as efforts to support societal priorities. In addition, when companies set goals and make commitments to advance the SDGs, reporting demonstrates accountability for the promises they have made. A top priority is to find ways to better measure sustainability impacts, which will help to direct effective corporate strategies, inform community and stakeholder dialogues, and guide investor decision-making.

# HOW THE UN GLOBAL COMPACT HELPS

The UN Global Compact is the largest and most global platform for business engagement on the SDGs. We will translate the SDGs for businesses globally and help companies understand how they can leverage these goals to drive good practices and growth opportunities.

## TEN PRINCIPLES

Respecting the Ten Principles across all business operations and supply chains is a baseline for any company engaging on the SDGs. The UN Global Compact's Ten Principles provide a universal language for corporate responsibility – understood and interpreted globally by over 8,000 companies – and a framework to guide all businesses regardless of size, complexity or location. Principles provide common ground for partners, a moral code for employees, and an accountability measure for critics.

## GLOBAL ISSUE INITIATIVES

The UN Global Compact has developed a number of initiatives to drive individual and collective business action on sustainable development challenges. Companies are making a difference in addressing issues like anti-corruption, children's rights, climate, food and agriculture, gender equality, peace, rule of law, and water and sanitation. These initiatives are mobilizing companies across all regions – with enormous potential to scale up impact on SDGs by connecting global frameworks and principles with local action and delivery. Additionally, we work in the areas of investment, stock exchanges, business schools and cities through sister initiatives.

## LOCAL NETWORKS

Global Compact Local Networks exist in more than 85 countries. They support participants – from local firms and subsidiaries of foreign corporations – to understand what responsible business means within their national context and put their commitments into action. These networks will be key players in helping business to advance the SDGs on the ground through policy dialogue, national implementation strategies and brokering partnerships. They are organized and run locally – led by business but always bringing in key stakeholders.

# UN-BUSINESS ACTION HUB

This interactive platform – [business.un.org](https://business.un.org) – provides a forum for business and UN agencies to engage in dialogue, share information and take action to advance the SDGs. Through the Hub, companies and other organizations can find partners for their own projects or join existing ones that address the SDGs and other societal issues. The Hub also provides a platform for companies to post their commitments and goals to advance the SDGs.

# GUIDANCE MATERIALS

To help companies change how they operate, the UN Global Compact and partners have developed over 200 resources – ranging from guidance to best practices – that cover a large range of sustainability topics. All guidance is searchable by SDG. Our *Guide to Corporate Sustainability* is the starting point for companies to understand the fundamentals of responsible business and the role of the UN Global Compact.

New SDG-related resources include:

- The SDG Compass (GRI/UNGC/WBCSD)
- The SDG Matrix (KPMG/UNGC)
- Advancing the SDGs by Supporting Peace (UNGC)
- Business Associations and Sector Initiatives (ICC/UNGC)
- Call to Action: Bringing Down Legal Barriers for Women's Economic Empowerment (UNGC/Partners)
- Implementing Inclusive Business Models (BCTA/UNGC)
- The Poverty Footprint (Oxfam/UNGC)

# HOW TO JOIN THE UN GLOBAL COMPACT

At the UN Global Compact we help companies, whether beginners on the sustainability journey or recognized champions, to meet their commitments to operate responsibly and support the SDGs. We do this through a range of activities at the international and local levels – from raising awareness and developing resources, to facilitating partnerships and developing action initiatives on key issues. With over 8,000 companies and 4,000 non-business participants based in over 160 countries, the UN Global Compact is the world's largest corporate sustainability initiative. Join today! [www.unglobalcompact.org](https://www.unglobalcompact.org)



# THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption:



## HUMAN RIGHTS

- 1** BUSINESSES SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS; AND
- 2** MAKE SURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES.

## LABOUR

- 3** BUSINESSES SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT COLLECTIVE BARGAINING;
- 4** THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR;
- 5** THE EFFECTIVE ABOLITION OF CHILD LABOUR; AND
- 6** THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION.

## ENVIRONMENT

- 7** BUSINESSES SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHANGES;
- 8** UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY; AND
- 9** ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES.

## ANTI-CORRUPTION

- 10** BUSINESSES SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY.