



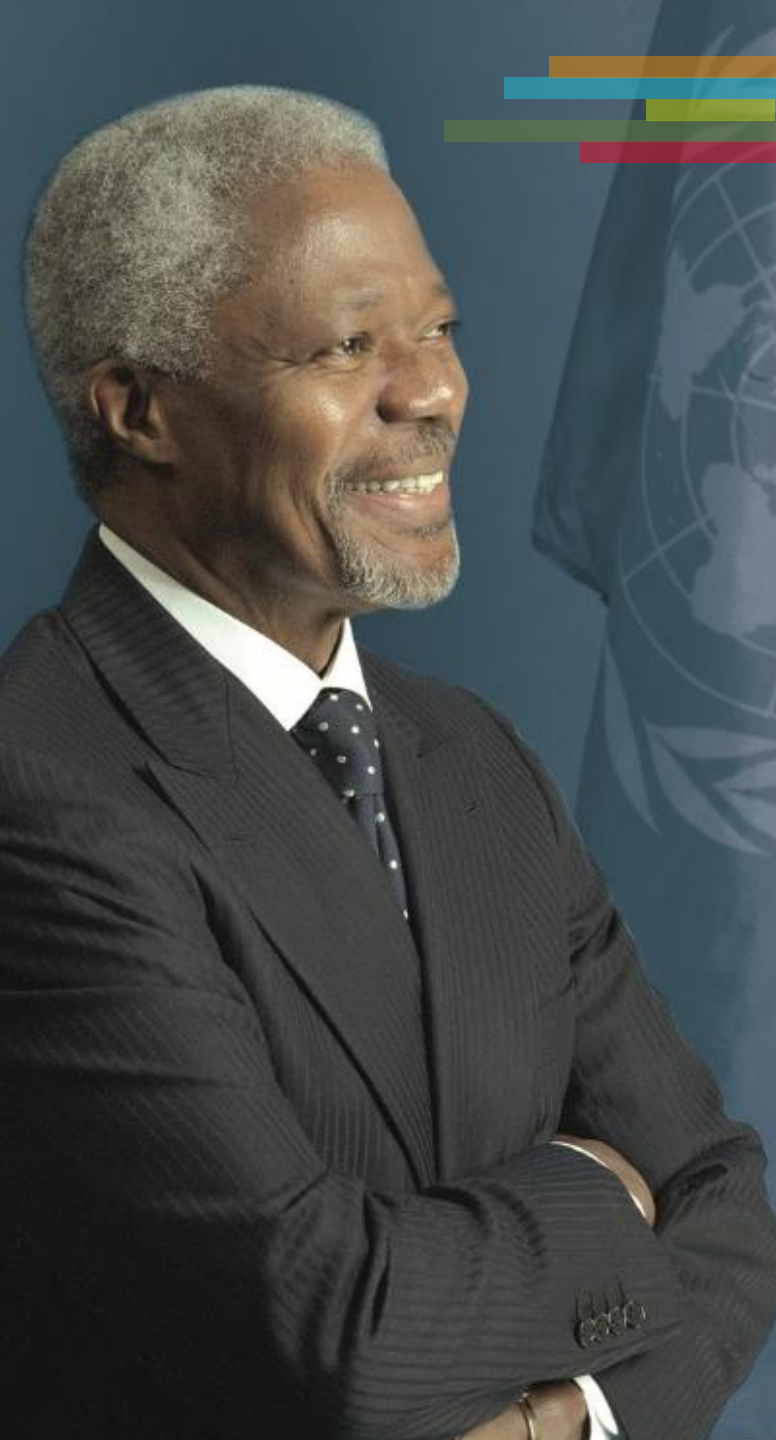
**Global Compact**  
Network France

# United Nations Global Compact & the SDGs

March 7<sup>th</sup> 2018, Paris

Global Compact France





# UNGC - THE INITIATIVE

LAUNCHED IN 2000  
BY KOFI ANNAN

AN EXCHANGE PLATFORM  
AND FOR COLLECTIVE  
ACTION

THE WORLD'S LARGEST  
CORPORATE  
SUSTAINABILITY  
INITIATIVE

GATHER COMPANIES,  
UNITED NATIONS ORGANISMS  
AND CIVIL SOCIETY



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# United Nations Global Compact



**"I propose that you, the business leaders... and we, the United Nations, initiate a global compact of shared values and principles, which will give a human face to the global market."**

Kofi Annan, UN Secretary-General (1997-2006) World Economic Forum, 2009



**"Since there can be no poverty eradication without generation of wealth, we should further promote the UN Global Compact, highlighting the benefits of corporate responsibility."**

António Guterres, UN Secretary-General Secretary-General Election Vision Statement, 2016



**"I have seen first-hand the power of the UN Global Compact's Ten Principles on human rights, labour, environment and anti-corruption. They are helping thousands of companies contribute to sustainability."**

Ban Ki-moon, UN Secretary-General (2007-2016) UN Global Compact Leaders Summit, 2016





Human Rights

1. Support and respect the protection of internationally proclaimed human rights
2. Make sure that they are not complicit in human rights abuses

## Human Rights



Environment

7. Support a precautionary approach to environmental challenges
8. Undertake initiatives to promote greater environmental responsibility
9. Encourage the development and diffusion of environmentally friendly technologies.

## Environment

# THE 10 PRINCIPLES



Labour

3. Uphold the freedom of association and the effective recognition of the right to collective bargaining
4. Uphold the elimination of all forms of forced and compulsory labour
5. Uphold the effective abolition of child labour
6. Uphold the elimination of discrimination in respect of employment and occupation

## Labour



Anti-corruption

10. Work against corruption in all its forms, including extortion and bribery

## Anti-Corruption

# UNGC - COMMITMENTS

Personal and public commitment of the chief executive

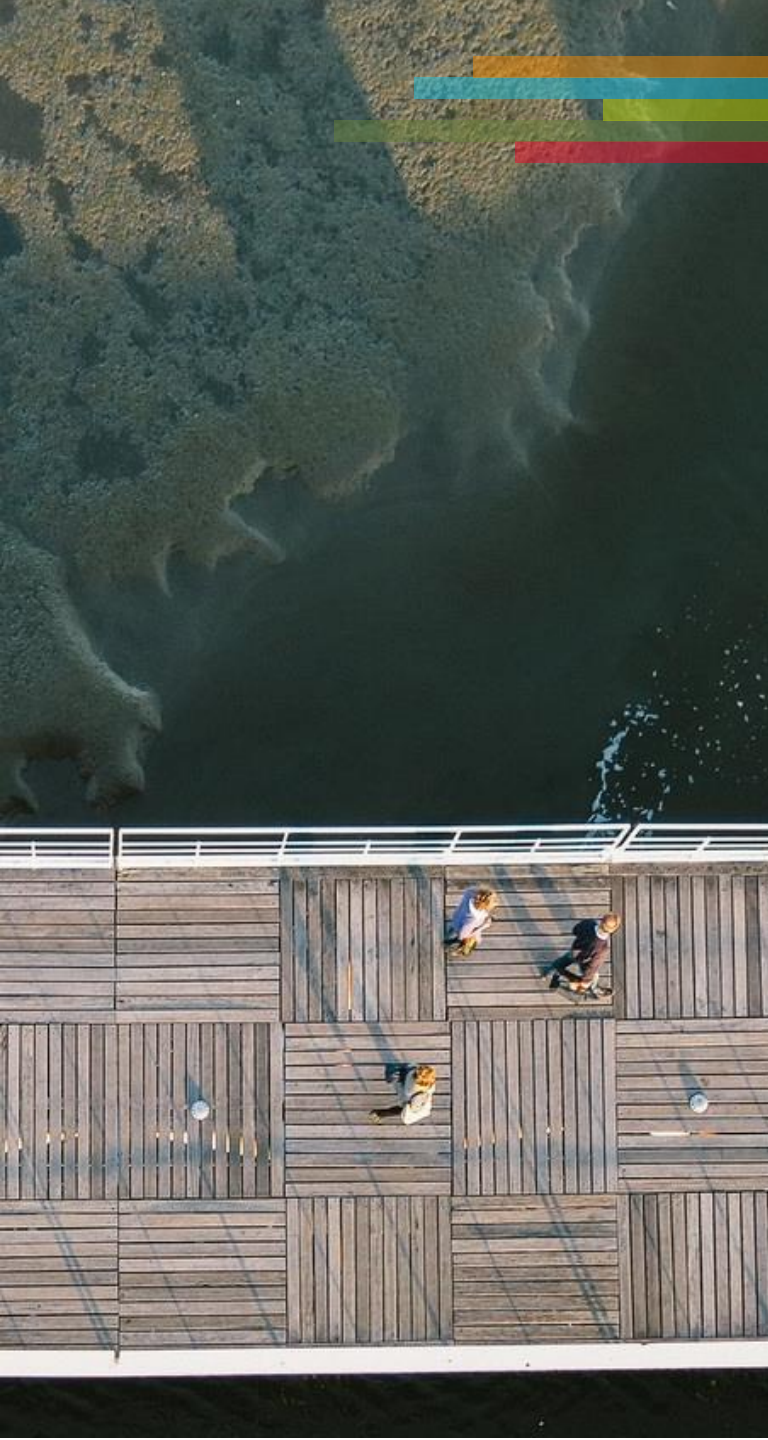
Incorporating the Global Compact principles into strategy, culture and day-to-day operations

Regular communication with stakeholders on the progress (COP/COE)

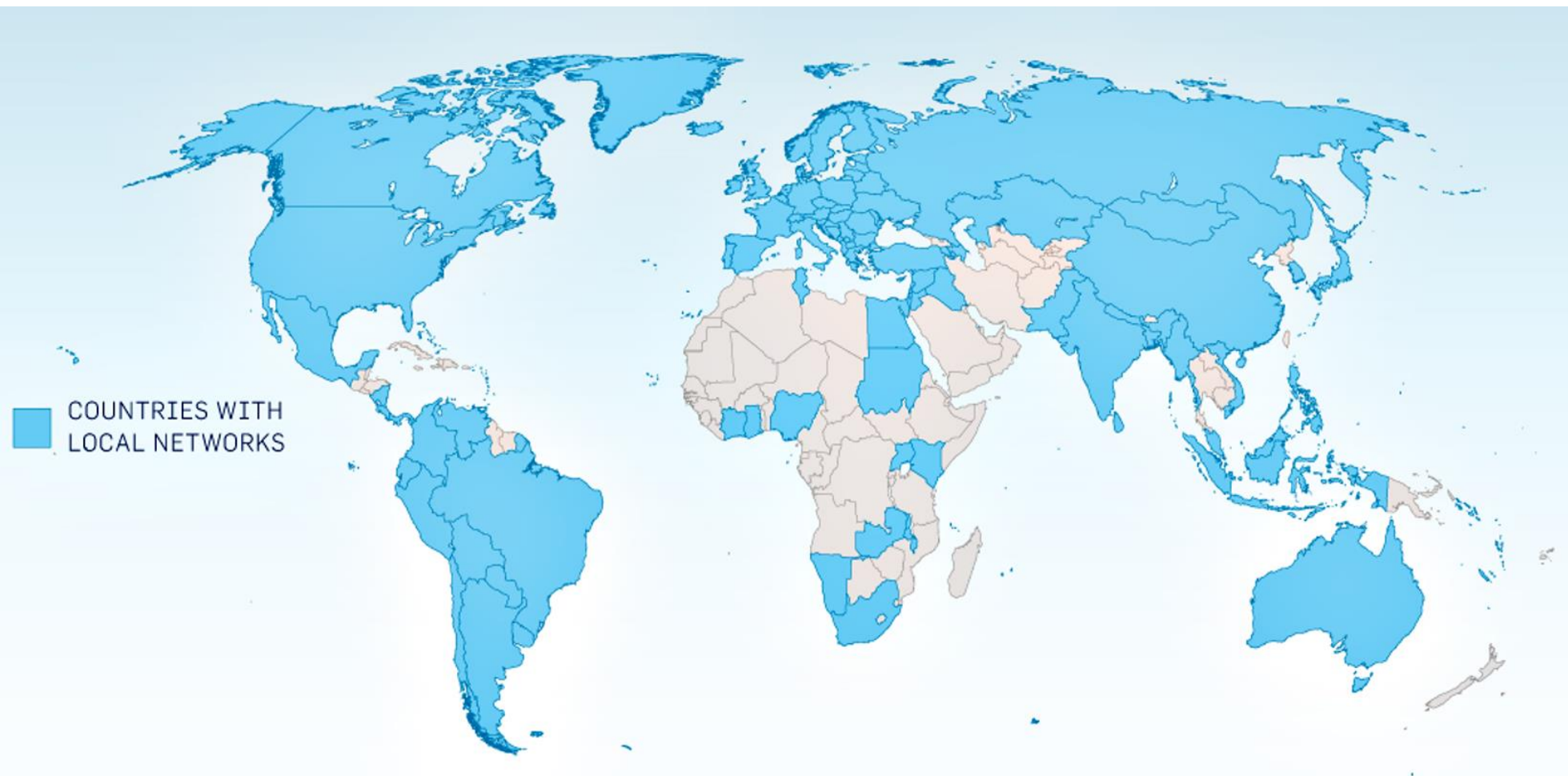
Publicly advocate the UN Global Compact and its principles



