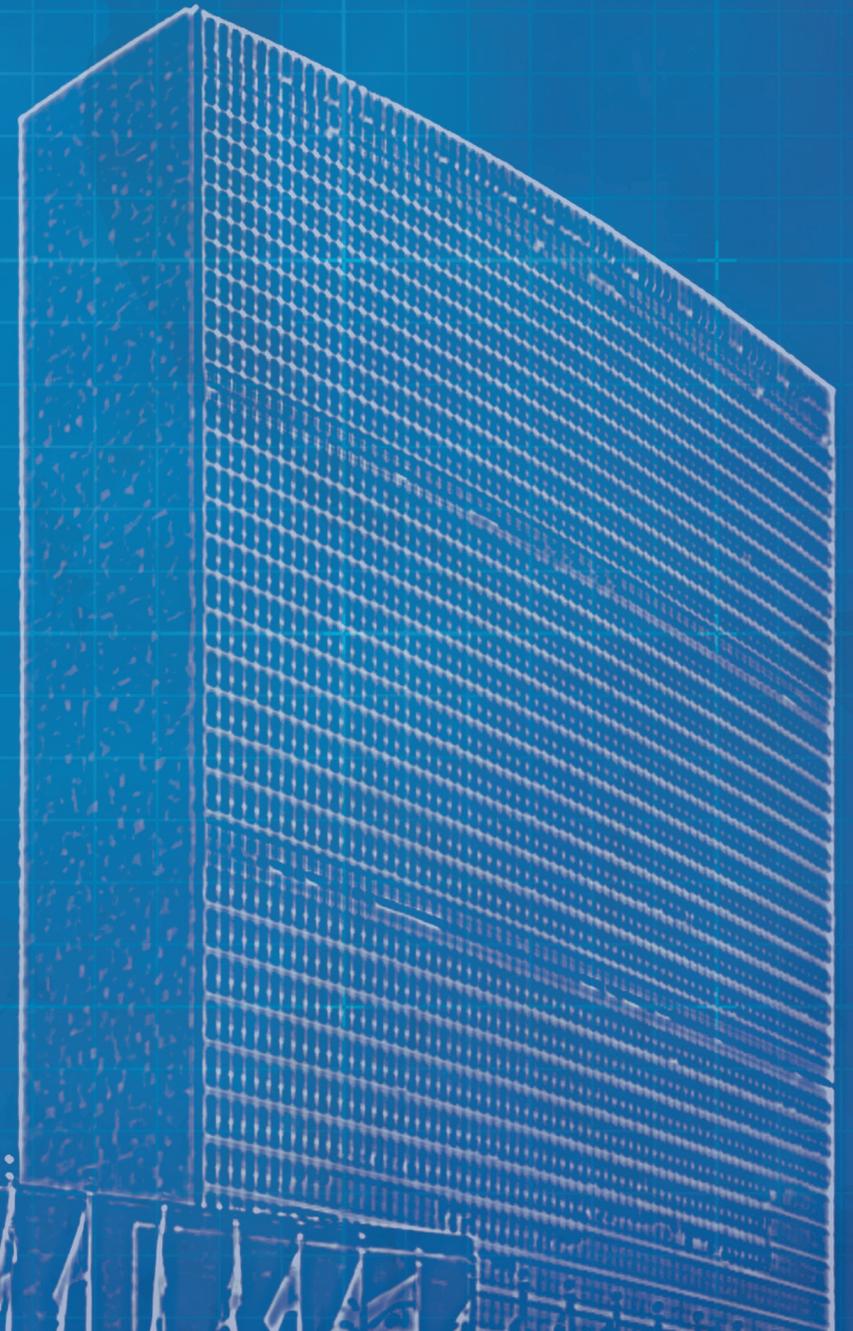


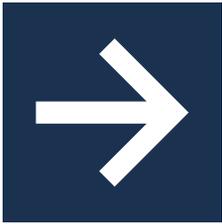


United Nations
Global Compact

BLUEPRINT FOR BUSINESS LEADERSHIP ON THE SDGs

A PRINCIPLES-BASED APPROACH





The following is a report by the Blueprint for SDG Leadership Action Platform of the United Nations Global Compact.

The publication was developed in consultation with representatives of the following organizations (“the Blueprint Task Team”): ARM, BASF SE, Braskem S.A., Enel, Eni, FujiXerox Co., Ltd., Global Compact Network Colombia, Global Compact Network Czech Republic, Global Compact Network Switzerland, Global Compact Network UK, Global Reporting Initiative (GRI), LafargeHolcim, L’Oreal, Nestle S.A., Novo Nordisk AS, Novozymes, Oxfam, Pacific Institute, Principles for Responsible Investment (PRI), RELX Group, Shift, Teck Resources, UN Environment Programme (UNEP), UN Office on Drugs and Crime (UNODC), Unilever, World Resources Institute (WRI), WWF

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Disclaimer

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Introduction

Business cannot thrive unless people and planet are thriving. This includes ensuring that the world is on a path to meet all 17 Sustainable Development Goals (SDGs). The 2030 Agenda for Sustainable Development (2030 Agenda), with 17 SDGs and 169 targets, is a plan of action for people, planet and prosperity. The SDGs are universal, transcend borders and apply across the workplace, marketplace and community. The SDGs are deeply interconnected – progress on one goal can have a significant impact on progress in meeting others. Business cannot thrive in a world of poverty, inequality, unrest and environmental stress, and so it has a vital interest in ensuring the 2030 Agenda is delivered.

Successful delivery of the 2030 Agenda requires engagement from all businesses. This Blueprint provides a framework for those companies aiming towards SDG leadership. The 2030 Agenda needs companies of all sizes and from all regions to contribute. Building on an assessment of the qualities of current and past business action on the SDGs, the Blueprint presents a framework for the next generation of business leadership. The intention is to foster contribution to the SDGs at scale.

The Ten Principles of the UN Global Compact can propagate business leadership on the SDGs. The Ten Principles and their four pillars of human rights, labour, environment, and anti-corruption are a vital set of business values that strongly align with the SDGs. Leadership on the SDGs requires embracing these values and translating them into renewed actions and targets that maximize contributions towards achieving the SDGs.

Business can harness opportunities worth many trillions by embracing the 2030 Agenda. Conservatively estimated at US\$12 trillion worth of savings and revenues by 2030, the SDGs present great opportunities for business practices that integrate respect and support for human rights and protection of our planet (Business & Sustainable Development Commission 2017). Business opportunity and impact on the SDGs are not mutually exclusive – they can go hand in hand.

The Blueprint recognizes the need for collaboration with stakeholders. There is a limit to what business can achieve alone. Realizing the SDGs relies on action not just by business, but also by all actors including investors, civil society and policy makers. In some areas, non-business actors, especially governments, will need to take a lead. This means that responsible companies understand that strong partnerships with all stakeholders are essential for a strong and renewed social contract.

Box 1. The Ten Principles of the UN Global Compact

The Ten Principles of the UN Global Compact establish values for business to adopt that are drawn from a range of relevant international norms and standards. Those standards are the Universal Declaration of Human Rights, the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

The UN has since further developed standards for responsible business practice, through the UN Guiding Principles on Business and Human Rights. The Guiding Principles are of direct relevance to the Ten Principles. Principle 1 of the Global Compact calls upon companies to respect and support the protection of internationally proclaimed human rights; Principle 2 calls upon them to ensure that they are not complicit in human rights abuses; and Principles 3 to 6 set out fundamental labour principles. The Guiding Principles provide conceptual and operational clarity for the implementation of the human rights and labour principles championed by the UN Global Compact. They reinforce the UN Global Compact and provide an authoritative framework for participants on the policies and processes they should implement in order to ensure that they meet their responsibility to respect human and labour rights.



The Evolution of SDG Leadership

Business leadership on the SDGs evolves through repeating three steps: prioritize, act, and learn. Leadership evolves, as a company responds to change by repeating a three-step process depicted in Figure 1: first, it prioritizes actions on the SDGs; second, it acts on these priorities; and third, it learns from its impact on the SDGs to improve its own and help others improve their actions, re-prioritize and thus start the cycle over again. Leadership on the SDGs is defined relative to the performance of others and the changing business environment.

Prioritize

A leading company undertakes a principled prioritization of actions based on their potential contribution to the SDGs. This entails a thorough assessment of the company's greatest risks of negative impact throughout its end-to-end operations and where it can adopt practices that will maximize positive impact for the SDGs. When first undertaken, these represent the company's entry points on the 2030 Agenda. Principled prioritization means that while market opportunities can be an important driver of prioritization, the leading company always upholds its essential obligations to the Ten Principles with due regard to the impacts it might have as a result of the interconnectedness of the SDGs.

Act

When priorities are set, a leading company takes time and context specific action that embodies five, equally important, leadership qualities: Intentional, Ambitious, Consistent, Collaborative, and Accountable. These are summarized in the next section.

Learn

A leading company commits to learn about the impacts of its actions on the SDGs, sharing lessons both internally and externally. Leadership evolves by taking action on the SDGs that are closely interconnected to the company's entry points and then over time, expands beyond these. Ultimately, the interconnectedness of the SDGs means that the leading company must adapt its business in all areas where it influences the 2030 Agenda. This requires the company to learn about its impact through continuous monitoring and assessment. Learning ensures that the leading company is resilient to staff turnover and allows all actors to benefit from its experience. By sharing what it has learned, the company also ensures that other actors benefit from its experience, amplifying its impact.

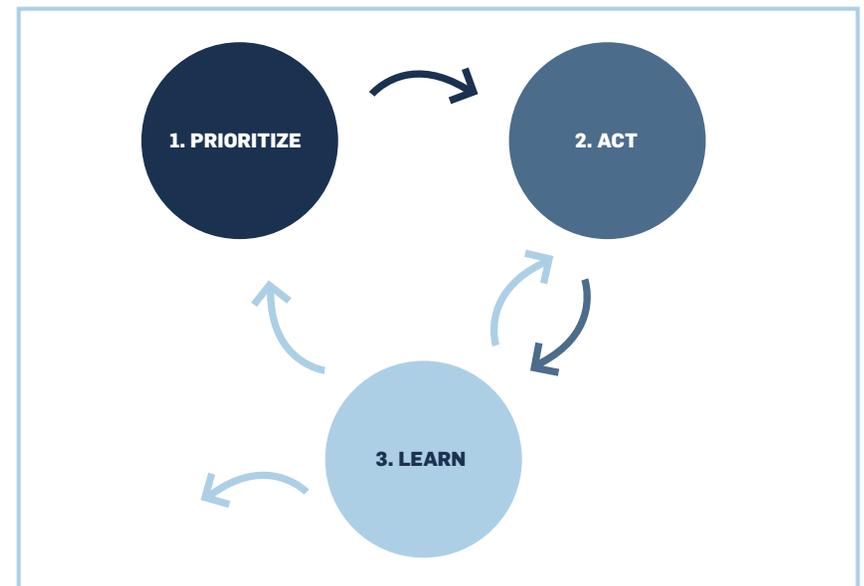


Figure 1. The evolution of business leadership on the SDGs: prioritize, act, and learn

Source: Vivid Economics

Five Qualities of SDG Leadership

Intentional

Support for the SDGs is an integral, deliberate part of a leading company's strategy

A leading company's actions in support of the SDGs are an integral, deliberate part of its strategy. Support for the SDGs is incorporated into the long-term business goals of the company. It is an integral element by which it strives for value creation; manages its workforce, supply-chain and other inputs; and addresses risks. This must be driven from the highest levels of the company and involve a strategic vision to open up new ways to contribute to the SDGs.

Ambitious

A leading company's level of ambition greatly exceeds prevailing levels of ambition, its actions are material in the context of its end-to-end operations, and it focuses on long-term outcomes

A leading company's level of ambition greatly exceeds prevailing levels of ambition, is aligned with global targets where relevant, and inspires action by others. Leading action represents a step forward in contributing to the SDGs within an industry and across geographies. Targets are set based on science or accepted thresholds, implying a level of ambition that meets or surpasses what is required for realizing the SDGs. A leading company inspires peers to emulate its actions, including through audacity in challenging existing business practice and what is perceived to be possible. In doing so, the leading company has the potential to transform the way in which business is done beyond the boundaries of its own organization.

Ambition requires that action is material in the context of the company's end-to-end operations. Small and medium-sized enterprises can be as ambitious as multinationals, despite each type of firm having different levels of absolute impact (negative and positive). In all cases, a leader looks beyond its own operations to its value chain, from suppliers to consumers, as well as to a wider group of stakeholders, to assess on which SDGs it has a material impact. Materiality in this sense extends beyond financial impact on the company itself to encompass all types of impact on people, planet and prosperity that the company may have.

Finally, ambition means a focus on action that will deliver long-term outcomes. A leading company does not focus primarily on inputs and outputs, but explicitly targets long-term progress while also ensuring shorter-term contributions to the SDGs.

Consistent

Support for the SDGs is embedded across organizational functions and external communications

A leading company embeds support for the SDGs across organizational functions, making its actions and communication consistent. The focus on the SDGs is recognized across the business, including by all senior leaders. Top-level ethical behavior and commitment are embedded throughout the organization and underpin the performance required to advance the SDGs. It is particularly important that there is consistency between what the company says and what it does throughout its business, from advertising and marketing to corporate strategy and government affairs.

A leading company aligns its public voice and advocacy with its ambitions, strategies, and actions to support the SDGs. This requires internal and external transparency in line with the accountability quality. A leading company is consistent in the intention of its actions and approaches across geographies and over time, adapting them to contextual differences as appropriate.

Collaborative

Support for the SDGs involves partnerships, including with business, government, civil society and other actors

A leading company's action on the SDGs includes proactive collaboration with others. Collaboration complements the leading company's own capabilities so as to achieve the best possible outcomes for the SDGs. The company forges partnerships with other businesses, government, civil society organizations, academia, investors, and local communities. These partnerships are facilitated by the leading company publicly advocating SDG action.

Collaboration follows established guidelines and principles of engagement in the relevant areas. Partnerships should be co-owned and involve shared decision making. The legitimacy of the leading company's use of its power in the context of its partnerships, especially in relation to government priorities in developing countries, must be guaranteed. In doing so, leading companies support SDG 16 by promoting effective, accountable and inclusive institutions.

Accountable

A leading company is transparent, manages risk, seeks out meaningful engagement with stakeholders, and is accountable for adverse impacts.

A leading company understands and acts upon its responsibility to people and planet by holding itself fully accountable for the actions it takes and the impacts it has. It has systems to identify the impacts it causes, contributes and is linked to; risk management processes to prevent adverse impacts; and procedures to allow access to remedy, including through grievance mechanisms, for any remaining impacts that result from its actions or decisions.

Accountable leadership means being transparent and engaging stakeholders proactively on challenges and progress towards the SDGs. This fosters trust from government, investors, employees, customers and communities. A leading company knows and shows how it is improving its performance, allowing these stakeholders to make informed decisions. A leading company is not only transparent, but also actively seeks out the views of stakeholders and acts on them.

To be accountable, a leading company must act lawfully and align its actions with established international norms, including in cases where domestic law falls short. For example, it should continue to respect international standards even if these are not legally mandated in the country where it operates [see Box 1].



How to use the SDG Briefs

Leadership Qualities in Action

The Blueprint's SDG Briefs challenge business to think critically about how the five leadership qualities can be applied to its strategies in support of the achievement of the SDGs. The Briefs call on companies to take ambitious actions that are built on strong foundations of integrity and responsibility. Companies are encouraged to adopt holistic and systemic solutions to achieve the scale of impact required for realizing the SDGs. Self-reflection is crucial to this, and the Briefs challenge companies to take full account for all of their impacts, both positive and negative. The SDGs are all interconnected; and so are company impacts.

The Briefs describe some of the key connections between business and each of the SDGs. They then describe how the leadership qualities of Ambition, Collaboration, Accountability, Consistency, and Intentionality can be applied to each SDG to achieve leadership.

Leadership on the SDGs cannot be measured by a tick-box exercise. The SDG Briefs offer critical questions, insightful narratives, and example practices that should inspire every business – no matter its size, sector, or geography – to think creatively about its contributions to the 2030 Agenda and to challenge peers to do the same. The Blueprint for Business Leadership on the SDGs is not a complete guide, and will never be a finished product. As new challenges and new solutions arise, the Briefs will be updated to reflect that there is always more work to be done.

The SDG Briefs pick up once you have mapped your organization's entry points across the SDGs (through a process of principled prioritization (as described in the Introduction – the true starting point to the Blueprint). They outline how leadership on each Goal might look; demonstrate the importance of the five leadership qualities in defining leadership; make explicit the interconnection of action on one Goal to impacts on others; and, building on these elements, provide more detail on how businesses can take leading action.

The briefs are not an exhaustive representation of business action on the SDGs. For instance, the Briefs only touch on the building of comprehensive accountability systems that ensure respect for human rights across an organization and its business relationships. Yet placing human rights at the center of innovation and investment results will amplify the contribution of business to the creation of the world we want.

Elements of the SDG Briefs



Opening Narrative

An overview of the role of business to contribute to the Goal through the lens of leadership



Business Actions

Overarching actions that business can take to contribute to these targets that can potentially be leading. Each business action specifies a type and scope of activity that produces the strongest positive impact. Business Actions will be independent of time and context. The business actions cover product, process, and business model innovations; supply chain cooperation and supplier selection; multi-stakeholder partnerships; community engagement for behavioral change; policies and practices across own operations



Guiding Questions

The Guiding Questions serve to challenge companies to determine whether the action would satisfy the five leadership qualities, within the context of the Goal.



Interconnectedness

The Global Goals are inherently interconnected; action taken toward one Goal can support or hinder the achievement of others. Identifying and addressing these interconnections will help business to build holistic and systemic solutions that amplify progress and minimize negative impacts.

