



United Nations
Global Compact

UN GLOBAL COMPACT STRATEGY

2021–2023



The United Nations Global Compact is uniquely positioned to support companies on their journey to align their practices to a sustainable and inclusive future. The Ten Principles on human rights, labour, the environment and anti-corruption offer a blueprint for businesses seeking to be part of the collective effort to build back stronger from the COVID-19 pandemic.

Now is the time to scale up the global business community's contributions to the 2030 Agenda and the implementation of the Paris Agreement on climate change. That is the overarching goal of the Global Compact's strategic plan for 2021 through 2023.

António Guterres
UN Secretary-General and
Board Chair of the UN Global Compact



More must be done by businesses globally to accelerate corporate sustainability and responsible business practice. Our strategy and ambition are to grow and take our participants on a journey of demonstrated continuous improvement in the impact that they create.

Our goal is to raise expectations of how businesses will embed all Ten Principles. These are intrinsic to a company and serve as the enabler for contributions towards achieving the 2030 Agenda for Sustainable Development. The five key shifts articulated in this strategy reflect our ambitions for global growth, prioritization and impact at scale.

Together, we will be One Global Compact uniting business for a better world.

Sanda Ojiambo
CEO & Executive Director
UN Global Compact

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1. EXECUTIVE SUMMARY

We, the United Nations Global Compact, believe that in this Decade of Action we must accelerate and scale the global collective impact of business, uphold the Ten Principles of the Global Compact,¹ and contribute to delivering the Sustainable Development Goals (SDGs) through companies committed to responsible business practice and through ecosystems that enable positive change. This is how we contribute, this is how we catalyze impact, and it is how we, as One Global Compact move forward together.

UN Global Compact was established in July 2000 by UN Secretary-General Kofi Annan to mobilize companies around the world in aligning their operations and strategies around ten universal principles in the areas of human rights, labour, the environment, and anti-corruption. The underlying notion of the Ten Principles of the UN Global Compact is that corporate sustainability starts with a principles-based approach to doing business—it is “how” a business operates in society. This means operating in ways that meet fundamental responsibilities in each of the four areas.

Over the last 20 years, UN Global Compact has grown from a group of 44 businesses into what is today the world’s largest corporate sustainability initiative and a global movement of more than 12,000 businesses and 3,000 non-business stakeholders across 160 countries.

While progress is being made, we recognize more must be done by businesses globally to accelerate corporate sustainability and responsible business practice.

Our strategy and ambition are to take participants beyond the minimum, and onto a journey of demonstrated continuous improvement in the impact that they create. **Over time, our goal is to raise expectations of how businesses will embed all Ten Principles. These are intrinsic to a company and serve as the enabler for contributions towards achieving the 2030 Agenda for Sustainable Development and the Paris Agreement.**

The world is not on track to achieve the 2030 Agenda and the Sustainable Development Goals (SDGs). We continue to experience the startling impacts of a worsening climate crisis. There is an urgent need for large-scale action to avert devastation to people and planet. Businesses have a critical role to play in this. UN Global Compact must leverage its unique position to catalyze global collective action to change the way that businesses operate, how they impact the environment, including through their subsidiaries and supply chains, and how they contribute to the goals of the Paris Agreement.

In this moment, as we articulate our 2021–2023 strategy, we are also in the grips of a global pandemic creating public health and economic crises, setting back progress on the SDGs, and revealing the vulnerabilities of many populations, especially women and youth around the world.

There is clear demand from people, civil society, and governments for business to contribute to a transformative recovery from COVID-19. It is now evermore essential for businesses to embed principles of sustainability in their ways of working, set ambitious targets, and act with partners to deliver the 2030 Agenda. Indeed, the adoption of the Ten Principles and advancement of responsible business practices is essential for recovery from the COVID-19 pandemic and long-term corporate competitive advantage. **Only through collective action can society build back better from the global pandemic and become more resilient on a trajectory to achieve the SDGs.**

Looking to the future, **UN Global Compact’s strategic ambition is to accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the SDGs through accountable companies and ecosystems that enable change.**

UN Global Compact’s 2021–2023 strategy aims to realize five strategic shifts that build upon existing foundations and successes to enable meaningful new strides in the current global, environmental, and social context.

1. ACCOUNTABLE COMPANIES:

UN Global Compact will strive to move participant companies faster and farther than others in demonstrating progress on corporate sustainability and responsible business practices. In aggregate, Global Compact participants will demonstrate higher adherence to the Ten Principles and material contribution to the SDGs than those who are not part of UN Global Compact.

2. BALANCED GROWTH OF LOCAL AND REGIONAL NETWORKS FOR GLOBAL COVERAGE:

In addition to a concerted effort to strengthen each of the existing 69 Local Networks of the Global Compact, extending our engagement with businesses in other countries, particularly in the Global South, will be a central objective, achieved through the establishment of new Local Networks, Regional Networks, and broader geographic coverage of existing Local Networks.

3. MEASURABLE IMPACT IN PRIORITIZED AREAS:

Anchored by the Ten Principles in the areas of human rights, labour, the environment, and anti-corruption as the fundamental driver of corporate sustainability and responsible business practice, the strategy prioritizes five issue areas where the Global Compact will seek to lead and shape. These include Gender Equality (SDG 5), Decent Work and Economic Growth (SDG 8), Climate Action (SDG 13), Peace, Justice and Strong Institutions (SDG 16), and Partnerships (SDG 17). Recognizing the importance of national contexts, country-level priorities aligned to the unique value proposition of the Global Compact will remain central. Our programmes, efforts to curate knowledge and best practice, convening, and partnerships will seek to deliver material progress in each of these prioritized areas with all Local Networks required to deliver programming on the areas of the Ten Principles.

4. HARNESSING THE COLLECTIVE ACTION OF SMEs:

Accounting for most of the world’s businesses and employers, SMEs have a unique collective role in advancing corporate sustainability and responsible business practices individually and in the value chains in which they participate. SMEs are also essential actors in advancing the SDGs in developing and emerging economies, especially in Africa. With over half of Global Compact participants coming from this segment, a specific focus of the strategy is to enhance engagement and action of SMEs through the establishment of a targeted and cross-cutting SME programme that leverages digital tools and value chains to reach scale. Throughout this programming, we will apply the lenses of gender and youth, recognizing the importance of SMEs to reach these two demographics. We will also tie our SME approach closely to the Africa Strategy, which will be refreshed in early 2021.

5. STRONG AND ACTIVE ENGAGEMENT WITH THE UN:

In working ever more closely with various UN Agencies, Resident Coordinators, and UN Country Teams, the Global Compact’s reach and ability to drive change in business is substantially enhanced. This strategy calls for deeper collaboration at the global and national levels, particularly in the UN Common Country Analysis and private sector engagement processes to unlock the collective strength of the UN in advancing corporate sustainability and responsible business practice globally.

In pursuing these five strategic shifts over the 2021–2023 period, we will measure collective impact in five critical areas, namely the number of Global Compact participants committed to the goals of the Paris Agreement, making

public commitments to human rights and labour, demonstrating broad-based gender parity in operations, enforcing compliance on anti-corruption and bribery, and taking actions to advance the SDGs. Detailed sub-indicators are included in the document below and in the **APPENDIX**.

A refreshed Communication on Progress (CoP) will be integral to this strategy, linking progress to impact across the Ten Principles. The refreshed CoP provides an essential tool and consistent framework that facilitates engagement with companies on their individual sustainability journeys and enables an aggregate view of impact.

As we seek to deliver the strategy, our internal operating model will necessarily change. Specifically, we will invest in building deeper global, regional, and local capabilities, growing our expertise in priority issue areas such as climate, strengthening Local Networks, revising participant fee structures, transforming our digital capabilities, and partnering with ecosystem participants globally and nationally.

Cognizant that this strategy will be implemented during a COVID-19 recovery period, a strong focus of the Global Compact’s engagement with participants and others will emphasize the recovery and building back better together. Each country and sector will have a unique path to address the multifarious stresses experienced. Business has a transformative role to play in this recovery, which we will support.

We are optimistic about UN Global Compact’s capability to use this unique moment and elevate our ambition, to heighten and seize the urgency to act, and to accelerate and scale global collective impact by upholding the Ten Principles and delivering on the SDGs through accountable companies and ecosystems that enable positive change.

Our strategy will bring to UN Global Compact more differentiation and growth through an embrace of our unique roles, delivery through a focus on impact, and discipline through selectivity in what we do.

Together, we will be One Global Compact uniting business for a better world.

1. 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, the Global Compact’s Ten Principles are a universal and timeless framework for corporate sustainability and responsible business practice.

2. INTRODUCTION AND CONTEXT

Twenty years ago, in July 2000, United Nations Secretary-General Kofi Annan put forth the vision of “a global compact of shared values and principles, which will give a human face to the global market.” Since then, UN Global Compact has grown from a group of 44 businesses into what it is today, the world’s largest corporate sustainability initiative and a global movement of more than 12,000 businesses and 3,000 non-business stakeholders across more than 160 countries.

Over two decades, UN Global Compact has mobilized companies around the world to align their operations and strategies around Ten Principles in the areas of human rights, labour, the environment, and anti-corruption and enabled them to report on their progress in living up to these principles.

As a precursor to the global business sector’s corporate sustainability movement and the ongoing efforts to mainstream Environmental, Social, and Governance (ESG) actions in the corporate world, the Global Compact has played an important role in driving positive change in the expectations and behaviour of the business world. Today the movement for sustainability is flourishing with new entities at the global and national levels all working toward demonstrating contributions to sustainability.

With the broad-based support of all 193 participant countries of the United Nations General Assembly, UN Global Compact remains the single, global normative authority and reference point for action and leadership within a growing global corporate sustainability movement.

Corporate sustainability starts with a company’s value system and a principles-based approach to doing business. This means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Responsible businesses embody the same values and principles wherever they have a presence and know that good practices in one area do not offset harm in another. By incorporating the Ten Principles of the UN Global Compact into strategies, policies and procedures, and establishing a culture of integrity, companies are not only upholding their basic

responsibilities to people and planet, but also setting the stage for long-term success.

The establishment in 2015 of the Sustainable Development Goals (SDGs) has created a global consensus on the development framework for a better world. Engagement of the business community in this agenda is critical. Achieving the Global Goals and the goals of the Paris Agreement requires the business community from the large multinational corporations to the small and medium-sized enterprises to purposefully embed the Ten Principles in their operations. UN Global Compact is leading this movement by driving the ambition and laying out the roadmap for businesses to do their part in this global effort.

Progress is being made. Every participant of the Global Compact has committed to make progress on embedding the Ten Principles in their operations. Companies are naturally at different stages in their sustainability journey and the Global Compact has embraced them so long as they commit to continuing that journey and demonstrating progress.