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# A GLOBAL INITIATIVE



In 2018

**76**

local networks

**9,700**

companies  
in 170 countries

**3,100**

organizations  
NGOs, universities, unions

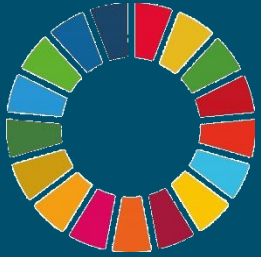
**12,800**

participants  
in the world



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# UN Global Compact & the SDGs

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## UNGC & THE SDGs

- The UN Global Compact has a mandate to mobilize the private sector
- Translation of SDGs into “business” language
- The 10 principles remain the foundation of business engagement and transformation of their business models
- We invite our members to integrate SDGs in their Communication on Progress (COP)



**THE GLOBAL GOALS**  
For Sustainable Development







# SDGs & Business

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# SDGs & MARKET OPPORTUNITIES

## \$12 trillion

MARKET OPPORTUNITIES  
BY 2030

## 380 million

NEW JOBS BY 2030

Source: *Better Business, Better World, The Business and Sustainable Development Commission, January 2017*

## \$5 to 7 trillion

INVESTMENTS REQUIRED TO ACHIEVE  
THE 2030 AGENDA

Source: *UNEP-FI*

## 11 to 26%

GLOBAL GDP INCREASE BY 2025 IN  
ACHIEVING SDG 5

Source: *MCKinsey Global Institute*



	Food and Agriculture	Cities	Energy and Materials	Health and Well-Being
1	Reducing food waste in value chain	Affordable housing	Circular models - automotive	Risk pooling
2	Forest ecosystem services	Energy efficiency - buildings	Expansion of renewables	Remote patient monitoring
3	Low-income food markets	Electric and hybrid vehicles	Circular models - appliances	Telehealth
4	Reducing consumer food waste	Public transport in urban areas	Circular models - electronics	Advanced genomics
5	Product reformulation	Car sharing	Energy efficiency - non-energy intensive industries	Activity services
6	Technology in large-scale farms	Road safety equipment	Energy storage systems	Detection of counterfeit drugs
7	Dietary switch	Autonomous vehicles	Resource recovery	Tobacco control
8	Sustainable aquaculture	ICE vehicle fuel efficiency	End-use steel efficiency	Weight management programs
9	Technology in smallholder farms	Building resilient cities	Energy efficiency - energy intensive industries	Better disease management
10	Micro-irrigation	Municipal water leakage	Carbon capture and storage	Electronic medical records
11	Restoring degraded land	Cultural tourism	Energy access	Better maternal and child health
12	Reducing packaging waste	Smart metering	Green chemicals	Healthcare training
13	Cattle intensification	Water and sanitation infrastructure	Additive manufacturing	Low-cost surgery
14	Urban agriculture	Office sharing	Local content in extractives	
15		Timber buildings	Shared infrastructure	
16		Durable and modular buildings	Mine rehabilitation	
17			Grid interconnection	



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75%

OF RESPONDENTS SAY  
THEY ARE TAKING ACTION  
ON THE SUSTAINABLE  
DEVELOPMENT GOALS

74%

OF CITIZENS SAID THAT THEY'RE BE MORE  
LIKELY TO USE THE GOODS OR SERVICES  
OF ORGANISATIONS THAT ARE ENGAGING  
WITH THE SDGS



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## BUSINESS CONTRIBUTIONS TO THE SDGS

### > **Internally:**

- Transforming its production system taking into account SDGs
- By limiting the discharges, pollution, impacts and degradation of the ecosystems generated by its activities and the management of its sites
- By transforming its organization and the its human resources management taking into account SDGs
- By mobilizing employees

### > **Externally**, coordinating with its stakeholders:

- States engaged through the UN on SDGs
- Its value chain (customers, suppliers, etc.) influencing their transformation
- Civil society, trade unions and all other stakeholders and territories



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# Workshop to link the SDGs to our CSR programme

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# SDGs: 4 LEVELS OF INTEGRATION BY COMPANIES

Observing companies' practices, 4 levels are visible:

## 4 levels of integration of the SDGs:



Link the SDGs to its  
CSR strategy



Prioritize the most  
material SDGs (with  
most positive  
externalities/  
reducing negative  
ones)