This section highlights ways that the business action on that Goal may contribute to other Goals; identifies opportunities to maximize positive impacts, and areas to manage the risk of negative impacts on other Goals



Business Action Deep Dives

Include additional context on key considerations for business looking to implement the Action. Includes illustrative examples of business practices that are leading in today's context and highlights elements of the leadership qualities and interconnectedness that merit particular attention

Related Resources:

SDG Compass – To align strategies with the SDGs

SDG Reporting – Analysis of the Goals & Targets – to communicate your support of the SDGs

**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

**1 NO
POVERTY**



1
NO
POVERTY

How business leadership can advance Goal 1 on No Poverty



Poverty is a violation of human dignity, and an obstacle to the realization of all other rights. Despite progress in recent years, the number of people living in extreme poverty globally remains unacceptably high. 2.2 billion people live on less than \$2 (purchasing power parity) a day. Half of these individuals live in least developed countries in Sub-Saharan Africa. Relative poverty, which considers an individual or household's position relative to others in the society, is also a serious problem that affects both developed and developing countries. The effects of poverty are exacerbated by other forms of discrimination, including for women and persons with disabilities. Poverty eradication is central to the Global Goals, and achievement of all Goals is closely tied to the achievement of Goal 1. Poverty impedes the full participation of people in society and the economy. A society free from poverty is more peaceful, stable, innovative, and equal.

Vitaly, all business has a responsibility to prevent and address human and labour rights violations, and it should identify and avoid practices that perpetuate poverty traps. Business should respect fundamental human and labour rights; adopt responsible taxation practices; and ensure that end-to-end operations do not exacerbate poverty in any way. This includes providing decent work (work that is productive and delivers a living wage); security in the workplace; social protection for families; better prospects for personal development and social integration; freedom for people to express their concerns, organize, and participate in the decisions that affect their lives; and equality of opportunity and treatment for all women and men. Business should also adopt responsible taxation practices and should robustly assess whether its activities carry the risk of contributing to poverty, directly or indirectly. Useful tools for assessing such impacts include the UN Global Compact's Poverty Footprint Tool. All companies are linked to global poverty, particularly through their supply chains, and have a responsibility to work towards eliminating negative impacts to the Goal.

Companies can engage in poverty-alleviation in many ways, providing ample opportunities for leadership. Given the all-encompassing nature of Goal 1, action on several other Goals such as gender equality (Goal 5), sanitation (Goal 6), and environmental impacts, and protection under the law (Goals 13, 14, 15, and 16) can significantly contribute to poverty alleviation. To directly engage with poverty-alleviation and leverage their position as employers and producers, leading businesses can engage in job-creation by expanding into new underserved areas and investing in growing businesses, focusing on least developed countries and vulnerable populations; implement programs to economically empower disadvantaged groups; and ensure decent working conditions for all employees across the business and supply chain, with partnerships to build suppliers' capacity to do the same. Business can also lead by creating and marketing goods and services that specifically cater to, and aim to improve the lives of, vulnerable groups. Key to this is the role that business can play to alleviate the economic conditions leading to poverty through increasing business activity in least developed countries in ways that are aligned with the needs of local communities, in particular ensuring that economic benefits flow through to local workers and suppliers.

There is a strong business case for action on ending poverty. Greater prosperity means a healthier, wealthier, and more able population that will provide companies with the customers, suppliers, and employees that are needed for sustainable growth.



1 NO
POVERTY



Business Actions in support of Goal 1

Targets of Goal 1

1.1 Eradicate extreme poverty for all people everywhere

1.2 Reduce the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

1.3 Implement nationally appropriate social protection systems and measures for all

1.4 Ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services

1.5 Build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters

Business Actions

1

Engage in the creation of secure and decent jobs, especially in least developed countries and for vulnerable populations

2

Implement programs to economically empower disadvantaged groups

3

Ensure decent working conditions for all employees across the business and supply chain

4

Create and market goods and services that specifically cater to, and aim to improve the lives of, vulnerable groups

1 NO POVERTY



Do your actions satisfy the Leadership Qualities?



Guiding Questions
to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 1? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 1?

Consistent

- Is support for Goal 1 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 1?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 1?

Accountable

- Do you publicly express your commitment to advance Goal 1?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations
for Goal 1

Intentionality and top-level leadership are key to achieve poverty alleviation goals. It is essential to build milestones for reviewing the effectiveness of implementation strategies targeting poverty alleviation. It similarly takes support from all levels of the company and management to expand activity in developing markets.

Ambitious action to reduce poverty involves expanding decent work into economically disadvantaged communities, and creating opportunities for groups who have been marginalised, such as women, ethnic and racial minorities, and the disabled. It means community-wide engagement and empowerment.

Action to reduce poverty should be consistent across all organisational functions.

Consistency requires that companies adopt responsible practices across all functions, including legal and responsible taxation practices. External communications on poverty alleviation must be aligned with internal efforts.

Action to alleviate poverty involves deep stakeholder engagement with Governments, NGOs, industry peers, economically disadvantaged groups and other stakeholders to the drivers of poverty traps and address their root causes. Collaboration is necessary for business action to be informed, targeted and effective.

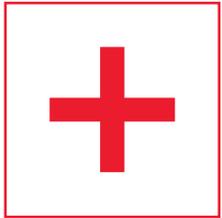
Making commitments public, and progress transparent, is key to drive poverty alleviation. Risks of negative impacts on people and planet must be understood and managed. Poverty-alleviation initiatives must meaningfully engage all concerned stakeholders, especially local communities.



How taking action on Goal 1 is interconnected with other Goals



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



Maximise likelihood of positive impact on:



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



Minimise risk of negative impact on:

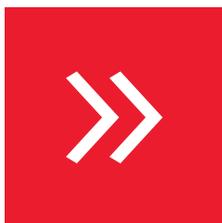


There are some potential risks of negative impacts associated with action on poverty alleviation. If reducing poverty leads to rapidly increasing consumption of polluting goods, this may have a negative impact on climate and the environment (Goals 13, 14, and 15). Any action to reduce poverty should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



BUSINESS ACTION 1

Engage in the creation of secure and decent jobs, especially in least developed countries and for vulnerable populations



One of the most effective ways to reduce poverty is to create decent jobs, that is, to offer people a sustainable and dependable source of income, decent working conditions, and support for basic amenities such as health, housing, and sanitation. Net job creation is an activity on which the private sector can lead. Given that most of the world's poorest people reside in least developed countries, leadership can take the form of responsible and inclusive scaling up of operations in these countries, in ways that are designed to support the local economy and generate secure employment for local communities. Companies can also lead by investing in growing businesses in labour-intensive industries, a proven way to assist net job creation and, if undertaken carefully, in line with the 2030 Agenda as a whole.

Example practice

- An international food company commits to **sourcing a significant percentage of its raw material from small-holder farmers** in developing countries to boost local employment
- A chemical company in Brazil establishes **an innovation fund to support local entrepreneurs in poor regions** and provides assistance in developing and marketing products



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: action is ambitious if it clearly aims at net job creation and focuses in areas or on populations that experience higher levels of poverty

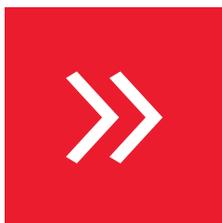
Accountability: action to create jobs must be accompanied by identifying, reporting on, and managing the risks of negative impact, and job creation activities should include social and environmental safeguards

Interconnectedness: creating job opportunities for marginalized groups and communities can contribute to Goal 10 on reduced inequalities, as well as zero hunger (Goal 2), good health and well-being (Goal 3), and gender equality (Goal 5). Jobs should not be created at the cost of other people and planet.



BUSINESS ACTION 2

Implement programs to economically empower disadvantaged groups



Businesses can alleviate poverty through economic empowerment of vulnerable groups, including by supporting skills development and access to employment; and through support for basic amenities such as health, housing, and sanitation. All companies should be equal opportunity employers, ban discrimination against vulnerable groups, and adopt policies that support inclusion so as to contribute to economic empowerment. Leading companies can implement special programmes to economically empower ethnic and racial minorities, women, persons with disabilities, the elderly, members of the LGBT community and other vulnerable groups that have historically faced discrimination.

Example practice

- An international accountancy firm provides **targeted internships and employment opportunities to young people from disadvantaged backgrounds** in its local; it also **sends its staff to volunteer in schools in local townships** to improve educational outcomes
- An international beverage company **leads on employing people with disabilities**. It has a **dedicated program that provides targeted professional and personal growth opportunities to people with disabilities** through training, education, community events, networking etc.
- A property technology company pledges to help refugees and develops a **targeted platform to ensure that the refugees can find safe homes, offers free housing, and advocates against policies that discriminate against refugees**. This helps enable **refugees to be part of local communities, and become economically empowered**
- An IT company establishes an app that connects blind and visually impaired people with sighted helpers from around the world via live video connection to help these people access the same employment opportunities



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: action to economically empower vulnerable groups requires collaboration with community members, NGOs, Governments and other stakeholders to ensure that it addresses the root causes of poverty and results in true empowerment, rather than perpetuating dependencies.

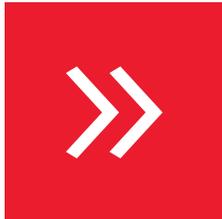
Accountability: working with vulnerable groups requires meaningful engagement to understand areas of need and special care to minimise the risks of negative impacts.

Interconnectedness: action to economically empower vulnerable groups can strongly contribute to Goal 10 on reduced inequalities, Goal 5 on gender equality, and Goal 16 on peace, justice and inclusive societies.



BUSINESS ACTION 3

Ensure decent working conditions for all employees across the business and supply chain



Respect and support for human rights is at the core of poverty alleviation. A key requirement is that companies have robust procedures to identify, prevent, monitor, mitigate and, if necessary, take remedial action against any activity that contributes to poverty in its own operations and supply chain. These procedures can be guided by the UN Guiding Principles and the UN Global Compact's Poverty Footprint Tool. Leading companies take action to control poverty impacts throughout their end-to-end operations, finding and sharing novel ways to do this, and inspiring peers and suppliers to replicate their actions.

Example practice

- A clothing company **takes robust measures to build suppliers' capacity to pay a living wage and promotes the use of digital payments** to ensure that progress can be properly tracked and evaluated
- An international food company **establishes an ethical and responsible sourcing framework** and ensures that **raw materials are traceable and sourced from audited and compliant suppliers**; it publicly reports on the proportion of its goods that are traceable and responsibly sourced, working towards a goal of 100% traceability and responsible sourcing with time-bound targets
- A chocolate company starts a think tank which undertakes research to **identify methods to improve farmers' incomes**, it implements its solutions and inspires action by others by sharing learnings, and working with businesses, NGOs and Governments
- A consumer goods company extensively maps out its supply chain, working towards full traceability and monitors working conditions across its supply chain to **take action against any identified instances of child labour or exploitative work**; it engages suppliers so that progress towards decent work can be continually measured using performance metrics



Consider the leadership qualities and interconnectedness of your action, including...

Consistency: action to ensure decent work requires consistency to be implemented effectively; support for labour rights must be embedded across all organizational functions and embraced by the highest levels of management

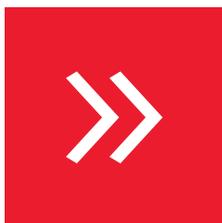
Accountability: companies need to robustly track and monitor working conditions, report on negative impacts and take remedial action

Interconnectedness: building the systems to ensure that there is decent work can contribute strongly to Goal 16 on peace, justice and inclusive institutions



BUSINESS ACTION 4

Create and market goods and services that specifically cater to, and aim to improve the lives of, vulnerable groups



Economically disadvantaged groups often have to pay disproportionately high prices for basic goods and services. For example, loans for low income households are often offered at exorbitant interest rates. In many cases, goods and services are not accessible to, or designed for, individuals or communities with low incomes. There is a large untapped market that companies can cater to, which can not only make business sense but can also constitute leadership on Goal 1 by raising living standards and helping vulnerable communities.

Example practice

- A start-up in India develops **feminine sanitary products that are sold at low price points** to help women conduct activities as normal while menstruating. It **hires street vendors to distribute its products** across packed urban settlements
- A bank designs micro-loans with soft pay-back conditions, and **mobile-banking apps** to reach unbanked communities in rural Bangladesh. It collaborates with regional authorities to help increase the penetration of ID cards so that customers can easily verify their identity and access financial services
- A company provides **solar home systems to rural households in West Africa** using a 'pay-as-you-go' financing approach which enables poor families to switch from kerosene to a healthier and more sustainable alternative in a way that is affordable



Consider the leadership qualities and interconnectedness of your action, including...

Intentional: creating products for vulnerable groups must be a deliberate part of the company's strategy, driving company-wide efforts to understand the poor's unique consumer needs, the price points at which uptake is possible, and the methods through which products will be made accessible

Interconnectedness: designing, distributing and marketing products that can help improve the situation of impoverished women contributes to Goal 5 on gender equality, to Goal 10 on reduced inequality, and Goal 16 on peace, justice and inclusive societies.

1
NO
POVERTY

References

The Poverty Footprint

SDG Compass

UN Global Compact Industry Matrix

Global Opportunity Explorer

Navigating the SDGs: a business guide to engaging with the UN Global Goals

SDG Reporting - An Analysis of the Goals and Targets

Sustainable Development Knowledge Platform, Goal 1

**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

**2 ZERO
HUNGER**



2
ZERO
HUNGER

How business leadership can advance Goal 2 on Eliminating Hunger



Hunger and malnutrition pose significant barriers to human wellbeing and economic development, with nearly one in eight people and one in four children suffering from chronic malnutrition. These pressures threaten to increase with intensifying pressures on natural resources, while impacts from climate change will also frustrate food systems. Further, farmers around the world, making up a large share of employment in developing countries, struggle to make a livelihood from agricultural activities.

Businesses play a central role in providing food to communities and combating hunger and malnutrition. Without careful management and safeguards, company operations can negatively impact the local food security of communities surrounding their operations and supply chain. A particular problem is abuse of land rights through land grabbing. Businesses in all sectors should ensure that land used throughout their supply chain is not, and has not, been taken without free, prior and informed consent from local communities. Companies can also negatively impact communities by restricting access to agricultural inputs including seeds, water supplies, knowledge and finance. Responsible supply chain practices that respect land rights and support smallholder farms can help two-thirds of the world's population address hunger and achieve economic development. Business is also an emitter of greenhouse gasses, which contribute to climate change and thereby can exacerbate hunger through impacting yields.

Companies can provide leadership on Goal 2 to eliminate hunger. Business in the agriculture and food sectors, but also a variety of related sectors such as chemicals and biotechnology, are crucial to eliminating hunger through product and process innovation that reaches all global regions and communities. A key way to address hunger is by improving productivity and sustainability, market access, and access to opportunities for upgrading into more value-added activities for small-scale agriculture. This serves to provide more abundant and secure food supply for local communities and directly raise incomes of smallholder farmers. Companies can innovate, invest, and share knowledge to help increase the productivity of farmers in its supply chain and wider communities; and, they can restructure their supply chains such that a greater proportion of revenues goes to the farmers and their workers by reducing the need for intermediaries that exploit their vulnerability for their own gain. Companies can also lead by improving food distribution channels to combat malnutrition in areas with limited access to healthy foods and develop fortified crops and processed foods that are compatible with development goals for human and environmental health. To combat the significant global food waste problem, companies can lead in the development of technologies and processes to eliminate food waste from their end-to-end operations, to ensure better food availability to communities around the world.



Businesses can benefit from ending hunger as it allows them to access new and previously underserved markets. Further, existing malnutrition levels are estimated to be as high as 11 per cent of national GDP per year. The greatest market opportunities today are also the areas seeing the fastest population growth, which will increase demand for food up to 200 per cent from current levels by 2050. In many cases, reducing food waste directly improves the financial baseline: deploying sustainable agricultural solutions and reducing food loss and waste are each projected to deliver over \$650 billion in annual value by 2030.

Eliminating hunger and improving agricultural incomes can have direct positive impacts on advancing Goals 1, 3 and 8 by increasing rural and developing country incomes and access to nutrition. Given the high rate of women farmers, especially in Africa and Asia, progress on Goal 2 can also further efforts to achieve gender equality (Goal 5). At the same time, businesses should be careful to reduce the risk of negative impacts. Intensive agricultural practices risk water scarcity and pollution (Goal 6), greenhouse gas emissions (Goal 13) and soil degradation (Goal 15). Leading businesses manage these risks through support for sustainable farming practices.

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Business Actions in Support of Goal 2

Targets of Goal 2

- 2.1 End hunger and ensure year-round access to safe, nutritious and sufficient food**
- 2.2 End malnutrition and address nutritional needs of all groups**
- 2.3 Double the agricultural productivity and incomes of small-scale food producers**
- 2.4 Ensure sustainable food production systems and implement resilient agricultural practices**
- 2.5 Maintain the genetic diversity of plants and animals through seed and plant banks and share benefits of genetic resources and traditional knowledge**

Business Actions

- 1 Support farmers to increase yields and incomes from sustainable, small-scale agriculture**
- 2 Alter food manufacturing, distribution and retail to contribute to ending malnutrition and hunger in all communities surrounding company operations**
- 3 Work towards eliminating food waste and loss**



Do your actions satisfy the Leadership Qualities?

Guiding Questions
to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 2? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 2?

Consistent

- Is support for Goal 2 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 2?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 2?

Accountable

- Do you publicly express your commitment to advance Goal 2?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations
for Goal 2

An explicit commitment to reduce hunger and malnutrition, observed throughout the company, is essential for long-term success in addressing Goal 2.

Ambition on Goal 2 must bring about the fundamental shifts required to eliminate hunger at scale, which often means the impact of action goes far beyond own operations, supporting communities surrounding end-to-end operations, including that living wages are paid.

Consistency of the actions of all departments is required to ensure that all the company addresses hunger from all angles that it can influence, including through its external communications, government relations, and legal departments.

Collaboration for Goal 2 requires working across disjointed markets to manage land acquisition and food resources to end hunger. Foodshed-level management requires stakeholder engagement with a range of suppliers, consumers, and retailers to manage food resources to meet the maximum need with minimum waste.

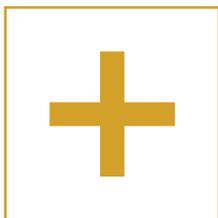
Monitoring and publicly reporting on sustainable land acquisition, agriculture, and consumption practices is key for realizing Goal 2. Where action reaches areas with vulnerable populations and ecosystems, social and environmental safeguards must be in place, and risks of negative impacts carefully managed.



