



United Nations
Global Compact

UN GLOBAL COMPACT

2022 ANNUAL REPORT

ABOUT THE UN GLOBAL COMPACT

The United Nations Global Compact, a special initiative of the UN Secretary-General, is a call to companies everywhere to align their operations and strategies with ten universal principles in the areas of human rights, labour, environment and anti-corruption. With the broad-based support of all 193 participant countries of the United Nations General Assembly, the UN Global Compact remains the single, global normative authority and reference point for action and leadership within a growing global corporate sustainability movement. The UN Global Compact intends to leverage that position and elevate expectations of how businesses will embed all Ten Principles of the UN Global Compact into their operations. The Ten Principles are intrinsic for the sustainability of business, people and the planet. They offer companies of all sizes a blueprint for contributing towards achievement of the 2030 Agenda for Sustainable Development and the Paris Agreement.

ABOUT THIS REPORT

This Annual Report is intended to provide our stakeholders and the public with an overview of the progress of the UN Global Compact across key strategic and operational focus areas as well as to highlight key activities undertaken and resources created to promote business action on UN issues and priorities. It is available on the UN Global Compact and Foundation for the Global Compact websites. The inclusion of company examples in this report is intended strictly for learning purposes and does not constitute an endorsement of the individual companies.

ACKNOWLEDGEMENTS

The UN Global Compact wishes to thank the Governments that have, over time, generously supported the initiative by contributing to the UN Global Compact Trust Fund: China, Denmark, France, Germany, Italy, Norway, Poland, Spain and Switzerland. Additionally, we are grateful for the financial support provided by companies and other organizations to the Foundation for the Global Compact.

For more information, follow **@unglobalcompact** on social media and visit our website at **unglobalcompact.org**.

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CONTENTS

INTRODUCTION	1
<hr/>	
Foreword: Reflecting on 2022	
Executive Summary	
2022 at a Glance	
Where We Work & Who We Work With	
2022 HIGHLIGHTS: DRIVING PROGRESS THROUGH ENGAGEMENT	11
<hr/>	
Programmatic Overview	
Cross-Cutting Areas: SDG Integration, Sustainable Finance	
Environment: Climate, Ocean and Water	
Social Sustainability: Human Rights, Labour & Decent Work, Gender Equality	
Global Governance: Transformation Governance, Anti-Corruption	
Special Initiative: Principles for Responsible Management Education (PRME)	
2022 HIGHLIGHTS: SPOTLIGHTS	45
<hr/>	
Africa Strategy	
China Strategy	
Small and Medium Enterprises	
Ukraine & Times Of Crisis	
UN Global Compact Motivating Youth	
2022 HIGHLIGHTS: EXPANDING OUR REACH FOR COLLECTIVE ACTION	53
<hr/>	
Recruitment and Retention	
2022 HIGHLIGHTS: BUILDING THE INITIATIVE'S CAPABILITY TO DELIVER	57
<hr/>	
People and Culture	
UN System Engagement	
Government Engagement	
Strengthened Local Capacity	
Expansion of Voice and Platform	
• Communications	
• Strategic Convenings	
• Digital	
FINANCIAL AND INTEGRITY SUMMARY	71
<hr/>	
APPENDIX	77
<hr/>	
Publications & Tools Launched in 2022	
Abbreviations Legend	



FOREWORD: REFLECTING ON 2022

2022 was a year of implementation for the United Nations Global Compact. With our 2021-2023 Strategy guiding us, we made significant gains in our strategic ambition: to accelerate and scale the global collective impact of business by upholding the Ten Principles of the UN Global Compact and delivering the Sustainable Development Goals.

At the same time, the UN Global Compact has been guided by the global imperative of impact and acceleration. Halfway to 2030, the Sustainable Development Goals are off track, but the private sector can work with other stakeholders as an engine to re-ignite momentum.

We have faced a confluence of challenges unlike any other in our lifetimes. The faltering recovery from COVID-19 and the climate crisis were further layered by the Russian invasion of Ukraine in 2022, with global impacts across food, finance and energy systems.

Geopolitical divisions are undermining global solidarity - and globalization itself. The world of business continues to evolve, with a renewed understanding of the importance of sustainability, resilience, as well as sectoral and multi-stakeholder partnerships.

But we also know that the costs of inaction far exceed the costs of action.

2022 has too been a promising year for private sector action, with the mainstreaming of sustainability and ESG investment, amid a push for stronger credibility and accountability. From new developments in net zero target-setting to revamped efforts around human rights in supply chains, there is positive momentum for sustainable business.

As the world continues to reel from these interrelated crises, 2023 must be a year of renewed commitment and acceleration towards our shared objectives.

"It is incumbent on the UN Global Compact to inspire ambitious and principled leadership to seize these opportunities, embed sustainable business models, align with other partners, and help rescue the Sustainable Development Goals - so that we can all build a global economy that works for people, planet, prosperity and peace."

Sustainability is also at the heart of better business. It helps de-risk economies, create jobs, raise incomes, create a solid investment environment, and contributes to growth, development and stability. With an inclusivity mindset, business can also unlock the full potential of women and youth.

We cannot move incrementally. This is not a time for tinkering. It is a time for transformation.

A centrepiece is the SDG Summit in September 2023, which will serve as a midpoint stocktake of global progress towards the SDGs. The UN Global Compact is fully engaged in coordinating efforts across business on the road to the SDG Summit. These partnerships are more important than ever, as we galvanize the ambition to break through to a better future for all.

I would like to extend my gratitude to the UN Secretary-General António Guterres and UN Deputy Secretary-General Amina Mohammed for their continued leadership and support in the face of multiple crises. We could not have achieved any of this work without the efforts of UN Global Compact colleagues working in our Local Networks, regional offices and at headquarters. I would also like to thank our business participants, who advocate and take action for responsible business, and thank members of the UN Global Compact Board for their vital contributions to ensuring that business is a force for good.

Sincerely,



A handwritten signature in black ink, reading "Sanda Ojiambo".

Sanda Ojiambo
UN Assistant Secretary-General;
Executive Director & CEO
UN Global Compact

INTRODUCTION

STRATEGIC AMBITION

Accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the Sustainable Development Goals through accountable companies and ecosystems that enable change



EXECUTIVE SUMMARY



THE STATE OF OUR WORLD

2022 began with renewed resolve to overcome the COVID-19 pandemic, build back better and rescue the SDGs. The United Nations kicked off the Secretary-General's proposals on Our Common Agenda to reinvigorate multilateral action - including a call to advance the UN Global Compact strategy, placing critical emphasis on transformative partnerships between the United Nations and the private sector.

From February, the operating environment for business was profoundly marked by the Russian invasion of Ukraine, with global impacts: rising energy costs, challenges in food security, inflation pressures, and challenges to ambitious climate action, among others. . Heightened geopolitical tensions have narrowed the space for international cooperation, while also serving as a reminder of global interdependence in supply chains. At the regional level, additional challenges have posed obstacles to business and sustainability.

To galvanize leadership and find solutions, the United Nations established the Global Crisis Response Group, providing tailored policy advice to governments in this complex environment. It also helped broker the Istanbul Agreements in July 2022, including the Black Sea Grain Initiative, representing a beacon of hope for cooperation and stabilization of global markets.

Throughout this, the private sector has represented a source of dynamism, as a stakeholder with the ability to continue to drive leadership on sustainability, sometimes even in

advance of public policy. The latest iteration of the Edelman Trust Barometer shows business as the most trusted institution, even as the world of business continued to evolve in 2022¹.

Heightened geopolitical instability has become a threat to globalization. The UN Global Compact was created at a time of optimism for global markets and their potential to be a force for good. Today, companies face the prospect of more localized supply chains, requiring fresh thinking on how to balance efficiency and resilience, so that markets can deliver for all.

This transformation of global business takes place against a backdrop of inflation and exchange rate fluctuation, with unstable energy costs, hikes in interest rates, and increase in wages. As companies adapt to this new normal, climate change remains the top global threat for business leaders, followed by the spread of misinformation, which undermines the trust needed to build a global economy that works for people, planet, prosperity and peace.

Finally, with ESG becoming a mainstream topic in business, 2022 saw stronger emphasis on the credibility and accountability of private sector commitments. Business leadership on sustainability is increasingly expected to be driven by concrete positive impact on communities, rather than internal risk management. However, ESG also faces backlash, with concerns ranging from corporate greenwashing to the legitimacy of corporate activism

¹ Edelman. 2022 Edelman Trust Barometer, New York, 2022, p. 5.

2022 STRATEGIC REVIEW

The UN Global Compact, with its Ten Principles at the core and positioned at the heart of the SDGs, is uniquely well-placed to thrive in this evolving environment.

2022 was a year of implementation and acceleration for the UN Global Compact. With the 2021-2023 Strategy providing the direction of travel, and building on the foundations laid out in 2021, during the past year we moved full steam in advancing our five strategic shifts.

2022 highlights include finalization of an approach for the revamped Communication on Progress; expansion and deepening of our presence far and wide with a new wave of country managers and growth plans; investments in monitoring & evaluation shifting focus on impact; a step-up in the Global Compact's offering for small and medium-sized enterprises; and elevated positioning of the initiative within the United Nations system.

At the same time, the external context has continued to evolve amid a confluence of crises with rippling effects, compelling the UN Global Compact to also undertake key initiatives for acceleration.

FIVE STRATEGIC SHIFTS

1 Accountable companies

2 Balanced growth of local and regional networks for global coverage

3 Measurable impact in prioritized areas

4 Harnessing the collective action of SMEs

5 Strong and active engagement with the UN

>> ENVIRONMENT AND CLIMATE ACTION

We are tackling greenwashing through enhanced emphasis on credibility and transparency, including step-up in collaboration with the Science-based Targets Initiative. 2,200 companies now have set science-based targets. The Water Resilience Coalition has companies committed to Net Positive Water Impact targets, while the Think Lab on Just Transition is developing thought leaders on inclusive corporate climate action. We are also deepening our work on biodiversity and nature.

>> HUMAN RIGHTS AND LIVING WAGE

The Business and Human Rights Accelerator is lifting efforts to mainstream human rights due diligence across business. Our Think Lab on Living Wage is also developing the thought leadership needed to amplify business action on wages, just as the Target Gender Equality accelerator plays a key role in setting targets for women's leadership in business.

>> AFRICA STRATEGY

The UN Global Compact launched the Africa Business Leaders Coalition, convening 56 CEOs and their companies across Africa, resulting in a COP27 Statement on climate financing and commitments towards a just transition. We have also launched the Global Africa Business Initiative, leveraging the convening power of the United Nations to reinvigorate a positive, investment-oriented narrative for the Continent with the private sector at the centre.

2022 AT A GLANCE

90% of surveyed companies confirmed that the UN Global Compact has helped them advance corporate responsibility policies and practices



CONTINUED GROWTH

101 countries with UN Global Compact presence, **66%** developing countries

18,000+ companies and **3,000+** non-business participants, representing nearly every sector and size.



ACCELERATING AMBITION

1638 companies set 1.5°C and/or net-zero targets approved by SBTi

17 CEO Water Mandate endorsers report implementing Contextual Water Targets, with **32** companies reporting targets and action plans for areas of high water stress.

153 companies signed to the Sustainable Ocean Principles

245 companies set targets & corresponding policies to increase women's representation



SCALED ENGAGEMENT

89 organizations in **30** countries drove collective thought leadership through Think Labs

56,000+ participants across **180+** countries in the Academy, guiding companies on their sustainability journey

1,975+ companies in **60+** countries joined Accelerators to embed SDG-aligned practices into business operations and across the value chain



COLLECTIVE ACTION & IMPACT

21 collective action projects facilitated by the Water Resilience Coalition across **15** basins in **6** different countries



NEW CLASS OF SDG PIONEERS

10 new SDG Pioneers — business leaders who are doing an exceptional job in advancing the Global Goals through the implementation of our Ten Principles



RENEWED FOCUS ON AFRICA

Global Africa Business Initiative launched to highlight the powerful business ecosystem in Africa

56 CEOs representing companies from **9** African countries joined the Africa Business Leaders Coalition (ABLC)

ABLC released a Climate Statement with concrete actions for Africa on climate at COP27



MORE UN COLLABORATION

166 Local Network collaborations with UN partners on the ground

22 of partnerships with RCs and UNCT with Local Networks



INCREASED REACH & VISIBILITY

12,000+ attendees at global, hybrid flagship convenings

2,200+ locally organized convenings, engaging

22,100+ companies

40% increase in social media engagement



MOBILIZE PRIVATE SECTOR IN TIMES OF CRISIS

Urgent Call for Business Action in Ukraine

Collaborated with OCHA on the Business Guide: Ukraine Humanitarian Crisis



GUIDANCE & BEST PRACTICES

11 briefs and **8** toolkits launched to assist and guide businesses worldwide

New tools and guidance tailored for small and medium-sized enterprises.

300+ original publications, **57** translations and **380+** number of mixed media content were produced by Global Compact Local Networks within their local context

WHERE WE WORK

5

REGIONAL HUBS

12

EXPANSION COUNTRIES

65

LOCAL NETWORKS

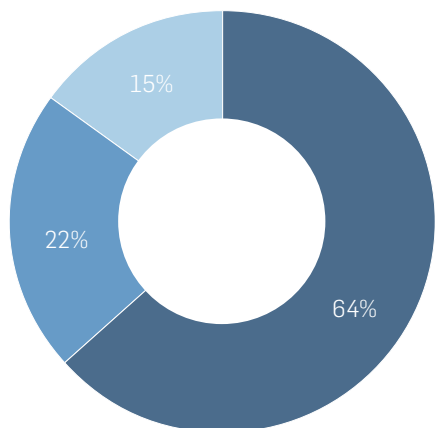
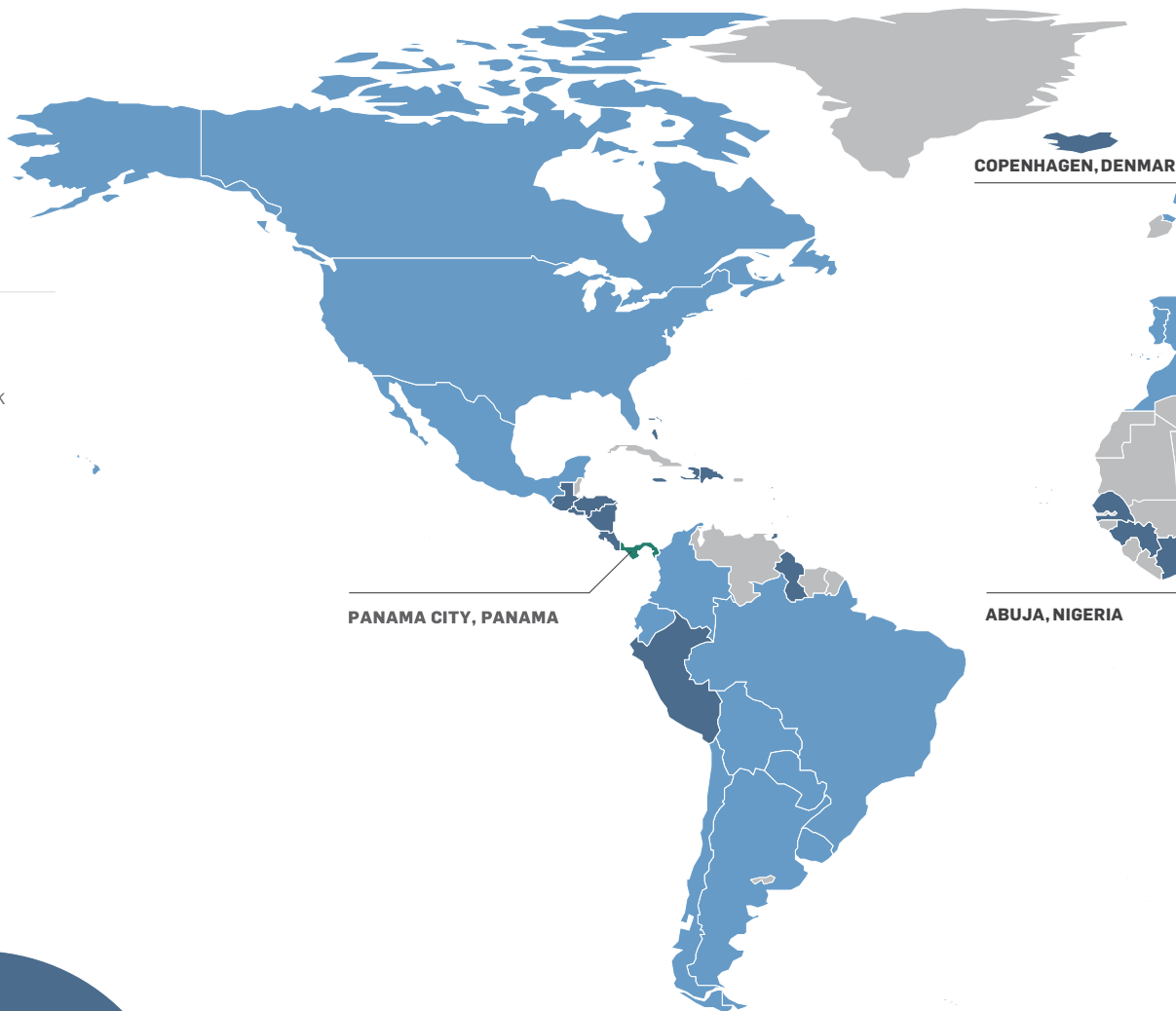