Develop products and  
services that  
contribute to the  
achievement of the  
SDGs

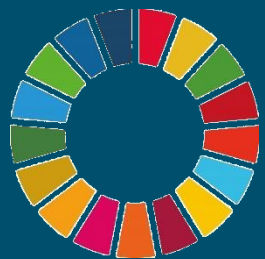


Transforming its  
business model to  
fully participate in the  
achievement of the  
SDGs



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# **CORPORATE GOOD PRACTICES ON SDGs**

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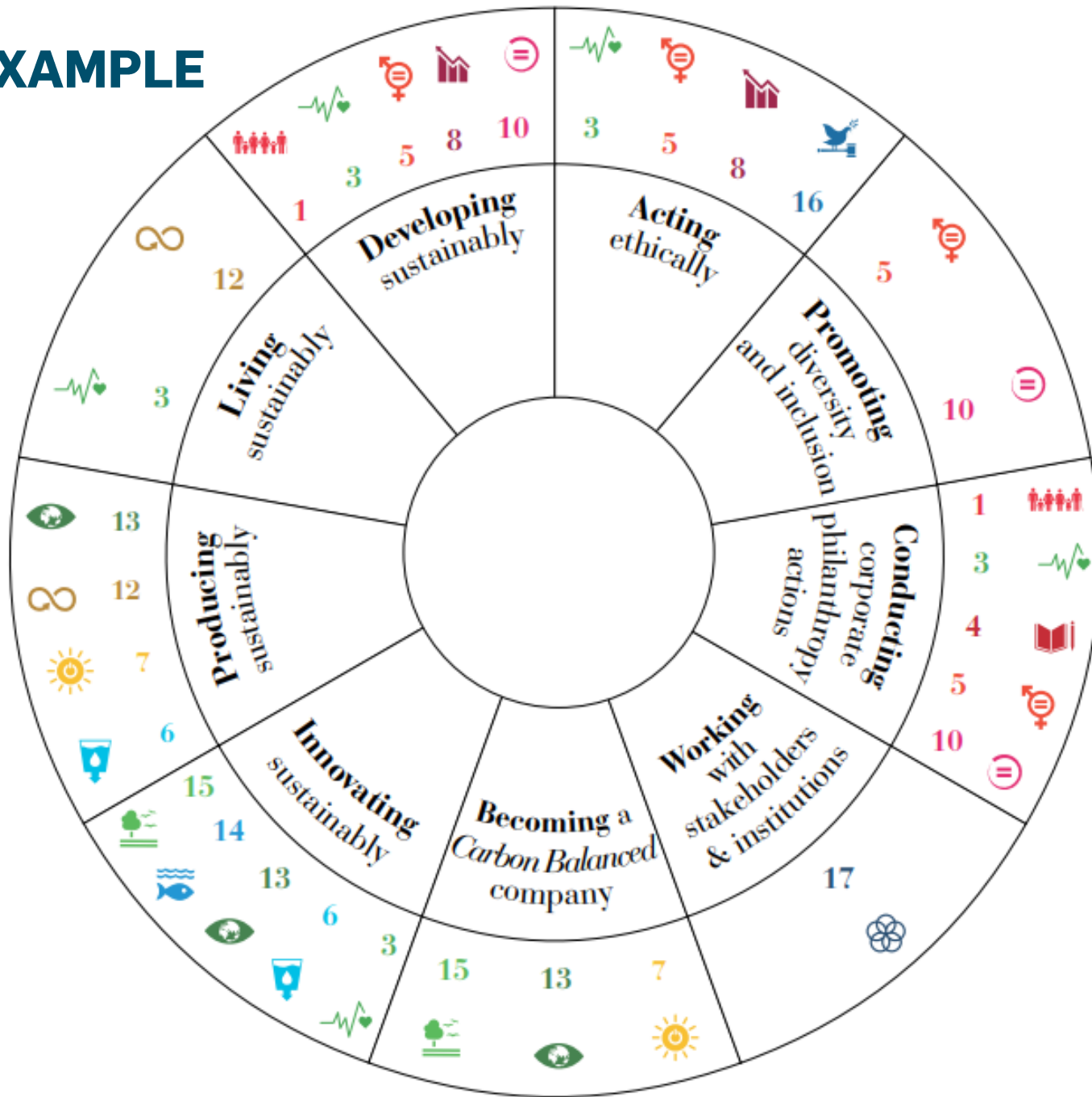
Transforming its  
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## EXAMPLE