How taking action on Goal 2 is interconnected with other Goals



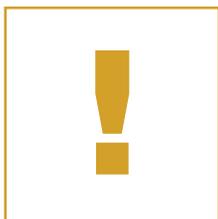
The Global Goals are inherently interconnected. Action taken toward one Goal can support or hinder the achievement of others. Identifying and addressing these interconnections will help business to build holistic and systemic solutions that amplify progress and minimize negative impacts. To help build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



Maximise likelihood of positive impact on:



Improved agricultural productivity, especially amongst smallholder farmers, will increase incomes in rural areas (Goal 1), where the majority of incomes are tied to farming, which creates opportunity for women and children to pursue education (Goal 4) boosting gender equality (Goal 5). In areas with conflict between forest resources and agriculture, sustainable agricultural practices, that respect rights around land use, reduce deforestation (Goal 15), while providing living wages to laborers supports progress on decent work (Goal 8). Introducing climate smart agriculture practices contributes to community resilience to climate change (Goal 13). Business action to research and produce goods and services that reduce malnutrition and hunger will directly advance goals related to health and well being (Goal 3) and support sustainable industry in developing countries if conducted inclusively (Goal 9).



Minimise risk of negative impact on:



Water-intensive irrigation techniques and fertilizer use may improve agricultural yields over the short-term, but may exhaust the long-term productivity of agricultural land and place stress on water resources (Goal 6). It may also produce high levels of greenhouse gas emissions (Goal 13) and fertiliser runoff into water resources (Goal 14). Efforts to increase calorific intake in undernourished areas and irresponsible marketing of high sugar products, particularly to children, can create chronic health issues such as obesity and diabetes (Goal 3). These can be managed with education campaigns and products that deliver nutrition along with calories. Labour abuses in agricultural activities, including child and forced labour, must be replaced with decent work and living wages in order to support Goal 8.

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BUSINESS ACTION 1

Engage in the creation of secure and decent jobs, especially in least developed countries and for vulnerable populations



Smallholder farmers around the world can struggle to make a profit from producing food, and most of the world's undernourished people depend on agriculture for their livelihoods. To address this challenge, businesses can help smallholders increase yields and incomes from sustainable agriculture. Responsible sourcing of agricultural products and acquiring land for other purposes requires businesses to respect land rights, pay fair prices, and ensure that all members of their supply chain avoid unsustainably exploiting resources such as water, land and (especially women's) labour. Leading businesses go beyond this and support smallholders directly, including through building capacity and sharing knowledge on agricultural resilience techniques, developing risk sharing initiatives, supporting marketing skills for different agricultural markets, identifying practices for increasing agricultural yields in different environments, restructuring supply chains to avoid intermediaries that exploit producers, and enabling and promoting better pay and conditions for farm workers. Examples of investment in smallholder-oriented infrastructure can include redesigning processes to accommodate dispersed supply chains or sharing irrigation infrastructure to improve efficiency and decrease costs. Finance and technology transfer systems can be adapted to smallholder systems in order to promote inclusive growth and encourage sustainable production.

Example practice

- A coffee retailer **shares ten years of proprietary agronomy research** to farmers in developing countries to help them increase yields and farm sustainably
- A fruit company ensures decent income for small-scale farmers by **providing long-term contracts, having direct relationships with growers, engaging in capacity-building for sustainable agricultural practices and having fixed pricing**
- An international tea company partners with Malawian tea producers, trade unions and NGOs to ensure that a **living wage is paid to smallholder farmers** and that **sustainable production methods are used**
- An agricultural bank **launches a low-collateral finance tool targeting rural farmers, and especially women, through group lending practices** to increase rural incomes by 50 per cent
- A beverage manufacturer **adopts a zero tolerance policy for exploitation of land rights and deforestation** in its supply chain to promote free, prior and informed consent of indigenous communities where land is acquired or cultivated



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: smallholder farming requires wide collaboration with communities, industry peers, governments, civil society, and development organizations to build capacity across a range of providers and set up systems of institutional support that enhance local food security

Accountability: agricultural supply chains are especially vulnerable to land rights abuses and are often tied to deforestation. Businesses need to guarantee accountability in their production, which in forest-related supply chains - such as palm oil, timber and livestock - can often be supported by incorporating traceability.

Interconnectedness: support for smallholder farming spans across people focused sdgs. For example, microlending schemes help support women farmers (Goal 5) and increase rural wages (Goal 1). Efforts to reduce emissions related to agriculture to improve long term agricultural yields will further progress on climate targets (Goal 13).

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BUSINESS ACTION 2

Alter food manufacturing, distribution and retail to contribute to ending malnutrition and hunger in all communities surrounding company operations



Companies that manufacture food and beverage products can deploy versions of these products that reduce hunger and increase nutrition for consumers. Leading companies will develop products responsive to the nutritional needs of the poor and disadvantaged groups, and support other Goals in their delivery. For example, food manufacturers can develop fortified nutritional products for a target audience such as infants and mothers, while managing the risks of obesity and other diet-based disease that can be furthered through processed foods. Food distributors can maximize access to food products by using packaging materials that do not require refrigeration where access to electricity is low. Companies at all stages of the supply chain can collaborate to ensure that adequate nutritional products are available at prices that remain accessible to undernourished communities.

Example practice

- A food manufacturing company **develops nutrient-fortified grains** to deliver nutrients and vitamins to malnourished populations, with production facilities in developing countries and workers including smallholder farmers, over half of whom are women
- An agricultural product development company **develops ready-to-use therapeutic food products** for infant and maternal consumption in areas suffering from malnutrition, while avoiding processed foods
- A food distributor **uses aseptic, biodegradable packaging** to provide access to food that does not require refrigeration or preservatives, expanding the reach of food distribution networks
- A food retailer **adapts the price of fresh, healthy meals** based on the local community's income to ensure a higher access to healthy foods



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: a zero hunger research agenda requires collaboration with research institutions, local labour markets, civil society and nutrition focused international organizations including the fao, unicef, world food programme and others; collaboration with national governments and export businesses is important to allow trade of nutritional products to areas of need

Accountability: ingredients, supply chains and test results for newly developed consumables must be promoted throughout communities targeted for new products, and educational campaigns including how products fit into a balanced and healthy diet, are important to avoid abuse or misuse of fortified food products

Interconnectedness: this action can help promote innovation and sustainable industry in developing countries (Goal 9), meet specialised post-natal health needs of mothers and infants as well as children in malnourished areas (Goal 3)

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BUSINESS ACTION 3

Work towards eliminating food waste and loss



A third of produced food ends up as waste. Reducing this waste in effect increases food supply and is an important element in reducing hunger and undernourishment. As with other resources, all business can strive to minimize food waste through planning, providing maximum information to consumers and reusing leftover food products as compost. Leading businesses go further, by shifting demand and creating new markets to include healthy foods that would otherwise go to waste due to cosmetic imperfections, lack of refrigeration or high prices. Waste management companies can lead on reducing food loss and waste by pricing waste by weight or volume, and engaging with other stakeholders on reducing the amount of waste they produce.

Example practice

- A produce store **sells produce that would be considered 'deformed' at a discount** to reduce food loss and combat hunger
- A grocer **incorporates 'smart' packaging that indicates when meat spoils** to allow customers to use food products through their full shelf life
- A restaurant **sells high-quality leftovers through a mobile app for a lower price** in order to reduce food waste



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: consumption of food products can span multiple markets throughout a product's lifetime. Collaboration across supply chains, including farmers, grocers, restaurants, customers and civil society (including food banks) is required to develop efficient food management processes and reduce waste

Ambition: leadership on reducing food waste and loss requires implementing zero waste commitments across company operations, through reducing excess food supply, reusing excess stocks, and recycling food products that are no longer consumable

Interconnectedness: this action is closely related with actions to improve resource efficiency of business (Goal 12) and decent work (Goal 8)

2ZERO
HUNGER

References

SDG Compass

UN Global Compact Industry Matrix

Global Opportunity Explorer

Navigating the Goals: a business guide to engaging with the UN Global Goals

SDG Reporting - An Analysis of the Goals and Targets

Sustainable Development Knowledge Platform, Goal 2

Improving nutrition through agriculture (IFAD)

Better Business, Better World

UNICEF Position Paper: Ready-to-use therapeutic food for children with severe acute malnutrition

Global food losses and food waste

**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

**3 GOOD HEALTH
AND WELL-BEING**



3 GOOD HEALTH AND WELL-BEING



How business leadership can advance Goal 3 on Good Health and Well-Being



The world's major health priorities include reproductive, maternal and child health; communicable, non-communicable and environmental diseases; universal health coverage; and access for all to safe, effective, quality, and affordable medicines and vaccines. Chronic non-communicable diseases such as cardiovascular disease, cancer, diabetes and respiratory disease are now the leading causes of death and illness worldwide. They are projected to cost more than \$30 trillion over the next two decades and push millions of people below the poverty line. Mental health disorders, malaria, HIV, TB, smoking, and road traffic deaths and injuries constrain global wellbeing, especially in developing countries, where 400 million people lack access to essential health services.

Businesses have a large impact on global health and wellbeing. A business's own operations and supply chain can have direct negative impacts on health including through local pollution, disposal of hazardous waste, and health and safety standards on the work floor. The use of chemicals in the workplace can negatively impact workers' health and make work particularly hazardous for children. According to the ILO, more than 2.3 million people die every year as a result of occupational accidents or work-related diseases in addition to 317 million on-the-job accidents. Annual worker related deaths in agricultural supply chains alone are reported at 170,000. Six per cent of all cancers are caused by occupational exposure to carcinogens. Business products and services can also impact on health: negatively as, for example, in the case of unhealthy foods, addictive substances, and defective products; and positively, for example through the development and provision of affordable medication and medical devices. Regardless of its industry or sector, business should recognize health in all its forms as a human right as defined by the World Health Organization, and it should to act accordingly. Business should also recognize the right to safe and healthy working conditions as set out in the International Covenant on Economic & Social Rights, taking steps to understand, monitor, and minimise negative health impacts throughout their end-to-end operations. As universal health coverage is often a public policy priority, businesses should ensure that their activities allow government to achieve its goals, including through responsible tax practices. Businesses that are directly involved in provision of health care and medication must ensure that their practices do not undermine access to healthcare and medicines for poor and vulnerable populations through inappropriate pricing, lobbying, intellectual property protection, or similar practices.

Leadership on Goal 3 can consist of building on core responsible business practices to understand, monitor, mitigate, and remediate negative impacts on health. Leading companies can leverage their expertise, resources, and knowledge, and their vital role in product, process, and business model innovation for the benefit of global health. Further, business, with the strength of its convening power, can take an active role in multi-stakeholder initiatives that encourage healthy behaviours and improve access to healthcare.

Leadership on Goal 3 can yield significant returns for businesses. Annual healthcare costs are currently \$7 trillion and rising as the global population grows, a large share of the global population that was previously in relative poverty increases its income so that it can access quality healthcare, and diseases and unhealthy lifestyles are on the rise. Business can responsibly access and create new markets for their products associated with these trends, as well as change the way they do business at present, to advance Goal 3.

Goal 3 is deeply interconnected with other Goals. Improved health can, in turn, reduce poverty, increase educational attainment, create opportunities for finding decent work, and free up resources for boosting economic productivity and environmental protection. As such, health and wellbeing are at the heart of a virtuous cycle that contributes to delivery of the Global Goals. This also implies that a failure to deliver on Goal 3 hampers all other Goals, and vice versa. In the medium term, and without rapid progress on efficiency, the risk that improved health may lead to greater consumption and energy use in ways that will make all the other Goals harder to attain should be carefully managed.





Business Actions in Support of Goal 3

Targets of Goal 3

3.1 By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births

3.2 By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births

3.2 By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases

3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being

3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all

3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination

Business Actions

- 1** Ensure the best possible health outcomes for employees and surrounding communities across own and supply chain operations
- 2** Research, develop, and deploy products, services, and business models for improved health outcomes
- 3** Lead on multi-stakeholder initiatives that encourage healthy behaviors and improve access to healthcare

3 GOOD HEALTH AND WELL-BEING



Do your actions satisfy the Leadership Qualities?



Guiding Questions
to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 3? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 3?

Consistent

- Is support for Goal 3 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 3?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 3?

Accountable

- Do you publicly express your commitment to advance Goal 3?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations
for Goal 3

Top-level commitment to advancement of global health and well being, and a strategy for doing this that is observed throughout the company, is essential for long-term success in addressing Goal 3.

Ambitious action on Goal 3 inspires others to take action, including in the value chain and the wider community. Given the multifaceted, complex nature of health challenges, leveraging a broad set of actions by different actors is critical for achievement of Goal 3.

All organizational functions should be aligned on advancing Goal 3, particularly if big changes to own operations and supply chain practices are required. This should include company-wide recognition that good health is multifaceted, including nutrition, mental health, and WASH.

The complex nature of health and well-being challenges required that companies broker partnerships and collaborations with relevant stakeholders wherever they can, so as to fully understand their impacts as well and target own action accordingly.

Accountability of private actors is of particular concern in the case of health due to the need to manage risks of negative impacts. Action on Goal 3 requires wide ranging and meaningful engagement with external stakeholders to fully understand potential impacts and manage these risks.



How taking action on Goal 3 is interconnected with other Goals



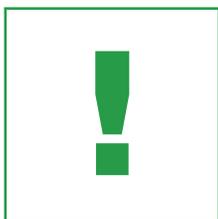
The Global Goals are inherently interconnected. Action taken toward one Goal can support or hinder the achievement of others. Identifying and addressing these interconnections will help business to build holistic and systemic solutions that amplify progress and minimize negative impacts. To help build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



Maximise likelihood of positive impact on:



Action to improve health outcomes can contribute to all of the Global Goals and in particular reducing poverty (Goal 1) and hunger (Goal 2); improving working conditions (Goal 8); and protecting the environment (Goals 14 and 15). Goal 3 will be furthered by ending hunger (Goal 2); improving access to clean water and sanitation (Goal 6); attaining gender equality (Goal 5), as women often bear primary responsibility for health in families; promoting decent work and economic growth (Goal 8); and expanding quality education (Goal 4) because people who are empowered, paid a living wage, nourished, educated, and live in safe environments are healthier.



Minimise risk of negative impact on:



Progress on Goal 3 will require reducing consumption of sugars, smoking tobacco, and alcohol, and therefore lead to economic adjustments in agriculture and food processing that could offset some economic growth (Goal 8) in the short run. Expanding access to healthcare services entails increased consumption of disposable products (to assure hygiene and safety) which could hinder progress on responsible consumption and production (Goal 12). There are also clear risks of negative impacts on Goal 3 associated with advancing other Goals: progress on economic growth (Goal 8) and zero hunger (Goal 2) can compromise health if they don't consider the effect of toxic inputs or externalities – such as how use of antibiotics in animal feed leads to the emergence of anti-microbial drug resistance.

3 GOOD HEALTH AND WELL-BEING



BUSINESS ACTION 1

Ensure the best possible health outcomes for employees and surrounding communities across own and supply chain operations



Business has an impact on the health of its own employees and within supply chain operations, as well as in surrounding communities, including through pollution, waste disposal, and occupational health and safety. Business has a responsibility to respect health as a human right, abiding by the pertinent laws, social and environmental standards, and monitoring health outcomes. As higher levels of unionization correspond to fewer workplace injuries and fatalities, companies should ensure freedom of association for their workers. Leading companies set new standards for improving health outcomes that can inspire others to take action, and leverage their influence to improve practices across multiple tiers of their supply chains. This can include implementing far-reaching occupational health and safety standards and requiring similar standards of strategic suppliers, working with them to understand the health challenges faced by local communities in which they operate and addressing those. It can also be action to avoid any health impacts of disposal and treatment of potentially hazardous waste across end-to-end operations. Companies can lead in providing comprehensive health care coverage across its own operations, and working with suppliers to build capacity to do the same.

Example practice

- A garment manufacturer partners with peers and other stakeholders to create an independent, legally binding agreement with trade unions, the Accord on Fire and Building Safety in Bangladesh, designed to work towards a safe and healthy Bangladeshi Ready-Made Garment Industry. Its purpose is to **enable a working environment in which no worker needs to fear fire, building collapses, or other accidents that could be prevented with reasonable health and safety measures**
- A clothing manufacturer establishes **a requirement that its key suppliers integrate worker well-being programs into their manufacturing operations**; this improves workers' mental and physical health and also creates a more productive and balanced work environment
- A consultancy **provides free mental health services to its employees** to identify and take early corrective action against mental health issues
- An outdoor equipment and clothing manufacturer audits its production process, taking responsibility for the entire lifecycle of products to limit **polluting activities that can negatively impact human health**



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: ambitious action on health outcomes goes significantly beyond the company's basic responsibility around its own operations, and often involves engagement of suppliers, governments, and communities.

Accountability: monitoring and reporting on health outcomes associated with the company's actions, both internally and externally, is crucial to allow all stakeholders to gauge progress and act accordingly. Companies should act to mitigate impacts and remediate negative impacts.

Interconnectedness: action to improve health outcomes can contribute to the entire 2030 Agenda and in particular reducing poverty (Goal 1) and hunger (Goal 2), improving working conditions (Goal 8), and protecting the environment (Goals 14 and 15).

3 GOOD HEALTH AND WELL-BEING



BUSINESS ACTION 2

Research, develop, and deploy products, services, and business models for improved health outcomes



Businesses have a large impact on health and well-being through the ways in which their products and services are used and consumed. Business should ensure that these comply with all relevant standards and that there are processes in place to ensure safety and appropriate use of products and delivery of services. For example, healthcare companies can work towards the appropriate prescription of antibiotics, and eliminate unnecessary care which uses up resources and can lead to unnecessary health complications. All companies should have systems to understand, monitor, and reduce health risks related to their products and services. Leading companies research, develop, and deploy products, services, and business models that improve health outcomes by minimizing negative health impacts and accelerating positive health impacts, with a particular focus on disadvantaged groups and underserved populations around the world. They can leverage their capabilities to innovate and bring new medication and health services delivery models to underserved regions. They can create and market food and drink that improves health outcomes. These actions have great potential for being carried out in public-private partnerships, as Governments play the central role in improving health of its citizens.