UN Global Compact works with all companies, be they global or local, large or small, in the Global North or the Global South, all with a view to advancing the responsible business agenda. The Global Compact’s participant base reflects this diversity. Our due diligence process ensures participants are genuinely aligned to serving the agenda.

Much more remains to be done but we know what is needed.

As we look to the next decade, there is significant cause for concern about the future of our society and planet. Current trajectories suggest that the world is not on track to achieve the SDGs. Within the global business community, current targets and actions are insufficient: Even within the current participants of UN Global Compact, only 39 per cent of companies believe their targets are sufficiently ambitious and only 46 per cent are embedding SDGs into their core business.² There are only 10 years left to shift the world onto a 1.5°C trajectory, reduce global inequalities, and achieve the substance of the SDG agenda.

To address this challenge, UN Secretary-General António Guterres has galvanized the world for a Decade of Action—an ambitious global effort to deliver the promise of the 2030 Agenda.

In this Decade of Action, there is an urgent need for the business community to raise its ambition and use its resources, scale, and speed, to meaningfully contribute to delivering the SDGs. Accomplishing the SDGs necessitates the global and local collective action of business, its ecosystems, and its engagement with government and the breadth of civil society. Raising this ambition among businesses and accelerating progress begins with adopting the Ten Principles as the DNA of business action and contribution. The Ten Principles are the “How.” The SDGs are the “What.”

COVID-19 and its economic aftershocks only amplify the very real and urgent need for collective action to address structural inequalities, poverty, the climate crisis, and gaps in social protection, especially for women and youth. There is a clear demand from the public, civil society, and governments for business to contribute to a transformative recovery from COVID-19. It is now essential for businesses to embed principles of sustainability in their ways of working, set ambitious targets, and act with partners to deliver the 2030 Agenda during the Decade of Action. Indeed, the adoption of the Ten Principles and advancement of responsible business practices is essential for businesses to effectively recover from the COVID-19 pandemic while creating long-term corporate competitive advantage and contributing to the goals of the Paris Agreement. **Only through collective action can society build back better from the global pandemic and become more resilient on a trajectory to achieve the SDGs.**

We recognize that this strategy will be implemented in the context of COVID-19 recovery, as we emerge with a sober understanding of the weaknesses of our social contract and need for improved corporate sustainability and responsible business practices. This global reset is a unique platform for UN Global Compact to work with our participants to shape national recovery plans and rebuild economies with the Ten Principles and SDGs as a guiding force.

In this 20th anniversary year of the Global Compact, we must uphold the Ten Principles and rise to Kofi Annan’s challenge to devise a “compact on the global scale, to underpin the new global economy.” With this motivation, UN Global Compact will launch its 2023 Strategy for the first three years of the Decade of Action to catalyze bolder, faster, and at-scale action by businesses of all sizes, in all sectors, and across the world.

2. UN Global Compact 20th-Anniversary Progress Report: Uniting Business in the Decade of Action

3. STRATEGIC FRAMEWORK

The 2021–2023 UN Global Compact Strategy is built upon a Framework with five key elements, each representing a deliberate, specific set of choices on our ambition, on who we will engage, on the issues and programmes we will focus upon, and on how we will operate (see **Figure 1**).

We start first with our ambition, which is what we seek to accomplish in the world:

In this Decade of Action, the strategic ambition of the Global Compact is to **accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the SDGs through accountable companies and ecosystems that enable change.**

To achieve this ambition, we seek to drive impact through two main vectors: **Accountable Companies** and **Enabling Ecosystems**. Accountable companies are businesses that are committed to accelerating their own individual company progress in upholding the Ten Principles and contributing to the SDGs. Enabling Ecosystems are global and local communities and networks that encourage, facilitate, and support collective action on the Ten Principles and the SDGs. (See **SECTION 4** and **5** for more detail.)

We will drive this intended impact by engaging with key stakeholders including our participants, who include MNCs, national companies and SMEs—and other selected groups including the United Nations, governments, civil society, academia, investors, labour, and industry and sector coalitions (in particular, energy and extractives, transport, manufacturing and infrastructure). At its core, this ambition requires UN Global Compact to **harness the impact of united and aligned collective action** across all our local networks, participants, and stakeholders. (See **SECTION 6** for more detail.)

We have defined a set of issue areas where greatest impact can be expected. For these, together with our Local Networks, we will co-create **programmes** that are best suited to leverage our unique capabilities and achieve global scale. (See **SECTIONS 7** and **8** for more detail.)

We will achieve this **collective action by embracing six focused roles**, each of which leverage UN Global Compact’s unique assets and place in the world. (See **SECTION 9** for more detail.)

To effectively and efficiently deliver, we will invest and ensure a **strong foundation of internal capabilities** that grow and empower effective Local Networks; improve alignment and coordination internally; refine our resourcing model; scale through robust digital platforms that connect, communicate, and convene; curate content and tools for action; and confirm progress with interoperable standards, reporting and data. (See **SECTION 10** for more detail.)

Implementation of the strategy will be measured with clear indicators (see **SECTION 11**) and will begin with an operationalization phase, bringing all relevant stakeholders together to initiate actions in various workstreams. (See **SECTION 12** for more detail.)

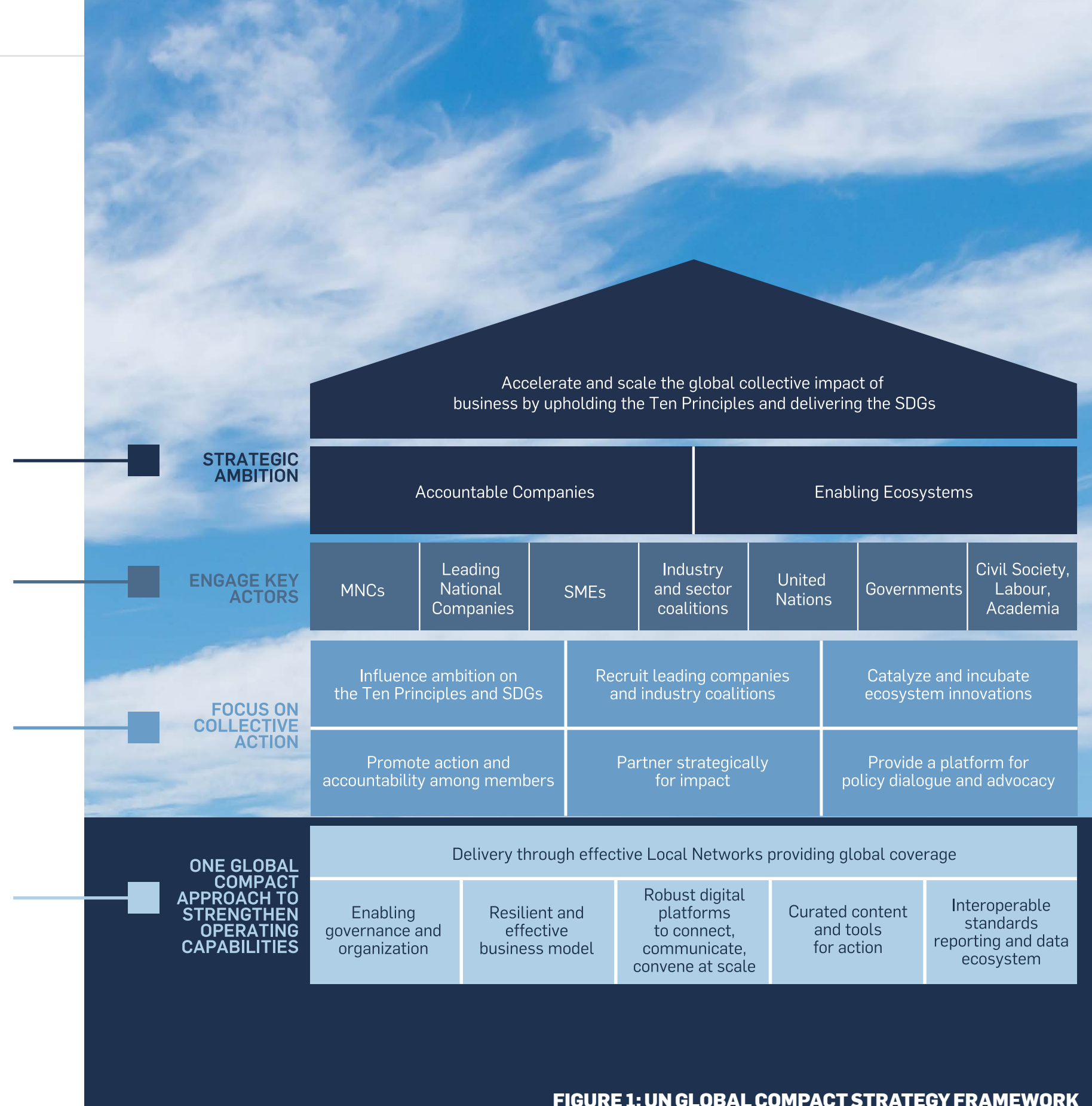


FIGURE 1: UN GLOBAL COMPACT STRATEGY FRAMEWORK



4. OUR AMBITION

In this Decade of Action, the Global Compact's strategic ambition is to **accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the SDGs through accountable companies and ecosystems that enable change.**

This ambition is aligned with and supports the work of the universe of UN agencies and entities at all levels to advance the Global Goals to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.

This ambition has three essential components: a focus on collective impact, the central role of the Ten Principles, and how they will help businesses deliver the SDGs.

ACCELERATE AND SCALE GLOBAL COLLECTIVE IMPACT

Our most fundamental ambition is to accelerate and scale global collective impact. We will continue to prioritize the adoption of the Ten Principles, and the continuous advancement of what it means to achieve them, as the fundamental vehicle for progress and improvement by business. Over time, our goal is to raise the floor — the baseline — and raise the ceiling — the expectations — on the social contract of business to communities across all Ten Principles in the areas of human rights, labour, the environment, and anti-corruption.

UPHOLDING THE TEN PRINCIPLES

The Global Compact was founded to uphold, promote, and embed the Ten Principles in business.³

The underlying notion is that corporate sustainability starts with a company's value system and a principles-based

approach to doing business. Put simply, it is "how" a business is expected to operate. This means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment, and anti-corruption. Our strategy and ambition are to take participants beyond this minimum, and onto a journey of demonstrated continuous improvement in the impact that they create.

Responsible businesses manifest the same values and principles wherever they have a presence and know that good practices in one area do not offset harm in another. Participants of UN Global Compact agree to uphold these non-negotiable commitments. By incorporating the Ten Principles of UN Global Compact into strategies, policies, and procedures, and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and the planet, but also setting the stage for long-term success.

While the Ten Principles are timeless and define how an organization works and interacts with society, customers, employees, suppliers, and the environment, the SDGs are a timebound framework for what we seek to achieve.