101

COUNTRIES COVERED

KEY

- REGIONAL HUBS
- EXPANSION COUNTRY
- GLOBAL COMPACT NETWORK



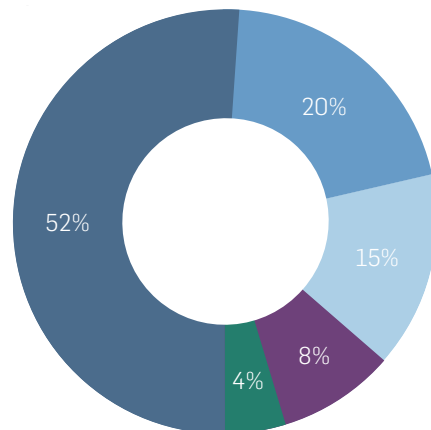
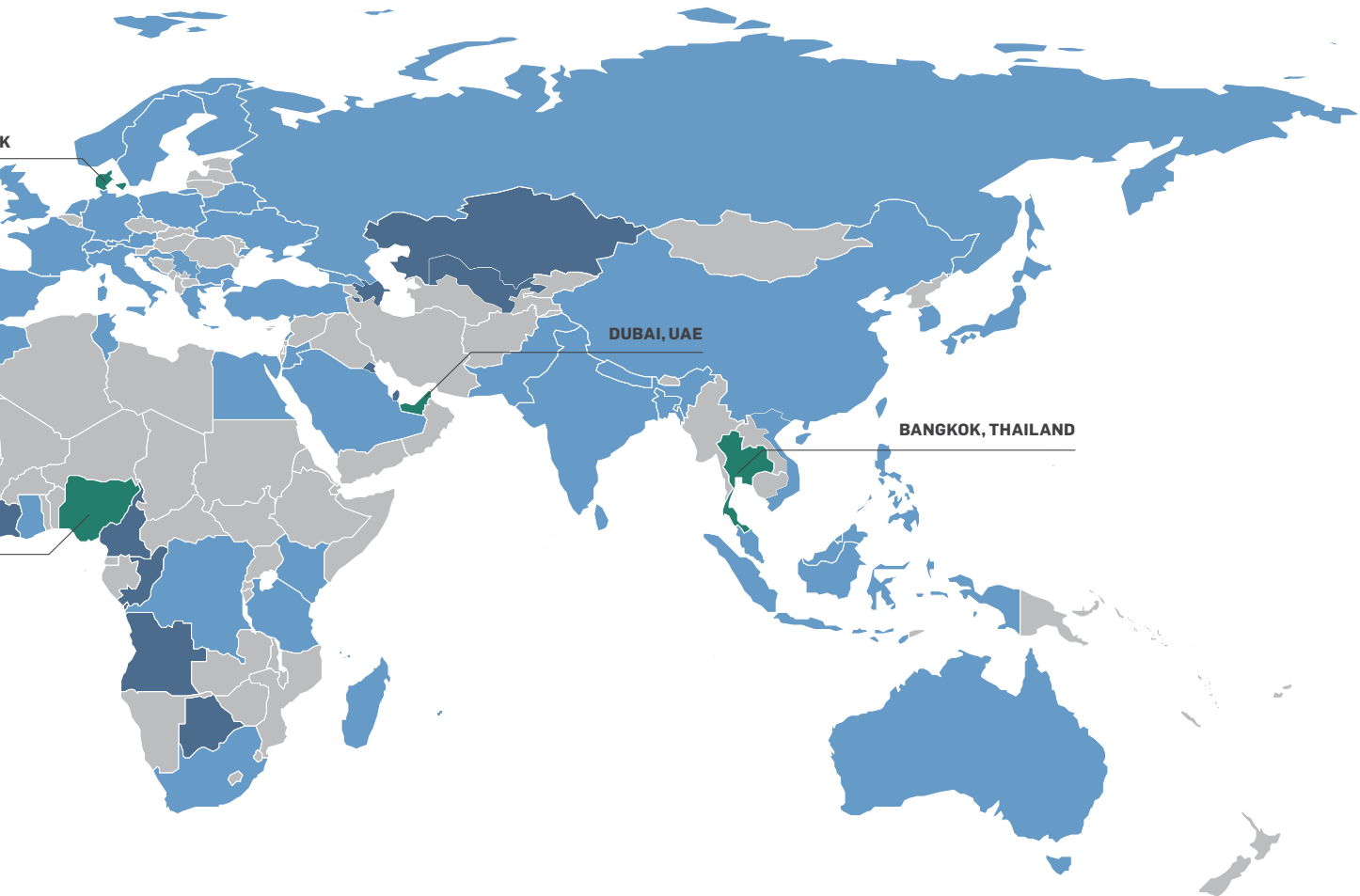
PERCENTAGE OF PARTICIPANT BASE BY REVENUE

- SMALL <50M
- MEDIUM 50M-1B
- LARGE >1B

WHO WE WORK WITH

18,029

TOTAL NUMBER OF PARTICIPANTS



**PERCENTAGE OF PARTICIPANT
BASE BY REGION**

- WESTERN EUROPEAN AND OTHER STATES
- LATIN AMERICAN AND CARIBBEAN STATES
- AFRICAN STATES
- MIDDLE EAST & EASTERN EUROPE
- ASIA-PACIFIC STATES

2022 HIGHLIGHTS: DRIVING PROGRESS THROUGH ENGAGEMENT



2022 HIGHLIGHTS: DRIVING PROGRESS THROUGH ENGAGEMENT

How we meaningfully engage companies and stakeholders through issue area activities to accelerate responsible business practices and commitments on a broad scale

PROGRAMME PORTFOLIO OVERVIEW

WHAT WE WORK ON

The UN Global Compact programme portfolio includes opportunities for companies and stakeholders to engage with and support the achievement of issue-specific impact areas. From scalable capacity building to leadership incubation and shaping of industry and policy standards, the UN Global Compact offers companies a curated journey based on the behavioural change needed and level of sustainability maturity across our participant base. Our portfolio of engagement opportunities is being advanced to deliver at global, regional and local levels.

A PRINCIPLES-BASED APPROACH TO THE GLOBAL GOALS

The Ten Principles of the UN Global Compact are an authoritative framework that guides business in the areas of human rights, labour, environment and anti-corruption. Derived from UN Declarations and Conventions, these universal principles represent the fundamental values that business should embed in their strategies and operations. As we approach 2030, the Sustainable Development Goals (SDGs) represent aspirational, time-bound and quantitative targets for business and other stakeholders to deliver the transformation that will create the world we want.

Together, the Ten Principles and SDGs equip business with both the values and the vision needed to help the private sector be a powerful force for good - and they help make business more inclusive, sustainable and resilient. Along with the Ten Principles, three SDG priority areas have been identified as areas where the UN Global Compact is best positioned to drive collective action (SDG 5, 16 and 17). As such, the UN Global Compact

programme portfolio focuses on engaging companies and stakeholders on Environment (Climate Change, Water, Ocean), Social Sustainability (Human Rights, Labour/Decent Work, Gender Equality) and Global Governance (Anti-Corruption and Transformational Governance). Recognizing the importance of holistic embedment of sustainability across business strategy and operations, the UN Global Compact also provides guidance on overarching SDG integration and sustainable finance.

As outlined below, the "Lead and Shape" topics are areas where we will focus on driving measurable change among our companies to foster impact. In the "Cooperate with Others" category, we will work with leading entities to advance priority topics with issue expertise outsourced to a technical partner. For the remaining areas, the UN Global Compact will "Follow and Amplify" and reinforce efforts of like-minded business coalitions to drive collective impact.

80%

OF SURVEYED COMPANIES
ARE IMPLEMENTING THE
TEN PRINCIPLES IN THEIR
STRATEGIES AND/OR
OPERATIONS

86%

OF SURVEYED COMPANIES
HAVE TAKEN ACTION TO
ADVANCE THE SDGS

THE DNA OF THE UN GLOBAL COMPACT



HUMAN RIGHTS



LABOUR



ENVIRONMENT



ANTI-CORRUPTION

DRIVING COLLECTIVE ACTION

Underpinning the UN Global Compact's strategy is a focus on driving collective action through accountable companies and enabling ecosystems. In 2022, surveyed companies reported that upholding the Ten Principles of the UN Global Compact is one of the primary ways that they are contributing to the Global Goals. This reinforces the relevance and core nature of the Ten Principles in terms of advancing the global sustainability agenda and accelerating progress towards Agenda 2030.

ACTIONS SURVEYED COMPANIES ARE TAKING TO CONTRIBUTE TO THE GLOBAL GOALS¹

CORE BUSINESS

UPHOLDING THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT



DEVELOP PRODUCTS AND/OR SERVICES THAT CONTRIBUTE TO THE GOALS



ALIGN CORE BUSINESS STRATEGY WITH THE GOALS



SET CORPORATE GOALS THAT ARE SUFFICIENTLY AMBITIOUS, SCIENCE-BASED AND/OR ALIGN WITH SOCIETAL NEEDS (INCLUDING ALIGNMENT WITH SDG AMBITION BENCHMARKS)



DESIGN BUSINESS MODELS THAT CONTRIBUTE TO THE GOAL



ADVOCACY AND PUBLIC POLICY

PUBLICLY COMMUNICATION/DISCLOSE YOUR GLOBAL GOALS PRACTICES AND IMPACTS



PUBLICLY ADVOCATE THE IMPORTANCE OF ACTION IN RELATION TO THE GOALS



PARTICIPATE IN KEY SUMMITS AND OTHER IMPORTANT PUBLIC POLICY INTERACTIONS RELATED TO THE GOALS



ADVOCATE FOR POLICY ALIGNMENT WITH THE GLOBAL GOALS



CONTRIBUTE TO COUNTRY'S GLOBAL GOALS NATIONAL ACTION PLAN



COLLABORATION AND PARTNERSHIPS

ENGAGE IN PARTNERSHIP PROJECTS WITH PUBLIC OR PRIVATE ORGANIZATION



PARTICIPATE IN INDUSTRY COLLABORATION TO ADVANCE THE GOALS



¹ UN Global Compact. 2022 Annual Implementation Survey. New York, 2022

LEAD AND SHAPE



CO-OPERATE WITH OTHERS



FOLLOW AND AMPLIFY



PROGRAMME DELIVERY CHANNELS

HOW WE ENGAGE STAKEHOLDERS



THINK LABS

UN Global Compact's Think Labs convene businesses, academia, civil society, Government and the United Nations to develop solutions to critical corporate sustainability challenges. They help define our thinking, curate best practices and develop knowledge, guidance and tools that empower business sector action on urgent topics.

3 Think Labs launched to ramp up ambition on just transition, living wage, and transformational governance

3 business briefs published on just transition: Introduction to Just Transition, Just Transition for Climate Adaptation, and Financing a Just Transition

40+ high-level business, civil society and academic participants convened for the first consultation on "Transformational Governance: The Role of the Corporate Board and Executive Leadership"



GLOBAL COMPACT ACADEMY

The Academy serves as the digital learning platform of the UN Global Compact, providing business leaders and practitioners with actionable skills for their sustainability journey. The platform was made available to all employees of the UN Global Compact companies - marking 2022 a year of significant growth for the Academy.

56,000 course participants in 2022

Users across **160 Countries.** Broad Global reach working to **strengthen regionalization of the Academy** with actionable learning tailored to local access and context

Newly launched Changemaker series, providing the opportunity for **companies worldwide to learn from and connect with innovative and influential people** working with business to make the world a better place



STRATEGIC EVENTS

The UN Global Compact convenes, inspires, educates, connects, and, most importantly, mobilizes global stakeholders to take bold action on corporate sustainability and the SDGs.

The UN Global Compact led **5 global flagship convenings**

150+ Regional convenings

2,200 Local convenings in 2022, reaching an estimate **22,100+** companies



ACCELERATORS

Accelerators, delivered in close collaboration with Global Compact Local Networks, are designed to generate behaviour change across companies at the local level.

All 65 Global Compact Local Networks offered an Accelerator for the first time, demonstrating the truly global nature of the portfolio

1,900+ companies participated across five Accelerators, with an average **satisfaction** score of **4.3 out of 5**

Newly launched the **Accelerator on Business and Human Rights**



PEER LEARNING GROUPS

UN Global Compact Peer Learning Groups are opportunities for groups of companies to share best practices and challenges at the regional and local levels.

4 Peer Learning key topics launched globally in 2022: climate action, gender equality, labour and human rights, and SMEs

25 Networks have committed to running Peer Learning Groups at the local level, with 4-6 sessions held annually in each topic area

Global Compact Local Networks are participating from **all global regions**



POLICY ADVOCACY & LEARNING CAMPAIGNS

Policy advocacy activities and timebound Call-to-Action campaigns are implemented to support policy positions and drive ambitious action at global and local levels.

135 Policy Dialogues organized by Global Compact Local Networks

24 Local Networks contributed to Voluntary National Reviews on national SDG progress

20 Local Networks supported governments with national SDG implementation

CROSS-CUTTING: SDG INTEGRATION

Governments, businesses, civil society and the United Nations have made enormous progress since the adoption of the 17 Sustainable Development Goals and their 169 associated targets in 2015. But for the second year in a row, the world is no longer making progress on the Sustainable Development Goals.

We know that private sector leadership is vital to achieve the 2030 Agenda for Sustainable Development. But tackling today's interconnected global challenges requires a holistic approach and only a few companies report that they are positioning sustainability and the SDGs at the center of their business strategy. For this reason, challenging and supporting companies to take ambitious action remained a critical priority for 2022.

The SDG Integration portfolio was primarily delivered through two Accelerators in partnership with Local Networks: SDG Ambition and the Young SDG Innovators Programme. New in 2022, the UN Global Compact has developed training specifically targeted towards small and medium-sized companies to help them integrate the Ten Principles into core business operations, even with limited time and resources.

SDG AMBITION

The UN Global Compact's SDG Ambition work aims to challenge and support companies in setting ambitious corporate targets and accelerating integration of the 17 SDGs into core business management. The SDG Ambition Accelerator concluded its second round in April and launched recruitment for the third round in July. Over the last two years, the SDG Ambition Accelerator has engaged 1,100 companies in more than 80 countries representing 13 Million USD employees and \$2.5 Trillion USD in revenue. The program has now been offered by 49 Local Networks.

KEY ACHIEVEMENTS

55 companies from **7 countries** engaged through the Young SDG Innovators (YSIP) Accelerator

470 companies, 38% from developing countries, have confirmed to participate in the third round of the SDG Ambition Accelerator

Launch of UNGC Academy Changemaker series and sessions with **6 public and private sector leaders**

Encouragingly, 470 companies from more than 60 countries signed up to participate in the third round, representing companies with more than 2.5 million employees and more than \$360 Billion USD in revenue.

Building from the success and content of the SDG Ambition Accelerator, a new, comprehensive, learning plan on 'the SDG Ambition Approach' was launched in 2022. This learning plan guides companies through the 8-Step SDG Ambition approach and supports them in prioritizing action for the SDGs as well as setting and integrating ambitious goals into their company. One of our most popular courses, the 30-minute foundational Academy course on 'How to Understand and Take Action on the Global Goals' is now included in the onboarding materials shared with all new UN Global Compact participants to help drive broader alignment and action on the agenda.

KEY RESULTS

50+ new innovative SDG solutions identified through the YSIP Accelerator

As of 2022, **1,600 companies** in **90 countries** have now participated in the SDG Ambition Accelerator to set corporate targets aligned with the SDGs. As an outcome, over 50% of participants have submitted action plans to implement targets.

86% of surveyed companies report having taken action to advance the SDGs in 2022

SDG INNOVATION

In 2022, the UN Global Compact redesigned its renowned Young SDG Innovators Accelerator programme while also concluding a third round of the Accelerator. 55 companies from 7 countries participated in this round where more than 50 new SDG Solutions emerged. The aim of this strategic change was to reach a significantly larger global participant base and update the curriculum with the latest trends around intrapreneurship, innovation and the SDGs. The redesign also included introducing several new activities, bringing the content to life on our digital Academy platform and rebranding the program as SDG Innovation Accelerator for Young Professionals. This new version will be rolled out in 2023 by 15+ Local Networks. In addition to this, the UN Global Compact engaged in various activities to foster meaningful youth engagement and amplify youth voices. For more information, please see the Youth Spotlight.

THOUGHT LEADERSHIP AND ADVOCACY

UNGC ACADEMY CHANGEMAKER SERIES

In 2022 we launched a new Academy Changemaker series (virtual sessions and podcast), providing companies around the world with the opportunity to learn from and connect with innovative and influential people working in or with business to make the world a better place. The inaugural episode featured Sanda Ojiambo in conversation with the UN Deputy Secretary-General about her personal insights,

experiences, and thoughts on how to facilitate radical and sustaining innovation to advance the Sustainable Development Goals.

CEO ROUNDTABLE ON "BUSINESS LEADERSHIP TO RESCUE THE SUSTAINABLE DEVELOPMENT GOALS"

A select group of CEOs and business leaders met with the UN Secretary-General, UN Deputy Secretary-General, and Assistant Secretary-General Sanda Ojiambo to discuss the transformational change needed to rescue the Sustainable Development Goals on the sidelines of UNGA77. The UN Secretary-General urged business leaders to step up and push the Governments they operate in to create an enabling environment and regulations that encourage a decarbonized economy. He emphasized the danger of greenwashing and appealed for increased accountability and transparency of the private sector. As an outcome, the UN Global Compact will launch a campaign to define concrete actions that can be taken forward by the private sector in the lead up to the SDG Summit in 2023. The Summit will mark the midpoint in the implementation of the 2030 Agenda and the Sustainable Development Goals, and will be a critical moment for global leaders to take stock of meaningful and credible progress towards these Goals.





IMPACT HIGHLIGHT

TACKLING LIVING WAGE IN PUERTO RICO

Álvarez-Díaz & Villalón (AD&V) is a Puerto Rico based architecture and interior design company founded in 2001. AD&V participated in the first round of the SDG Ambition Accelerator implemented by Global Compact Local Network USA in 2021 with a primary aim to set ambitious corporate sustainability targets and accelerate the integration of the SDGs into their core business.

Leveraging Accelerator resources such as the Ambition and Integration Guides, AD&V learned new and effective methods to advocate for corporate responsibility with their workforce. In addition, AD&V was inspired to take action beyond their own organization and contribute to the private sector landscape in Puerto Rico.

The SDG Ambition on SDG 8: Decent Work and Economic Growth calls on businesses to pay all their employees - regardless of their employment status - a living wage. In following the proposed roadmap to implement the benchmark of "100% of employees across the organization earn a living wage," AD&V found limited information available about the living wage benchmark in Puerto Rico. As an island territory of the United States, Puerto Rico was not separately included on national living wage calculators.

One outcome of its participation in the SDG Ambition Accelerator is that AD&V reached out to and collaborated with the Massachusetts Institute of Technology (MIT) to include Puerto Rico in its Living Wage Calculator. As a facilitating partner, AD&V connected MIT with local agencies, provided relevant research and identified funding needed to establish visibility on the living wage estimate for Puerto Rico. Puerto Rico is now included in the MIT Living Wage Calculator database, as a part of this effort.

To embed a living wage standard within their own operations, AD&V worked with a local company to define a salary scale that measures itself against national industry standards and incorporated the scale into hiring and performance management practices for all employees. The renewed compensation package provides a structure to employee salaries and benefits, as well as a framework to help mitigate gender or unconscious bias.

AD&V Associate Carla Joan Gonzalez Vizcarrondo noted, when reflecting on the organization's participation in the SDG Accelerator, that **"No matter how large or small a company is, and regardless of their industry, we can all contribute to the SDGs and further the efforts to achieve the 2030 Agenda. Being the smallest firm that participated in the SDG Ambition Accelerator, and from a small Caribbean Island, we are convinced that small and medium businesses play an important role and are key to the Global Agenda."**

As of 2022, 1,600 companies in 90 countries have now participated in the SDG Ambition Accelerator representing over 13 million employees and \$2.5 Trillion USD in revenue. 470 companies across 26+ countries have signed up to participate in the Accelerator in 2023.

CROSS-CUTTING: SUSTAINABLE FINANCE

Building upon the momentum of the CFO Taskforce for the SDGs, the UN Global Compact expanded its approach and launched the CFO Coalition for the SDGs in 2022. The Coalition aims to accelerate the progress of corporates in aligning corporate investments with the SDGs and linking corporate finance to relevant and credible SDG targets. It stems from the recognition that—as stewards of trillions of dollars in corporate investments—CFOs are uniquely positioned to reshape the future of corporate finance and investment as a catalyst for growth, value creation, and social impact for thousands of companies around the world, encompassing all industries and regions, especially less developed areas.