Example practice

- A health and nutrition company invests in a factory in Rwanda to **produce fortified foods supporting maternal and childhood nutrition**, resulting in better health outcomes for mothers and children, and addressing the issue of child stunting
- A firm develops state-of-the-art **prosthetic limbs that are sold at affordable price points** to enable uptake in low-income communities
- An IT company **establishes an app that connects people who are blind or visually impaired with sighted helpers** from around the world via live video connection in order to better navigate and avoid potential accidents
- A pharmaceutical company introduces a mixed business model, which accepts longer-term returns for certain areas of the business. The Developing Countries and Market Access Unit combines social and financial objectives, with country managers incentivised on the basis of the volume of medicines distributed, rather than purely by profit delivered
- Through a public-private partnership, an international telecommunications company working with UNICEF and the local government, develops an open-source, **freely available mobile app which helps citizens identify the nearest public healthcare facilities and, establish correspondence with doctors** and paramedics, especially in case of emergencies



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: improving health outcomes through innovative solutions is best carried out in public-private partnerships, as governments, international organizations, and local non-governmental organizations have a significant interest, and have often already established initiatives, in areas of need. In absence of collaboration and complementarity of company action, it may impede existing initiatives.

Accountability: many different products and services can have significant risks of negative impacts on human rights, including the risks inherent in rolling out new healthcare solutions. These should be carefully managed, including safeguards and redress mechanisms

Interconnectedness: action to improve health outcomes can contribute to the entire 2030 Agenda and in particular reducing poverty (Goal 1) and hunger (Goal 2), improving working conditions (goal 8), and protecting the environment (Goals 14 and 15)

3 GOOD HEALTH AND WELL-BEING



BUSINESS ACTION 3

Lead on multi-stakeholder initiatives that encourage healthy behaviours and improve access to healthcare



Companies have critical resources, expertise, and technology that they can leverage through their convening power in multi-stakeholder partnerships for improved health outcomes. Leadership in these partnerships can bring the health improvement mandate and reach of Governments together with companies' capabilities to deliver. Leading companies can support initiatives to address unhealthy behaviours, such as substance abuse and excess consumption of unhealthy foods. Company leadership in partnerships with other stakeholders is particularly important where it concerns serving regions and disadvantaged groups that lack adequate resources, including access to nutritional foods and medicines. Global health interventions to address their needs require significant manufacturing capacity and distribution capabilities, which Governments and international organizations do not have.

Example practice

- A **restaurant chain collaborates with qualified nutritionists to develop a series of affordable meals, recipes and guidebooks on healthy and balanced eating**; it encourages consumers to adopt a healthy lifestyle in which the food they eat has high nutritional value and is not based on arbitrary 'food exclusions'
- A pharmaceuticals company has **donated more than 1 billion treatments for the control and eventual elimination of river blindness** to regions in need, partnering with the WHO, World Bank, ministries of health, and various NGOs to maximize reach and impact
- A pharmaceutical company **partners with peers, companies from other sectors, and a national health care federation to develop new products and service delivery models to improve maternal and new-born health** in a developing country



Consider the leadership qualities and interconnectedness of your action, including...

Accountability: accountability has traditionally been a key concern when private sector actors act on health. Leading companies acknowledge their responsibility to respect and support human rights. They hold themselves fully accountable for their actions, understand, monitor, and report on impacts, and meaningfully engage stakeholders – including local communities. They ensure that appropriate safeguards are in place and manage risks of negative impacts, as well as remediating negative impacts when they arise

Interconnectedness: action to improve health outcomes can contribute to the entire 2030 Agenda and in particular reducing poverty (Goal 1) and hunger (Goal 2), improving working conditions (goal 8), and protecting the environment (Goals 14 and 15)

3 GOOD HEALTH
AND WELL-BEING



References

SDG Compass

UN Global Compact Industry Matrix

Global Opportunity Explorer

Navigating the Goals: a business guide to engaging with the UN Global Goals

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B4ROL Framework Business Examples

The Evolving Role of the Private Sector in Global Health

**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

**4
QUALITY
EDUCATION**



4 QUALITY EDUCATION



How business leadership can advance Goal 4 on Quality Education



Achieving inclusive, equitable, and quality education for all will require substantial effort. Despite considerable gains in education enrolment over the past 15 years, worldwide, the adjusted net enrollment rate in 2015 was 89 percent for primary education and 65 percent for secondary education. About 263 million children and youth were out of school, including 61 million children of primary school age. Sub-Saharan Africa and Southern Asia account for over 70 per cent of the global out-of-school population.

Although it is the responsibility of Governments to provide free education at the primary and secondary levels, business can play an important role in supporting families and Governments and can provide opportunities for further training and education to workers. Business has a responsibility to provide living wages and decent working conditions to their employees so that employees can fulfil their role as caregivers by sending children to school without having to seek supplementary income. Critically, business should and ensure that there is zero child labour across its operations and supply chain – a key barrier to education for children worldwide. Business is uniquely placed to ensure skills-development for working adults and can take proactive steps to support education at all levels.

Leading companies go further in these activities and drive good practices in support of education throughout end-to-end operations. Business can lead by facilitating access to vocational training and life-long learning opportunities to employees across their own operations and their supply chain. Not only does leading business ensure that all employees throughout end-to-end operations earn a living wage that allows them to support the education of dependents, but it encourage suppliers to do the same. Business can lead with the implementation of programmes to support access to higher education and access to free, equitable ,and inclusive primary and secondary education. They can innovate for education through research, development, and deployment of products and services that will improve educational access and learning outcomes.

Business leadership in advancing Goal 4 can boost profitability, employee retention, and quality of work. Having a skilled and well-educated labour force to draw from is an advantage for any business as it can bolster innovation and growth. A business can also set itself apart and attract the best talent by making its workplace conducive to skills-development and learning.

Action on Goal 4 can positively impact many other Goals. Education empowers citizens and allows them to take better decisions and stronger action across multiple disciplines to improve the situation of people and planet. For example, evidence shows there is a strong link between education and health. People with higher levels of education have better health outcomes due to, among other things, more considered lifestyle choices. A business leader will be careful to make its efforts inclusive so that action on Goal 4 does not exacerbate existing inequalities.





Business Actions in Support of Goal 4

Targets of Goal 4

4.1 Ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes

4.2 Ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education

4.3 Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

4.5 Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable

4.4 Increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

4.6 Ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy

4.7 Ensure that all learners acquire the knowledge and skills needed to promote sustainable development.

Access to Education

Inclusive Education

Quality Education

Business Actions

1 Ensure that all employees across the business and supply chain have access to vocational training and life-long learning opportunities

2 Ensure that all employees across the business and supply chain earn a wage that allows them to support the education of dependents and that there is zero child labour

3 Implement programmes to support higher education and access to free, equitable, and inclusive primary and secondary education

4 Research, develop, and deploy products and services that improve educational access and learning outcomes

4 QUALITY EDUCATION



Do your actions satisfy the Leadership Qualities?



Guiding Questions
to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 4? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 4?

Consistent

- Is support for Goal 4 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 4?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 4?

Accountable

- Do you publicly express your commitment to advance Goal 4?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations
for Goal 4

Actions to further Goal 4 must be an integral part of a company's strategy, with top-level commitment that motivates employees across the organization to support education in underserved areas.

Ambition on Goal 4 requires companies to continually aim for better learning outcomes. Action with the most impact takes place across the workplace, marketplace, and wider community, focusing particularly on disadvantaged regions and groups. Action should support the overarching Goal of free, accessible, and quality primary and secondary education.

Consistency requires businesses to ensure that support for quality, equitable, and inclusive education is embedded across all organizational functions. This is especially important for businesses that have a large share of end-to-end operations in areas with poor education outcomes.

Collaboration on Goal 4 means companies will partner with, and engage, Governments, civil society, industry peers, schools, universities and other educational institutions to understand how all can work together to support quality, equitable and inclusive education.

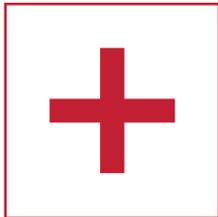
Accountability entails monitoring and reporting on business impacts on educational and learning outcomes, ensuring that actions do not contribute to existing inequalities, managing risks of negative impacts, and meaningfully engaging educational institutions, Governments, students, and others to understand areas of need.



How taking action on Goal 4 is interconnected with other Goals



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



Maximise likelihood of positive impact on:



Evidence shows that higher levels of education have a profound effect on improving health outcomes (Goal 3). Providing quality education also opens the door to future job opportunities which can help reduce inequalities (Goal 5 and 10), alleviate poverty (Goal 1), drive economic growth (Goal 8), allow individuals to access basic amenities such as nutrition and sanitation (Goal 2 and 6), and contribute to building a more peaceful society (Goal 16).



Minimise risk of negative impact on:



Business action to further education should manage risks of exacerbating existing inequalities (Goals 5 and 10). Inclusiveness is one of the most challenging aspect of supporting education but should be at the forefront of any effort.

4 QUALITY EDUCATION



BUSINESS ACTION 1

Ensure that all employees across the business and supply chain have access to vocational training and life-long learning opportunities



Quality education includes the provision of life-long learning opportunities and vocational schemes. Companies are uniquely positioned to further life-long learning, which can result in stronger growth, innovation and increased welfare. Leading companies will make particular efforts to extend these opportunities to vulnerable groups, including women, ethnic minorities, members of the LGBT community, and economically disadvantaged communities, across its operations and multiple tiers of its supply chain.

Example practice

- A coffee company **partners with a local university** to provide employees with the opportunity to attend courses free of cost or at a highly subsidised rate
- An company offers its employees the chance to go on a **sabbatical to a local school** where they assist with teaching. This helps employees enhance their community engagement skills
- A company **offers training workshops to women and men to enhance their skills** and to educate both sides against subconscious biases that could affect women's promotion and access to life-long learning opportunities
- A global food producer **trains women smallholder farmers** in its supply chain in sustainable agricultural practices to enhance their capacities to adapt to and cope with climate change.



Consider the leadership qualities and interconnectedness of your action, including...

Accountability: leadership means that a company understands areas of need, formulates targets around these areas, and monitors and reports on educational outcomes of employees across its end-to-end operations

Interconnectedness: training the work force throughout end-to-end operations can contribute to Goal 9 on industry, innovation and infrastructure and Goal 12 on sustainable production and consumption

4 QUALITY EDUCATION



BUSINESS ACTION 2

Ensure that all employees across the business and supply chain earn a wage that allows them to support the education of dependents and that there is zero child labour



Businesses should ensure that their inputs are ethically sourced. Leading companies can adopt policies and practices to ensure that all companies across its supply chain pay a living wage and offer good working conditions, so that employees do not have to rely on supplementary income from child labour and can support the education of dependents. These could include strict supplier standards and capacity building efforts for suppliers to meet these, advanced monitoring schemes, and implementing best practice for remedial action.

Example practice

- A clothing company **implements programmes to build suppliers' capacity to pay a living wage and promotes the use of digital payments** to ensure that progress can be properly tracked and evaluated
- An electronics company helps **suppliers implement policies**, such as paying a decent wage and providing access to quality healthcare, to ensure that all employees are provided with the means to support the education and well-being of dependents, and do not rely on children for additional income



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: leading action requires working with a wide variety of stakeholders, including supply chain members, industry peers, governments, schools, and educational institutions to understand areas of need and how collaboration can improve wages and educational outcomes

Interconnectedness: action to support the education of dependents and the provision of a wage which allows children to go to school instead of providing supplementary income, can help in empowerment and poverty alleviation (Goal 1)

4 QUALITY EDUCATION



BUSINESS ACTION 3

Implement programmes to support higher education and access to free, equitable, and inclusive primary and secondary education, focusing particularly on disadvantaged groups



Companies can leverage their finances, technological capabilities, expertise and, in particular, their convening power to support education at all levels with targeted programmes. Leading companies seek to implement programmes that address gaps by supporting education in impoverished areas and targeting disadvantaged groups. Convening the right stakeholders and, especially, working alongside national and local Governments is key to understanding needs and ensuring legitimacy and success of action.

Example practice

- A consultancy sets up **teacher training programmes** to enhance the capacity of teachers in **economically disadvantaged localities**, to improve the quality of education in the area
- A global pharmaceuticals company funds educational projects around the world and provides **assistive technology to local schools in an emerging economy** to ensure that **specially abled** children are able to successfully complete their studies
- A global IT company **invests in engineering schools in developing countries, hires and trains local employees**, and establishes educational schemes for **women students** to ensure that they can thrive in the workplace



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: leading companies implement programmes in close partnerships with governments, which retain the primary responsibility for providing free quality education for all, and also involve other key stakeholders in local communities

Accountability: companies that implement programmes to support education, especially for disadvantaged groups, must meaningfully engage with all affected stakeholders and carefully manage risks of negative impacts and provide access to redress

Interconnectedness: action to support education can help to alleviate poverty (Goal 1). Risks of excluding marginalised groups and thereby increasing inequalities (Goal 10) should be managed.

4 QUALITY EDUCATION



BUSINESS ACTION 4

Research, develop and deploy products and services that improve educational access and learning outcomes



Companies are well placed to deliver product and service innovation to improve access to education and learning outcomes. They can target access, quality, and inclusiveness of education. Business can play a role in the development and deployment of improved methods and materials, including digital tools and services, tailored for populations with typically poor educational outcomes in developing countries. These could include services that are accessible through mobile phone and internet where this is available, but also the provision of easy-to-use, tailored teaching materials, and teacher training solutions.

Example practice

- An IT company develops and distributes **mobile-based applications to bring education to remote communities** who would have otherwise had no access to such services
- A private sector education company develops an **open-source web-tool and massive open online courses** that provide free education for all
- A publisher develops a line of educational material whose **content is tailored to the needs of marginalised communities and is published in the local language**. It distributes the content to the concerned areas.
- A financial institution develops an **innovative financing product**, such as a social impact bond, to support teacher training and other programmes that enhance learning outcomes



Consider the leadership qualities and interconnectedness of your action, including...

Accountability: new products and services to support education, especially for disadvantaged groups, must respond to areas of need identified through meaningful engagement with all affected stakeholders. In deployment, companies should carefully manage risks of negative impacts

Interconnectedness: action to support education can help to alleviate poverty (Goal 1). Risks of excluding marginalised groups and thereby increasing inequalities (Goal 10) should be managed.

4 QUALITY
EDUCATION

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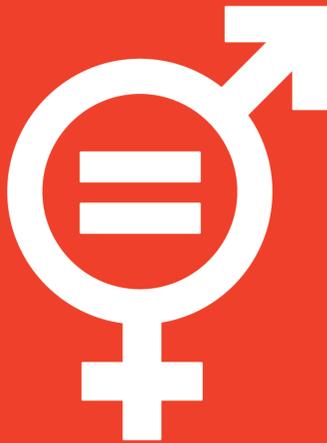
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**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

**5 GENDER
EQUALITY**



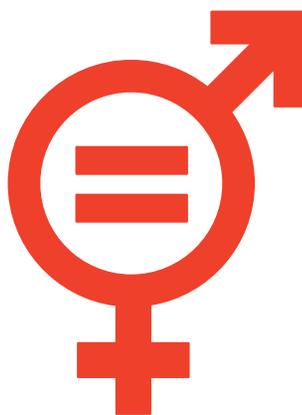
5 GENDER
EQUALITY

How business leadership can advance Goal 5 on Gender Equality



Gender equality is a fundamental and inviolable human right. Yet women around the world continue to face significant economic, social, and legal barriers to equality. Women are more likely than men to be unemployed, are overrepresented in low wage jobs, hold fewer managerial, entrepreneurial and leadership positions, and on average, only make 77 cents for every dollar earned by men. In 18 countries, men can legally prevent their wives from working. Women continue to bear disproportionate responsibility for unpaid care work and often experience maternity-related discrimination. Women entrepreneurs also face particular challenges to building and growing their businesses including lack of access to financing and business networks. In fact, less than 1% of spending by large businesses on suppliers is earned by women-owned businesses.

While progress has been made in terms of education and health, significant gaps remain. STEM (science, technology, engineering and mathematics) programmes and fields continue to be dominated by men, women around the world continue to lack access to reproductive and maternal health care, and worldwide, an estimated one in three women will experience physical or sexual abuse in her lifetime.



The private sector has an important role to play in advancing gender equality. All businesses have a fundamental responsibility to respect the rights of women and girls, as per the UN Guiding Principles on Business and Human Rights. Leading companies recognize that their greatest contribution to SDG 5 is ensuring that they meet this responsibility and will prioritize the management of potential human rights risks accordingly. Leading companies will also seek to maximize their positive impact towards gender equality across all levels and functions of their business, throughout their supply-chain and within the communities where they operate, rather than only identifying the easiest point of entry. The Women's Empowerment Principles (WEPs) provide a holistic framework for business action to advance gender equality and can provide further guidance to businesses looking to contribute to the achievement of Goal 5. This SDG Brief draws from the WEPs to provide additional inspiration on what comprises business leadership in support of Goal 5.

By ensuring respect for women and girls and supporting gender equality, businesses can unlock vast amounts of economic potential. Research demonstrates that gender diversity helps business perform better. Fifty percent of the population has been unable to realise its true potential due to gender-based discrimination. If this were to be corrected, businesses would find themselves with more productive labour, higher levels of innovation and, a more stable, inclusive and equitable climate.

Gender equality is both an objective and driver of sustainable development. Women's empowerment has a multiplier effect and is essential to building strong economies; establishing more stable and just societies; and improving the quality of life for families and communities. Action to support gender equality can contribute positively to a host of other Goals. Estimates suggest that advancing women's equality can add \$12 trillion to global growth. It can also reduce poverty by bringing work opportunities to women and ensuring equal access to economic resources; improve health and educational outcomes since initiatives to foster gender equality will focus on maternal health and reduce the educational gap between men and women, and directly contribute to the overarching goal of reduced inequalities, which in turn will create the foundations for more peaceful and inclusive societies.