In essence, the SDGs elaborate a critical destination that the international community has established for our collective progress. The Ten Principles represent a vehicle, employed by businesses, no matter their size, location, or industry, to advance towards our destination. Today, the Ten Principles are proving critically important in how business can build back better from the COVID-19 pandemic. They are timeless.

DELIVERING THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries — developed and developing — in a global partnership. They recognize that ending poverty and other deprivations must go together with strategies that improve health and education, reduce inequality, and spur economic growth — all while tackling climate change and working to preserve our oceans and forests.⁴

The 17 SDGs define what we aim to accomplish as a global community. They cover a wide range of challenges, including environmental sustainability, clean water, and poverty. For any given company, contribution to the SDGs will vary based on the nature of their business, their industry, and where they can have meaningful impact.

UN Global Compact's stated ambition relies on the adoption, integration, and implementation of the Ten Principles by the business sector as essential to positively contributing to achieving the SDGs, and global collective impact.

3. These principles 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.
4. Description of SDGs from Department of Economic and Social Affairs <https://sdgs.un.org/goals>

5. OUR DRIVERS OF IMPACT

We see a clear need for greater ambition by more individual companies, to embed the Ten Principles in their businesses, and demonstrate an increased focus and commitment towards specific corporate goals and targets.

Therefore, our new strategy calls on us to focus on collective corporate action, **where our participants are not just representative of the world, but they are accountable companies ahead of the world in demonstrating adherence to the Ten Principles and impact for the SDGs.**

RE-DEFINING PARTICIPATION IN UN GLOBAL COMPACT: A COMMITMENT TO ACTION AND PROGRESS

To accomplish united, global collective impact we will focus our efforts in two broad areas: on accountable companies and enabling the ecosystems in which they operate.

Accountable companies are businesses that are committed to accelerating their own individual company progress in upholding the Ten Principles and contributing to the SDGs.

We believe we have a responsibility to move participant companies faster and farther than the average company in demonstrating progress in corporate sustainability and responsible business practices.

This means forging partnerships with our participants, ranging from MNCs to national companies to SMEs, who commit to setting clear priorities across the Ten Principles and have a willingness to do the work, even when it gets uncomfortable, to advance their performance on corporate sustainability and responsible business practice.

It also means the strengthening our accountability systems through the revised CoP and offering a participant structure that is inclusive and encourages participants from all industries, regardless of their starting point on the Ten Principles, who show a clear, demonstrable commitment to act and accelerate their measured progress.

The revised CoP will continue to be an annual requirement for participants, and will enable businesses to recognize expected norms as guidance for action, learn how to effectively report on Ten Principles and SDGs, track their own progress and identify areas for improvement, publicly showcase progress towards the Ten Principles and SDGs, along with a tiering system, view data of others to identify best practices by industry or sector, and navigate curated content and tools based on their own progress. Clearly linking reporting and learning provides a significant new value proposition to participants.

Notably, the revised CoP will also become the basis for determining if a participant has continued to demonstrate sufficient progress to remain a part of the Global Compact. This discernment will be based on clear definitions of what leadership looks like for companies of different sizes and sectors so that the standards and expectations are clear.

Enabling Ecosystems are global and local communities and networks that encourage, facilitate, and support collective action on the Ten Principles and the SDGs. We engage with, and when necessary, catalyze global and local ecosystems for the adoption of the Ten Principles and collective action towards achievement of the SDGs.

We strive to become a stronger One Global Compact as a network of interconnected global and local partners who plan, work, and implement together for collective action united around a common ambition to protect people and the planet. The strength of these local networks in our global family is critical: strong collectives of MNCs and subsidiaries, national companies, SMEs, and local partners, who are accountable to and operate according to the Ten Principles and inclusive, responsible, and sustainable growth.

To accomplish this, we will work with partners to continually shape and reshape the global and national ecosystems to facilitate businesses to make positive sustainability-oriented changes through multi-stakeholder collective action, supportive regulatory structures, and active sustainability-focused policy platforms.

6. PARTICIPANTS AND STAKEHOLDERS

UN Global Compact's ambition for global collective action requires the organization to harness energy, focus and attention across all our Local Networks, participants, and stakeholders (see **Figure 2**).

Internally, our core stakeholders are our staff, Local Networks, and our Board.

As an initiative of the UN Secretary-General, we strive to continually strengthen collaboration with sister agencies, with UN Resident Coordinators, and with UN Country Teams. We will maintain a closer partnership with the "Guardians of the Ten Principles," namely the International Labour Organization (ILO), UN Environment Programme (UNEP), Office of High Commissioner for Human Rights (OHCHR), and the United Nations Office on Drugs and Crime (UNODC).

Businesses across all participant constituencies, including MNCs, national companies and SMEs, are critical stakeholders as they are our primary agents of change. However, the Global Compact is not just for business. It is a business-led multi-stakeholder coalition. As such, we regularly engage with civil society, labour, academia, expert networks, foundations, funding partners, industry and sector coalitions, peer organizations, government partners, and the United Nations.

PARTICIPANTS

Our participants comprise primarily three types of businesses: Multi-National Corporations (MNCs), leading national companies, and small and medium sized enterprises (SMEs). Each of these participants are a key constituency for UN Global Compact, and we require solid representation and engagement of each type to ensure we have the global, collective, at-scale impact we seek.



FIGURE 2: UN GLOBAL COMPACT KEY STAKEHOLDERS

The Global Compact provides our participants with unique value propositions (see **Figure 3**):

- First, the Global Compact's mission is anchored on Ten Principles that are universal timeless, and incontestable. These principles apply to all types of entities, sizes of business, wherever they operate in the world. They are the framework for what a responsible business must build into its ways of working.
- Second, through our global multi-stakeholder network and as part of the UN System the Global Compact is uniquely placed to convene, connect and amplify businesses, civil society, labour, governments, industry coalitions, academia, and UN agencies to raise

ambitions, catalyze action, advance policy dialogue, and curate and create knowledge, content and tools. For example, we have connected the business schools of PRME, many of which are national institutions with the Local Networks on national progress towards the SDGs.

- Third, the Global Compact's normative authority is drawn from the mandate conferred by all 193 members of the United Nations General Assembly. Our United Nations mandate "to advance United Nations values and responsible business practices" among the global business community ensures that the actions and activities of the Global Compact come with the credibility and legitimacy to set expectations and take

a stand on the most important issues, drawing on the wealth of knowledge and expertise in the UN System.

- Fourth, Local Networks in all corners of the world provide a depth of local knowledge, local engagement, and provide the credibility to engage, influence, convene, and connect national business and ecosystem leaders in each country where they are present.
- Fifth, the Global Compact's weight of collective participants includes a broad scale from MNCs to SMEs. Indeed, SMEs as a segment account for most of the world's businesses and employ most of the world's workers. They have not been fully engaged in the corporate responsibility agenda in a clear and effective manner. That said, SMEs account for well over half

of the Global Compact's participants and provide an essential opportunity for engagement in the global corporate sustainability and responsible business practice agenda.

- Finally, the Global Compact has built targeted technical capabilities and is helping business understand and integrate the Ten Principles into their business practices to achieve desired SDG impact in their operations and practices.

While our broad value proposition is relevant to the entire business sector, the Global Compact offers differentiated value to MNCs, national companies, and SMEs enabling all of us to achieve the global collective impact we seek (see **Figure 4**).