With the CFO Principles as a blueprint, the Coalition works with partnership organizations and key actors to drive forward (1) SDG Impact thesis & measurement, (2) Integrated SDG strategy & investments, (3) Integrated corporate SDG finance and (4) Integrated SDG reporting and communication. The CFO Coalition dashboard provides an overview of the collective ambition of the Coalition.

KEY ACTIVITIES

Continued initiative growth - the CFO Coalition for the SDGs now has **72 participants**, representing **\$1.6 Trillion USD** market cap

Release of six Macro-Sector profiles, highlighting the contribution of CFO Coalition participants towards the SDGs, including insights and examples on **27 industries**

Launch of the E-learning tool on "Taking financial action for the SDGs: Implementing the CFO Principles"



Academy

FOUNDATION

TAKING FINANCIAL ACTION FOR THE SDGs: IMPLEMENTING THE CFO PRINCIPLES

LEARN NOW ►

KEY RESULTS

\$108 billion in SDG-aligned investments in FY2020 and FY2021

\$135 billion in sustainable financing in FY2021, an **increase of 55%** from \$87 billion in 2020

CFO Coalition companies reported setting **465 financial targets** linked to the SDGs and shared 98 investment examples directly linked to the SDGs

CFO COALITION FOR THE SDGS DASHBOARD

1 SDG impact thesis and measurement

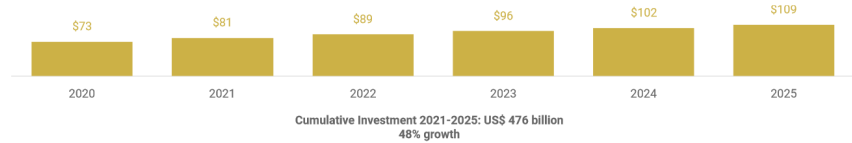


2 Integrated SDG strategy and investments

SDG-aligned investments



Projections for SDG-aligned investments 2021-2025

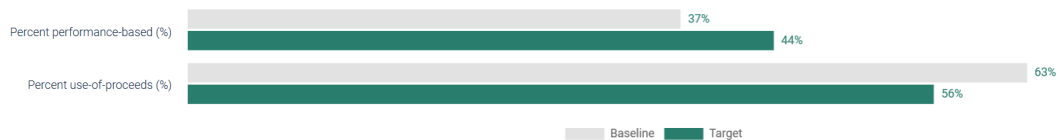


3 Integrated corporate SDG finance

SDG-linked finance



Type of SDG-linked finance



4 Integrated SDG communication and reporting

SDG in investor relations



SDG reporting



CORPORATE FINANCE AND INVESTMENT TOWARDS SDGs

All participants of the Coalition submit an Annual Implementation Progress Report (AIPR) to share their progress and examples of best practices as they transition towards sustainable finance. To note, the AIPR is gathered in Q2 of the previous fiscal year. As a result, the key achievements below are based on fiscal years 2020 and 2021. \$108 Billion USD in SDG-aligned investments in FY2020 and FY2021.

On the financing side, CFOs in the Coalition reported \$135 Billion USD in sustainable financing in FY2021, an increase of 55% from \$87 Billion USD in FY2020. This represents an average of 34% of sustainable financing over their total debt, up from 27% in FY2020.

Through the Annual Implementation Progress Report (AIPR), on FY 2021, the CFOs in the Coalition reported:

- 465 targets linked to the SDGs
 - 90 (19%) used in Sustainability Linked-Instruments;
 - 240 (52%) benchmarked;
 - Most addressed SDGs were, in terms of target setting: 13, 12, 7, 9, 8.
- 127 investment examples
 - 98 (77%) directly linked to SDGs

TOOLS, GUIDANCE AND RESOURCES

The CFO Coalition for the SDGs released six Macro-Sector profiles, the primary result of its programmatic work in 2022, highlighting the contribution of its 71 participants towards the SDGs. The Macro-Sector profiles give statistics

and a quantitative and qualitative overview on 27 industries regarding their target setting and investment examples. It is linked to SASB classification of materials issues and regulation as the EU taxonomy on Sustainable Activities.

Launch of the Taking financial action for the SDGs: Implementing the CFO Principles e-learning tool. This 30-minute foundational course developed by the UN Global Compact Academy and the CFO Coalition for the SDGs, helps companies understand the role of CFOs in helping companies transition to sustainable development, and how SDG strategies can help deliver better financial results and develop stronger relationship with lenders and investors

CONVENINGS AND COALITION BUILDING

The CFO Coalition for the SDGs resumed the in-person SDG Investment Forum series. The convenings were designed to connect investors seeking to align with the SDGs to responsible businesses and investment opportunities around the world. The CFO Coalition for the SDGs hosted 3 investment forums in 2022 (Paris, New York City, and Kuala Lumpur) addressing corporate investment and sustainable finance toward the SDGs.

At the 77th session of the UN General Assembly, the CFO Coalition for the SDGs organized a session at the UN Global Compact Private Sector Forum called "Driving Finance and Corporate Investments towards Renewable Energy and Sustainable Development". The session featured a high-level panel discussion on managing the ongoing energy crisis and showcasing strategies and actions to support work on climate, energy and a just transition.





ENVIRONMENT: CLIMATE

The private sector has a key role to play in keeping 1.5°C alive and securing a just and equitable transition to a net-zero future by 2050. Businesses, especially those located in the G20 and OECD countries, must leverage their resources and networks to send strong market signals, scale innovative solutions, present credible, science-based decarbonization plans, unlock climate finance and advocate for a green and just transition. Governments need to create an enabling environment, for example to allow the private sector to supercharge investments in renewable energies, among others.

NET-ZERO AND SCIENCE-BASED TARGETS INITIATIVE

In 2022, a large focus of corporate action on climate has been on corporate accountability. To tackle greenwashing, the UN Global Compact champions the Science-Based Targets initiative as the tried and tested way for companies to set credible emissions reduction targets. Science-based targets are associated with a 12% emissions reduction across scope 1 and 2 emissions in 2020 and a longer term reduction of 29% since 2015. SBTi companies are delivering excess reductions



KEY RESULTS

By the end of 2022, **4000+ companies** across more than **70 countries** and 15 industries, representing more than one third of global market capitalization, have approved emissions reductions targets or commitments with the SBTi.

KEY ACTIVITIES

Launch of Think Lab on Just Transition & delivery of **3 business briefs**

900 companies engaged through Climate Ambition Accelerator, implemented by **53 Global Compact Local Networks**

9 Regional Exchange Sessions to address regional and sectoral priorities

at an accelerated rate compared to their peers. Key 2022 activities include:

- **Climate Ambition Accelerator:** The 2nd round of the Climate Ambition Accelerator, a six-month learning programme positioned to equip companies with the knowledge, resources and skills they need to set science-based targets, engaged more than 900 companies. Implemented by 53 Global Compact Local Networks, companies ranged across sector and size. After participation, 70 new commitments and more than 30 new targets are being validated.
- **COP27 & 10th Annual High-Level Meeting of Caring for Climate:** The UN Global Compact, UN Environment and UN Climate Change at COP27,

The Climate Statement, unveiled by the CEOs of the Africa Business Leaders coalition, enjoyed the support of **56 companies** across the continent that collectively generate **150 billion USD** in revenue and employ **900,000 people**.

under the banner of “ending fossil fuel addiction” and “leaving no person or country behind,” gathered 120 stakeholders from business, civil society and the UN, including 72 CEOs and C-suite private sector representatives. The event supported the UN Secretary-General’s goal for concrete, measurable action and net-zero credibility, to deliver immediate emission cuts through the lens of people-centered climate action. COP27 in Egypt offered a critical opportunity for the voice of the African business sector to be heard at the global level. The Climate Statement, unveiled by the CEOs of the Africa Business Leaders coalition, enjoyed the support of 56 companies across the continent collectively generating \$150 Billion USD in revenue and employing 900,000 people.

- **Global Compact Local Network-led Regional Exchange Sessions:** Global Compact Local Networks in Europe and the Academy worked together to deliver sector-specific exchange sessions focused on the SBTi sectoral developments and requirements. There were nine sessions in total covering the following sectors: Financial institutions, Transport, Professional services, Retail, Buildings, Power, ICT, Chemicals, and FLAG (Forest, Land and Agriculture). These sessions are now available on-demand on the Academy platform.

by bringing stakeholders together to help shape and define business and thought leadership, building on the International Labour Organization’s (ILO) Guidelines. Along with the ILO, Stockholm Environment Institute, World Resources Institute, the International Trade Union Confederation, and other thematic partners such as IOE, CDP and UNICEF, the UN Global Compact will build concrete strategies for the private sector to engage in a more inclusive transition. 27 participating companies, representing companies of all sizes, across many geographies and sectors have been vetted against criteria to be able to participate.

NATURE AND BIODIVERSITY

Biodiversity is a fundamental component of long-term business survival and prosperity. Developed in collaboration with the United Nations Environment Programme - World Conservation Monitoring Centre (UNEP-WCMC), we launched a new Academy e-learning course on biodiversity fundamentals for business helping companies understand key biodiversity concepts, the importance of biodiversity to business, and learn from pioneering companies that are already taking action.

JUST TRANSITION

The Think Lab on Just Transition shapes thought leadership on how to ensure the shift to a net-zero economy is just, equitable, and fosters the growth of decent, green jobs. It aims to accelerate the positive impact of business,



ENVIRONMENT: WATER

Recognizing that the private sector is essential to achieving SDG 6, the UN Global Compact continues to advance the CEO Water Mandate to work with businesses of all sizes, sectors, and geographies to advance water resilience solutions. Pushing forward leading edge thinking on corporate water stewardship, scaling up best practice uptake and collective action, along with elevating the profile of water on the global agenda are essential to catalyzing water action.

CEO WATER MANDATE

Collaborating with the UN, trusted NGOs and public sector partners, the CEO Water Mandate works to position the global private sector to make substantive positive impacts on water in basins around the world. In 2022, the CEO Water Mandate continued to grow from 210 to now include 234 companies. Key CEO Water Mandate activities over the last year include:

Water Resilience Coalition: The Water Resilience Coalition (WRC) is working to support companies to scale innovative solutions to the water crisis and ensure water resilience around the world through collective action. WRC set an ambitious 2030 goal to achieve a positive water impact in 100 basins and provide water, sanitation and

KEY ACTIVITIES

Launch of Water Resilience Coalition 2030 Roadmap to achieve positive water impact in **100 basins** and provide WASH to **300 million people**

Launch of WASH Business Declaration through the CEO Water Mandate's WASH4Work

Water Action Hub expanded to include decision-support tools to help scale corporate action across **1,100 users**



hygiene (WASH) to 300 million people. Charting a pathway to achieve that goal, the WRC launched its 2030 roadmap in 2022. The roadmap leverages strategies relating 4 key areas: scaling solutions, advancing innovation, leveraging

CEO Water Mandate

Water stewardship initiative of the UN Global Compact

Water Resilience Coalition

Leadership Platform of the CEO Water Mandate



KEY RESULTS

Initiative growth to **234 companies** in CEO Water Mandate and **29 companies** in Water Resilience Coalition

17 CEO Water Mandate endorsers reported implementing Contextual Water Targets, with **32 companies** reporting differing targets and action plans for sites in areas of high water stress.

21 collective action projects facilitated by the Water Resilience Coalition across 15 basins in 6 different countries (see map on next page).

147 new companies signed the WASH Pledge in 2022, now totaling **600+** signatories.

WATER RESILIENCE COALITION: COLLECTIVE ACTION PROJECTS



investments, and measuring impact. Building on the progress of flagship projects in Brazil and India, the WRC is rapidly expanding the collective action model around the world. The WRC now facilitates 21 projects in 15 basins across 6 countries.

WASH4Work Initiative: Organized by the CEO Water Mandate's WASH4Work initiative, leading businesses and NGOs released the COP27 Business Declaration for Climate Resilient Water, Sanitation & Hygiene. The declaration contributed to a key outcome of the conference: situating water action firmly within the climate agenda. The business declaration outlines the case for business action; considerations for further developing and applying a climate resilience framework to WASH programs and investments; and invites more businesses to join the WASH4Work initiative to mobilize the leadership and partnership needed to shape a more climate resilient water, sanitation, and hygiene secure world.

Implementation of Context-Based Practice:

In 2022, 17 CEO Water Mandate endorsers reported implementing Contextual Water Targets, with 32 companies reporting differing targets and action plans for sites in areas of high water stress.

TOOLS, GUIDANCE AND RESOURCES

To further scale collective action and business sector engagement, the UN Global Compact made significant advancements in 2022 to improve the tools and frameworks available to companies.

> Refresh of Water Action Hub 4.0 Beta:

The Water Action Hub's historical focus on collective action has expanded to include a selection of decision-support tools to help scale corporate action. In addition to hosting over 1800 water and climate projects, the Water Action Hub has integrated the Nature-Based Solutions Benefits Explorer Tool and a new Corporate Water Benchmarking Tool. Over 1100 new registered users can explore opportunities for external partnership and better understand potential for action within their own operations.

> Launch of Nature-Based Solutions

Stakeholder Engagement Guide: In July 2022, the CEO Water Mandate released the Nature-Based Solutions Stakeholder Engagement Guide. The guide outlines general principles and best practices to be considered across five different stages of an NBS project. Often overlooked in NBS literature, stakeholder engagement is a critical component of a successful intervention. The guide offers flexibility to fit the unique circumstances of each project along with robust best practices to promote effective engagement.

> Launch of WRAF Corporate Guidance:

In November of 2022 the CEO Water Mandate published Corporate Guidance for the Water Resilience Assessment Framework (WRAF). It provides a standard, step-wise approach to measuring and enhancing resilience with practical examples across different industries. It provides corporates with a set of Water Resilience Indicators and a Resilience Scoring Tool to operationalize the content.



IMPACT HIGHLIGHT

RIPPLES OF RESILIENCE IN BRAZIL

As of December 2022, over two billion people live in water-stressed regions as a result of centuries of environmental pressures. Local leaders, governments, and businesses are harnessing collective action to build up water resilience and help solve this water crisis. The UN Global Compact's Water Resilience Coalition (WRC) has advanced collective action on 15 water basins across 6 countries. Brazil is one example of the significant impact of the WRC for local communities.

Millions living in São Paulo, Brazil have been impacted by the consequences of severe drought over the past decade. The region depends on the PCJ river basins for 70% of its water, and the lack of access was degrading the land and livelihood of local communities. In 2017, beverage company Ambev S/A – endorser of the CEO Water Mandate and subsidiary of WRC member ABInBev – partnered with The Nature Conservancy to support the São Paulo Water Fund. The project works with the Piracaia community to incentivize nature-based solutions to watershed restoration.

The São Paulo Water Fund has worked with over 1,500 people to take on-the-ground action. This work has led to direct positive economic impacts on 11,000 community members and positive influence on the water availability for 12 million Brazilians living near São Paulo. These impacts are the first of many. By 2030 the São Paulo Water Fund has the potential to boost water quantity by 559 million m³ and sequester 1 million tons of CO₂ per year.

Dercilio Aristeu Pupin, an organic farmer from Piracaia, Brazil, has been closely involved with this project from the start. When reflecting on the progress, Dercilio notes that **“Whether it's an organization, city government, ... or a large company, when someone decides to support a socio-environmental project [similar to the work of TNC and the São Paulo Water Fund], they are unleashing a process that their grandchildren will feel. The impacts are very big. Everyone benefits, and there is a very large population near us. Today we are in a basin that supports millions of people. We are aware that the water falling right here, to our side, benefits millions of companies, millions of people, and inhabitants.”**

In 2022, the WRC and UN Global Compact Local Network Brazil established the Brazil Chapter of the WRC. Bringing together local and multinational companies, the first-of-its-kind chapter leverages wide-ranging resources and expertise to advance water projects, such as the São Paulo Water Fund, in prioritized basins.

Five WRC members (ABInbev, Coca-Cola, Cummins, Ecolab, Starbucks) have joined the project. Together, these companies can multiply the economic, biodiversity, and human health benefits far beyond the reach of a single bilateral partnership. As Henrique Bracale, coordinator of the São Paulo Water Fund, states, **“the solution for ensuring water security for an entire society is through collaboration. Nobody does anything alone. We need to work together.”**

Collective action is a proven pathway to scaling water resilience in basins around the world. To continue scaling up, the WRC curated a list of 100 priority water-stressed basins in 2022. Growing beyond secretariat-facilitated projects, the WRC will publish the 100 basins list in 2023 and leverage this work to catalyze action on water worldwide. With WRC members leading the way, the CEO Water Mandate looks forward to scaling collective action around the world.

ENVIRONMENT: OCEAN

The world depends on healthy, productive and resilient oceans for climate mitigation and adaptation, food security, trade and economic livelihood, and much more. To ensure the health of our oceans and to address the ongoing crises of energy, food, transport, climate and security, the private sector must share a common plan with measurable, regionalized and short and mid-term goals.

SUSTAINABLE OCEAN PRINCIPLES

The UN Global Compact Ocean Stewardship Coalition helps ocean industries set and reach these goals by leveraging global expertise in a multi stakeholder community that fosters knowledge sharing and collaboration. Highlights from the Coalition's 2022 activities include:

- **Sustainable Ocean Principles:** More than 150 major companies signed the UN Global Compact Sustainable Ocean Principles, committing to assess their impact on the ocean and integrate ocean sustainability into their overall strategy. Signatories span 30 industries and include several large shipping liners, accounting for around 80% of the volume of international trade and nearly 3% of global emissions. The Sustainable Ocean Principles, developed in consultation with over 300 stakeholders, provide a framework for responsible business practices across sectors and geographies. As complement to the Ten Principles, the Sustainable Ocean Principles aim to promote the well-being of the ocean for current and future generations, and to emphasize the shared responsibility of businesses to take necessary actions to secure a healthy and productive ocean.

KEY ACTIVITIES

Launch of an Action Plan at COP27 to achieve a Just Transition for Seafarers

Launch of Science Based Targets Guide for the Seafood Sector

Launch of the Global Industry Alliance for the Norad-IMO-FAO GloLitter Partnerships project

TOOLS, GUIDANCE AND RESOURCES

- **Science Based Targets Guide for the Seafood Sector:** The ocean's changing temperature and chemistry caused by climate change is threatening the seafood industry. Aligned with our work on SBTi, the UN Global Compact and the World Wildlife Fund launched a guide that helps seafood companies set Science-Based Targets to reduce their emissions. The guide is a collection of best practices, common challenges, solutions and experiences from the seafood sector—both fishing and aquaculture—to support companies on the journey to establishing Science Based Targets with the Science Based Targets initiative.

KEY RESULTS

To date, **150 companies** have signed the Sustainable Ocean Principles - representing **30 industries** across **35 countries** and a combined market capitalization of over **\$1 trillion**

Safe Seaweed Coalition has reached **1,000 members** and has financially supported 25 seaweed projects with over **\$400k in grants**



- **Just Transition Action Plan for Seafarers:**

The Maritime Just Transition Task Force, of which the UN Global Compact is a founding member, developed, in consultation with IMO and ILO, a forward looking 10-point action plan for international organizations, industry, workers and academia (including training providers), setting out concrete recommendations to unlock the seafarer skills needed to support shipping's decarbonisation goals.