Business Actions in Support of Goal 5

Targets of Goal 5

- 5.1 End gender based discrimination**
- 5.2 Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation**
- 5.3 Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation**
- 5.4 Recognise and value unpaid care and domestic work**
- 5.5 Ensure women's full and effective participation and equal opportunities for leadership**
- 5.6 Ensure universal access to sexual and reproductive health and reproductive rights**
- 5.A Undertake reforms to give women equal rights to economic resources**
- 5.B Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women**
- 5.C Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels**

Business Actions

- 1 Implement policies and practices that are free from and prevent gender-based discrimination across the workplace, marketplace, and community**
- 2 Support women's employment and strive for gender balance at all levels across the business and supply chain**
- 3 Develop products and services and implement marketing practices that empower women**
- 4 Promote gender equality through investment, community initiatives, and advocacy**

5 GENDER EQUALITY

Do your actions satisfy the Leadership Qualities?

Guiding Questions to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 5? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 5?

Consistent

- Is support for Goal 5 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 5?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 5?

Accountable

- Do you publicly express your commitment to advance Goal 5?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations for Goal 5

Top-level commitment helps position gender equality as a strategic business priority. Establishing a holistic strategy that manages risks and opportunities across the workplace, marketplace and community is crucial. Intentionally addressing unconscious bias is particularly important to ensuring that gender equality policies and practices have their intended impact.

Ambitious action on gender equality is holistic and goes well beyond normal good practice. Leading companies will identify cutting-edge approaches based on industry and/or regional best practice, establish robust policies and practices, and set clear targets to track progress and ensure continuous improvement.

Rather than looking for the easiest point of entry, leading companies will identify how they can maximize their positive impact toward the achievement of Goal 5. Leading companies will ensure that their gender equality strategy is embedded across all organizational functions. Importantly, leading companies know that action taken to support women's empowerment is a complement to, not a substitute for, action to respect the rights of women and girls.

Leading companies understand the importance and benefits of meaningful multi-stakeholder consultation to inform policies and practices. Stakeholders may include those affected by the company's operations as well as external experts. Leading companies also recognize that achieving gender equality cannot be achieved by one sector alone and proactively look for opportunities to partner and collaborate to achieve common objectives.

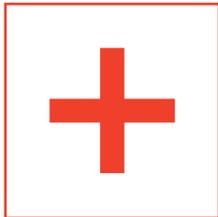
Making commitments public, and progress transparent is key to drive gender equality performance. The use of sex-disaggregated data is critical to making and measuring progress and accountability for specific goals and targets related to gender equality. When it comes to addressing adverse impacts, having in place effective grievance mechanisms is particularly important.



How taking action on Goal 5 is interconnected with other Goals



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



Maximise likelihood of positive impact on:



Action to support gender equality can contribute positively to a host of other Goals and is a precondition for advancing development and reducing poverty. With women and girls making up more than half the global population, improving health and educational outcomes (Goal 3 and 4), reducing poverty (Goal 1), and tackling inequality (Goal 10) requires specific consideration of the particular needs of women and girls and the barriers they face. At the same time, women's empowerment is proven to have a multiplier effect, contributing to the health and well-being of whole families and communities, as well as economic growth (Goal 8) and peaceful societies (Goal 16).

5
GENDER
EQUALITY

BUSINESS ACTION 1

Implement policies and practices that are free from and prevent gender-based discrimination across the workplace, marketplace, and community



All businesses have a responsibility to respect the rights of women and girls. Leading companies recognize that meeting this responsibility is how business will have its greatest contribution to Goal 5. Leading companies will prioritize the management of human rights risks and carefully and continuously monitor the effectiveness of and seek to scale-up policies and practices across their operations, throughout their value chains and within the communities where they operate. In particular, they will look to industry and regional best practice, experts, and consultation with affected stakeholders to inform where improvements can be made. Leading companies will also look for opportunities to strengthen and expand their policies and practices to support the empowerment of women and girls. Recognizing that deep seated gender stereotypes and norms often form an invisible barrier to progress, hindering the effectiveness of well-intentioned policies and practices, leading companies will take care to address unconscious bias throughout the organization.

Example practice

- A personal goods manufacturer headquartered in Asia provides compliance training on the company's sexual harassment policy and introduced a program in partnership with the ILO aimed at working with men to address gender-based discrimination and gender-based violence
- A consultancy maintains **disaggregated data for male and female workers in its business and supply chain**, including data on wages and contract status to identify, monitor and take evidence-based action against gender inequality
- A bank regularly undertakes an **objective gender pay gap audit** by a qualified external party and takes robust remedial action to ensure jobs of equal value are remunerated equally. The company requires suppliers to do the same.
- A company introduces mandatory **unconscious bias workshops** for all staff across all levels of the organization.
- A global mining company has committed to implementing the Voluntary Principles on Security and Human Rights (VPSHR) and produced an online training on human rights and gender equality for security professionals



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: ambitious action to tackle gender-based discrimination must set new benchmarks in the company's operating context, and inspire others to take similar action. This often implies that action extends far beyond own operations, including to the supply chain and wider community.

Collaboration: effectively addressing gender-based discrimination requires collaboration with a broad set of stakeholders including governments, peers, local communities, and non-governmental organizations.

Interconnectedness: eliminating gender-based discrimination can reduce global inequality (Goal 10). It can contribute to decent working conditions (Goal 8) and allow women to take jobs and command wages that have a positive impact on dependents. As such, support reduction of poverty (Goal 1), hunger (Goal 2) and improve health and well-being (goal 3) and education (Goal 4)

5 GENDER
EQUALITY

BUSINESS ACTION 2

Support women's employment and strive for gender balance across the business and supply chain and at all levels



Women's full employment and leadership is essential to expand economic growth, promote social development and enhance business performance. Leading companies will invest in women-focused employment practices, recognizing the social, economic and business benefits of doing so. Businesses can support women's employment in a range of ways, from setting targets to increase gender balance in leadership positions and establishing networking and mentorship opportunities for women, to introducing policies and practices to support working parents such as flexible work options, leave and re-entry options to positions of equal pay and support for access to child and dependent care. Further, businesses can take intentional action to attract women into non-traditional roles and change corporate culture to support women and men workers. In the supply chain, business can invest in health programmes and training opportunities for women workers and support women's leadership by expanding business relationships with women-owned enterprises, including small businesses, and women entrepreneurs. The most effective approaches for supporting women's employment and achieving greater gender-balance will depend on the specific operating context of the company.

Example practice

- A Turkish retail company creates a 12-week **training program to support women entrepreneurs** in its value chain and help them enhance their business. The company connects the participants of this program to other role models and mentors, and introduces them to banks and brands with whom they could work
- A global food producer works to **strengthen women smallholder farmers' linkages with market actors** to achieve gender equality across the marketplace
- A garment factory in established an on-site kindergarten, pays the annual school fees for workers' children, and has a government-accredited health clinic that provides free medical care for workers and their families
- An online retailer introduces a **fully paid parental leave policy that goes beyond national standards** and is offered to all employees, regardless of gender or whether they become parents through birth or adoption. The policy deliberately seeks to **counteract unconscious bias against women** and mothers in the workplace by enabling parents to play more equal roles at home
- A multinational bank implements a "Diverse Supplier Subcontracting Program" which helps first tier suppliers establish their own Supplier Diversity Programs and enhances opportunities for women-owned businesses
- A global retailer works with supplier factories in Southeast Asia to provide opportunities for women to learn about reproductive health and family planning.



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: ambitious action for gender balance sets new benchmarks in the company's operating context, and inspire others to take similar action; often extending far beyond own operations, including to the supply chain and wider community.

Interconnectedness: supporting women's employment and striving for gender balance can reduce global inequality (Goal 10). It can also allow women to take jobs and command wages that have a positive impact on dependents and, as such, support reduction of poverty (Goal 1), hunger (goal 2) and improve health and well-being (Goal 3) and education (Goal 4).

5 GENDER
EQUALITY

BUSINESS ACTION 3

Develop products and services and implement marketing practices that empower women



Companies have significant reach and impact through their development of products and services and marketing practices. All companies have a responsibility to respect the rights of women and girls and manage any potential adverse impacts. Among other things, this includes ensuring that their products, services and facilities are not used for human trafficking and/or labour or sexual exploitation and that marketing and other company materials respect the dignity of women and girls. In addition to meeting their responsibilities, leading companies will look for opportunities to innovate and develop products and services that help address barriers to gender equality and empower women, such as gender-sensitive solutions to credit and lending barriers. Leading businesses may also use their influence to address gender biases and challenge gender stereotypes through their marketing campaigns.

Example practice

- An insurance company in Asia launches the first-ever **comprehensive insurance scheme for women in South Asia** which includes trauma allowances for victims of rape, acid attacks and other discriminatory acts; the program also features a mobile app with a 'panic button' which mobilises rescue services for the user if pressed
- Recognizing the expanding role of women entrepreneurs, a large UK-based bank **launches specialized financial services, microfinance opportunities and business loans and also provides an online resource center for women entrepreneurs** running small and medium-sized enterprises
- A manufacturer of laundry detergent releases an advertisement campaign in India to **challenge the common belief that household chores are solely a woman's job** and promote the idea that **household work should be more evenly distributed between men and women**



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: ambitious action through development of products, services, and market practices implies that it achieves the long-term outcomes required for realization of Goal 5. They should be developed and distributed with a clear potential for generating a lasting impact through prompting a fundamental shift in behavior.

Interconnectedness: empowering women can reduce inequalities (Goal 10), poverty (Goal 1) and hunger (Goal 2). It can contribute to health and well-being (Goal 3). Developing new products and services also contributes to innovation (Goal 9)

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GENDER
EQUALITY

BUSINESS ACTION 4

Promote gender equality through investment, community initiatives, and advocacy



Businesses have significant convening power, extensive networks, resources, and expertise that can be leveraged to promote gender equality. Leading companies recognize the economic and social benefits of gender equality and seek to use their influence, alone or in partnership, to advocate for inclusion and support efforts aimed at advancing women's empowerment. Among other things, businesses can develop or support relevant community initiatives, recognize women's leadership in and contributions to their communities, partner with organizations that are committed to advancing the rights of women and girls, engage government and other stakeholders to bring down legal barriers to women's empowerment, and help generate access to capital for gender equality and women's empowerment through galvanizing finance or gender-lens investing.

Example practice

- A Russian company **advocates against** legal barriers to women's economic empowerment and promotes the economic and social benefits of inclusion
- A communications company in West Africa offers its airtime for free to groups who **advocate against female genital mutilation** and offers support and financial assistance for the cause
- An Italian electricity company, partners with an NGO **to empower semi-illiterate women from electricity deprived villages in India and Latin America to install and maintain small photovoltaic systems**. This partnership **develops the capacities of women entrepreneurs** by providing them with technical training
- An IT company **invests in engineering schools in developing countries, hires and trains local employees**, and establishes educational schemes for **women students** to ensure that they can thrive in the workplace
- A sustainable investment management company based in the US **applies a gender lens** to all of its mutual funds, favoring investments in companies with diverse boards and management teams and avoiding companies that fail to provide a safe work environment for women. This includes companies that encourage or tolerate harassment, or that have a history or pattern of discrimination or mistreatment of women, are involved in the exploitation or trafficking of women, or whose products demean women or use negative stereotypes in their advertising, promotion or marketing.



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: ambitious community initiatives and advocacy have the potential to achieve the long-term outcomes required for realization of goal 5. They would usually consist of a series of actions over an extended time period to ensure that positive changes last and reinforce themselves.

Interconnectedness: promoting gender equality can reduce global inequality (Goal 10). It can also allow women to take jobs and command wages that have a positive impact on dependents and, as such, support reduction of poverty (Goal 1), hunger (Goal 2) and improve health and well-being (Goal 3) and education (Goal 4).

5 GENDER
EQUALITY

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**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

**6 CLEAN WATER
AND SANITATION**



6 CLEAN WATER AND SANITATION



How business leadership can advance Goal 6 on Clean Water and Sanitation



Sustainable water management is essential for human dignity and wellbeing, economic productivity, and environmental resilience. Current water resources are highly stressed, with two thirds of the world's population projected to be living in water stressed areas in 2025, a problem climate change and population growth will only exacerbate. In addition, 2.1 billion people worldwide lack access to safe, readily available water at home, and 4.5 billion lack safely managed sanitation.

Businesses are impacted by and directly impact the quality and quantity of water resources through the production of goods and services, primarily through consumption of water and discharge into shared water resources. In water-stressed areas, these impacts are more acutely felt and where businesses need to pay particular attention. Ninety per cent of water consumed in the world today is used for agricultural or industrial purposes, highlighting the crucial role that businesses must play in promoting the responsible use and effective governance of global water resources. Infrastructure funding required to achieve SDG targets related to water and sanitation are estimated to be as high as \$45 billion per year, with the private sector expected to provide a significant portion of investment. To help deliver on Goal 6, all businesses must respect the rights of communities to water and sanitation and are encouraged to support government, business and other stakeholder efforts to provide universal access to clean water and sanitation. This involves understanding impacts on local ecosystems and communities, particularly the cumulative impacts that businesses have on water resources; monitoring own water use; and taking appropriate action ranging from internal (improving water efficiency, reducing water inputs, investing in wastewater treatment, water reuse) to external collaborations to address risks and impacts in water intensive sectors such as manufacturing, agriculture, and extractives.

Leading businesses build on responsible business practices and take extraordinary steps to understand and respond to identified water risks to, and impacts of, their end-to-end operations on watersheds and communities. They can do so by implementing water stewardship plans developed in consultation with other water users. Leading action can also involve improving access to clean water and sanitation across own facilities, throughout supply chains, and the wider community. Business can do this through investment and engagement with government and civil society for the provision of water and sanitation (WASH) and the holistic management of water resources to meet social, economic and environmental needs. They can also protect and restore natural infrastructure that supports clean water provision.

The case for business leadership on water issues is supported by the key role water resources play in production across industries. Over 80 per cent of all jobs globally are dependent on sustainably managed water resources and related services. Unabated, water scarcity is estimated to cost as much as 6 per cent in GDP by 2050.

Goal 6 is closely interlinked with all other SDGs, reflecting the essential role water resources play in society, economy, and the environment. Specifically, managing water resources sustainably will enable progress on environmental and economic Goals, by avoiding potential costs of pollution and scarcity. Progress on people-related Goals, including those related to gender, poverty, education, hunger and health, will be boosted by improvements to water and sanitation. Access to clean water and sanitation supports healthier families and a more productive workforce. Mitigating the impacts of water scarcity on climate vulnerable populations is essential to make progress on this goal. Efforts to deliver other goals including Goals 2 and 7, can impact water supplies if characterized by water-intensive activities. Leading businesses will manage these risks by reducing potential conflicts between water, energy and food systems.



6 CLEAN WATER AND SANITATION



Business Actions in Support of Goal 6

Targets of Goal 6

6.1 Universal, equitable access to safe and affordable drinking water

6.2 Adequate and equitable sanitation and hygiene for all and end open defecation, with special attention to the needs of women, children and those in vulnerable situations

6.3 Improve water quality by reducing pollution and increasing recycling

6.4 Increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity

6.5 Implement integrated water resources management at all levels, including transboundary cooperation

6.6 Protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes

Business Actions

1

Develop and implement holistic water strategies that are socially equitable, environmental sustainable, and economically beneficial in watersheds around company and supply chain operations

2

Protect and/or restore water-based ecosystems around own operations and supply chain

3

Ensure access to water and sanitation by addressing impacts of company and supply chain operations on local water supplies and supporting stakeholders to deliver clean water and sanitation

6 CLEAN WATER AND SANITATION



Do your actions satisfy the Leadership Qualities?



Guiding Questions to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 6? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 2?

Consistent

- Is support for Goal 6 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 6?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 6?

Accountable

- Do you publicly express your commitment to advance Goal 6?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations for Goal 6

Actions related to Goal 6 should be in line with a company-wide water strategy that considers current and future impacts and risks on environmental, economic, and social uses of water in strategic watersheds around end-to-end operations

Ambitious action that takes a watershed approach to identify and respond to environmental and social issues throughout end-to-end operations, must aim for lasting outcomes that align with what is required to realize the Goal 6 targets.

Consistency in the context of Goal 6 means that all departments, including government relations, the legal department, and external communications are committed to all aspects of water stewardship. This includes respecting the rights to water and sanitation in all areas of operations in engagement with suppliers

Collaboration with all water users and stakeholders in a watershed is crucial to developing a holistic water management strategy that addresses local water and sanitation challenges. Companies may also support joint advocacy or partnerships that promote greater WASH outcomes.

Accountability includes monitoring and reporting on how business impacts water resources, water related natural infrastructure, and community access to water and sanitation. These impacts must be reported publicly, and placed in the context of other users' impacts on shared water resources.



How taking action on Goal 6 is interconnected with other Goals



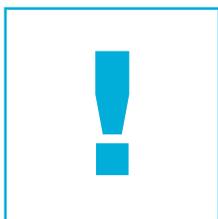
The Global Goals are inherently interconnected. Action taken toward one Goal can support or hinder the achievement of others. Identifying and addressing these interconnections will help business to build holistic and systemic solutions that amplify progress and minimize negative impacts. To help build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



Maximise likelihood of positive impact on:



Water and sanitation are strongly connected to the delivery of most Goals, but have especially strong links to people-oriented goals. This is because water is a prerequisite for the realization of other human rights, and reducing water-borne and waste-related illnesses (Goal 3). Reduced illness and low costs of water collection can help further employment, boost productivity (Goal 8) and reduce poverty (Goal 1), and increase education rates amongst children and women in rural areas (Goal 5). Improving the use of water resources in business operations will also boost the ecological integrity of natural ecosystems (Goal 14 and 15) that critically depend on clean water.



Minimise risk of negative impact on:



Efforts to reduce water waste and misuse can have unintended effects on water-dependent systems through changes in pricing and availability. In agriculture, water rationing actions may have short-term effects on food production that can impact food supplies (Goal 2). Energy produced from hydroelectric dams could be impacted by water planning, causing a switch to less sustainable forms of electricity (Goal 7). Infrastructure projects can impact on Goal 3, including through impacting land and water rights, as well as the affordability of water. These impacts, especially those on local communities, must be managed to deliver sustainable development, which should result from watershed-level water management practices.