FIGURE 3: UN GLOBAL COMPACT UNIQUE SOURCES OF VALUE FOR PARTICIPANTS

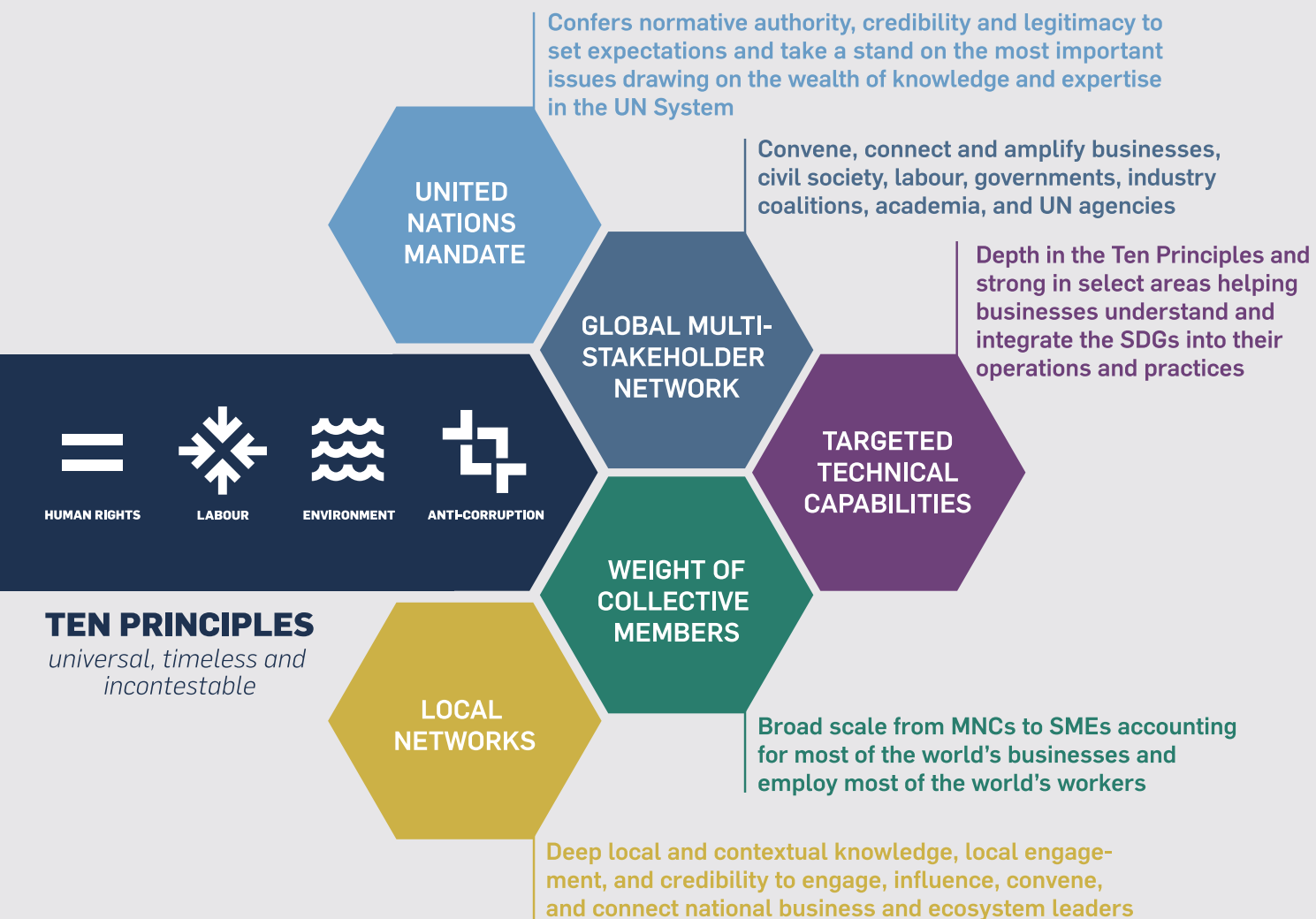


FIGURE 4: UN GLOBAL COMPACT VALUE PROPOSITION BY PARTICIPANT CONSTITUENCY

MULTI-NATIONAL CORPORATIONS	LEADING NATIONAL COMPANIES	SMALL AND MEDIUM SIZED ENTERPRISES
<ul style="list-style-type: none"> ▪ Join leading companies committed to and recognized for a journey toward responsible, sustainable business and impact on the SDGs alongside the UN ▪ Learn how to implement best practices in corporate sustainability in your business and supply chains through curated educational resources, practical tools and engaging with peers ▪ Access to Local Networks to engage their national subsidiaries in better practices, a responsible business environment, and enable understanding of national impacts ▪ Insight on the use of reporting to demonstrate and be recognized for impact on upholding the Ten Principles and delivering the SDGs, particularly in focus areas ▪ Be involved in platforms to collectively engage governments and regulators on policy dialogue, including at the global level 	<ul style="list-style-type: none"> ▪ Join leading companies committed to and recognized for a journey toward responsible, sustainable business and impact on the SDGs alongside the UN ▪ Learn how to implement best practices in corporate sustainability in your business and supply chains through curated educational resources, practical tools and engaging with peers in their country context ▪ Network with local responsible SMEs and other value chain actors ▪ Insight on the use of reporting to demonstrate and be recognized for impact on upholding the Ten Principles and delivering the SDGs, particularly in focus areas ▪ Be involved in platforms to collectively engage governments and regulatory bodies on policy dialogue 	<ul style="list-style-type: none"> ▪ Join and learn from leading national companies committed to and recognized for a journey toward responsible, sustainable business and impact ▪ Better understand norms and expectations for responsible business and a sustainable company ▪ Access curated educational resources and practical tools to best practices for responsible business ▪ Network with other companies across the value chain on a journey to sustainability ▪ Collective representation to engage governments and regulatory bodies on policy dialogue that improve the context for SMEs

STAKEHOLDERS

Beyond participants, the Global Compact engages with each stakeholder to offer a differentiated, unique value proposition that leverages our capabilities to meet their specific needs:

For industry and sector coalitions, the Global Compact engages to advance the corporate sustainability and responsible business agenda through their participants and platforms. We connect them to respected and credible thought leaders, knowledge, resources, and thinking of the UN system and other partners. We provide an opportunity to be an action or knowledge partner on bringing into practice the Ten Principles. In particular, UN Global Compact will seek to engage with sectors that are high priority in achieving the goals of the Paris Agreement, such as energy and extractives, transport, manufacturing, and infrastructure.

For investors, the Global Compact actively engages and advocates for the integration of corporate sustainability and responsible business practices, including ESG metrics, in investment decisions. This will further strengthen national and global sustainability ecosystems, increasing the incentives and making it easier for businesses to employ sustainable practices.

For governments, the Global Compact is a vehicle through which governments can engage the private sector to advance their SDG-related policy objectives. Additionally, UN Global Compact provides an additional channel through which governments can engage with the UN to continue shaping the normative framework for development. We have a clear approach to engaging countries in the Global South in local and global dialogue, are a respected thought leader on best practices, act as a policy interlocutor at global and regional levels and in all countries with Local Networks, and facilitate policy dialogue between governments, industry associations, and the private sector.

For Civil Society, Labour, Academia (including PRME), the Global Compact is a critical connector between the business community and these essential ecosystem participants, drawing on expertise and experience of all partners to strengthen dialogue with business and government at the global and national levels.

For the United Nations, the Global Compact brings the voice of the business sector and a credible engagement with all UN System participants — Agencies, RCOs, and UNCTs — with a view to enabling greater alignment of business with the SDGs and demonstrated progress on the goals. While supporting the delivery of the SDGs is clearly providing greatest value to the UN, the Global Compact also supports UN agencies to advance their missions and mandate around the world.

Specifically, the strategy calls for UN Global Compact to deepen local UN collaboration by engaging and supporting RCOs and UNCTs to incorporate business data, insights, and expertise in UN Common Country Analysis and Sustainable Development Cooperation Frameworks, and to implement, in partnership with the private sector, results under the Cooperation Frameworks.

By anchoring UN Global Compact's collaboration with RCOs and UNCTs around these critical national SDG planning and implementation processes, UN Global Compact ensures that local private sector partners have a greater sense of clarity, incentive, and ownership in advancing local SDG priorities. UN Global Compact's leadership in this area can give business a better understanding of where it can most effectively contribute to national SDG priorities, while also laying foundations for more effective UN-business partnerships which can deliver stronger, measurable development impact.

7. PRIORITY ISSUE AREAS

To achieve the global collective impact we seek, we must channel our organization's energy, focus, and resources on a selected set of priority issues.

While the SDGs have been constructed to reflect the broad and interconnected needs of humanity, we recognize UN Global Compact will have the greatest potential for impact when its efforts are focused on issues where business has the highest potential for impact anchored on the Ten Principles, and where the Global Compact can be additive to the ecosystem.

The Global Compact's focus areas must respond to the greatest material and expressed needs of the business sector and its business participants, ensuring that efforts are globally relevant and inspire action by all business segments. Focus areas must also be those in which there is a specific role for businesses to advance the SDGs. Efforts must also be additive to global and national sustainability ecosystems, including aligning with UN priorities for the Global Compact, leveraging our unique capabilities and reach, and with opportunity to create systemic change.

Priorities should also be in specific need of UN Global Compact's unique capabilities and assets that enable it to lead in several roles and to be the most catalytic force in the corporate sustainability ecosystem. While UN Global Compact's toolkit is broad, its application of each role must be selective and intentional, and tailored. Different issue areas, locations, business segments, and ecosystem actions and sub-topics will require a tailored approach through carefully designed programming and selective partnerships.

Our broad stakeholder consultations on prioritization involved an intentional, thoughtful, deliberate dialogue in two main categories (see **Figure 5**):

- Is there high potential for impact by the business sector?
- Is there additionality to the sustainability ecosystem?

Within each of these categories, we examined 6 different elements to test our thinking, rationale, and assessment.

FIGURE 5: ASSESSING UN GLOBAL COMPACT IMPACT POTENTIAL AND ADDITIONALITY

Impact potential and additionality to drive prioritization:

Is there high potential for impact by the business sector?

- Business sector can make a material difference in driving impact
- Companies are requesting support (demand driven)
- Collective action can achieve scaled impact
- Inspires action from MNCs to national companies and SMEs
- Relevant impact for Global North and Global South
- Increases accountability of private sector to act

Is there additionality to the sustainability ecosystem?

- Advances maturity of global and national ecosystems
- Aligned with UN priorities for UN Global Compact
- Leverage UN's technical, policy, diplomatic leadership
- Availability of technical partners to operationalize
- Leverage UN Global Compact unique capabilities and reach
- Opportunity to innovate to "change the system" (i.e. the hardware, infrastructure, rules of the game)

Engagement categories:

- Lead and shape
- Co-operate with others
- Follow and amplify

Applying these criteria and filters led us to identify priorities for our efforts and attention: those in which we will lead and shape, those in which we will seek to co-operate with others and those we seek to amplify.

We will strive to achieve global coherence along these priorities, while recognizing national contexts play an important role in defining areas of priority. Adaptation of these strategic choices to the national context by Local Networks will be essential to delivering the strategy.

LEAD AND SHAPE

Our primary priority is to lead and shape the adoption and application of the Ten Principles in the areas of human rights, labour, environment, and anti-corruption (see Figure 6). As the DNA of the Global Compact, we will prioritize the adoption of the Ten Principles, and the continuous advancement of what it means to achieve them, as the fundamental vehicle for change, progress, and improvement.

In addition, the Global Compact is uniquely positioned to lead and shape the business community's progress and action on five priority SDGs (see Figure 6):

- **SDG 5:** Gender Equality
- **SDG 8:** Decent Work and Economic Growth
- **SDG 13:** Climate Action
- **SDG 16:** Peace, Justice and Strong Institutions
- **SDG 17:** Partnerships for the Goals

In many cases, the issues prioritized in this category align with topics that UN Global Compact will naturally address. For example, our efforts to drive greater progress by business on Decent Work and Economic Growth (SDG 8) will have direct impacts on youth, particularly in countries with large youth demographics and especially in the Global South where most of the world's youth population lives. Our work on Gender Equality (SDG 5) will also ensure women are a central focus of our programmes.

Lead and Shape issues will constitute the core of UN Global Compact's programmatic interventions.

In these priority areas, the Global Compact will strive to enable material behaviour change in business through targeted programmes at scale. We will:

- Curate best practices, knowledge, and tools that empower business sector action
- Engage in thought leadership or encourage external research when there is additionality for doing so
- Spotlight issues to raise corporate ambitions;
- Convene stakeholders on policy dialogue and advocacy; and,

- Reaffirm or develop strategic partnerships with critical ecosystem actors to drive implementation and catalyze innovation.

The Global Compact will also continue work on selective topics such as sustainable finance and financing for development and sustainability across the supply chain.

Later sections describe in more detail how we will design and operate our programmes (SECTIONS 8), and how the UN Global Compact Office will work with the Local Networks (SECTION 10).

CO-OPERATE WITH OTHERS

There are six SDG areas where the Global Compact is best positioned to co-operate with others who are leading. The Global Compact will be most additive by building on the existing momentum and engaging the business sector selectively.

The SDGs in this category include (see Figure 6):

- **SDG 6:** Clean Water and Sanitation
- **SDG 7:** Affordable and Clean Energy
- **SDG 9:** Industry, Innovation and Infrastructure
- **SDG 10:** Reduced Inequalities
- **SDG 12:** Responsible Consumption and Production
- **SDG 14:** Life Below Water

In these areas, the Global Compact will engage when there is a compelling potential for impact by the business sector at scale and the Global Compact is uniquely positioned to celebrate success and best practice, curate relevant content, and connect the business sector to relevant actors.