SECTORAL PROJECTS

In addition to advancing how companies embed a sustainable oceans approach to their operations and strategies, the UN Global Compact collaborated with strategic partners to advance strategic projects in 2022.

- **Safe Seaweed Coalition:** In 2022, the Safe Seaweed Coalition saw its membership grow to over 900 seaweed stakeholders, drawn from over 70 countries across 5 continents. The Coalition delivered its second round of seed funding (\$50 Thousand USD each) to 8 projects for a total of 25 projects and over \$1.5 Million USD in funding to date, to support the safe and sustainable scaleup of the seaweed sector, grounded in science. The Coalition also leveraged its convening position to deliver multiple convenings at key global

fora including the UN Ocean Conference in Lisbon and forged important relationships, including with the FAO to develop global food safety regulation for seaweed, and more broadly with the World Bank, WWF, UNCTAD, UNEP and others to raise visibility on the potential of seaweed-based solutions to advance the SDGs.

- **Global Industry Alliance for the Norad-IMO-FAO GloLitter Partnerships Project:**

The GloLitter Partnerships is a project between the Government of Norway, IMO and FAO aiming to reduce marine litter. The global project will support developing countries, including Small Islands Developing States (SIDS) and Least Developed Countries (LDCs), in identifying opportunities for the prevention and reduction of marine litter. Private sector participation will be achieved through developing an overarching Global Industry Alliance (GIA) in collaboration with the UN Global Compact with partners from major maritime and fisheries companies. In addition to identifying new interventions for industry to address sea-based marine plastic litter, the GloLitter GIA will build on and promote relevant existing initiatives, such as the Global Ghost Gear Initiative (GGGI).

SOCIAL SUSTAINABILITY: HUMAN RIGHTS

The UN Global Compact is mobilizing companies everywhere to close the gap between business aspiration and business action on human rights. We provide tools and resources aligned with the UN Guiding Principles on Business and Human Rights (UNGPs), as compliance with local laws may not be sufficient. The UNGPs clarify that the responsibility to respect human rights goes beyond compliance and constitutes a global standard of expected conduct applicable to all businesses in all situations.

TOOLS, GUIDANCE AND RESOURCES

In 2022, the UN Global Compact made significant advancements towards the programming activities and tools available to support companies to address human rights impacts. Key milestones achieved include:

- Business and Human Rights Navigator:**
 In March 2022, the UN Global Compact, together with the German Government's Helpdesk on Business & Human Rights and private sector partners, launched the Business & Human Rights Navigator to guide companies around the world to better understand and address human rights impacts in their operations and supply chains. To date, there are over 17,000 Users on the platform. Users can access in-depth analysis of key human rights issues, due diligence recommendations, as well as over 70 case studies illustrating how other businesses have responsibly addressed human rights impacts.

KEY ACTIVITIES

Launch of the Business and Human Rights Navigator & Accelerator

Scaling and translations of the UN LGBTIQ+ Tool to increase accessibility



- Business and Human Rights Accelerator:**
 Following the active engagement through the Navigator tool, the UN Global Compact launched a Business & Human Rights Accelerator on the sidelines of the 77th UN General Assembly. With support from OHCHR and ILO for launch and delivery, the accelerator has over 800 companies signed up to participate in the inaugural round of the programme. The Accelerator is a hands-on six-month programme to help companies move from commitment to action on human rights and labour rights by establishing an ongoing human rights due

KEY RESULTS

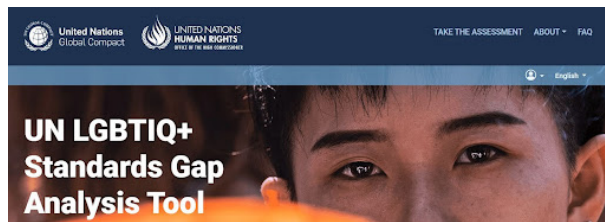
17,000+ users of the Business and Human Rights Navigator since its launch

800+ companies signed up to participate in the inaugural round of the Business and Human Rights Accelerator

1200 participants engaged in the UN Global Compact Deep Dive series on Human Rights Due Diligence

diligence process.

- **UN LGBTIQ+ Tool:** The UN LGBTIQ+ Tool continued to scale in use and impact throughout 2022, growing to 557 total users. As the UN Global Compact moves to advance a regional and local lens on all programmes, the Latin America and Caribbean region hosted a launch event to promote the LGBTIQ+ Tool and its Spanish and Portuguese translation and uptake use across the region.



In addition to the tools and programmes outlined, the UN Global Compact continues to develop E-learning courses. 2022 marked the launch of the final two modules of the UN Global Compact Academy e-learning course "Business and Human Rights: How Companies Can Operationalize the UN Guiding Principles" (developed together with OHCHR and with the support of Shift). The modules launched are module 3, "Taking Action on Impacts, Tracking and Communicating," and module 4, "Access to Remedy." Since launch, 1200 participants have engaged in the UN Global Compact Deep Dive series on Human Rights Due Diligence.

Working beyond individual company engagements, the UN Global Compact collaborates with the UN System and strategic partners to catalyze enabling systems around human rights and business. In 2022, the UN Global Compact collaborated with the Office of the High Commissioner for Human Rights (OHCHR) on the Annual Forum on Business and Human Rights as well as the Africa Forum on Business and Human Rights.



SOCIAL SUSTAINABILITY: LABOUR AND DECENT WORK

Promoting respect for labour rights is core to the work of the UN Global Compact. Respect for workers' rights and compliance with labour standards are the foundation of decent work. Despite progress, decent work deficits remain alarmingly widespread. Advancing decent work and raising the living standards of all workers across operations and supply chains require all companies to adopt sustainable, responsible and inclusive workplace practices, and for companies with supply chains to use their leverage with suppliers to contribute to the realization of decent work globally.

According to the 12th UN Global Compact-Accenture CEO Study, of all the actions CEOs are taking to build resilience, the top action is to upskill or reskill their workforce for the future labour market (75%). This shows labour continues to be a priority for companies. To encourage and support companies to make ambitious commitments on decent work and mainstream their social sustainability strategies, the UN Global Compact focused on driving forward thought leadership and guidance in the space.

Key activities in 2022 include:

- Launch of the Think Lab on Living Wage:** In 2022, the Think Lab on Living Wage was launched to identify ways to encourage a growing number of companies to make ambitious commitments on living wage and mainstream the practice of integrating living wage into a company's social sustainability strategy. One of the outcomes is the organisation of roundtable discussions in twelve pilot countries in 2023 led by our Local Networks in collaboration with the national employers' organizations. Another outcome is the development of a living wage assessment tool to help companies understand where they are in their living wage journey.
- Launch of a new Academy e-learning tool on "Advancing decent work in business through the UN Global Compact Labour Principles":** The UN Global Compact provides guidance and support to strengthen business respect for labour standards by embedding and implementing

KEY ACTIVITIES

Launch of the Think Lab on Living Wage

Launch of a joint report with UNICEF and Save the Children titled "Charting the Course: Embedding children's rights in responsible business conduct"

450+ learners have enrolled in the recently launched Academy e-learning tool "Advancing decent work in business through the UN Global Compact Labour Principles."

the UN Global Compact Labour Principles (Principles 3, 4, 5 and 6) within all aspects of business operations to provide and promote decent work for all workers. In 2022, the UN Global Compact, together with the International Labour Organization, launched a six-module e-learning plan to take participants through each Labour Principle and its related concepts and practical steps to take action. Since launch, over 450 learners are enrolled to participate.

2022 marked the 10-year anniversary of the Children's Rights and Business Principles developed jointly by UNICEF, UN Global Compact and Save the Children. To mark the occasion, the UN Global Compact launched a joint report with UNICEF and Save the Children, "Charting the Course: Embedding children's rights in responsible business conduct" which elaborates on key achievements and main gaps that need to be addressed to accelerate impact for children through business action and policy decisions. The report lays the foundation for raising the bar towards making business fit for children.



IMPACT HIGHLIGHT

ROOTING OUT GENDER PAY WAGE GAPS AND ADVANCING TOWARDS LIVING WAGE IN FINLAND

UPM, a Finnish forest industry company, has approximately 17 000 employees in 46 countries with a revenue of 9.8 billion euros in 2021. As a global company, ensuring respect for human rights and promoting decent work play a key role in all company operations.

UPM has been a participant of the UN Global Compact since 2003. Over the years, UPM has consistently engaged with the UN Global Compact's tools, educational resources and networks in efforts to advance their sustainability practices and processes. After previous programme engagements on the topics of SDG Reporting, Climate Ambition and Decent Work in Global Supply Chains, UPM was most recently engaged through the Think Lab on Living Wage in 2022. Ensuring living wages for all workers will accelerate the achievement of a wide range of SDGs, in particular, Goal 1: No Poverty and Goal 8: Decent Work and Economic Growth, Goal 5: Gender Equality and Goal 10: Reduced Inequalities.

In 2021, UPM completed its first company-wide pay equity review and identified gender pay gaps in 10 countries (out of the 46 they operate in). As of 2022, UPM adjusted pay across all locations, resulting in a pay adjustment for 400, UPM employees, nearly 2.3 percent of its workforce.

Building upon their global pay gap review and plan, UPM renewed and published new 2030 social responsibility targets in 2022 with a strong focus on diversity, inclusion and fair rewarding. The new targets for fair rewarding are related to both gender pay equity and living wage. Participating in the UN Global Compact's Think Lab on Living wage has guided UPM's work on living wage and given the company a deeper understanding of this complex theme.

“Our decision to address living wages as part of our social responsibility agenda was reinforced by our participation,” said Kaisa Vainikka, UPM's Director of Social Responsibility. **“This has encouraged and pushed us forward. The next step for us is to start promoting living wages also with our suppliers. There are a lot of people employed across our supply chain, so this will be an even more important part of our work impact-wise.”**

The Think Lab has challenged companies to advance living wage throughout entire value chains. For UPM, participating has raised the company's capacity to understand, process and set measures concerning living wage. Most of all, the Think Lab on Living Wage has brought together all the business pioneers of this social sustainability issue, which has inspired and catalyzed the work and ambitions of UPM.

In 2022, the UN Global Compact launched a series of Think Labs to shape thought leadership on critical sustainability issues to prepare for a net-zero, resilient future and a more equal society. Addressing low wages is not only an investment in human capital which can bring a range of returns, it is also part of all businesses' responsibility to protect and respect human rights as outlined in the UN Guiding Principles on Business and Human Rights (UNGPs).

SOCIAL SUSTAINABILITY: GENDER EQUALITY

Gender equality is a fundamental human right. Despite progress, women and girls around the world do not fully experience equal rights. Women are underrepresented across business especially in leadership positions. They receive unequal pay for equal work and they continue to be targets of physical and sexual abuse. At current rates, it will take 151 years to achieve gender equality in terms of women's economic empowerment and participation.

At UNGA77, the Secretary-General said, "Gender equality is going backwards and women's lives are getting worse - from poverty, to choices around sexual and reproductive health, to their personal security."

At the UN Global Compact, we work to improve private sector action on gender equality as we support companies to move beyond ad-hoc efforts but instead create a vision for their organization that links and integrates their gender strategy into all functions and levels of the business, thereby ensuring the private sector is moving from commitment to action and making a positive impact.

WOMEN'S EMPOWERMENT PRINCIPLES (WEPS)

The UN Global Compact continues to promote the adoption and continued scaling of the Women's Empowerment Principles (WEPS) and the WEPS Gender Gap Analysis Tool as the business case for corporate action to promote gender equality and women's empowerment. Key WEPS results are outlined as follows:

KEY ACTIVITIES

Kick-off of the third round of Target Gender Equality Accelerator

Launch of a Gender Lens on the Decent Work for Sustainable Procurement Toolkit

Continued scaling of the Women's Empowerment Principles (WEPS) and the WEPS Gender Gap Analysis Tool

- In 2022, over 7,000 companies have signed the WEPS CEO Statement of Support, committing to advancing gender equality at the highest level.
- Together with UN Women, the UN Global Compact hosted four WEPS 101 webinars throughout 2022 to provide an overview of the WEPS and how the WEPS provide a strong framework to support companies striving for gender equality in the workplace, marketplace, and community.
- Over 2,500 users completed the WEPS Gender Gap Analysis Tool to identify strengths, gaps and opportunity to improve their performance on gender equality.

KEY RESULTS

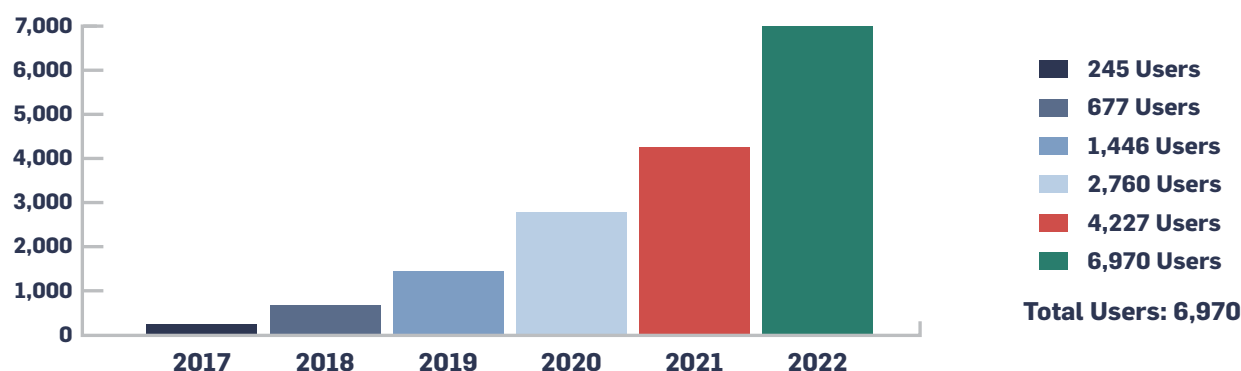
2,500+ users completed the WEPS Gender Gap Analysis Tool to identify strengths, gaps and opportunity to improve their performance on gender equality.

7,000+ companies have signed up to the Women Empowerment Principles to date.

More than **90%** of Target Gender Equality participants either have targets for gender equality in place, are adapting existing targets or drafting new targets.

83% of Target Gender Equality companies are building a new Action Plan or adapting an existing Action Plan based on learnings from Target Gender Equality.

GROWTH OF WEPS GENDER GAP ANALYSIS TOOL USERS



TARGET GENDER EQUALITY ACCELERATOR

The Target Gender Equality (TGE) Accelerator builds on and supports the objectives of the WEPs by helping companies set and meet ambitious targets for women's representation and leadership in business. Now in its third round, Target Gender Equality grew to over 1,400 companies across over 50 countries to strengthen their contribution to Sustainable Development Goal 5.5, which calls for equal women representation, participation and leadership in business globally. Key results include:

- 90% of TGE participants either have targets for gender equality in place, are adapting existing targets or drafting new targets.
- 83% of TGE companies are building a new Action Plan or adapting an existing Action Plan based on learnings from Target Gender Equality.
- 79% of TGE participants plan to use the WEPs Gender Gap Analysis Tool to analyze their performance over time

TOOLS, GUIDANCE AND RESOURCES

Launch of the Women's Empowerment and Business 2022 Trends and Opportunities: Progress Amid Pandemic Challenges Across Regions

The report (available in English, French, German, Chinese, Spanish and Portuguese) examines the aggregate results of companies using the Women's Empowerment Principles Gender Gap Analysis Tool with an aim to provide insights on global and regional corporate performance on gender

equality and showcase the efforts of partners and other stakeholders to drive women's empowerment around the world. The report concludes that while some progress has been made on advancing gender equality across regions and across issues, there is a need for more accelerated, urgent, impactful action across the board.

Applying a Gender Lens to the Decent Work for Sustainable Procurement Toolkit

The gender lens addition to the Decent Work for Sustainable Procurement Toolkit was launched as part of the Women's Entrepreneurship Accelerator, a multi-stakeholder partnership convening six United Nations agencies and Mary Kay to maximize the development impact of women entrepreneurship in achieving SDGs by creating an enabling ecosystem for women entrepreneurs around the world. The toolkit provides an overview for buyers on why it is important to include a gender lens to procurement strategies and practices. It provides a practical step-by-step guide on how buyers can advance gender equality and promote non-discrimination through procurement decisions and explains the business benefits of sourcing from women-owned or gender-responsive businesses.

International Women's Day Guide: Launch of International Women's Day guide for companies to take concrete actions to advance gender equality on International Women's Day and every other day.

CONVENINGS ON SIDELINES OF 66TH COMMISSION ON THE STATUS OF WOMEN

Even during the COVID-19 pandemic and the ongoing climate crisis, the attendance and response to our convenings – including TARGET GENDER EQUALITY LIVE, Ring the Bell and the WEPs 101 webinars – demonstrated the private sector's commitment to advancing gender equality and sustainable development.

The flagship **TARGET GENDER EQUALITY LIVE** attracted more than 3,200 participants from Government, civil society, academia and the United Nations to discuss private sector action on gender equality.

Together with the IFC, Sustainable Stock Exchanges (SSE) initiative, the UN Global Compact, UN Women and The World Federation of Exchanges, the UN Global Compact participated in the **8th annual Ring the Bell for Gender**



Equality. More than 110 stock exchanges and clearing houses around the world participated in the event – up from 15 participating when the initiative started.

IMPACT HIGHLIGHT STRIVING TOWARDS GENDER EQUALITY IN SRI LANKA

Gender equality has been a struggle in Sri Lanka, where women and girls face structural barriers and cultural stereotypes that affect their workplace options, financial security, political participation and personal safety. Only about one third of the nation's paid labour force is made up of women and the first woman to serve as CEO of a major company was appointed in 2020.³⁴

But signs of progress are emerging in corporate culture as Global Compact Local Network Sri Lanka challenges companies to tackle gender equality and equity in the workplace. One of Sri Lanka's biggest gender equality success stories comes from Diesel & Motor Engineering Plc (DIMO), a conglomerate founded eight decades ago with more than 1,800 employees. DIMO participated in the Target Gender Equality (TGE) Accelerator in 2021.

As outlined in the TGE Accelerator Action Planning Guide, DIMO sought to define their gender equality ambition, set a strategy for success and adopt the processes needed to monitor and report on their progress. At the heart of DIMO's strategy is the concept of "culture change", whereby the company isn't only changing its workforce composition by hiring more women in traditional roles but aiming at core jobs in mechanics and engineering.

"This was a tough journey," said Dilrukshi Kurukulasuriya, Chief Human Resources Officer at DIMO who said the male-dominated company was riddled with misperceptions, gender stereotyping and unconscious biases. "To recruit females to non-conventional jobs was quite challenging," she added.

DIMO started an Employee Resource Group to bring male and female employees together to develop gender-smart solutions and focus on the recruitment and retention of women through mentoring and sponsorship and to tackle workplace harassment. It also holds mandatory training to tackle unconscious bias, focusing on recruitment and promotions.



As an outcome of participation in the TGE Accelerator, DIMO set the ambitious target of increasing women in decision-making roles to 40% by 2025. So far, the number of women in decision-making roles is 53, or 12.3%, up from 42 women in such roles in 2021. Within one year, DIMO also increased the representation of women in non-traditional roles such as engineering, mechanics and technicians by 15%.