6 CLEAN WATER AND SANITATION



BUSINESS ACTION 1

Develop and implement holistic water strategies that are socially equitable, environmental sustainable, and economically beneficial in watersheds around company and supply chain operations

As major users of water in production, and as producers of waste that can impact access to clean water resources, businesses play an important role in serving as stewards of water resources in watersheds around their end-to-end operations. All businesses are expected to assess, monitor, and report on their water use and its impacts on water resources and develop strategies to improve local watershed conditions by mitigating impacts and/or investing in programs and activities to support responsible water management and use. Leading companies take a watershed approach, setting local context based water targets that take into account hydrological, social, and political conditions. They can make a strategic commitment to shared governance of watershed resources in cooperation with other users and beneficiaries. These should be applied consistently in watersheds on which its end-to-end operations have a significant impact. Shared governance of water resources includes support for Integrated Water Resource Management plans by Governments and collaboration with other users to understand and respond to aggregate impacts on shared resources

Example practice

- A mining company **develops an investment plan for improving watershed functions** through an inclusive process involving all relevant catchment stakeholders
- A food manufacturer develops water stewardship master plans in regions it sources from, in collaboration with farmers and households, which results in substantial reduction in agricultural water use in areas of high water stress
- A chemical manufacturer **sources reused water from an urban wastewater treatment plant** avoiding industrial uptake of fresh water, and providing 500,000 people with drinking water
- An agricultural distributor **applies a well-known, credible water risk filter** to its value chain to identify impacts of its operations on other users of shared water resources and inform mitigation efforts and investment decisions



Consider the leadership qualities and interconnectedness of your action, including...

Intentionality: business action should be informed by a commitment to watershed stewardship that reflects consultation with all users and beneficiaries of shared water resources and addresses environmental, economic and social impacts and risks, with particular attention to the access of vulnerable populations to clean water.

Accountability: companies should evaluate, monitor and report the impact of operations, supply chains and planned investments on other users of shared water resources, including the environment. There are various tools available that can help companies begin a risk assessment process that could be integrated in an impact assessment and response strategy.

Interconnectedness: healthy watersheds are fundamental to human livelihoods (Goals 1, 2, 3) and animal and plant life (Goals 14 and 15)

6 CLEAN WATER AND SANITATION



BUSINESS ACTION 2 Protect and/or restore water-based ecosystems around own operations and supply chain

Business must, at a minimum, respect applicable environmental laws governing the protection of ecosystems that may be harmed as a result of their operations. Leading companies take action that goes beyond this responsibility and recognize the value of natural infrastructure that regulates water availability and quality to all stakeholders in the watersheds around their end-to-end operations. Leading companies commit to protect and/or restore water-based ecosystems to sustain the services they deliver. In line with holistic watershed management, they also collaborate with other water users and watershed dependent communities to ensure the sustained delivery of ecosystem services.

Example practice

- An energy company invests in **natural wetlands and reed beds** around company operations to treat at least the same amount of water resources as the amount it extracts and refines, replacing deep aquifer storage pumps
- An automobile manufacturer **invests in natural rainwater catchment infrastructure to replenish at least as much groundwater as it uses in production** and ensure adequate water supply for environment, population, and industry
- A beverage manufacturer **invests in water recharge technologies and practices on farms in areas it sources from** to replenish groundwater assets for agricultural inputs to its products



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: business should work with local governments to gain permits for natural infrastructure projects, financial institutions to increase financing available for natural infrastructure, national and regional governments to advocate policies supportive of natural infrastructure expansion, and local communities to understand their needs.

Accountability: companies should adopt adequate safeguards and manage any negative impacts of their actions on vulnerable communities that depend on watersheds for their livelihoods

Interconnectedness: action to protect, restore and expand natural infrastructure can help achieve goals related to ecosystems on land (Goal 15) and below water (Goal 14). By replacing high carbon grey infrastructure with carbon sequestering vegetation, these actions also support climate targets (Goal 13)

6 CLEAN WATER AND SANITATION



BUSINESS ACTION 3

Ensure access to water and sanitation by addressing impacts of company and supply chain operations on local water supplies and supporting stakeholders to deliver clean water and sanitation



Businesses play a pivotal role in ensuring access to water and sanitation. They undertake assessments that focus on understanding how company practices impact local community water resources and devising strategies in response. These responses can be to mitigate or remediate impacts. Leading companies create and drive partnerships to address the cumulative impacts of all stakeholders on WASH and address systemic issues. Business can lead in collaborations with Governments, other businesses, NGOs, and communities to devise plans that ensure adequate provision of WASH services, including through addressing joint local impacts, sharing knowledge, technologies, and infrastructure. They pay particular attention to protecting and expanding the access of vulnerable populations to clean water and sanitation, including poor and indigenous communities

Example practice

- An energy utility **shares municipal modelling capabilities** with local Governments to aid with water supply planning
- A mining company **shares water treatment facilities for mine tailings with municipalities** to provide safe drinking water and wastewater treatment services in water-scarce regions, support water reuse in the company's own operations, and alleviate water stress stemming from local population growth related to displacement of rural populations from mining activities
- A hydroelectric dam operator **provides sanitation facilities to villages downstream from a new dam** to ensure quality water resources are provided for energy and other uses throughout the watershed



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: strong, long-term multi-stakeholder partnerships are fundamental to promoting adequate wash provision that respects the rights of local communities

Accountability: wash provision often affects vulnerable groups. Companies should adopt adequate safeguards and manage any negative impacts of their actions on these groups, and also monitor the accumulation of impacts from actions of partners they work with. Meaningful engagement in relation to this business action includes ensuring free, prior, and informed consent for local and indigenous populations for all major water infrastructure operations, as part of a comprehensive engagement strategy with all watershed stakeholders.

6 CLEAN WATER
AND SANITATION

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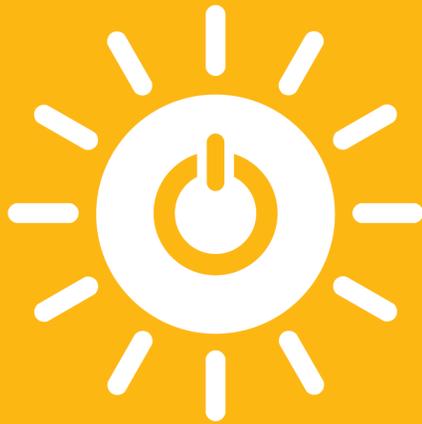
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**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

**7 AFFORDABLE AND
CLEAN ENERGY**



7 AFFORDABLE AND CLEAN ENERGY



How business leadership can advance Goal 7 on Affordable and Clean Energy

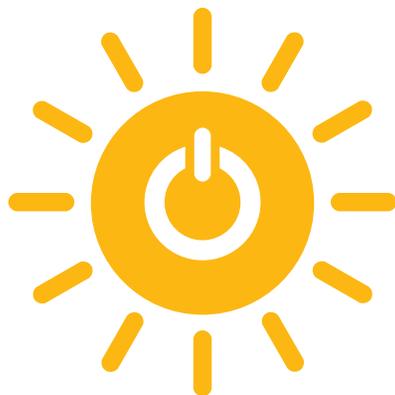


The world falls significantly short of ensuring access to affordable, reliable, sustainable and modern energy for all and meeting the targets it has agreed for clean energy penetration and energy efficiency. More than 1 billion people (15 per cent of the global population), mainly in rural communities, lack access to electricity. More than 40 per cent of the global population currently lacks access to clean fuels and technologies for cooking. The share of renewable energy in final energy consumption remains at around 18 per cent, and, despite recent advances in solar and wind power, much of this is through hydroelectric power. There are particularly acute challenges to increasing the share of renewable energy in the heat and transport sectors, which together account for 80 per cent of global energy consumption. Despite improvements, many of the world's largest energy consuming countries are not increasing their rates of energy efficiency at the speed that the global community has agreed is necessary.

Businesses have an essential part to play in driving the financing and development of technologies needed to achieve Goal 7. The private sector accounts for half of the world's energy consumption, so it has significant scope to increase energy efficiency and source energy from renewable sources. Businesses supply energy and energy-consuming products and services to consumers, which they can make clean and efficient in use. They can also make these affordable to enhance access for underserved populations.

Given the scale of the challenge and the vital role of business, there is significant scope for leadership. Companies with energy intensive operations can significantly increase energy efficiency and source remaining energy needs from renewable sources. Where companies have energy intensive supply chains, they can promote similar action through supplier selection and build capacity among their suppliers to do the same. Leading companies can also leverage their skills to create and deploy new, affordable sustainable energy and energy efficiency products and services. They can also develop and implement business models to deliver sustainable energy and energy efficiency technologies to new markets and communities, supporting the goal to create universal access to sustainable energy.

Improving access, efficiency, and sustainability in energy supply around the world provides a significant market opportunity for business. Investment of \$1 trillion each year required to deliver Goal 7, several times larger than current levels of spending on energy efficiency, renewable energy, and energy access. Energy efficiency and low-cost renewable energy sources offer cost reduction opportunities for businesses in their own production activities. Powering new communities with renewable energy technology supports complementary markets for business products and services, and the market for clean cooking solutions is starting to mature, providing opportunities for business.



Expanding access to sustainable energy supports progress on other SDGs. It is a crucial input to reducing poverty (Goal 1) and improving health (Goal 3), increasing productivity, enhancing competitiveness and promoting economic growth (Goal 8), and the energy transition is a necessary enabling factor for climate action (Goal 13) and sustainable cities and communities (Goal 11). Companies should carefully manage the risk that action on Goal 7 leads to negative impacts on other SDGs. Increasing energy access through supply of additional hydroelectricity, for example, could have an adverse impact on environment (Goals 14 and 15) and local communities dependent on land near water resources for their livelihoods (Goal 1 and 2). Expanding supply with fossil fuel-based energy sources could endanger the delivery of Goal 13. Leading businesses manage these risks to support the full SDG agenda.

7 AFFORDABLE AND
CLEAN ENERGY**Business Actions in Support of Goal 7****Targets of Goal 7**

7.1 Universal access to affordable, reliable and modern energy services

7.2 Increase the share of renewable energy in the global energy mix

7.3 Double the global rate of improvement in energy efficiency

Business Actions**1**

Significantly increase energy efficiency, source remaining energy needs from renewable sources, and promote the same action across the supply chain through supplier selection and support

2

Research, develop, and deploy affordable sustainable energy and energy efficiency products and services

3

Develop and implement business models to deliver sustainable energy and energy efficiency technologies to new markets and communities

7 AFFORDABLE AND CLEAN ENERGY



Do your actions satisfy the Leadership Qualities?



Guiding Questions
to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 7? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 7?

Consistent

- Is support for Goal 7 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 7?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 7?

Accountable

- Do you publicly express your commitment to advance Goal 7?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations
for Goal 7

Integration of the commitment to Goal 7 in the corporate strategy, and top-level leadership, are key to realize the fundamental shifts in business activities and deliver the required technology and business model innovation.

Ambitious action on Goal 7 galvanizes financial flows at scale towards the deployment of new technologies and business models for universal access to sustainable energy and energy efficiency. It has an impact that goes well beyond the company's own operations and is consistent with the quantitative targets of Goal 7.

Advancing Goal 7 requires all organizational functions to be aligned so as to maximize cross-fertilization of ideas and to leverage all available resources; it is also essential that actions by one business unit do not negate positive impacts by other units.

Collaboration with other stakeholders is key to advancing Goal 7: it requires responsibly working with Governments on policy; cross-sector partnerships to exchange innovation; and engaging with communities to understand energy needs, can all drive progress.

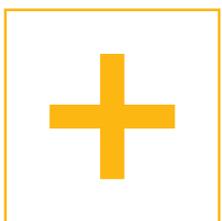
The deployment of new technologies at scale carries many risks of negative impacts on local communities that need to be carefully managed, particularly where significant use of land and resources is required, such as for hydropower, biofuels, and large power plants and transmission and distribution infrastructure.



How taking action on Goal 7 is interconnected with other Goals



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



Maximise likelihood of positive impact on:



Given the link between energy access, efficiency, economic growth, and green jobs (Goals 8 and 12), expanding energy access and increasing energy efficiency is likely to improve incomes, especially in rural areas, which can help reduce poverty and hunger (Goals 1 and 2). Clean energy, including for cooking, can reduce local and domestic pollution, contributing to health (Goal 3). Deploying renewable energy technology can provide access to energy without increasing carbon emissions. This will support national and international targets on climate mitigation (Goal 13). Expanding access to energy can advance goals related to infrastructure, especially in cities and developing countries, which is necessary to support sustainable development (Goals 9 and 11). Increasing access to energy can reduce inequalities between and within countries and sexes (Goals 5 and 10).



Minimise risk of negative impact on:



High impact energy generation projects including large hydroelectric dams can have adverse impacts by displacing people and erasing essential parts of their livelihoods, which could threaten progress on reducing poverty, hunger and inequalities (Goals 1, 2 and 10). If priorities are not carefully managed by businesses, the use of agricultural land for growing biomass crops can have negative impacts on reducing hunger (Goal 2) and cause deforestation (Goal 15).

7 AFFORDABLE AND CLEAN ENERGY



BUSINESS ACTION 1

Significantly increase energy efficiency, source remaining energy needs from renewable sources, and promote the same action across the supply chain through supplier selection and support



A transition to a sustainable, clean energy system requires significant shifts in both the demand and supply of energy. On both sides, companies have a crucial role to play. All companies have a responsibility to seek energy efficiency improvements and source energy from clean sources. Leading companies inspire peers and other stakeholders to take action. They do so by committing to steep reductions in their energy use through efficiency improvements and fulfilling the rest of their energy requirements from renewable sources. They also support similar action throughout their supply chain, by building partnerships with, and capacity in, strategic suppliers, and through supplier selection. Businesses often undertake these activities at the same time as reducing the energy use associated with the consumption of their products and services.

Example practice

- A major furniture company **drives energy efficiency** throughout its supply chain. It focuses on energy efficiency improvements including through smart building management systems, LED lighting, and power quality optimisation and fuel cells; and makes significant advances towards its goal to **produce more renewable energy than it needs** by 2020
- A healthcare manufacturer **sources all energy from renewables and maximises procurement of inputs from suppliers that use 100 per cent renewables**, including through supporting waste-to-energy technology in its supply chain through sending manufacturing waste to cement kilns for reuse



Consider the leadership qualities and interconnectedness of your action, including...

Intention: action to fundamentally alter the energy needs and sources of a company requires top-level leadership and a strong commitment in the company strategy to drive credibility and commitment of employees.

Ambition: ambitious action has a wide scope, encompassing the supply chain. The improvements targeted within that scope should, where applicable, be consistent with or exceed quantitative ambitions set in the Goal 7 targets.

Collaboration: collaborations can be very effective to achieve energy efficiency and clean energy goals, not only with supply chain members, but also with peers and government; for example by setting an industry-wide renewable portfolio standard.

Interconnectedness: energy efficiency and clean energy contribute to Goal 12 (sustainable production and consumption) and Goal 13 (climate action). There are significant risks of negative impacts associated with clean energy provision that must be carefully managed. These include using agricultural systems to grow energy crops rather than food for consumption, which can negatively impact on Goal 2 (zero hunger).

7 AFFORDABLE AND CLEAN ENERGY



BUSINESS ACTION 2

Research, develop, and deploy affordable sustainable energy and energy efficiency products and services



Companies can lead on Goal 7 by leveraging their skills to create and deploy products and services that are energy efficient and clean in use. They can also lead through researching, developing, and deploying products and services that improve access to energy for marginalized and disadvantaged groups. To be leading, these products and services should facilitate the fundamental changes that are necessary for a successful transition to a sustainable energy system and ensure access to sustainable energy for all, including through setting the right levels of affordability. Technological developments can tremendously advance energy access, energy efficiency and the use of clean energy across energy and industry, buildings and appliances, transport, and agriculture; but there is also significant scope for service innovation to achieve the same through, for example, developing innovative financial products. Leadership may also call for collaboration with customers to ensure the best possible product or service fit. This is particularly relevant for public procurement, which has large sustainability implications, but where capacity gaps may hinder adequate decision making.

Example practice

- A car sharing company **converts to an all-electric fleet**, deploying energy efficient transport technology across all of its markets
- A lighting company introduces **community light centers**, enabling social and economic development after dark for communities off the grid throughout Africa and Latin America. It also supplies **LED lanterns** that significantly reduce lighting costs, last ten times longer than traditional lightbulbs, and prevent women and children from inhaling smoke from indoor kerosene lamps and wood fires
- An electric utility **launches innovative mobile finance technologies offering pay-as-you-go and blockchain models** to provide affordable financing models to help communities access renewable energy, despite high upfront costs
- An engineering company **pioneers innovations in technology and IT for low-voltage micro-grids** that can help accelerate the roll out of renewable energy by facilitating the integration of small-scale wind or solar energy capacity with battery energy storage systems



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: collaboration with customers is often key to ensure product and service fit. Collaboration can also take the form of sharing intellectual property with peers to create an open innovation system with the capacity to produce breakthrough innovations

Accountability: the development of energy products and services for vulnerable groups requires adequate safeguards and management of any risks of negative impacts, including from technical failures, hazardous waste, and environmental pollution

Interconnectedness: investment in innovation around sustainable energy products and services can significantly advance innovation (goal 9) and climate action (Goal 13). However, electrification of transport and other energy services is only sustainable to the extent that electricity in the system is derived from low carbon sources.

7 AFFORDABLE AND CLEAN ENERGY



BUSINESS ACTION 3

Develop and implement business models to deliver sustainable energy and energy efficiency technologies to new markets and communities



Over one billion people lack access to electricity, many of whom live in remote areas far from electricity grids, while 2.7 billion rely on the traditional use of biomass for cooking. Energy providers in such areas have a responsibility to work with Governments and other stakeholders to facilitate energy access. Leading companies can create and implement new business models, and bringing modern energy efficiency technologies to new markets and underserved communities. These can include business models around the installation and operation of mini- and micro-grids, energy storage systems, and recycling of car batteries to provide electricity to buildings, as well as innovative service models to deliver energy to communities that cannot participate in traditional tariff-based systems. Leading companies work across markets and sectors to develop new systems of energy generation, delivery, and efficiency in areas with low levels of sustainable energy supply.

