

KEYNOTE · ANNUAL CONFERENCE 2026

Sustainability is here to stay

Universal principles in an increasingly disordered world

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October 13, 2026 · MQ Libelle, Vienna
20 years UN Global Compact Netzwerk Österreich



Georg Kell delivering his keynote at the Annual Conference 2026, MQ Libelle, Vienna.

Ladies and gentlemen,

The role of business in society and the meaning of corporate sustainability are dynamic concepts. They are shaped by political, social, technological and environmental framework conditions within which businesses seek to survive and grow while contributing to societal goals.

01

BIRTH OF A GLOBAL INITIATIVE

The UN Global Compact was born in the late 1990s—a time when there was talk about the end of ideological rivalry following the collapse of the Soviet Union. At the UN, pathbreaking gatherings such as the Rio Conference of 1992 had taken place, and there were debates about a peace dividend. The WTO was getting ready to upgrade rules and welcome China. Business leaders in the Western world embraced globalization and embarked on massive investments, especially in Asia but also elsewhere. During the Cold War the UN had to be neutral. Business was looked at with suspicion at the UN. The Global Compact was designed to overcome this Cold War legacy. It did so by proposing universal principles in the areas of human rights, labor and the environment, and later anti-corruption. By inviting businesses to embed these principles into strategy and operations, the UN invented a novel way of strengthening international norms, which up to that point were the exclusive prerogative of governments.

The business community was ready to engage. By advancing the principles of the UN Global Compact, business helped to strengthen the rule-based market system while framing global corporate cultures and finding new ways to deal with stakeholder expectations and the backlash against globalization.

Prominent examples of this zeitgeist include the former President of the ICC and CEO of Nestlé, Helmut Maucher, who would publish op-eds with the title "Global Markets Need Global Rules," or former Nike CEO Phil Knight, who pledged to align corporate supply chains with the UN Global Compact principles when joining the initiative at its founding event in 2000.

The UN Global Compact has gone through various phases of growth and reconfiguration since its formal launch in 2000. From the beginning, the emergence of country networks brought different cultural dimensions to the initiative. Integrity measures were refined over time. Thematic issue platforms were invented, such as Women's Empowerment, Water Stewardship and Caring for Climate. The ESG movement and the "materiality" concept were introduced at the global level, and sister initiatives were established, such as PRI, SSE and PRME. Numerous inputs were provided for the SDGs and the Paris Agreement, such as the SBTi. The novel governance framework that was created in 2005—bringing together and balancing global and local, public and private interests—still holds the initiative together. It was a lucky strike, indeed!

02
CLASSIC BUSINESS CASE

The business case was initially driven largely by stakeholder expectations—including NGO boycotts—and, at the policy level, by a desire to strengthen the rule-based global market system. Governments were expected to use regulation and policy incentives to align business activity with societal goals. On climate change, for example, businesses assumed that fossil-fuel incentives would be phased out and effective carbon pricing would reward decarbonization. On the social front, non-discrimination and openness to diversity were expected to become global norms, while strong anti-corruption practices would be essential to investor confidence. For many smaller businesses in the North and the South, good environmental, social and governance performance became a prerequisite for business-to-business relationships in an increasingly interconnected world. Good governance—especially anti-corruption—was also expected to become essential to maintaining a license to operate. The UN Global Compact principles helped many companies renew their values and corporate cultures, enabling them to attract talent and avoid costly mistakes. At the same time, the responsible investment movement signaled that investors were considering issues once viewed as financially irrelevant, particularly environmental risks and weak governance. Overall, the prevailing expectation was that policies and social preferences were converging, and that strong performance in the areas championed by the UN Global Compact was essential for success in an emerging global marketplace.



Georg Kell with moderator Tina Deutsch on stage.

Today, we find ourselves in an increasingly disordered world. The post–World War II order has been hollowed out as interstate wars, militarization, protectionism and state power have grown. Across the Western world, social divisions are deepening, the democratic center is weakening, and political extremes on both the right and left are resurging. State power increasingly overrides markets, while rivalry among major powers undermines urgently needed international cooperation. This shift did not happen overnight. In my view, the 9/11 attacks in 2001 were an early warning, exposing the vulnerability of open societies. Yet the U.S. response to those attacks divided the world, and the 2007 financial crisis further eroded trust in Western market systems as China chose a different path.