DIMO mechanical technician Thilini Gunasekara diagnoses and repairs vehicles. She graduated from the free automotive vocational training that DIMO offers in conjunction with Mercedes Benz Daimler that includes all-female classes.

"Some people, they say 'she can't do this,' but after seeing the result, they see that 'she' can do the work," Gunasekara explained. "There's no difference between the male and female doing this job."

Sayuri Sumithrarachchi, an electrical engineer who manages construction projects at DIMO, said she is frequently the only woman at building sites where she is often treated dismissively, ignored or mistaken for a lower-level employee.

"The thing about non-conventional jobs is that they're hard," said Sumithrarachchi. "You have to have the grit, the courage to push through. Some people tend to think that we're not as capable as men."

While there is momentum for change, women's workforce participation at DIMO in 2022 is just 10%, a slight increase from 8% in 2011. Recognizing that there is still much progress to be made, DIMO is now a signatory of the Women's Empowerment Principles and continues to be engaged with the UN Global Compact to bring a principles-based approach to how their business will continue to promote gender equality in the workplace, marketplace and community.

Global Compact Local Network Sri Lanka continues to scale TGE Accelerator across the region through collaborations with Global Compact Local Networks in Bangladesh, Malaysia and Brunei. Globally, the Target Gender Equality Accelerator programme has supported over 800 companies in more than 40 countries to date in setting and meeting ambitious targets for women's representation and leadership through performance analysis, capacity building workshops, peer-to-peer learning and advocacy.

³ International Labor Organization. Factors Affecting Women's Labour Force Participation in Sri Lanka. Sri Lanka, 2016.

⁴ "Kasturi Wilson Becomes First Female Group CEO of a Sri Lankan Conglomerate." Sri Lanka News. June 25, 2020.

GLOBAL GOVERNANCE: ANTI-CORRUPTION

PUBLIC-PRIVATE DIALOGUE & COOPERATION

The UN Global Compact has been scaling our engagement in public-private policy dialogues to bring the private sector voice to the global anti-corruption agenda, including but not limited to the B20 Indonesia Summit, the 4th International Collective Action Conference, and the 2022 International Anti-Corruption Conference in 2022.

To further promote public-private cooperation as well as collective action in fighting corruption, the UN Global Compact also made significant progress in the multi-year projects "Advancing Collective Action against Corruption through Global Compact Local Networks" and "Scaling up Anti-Corruption Collective Action within Global Compact Local Networks." We continued to advance the adoption of the "Uniting against Corruption: A Playbook on Anti-Corruption Collective Action" as a global resource, enabling 10 Global Compact Local Networks to initiate and facilitate local and regional Collective Action initiatives and launching a new anti-corruption collective action course on the UN Global Compact Academy.

TOOLS, GUIDANCE AND RESOURCES

The new UN Global Compact Academy **"Taking Collective Action for Anti-Corruption"** course was launched in collaboration with Global Compact Local Networks and with the support of strategic partners. Featuring the six-step approach from our Playbook on Anti-Corruption Collective Action, the course enables readers to make a clear diagnosis

KEY ACTIVITIES

Launched e-Learning course on
"Taking Collective Action
for Anti-Corruption"

Held a high-level side event
"Public-Private Policy Dialogue
in Promoting Transparency and
Accountability" on the margins of
the B20 Summit in Indonesia



KEY RESULTS

20 Global Compact Local Networks and **18 companies** initiated and facilitated local and regional Collective Action initiatives across **20 countries**

380+ companies engaged in Anti-Corruption training and guidance facilitated by UN Global Compact

of their local corruption landscape, identify and engage stakeholders, and apply the Collective Action methodology to address identified corruption challenges and mitigate potential business risks. It contains case studies from Global Compact Networks who have successfully implemented collective action initiatives, including GCNs Brazil, Kenya, and India. The video course materials have been an effective way to reach out to diverse stakeholders from the public, private, and civil society sectors. Since it was launched, participants from 10 countries have completed the course.

ANTI-CORRUPTION COLLECTIVE ACTION: LOCAL HIGHLIGHTS

Africa: GCN Kenya updated their Roadmap Report to reflect emerging risks and opportunities to enhance collective action in anti-corruption efforts. They collaborated with the Kenya Leadership Integrity Forum to organize policy dialogues and public lectures, reviewed and updated the 2019/2023 Kenya Integrity Plan matrix, and trained 66 Liaison Officers charged with its implementation. They held two training sessions on Anti-Corruption Compliance, one specifically targeting SMEs, and a Workshop on Corporate Governance and Ethical Leadership. They also conducted outreach and enlisted over 80 companies to sign up to the Kenyan Code of Ethics.

South America: After launching the Anti-Corruption Collective Action Playbook in Portuguese and a Guide for the implementation and monitoring of Anti-Corruption Collective Action Initiatives, GCN Brazil also published a "Best Practices Guide on Anti-corruption in Agroindustry" that addresses 8 topics mapped in the corruption risk assessment of the sector. They also conducted preparatory work for the kick-off of their anti-corruption collective action initiative in the Energy industry and held two incubation meetings that included 19 large companies.

Europe: GCN Ukraine held a High-Level event titled "Business Contributing to Good Governance and Anti-Corruption as Key for the Reconstruction of Ukraine", on the margins of the Ukraine Reform Conference in Lugano. They promoted the handbook on "Fighting Corruption: Collective Action" and the Playbook on Anti-Corruption Collective Action. During convenings organized in partnership with the Ukraine Reform Conference and the Embassy of Switzerland in Ukraine, 36 companies additionally signed the Memorandum on Joint Anti-Corruption Actions in Ukraine.



GLOBAL GOVERNANCE: TRANSFORMATIONAL GOVERNANCE

Transformational governance proposes a new and expanded vision for governance that aims to have impact both internally and externally. This approach calls on businesses to be more accountable, ethical, inclusive and transparent as a driver of responsible conduct, enhanced ESG performance and strengthened public institutions, laws and systems. Sustainable Development Goal 16 underpins transformational governance as peace, justice and strong institutions are essential elements of governance that bind businesses to the communities in which they operate and serve.

THINK LAB ON TRANSFORMATIONAL GOVERNANCE

Building on the release of the SDG 16 Business Framework | Inspiring Transformational Governance guidance in 2021, the UN Global Compact launched a Think Lab to define thinking, curate best practices and develop knowledge, guidance and tools that empower business sector action on the topic. In 2022, 20 companies from 5 regions and 4 global organizations participated in the Think Lab, working across two tracks: operationalizing transformational governance and engaging Chief Legal Officers. The first engagement was a consultation on "Transformational Governance: The Role of the Corporate Board and Executive Leadership." The UN Global Compact convened over 40 participants to contextualize TG within the changing role

KEY ACHIEVEMENTS

Launch of Transformational Governance Think Lab with **20 companies** across **5 regions**

Hosted inaugural Business Dilemmas Forum: Navigating Expectations for Societal Leadership and consultation on "The Role of the Corporate Board and Executive Leadership"

Launch of Academy foundations course, Transformational Governance: Driving Responsible Business Conduct.

and challenges of the corporate board and executive leadership, with a view to gathering leadership insights on business alignment with TG and the SDG 16 Business Framework. The findings of this consultation will be included in an Issue Brief to be published in 2023.



TOOLS, GUIDANCE AND RESOURCES

- **Streamline training:** An UNGC Academy e-learning course on the foundations of Transformational Governance: Driving Responsible Business Conduct was launched in 2022. The 30-minute e-learning course helps companies around the world learn the fundamentals about transformational governance through a hands-on framework for business leaders to address these rising demands by adopting a broader approach to their internal and external governance.
- **SDG 16:** In response to the war in Ukraine and converging crises of COVID-19, climate change, food and energy insecurity, a series of dialogues was held on the theme of Leadership in Times of Crisis. Details of this engagement can be found in the Spotlight overview on Ukraine.

CONVENINGS

The UN Global Compact organized the first Business Dilemmas Forum on Navigating Expectations for Societal Leadership. Held on the sidelines of UNGA77, the Forum brought together a select group of C-suite executives for a candid discussion of complex dilemmas, including strengthening peace, justice and strong institutions consistent with SDG 16. As business leaders face mounting expectations to respond to societal and political issues, participants considered the implications for corporate governance and reputation, policy and strategy. This was hosted by the UN Global Compact and Thomson Reuters, in collaboration with the B Team.



SPECIAL INITIATIVE: PRINCIPLES FOR RESPONSIBLE MANAGEMENT EDUCATION (PRME)

The Principles of Responsible Management Education (PRME) initiative aims to raise the profile of sustainability in management schools and provide future leaders with the skills needed to balance economic and sustainability goals in alignment with a principles-based approach to the SDGs.

By 2022, the initiative has continued to grow to include over 800 Signatories across 90 countries. PRME Signatory Members, leading business and management schools around the world, are actively changing their curriculums to better integrate responsibility and sustainability across all business disciplines. Across research, faculty development, and resource generation, PRME is changing the way that business is taught so that future business leaders are prepared to lead with purpose rather than being solely profit-driven. This is evidenced via the Sharing Information on Progress (SIP) Reports from Signatory Members, similar to the UN Global Compact's Communication on Progress (COP) Reports from participating companies.

PROGRAMME LAUNCHES

- The Impactful Five (i5) project took its first steps forward in 2022. While many of these early stage moves were administrative or technical, the (i5) project has seen substantial content and community-based growth through the later months of 2022, and through the roll out of the first faculty development pilot. The pilot included a cohort of 18 faculty members from business schools from around the world to develop content, capture best practices and pilot classroom interventions.
- In alignment with the UN Global Compact's Africa Strategy, PRME launched a Business Schools for Climate Leadership Africa coalition during COP27 in Egypt. The coalition of African business schools committed to producing resources and programs to better equip business leaders with the contextual skills needed to address the climate crisis in Africa.

KEY ACTIVITIES AND RESULTS

In collaboration with the LEGO Foundation, PRME launched its largest program to date, the Impactful Five (i5)'s first Faculty Development Pilot with 18 faculty members from PRME Signatory Members around the world.

Launch of *Business Schools for Climate Leadership Africa* during COP27 in Egypt, in support of UN Global Compact's Africa Strategy

Secured a **\$1 Million USD** grant from the Economics of Mutuality Foundation for the establishment of the PRME Commons Platform, an open-source digital platform for Responsible Management Education knowledge sharing and SIP hosting.

PRME hosted over **57 global convenings** in 2022 with an attendance of over **4,000 participants**

CONVENINGS

- Overall, PRME hosted over 57 global convenings in 2022 with an attendance of over 4,000 participants



- Marking the 15th Anniversary of PRME, the 2022 PRME Global Forum convened 110+ speakers across 30+ sessions to provide a platform for a global debate on how business education can help advance the sustainable development agenda worldwide.
- On the sidelines of UNGA77, PRME hosted two panels and ensured a private sector perspective was represented at the UN's Transforming Education Summit, the UN's first-ever conference focused on education. Together with leading UN agencies such as UNESCO Global Education Coalition, UNICEF Generation Unlimited, and the Global Business Coalition for Education, PRME spotlighted the need to elevate education to the top of the global political agenda and mobilize action, ambition, solidarity and solutions to transform education in a rapidly changing world.

2022

HIGHLIGHTS:

SPOTLIGHTS



2022 SPOTLIGHTS:

Highlighting exceptional
spotlights from the last year

AFRICA STRATEGY

The UN Global Compact's Africa Strategy, established in 2021, aims to apply a regional lens on the initiative's global strategy and drive forward the UN Global Compact's preeminent position as the largest pan-African sustainability initiative. Through expanded capacity in the strategy's Five Centres - in Egypt, Kenya, Morocco, Nigeria, and South Africa - the UN Global Compact plans to support 100 key companies in Africa in their efforts on realizing the Ten Principles and Sustainable Development Goals. Under the leadership of the Deputy-Secretary General, and to further support the operationalization of the Africa Strategy, the UN Global Compact also successfully launched the Africa Business Leaders Coalition (ABLC) as well as the Global Africa Business Initiative (GABI) in 2022.

AFRICA BUSINESS LEADERS COALITION

The Africa Business Leaders Coalition (ABLC) gathers leaders of the African private sector to speak with an organized, unified, and pan-African voice on the main issues facing the continent and how they can be addressed for Africa's advantage. In 2022, the ABLC convened six regional roundtable discussions in Abidjan, Cairo, Casablanca, Johannesburg, Lagos, and Nairobi, attended by more than 60 CEOs and key executives. The companies commit to develop robust company resilience plans, to set targets to drastically increase the share of renewable energy, and call on the international community to create an enabling environment that facilitates access to finance and ensures that African business can leverage global markets.



KEY ACTIVITIES AND RESULTS

57 CEOs that participate in the ABLC reflect the diversity of Africa, with representation across **9 countries, 12 sectors**

56 CEOs & key executives signed the Africa Business Leaders' Climate Statement, representing companies that employ more than 900,000 people across the Continent

Launch of the Global Africa Business Initiative - convening **over 100 leaders** to highlight business opportunities for sustainable development across sectors.

GLOBAL AFRICA BUSINESS INITIATIVE

The UN Deputy-Secretary General launched the Global Africa Business Initiative (GABI) in September 2022, on the sidelines of the UN General Assembly. GABI aims to place Africa in a renewed spot on the world stage, bringing to focus a roadmap for Africa that is sustainable, inclusive, and just. It stands for catalyzing investments for Sustainable Development for Africa as a means of delivering on the 2030 Agenda and Agenda 2063.

The inaugural GABI forum was attended in-person by over 1,600 guests and 120 speakers, representing the voices of Heads of State and Government, the private sector, philanthropy, civil society, academia and more. GABI has quickly claimed its place as the premier platform to shape Africa's narrative and bring together collaborations powered by the unique convening power of the UN.

CHINA STRATEGY

The UN Global Compact China Strategy has provided a clear strategy and roadmap to maximize the organization's support to Chinese companies and stakeholders, elevating their collective impact on the SDGs. With the strategy finalized in 2021, the China office has focused 2022 efforts on advancing their operating capabilities and scaling programmatic engagement.

SCALING CLIMATE AND GENDER PROGRAMMING

In 2022, the UN Global Compact expanded two Accelerator Programs on Climate Ambition and Target Gender Equality into China, engaging over 50 companies to set concrete targets on these key issues. The Academy localized over 20 Academy courses tailored to the Chinese market, to support capacity building on corporate sustainability activities in the country.

UN PEACE AND DEVELOPMENT FUND COLLABORATION

The UN Global Compact received a grant from the UN Peace and Development Fund (UNPD) to support companies that participated in infrastructure projects under the Belt Road Initiative to align with the UN Global Compact Ten Principles and SDGs. This funding will support the development of a guidance and assessment tool for companies advancing sustainable infrastructure, as well as a practical guide for private sector players in applied infrastructure sectors.

KEY ACTIVITIES AND RESULTS

Launch of report Corporate Climate Target Setting, Action and Global Collaboration Towards a Net-Zero Future— Accelerate 2030 Agenda for Sustainable Development Through Global Development Initiative, featuring best practices from over **60 companies** across regions.

Localized 20 Academy courses to tailor UN Global Compact guidance to the Chinese Market

GLOBAL DEVELOPMENT INITIATIVE FOR SDGS

In 2022, the UN Global Compact launched the “Global Development Initiative for SDGs” Pilot Project under UN Global Compact China strategy. The project was able to secure 13 founding participants, across sectors and organization size, to innovate and partner towards scaling business solutions to address the growing ocean plastic crisis.



SMALL AND MEDIUM ENTERPRISES

Small and Medium Enterprises (SMEs) are the engine of the world economy and critical to the delivery of the Sustainable Development Goals globally. The International Labour Organization reports that in developing economies, 7 out of 10 jobs are created by SMEs.

Small and Medium Enterprises have limited resources and, as such, tend to be behind larger companies in their commitment and delivery of sustainable activities. The UN Global Compact recognizes this challenge, and has designed the UN Global Compact SMEs strategy as a cohesive approach to provide focused support on capacity building, business and advocacy opportunities, and developing an enabling environment for SMEs.

In 2022, the UN Global Compact focused efforts on the following three capacity building initiatives, to help develop more efficient ways for SMEs to adopt the Ten Principles.

- Enhanced digital onboarding and engagement for SME participants in the UN Global Compact
- Simplified and tailored programmatic content for SME participants
- Developed a model to engage with SMEs at scale through ecosystems, such as larger company supply chains or business associations

NEW UN GLOBAL COMPACT ACADEMY COURSE FOR SMES

In June 2022, the UN Global Compact launched a new foundational Academy course designed to help small and medium sized enterprises (SMEs) take Action on Ten Principles of the UN Global Compact. SMEs are the engine of private-sector growth in both developing and developed economies, yet they face unique challenges in integrating the sustainability strategies that are critical to long-term business success and resilience. 'Future-proofing your small and medium-sized enterprise' is an interactive, 60-minute e-learning course designed to help companies break down those barriers and get them started on your sustainability journey. By completing this course, SMEs will learn to understand the Ten Principles and the benefits of a principles-based approach; recognize the link between

KEY ACTIVITIES AND RESULTS

2,000 SMEs have utilized the newly developed Foundational E-Learning course, highlighting the business case of the UN Global Compact

17 Local Networks have signed up to participate in the SME Peer Learning Group, launched at the country-level.

sustainability and business success; learn how to take six practical steps to integrate the Ten Principles into your business strategy and operations now, even with limited time and resources. To date, more than 2000 companies have completed the e-learning course. It was translated into Spanish, Portuguese and French, with additional languages and modules for deeper integration being added in 2023.

UKRAINE & TIMES OF CRISIS

RENEWED UN SYSTEM COLLABORATION IN RESPONSE TO GLOBAL CRISIS

Early in 2022, the UN Global Compact joined forces with UN OCHA, the UN Connecting Business Initiative, and other key partners to respond to the humanitarian crisis stemming from the Russian invasion of Ukraine. To raise awareness of the critical role the global private sector can play in humanitarian response, the UN Global Compact co-published a Ukraine Humanitarian Business Guide detailing specific needs and partnership opportunities for business.

UN Global Compact localized this collaboration by establishing an open channel of dialogue between UN humanitarian actors on the ground in Ukraine, and the Global Compact Local Networks in Poland and Ukraine. This allowed for collaboration between UN Humanitarian Country Teams and UN Global Compact Local Networks when coordinating private sector stakeholders to support Ukrainian refugees.

At the global Level, the UN Global Compact provided thought leadership and technical insights from the private sector to support the work of the UN's Global Crisis Response Group (GCRG), participating in consultations and contributing recommendations towards three GGCR briefs on Food, Energy, and Finance. The UN Global Compact also worked with UNCTAD to support the Black Sea Grain Initiative. Leveraging its convening power, the UN Global Compact also highlighted the work of the GCRG as the thematic focus of the annual UN Private Sector Forum, bringing 20 Senior UN leaders together with over 240 Executives to identify shared challenges and solutions.