FOLLOW AND AMPLIFY

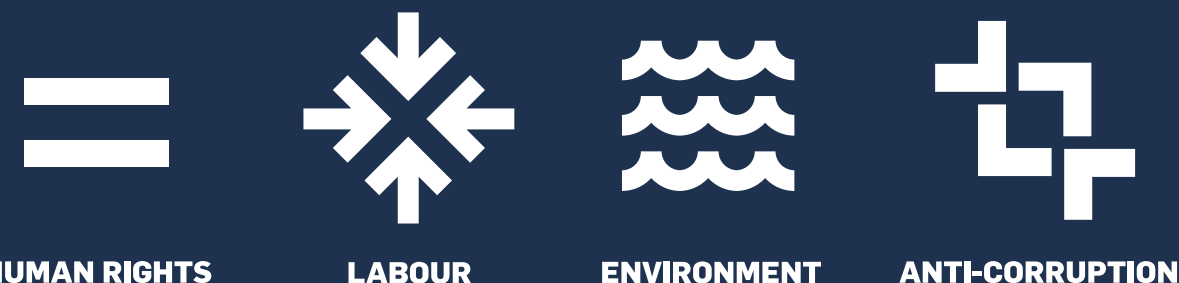
The remaining six SDG areas are where the Global Compact is best positioned to follow and amplify existing efforts. The Global Compact will be most additive by implementing or sharing case studies, best practices, and opportunities for the private sector to engage.

The SDGs in this category include (see Figure 6):

- **SDG 1:** No Poverty
- **SDG 2:** End Hunger
- **SDG 3:** Good Health and Well-Being
- **SDG 4:** Quality Education
- **SDG 11:** Sustainable Cities and Communities
- **SDG 15:** Life on Land

In these areas, the Global Compact will engage to connect the business sector to relevant actors, host curated content, and amplify the efforts of others.

THE DNA OF THE UN GLOBAL COMPACT



LEAD AND SHAPE



CO-OPERATE WITH OTHERS



FOLLOW AND AMPLIFY



5. UN World Youth Report: Youth, Social Entrepreneurship and the 2030 Agenda (United Nations, 2020)



Photo: World Bank/Dominic Chavez

8. DEFINING CORE PROGRAMMING

Core programming will be aligned to the issue areas where UN Global Compact will lead and shape:

- **The Ten Principles:** labour, human rights, the environment, and anti-corruption; and
- **Lead and Shape, prioritized issue areas:** Gender Equality, Decent Work and Economic Growth, Climate Action, Peace, Justice and Strong Institutions, and Partnerships for the Goals.

In particular, the *Lead and Shape* issue areas will be developed vertically by topic, with common architecture across each vertical. This strategy calls on us to increase our focus on delivering programmes and activities that are goal/impact-oriented, designed with specific outcomes in mind, pushing beyond reports and dialogue.

To accelerate and scale global aggregate impact, our core programmes will strive to achieve global coherence and local flexibility recognizing the unique context in each country.

Core programmes will be co-created with and delivered through Local Networks with the UN Global Compact Office playing a supporting role enabled by digital platforms and targeted expertise. This tailoring will be guided by our central leadership with topic experts in labour, human rights, gender equity, anti-corruption and institutions, climate and environment, and SDG integration.

Core programming will be designed to support companies to embed the Ten Principles. Specifically, on climate and the environment, programming will emphasize the importance of achieving carbon neutrality in order to meet the commitments of the Paris Agreement and will include guidance on setting science-based plans for transitioning to net zero emissions by 2050. On human rights and labour, programming will include guidance on the practical implementation of the UN Guiding Principles on Business and Human Rights and the ILO's Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy. On gender equality, it will provide guidance on achieving gender parity in operations based on the Convention on Elimination of All Forms of Discrimination against Women (CEDAW) and the Women's Empowerment Principles, and on anti-corruption and bribery, programming will include practical guidance on anti-corruption, good governance and the rule of law.

All networks will aim to place appropriate emphasis on the Global Compact's core programming priorities on the topics in which we lead and shape the agenda. Local Network teams will tailor core programming to best address local contexts and priorities, with consultation and input from all relevant national stakeholders, including the local business community, civil society, labour, UN Country Teams, and others, to ensure alignment with local priorities.

In select circumstances, Local Networks will develop their own supplemental programming to address specific local priorities that fall beyond the *Lead and Shape* issue areas, thereby leveraging the Global Compact's unique capabilities to provide relevant and actionable support for businesses in the multitude of contexts in which we operate. Local Networks are supported and encouraged to develop supplemental programmes by Regional Programming Hubs. In doing so, they receive regional topic expertise and leverage the work of other Local Networks to exchange best practices and minimize duplication of efforts.

The lenses of women and youth will be applied to our programming, recognizing the specific vulnerabilities of these groups as we emerge from the COVID-19 pandemic, and the potential for businesses to support their wellbeing.

Our programmes will also apply a cities lens where applicable, recognizing the importance of national companies and SMEs in shaping the wellbeing of urban populations, but we will not lead city-specific efforts, instead relying on collaboration with key partners such as C40. We recognize that cities are the locus of engagement of businesses, therefore, cities are a critical element of our strategy. However, we do not engage with city governments and mayors and do not have programmatic intentions.

Programmes will also include a robust Monitoring & Evaluation framework with clear output, outcome and impact indicators and targets, to be regularly assessed and reported on, providing transparency on progress, and creating an opportunity to pivot or adjust programmes needed to achieve the desired impact.

In addition, given the emphasis and importance of SMEs as a driver of local economic activity and as a core participant constituency, we will establish a broad-based, cross-cutting SME programme. This programme will help the Local Networks design and tailor their programming to meet the unique needs of SMEs on their journey to advance their own corporate sustainability and responsible business practices. We will apply the lenses of women and youth to SME programming, recognizing the importance of SMEs in reaching these two vulnerable demographics.

9. KEY ROLES OF THE UN GLOBAL COMPACT

With a clear and specific set of issue identified as our primary focus, we will take on six specific roles to achieve the global aggregate business action we seek (see **Figure 7**).

INFLUENCE AMBITION ON TEN PRINCIPLES AND SDG IMPACT

UN Global Compact has the credibility and positioning to raise business ambitions around the world as demonstrated through recent programmes and partnerships. Three examples include the Business Ambition for 1.5°C campaign, where we mobilized more than 320 corporate commitments to raise ambition on climate change and formed more than 40 partnerships. In Sustainable Finance, we introduced the concept of SDG general-purpose linked bonds, unlocked SDG financing with 35 companies valued at \$1.1T, and formed key partnerships, including A4S, IMP, PRI and UNEP FI. Through our Global Impact Initiative on SDG Ambition, the UN Global Compact Office and Local Networks challenge thousands of companies to raise their ambitions.

We recognize that all companies will need to do better based on their place in their journey and that the CoP and tiering system will support recognition of this progress.

Fulfilling this role means demonstrating what is possible and necessary by showcasing good practice/science, show that this higher level of performance is expected by important stakeholders, and then providing or pointing to support that is available to build capacity to the necessary level. This also means engaging in global level advocacy as UN Global Compact, providing support and leverage to Local Networks.

RECRUIT LEADING COMPANIES AND CORPORATE COALITIONS

We believe there remains substantial opportunity to recruit the leading businesses in Local Network countries, and better engage the subsidiaries of participant MNCs, national companies and SMEs. We know this will also only enhance the value participants receive, by providing them the opportunity to engage with companies from outside their sector that may have different approaches to solving common problems. Transferring knowledge across sectors can be an important catalyst for innovation.

This strategy also calls us on to improve our programming for SMEs. SMEs account for most of the world's businesses and employ most of the world's workers, and are well over half of Global Compact's participants, they have not been fully engaged in the corporate responsibility agenda.

Fulfilling this role requires that we continuously improve our success in recruiting and retaining participants of all types who are committed to impact and collective action.

Specifically, we will focus efforts for each participant type based on the unique needs and opportunities:

- **MNCs:** Invite global companies who are most admired for their sustainability practices and SDG impact as part of UN Global Compact leadership circle and secure as participants other MNCs, and subsidiaries of MNCs, with a real commitment to making progress on their sustainability journey.
- **National Companies:** Ensure Local Network participants includes most top national companies and the most sustainable companies consistent with tiering.

- **SMEs:** Grow the number of committed SME participants and their aggregate action through a broad-based, cross-cutting SME programme that will help Local Networks design and tailor their programming to meet the unique needs to advance their corporate sustainability and responsible business practices.

Once recruited, retaining these participants means providing content and programming that is directly relevant to integrating the Ten Principles and SDGs into operations and providing such content on an integrated digital platform that is easy to navigate, access, and use, supporting their leadership and role as leaders in specific areas of relevance.

With this new strategy, we will also implement target metrics for Local Networks. For example, each Local Network will seek to recruit the leading 10 national companies as participants. Today, only 60 per cent (~400) of the top ten leading firms in our 69 Local Networks have been recruited. In ten years, we strive to have above 90 per cent of these companies as participants.

PROMOTE ACTION AND ACCOUNTABILITY AMONG LEADING MNCs, NATIONAL COMPANIES AND SMEs

We recognize that the needs of MNCs, national companies and SMEs vary relative to their stage in the sustainability journey.

FIGURE 7: SIX ROLES TO ACHIEVE UNITED GLOBAL COLLECTIVE ACTION

Influence ambition on the Ten Principles and SDGs	Recruit leading companies and industry coalitions	Catalyze and incubate ecosystem innovations
Promote action and accountability among members	Partner strategically for impact	Provide a platform for policy dialogue and advocacy

CATALYZE AND INCUBATE ECOSYSTEM INNOVATIONS

UN Global Compact incubated and created three systems-changing innovations: SBTi (ambitious, science-based target setting for climate, towards a net zero economy), Principles for Responsible Management (PRME, a platform to develop the responsible leaders of the future, transforming management education) and Principles for Responsible Investment (PRI, network of investors advancing the six Principles for Responsible Investment).

Fulfilling this role means purposeful and consistent exploration of the sustainability landscape and corporate progress on SDG impact to identify needs and Strategic Intervention Points to advance the norms, forces, and resources that engage the corporate sector in responsible business for SDG impact, particularly in our UN Global Compact focus areas. This also potentially means engaging in new strategic partnerships to launch innovations as necessary — particularly to amplify the Ten Principles and considering roles in SDGs 5 (Gender Equality), 8 (Decent Work and Economic Growth), 13 (Climate Action), 16 (Peace, Justice and Strong Institutions), and 17 (Partnerships for the Goals).

PROVIDE A PLATFORM FOR POLICY DIALOGUE

Stakeholders see policy as an important enabler to advance the corporate sustainability agenda, but the UN Global Compact Office currently has few programmes or activities designed to steer policy dialogue and shape agendas. Businesses are seeking global standards, collaboration, and regulatory alignment.

Fulfilling this role means leveraging the Global Compact's UN position and credibility to bring together influencers, other UN agencies, and decision makers to advance specific recommendations for policy makers (national, regional or city-level) that can accelerate and scale business action.