Historians will one day establish whether we have indeed gambled away the opportunity to build a peaceful world order and rule-based markets—because of revenge and greed. What matters for us here today is to see how the changing framework conditions affect the role of business in society. Do the assumptions advanced two decades ago to make the business case for sustainability still hold? If not, have they disappeared or have they changed? What is the meaning of good governance in an era where political power shapes market outcomes? How is it possible to build trust if societies can't agree anymore on what the facts are? Does it still pay to care for the environment if societies are not prepared to value nature in monetary terms? Why care about anti-corruption if the President of the most powerful country in the world doesn't? To find some answers to these questions, I want to shed some light on the various dimensions of the changing context that affect corporate sustainability.

03
POLITICS

The new political realities have profound implications for business. The idea that national and regional policies would converge and that one set of rules would govern trade, investment and business development no longer holds. Power rivalry and the instrumentalization of markets define a new fragmented landscape. The top-down era has come to an end. One size no longer fits all as regional and national policies diverge in their use of policy instruments and regulation to influence private sector behavior. It does not mean that the old system and the values it advocates no longer matter. Europe, in particular, with its new agreements with other regions and countries, is trying to carry forward the good building blocks of the past despite headwinds from major powers and internal divergences. In the U.S., the federal government has actively worked against green technologies while supporting fossil fuel production and unchecked pollution, opposing sustainable investing and diversity, equity and inclusion (DEI) policies. This backlash against core values has caused much damage to these causes.

“The universal principles of the UN Global Compact have much to offer.”

For business strategies and operations and for the meaning of corporate sustainability in this new era, the implications of the political shifts are clear: There is now a premium on localization in every sense. Navigating policy and regulatory diversity requires flexibility at local levels and adaptive capabilities. It also means upgrading intelligence and closer collaboration with relevant government affairs functions and a rediscovery of the meaning of “home country” and “home region” as political protection has become necessary. The question also arises: What is it that holds a globally operating business together when politics are diverging? The universal principles of the UN Global Compact have much to offer. Rediscovering and reframing the universal principles in a non-political manner can be very helpful in building a strong corporate culture that is suitable for thriving anywhere. Another profound implication of the world disorder is the necessity to build sustainable supply chains and shift toward material circularity to reduce vulnerabilities.



Visual storytelling by Chiara de Eccher (thinkvisual.at).

04
SOCIAL

In Western democracies, we currently witness an erosion of trust and a revival of isms that caused much hatred and destruction in the 20th century. Digital echo chambers and fringe theories seed and thrive on distrust, contributing to social divisiveness and tribalization. It almost seems as if the quantum era is already here. Conflicting interpretations and realities seem to coexist while everything is entangled, and it is only through our observation that we can create and see realities. The health of societies and markets depends on trust and a shared understanding of what is right and what is wrong.

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This is where corporate sustainability and the UN Global Compact can make a huge contribution. The principles are based on universal truths and lessons learned that we should not forget. By reviving the principles at the workplace, in the community and in the marketplace, business can strengthen shared understandings and good practices that help build trust. Respect for human rights, caring for the natural environment, fair play and not cheating connect with universal principles of humanity. Businesses now have an opportunity to build goodwill at the workplace and trust in society by engaging in dialogue and bridge-building exercises that connect and overcome divides. Sharing such experiences and collaborating with like-minded peers plays into the core functions of the UN Global Compact.



Georg Kell with the team of the UN Global Compact Netzwerk Österreich. Left to right: Jan Draxler, Hannah Lohrmann, Stefanie Weniger, Georg Kell, Lynn Neubert and Daniel Fitz.

05
TECHNOLOGY

Human progress has always been a function of technological change and our ability to employ it in a meaningful manner while controlling its destructive capacities. And, yes, technology is irreversible. Once know-how and knowledge are codified or known in some way, we cannot unlearn them. And every technology has a dual application—it can be used for a good and legitimate purpose. But it can also be employed to cause harm and destruction. The story of AI is no different, except for the crucial element of time, as progress seems to accelerate, outpacing our cognitive faculties and certainly our regulatory capabilities.

For businesses, there is no question. Early learning and experimentation are key to surviving and growing. And this can be done in a responsible manner by building proper governance oversight, by measuring the power consumed by AI and increasing the share of fossil-fuel-free energy, and by demonstrating how AI can be used across all corporate functions to improve outcomes. Identifying and sharing good stories about how AI can be leveraged to advance societal goals in areas such as health, resource efficiency, circularity and the energy transition can go a long way toward shaping trajectories for AI deployment that support societal goals. The UN Global Compact is well positioned to curate this narrative and thereby also support policymakers in their quest to get a handle on AI.