**1**  
Link the SDGs to CSR strategy



<b>1 NO POVERTY</b> 	<b>3 GOOD HEALTH AND WELL-BEING</b> 	<b>4 QUALITY EDUCATION</b> 	<b>5 GENDER EQUALITY</b> 
<b>6 CLEAN WATER AND SANITATION</b> 	<b>7 AFFORDABLE AND CLEAN ENERGY</b> 	<b>8 DECENT WORK AND ECONOMIC GROWTH</b> 	<b>10 REDUCED INEQUALITIES</b> 
<b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b> 	<b>13 CLIMATE ACTION</b> 	<b>14 LIFE BELOW WATER</b> 	<b>15 LIFE ON LAND</b> 
	<b>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</b> 	<b>17 PARTNERSHIPS FOR THE GOALS</b> 	

Source: [2016 Progress Report - Sharing Beauty with all, L'Oréal, 2017.](#)

# SDGs: 4 LEVELS OF INTEGRATION BY COMPANIES



## Link the SDGs to its CSR strategy

Best practices	Beware of
<ul style="list-style-type: none"><li>• Identify the SDG targets the company contributes to</li><li>• Build a reference table linking the CSR strategy to the 17 SDGs...</li><li>• <i>... &amp; the 10 principles of the Global Compact</i></li></ul>	<ul style="list-style-type: none"><li>• Only taking into account short titles of SDGs</li><li>• Forget the 169 targets</li></ul>