IMPACT HIGHLIGHT **RESILIENCE & REBUILDING IN UKRAINE**

The war in Ukraine has caused the world's fastest growing displacement crisis since World War II, with nearly 13 million people uprooted in less than two months. Over a quarter of Ukraine's population have fled their homes, seeking safety, protection, and assistance elsewhere in Ukraine and in neighbouring countries, including Poland.



Since the invasion of Ukraine, the Global Compact Local Network Ukraine and Global Compact Local Network Poland have remained resilient and unwavering in their efforts to mobilize the private sector to address critical needs in Ukraine. Even under the conditions of an ongoing war, Ukrainian businesses have not compromised their commitment to sustainability.

In 2022, Global Compact Local Network Ukraine continued its programming and activities to drive forward anti-corruption collective action, the Climate Ambition Accelerator with 12 companies, an IT nation educational project to increase labour skills in over 1000 participants, a mental health platform approved by the Ministry of Health and the SEED (Sustainable, Ethic, Equal, Diverse) programme designed to support small businesses and entrepreneurs.

The global community has stood in admiration of the resilience and strength of Ukraine and its people under fire. But such determination should come as little surprise after meeting Ukrainian agrarian entrepreneurs who have built businesses and realized dreams as part of the SEED project. Under the slogan "Ukraine needs agrarians," SEED supports small businesses working in agricultural entrepreneurship and sustainable development. It offers up-to-date knowledge of business processes and tools to entrepreneurs creating jobs for themselves, their families and their communities.

From all over Ukraine, 150 participants were selected



for the SEED program. These businesses underwent a month of interactive training and expert strategic sessions with experienced specialists and managers from leading companies, studying project management, social media marketing, communications, financial literacy, investment and legal issues. They also had individual mentoring sessions. As part of the project, 15 SEED grants are then provided through partnerships between the PepsiCo Foundation, MHP, Syngenta in Ukraine and the Global Compact Local Network Ukraine.

The project has taken on particular significance with the full-scale invasion by Russia which has caused huge losses to Ukrainian businesses, said Tatiana Sakharuk, Executive Director of the Global Compact Local Network Ukraine. "It is the modernization of the Ukrainian agricultural sector that will allow it to overcome today's extremely difficult challenges."

A few of the entrepreneurial business leaders benefitting from SEED include:

Victoria Kryvshchenko, who built a thriving quail poultry and egg company called Charivnyi Ptah (or "Magic Bird") with her husband and family in the village of Peremoha, near Kyiv, starting in 2008. The business came to a terrifying halt

when Russian soldiers occupied their farm in March 2022. Determined to rebuild, a grant from the SEED programme in November provided funds to buy much-needed feed for the birds, which eat a mix of corn, wheat and vitamins.

Maslova and her mother Inna Skarzhynska started VESNA in 2015, to find solutions to skin problems such as acne and pregnancy pigmentation. Russian forces' occupation of Bucha, about 30 km northwest of Kyiv, in March forced Victoria Maslova and her family to abandon the gardens, lab and manufacturing facilities where they produced herbal skin care products. "The business has relocated to Lviv, but the rebuilding process is difficult," she said. SEED funding helped VESNA replace equipment for making essential oils, a key component of its products.

Other SEED nominees and winners in Ukraine include the brand "Berry Side of Life" that grows produce in the Kyiv region. In spring of 2022, its village fell under Russian occupation, and the planting of berries was delayed.

In the Kherson region, Volodymyr Zhdanov's family-owned business of loofah cultivation, another SEED winner, also was thwarted by occupying forces. The family could not reap its loofah crop and suffered losses, but Zhdanov is hoping for his native village to be liberated to begin business once again.

SPOTLIGHT SECTION: UN GLOBAL COMPACT MOTIVATING YOUTH

The UN Global Compact is mobilizing young professionals globally to innovate from within and accelerate the transition towards business models that align with the Sustainable Development Goals. To this end, the UN Global Compact is harnessing the power and drive of youth by building the capacity of intrapreneurs and leveraging the latest tools related to innovation and digital mechanisms for the SDGs.

SDG INNOVATION ACCELERATOR FOR YOUNG PROFESSIONALS

Through the SDG Innovation for Young Professionals Program (YSIP), we focus on young professionals – and future business leaders and decision makers – and support them to become advocates and working practitioners of SDG innovation and spread innovative practices across their companies. In 2022, the UN Global Compact has taken action to introduce several new activities and bring content to life on our digital Academy platform, with the intent of reaching a larger participant base moving forward. Examples of activities this year include:

- Increased collaborations between Local Networks and participating companies enrolled in YSIP.
- Leveraging partnerships with UN agencies to raise ambition on the Secretary-General's priorities in the areas of youth and innovation
- Supporting youth focused initiatives by other UN initiatives

As a result of these activities, the UN Global Compact has seen over 50 new innovative solutions emerge from the Young SDG Innovators Program. Companies and young innovators are rethinking systems and existing business models with a potential breakthrough impact on the SDGs. Young professionals reportedly gained confidence to become changemakers within their company.

PRME GLOBAL STUDENT AMBASSADOR PROGRAM

PRME Global Students (PGS) is a youth-led global network for creative collaboration and collective action that connects and empowers 300+ sustainability-oriented student organizations in business schools and universities worldwide.

In June 2022, the first-ever PGS Annual Summit gathered **696 attendees** from **68 countries**, including young leaders from global academia, private, non-profit, and public sectors to discuss today's most relevant and pressing challenges to our planet and society and build solutions for the betterment of tomorrow. Students organized the entire Summit and made up **more than half** of the 44 speakers, making this event truly led by and for students.

UN OCEAN CONFERENCE AND THE YOUTH & INNOVATION FORUM

The Global Community has recognized the impact multipliers of investing in a healthy ocean and in a sustainable ocean economy. The ocean is now high on the global climate agenda. The 2022 UN Ocean Conference in Lisbon confirmed the governmental, academic and corporate commitment to scale up these solutions in a sustainable manner.

During the conference the Ocean Stewardship Coalition hosted a number of convenings that gathered the private sector to identify and develop new opportunities for accelerating the implementation of ocean-based solutions on the path towards net zero and to underscore the impact multipliers of investing in SDG 14 -- Life Below Water. The Ocean Stewardship Coalition co-hosted the Youth and Innovation Forum, gathering more than 130 youth delegates across nearly 60 countries to address some of the ocean's largest challenges by connecting them to private sector opportunities. Forums for collaboration and knowledge-sharing were critical to the development of the commitments made in the Lisbon Declaration.

2022

HIGHLIGHTS:

EXPANDING

OUR REACH FOR

COLLECTIVE

ACTION



2022 HIGHLIGHTS: EXPANDING OUR REACH FOR COLLECTIVE ACTION

Continued growth of the initiative's participant base to scale collective action & development of tailored approaches for key target demographics

RECRUITMENT AND RETENTION

2022 saw strong growth (+16%) surpassing targets to close the year with over 18,000 business participants. This is behind the 2021 growth rate but remains encouraging given the many trials – from rising inflation and the threat of economic recession, to continued supply chain and workforce disruptions.

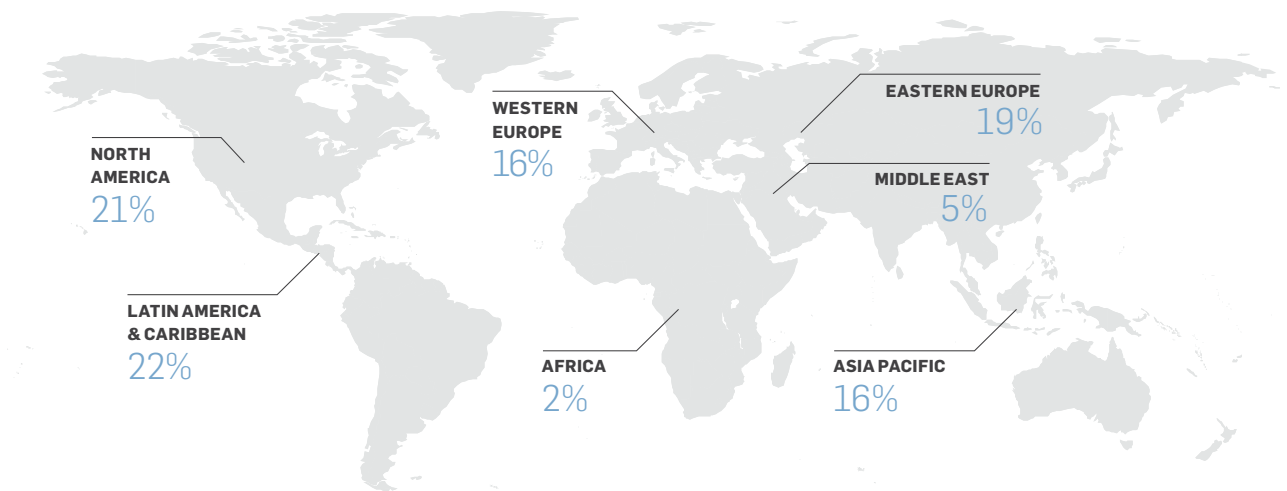
Strong recruitment was the key. We recruited 4,059 new joiners versus 3,906 in 2021 and was particularly strong in Asia Pacific, W Europe and Latin America. Retention at 89% was behind 2021 rates (91%) tracing to SME delisting; SME retention of 86% was behind 2021 88%.

Despite some criticism of the Environmental, Social, and Governance (ESG) space in the US as well as areas where there was growing ESG awareness (Western Europe, North America, and Asia Pacific, LAC), the UNGC process and growth drivers functioned well and companies joined in response to demands from investors and regulators. In other regions, further regionalization and resources are needed and we are exploring the right growth levers. A good success model has been the regional support in the LAC region.

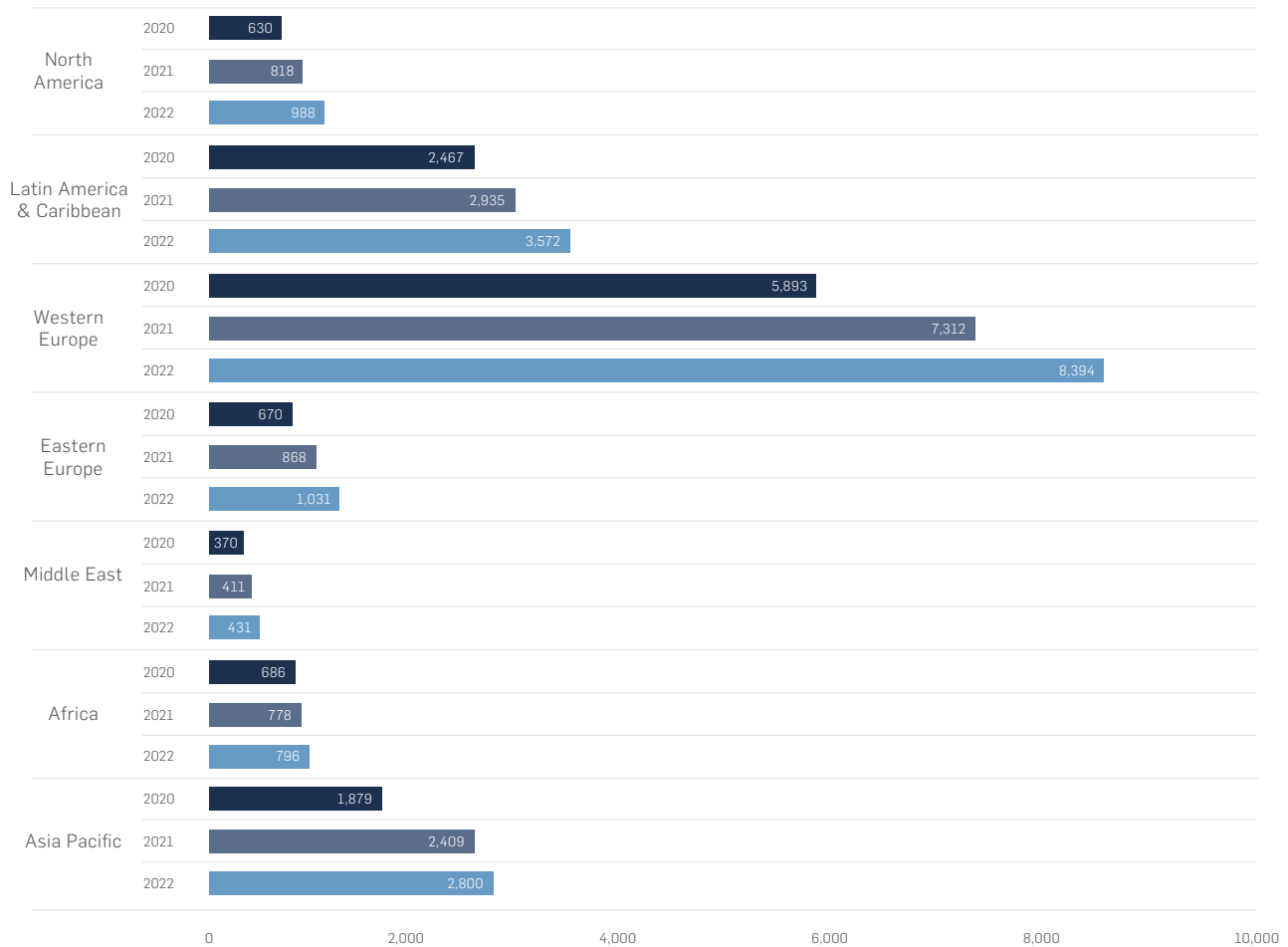
Key drivers included:

- A strong Value Proposition with the Academy and Accelerators being the strongest elements as companies invested in attracting and retaining talent and strove to stay abreast of the ever-changing ESG landscape.
- Continued follow up capabilities and use of enabling technology is helping drive recruitment. Additionally, it is clear that a strong partnership between GCO and LNs and Regional Hubs is critical to delivering growth.
- Marketing analytics shows that relevant guidances, in particular around reporting and climate, are generating marketing qualified prospects across regions. There is a need for more regionalisation especially in Africa and continued requirement for language translation throughout.

OVERALL 2022 GROWTH RATE BY REGION



GROWTH PER REGION YEAR OVER YEAR



12,595

2020 Total Participants

15,531

2021 Total Participants

18,012

2022 Total Participants

11,120

UN Global Compact ended 2022 with a total of 11,120 <\$50M size companies participating in the UN Global Compact.



This is **62%** of UN Global Compact's current participation base.

12%

Additionally, the growth rate of participants <\$50m in 2022 was 12%; compared to 21% growth of this segment in 2021.



40% of UN Global Compact participant base are from Developing Countries.

BUILDING THE INITIATIVE'S CAPABILITY TO DELIVER

A tall yellow construction crane is shown from a low angle, reaching towards the top of the frame. The crane's lattice structure is clearly visible. The background is a bright blue sky with scattered white clouds. The crane's arm extends diagonally across the upper left portion of the image.

2022 HIGHLIGHTS: BUILDING THE INITIATIVE'S CAPABILITY TO DELIVER

Significant investments have been made to advance the UN Global Compact's capability to deliver at global, regional, and local levels through strengthened operations, platforms, and stakeholder engagement

PEOPLE AND CULTURE

The ambitious goals, strategic priorities and multi-stakeholder nature of the UN Global Compact require a strong, enabling culture that brings everyone together in service of a shared purpose. The values and behaviors of the UN Global Compact were specifically designed to ground the organizational culture in the values of integrity, respect for diversity and to advance the professionalism of the initiative.

ONE GLOBAL COMPACT CULTURE

In 2022, the UN Global Compact continued to strengthen the collaboration and alignment with its Local Networks, bolstering its efficiency of delivering its goals on a global, regional, and local level. Throughout the year, Global Compact Local Network and Headquarter teams were able to connect both in-person and virtually to strengthen coordination and collaboration on strategy, operations, and culture.

In 2022, the UN Global Compact returned to in-person meetings for the first time since the start of the Covid-19 Pandemic. The UN Global Compact convened colleagues from around the world in two large network-wide convenings to discuss key strategic milestones and plan how Networks and HQ can collaborate for the year ahead on issues related to governance, programmes, and other activities. These convenings provided an opportunity for the Global Compact Office to leverage hybrid capabilities and connect international colleagues in one location.

- The Dubai Regional Hub, in collaboration with the United Arab Emirates Network, organized the **2022 Annual Local Network Forum** in Dubai. Participants were able to explore themes of sustainability and addressing global challenges at Expo 2020.
- The Copenhagen Regional Hub, in collaboration with the Danish Network, organized the **2022 Regional Meetings in Copenhagen**. In addition to important strategic conversations, colleagues were able to join local meetings relevant to the UN Global Compact Mission. In Denmark, colleagues participated in a study tour Expo 2020, organized around themes of sustainability and addressing global challenges.

KEY ACTIVITIES AND RESULTS

'One Global Compact' culture strengthened with the return of in-person collaboration and acceleration of the UN Global Compact Strategy

One Global Compact co-creation, strategic alignment and delivery

In addition, the UN Global Compact virtually hosted its inaugural Local Network Executive Directors Retreat. The retreat allowed Global Compact Local Network Executive Directors the opportunity to gather and provide a Local perspective on the UN Global Compact Strategy. These connections, both in-person and virtual, allowed the Global Compact Office to align on how to further accelerate the work of UN Global Compact and determine priorities moving into 2023.

STRENGTHENED GLOBAL-LOCAL COLLABORATION

The UN Global Compact continues to prioritize its Global-Local collaboration, as demonstrated by several newly launched "One Global Compact" Working Groups. These Working Groups were established in 2022 to ensure strengthened collaboration between colleagues that are advancing similar objectives at the Global and Local levels.

Working Groups bring together Global Compact Local Network staff and HQ colleagues in ideating and planning for deliverables related to the working group's theme.

DIVERSITY & INCLUSION

Carrying forward diversity and inclusion initiatives established in 2021, the Global Compact has adopted the majority of recommendations made by the internal Diversity & Inclusion Taskforce through revised policies

and programmes to foster employee diversity, growth and development. These include a transparent and equitable performance management system.

Further, multiple trainings were provided to staff to raise awareness and understanding of practices to further inclusion, well-being and belonging, such as "Gender-Inclusive Language Training" and "Establishing a Healthy Work-Life Balance".

In 2023, the UN Global Compact will roll-out the first staff diversity, inclusion and engagement survey to establish a

comprehensive baseline measure of the perception of the organization's adherence to its values and culture. The survey exercise will feed into a new action plan, to promote and continuously improve staff engagement and support measurement and evaluation goals. The UN Global Compact understands that creating the world we want starts at home, and we are more committed than ever not only to create diverse and inclusive teams, but also to developing the tools we need to live our values to the fullest.



UN SYSTEM ENGAGEMENT

The UN Global Compact continues to strengthen its collaboration with the UN system through co-creation, co-convening, and cooperation - with a particular focus on local and regional engagement. Building on several years of relationship-building with key UN partners, including the "Four Guardians" and the Development Coordination Office, 2022 marked a shift towards more focused collaboration in pursuit of shared objectives.