Example practice

- An energy company **recycles spent EV batteries** to provide energy storage for renewable electricity systems on islands without access to grid-based energy
- A food manufacturer **generates electricity and advanced biofuels from renewables fuelled boilers** in its sugar mills, providing energy to local communities
- A heating and cooling company **launches a distributed energy and district heating product** enabling institutional heat and power consumers to control local energy supply and benefit from improvements in energy efficiency



Consider the leadership qualities and interconnectedness of your action, including...

Accountability: business models to deliver sustainable energy and energy efficiency solutions to new markets and communities often affect vulnerable groups. This requires adequate safeguards and management of any risks of negative impacts from the product and services that are deployed

Interconnectedness: business models for sustainable energy and energy efficiency delivery can advance goals related to sustainable infrastructure (Goal 9) and communities (Goal 11). Improved access to sustainable energy and energy efficiency can have significant positive impacts on reducing poverty (Goal 1) and advancing health (Goal 3), especially in areas currently reliant on indoor combustion of biomass for energy; although care should be taken to minimise the risk of negative impacts on

7 AFFORDABLE AND
CLEAN ENERGY

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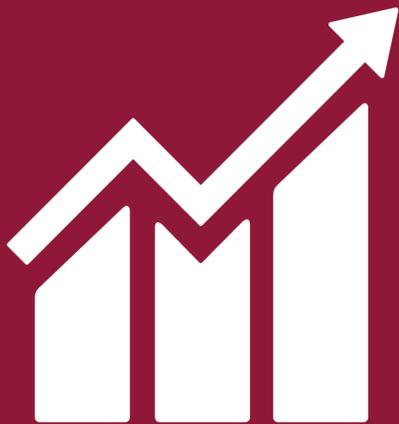
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**8 DECENT WORK AND
ECONOMIC GROWTH**



8 DECENT WORK AND ECONOMIC GROWTH



How business leadership can advance Goal 8 on Decent Work and Economic Growth



Sustainable and equitable economic growth, coupled with low unemployment and decent work, is at the top of the agenda for most, if not all, countries. However, growth has not reached full potential in many economies in the developed and developing world. At the same time, exploitation and labour rights violations are still endemic around the world. An estimated 168 million children are victims of child labour. There are major forces that are changing labour market dynamics such as automation, globalisation, and demographic changes. The impact of these forces must be reconciled with the need to create 600 million new jobs by 2030, mostly in developing countries, to sustain economic growth and maintain social stability.

Businesses play a central role in advancing Goal 8, as they account for the majority of GDP in most countries as well as the majority of jobs. The foundation of supporting decent work is implementation of the UN Guiding Principles on Business and Human Rights, through which companies can address their own impacts on employees and workers in their value chains. Decent work as defined by the International Labour Organization (ILO) is work that is productive and delivers a fair income; security in the workplace; social protection for families; better prospects for personal development and social integration; freedom for people to express their concerns, organize and participate in the decisions that affect their lives; and equality of opportunity and treatment for all women and men.

Business should recognize that much of its impact on Goal 8 is through its business relations, including through the businesses in its supply chains with which it can advance respect for fundamental human and labour rights. The ILO estimates that in 40 countries representing 85% of world GDP, there are 453 million formal sector jobs related to global supply chains. This does not include supply chain workers in informal work such as work at home; or non-standard work, ranging from temporary employment to forced labour. For example, significant proportions of labour in various industries, including electronics and textiles and garments, are on temporary contracts. All businesses should have responsible tax practices to provide Governments with adequate resources for their efforts to ensure decent work at the national level.

Business can lead on Goal 8 by investing in innovation, labour and capital to achieve strong, sustainable and equitable economic growth that provides decent jobs. Four key areas lend themselves particularly well for business leadership. Businesses can lead by putting in place policies and practices to

support decent working conditions for all employees across the business and supply chain. They can partner with suppliers to build their capacity for doing so, and support other stakeholders in their efforts, too. Business can also lead by educating and training the labour force, including workers across end-to-end operations and in surrounding communities, and focusing particularly on vulnerable groups including women, young people and persons with disabilities, so that they acquire the skills needed to provide productive labour or transition from informal to formal sector work, and remain employable in a changing labour market. Business leadership can also involve creating formal-sector jobs in labour-intensive sectors, especially in least-developed countries, including through inclusive sourcing practices. Businesses can further be leaders through making a large contribution to sustainable economic growth and productivity, which can take the form of investing in R&D, upgrading skills, and supporting growing businesses. Where businesses take action to support decent work, they should build an understanding of how they can complement existing initiatives by Governments and other stakeholders, and ensure that they do not interfere with or otherwise negatively impact other initiatives.

Businesses benefit from higher growth as it results in stronger returns, generates demand, and helps boost profitability. Similarly, businesses have much to gain from providing decent work, as it creates the conditions for healthy, satisfied employees who are more productive, innovative, and loyal. A business that is committed to supporting good working conditions also attracts talent, increases retention, and fares better in competitive markets.

Action on Goal 8 is strongly connected to all the other Goals. For example, decent work contributes to poverty reduction (Goal 1). Evidence has shown that job-creation is one of the most robust ways to reduce poverty. Action on Goal 8 also reduces inequalities (Goal 5 and 10) by supporting decent work and reducing unemployment, which can in turn lead to better health, nutritional and educational outcomes (Goal 3, 4 and 2). Ensuring that there is all-round prosperity and continual growth helps create the foundations for a more peaceful society (Goal 16). However, economic growth, if not sustainably managed, can potentially have a negative impact on Goals with a strong environmental dimension. It can lead to an increase in greenhouse gas emissions (Goal 13) and can pollute terrestrial and oceanic ecosystems (Goal 14 and 15), which can threaten future prosperity because subsequent generations will inherit a planet that is more polluted and less rich in critical natural resources.

8 DECENT WORK AND ECONOMIC GROWTH



Business Actions in Support of Goal 8

Targets of Goal 8

8.1 Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries

8.2 Achieve higher levels of economic productivity

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, and innovation.

8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation

8.5 Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

8.6 Reduce youth unemployment

8.7 Eradicate forced labour, modern slavery, child labour and human trafficking

8.8 Protect labour rights and promote safe and secure working environments for all workers

8.9 Devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products

8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all

Business Actions

- 1 **Support decent working conditions for all employees across the business and supply chain, with partnerships to build suppliers' capacity to do the same**
- 2 **Educate and train the labour force, focusing on vulnerable and economically disadvantaged groups**
- 3 **Create decent formal-sector jobs in labour-intensive sectors, especially in least-developed countries**
- 4 **Drive economic growth and productivity by investing in R&D, upgrading skills, and supporting growing businesses, in a way that is compatible with sustainable development**

8 DECENT WORK AND ECONOMIC GROWTH



Do your actions satisfy the Leadership Qualities?



Guiding Questions
to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 8? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 8?

Consistent

- Is support for Goal 8 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 8?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 8?

Accountable

- Do you publicly express your commitment to advance Goal 8?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations
for Goal 8

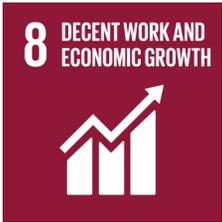
Strong leadership on Goal 8, with a commitment in corporate strategy and by top-level management, is necessary to ensure that the required ethical standards are integrated in all levels of the organization and action on Goal 8 becomes part of all activities

Providing decent work and supporting economic growth are fundamental to most businesses' activities. Ambitious action goes significantly beyond that of peers, explicitly aiming to further the 2030 Agenda and engaging in new ways that can lead to change at scale

Consistency requires businesses ensure that support for the 2030 Agenda is embedded across all organizational functions so that there are no countervailing or impeding activities in any parts of the business

Collaboration on Goal 8 means companies will partner with and engage Governments, civil society, industry peers, schools, universities, unions, and other stakeholders to understand how working conditions can be improved, how skills-development programs can best be implemented, and how growth and job creation can be compatible with local sustainable development outcomes

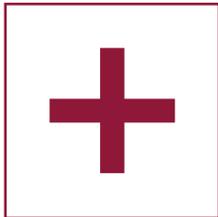
Accountability includes monitoring and reporting on business impacts on people and planet, in particular with an eye to ensuring that actions do not contribute to existing inequalities and environmental problems. This involves managing risks, and meaningfully engaging Governments, unions, and local communities



How taking action on Goal 8 is interconnected with other Goals



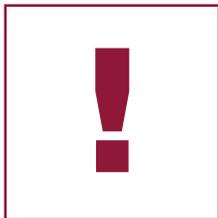
The Global Goals are inherently interconnected. Action taken toward one Goal can support or hinder the achievement of others. Identifying and addressing these interconnections will help business to build holistic and systemic solutions that amplify progress and minimize negative impacts. To help build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



Maximise likelihood of positive impact on:



Economic growth coupled with the creation of decent work contributes to all Global Goals. In particular, it contributes to poverty reduction (Goal 1) and reducing inequalities (Goal 5 and 10) by promoting decent work and reducing unemployment. This in turn leads to better health, nutritional, and educational outcomes (Goal 3, 4 and 2). Finally, ensuring all-round prosperity and continual growth helps create the foundations for a more peaceful society (Goal 16).



Minimise risk of negative impact on:



Economic growth, if it is not sustainable, can potentially have a negative impact on Goals with a strong environmental dimension. It can lead to an increase in greenhouse gas emissions (Goal 13) and can pollute terrestrial and oceanic ecosystems (Goal 14 and 15), which can threaten future prosperity because subsequent generations will inherit a planet that is more polluted and less rich in critical natural resources. It might also lead to reinforcing inequalities (Goal 10), which is strongly related to gender equality, poverty, hunger, health, and education outcomes.

8 DECENT WORK AND ECONOMIC GROWTH



BUSINESS ACTION 1

Support decent working conditions for all employees across the business and supply chain, with partnerships to build suppliers' capacity to do the same



Business has a responsibility to respect human rights across its operations and business relationships. Companies can lead on supporting decent working conditions by taking ambitious action within the context of their end-to-end operations that inspires others to take action at scale. For example, in implementing the UN Guiding Principles, businesses can introduce novel, thorough ways to map their supply chains and identify areas at greatest risk of labour rights violations and/or negative impacts to the community, and take the appropriate remedial action. They can work toward the payment of living wages across own operations and the supply chain. They can also put in place measures to track, prevent and address any issues that stop employees from having decent working conditions and help build suppliers' capacity to do the same. Key to this is establishing effective partnerships with suppliers themselves but also with unions, Governments, industry peers and other stakeholders to take robust and considered action. Government has a central role in protecting decent work, and business should proactively engage with government and other stakeholders to support regulatory measures improving work conditions

Example practice

- A clothing company **implements programs to build suppliers' capacity to pay a living wage and promotes the use of digital payments** to ensure that progress can be properly tracked and evaluated
- A large furniture company partners with UNICEF to address child labour issues in India; its program includes setting up child protection committees and addressing the root causes of child labour such as debt, poverty, lack of access to education, disability, and ill health
- A global resources company puts in place **mechanisms to track, prevent, and address the violation of labour rights across the supply chain**, including pooling data and systematically using human rights impact assessments to understand salient risks at country and sector levels
- A consumer goods company **partners with NGOs, the UN and civil society organisations to publicly share lessons on tackling human rights issues in its supply chain and ensuring decent work for all**; it participates and contributes to research projects to identify the root cause of exploitative work and methods to ensure decent jobs
- An electronics company establishes an **industry framework agreement** that ensures that all suppliers and subsidiaries around the world fall under the same international industry **standard on labour rights** and decent working conditions



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: partnerships with key stakeholders, including, but not limited to, workers and worker organizations, other companies and governments, is necessary for action that addresses the systemic issues underlying the lack of decent working conditions faced by many

Accountability: companies should report on negative and positive impacts and deeply engage stakeholders, especially workers and unions, to get feedback on working conditions and improve its practices accordingly

Interconnectedness: decent work for all can contribute positively to Goal 9 on innovation by unlocking the full potential of workers. It can also contribute to Goal 16 by helping build effective, inclusive and transparent institutions.

8 DECENT WORK AND ECONOMIC GROWTH



BUSINESS ACTION 2

Educate and train the labour force, focusing on vulnerable and economically disadvantaged groups

Businesses can advance Goal 8 by providing education and training for the labour force across the workplace, marketplace, and community. Leading action facilitates acquisition and upgrading of skills that allows workers to provide productive labour or transition from informal to formal sector work, and remain employable in a labour market that is subject to pressures including automation, globalisation, and demographic change. Programs should focus on building skills of economically disadvantaged groups such as women, youth, people with disabilities, the elderly, or ethnic minorities. They should not be limited to workers across end-to-end operations but extend to the communities surrounding these operations where possible, to ensure inclusiveness and address localised inequalities.

Example practice

- An international accountancy firm provides **targeted internships and employment opportunities to young people from disadvantaged backgrounds** in its local office; it also **sends its staff to volunteer in schools in local townships** to improve educational outcomes and employability
- An international beverage company **leads on employing people with disabilities**. It has a **dedicated program that provides targeted professional and personal growth opportunities to people with disabilities** through training, education, community events, networking etc.
- A computer manufacturing company **hires low-income workers from diverse sectors whose jobs are likely to be automated and trains them in coding so that they can participate in new collar roles** such as cybersecurity management, cloud platform operations and mobile app development



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: to lead on education and training of the labour force it is essential that companies work with educational institutions, national and regional governments, and local communities to understand how they can best work together, and specifically include disadvantaged groups .

Accountability: working with vulnerable groups requires managing risks of negative impacts and having appropriate safeguards in place.

Interconnectedness: action to train disadvantaged groups will contribute to Goal 5 on gender equality and Goal 10 on reduced inequalities. It will also help further lifelong learning and therefore contribute to goal 4 on quality education

8 DECENT WORK AND ECONOMIC GROWTH



BUSINESS ACTION 3

Create decent formal-sector jobs in labour-intensive sectors, especially in least-developed countries



Companies can directly contribute to Goal 8 is by creating decent formal-sector jobs. Companies can lead by responsibly creating large numbers of decent formal-sector jobs, especially in least developed countries where this has the potential to substitute for informal employment and contribute to the SDG target of seven per cent GDP growth per annum. They can do so by investing in growing businesses, shifting to strategic suppliers in labour-intensive sectors, and expanding own operations into areas with high rates of unemployment. Leading companies ensure that the jobs they create are decent and the activities to create these jobs are compatible with all aspects of the 2030 Agenda.

Example practice

- An international bank creates pools of **soft-finance for growing companies and start-ups in least developed countries** to help increase local employment and contribute to the upliftment of poor communities
- An international food company commits to **sourcing a significant percentage of its raw material from small-holder farmers** in developing countries to boost local employment
- A technology start-up develops an app to **formalise and further develop the domestic help sector**. It connects helpers to households so that it is easier to find job opportunities, ensures that living wages are paid, and formalises the relationship to protect both parties against misconduct and drive up demand



Consider the leadership qualities and interconnectedness of your action, including...

AMBITION: an ambitious company aims for its activities to result in net creation of decent jobs in the areas where it operates. It will demonstrate its commitment to the Global Goals by creating jobs in least developed countries and developing markets

Accountability: to sustainably and ethically create jobs, it is essential that a company has robust environmental and social safeguards, reports on impacts (both negative and positive), and deeply engages stakeholders to understand how its activities are influencing people and the planet

Interconnectedness: delivering on net job-creation that is in line with the 2030 Agenda can also advance other sdgs such as Goal 16 on peace, justice and inclusive institutions, and Goal 10 on reduced inequalities

8 DECENT WORK AND ECONOMIC GROWTH



BUSINESS ACTION 4

Drive economic growth and productivity by investing in R&D, upgrading skills, and supporting growing businesses, in a way that is compatible with sustainable development



A sizeable share of the private sector strongly contributes to economic growth and achieving higher levels of productivity, driven by healthy competition in markets governed by a clear, stable regulatory environment. However, many companies, despite abiding by the law, contribute to growth and productivity at the cost of achieving the SDGs. They may do so by, for example, depriving Governments of tax revenues by making use of tax loopholes and avoidance schemes, emitting large amounts of greenhouse gas emissions that are inadequately regulated, and sourcing from and relocating operations to regions with lower regulatory standards and oversight in a way that is incompatible with sustainable development. Leading companies drive economic growth and productivity that is aligned with the entire 2030 Agenda by investing in R&D, upgrading skills, and supporting growing businesses that contribute to better outcomes for people and planet, with a focus on the less well-off and marginalised groups in global society and the most threatened natural assets.

Example practice

- An automobile manufacturer **invests in researching and developing a high-performance, affordable electric vehicle (EV)** and partners with a solar generation company to ensure that its EVs run on sustainably produced electricity; it makes its technology publicly available to enable an industry-wide switch to EV
- An toy company partners with schools and higher education institutions to launch a program on 'girls in STEM fields' to boost growth by **increasing female participation in the labour force.**
- A company develops technology to **use plastic waste to generate clean energy** to meet the double objective of sustainability and energy access

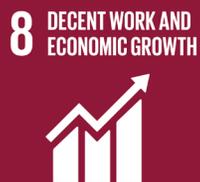


Consider the leadership qualities and interconnectedness of your action, including...

Consistency: companies should ensure that all of their activities support economic growth and productivity, including adopting responsible taxation to ensure that governments can make the necessary public investments.

Accountability: to drive sustainable economic growth and productivity, a company should always have robust environmental and social safeguards, and monitor and report on its impacts on people and planet.

Interconnectedness: delivering growth that is in line with the 2030 sustainable development agenda will connect to all of the other Goals. For example, starting the process of decoupling growth from emissions will contribute strong to Goal 13 on climate action; while efforts to have growth that respects and supports human rights will strongly contribute to Goal 5 on gender equality and Goal 10 on reduced inequalities.