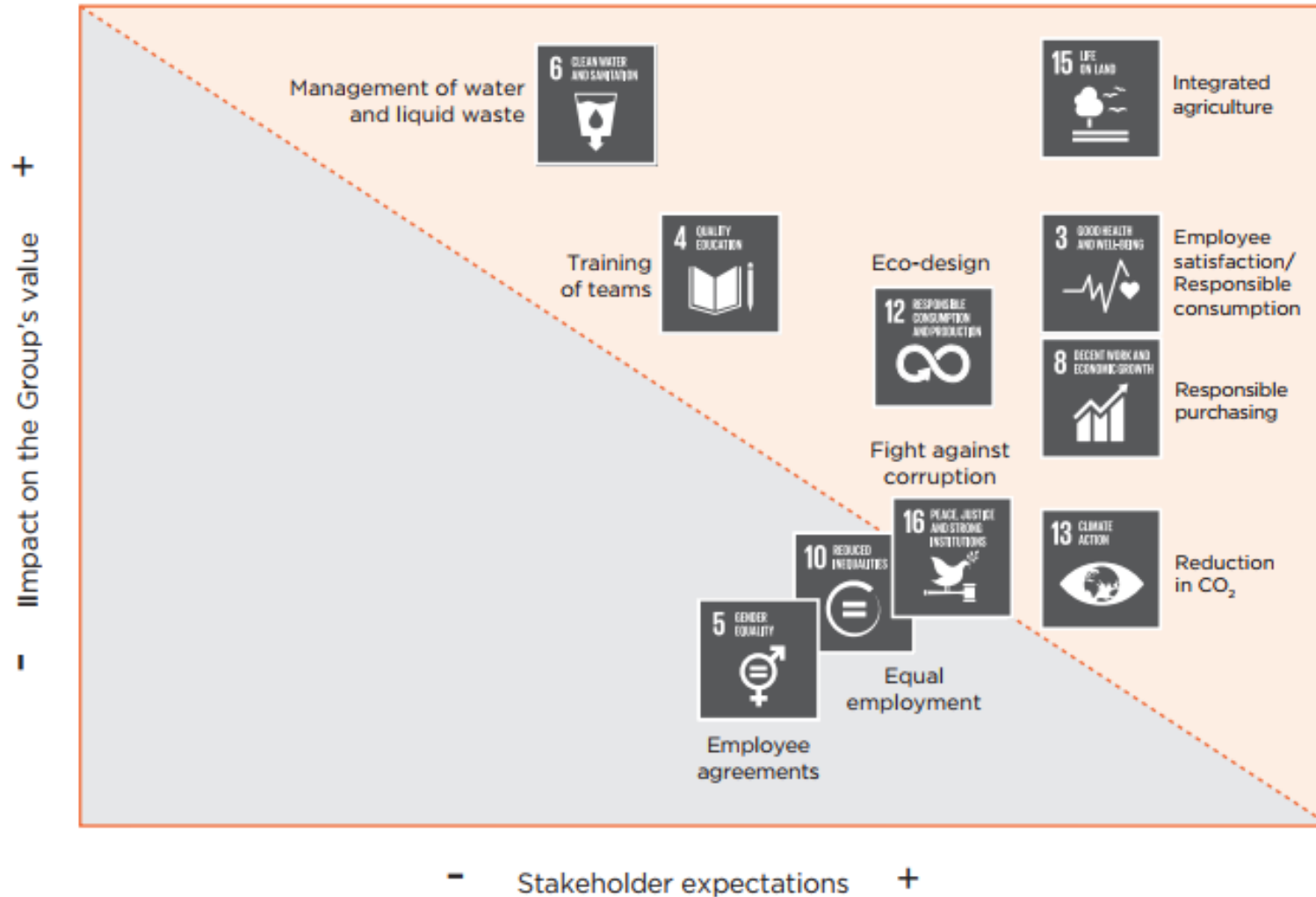
# EXAMPLE



## A materiality analysis to identify the most relevant SDGs for Rémy Cointreau

2  
Prioritize the most material SDGs (with most positive externalities/ reducing negative ones)



MATERIALITY MATRIX



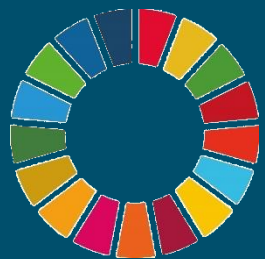
# SDGs: 4 LEVELS OF INTEGRATION BY COMPANIES



Prioritize the most material SDGs (with most positive externalities/ reducing negative ones)

Best practices	Beware of
<ul style="list-style-type: none"> <li>• Conduct a materiality analysis of the company's contribution to the 17 SDGs</li> <li>• Identify the positive and negative externalities of business on SDGs</li> <li>• Consult with expert stakeholders</li> <li>• Prioritize the most relevant SDGs based on the results of this materiality analysis</li> <li>• Take into account the context: knowing the expectations of the citizens and the priority SDGs according to the country</li> </ul>	<ul style="list-style-type: none"> <li>• Avoid "cherry picking" that is to say, the picking of the SDGs easy to address for the company and often irrelevant to its core business</li> <li>• Avoid the "SDG washing", that is to say, doing only one communication exercise on the SDGs without concrete actions behind</li> </ul> <p>« <b>SDG washing</b> »</p>  <p>« <b>Cherry picking</b> »</p> 





**TO GO FURTHER**

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# TOOLS AND USEFUL RESOURCES



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# INTERCONNECTED SDGs

1 NO POVERTY



## Business Actions in support of Goal 1

### Targets of Goal 1

- 1.1 Eradicate extreme poverty for all people everywhere
- 1.2 Reduce the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions
- 1.3 Implement nationally appropriate social protection systems and measures for all
- 1.4 Ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services
- 1.5 Build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters

### Business Actions

- 1 Engage in the creation of secure and decent jobs, especially in least developed countries and for vulnerable populations
- 2 Implement programs to economically empower disadvantaged groups
- 3 Ensure decent working conditions for all employees across the business and supply chain
- 4 Create and market goods and services that specifically cater to, and aim to improve the lives of, vulnerable groups

1 NO POVERTY



## How taking action on Goal 1 is interconnected with other Goals



The Global Goals are inherently interconnected. Action taken toward one Goal can support or hinder the achievement of others. Identifying and addressing these interconnections will help business to build holistic and systemic solutions that amplify progress and minimize negative impacts. To help build a greater understanding, we have illustrated some of the ways in which the Goals connect. These are not exhaustive, and we encourage business to consider how they apply in their own operations.



### Maximise likelihood of positive impact on:



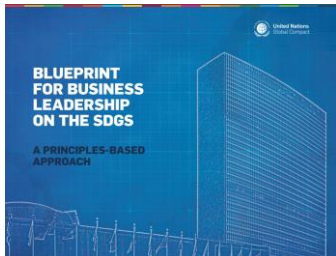
Poverty is an obstacle to the realization of human dignity and development, and a barrier to many human rights. Living in poverty often means a lack of access to basic amenities such as good nutrition, sanitation, healthcare, and education. Therefore, reducing poverty can help address issues around nutrition (Goal 2), health (Goal 3), education (Goal 4), sanitation (Goal 6) and inequality (Goal 5 and 10), which collectively contribute towards building more peaceful societies (Goal 16). Lifting people out of poverty also adds positively to the labour force resulting in stronger economic growth (Goal 8) and innovation (Goal 9). It can also positively contribute to planet-related Goals (Goals 13 and 15), as poverty can be a driver of activities such as poaching, and slash and burn agriculture.