ENHANCED POSITIONING WITHIN THE UN SYSTEM

2022 marked a major step forward for the UN Global Compact with the Executive Director's elevation to the level of Assistant Secretary-General. This created significant new opportunities for enhanced collaboration and leadership within the UN system on issues relating to UN-business engagement. For example, the UN Global Compact has engaged with the UN Senior Management Group and contributed to other inter-agency platforms and tools. Among other activities, the UN Global Compact supported the move towards more coordinated private sector engagement across the UN system by facilitating a review and update of the UN's partnership with the World Economic Forum. It also increased its support to the Executive Office of the Secretary-General on efforts to review and strengthen system-wide knowledge sharing and coherence in private sector partnership due diligence and risk management.

PARTNERSHIP WITH UN RESIDENT COORDINATOR SYSTEM

Aligned with the ongoing UN Reform priority to strengthen country-level partnerships with the private sector, UN Global Compact and Development Coordination Office (DCO) set a shared objective to expand the Global Compact's presence in over 20 countries where Global Compact Local Networks have yet to be established. Building on years of relationship-building, this partnership reflects the shared interest in establishing UN stronger relationships with the private sector and generating increased private sector support for local SDG priorities.

KEY ACTIVITIES AND RESULTS

Expanded private sector engagement in **20 new markets** through partnership with the UN Resident Coordinator System

Released the Ukraine Humanitarian Business Guide in partnership with OCHA in response to Global Conflict

Established Memorandum of Understanding with each of the Four Guardians (OHCHR, ILO, UNEP, UNODC), furthering collaboration with each agency

EXPANDED PRIVATE SECTOR ENGAGEMENT

- The UN Global Compact partnered with UN Resident Coordinator Offices across 12 different countries to expand recruitment of local companies into these 20 new markets.
- In 2022, UN Global Compact Country Managers were actively working to strengthen partnerships with local companies in Azerbaijan, Kuwait, Peru, Kazakhstan, Uzbekistan, Barbados, Guinea, Congo Brazzaville, Angola, Botswana and Guatemala.
- This work supports Resident Coordinator and UN Country team efforts to strengthen business relationships. This pursuit allows the UN to leverage the Global Compact as a local platform for private sector partnerships - moving towards strategic long term collaboration strongly anchored in the UN Global Compact Ten Principles and related frameworks for responsible business practices.



UN “FOUR GUARDIANS” OF THE TEN PRINCIPLES

In 2022, the UN Global Compact consolidated and deepened collaboration with the UN “Four Guardians of the Ten Principles” (UNODC, ILO, UNEP and UN Human Rights) at all levels.

The Four Guardians assumed a rotational seat on the UN Global Compact Board to convey advice and support from each of these key UN partners in broader discussions about the priorities of the UN Global Compact initiative. Newly established Joint Work Plans between the Global Compact and each Guardian entity has generated new points of connection at the local and regional levels, with activities including:

- 10 Co-covenings with Guardian partners at flagship convenings.
- 4 think labs and coalitions co-developed with Four Guardian partners
- 10 Academy e-learning modules featuring content from Four Guardian partners that reached over 2,500 businesses
- Support for the development of the Business & Human Rights Navigator, International Anti-Corruption Day webpage, and SME Learning Tools
- New UN Global Compact engagement with four different ILO-supported multi-stakeholder platforms and coalitions
- Work with OHCHR on the development and launch of the BHR Accelerator launching in 2023 with over 800 companies subscribed
- Feedback and additional guidance for sections of the Enhanced Communication on Progress questionnaire and guidebook rolling out in Spring 2023.
- Co-convening of new Business and Human Rights Working Groups in Mexico, Türkiye
- Collaboration on a regional business and human rights platform in Latin America

GOVERNMENT ENGAGEMENT

In a year marked by international conflict and the challenges of rebuilding after the COVID-19 pandemic, the UN Global Compact was able to adapt and deliver on its government engagement objectives.

PROGRAMMATIC ENGAGEMENT WITH GOVERNMENT PARTNERS

In 2022, the UN Global Compact enjoyed broad Member State support for its mandate and activities notably on areas such as its programmatic work on water and oceans. On water, notable engagements with Member States include consultations in preparation for the 2023 UN Water Conference with the Netherlands, work on the Water Stewardship Acceleration Forum with Germany, and support from Switzerland on the Water Resilience Assessment Framework.

Meanwhile on oceans, the Global Compact received support from the Governments of Costa Rica, France, Kenya, and Portugal for convening meetings and engagements around the 2022 Oceans Conference. It also received support from Norway as a Patron of the Action Platform for Sustainable Ocean Business-initiative, worked with the European Commission, Germany, the Netherlands, and the Republic of Korea on issues related to offshore renewables, and with Denmark, the Philippines and the United States on shipping and just transition. Panama, St. Lucia, and the Dominican Republic also engaged with the Global Compact on issues around the Blue Economy and the issuance of Blue Bonds.

DRIVING MULTI-STAKEHOLDER ENGAGEMENT AT GLOBAL AND LOCAL LEVELS

The UN Global Compact continues to leverage its private sector convening power to harness the power of the multi-stakeholder partnerships in the achievement of the Sustainable Development Goals. Member States continue to benefit from this principles-based engagement with the private sector through the following key initiatives:

- **Voluntary National Reviews:** 18 Local Networks engaged with Governments in their respective Voluntary

KEY ACTIVITIES AND RESULTS

Strong engagement from governments throughout its programmatic activities, including on water, oceans and human rights

\$2.1 Million USD mobilized from the Government Group; **13** Local Networks also received Government financial support during at the local level

The UN Global Compact maintained its strong relationship with Government partners to enhance political support

National Review Processes during the High-Level Political Forum for Sustainable Development. Countries engaged include Pakistan, Italy, Uruguay, and US.

- **Global Africa Business Initiative (GABI):** 6 government partners have amplified the work of GABI, which is envisaged to highlight to place Africa in its proper spot on the world stage, bringing to focus a roadmap for Africa that is sustainable, inclusive, just, elevating the audience and reach of the work for this effort.
- **Transforming Education Summit:** 2 government partners took action to elevate participation in the special session covering "Educate the Educator: Transformative Pedagogies for Innovative Leadership Skills in the Private Sector."
- **Africa Business Leaders Coalition (ABLC):** During the launch of the ABLC, the President of the General Assembly stressed that the achievement of

the 2030 Agenda for Sustainable Development and African Union Agenda for 2063, as well as adopting the Ten Principles of the UN Global Compact do not only increase a company's competitive advantage, but also contribute to the creation of equitable societies. The President of the Economic and Social Council added that "Governments alone cannot deliver on the global agendas and the SDGs and climate change. We urgently need to galvanize the support of the African private sector to undertake pioneering projects that are fully aligned to the SDGs and are encapsulated in the United Nations Global Compact Africa Strategy for the period 2021-2023."

- **Sustainable Development Goal Implementation:**

22 Local Networks contributed to work related to the Governmental processes for the national implementation of the SDGs in 2022.

FINANCIAL SUPPORT

The global context in 2022 presented Governments around the world with a number of challenges to address. While overall financial support towards the UN Global Compact dipped, the organization was able to maintain strong relationships with Government partners at the global and local levels. Governments, such as Germany, renewed their Memorandum of Understanding with the UN Global Compact for the years 2023 and 2024.

The following Governments provided a contribution to the UN Global Compact Trust Fund in 2022: China, Denmark, France, Germany, Italy, Norway, Poland, Spain, and Switzerland which amounted to a total of 2,1 Million USD.

Many Global Compact Local Networks have also received financial support from their Governments in 2022, including: Austria, Canada, Denmark, France, Georgia, Germany, Kenya, Liechtenstein, Mexico, Norway, Spain, Switzerland, United Kingdom

Additional core contributions, as well as earmarked and regular in-kind contributions from governments, will allow the UN Global Compact to continue to take action towards successfully implementing its strategic priorities. The UN Global Compact is looking forward to strengthening engagements with Governments in 2023.

POLITICAL SUPPORT

In 2022, the UN Global Compact has taken action to revise and strengthen Terms of Reference with the Government Group, reinforcing the political support and partnership of the organization with the Government Group.

The Government Group convened twice throughout the year to discuss how partners can continue to bolster and support the UN Global Compact's strategic priorities and encourage the continued promotion of corporate sustainability practices. The UN Global Compact also continued engagement with the Group of Friends, an informal group of 55 representatives from Permanent Missions to the UN, to discuss further opportunities for collaboration.

In 2023, the UN Global Compact endeavors to further advance partnerships with Governments, to better reflect the diversity of the United Nations in its Group of Friends and Government Group. It will likewise continue to engage Member States programmatically and substantively ahead of key intergovernmental processes, including the SDG Summit in 2023 and the Summit for the Future in 2024.

ASG Sanda Ojiambo has likewise engaged with a wide range of Government representatives both in New York and in respective capitals, including high-level government representatives from Denmark, Egypt, Germany, Italy, Norway, Poland, Spain, and the United Kingdom.



"We can only overcome global challenges if we work together... This is the great value of the Global Compact whose basic premise is that building a better world is a responsibility shared by the whole of society, including private economic agents."

H.E. Pedro Sanchez,
Prime Minister of Spain



"I encourage any organizations that have not yet signed the Compact to join now, because we need you..... We need NGOs and civil society, we need academics and scholars, and we most certainly need the business community."

H.E. Linda Thomas-Greenfield
US Ambassador to the United Nations



"The states may provide regulatory or sometimes financial support but we need the creativity, the ingenuity of the private sector that partnering with governments and international financial institutions, to lead us to achieve the sustainable development goals and other national initiatives and programs that aims at sustainable development."

H.E. José Ramos-Horta
President of Timor-Leste



"Governments alone cannot deliver on the global agendas and the SDGs and climate change. We urgently need to galvanize the support of the African private sector to undertake pioneering projects that are fully aligned to the SDGs and are encapsulated in the United Nations Global Compact Africa Strategy for the period 2021-2023."

H.E. Abdulla Shahid
President of the 76th Session of the UN
General Assembly

STRENGTHENED LOCAL CAPACITY

The UN Global Compact's Local Networks are central to delivering on the UN Global Compact's Strategic Priorities. In 2022, the UN Global Compact continued to prioritize strengthening the capacity of Global Compact Local Networks at a strategic, operational, and programmatic level. The Global Compact Local Networks made meaningful progress towards independent governance, developing digital capabilities, and improving knowledge sharing among Networks and Global Compact Office.

STRENGTHENED GOVERNANCE

The UN Global Compact continues to strengthen Global Compact Local Network governance. Over 90% of Local Networks were fully compliant with governance-related Quality Standards. The UN Global Compact has also implemented structural changes to strengthen the strategic and operational independence of Global Compact Local Networks. In 2022, three of UN Global Compact Local Networks fully transitioned into being independent organizations, after previously being hosted. Additionally, ten more Global Compact Local Networks have significantly progressed towards independence.

DIGITALIZATION

Digitalization has increased at a rapid rate making Global Compact Local Networks increasingly fit for the future. All Global Compact Local Networks are now using the same Customer Relationship Management (CRM) system as the Global Headquarters, allowing for a strengthened shared understanding of UN Global Compact participants. In 2022, UN Global Compact launched pilot projects on marketing automation, website standardization, online learning, and project management. These pilots allowed Global Compact Office to work with Global Compact Local Networks to better define scalable digital solutions for Global Compact Local Networks, and prepare for a global roll-out to all Global Compact Local Networks in 2023.

MENTORSHIP PROGRAMME

The UN Global Compact newly launched an Internal Mentorship Programme with 12 Global Compact Local Network and Country Manager pairs. The programme was developed to leverage and share existing expertise across

KEY ACTIVITIES AND RESULTS

3 Global Compact Local Networks

transitioned into independent organizations

Launched pilot projects on **new scalable digital solutions** at a local

Implemented a new **Internal Mentorship Programme** to increase collaboration and knowledge sharing across the global enterprise of the UN

Networks. The programme pairs a Global Compact Local Network (A Mentor) with a Country Manager or another developing Global Compact Local Network (A mentee) seeking guidance for strengthening UN Global Compact presence, operations, and programmes in their local environment.

INCREASED STAFF CAPACITY

The UN Global Compact continued to build upon the Regional Hub and Country Manager operating model that was newly introduced in 2021. This new business mode, along with Global Compact Local Network economic growth, has allowed the number of full time staff employed by UN Global Compact Local Networks to increase to over 700. This staff growth represents an augmentation of capacity across the organization and will help these Local Networks boost impact and reach.

In 2022, the UN Global Compact scaled the existing capabilities of the UN Global Compact Academy to create a central platform of learning resources to help build the staff capacity of Global Compact Local Networks.

EXPANSION OF VOICE AND PLATFORM: STRATEGIC CONVENINGS

In 2022, the UN Global Compact successfully extended its pioneering work on hybrid convenings, drawing participants from around the world to attend in-person and virtual conferences and meetings safely to share experiences, strategies, and accomplishments. The UN Global Compact and Global Compact Local Networks successfully organized five flagship global convenings, 185 regional events and 2,232 Global Compact Local Network-led convenings throughout the year, reaching an estimated 21,329 participants.

In 2022, the UN Global Compact focused on **strengthening the brand awareness** of the organization, leveraging our network of participants for **increased Chief Executive Officers advocacy**. The organization hosted a number of high-level convenings that convened industry leaders and UN Global Compact participants from across the world. A few spotlights include:

- The 2022 Private Sector Forum gathered global leaders to address how to accelerate and finance the renewable energy transition, to help build peace in times of crisis. This allowed leaders to align and support the UN Secretary-General's Global Crisis Response Group. The event gathered over 450 in-person attendees in New York during the UN General Assembly week. at the Jacob Javits Centre in New York during UNGA week. Additionally, the related Uniting Business LIVE event gathered more than 7,000 virtual participants.
- The UN Global Compact successfully organized its first hybrid event with an in-person component since the start of the COVID-19 pandemic. The 22-hour Virtual Leaders Summit featured a livestream of the Uniting Business ASEAN event in Bangkok, Thailand which was organized as part of the Summit. The Leaders Summit had a total of 21,243 virtual registrants.
- The UN Global Compact had an active role in COP27, hosted in Sharm-El Sheikh, Egypt. UN Global Compact was able to organize several convenings, including: the High-Level Meeting of Caring for Climate, Uniting

KEY ACTIVITIES AND RESULTS

12000+ attendees at global flagship events

2,232 convenings led by Global Compact Local Networks engaging **21000+** companies globally.

Of the locally-driven convenings:

732 were Global Compact Local Network - led Conferences

112 were CEO - Level convenings

978 were Capacity Building, Training, or Peer Learning Sessions



Business Africa, and Climate Action Now: a Critical Priority for African Business Leaders. Each of these had notable media reach. Additionally, Global Compact Office and Global Compact Local Network Egypt partnered in hosting a pavilion during COP27, to expand UN Global Compact's exposure to key participants at COP27.



EXPANSION OF VOICE AND PLATFORM: COMMUNICATIONS & MEDIA REACH

The UN Global Compact **increased our media engagement reach**, including that of top-tier outlets across the world. In 2021, the UN Global Compact had experienced a significant increase in media exposure and coverage. In 2022, the UN Global Compact continued to grow with a 26% increase in potential media reach. Top-tier media mentions include BBC World, CNN One World with Zain Asher, CNBC, DEVEX, Fortune Magazine, Thomson Reuters, among others.

The UN Global Compact also focused on **growing engagement with our outreach platforms** in 2022. The total number of UN Global Compact social media followers across all platforms grew by 13%, to more than 367,000 followers. Our largest increase in followers was on LinkedIn, with our follower base growing by 28,000. Combined engagement across platforms (Facebook, Twitter, Instagram, and LinkedIn) increased by 40%, with 80,000 more engagements than in 2021. Local Networks also continue to expand their communications reach through social media channels, increasing total followers to 246,780 across all country accounts.

KEY ACTIVITIES AND RESULTS

The United Nations Global Compact had the largest increase in social media followers since the creation of the organization, with **over 367,000 followers across platforms**

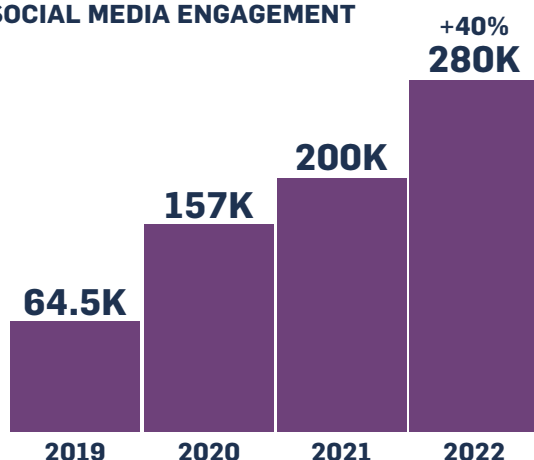
Increased potential media reach of each strategic event through amplification across platforms:

UN Global Compact Leaders Summit: **1.04M** potential media reach

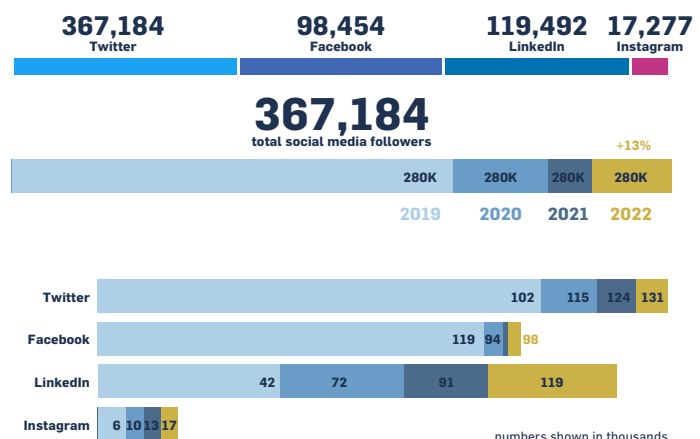
Uniting Business LIVE: **18.9M** potential media reach

Uniting Business AFRICA: **3.08M** potential media reach

SOCIAL MEDIA ENGAGEMENT



SOCIAL MEDIA FOLLOWERS



EXPANSION OF VOICE AND PLATFORM: DIGITAL TRANSFORMATION

DIGITAL TRANSFORMATION

The UN Global Compact recognizes the importance of harnessing the power of digital channels to deliver on the organization's ambitious growth and impact goals. Building on strategic planning conducted in 2021, UN Global Compact launched a three-year digital transformation programme in 2022 to deliver on the following objectives:

- Reach **scale** through a **cohesive One UN Global Compact approach**
- Ensure **accountability** by more effectively **measuring outcomes and progress** of our companies
- **Enhance public facing engagement** with all stakeholders
- **Modernize ways of working** to more effectively leverage digital technologies
- Ensure **full compliance with data and systems** management

In pursuit of these objectives, UN Global Compact established formal project governance, management, and cross functional workstream champions. Working together the team was collectively able to support the Digital Transformation journey of the UN Global Compact.

ADDRESS INTERNAL OPERATIONAL CAPACITY, STREAMLINING DIGITAL ENGAGEMENT:

The UN Global Compact made a number of changes to improve the security and operational capabilities of the organization. The organization was able to establish tools that allowed teams across the organization to easily track and share their activity, allowing for better information sharing and collaboration. Additionally, the organization leveraged existing tools to automate operational processes, increasing the efficiency and execution of company participant growth plans.