Fulfilling this role means more clearly differentiating activities to different types of companies, making our programmes and activities impact-oriented, and designed with specific outcomes in mind (for example, changing corporate strategies, goals and behaviours, rather than just launching another report). This strategy calls on us to shift away from general programmes fit for a few companies to global initiatives that fit for different company sizes, leveraging our Local Networks, and enhanced digital capabilities, which together will deliver global impact.

Here, a stronger digital platform will support a better participant experience in accessing content and tools, through webinars, trainings, and masterclasses. The platform will help implement the CoP and impact measurement practices integrated across programmes to facilitate continuous self-assessment and learning by companies and UN Global Compact with focus on demonstrated impact.

PARTNER STRATEGICALLY FOR IMPACT

Today the Global Compact has relationships with over 140 organizations but there is opportunity for more rigorous and well-focussed strategic alliances across the sustainability ecosystem. Fulfilling this role means forming partnerships clearly linked to UN Global Compact ecosystems strategy to create impact on a shared agenda; focusing on fewer deeper partnerships, founded on agreed targets of mutual impact, and holding long-term potential; and assessing partnerships on ability to influence systems-level changes that guide the business sector toward responsible practice and positive impact.

We will also focus on strengthening and further coordinating our efforts with UN system partners so that together we can achieve more impact, curate the wealth of UN knowledge and content that could be valuable to the Global Compact participants and engage diplomatic support for policy engagement.

10. INVESTING IN OPERATING CAPABILITIES AND ENABLERS

To deliver our UN Global Compact strategy effectively and efficiently we will need a strong and particular set of internal capabilities, including:

- Growing and better supporting our Local Networks
- Improving alignment and coordination between the UN Global Compact Office, Regional Hubs and Local Networks
- A resilient and effective UN Global Compact business model
- Robust digital platforms to connect, communicate, and convene at scale
- Curated content and tools for action
- Interoperable standards, reporting and data.

This strategy calls for investment and changes in our operating model so that we can fund the journey to achieve our ambition, empower Local Networks, and build capabilities to deliver greater value to UN Global Compact businesses and their participant experience.

GROWING AND BETTER SUPPORTING OUR LOCAL NETWORKS

Local presence in 75 countries around the world through the 69 Local Networks of UN Global Compact is one of the organization's primary differentiators and a strategic asset. The continued success of UN Global Compact is reliant upon strengthening the capabilities of the Local Networks and enabling them to create higher value for local participants and greater impact through collective action.

We recognize a key component of UN Global Compact's long-term sustainability is ensuring we are globally representative. While our focus, outcomes, visibility, and impact are strong in much of the Global North, we see tremendous opportunity to heighten our presence and impact in the Global South. We also recognize that we are uniquely positioned to address corporate sustainability in the Global South and as an entity of the United Nations,

we have a mandate to advance UN values globally. Expanding our footprint in the Global South, especially Africa, is also essential in harnessing the potential of youth.

To achieve our stated ambition, UN Global Compact will establish new Local Networks in priority countries in the Global South and Regional Networks in select locations. Additionally, we have set a goal that by 2023 companies in any country can engage through a Local Network or participate in activities offered through a Regional Hub.

The growth of these new networks will also be supported by a refreshed approach to subsidiaries of MNCs, with a focus on strengthening engagement of all parts of MNCs in local sustainability ecosystem around the world in pursuit of global impact. Based on this Global Strategy, we will refresh our current Africa Strategy. This will provide a critical stepping-stone towards ensuring balance in our footprint in the Global South and reaching women and youth.

STRENGTHEN LOCAL NETWORK RESOURCES AND CAPABILITIES

We know that successful Local Networks are characterized by eight critical ingredients to effectively catalyze action on the ground (see **Figure 8**).

These eight ingredients include a combination of capabilities, including a respected and proven leader, and ecosystem characteristics, such as the essential linkage with labour unions and civil society (environment, human rights and corruption).

Our 69 Local Networks are at varying stages of maturity across these eight ingredients, and targeted investments and capacity-building will be necessary to help each network achieve its maximum potential. A new Local Networks Maturity Model will be created with specific measures to help networks assess their progress and guide the UN Global Compact Office and Regional Hubs in providing support.

ADD NEW LOCAL NETWORKS

In addition to strengthening each of our existing Local Networks through increased resourcing, more joint global programme adaptation and co-creation, and board capacity building, we will also expand our footprint, particularly

in the Global South and prioritizing Africa. New Local Networks in the Global South will invite participation from vibrant businesses in all sectors interested in adopting the Ten Principles and pursuing their sustainability journey. Quantitative and qualitative analyses of countries without active Local Networks yielded a short list of candidates for a "first wave" of expansion with priorities to be determined.

REGIONAL NETWORKS

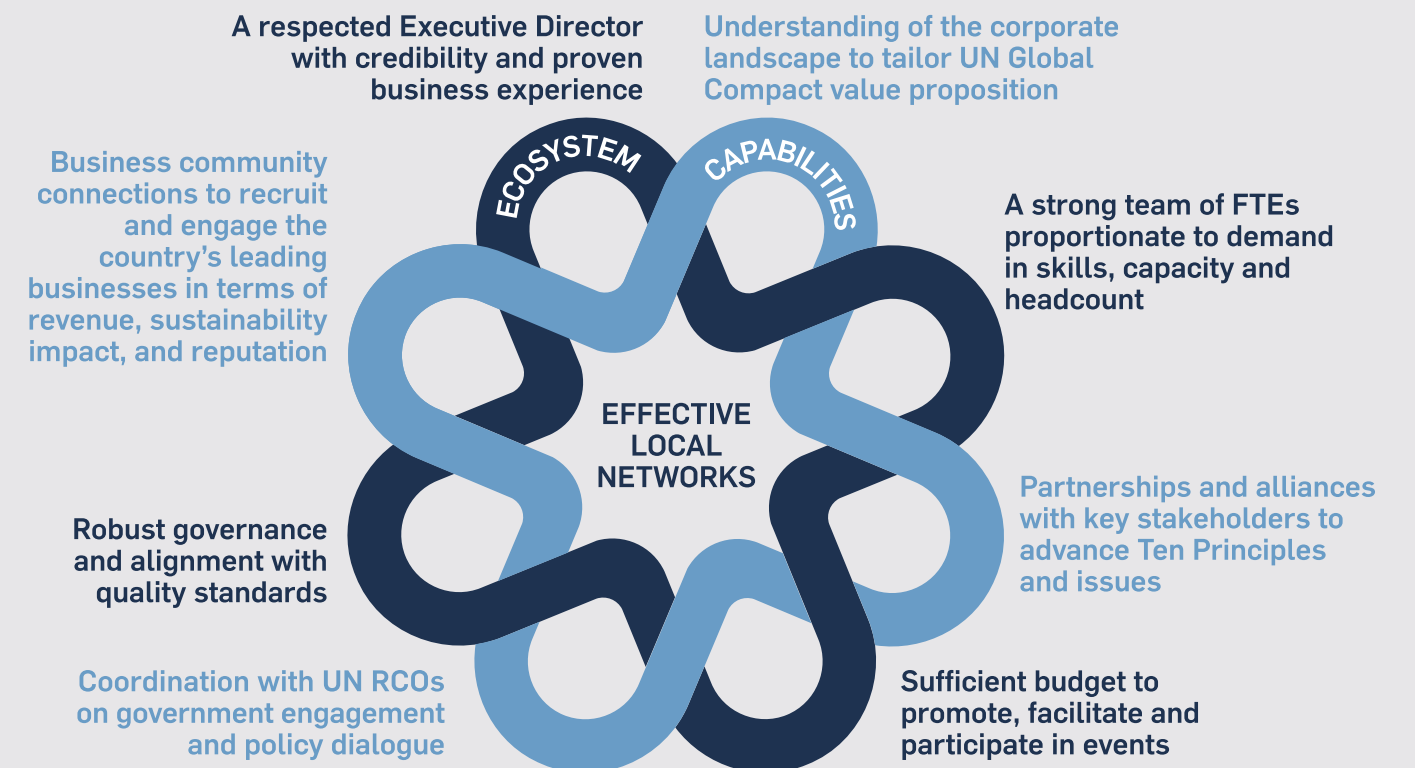
Regional Networks will collectively inspire action and progress where countries are not yet ready to sustain a Local Network. Initial analysis has determined the need for two Regional Networks, with coverage of 30 countries: a Caribbean Regional Network covering CARICOM countries and a West Africa Regional Network, covering ECOWAS countries.

Regional Networks will execute many of the same functions as Local Networks such as offering curated programmes on topics of regional importance, soliciting the support of key stakeholders, and recruiting leading businesses. Notably, these Regional Networks will also be laying the groundwork for future Local Network expansion.

REGIONAL HUBS

Expanding UN Global Compact footprint will increase the need for further organizational support from the UN Global Compact Office. To enable the founding of new Local and Regional Networks, a refreshed and regionalized operating model will facilitate the efficient delivery of tailored content to participants of the Global Compact. The Global Compact has three existing Regional Hubs in Africa, the Middle East and Latin America. As part of this strategy, we will introduce two additional Regional Hubs to ensure our Local Networks are fully and effectively supported.

FIGURE 8: SUCCESSFUL LOCAL NETWORKS – EIGHT INGREDIENTS



IMPROVING ALIGNMENT AND COORDINATION BETWEEN THE UN GLOBAL COMPACT OFFICE, REGIONAL HUBS AND LOCAL NETWORKS

The Global Compact's strategic ambition requires us to strengthen the relationships and enable the UN Global Compact Office and new Regional Hubs to effectively better support and empower Local Networks.

To increase mutual transparency, trust, and collaboration within the organization, we will make a strategic shift in how programme-related work is developed, allocated, managed, and implemented both centrally and with the Local Networks.

This will entail, most importantly, re-defining the global programmatic collaboration model to ensure new programmes are co-created with Local Networks in an agile and iterative fashion that builds upon local learning, clarifies roles, responsibilities, and authorities across the UN Global Compact Office and with Local Networks.

IMPROVING ALIGNMENT: ROLE OF LOCAL NETWORKS

To accelerate and scale global collective impact, our strategy calls on us to further strengthen and empower our Local Networks and expand our local participant base.

Local Networks will take the lead on programme delivery and impact measurement for their participants including national companies, SMEs, and subsidiaries of MNCs.

Local Networks have three key roles in core programming with a focus on catalyzing accountable companies:

- They convene participants and critical local stakeholders including local UN coordinators or agency representatives and corporate coalitions, bringing them together around a shared agenda to exchange ideas and best practices, and to generate momentum needed for behaviour and policy change.
- They connect participants — subsidiaries of MNCs, national companies and SMEs — linking them to each other within sectors, value chains, or cities, and introduce those from different sectors and locations to learn from each other.