### Minimise risk of negative impact on:

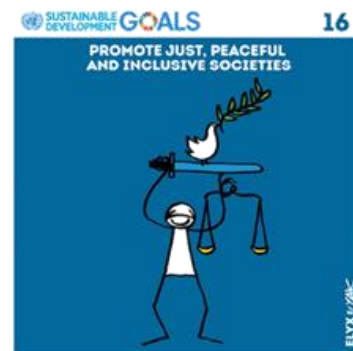
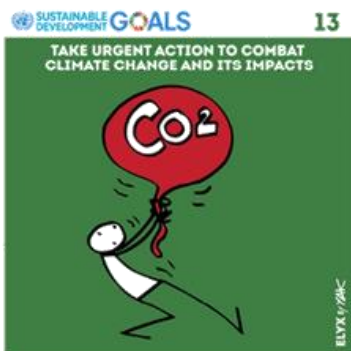
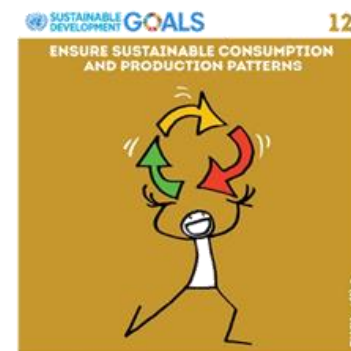
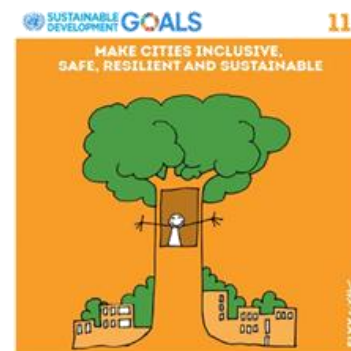
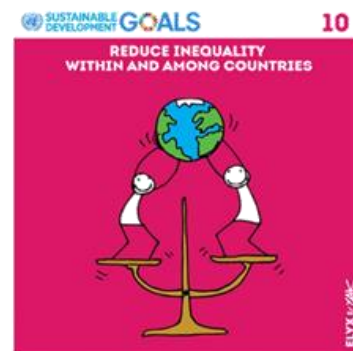
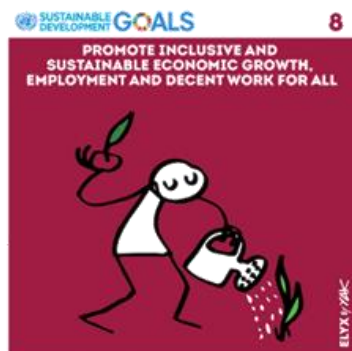
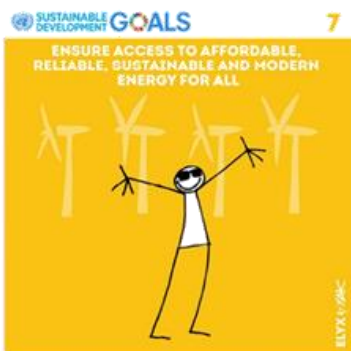
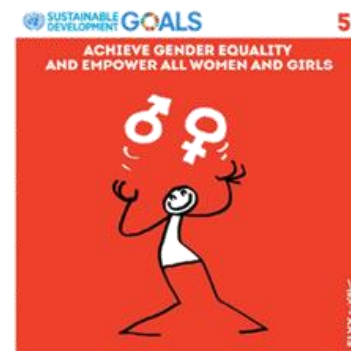
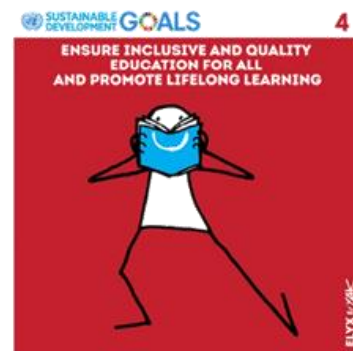


There are some potential risks of negative impacts associated with action on poverty alleviation. If reducing poverty leads to rapidly increasing consumption of polluting goods, this may have a negative impact on climate and the environment (Goals 13, 14, and 15). Any action to reduce poverty should also not adversely impact on the rights of disadvantaged groups, especially land rights, and companies should not engage in discrimination especially in employment practices or provision of goods and services (Goal 16).



# Thank you for your attention!

# Questions?





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