



Overview of the United Nations Global Compact

August 2015

Introduction

Launched in 2000, the United Nations Global Compact is a call to companies everywhere to voluntarily align their operations and strategies with ten universally-accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UN goals. By doing so, business can help ensure that markets advance in ways that benefit economies and societies everywhere. The UN Global Compact is the largest corporate sustainability initiative in the world – with over 8,000 business and 4,000 non-business signatories based in more than 160 countries, and Local Networks existing or emerging in over 85 countries.

The UN Global Compact understands that corporate sustainability is imperative for business today – essential to long-term corporate success and for ensuring that markets deliver value across society. To be sustainable, companies must do five things: Foremost, they must operate responsibly in alignment with universal principles and take actions that support the society around them. Then, to push sustainability deep into the corporate DNA, companies must commit at the highest level, report annually on their efforts (through the [Communication on Progress](#)), and engage locally where they have a presence. Companies that fail to report or to meet the minimum criteria over time are removed from the initiative.

Global Compact Local Networks

Through over 85 [Global Compact Local Networks](#), companies are convening and acting on sustainability issues at the ground level. Local Networks serve an essential role in rooting the UN Global Compact within different national contexts– and their distinct economic, cultural and linguistic needs. Participation in Local Networks provides companies the opportunity to engage with a variety of stakeholders, including other businesses and representatives from civil society, government, academia, business associations and investors. All UN Global Compact companies are encouraged to participate in their Local Network, and, where relevant, to facilitate engagement by their subsidiaries in networks as well.

Local Networks provide an important base for jump-starting business action and awareness on the ground. Examples of the types of activities undertaken by Local Networks include:

- Collective action projects;
- Events that raise awareness of corporate sustainability and the UN Global Compact;
- Support with implementation and disclosure, including through workshops, training and study tours;
- Multi-stakeholder policy dialogue;
- Local, regional and global networking opportunities; and
- Recognition of participants working to advance the UN Global Compact principles.

Global Compact Issue Portfolio

The UN Global Compact employs a range of approaches for engaging companies and driving implementation – taking into consideration that participants span all stages of corporate sustainability, from beginners to advanced performers. This includes the development of broad guidance – like the [Business Engagement Architecture](#) – as well as tools and resources in all issue areas.

A number of issue platforms, sets of principles and global working groups have been developed to spur action by companies and lead the way to new solutions and actions. Many of these platforms have methodologies for engagement, following the “commit, act, report” model. Following are issue platforms, principles and groups – each of which offers enormous potential to drive collective, widespread and specific actions.

- [Caring for Climate](#) provides a framework for companies to set goals, develop and expand strategies and practices, and publicly disclose emissions. The world's largest voluntary business and climate initiative with nearly 400 companies, Caring for Climate is jointly convened with the United Nations Environment Programme (UNEP) and the secretariat of the UN Framework Convention on Climate Change (UNFCCC).
- [CEO Water Mandate](#) provides a framework for the development, implementation and disclosure of water sustainability policies and practices – and has been endorsed by approximately 100 chief executives.
- [Women's Empowerment Principles](#) help the private sector advance gender equality in the workplace, marketplace and community. A collaboration with UN Women, over 400 CEOs have signed a statement of support for the principles.
- [Children's Rights and Business Principles](#) – developed in partnership with UNICEF and Save the Children – call on business to respect and support children's rights throughout their activities and business relationships in the workplace, marketplace, community and environment.
- [Business for Peace](#) assists companies in implementing responsible business practices aligned with the UN Global Compact ten principles in conflict-affected and high-risk areas and catalyze action to advance peace.
- [Food and Agriculture Business Principles](#) advance the role of business in delivering practical, effective and scalable solutions to meet the global challenges of sustainable agriculture and food security.
- [Business for Rule of Law](#) seeks to advance the rule of law by engaging responsible business to support the building and strengthening of legal frameworks and accountable institutions – serving as a complement to, not substitute for, government action.
- A Framework for **Business Engagement in Education** – developed in partnership with UNESCO, UNICEF and the Office of the UN Special Envoy for Global Education – offers guidance for engagement by business to create education and learning opportunities for children, youth and adults.
- [The UN Global Compact Business Partnership Hub](#) is an online, interactive platform to match businesses with potential partners in order to facilitate collective action on key global issues.
- **Global Working Groups** include the [Human Rights and Labour Working Group](#), [Working Group on the 10th Principle Against Corruption](#) and [Advisory Group on Supply Chain Sustainability](#)

- [Global Compact LEAD](#) supports leading Global Compact participants in their efforts to achieve higher levels of corporate sustainability performance.
- Deeply connected to the initiative are the [Principles for Responsible Investment](#) (PRI) – with more than 1,400 investors managing assets over US\$ 59 trillion – and the [Principles for Responsible Management Education](#) (PRME) – with over 500 academic institutions from nearly 80 countries. These sister initiatives are bringing mainstream investors and business schools into the fold of corporate sustainability.

In addition to internalizing principles in business operations, UN Global Compact companies are asked to undertake more outward-oriented actions to increase their positive impacts on society – thereby supporting broader UN goals and issues. In addition, beyond working with our participant base, the UN Global Compact plays a central role in supporting the UN System in its work with the business community. Efforts are made to support other **Secretary-General initiatives**, including Sustainable Energy for All, Every Woman Every Child and Education First.