- They communicate to participants, highlighting relevant content and tools curated or created by the Global Compact, including digital resources curated by the UN Global Compact Office.

Together, this provides both a potential catalyst for innovation and the practical support businesses need to implement change.

IMPROVING ALIGNMENT: ROLE OF THE UN GLOBAL COMPACT OFFICE

The strategy calls for the UN Global Compact Office to further elevate its curation of content, resources, and tools valuable to help participant companies understand and apply the Ten Principles and integrate the SDGs into their plans and operations.

The UN Global Compact Office has a significant role to play in programme design and delivery, especially through our digital platform. The goal is for UN Global Compact to become the most valuable source for best-in-practice content, resources, and tools enabled by a leading-edge digital platform that enriches the participant experience.

The UN Global Compact Office also plays a key role in recruiting, convening, and connecting leading MNCs at the global level. This includes driving in-person and digital global and regional events. Key convening opportunities naturally arise around UN summits, but the UN Global Compact Office also drives convening around other global sustainability events to ensure UN Global Compact's continued influence in the global ecosystem. Finally, and critically, the UN Global Compact Office also connects MNCs to the Local Networks of which their subsidiaries and value chain businesses are participants.

IMPLEMENT A SINGLE, GLOBAL, COORDINATED ANNUAL STRATEGIC PLANNING PROCESS

To facilitate global coherence and local flexibility, we will establish and implement a formal, focussed, globally managed, and coordinated Annual Strategic Planning process across the UN Global Compact Office and Local Networks.

This Annual Process will enable coordination and planning with external stakeholders, including UN stakeholders, as necessary. Within the Global Compact this process will enable coherence in direction, activities, communications, and budgeting and formally increase opportunities for input and collaboration by Local Networks as well as direct where the UN Global Compact Office should increase technical and operational support to Local Networks.

RESILIENT AND EFFECTIVE UN GLOBAL COMPACT BUSINESS MODEL

The 2021–2023 Strategy charts an ambitious plan for UN Global Compact. The strategy calls for, among other things: delivery of tighter value propositions and richer participant experiences, stronger Local Networks, an expanded footprint, stronger programming, and discretionary funding for programming that is best aligned with the priorities of the Global Compact and in consideration of its donors.

The Global Compact will need an enhanced business model that both increases revenues and revisits the allocation of funds internally to better address organizational demands to deliver this strategy. This means increasing all revenues to enable growth in capacity and internal capabilities both at the UN Global Compact Office and within Local Networks. Specifically, the organization needs to refresh the business funding model to ensure stability and predictability in core revenue streams, build internal resources for growth in new geographic and issue areas; enable investment on catalytic issues, reinforce Local Network capacity; underwrite sufficient Local Network resourcing; and enable programmatic agility in country.

Additional funding will be secured by designing and executing adjustments that include adjustments to participant fees consistent with value, pursuing grants aligned to programme priorities, fees-for-services where appropriate, and changes in allocations and funding mix to enable growth and strengthening of Local Networks.

ROBUST DIGITAL PLATFORMS TO CONNECT, COMMUNICATE, CONVENE AT SCALE

The app-based, one-click features of consumer and business facing technology must be matched by the Global Compact in how it delivers its digital content, tools, services, and participant experience. This will require investing in better digital platforms and recruiting and building staff capabilities in digital, human-centred design, and agility. It will also mean looking to our corporate and UN partners for opportunities to better leverage state-of-practice resources where possible,

UN Global Compact will invest in creating an integrated digital platform not only to deliver easily navigable, curated, and customized content centred on the business participant experience, but also to ensure that all stakeholders enjoy an effective, seamless, and efficient user experience.

A single digital platform will allow us to leverage the richness of global and local content and programmes while minimizing duplicative or redundant efforts at the local level and enabling the sharing of best practices and adaptation for local needs.

This digital platform will embrace a human-centred design approach to building user journeys to guide development of content and tools (e.g. users see recommended content, tools, and programmes based on business size, sector, geography, and priorities). It will upgrade current systems, make content available in multiple languages, integrate programme delivery with content creation. It will also consolidate new participant enrolment and recruitment, leveraging data science to enable swifter vetting, onboarding, and servicing capabilities.

Ultimately, this platform will become the one entry point for all participants to access the full universe of content and tools, including:

- Success cases across sectors, geography, size of company
- Practical tools and resources including webinars, training, masterclasses, events and workshop opportunities
- CoP and related database for aggregation, reporting, and analysis
- Local Network or UN Global Compact Office programming
- Policy dialogue engagement, leveraging of UN agencies' technical expertise and strategic partners' resources and tools.

CURATED CONTENT AND TOOLS FOR ACTION

Leveraging digital platforms, we will curate relevant and actionable best-in-class content and resources from the Global Compact, the UN system, and industry coalitions matched to industry, issue areas, geography, company size, and stage of sustainability journey for each topic integrated with the CoP. The Global Compact's platform will serve as the first-stop resource for businesses seeking knowledge on how to embrace the Ten Principles, integrate the SDGs, and demonstrate progress and impact along their sustainability journeys.

Most critically, the digital platform will leverage existing UN agency and partner technical expertise ensuring that we are only creating what is truly additional and specifically unique to our value proposition.

INTEROPERABLE STANDARDS REPORTING AND DATA ECOSYSTEM

The CoP is a unique asset and tool of UN Global Compact. It provides a window into the operationalisation of the Ten Principles and sustainability agenda in all participant companies and provides a guide for those companies to make progress in their journeys. UN Global Compact has significant potential to use the CoP to create value for companies and the ecosystem. We will therefore invest and improve in the CoP, focusing on four specific areas.

SET NORMS AND INSPIRE ACTION

This includes norms all participants can implement and specific targets for which all should aspire to demonstrate progress; goes beyond KPIs (e.g. complete a human rights assessment); and allows for voluntary reporting on other areas to demonstrate progress.

ADVANCE ACCOUNTABILITY

This includes setting the foundation for demonstrating the tiered progression and achievement of the Global Compact participants on the Ten Principles and their contribution to issues and SDGs. The revised CoP will also become the basis for determining if a participant continues to demonstrate sufficient progress to continue participation. This discernment will be based on clear definitions of what

leadership looks like for companies of different sizes and sectors so that the standards and expectations are clear. While the Global Compact will measure its own progress and impact across multiple dimensions, the performance of our participants on the CoP and their aggregate contributions will be a key indicator of our success. Achieving the global aggregate impact we seek means we will only be as successful as our participants

COP AS A LEARNING TOOL

We believe we can strengthen value of the CoP for users, the ecosystem, and the Global Compact by reorienting it as a learning tool and making data searchable by sector and geography. We will assemble practical guidance and enable reporting on the Ten Principles and progress on specific issues or SDGs. We will integrate the CoP into participant journeys through programmes and the digital platform to enable recommendations for curated materials and programmes. We will also harmonize comparable data to allow the identification of performance relative to peers and best practices. This will further enable the Global Compact to identify "lighthouse" examples.

CREATE ADDITIVE VALUE TO THE ECOSYSTEM

The Global Compact aims to adopt and demonstrate effective use of interoperable standards to minimize the burden of reporting redundancies for participants as the ecosystem evolves.

The Global Compact uses its unique position to influence the reporting ecosystem, including in standards, regulations, and policy. CoP data can be made publicly available to demonstrate the progress of companies and industries, which can be analysed for any given individual company, but can also be aggregated to show the business sector's broad contribution and trends across multiple indicators. This will be a valuable resource to companies, stakeholders, investors, governments and the broader UN system This enables companies to draw on their own data to effectively engage their stakeholders and investors.

11. MEASURING OUR IMPACT

Over time, our goal is to raise the floor — the baseline — and raise the ceiling — the expectations — between business, government, and society across all Ten Principles in human rights, labour, the environment, and anti-corruption.

As such, we will measure our aggregate progress on and the impact of our strategy across all strategic initiatives and programmes, using a combination of indicators to monitor outputs, outcomes, and impacts achieved.

1. To ensure that we are on track to achieving our ambitious strategy, we have identified **Strategy Progress KPIs** (see **APPENDIX**) that combine the achievements of our participants, the efficacy of our programmes, digital services and tools, and our own internal efficiency and effectiveness. The Strategy Progress KPIs should be understood as process indicators to assess the organizations progress in moving the strategy along but should not be interpreted as the impact indicators of the strategy.
2. To ensure programme effectiveness and impact, all programmes will report against a robust **Programmes Monitoring and Evaluation Framework** with clear output, outcome and impact indicators and targets. These will be regularly assessed and reported on internally, providing full transparency into progress and creating an opportunity for the Executive Team to pause, accelerate, invest, pivot or adjust programmes as needed to achieve the desired impact.

To ensure UN Global Compact also aspires to global impact that exceeds the sum of its individual programmes through raising the ambitions of business and catalyzing their commitments for collective action, we will also measure Indicators of Collective Impact, which are derived from the Ten Principles and the SDGs.

We are in the process of setting targets on these now, with the expectation that over time, additional indicators and targets may be added. These initial metrics will include, but not limited to:

Number of companies committed to the goals of the Paris Agreement

- Number of businesses committed to net zero emissions or carbon neutrality
- Number of companies with science-based plans for transitioning to net zero emissions by 2050

- Number of companies on track to decarbonize their portfolios
- Number of companies undertaking disclosures aligned with the Task Force on Climate-related Financial Disclosures (TCFD)
- Amount of incremental investment of GC businesses towards climate action

Number of companies with public commitments to human rights and labour

- Number of companies committed to implementing the UN Guiding Principles on Business and Human Rights
- Number of companies conducting a Human Rights Impact Assessment
- Number of companies with processes to enable the remediation of any adverse human rights impacts they cause or to which they contribute
- Number of companies offering living wages

Number of companies demonstrating broad-based gender parity in operations

- Number of companies with targets for women's representation at all levels of management
- Number of companies with family/parent friendly workplace policies
- Number of companies with gender-sensitive products and offerings relevant to their sector

Number of companies with enforced compliance on anti-corruption and bribery

- Number of companies with a commitment to transparency in corporate reporting
- Number of companies with processes to enable reporting of corruption and bribery

Number of companies taking action to advance the SDGs

The full set of indicators will be complementary to various global conventions and agreements including the UN Guiding Principles on Business and Human Rights, the International Labour Organization Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Beijing Declaration and Platform for Action, the Women's Empowerment Principles and Analysis Tools, Gender Dimensions of the Guiding Principles on Business and Human Rights.

12. OPERATION-ALIZING THE STRATEGY

To implement the strategy, UN Global Compact has developed an Operationalization Roadmap comprised of twelve Workstreams and 30 Initiatives. Action on these workstreams will commence in the first quarter of 2021 with a view to initiate implementation of key aspects of the strategy in parallel. Workstreams and initiatives cover various topics including:

- programme priorities and delivery models
- global operations
- finance
- communication on progress
- participant engagement
- digital transformation
- partnerships
- communications
- fundraising
- organizational realignment
- project management

An SME strategy will also be developed.