ESTABLISH & SHARE BEST PRACTICES FOR A SUCCESSFUL TRANSFORMATION

KEY ACTIVITIES AND RESULTS

Increased the security and capability of UN Global Compact networks, improving the user experience

The UN Global Compact established new Agile Request and Development workflows that increased productivity by **35%**

As part of the UN Global Compact's digital transformation journey, several trainings were made available to staff across the organization on the UN Global Compact Academy, working to establish best practices for future ways of working. Cross-organization adoption of new project management and collaboration tools have helped increase productivity and collaboration within the UN Global Compact. A Global Compact Local Network digital task force was also created to ensure sharing and collaboration had a global reach across the organization.

DEFINE THE FUTURE EXPERIENCE TO BE DELIVERED THROUGH 2024

2022 was the first stage of the UN Global Compact's Digital Transformation. The organization has taken measures to define the long-term roadmap through 2024 of the journey for Global Compact Headquarters, Local Network Staff, and participants, to enable effective execution of the strategy across core stakeholders. The UN Global Compact has also launched a pilot of a reimagined website at the regional level in the local language. This model will empower local teams to easily and independently manage content as appropriate for their region.

FINANCIALS & INTEGRITY SUMMARY



FINANCIALS

In 2022, the UN Global Compact exceeded revenue expectations, despite not meeting fundraising targets in all categories. Additional funds from awarded grants and additional sponsorships have supported the UN Global Compact's diversification of funds.

The UN Global Compact's financial results through December are characterized by a net operating surplus of approximately \$2.3 Million USD. Write-offs of uncollectable invoices and agreed transfers to the Executive Office of the Secretary General Office may reduce this surplus. Throughout the year, UN Global Compact expenditures were fairly close to budget in most categories. Over budget spending in consultancy, travel, and events resulted in total spending for the year of 124%. However, revenue exceeded expectations in 2022, across several categories resulting in total revenue of 135%.

As of 31 December, the Foundation had cash balances of \$9.8 Million USD and receivables of \$21.6 Million USD. \$3 Million USD is payable to the Local Network Development Fund. Revenue from company required contributions is \$18.8 Million USD raised. The UNGC has raised \$4.7 Million USD for Coalitions and \$2.1 from governments.

REVENUES AND EXPENDITURES

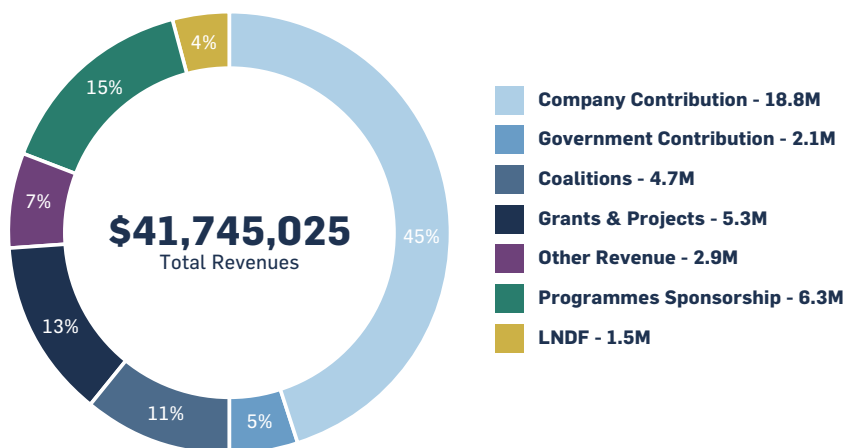
At the end of December 2022, the UN Global Compact raised almost \$41 Million USD in revenue, with \$2.1 Million USD secured from the government sector.

From Participant and Signatory fees, The UN Global Compact has invoiced approximately \$18.8 Million USD. \$1.5 Million USD of those fees are designated to the Local Network Development Fund. Coalition participants and sponsors have contributed \$4.7 Million USD or 11% of the total revenue, and \$5.3 Million USD worth of Grants has been secured or 13% of total revenue.

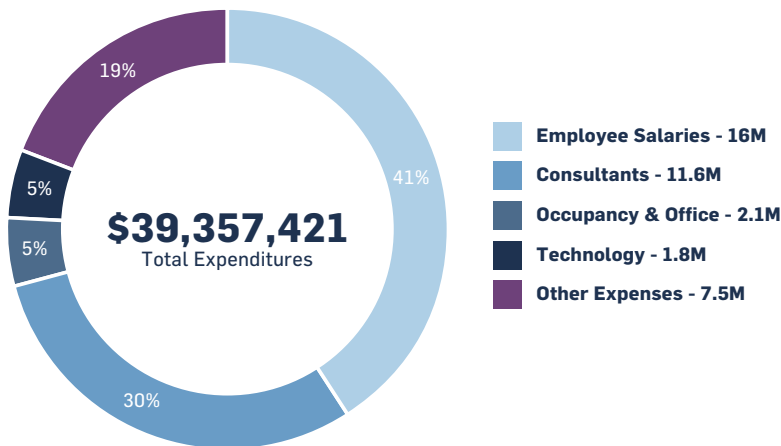
Other sources of funding include revenues from Events, PRME and Administrative Income. Combined these revenue sources represent 7% of the UN Global Compact's total revenue for the year.

Expenditures to date are slightly exceeding the annual budget (124%). Over budget categories are Events, Travel, and Consultancy expenses. Most other categories are under budget.

REVENUES



With government funding representing 5% of the total revenue of the UN Global Compact, it is critical that governments enhance their financial contributions to the UN Global Compact. This will be even more important in 2023 and beyond, given the launch of the updated Communication on Progress reporting framework which will be rolled out in 2023, and which will require companies to demonstrate and measure their progress, and show improvement from year to year.

EXPENDITURES

It is anticipated that companies not satisfying the requirements of the new reporting tool will be delisted which may result in a reduced revenue from the private sector. Hence the need for stepped up financial resources from governments. It is also important to note that increasing government contributions is also important as a way to balance stakeholders. A closer parity between government and company contributions can further enhance the accountability and independence of the organization.

LOCAL NETWORK DEVELOPMENT FUND

A portion of fees from Participant and Signatory companies with revenue greater than 50 Million USD, is designated to our Local Network Development Fund.

To date, the available fund balance is \$2,204,561. By the end of 2022, the UN Global Compact has invoiced and designated approximately \$1,573,888 to the LNDF. Furthermore, \$1,172,783 has been collected and added to the fund.

Since 2021, countries considered to be high income have contributed 7.5% of annual contributions to LNDF. Throughout 2022, the Global Compact Local Networks that received LNDF contributions are Bolivia, Bangladesh, Nigeria and Malaysia.

FUNDRAISING UPDATES

- Secured significant amount of revenue from LEGO grant from PRME account amounting to \$2.8 Million USD which was not anticipated.
- Exceeded Q4 fundraising target with \$8.3 Million USD from engagement on the Africa Strategy (mainly through the GABI and ABLC convenings) SMEs, Lead and Shape, and other Programmes sponsorship against \$6.7 Million USD projected.
- Maintaining relationships with over 20 Philanthropies in accordance with 2022-2023 organizational goal of diversifying our revenue stream.

BUSINESS MODEL 2023

The UN Global Compact will be launching a new Business model in 2023, characterized by "One Single Sharing Model," replacing the current Revenue Sharing and Global Local Models. Through this established model, the Global Compact Local Network will retain all initial contributions up to a total of \$100,000 per country from companies with revenue between \$50B - \$10B. Any contributions beyond this threshold will be equally between the Foundation of the Global Compact and the Global Compact Local Network. New and newly independent Local Networks will retain a greater share of funding exceeding this threshold.

With the new model, The Local Network Development Fund (LNDF) and Key Account Management (KAM) are funded by Contributions from companies with revenue higher than \$10B.

2022 FINANCIAL OVERVIEW

ACCOUNTS	TRUST FUND	FOUNDATION	CONSOLIDATED	CONSOLIDATED BUDGET	BUDGET REMAINING	% ACHIEVED
	(USD)	(USD)	(USD)	(USD)	(USD)	
REVENUE						
Voluntary contributions governments	2,093,812	-	2,093,812	2,700,000	606,188	78%
Company required contributions	-	18,854,840	18,854,840	14,900,590	(3,954,250)	127%
Coalitions	-	4,694,378	4,694,378	2,185,000	(2,509,378)	215%
Events & Sponsorship	-	1,459,666	1,459,666	2,384,225	924,559	61%
Programmes Sponsorship (Lead and Shape, etc..)		6,287,760	6,287,760	4,613,796	(1,673,964)	136%
Grants + Special Projects	-	5,310,953	5,310,953	2,075,900	(3,235,053)	256%
PRME fee		755,977	755,977	643,930	(112,047)	117%
Revenue designated for LNDF	-	1,573,888	1,573,888	855,000	(718,888)	184%
Other revenue	390,387	323,364	713,751	60,000	(653,751)	1190%
Support from FGC	4,000,000	723,055	4,723,055	4,000,000	(723,055)	118%
Total Revenue	6,484,199	39,983,881	46,468,080	34,418,441	(12,049,639)	135%
EXPENSES						
Employee Salaries and Benefits	6,481,591	9,678,853	16,160,444	15,476,088	(684,356)	104%
Non-employee compensation (Consults)	79,128	11,533,122	11,612,250	5,943,996	(5,668,254)	195%
Occupancy & Office	310,661	1,833,346	2,144,007	2,485,100	341,093	86%
Grants and other transfers (LNDF)	-	183,470	183,470	800,000	616,530	23%
Depreciation	-	175,000	175,000	175,000	-	100%
Travel	560,424	1,167,894	1,728,318	879,700	(848,618)	196%
Technology		1,890,568	1,890,568	1,962,940	72,372	96%
Events	29,003	3,704,452	3,733,455	1,990,620	(1,742,835)	188%
Other operating expenses	782,020	947,889	1,729,909	1,016,138	(713,771)	170%
Support to UNGC		4,723,055	4,723,055	4,705,121	(17,934)	100%
Total Expenses	8,242,827	35,837,649	44,080,476	35,434,703	(8,645,773)	124%
NET OPERATING SURPLUS / (DEFICIT)	(1,758,628)	4,146,232	2,387,604	(1,016,262)		

INTEGRITY MEASURES OVERVIEW

The UN Global Compact helps safeguard the integrity of the initiative through its Integrity Measures policy. Outlined below are the key areas advanced in 2022 and ongoing monitoring of UN Global Compact participant reporting requirements, allegations of abuse of the Ten Principles and logo use.

2022 INTEGRITY MILESTONES

- Proposed enhancements to the Integrity Measures policy in alignment with the UN Global Compact 2023 strategy
- Due diligence support for UN Global Compact flagship events as well as programmatic initiatives and platforms
- Strategic due diligence support to the Executive Office of the Secretary General and the broader UN system, including the facilitation of access to commercial due diligence research service providers for more than 20 subscribing UN entities

REPORTING REQUIREMENTS:

In 2022, 83 percent of companies submitted a Communication on Progress (CoP) at the Active level, the minimum baseline for content submission. 9 percent of companies submitted a CoP at the Advanced level and the remaining submissions were at the Learner level. The enhanced Communication on Progress will be a key component of the updated Integrity Measures policy.

ALLEGATIONS OF ABUSE OF THE TEN PRINCIPLES:

In 2022, the number of matters raised by third parties under the Integrity Measures decreased to 6 (10 were raised in 2021). Of these six, one was accepted under the scope of the dialogue facilitation process. The number of matters addressed by the UN Global Compact through engagement at the working level increased to five in 2022 from three in 2021.

LOGO USE BY UN GLOBAL COMPACT PARTICIPANTS:

The number of logo requests and the number of logo misuse cases remained steady in 2022. The Integrity team addresses all cases of misuse with a cease and desist notice to a relevant party. The Global Compact continues to enhance the capacity of Global Compact Local Networks to more proactively address instances of logo misuse by existing and prospective participants.

APPENDIX

UNITED NATIONS



NATIONS UNIES



UN GLOBAL COMPACT TOOLS LAUNCHED IN 2022

ENVIRONMENT:

CLIMATE:

Introduction to Just Transition (Business Brief)

Just Transition for Climate Adaptation (Business Brief)

Financing a Just Transition (Business Brief)



OCEANS:

2022 UN Ocean Conference - Outcomes of the High-Level Meeting on Ocean and Climate (Report)

Mapping a Maritime Just Transition for Seafarers (Position Paper)

Setting Science-based targets in the seafarer sector (Report)

Water Resilience Assessment Framework (Framework / Guidance Tool)



WATER:

Stakeholder Engagement Guide for Nature-Based Solutions (Report)

SBTi Progress Report: Scaling Urgent Corporate Climate Action Worldwide (Report)

Water Action Hub 4.0 Beta (Website)

COP27 Business Declaration for Climate Resilient Water, Sanitation, and Hygiene (WASH)



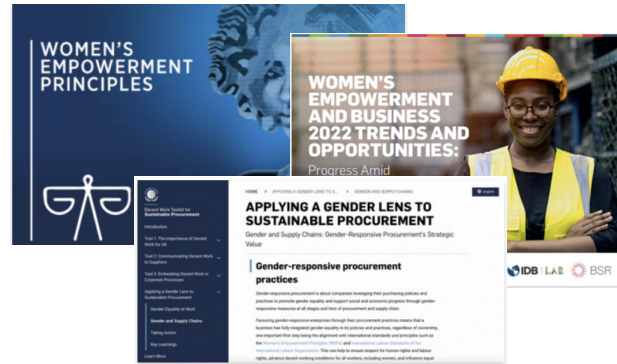
SOCIAL:

GENDER:

Advancing Gender Equality on International Women's Day and every other day (Business Brief)

Women's Empowerment and Business 2022 Trends and Opportunities: Progress Amid Pandemic Challenges Across Regions (Report)

Applying a Gender's Lens to Sustainable Procurement (Toolkit)

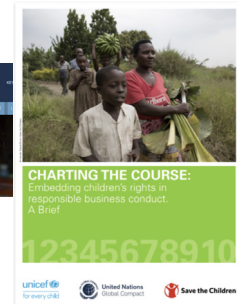
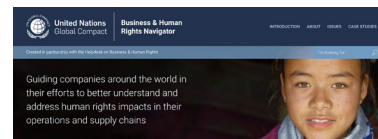


HUMAN RIGHTS:

Business & Human Rights Navigator; BHR Navigator (Website)

UN LGBTIQ+ Standards Gap Analysis Tool (Website / Toolkit)

Charting the Course: Embedding children's rights in responsible business conduct (Business Brief)



GOVERNANCE:

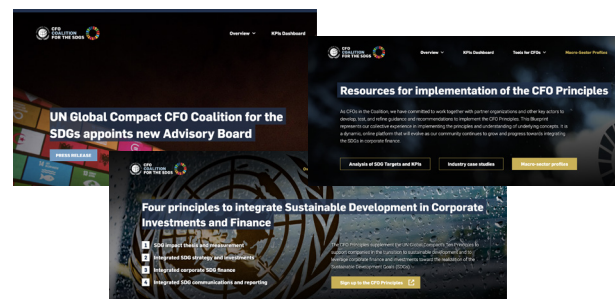
Anti-Corruption Collective Action Playbook in Portuguese (Playbook Translation)



CROSS-CUTTING:

SUSTAINABLE FINANCE:

CFO Coalition for the SDGs 6 Macro-sector Profiles: Construction, Materials & Real Estate, Consulting, Consumer Products, Energy & Utilities, Industrial Goods, Telecom & Tech (Website)



NEW E-LEARNING ACADEMY TOOLS LAUNCHED IN 2022



FOUNDATIONAL SERIES

Foundational E-learning: The Net Zero Standard, in Collaboration with SBTi

Foundational E-learning: Implementing a Principles-Based Approach to Sustainable Oceans Business

Foundational E-learning: Biodiversity Fundamentals: The Business Case for Action, developed in collaboration with UNEP

Foundational E-learning: Taking Collective Action for Anti-Corruption

Foundational E-learning: Transformational Governance: Driving Responsible Business Conduct

Foundational E-learning: Future-proofing your Small and Medium-sized Enterprise (2 modules)

Foundational E-learning: Taking financial action for the SDGs: Implementing the CFO Principles

DEEP DIVE S

Special Deep Dive: COP27 Debrief in collaboration with UNFCCC, EOSG, High level climate champions

Deep Dive: How to Assess and Boost Your Corporate Water Resilience

Regional Exchange series on SBTi through industry lens (9 sessions), in collaboration with SBTi and 9 UN Global Compact Local Networks

Deep Dive Series: Human Rights Due Diligence (3 part-series)

LEARNING PLAN

Learning plan: Taking action on greenhouse gas emissions: Scopes 1, 2 and 3 (3 modules)

Learning plan: Advancing decent work in business through the UN Global Compact Labour Principles (6 modules) - developed in collaboration with ILO

Learning plan: How to understand and prioritize ambitious action for the SDGs (2 modules)

CHANGEMAKER SERIES

Changemaker series: Deputy Secretary-General Amina Mohammed

Changemaker series: Sir Mark Moody-Stuart

Changemaker series: Filip Engel

Changemaker Series: Sharon Burrow

Changemaker Series: Hiba Khan

Changemaker: Solange Ribiero

LIST OF ACRONYMS AND ABBREVIATIONS

CoP	Communications on Progress
CDP	Carbon Disclosure Project
ESG	Environmental, Social, Governance
FGC	Foundation for the Global Compact
GCN	Global Compact Local Network
GCO	Global Compact Office
ILO	International Labour Organization
IOE	International Organisation of Employers
IOSH	Institution of Occupational Safety and Health
M&E	Monitoring & Evaluation
MSMEs	Micro, Small, and Medium Enterprises
OHCHR	Office of High Commissioner for Human Rights
PRME	Principles for Responsible Management
RBCLAC	Responsible Business Conduct in Latin America and the Caribbean
SASB	Sustainability Accounting Standards Board
SBTi	Science-Based Targets initiative
SDGs	Sustainable Development Goals
SME	Small and Medium Enterprise
UN	United Nations
UNEP	UN Environment Programme
UNGC / GC	UN Global Compact
UNGPs	UN Guiding Principles on Business and Human Rights
UNODC	United Nations Office on Drugs and Crime
VNRs	Voluntary National Reviews
WEP	Women's Empowerment Principles
YSIP	Young SDG Innovators Programme

THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT



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 to 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 challenges;
- 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.

The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

ABOUT THE UNITED NATIONS GLOBAL COMPACT

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere to align their operations and strategies with Ten Principles in the areas of human rights, labour, environment and anti-corruption. Our ambition is to accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the Sustainable Development Goals through accountable companies and ecosystems that enable change. With more than 12,000 companies and 3,000 non-business signatories based in over 160 countries, and 69 Local Networks, the UN Global Compact is the world's largest corporate sustainability initiative — one Global Compact uniting business for a better world.

For more information, follow [@globalcompact](https://twitter.com/globalcompact) on social media and visit our website at unglobalcompact.org.



United Nations
Global Compact

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