06
ENVIRONMENT

The environmental agenda has always been an integral part of the business–society nexus and the UN Global Compact. Today, we know that we are on the wrong track. Scientists keep reminding us that we have already crossed, or are about to cross, planetary boundaries. This is also the case when it comes to global warming, as we are rapidly using up the remaining carbon budget. Despite global awareness campaigns, many voluntary efforts and a few serious efforts by governments—the EU's carbon pricing scheme stands out—global CO_2 emissions continue to rise. Following the Paris Agreement, the opposite should have happened if we had seriously tackled the challenge.

Markets are at last starting to react to environmental risks. Insurance costs for real estate—including, and especially, in the U.S. —are dramatically increasing, and price volatilities of agricultural commodities signal loud and clear that the impact of climate change is driving prices. Market efficiency is working when it comes to physical risks that are already quantifiable. However, markets are not anticipating major transition risks, as the "tragedy of the horizon"—short-termism —defines behavior. Consider, for example, that more than a decade ago, some policymakers and governors of central banks warned about the systemic risks to the financial system that stranded assets could bring with them, and how fossil fuels remain heavily subsidized around the globe today. The risks have not disappeared; they have grown.

For business, the case for aligning with nature and long-term trends is the only smart way forward. Electrification, decarbonization and building circular material flows are the best hedges to reduce risks and build resilient operations. For Austrian businesses, there is the added motivation that conservation and championing nature causes resonate with the culture of beauty and mountains.

07
SUMMING UP

The transition away from a rule-based order, where international cooperation helped to tackle global challenges, to a world disorder, where armed conflicts, poverty, global and social divisions are on the rise, is still in full swing. While new priorities have been added, such as navigating tariffs and export controls or dealing with supply disruptions, the classic value proposition of corporate sustainability still holds: building trust in communities by caring for social and environmental issues, improving productivity and employee wellness by embracing social priorities, and reducing risks and costs through a proactive approach to good governance and the environment.

It is not difficult to predict that the sustainability agenda is here to stay, even if its overall profile may be overshadowed by political clouds. The underlying forces that push it forward are not disappearing. On the contrary, they are gaining strength. This is especially true for environmental priorities, where the materiality notion is now partly recognized by markets. No doubt, decarbonization and circularity are bound to move up on the agenda, if not tomorrow, then at some point soon.

The emerging new political landscape necessitates a renewed focus on sustainable sourcing and a new orientation toward local conditions. And all too often, local conditions are socially and politically divided, often fueled by digital media and AI. This is where corporate sustainability can play an important role in the future: building bridges between divided segments of society by enabling dialogues and rediscovering the meaning of right and wrong by exploring the meaning of responsible AI.

The modern corporate sustainability movement has gone mainstream. What was initially framed as a moral challenge has become a materiality priority. Today, as political forces and headwinds stir up the prospect of repeating mistakes of the past, the movement has the chance to rediscover the basics of what is right and wrong. The universal principles of the UN Global Compact are well suited to revive healthy dialogue at the workplace and in the community. In the end, the health of markets and societies depends on the values that underpin transactions. No business alone can tilt the scale. But through the power of collaboration, much can be accomplished together.



Visual storytelling exhibition by Chiara de Eccher (thinkvisual.at) at the Annual Conference 2026.

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Georg Kell, Founding Director, UN Global Compact

ABOUT THE UN GLOBAL COMPACT & THE UN GLOBAL COMPACT NETZWERK ÖSTERREICH

The United Nations Global Compact is the world’s largest initiative for sustainable and responsible corporate governance. Based on ten universal principles and the 17 Sustainable Development Goals (SDGs), it pursues the vision of an inclusive and sustainable global economy for the benefit of all people. More than 25,000 companies and organizations have already joined the UN Global Compact and contribute to this global vision.

The UN Global Compact Netzwerk Österreich supports Austrian companies and organizations in translating the Ten Principles of the UN Global Compact into concrete actions within their strategies and processes. The focus is on learning and networking: participants benefit from national, European and international events, workshops and access to the global UN Global Compact Academy, which offers e-learning resources and tools. The program covers all topics relating to the environment, social issues and corporate governance. The initiatives are aimed at companies across all sectors, of all sizes and at all levels of expertise.

PUBLISHED BY

UN Global Compact Netzwerk Österreich
globalcompact.at | LinkedIn

CONCEPTION AND EDITING

Original text: Georg Kell, Founding Director, UN Global Compact

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