Led by a member of UN Global Compact's Executive Management and a cross-functional team of staff, each workstream will involve broad consultation with the Global Network Council, Local Networks and other stakeholders as needed.

13. FIVE STRATEGIC SHIFTS

To develop the 2021–2023 strategy, a rigorous, evidence-based, and broad consultative process was followed. For each element of our strategic framework, a range of choices were evaluated and deliberated upon to identify the right way forward for the Global Compact.

This disciplined process set directions in several areas as outlined above, which collectively amount to five strategic shifts for the Global Compact. Each of these build upon existing foundations and successes and will enable meaningful new strides in the current global, environmental, and social context.

1. ACCOUNTABLE COMPANIES: UN Global Compact will strive to move participant companies faster and farther than others in demonstrating progress on corporate sustainability and responsible business practices. In aggregate, Global Compact participants will demonstrate higher adherence to the Ten Principles and material contribution to the SDGs than those who are not part of UN Global Compact. The refreshed CoP provides an essential tool and consistent framework that facilitates engagement with companies on their individual sustainability journeys and enables an aggregate view of impact.

2. BALANCED GROWTH OF LOCAL AND REGIONAL NETWORKS FOR GLOBAL COVERAGE: In addition to a concerted effort to strengthen each of the existing 69 Local Networks of the Global Compact, extending our engagement with businesses in other countries, particularly in the Global South, will be a central objective, achieved through the establishment of new Local Networks, Regional Networks, and broader geographic coverage of existing Local Networks.

3. MEASURABLE IMPACT IN PRIORITIZED AREAS: Anchored by the Ten Principles in the areas of human rights, labour, the environment, and anti-corruption as the fundamental driver of corporate sustainability and

responsible business practice, the strategy prioritizes five issue areas where the Global Compact will seek to lead and shape. These include Gender Equality (SDG 5), Decent Work and Economic Growth (SDG 8), Climate Action (SDG 13), Peace, Justice and Strong Institutions (SDG 16), and Partnerships (SDG 17). Recognising the importance of national contexts, country-level priorities aligned to the unique value proposition of the Global Compact will remain central. Our programmes, efforts to curate knowledge and best practice, convening, and partnerships will seek to deliver material progress in each of these prioritized areas.

4. HARNESSING THE COLLECTIVE ACTION OF SMES: Accounting for most of the world's businesses and employers, SMEs have a unique collective role in advancing corporate sustainability and responsible business practices individually and in the value chains in which they participate. SMEs are also essential actors in advancing the SDGs in developing and emerging economies, especially in Africa. With over half of Global Compact participants coming from this segment, a specific focus of the strategy is to enhance engagement and action of SMEs through the establishment of a targeted and cross-cutting SME programme that leverages digital tools and value chains to reach scale. Throughout this programming, we will apply the lenses of gender and youth, recognising the importance of SMEs to reach these two demographics. We will also tie our SME approach closely to the Africa Strategy, which will be refreshed in early 2021.

5. STRONG AND ACTIVE ENGAGEMENT WITH THE UN: In working ever more closely with various UN Agencies, Resident Coordinators, and UN Country Teams, the Global Compact's reach and ability to drive change in business is substantially enhanced. This strategy calls for deeper collaboration at the global and national levels, particularly in the UN Common Country Analysis and private sector engagement processes to unlock the collective strength of the UN in advancing corporate sustainability and responsible business practice globally.

14. CONCLUSION

We are cognizant that this strategy will be implemented during a COVID-19 recovery period. Each country and sector will have a unique path to address the multifarious stresses experienced. Business has a transformative role to play in this recovery, which we will support.

We are optimistic about UN Global Compact's capability to use this unique moment and elevate our ambition, to heighten and seize the urgency to act, and to accelerate and scale global collective impact by upholding the Ten Principles and delivering on the SDGs through accountable companies and ecosystems that enable positive change.

It is time to align with action-minded participants, select prioritized areas of desired impact, and drive aggregate global and local action inspired by our guiding Ten Principles.

Our strategy will bring to UN Global Compact more differentiation and growth through an embrace of our unique roles, delivery through a focus on impact, and discipline through selectivity in what we do.

**TOGETHER,
WE WILL BE ONE
GLOBAL COMPACT
UNITING BUSINESS
FOR A BETTER
WORLD.**



ACKNOWLEDGEMENTS

The United Nations Global Compact launched an inclusive strategy development process over a 12-week period from October to December 2020, forming a broad-based engagement effort with more than 2,000 stakeholders across UN Global Compact and in the broader sustainability ecosystem.

We are indebted to the UN Secretary-General and Deputy Secretary General, Board Members of UN Global Compact and the Foundation for the Global Compact, and the Global Compact Global Network Council for their active engagement, direction, and support in building consensus on the strategic directions set forth in this document.

Additionally, we wish to thank Boston Consulting Group for their extensive support in guiding us through this strategy development process.

STRATEGY DEVELOPMENT PROCESS

This process included multiple facilitated discussions among the Executive Management Team (EMT) and Global Network Council (GNC), detailed historical and document review, in-depth focus groups with core constituents, and four surveys which collected 2,000 responses.

More than 450 people were directly engaged, most on multiple occasions, through interviews and focus groups. This includes the EMT, the GNC, Local Networks of the Global Compact, active and prospective participant businesses and non-businesses of the Global Compact, the Executive Office of the Secretary-General (EOSG), Resident Coordinator Offices (RCOs), UN Country Teams (UNCTs), UN Global Compact Expert Network, the Government Group, Group of Friends, current and prospective philanthropic partners, external corporate sustainability experts and the Boards of UN Global Compact, Foundation for the Global Compact, and Principles for Responsible Management (PRME).

BCG facilitated regular working sessions with all stakeholders to deliberate upon the various analyses and their implications. This document reflects the findings and recommendations that emerged from stakeholder inputs, discussions, analysis, and strategic planning.

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APPENDIX: TARGETS AND KPIS

AGGREGATE IMPACT INDICATORS

Number of companies committed to committed to the goals of the Paris Agreement

- Number of businesses committed to net zero emissions or carbon neutrality
- Number of companies with science-based plans for transitioning to net zero emissions by 2050
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- Number of companies with gender-sensitive products and offerings relevant to their sector

Number of companies with enforced compliance on anti-corruption and bribery

- Number of companies with a commitment to transparency in corporate reporting
- Number of companies with processes to enable reporting of corruption and bribery

Number of companies taking action to advance the SDGs

TARGET 1: DOUBLE THE NUMBER OF COMMITTED COMPANIES DEMONSTRATING ACCOUNTABILITY AND PROGRESS – LEADING MNCs AND LEADING NATIONAL CORPORATIONS

- % Fortune Global 500 participants
- % top 20 leading companies in country
- % of companies setting targets to evidence the Ten Principles and SDGs (e.g. % companies with living wage targets, % companies with 1.5 degree and net-zero targets, etc.)
- % of companies demonstrating progress to targets by areas of IOPs and SDGs (e.g. change in % employees at living wage, change in emissions, etc)
- % of companies by cohort demonstrating progress at years 2, 3, 5, 7, 10 and in Leadership Circles against baseline year
- % MNCs engaged in Subsidiaries Programmes
- % of companies accessing learning and benchmarking via curated resources
- % companies under review for lack of demonstrated progress
- Aggregate performance of UN Global Compact participants compared to non-UN Global Compact companies in demonstrating impact on the Ten Principles and SDGs (to be defined)
- Evidence of collaborative policy change and advocacy achievements
- Fortune Global 500 Net Promoter Scores

TARGET 2: GROW AND STRENGTHEN LOCAL NETWORKS AND REGIONAL NETWORKS FOR GLOBAL COVERAGE AND BALANCED GROWTH

- # of countries engaged through Regional and Local Networks
- # of companies registered in Global South
- Local Network capabilities within stages of Local Network maturity model assessment
- Peer feedback scores from Local Networks to GCO on support and value
- Strategic Partners' feedback scores to Local Networks
- Evidence of collaborative policy change and advocacy achievements

TARGET 3: GROW COMMITTED SMEs AND THEIR COLLECTIVE ACTION

- # of SMEs
- % of Leading national SMEs in network
- % SME participants engaged in commitment and learning events
- % of companies accessing learning and benchmarking curated resources
- % of companies by cohort demonstrating progress at years 2, 3, 5, 7, 10 and in Leadership Circles against baseline year
- Maturity stage of SME program in country
- Member feedback/Net Promoter Scores to Local Network

TARGET 4: FOCUS AND STRENGTHEN UN GLOBAL COMPACT ENGAGEMENT WITH UN AGENCIES FOR SHARED IMPACT

- # of MOUs established with UN organizations specifically detailing areas for collaboration, expectations on engagement, targets for impact, governance, and reporting for accountability
- Annual progress reviews by MOU indicating performance to targets and impact created
- # of Local Networks and Regional Networks engaged with specific UN Agencies on programming objectives
- Peer Feedback Scores on UN Agency satisfaction with UN Global Compact contributions to agreed objectives
- Evidence of policy achievements by UN agencies where UN Global Compact notably contributed by bringing business into the dialogue and activity

TARGET 5: ENGAGE EFFECTIVE INDUSTRY COALITIONS TO ADVANCE THE PRINCIPLES AND GOALS

- # of engaged industry coalitions aligned to the Ten Principles and our areas of SDG focus
- Evidence of Seat At The Table (SATT) for coalitions connected to the Ten Principles and our areas of SDG focus

- Presence and use of aligned industry coalition content accessible and curated on Global Compact platforms
- Annual audit of impact

TARGET 6: EXECUTE FOCUSED, ALIGNED PROGRAMMES

- % of aggregate programming budgets aligned to UN Global Compact primary focus areas
- % of companies addressed by/accessing programme content

TARGET 7: IMPLEMENT, IMPROVE AND TRACK PROGRESS THROUGH THE COP

- UN Global Compact member satisfaction with CoP reporting experience and value demonstrated
- % of companies by cohort demonstrating progress at years 2, 3, 5, 7, 10 and in Leadership Circles against baseline year
- % of companies using voluntary reporting areas
- Value audit of meta-analysis and evidence of insights generated informing programming, priorities, and the Global Compact agenda
- Programming feedback on value of CoP insights to program design
- Evidence of external usefulness of aggregated data/ analytics to inform agendas of partner

TARGET 8: ENHANCE THE QUALITY AND VALUE OF CURATED PLATFORMS

- % of participants accessing curated content
- Velocity of content access
- Growth of curated content
- Change in aggregate content value scores
- Comparative assessments of user digital experience

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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