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**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

**9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE**



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



How business leadership can advance Goal 9 on Sustainable Industry, Innovation and Infrastructure



Industry, infrastructure and innovation are key drivers of economic growth and social value creation. Sustainable industrialization can lift communities out of poverty but needs to be managed carefully to avoid additional pressures on people and planet. In developing countries alone this requires a \$1 trillion gap in annual investment spending needs to be addressed. Industrialization and, more broadly, economic development crucially depends on quality, reliable infrastructure. Without it, communities and businesses remain deprived of access to markets, quality products and services, and jobs. Globally, 2.6 billion people cannot access a reliable electricity source and over 4 billion do not have internet access. As these gaps are filled, industry and infrastructure assets must be resilient to changes in social, economic, and environmental conditions. To achieve inclusive and sustainable industrialization and deliver quality, resilient infrastructure, technological and process innovations must be developed and deployed at scale.

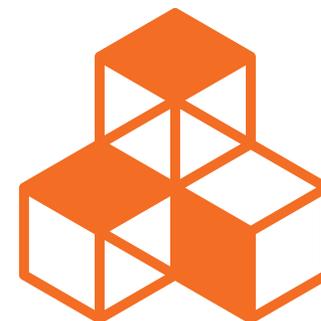
As producers, employers, investors, and innovators, businesses are fundamental to achieving Goal 9. Business delivers through its research, development and deployment of technologies and processes, and its financing and production of capital assets and infrastructure. But business is also instrumental in creating an enabling environment for innovation and investment through its engagement with other stakeholders such as Governments on innovation, policy, and accessibility to their intellectual property and other assets. Business, of course, has an obligation to comply with relevant laws designed to protect people and the environment. However, responsible business practice moves beyond strict legal compliance toward supporting internationally recognized standards of conduct.

Leading companies contribute to Goal 9 with actions that impact both their own practices and those of others. Internally, they foster intrapreneurship and ethical leadership to create a corporate culture that supports innovation and business activities with inclusion and sustainability at their heart. Companies can lead through research, development and deployment of products, services, and business models to deliver sustainable and resilient infrastructure; particularly those tailored for challenging conditions in developing countries where the need is greatest. They can support inclusive and sustainable upgrading of industries in developing countries through global value chains, by focusing on transferring technologies and skills to

build local capabilities. Leading companies can create innovation systems for sustainable development by providing access to finance, fostering entrepreneurship, and pooling financial and research resources in a global knowledge base. They can also lead in upgrading and retrofitting of infrastructure and industry assets across own and supply chain operations to make them sustainable and resilient.

Leadership on Goal 9 represents a significant market opportunity for businesses. Retrofits and installation of new infrastructure is a market worth \$3.7 trillion annually. Delivering this infrastructure can allow businesses to access new markets for their products and services, as well as access to underserved labour markets and resources, while respecting international standards for environment and social impacts. The transition to a green, resilient industrial and infrastructure base globally represents a significant investment opportunity with large rewards for businesses that can position themselves at the leading edge of the sectors that must deliver it.

Action on Goal 9 is strongly interconnected with many other SDGs, most notably Goal 11 on sustainable cities and communities, and Goal 12 on responsible consumption and production. Efforts to create new opportunities for innovation and employment in developing countries directly relate to Goal 8. Infrastructure-dependent SDGs including those relating to food (Goal 2), water and sanitation (Goal 6), energy (Goal 7), and climate action (Goal 13) will also benefit from action on Goal 9. Leading action must be managed such that it does not risk exacerbating existing inequalities, or creating new ones, and so that it is not contributing to any form of corruption and violation of human rights that would negatively impact on a range of SDGs.



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE**Business Actions in Support of Goal 9****Targets of Goal 9**

9.1 Develop quality, reliable, sustainable and resilient infrastructure

9.2 Promote inclusive and sustainable industrialization

9.3 Increase access of SMEs to financial services and markets

9.4 Upgrade and retrofit existing infrastructure to make industries sustainable

9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries.

Business Actions**1**

Research, develop, and deploy products, services and business models to deliver sustainable and resilient infrastructure

2

Support inclusive and sustainable upgrading of developing country industries in global value chains

3

Create innovation systems for sustainable development by providing access to finance, fostering entrepreneurship, and pooling financial and research resources in a global knowledge base

4

Upgrade and retrofit infrastructure and industry assets across own and supply chain operations to make them sustainable and resilient

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Do your actions satisfy the Leadership Qualities?



Guiding Questions
to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 9? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 9?

Consistent

- Is support for Goal 9 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 9?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 9?

Accountable

- Do you publicly express your commitment to advance Goal 9?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations
for Goal 9

Leading on Goal 9 requires activities to be carried out over the long-term, necessitating continuous, strong backing and clear explanation of benefits to all stakeholders of the company. This requires a top-level strategic commitment.

Ambitious action on industry, infrastructure, and innovation focuses on the areas of greatest need where the company's capabilities most strongly complement the capabilities of other actors. Actions have the potential to achieve impact at scale through inspiring others to replicate it.

A full commitment to Goal 9 means that the company consistently maximizes sustainability of all its assets and throughout all its innovation activities. It is important that all staff are appropriately incentivized for doing so, as cutting on sustainability can be an attractive way to control budgets.

Large investment projects always need to be delivered in close consultation with all affected stakeholders, due to their complex nature, high levels of impact, and long lifespans. Care must be taken to align projects with national development plans, especially in least developed country contexts.

Making commitments public, and monitoring and reporting on progress, is key in the context of Goal 9 given the significant development impact of large projects. Any risks of negative impacts on people and planet associated with actions should be managed carefully, and safeguards should be in place.



How taking action on Goal 9 is interconnected with other Goals



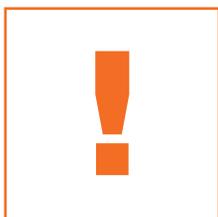
The Global Goals are inherently interconnected. Action taken toward one Goal can support or hinder the achievement of others. Identifying and addressing these interconnections will help business to build holistic and systemic solutions that amplify progress and minimize negative impacts. To help build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



Maximise likelihood of positive impact on:



Sustainable infrastructure is core to the development of sustainable cities (Goal 11), and these goals can be pursued in tandem. Developing more sustainable industrial processes and products through R & D investments will further enhance efforts to improve sustainability in the production of goods and services (Goal 12). Sustainable infrastructure can support more productive agricultural practices (Goal 2), greater access to WASH (Goal 6), and clean energy (Goal 7). Resilient infrastructure in vulnerable communities also increases adaptive capacity to climate change (Goal 13).



Minimise risk of negative impact on:



Infrastructure investment and industrial development involve large financial flows, which can involve risks of illicit business conduct, including corruption and bribery, in all markets. Relatedly, there is a risk of increased inequalities if the economic benefits flow only to a small group, particularly in cases where there may be corresponding negative impacts on livelihoods of other communities (Goal 10). This in turn could lead to injustice and an erosion of institutions (Goal 16). Displacement of communities for large infrastructure projects tends to disproportionately affect women and children (Goal 5) and vulnerable communities. If projects do not adhere to stringent environmental performance standards they may cause serious harm to life on land (Goal 15), life below water (Goal 14), and the climate (Goal 13).

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE

BUSINESS ACTION 1

Research, develop, and deploy products, services and business models to deliver sustainable and resilient infrastructure



Governments and businesses spend \$3 trillion per annum on infrastructure projects, collaborating through public-private partnerships. Businesses supply the majority of the technology and skills underpinning the construction and operation of these assets. These activities should comply with all the relevant standards and requirements of the country. Leading companies can, on their own or preferably in partnership with Governments and other stakeholders, engage in the research, development, and deployment of new products, services and business models that can deliver on the world's long-term infrastructure challenges. This can include applying innovative methods to maximize the share of urban residents with access to project benefits and essential services, and innovating for more sustainable, resilient infrastructure technologies.

Example practice

- A technology company **launches a targeted offering for municipalities** designed to implement solutions for sustainable urban services infrastructure (e.g. photovoltaic road, in situ infrastructure development)
- An investment bank **launches a green bond** to finance sustainable infrastructure in a developing country and partners with government to select projects based on criteria that include climate resilient design and inclusive service delivery



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: ambitious infrastructure solutions can deliver better services at lower cost to recipients than conventional solutions. They are sustainable, resilient, and tailored to local needs relating to patterns of use and environmental conditions.

Accountability: infrastructure projects have a large impact on local communities. The development of infrastructure solutions should allow for careful management and minimization of risks of negative impacts associated with construction, operation, and eventual disposal.

Interconnectedness: many sdgs rely on infrastructure investments, including Goal 6 (water and sanitation), Goal 7 (clean and affordable energy) and Goal 11 (sustainable cities and communities).

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



BUSINESS ACTION 2

Support inclusive and sustainable upgrading of developing country industries in global value chains



Most national development plans in developing countries call for an increase in the share of employment in industry. All businesses with industrial operations and/or strategic industrial suppliers in developing countries must have policies in place to ensure that these activities are inclusive and sustainable. But an essential element of developing countries' upgrading in the global value chain is the transfer of technology and skills. To facilitate this, leading companies can establish, invest, or partner with operations with higher added value production processes in developing countries and support skills transfer and develop local labour markets through inclusive training and apprenticeship programs. They can partner with peers, government, and other stakeholders to help design complementary policies and education programmes, and to ensure that they build on existing capabilities and align with national development plans. This maximizes the chances of successful technology and skills transfer.

Example practice

- A food manufacturing company develops nutrient-fortified grains to deliver nutrients and vitamins to malnourished populations, with **production facilities in developing countries** and workers including smallholder farmers, over half of whom are women
- A fashion retailer **builds sustainable garment manufacturing sites in remote areas of a developing country**, providing women in rural communities with access to decent work
- A minerals company advocates for a sustainable special economic zone focused on mineral processing in a developing country to develop higher value exports from the country's natural resources and commits to investing in shared infrastructure to attract other high value companies to the country



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: developing an industrial base in a developing country requires full collaboration with relevant stakeholders to ensure that the industry is compatible with local capabilities and development plans.

Accountability: companies operating in developing countries should manage risks of negative impacts on vulnerable populations and the environment, and not move operations to avoid more stringent regulation in the home country. They should have appropriate safeguards in place, including strong anti-bribery and corruption policies. They should carefully monitor and report on their progress to make themselves publicly accountable.

Interconnectedness: sustainable and inclusive industrial development is particularly strongly connected to Goal 8 (decent work) and sustainable production and consumption (Goal 12). But supporting industrialization can have negative impacts on the environment (Goals 13, 14, and 15) if it is not sustainable, and may reinforce existing inequalities (Goals 5 and 10) if it is not inclusive.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



BUSINESS ACTION 3

Create innovation systems for sustainable development by providing access to finance, fostering entrepreneurship, and pooling financial and research resources in a global knowledge base



Inclusive, sustainable industrialization and infrastructure require far more conducive and productive local and global innovation systems. These systems can only emerge with the full support of the private sector and its unique innovation capabilities. Companies can play an active role in shaping these systems by supporting Governments at the national level but activity at the global level is also crucial, as the scale of the challenge of achieving Goal 9 calls for fruitful global innovation systems. Companies can support innovation systems for sustainable development by fostering entrepreneurship within the company itself and by financing external innovative enterprises through venture capital and incubators. Leadership in international innovation systems can consist of extraordinary contributions to global pools of research infrastructure. It can also consist of significant contributions to the global knowledge base through education and research funding. Leading companies take measures to ensure that the innovation systems that they support, and the findings that come from them, are open and accessible. They can also proactively engage peers, supply chain members, and Governments. Where possible, they engage representatives of vulnerable people and natural assets to understand areas of need that can be addressed with innovative solutions.

Example practice

- A consumer goods company **awards venture capital to SMEs looking to scale technology solutions that provide access to clean water in developing countries**
- A coffee retailer shares ten years of proprietary agronomy research to farmers in developing countries to support climate-smart practices in vulnerable areas and raise farm incomes through sustainable coffee farming
- A cement company **sets up a horizon scanning team to identify future business models** that are in line with climate and sustainability policies
- A global science-based company active in health, nutrition and material leads a consortium running **an innovation campus, which provides state-of-the-art facilities for innovative businesses** in the field of sustainable and smart materials and chemical processes



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: businesses will need to partner with a range of institutions to create innovation systems, including those in higher education, civil society and industry peer groups

Accountability: innovation and technological advancements can reinforce existing inequalities. Companies should meaningfully engage vulnerable groups to understand areas of need, and minimize risks of negative impacts that their initiatives and solutions may have.

Interconnectedness: innovation for sustainable and inclusive industry and infrastructure can contribute to the entire 2030 Agenda, and to decent work (Goal 8) and sustainable production (Goal 12) in particular.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



BUSINESS ACTION 4

Upgrade and retrofit infrastructure and industry assets across own and supply chain operations to make them sustainable and resilient



Business plays a central role in planning, designing, financing, building, and operating infrastructure and industrial assets. Yet large parts of the world's existing infrastructure and industrial asset base are not fully functional, not designed to withstand increasing weather variability and environmental hazards, nor accommodate changing economic realities associated with long-term sustainable development. In developing countries, there is a critical lack of sustainable, resilient infrastructure and industry assets to enable long-term sustainable development. All businesses are expected to manage risks of negative environmental and social impacts over the lifetime of their assets. But leadership requires asset owners and operators to factor into their investment planning different future states of the world that factor in population growth, technology and demand shifts, changing weather patterns, natural hazards, and conflict. Leading companies should also retrofit assets to make them sustainable, with increased resource-use efficiency and ensure greater adoption of clean and environmentally sound technologies and industrial processes. Leading companies focus these efforts on own and supply chain operations, partnering with supply chain members to build capacity and provide resources to do so.

Example practice

- A transport company **use sensors in infrastructure to develop analytics for whole life infrastructure efficiency** and shares learnings with relevant stakeholders in developing markets
- A hydroelectric dam developer **conducts a lifecycle impact analysis for projects** to consider impacts across a range of development pathways and outcomes over the life of installed assets
- A port in Europe **works with a multilateral development bank to secure finance** and technical capacity to raise its quay wall in order to improve resilience to rising sea levels



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: investment in, and retrofitting of, resilient assets requires owners to deploy full lifecycle and climate resilience analysis. Ambitious action delivers resilience in areas with the greatest need.

Collaboration: collaboration with government on policies for enhanced resilience and affected communities is key to achieve systemic change.

Accountability: large infrastructure and industrial investment projects have a significant impact on local communities. The development of all assets should allow for careful management and minimization of risks of negative impacts associated with construction, operation, and eventual disposal.

Interconnectedness: increasing asset resilience can help local communities adapt to the impacts of climate change (Goal 13) and water stress (Goal 6), and increase food security (Goal 2).

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE

References

SDG Compass

UN Global Compact Industry Matrix

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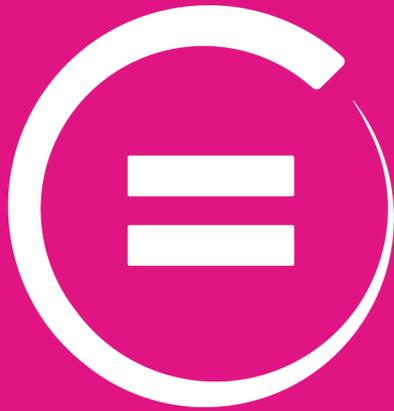
Growth and Jobs by Investing in Sustainable Special Economic Zones

Breakthrough Innovation Platform



**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

**10 REDUCED
INEQUALITIES**



10 REDUCED INEQUALITIES



How business leadership can advance Goal 10 on Reduced Inequalities



Equality is fundamental to a stable, just, prosperous, and peaceful society. In recent years, the benefits of economic growth have disproportionately favoured the world's richest. In OECD countries, income inequality is at its highest level in the past half century. In developing countries, it has increased by 11 per cent between 1990 and 2010. Further, while there has been a narrowing in the average incomes between developed countries and some developing countries, average incomes in other developing countries have fallen further behind those in developed countries. Many groups, such as women, racial minorities and indigenous populations, still do not have equal access to opportunities - facing exclusion from business ownership and corporate decision making and discrimination related to wages, employment, and access to financial services. Intergenerational inequality is also a critical challenge – ensuring that future generations do not inherit a far-more polluted planet.

Contrary to the perception of many businesses, the private sector has a crucial role to play in addressing the systemic challenge of reducing inequality. Business impacts inequality through the decisions it takes on how to distribute the economic value it generates, including by deciding whether it pays living wages and how it structures executive pay; by paying or not paying taxes (in different countries) that are essential for funding inequality-reducing social security and public investment in health, education, and infrastructure; through the way it uses its economic and political influence to shape the marketplace and its regulatory environment. At the same time, the systemic challenges underpinning attainment of this Goal illustrate the need for collaborative action bringing together all stakeholders, especially Governments. In support of these collective efforts, all companies should pay their fair share of taxes, practice non-discrimination, comply with social and environmental regulation, and respect and support human rights. Responsible tax practice also involves progressive alignment of economic activities and tax liabilities (tax planning), country-by-country reporting on tax-relevant information, and transparent and responsible engagement with tax authorities.

Leadership takes these activities further. Leading companies can assess how they impact the distribution of economic value across stakeholder groups and implement policies and practices to make it more equal. They can support the establishment and expansion of social protection measures at the national level, where they may complement government efforts with their expertise and resources. Business can lead through the implementation of policies and practices to support equality of opportunity, treatment, and outcome for all across own and supply chain operations, and it can have a leading impact on the reduction of inequality through design and implementation of products, services, and business models that target the needs of vulnerable and marginalized populations.

Reducing inequalities benefits businesses as it helps create a more stable and predictable business environment. It also introduces greater diversity of thought into the workplace, boosting innovation and profitability. Economic research shows that reducing income inequality boosts economic growth.

Action on Goal 10 is deeply linked to other Goals. Reducing inequalities can contribute to peace-building efforts (Goal 16), improve the condition of women (Goal 5), and foster stronger and more sustainable economic growth (Goal 8), which can in turn, help reduce poverty (Goal 1), hunger (Goal 2), and lack of access to education (Goal 4).

Definitions: equality of opportunity means equality of access and life chances; equality of treatment means equality in how people are treated in day-to-day affairs and zero discrimination based on sex, race, gender and other non-work related characteristics; equality of outcome is equality of income and wealth.



10 REDUCED INEQUALITIES



Business Actions in Support of Goal 10

Targets of Goal 10

10.1 Achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average

10.2 Empower and promote the social, economic and political inclusion of all, respective of age, sex, disability, race, ethnicity, origin, religion or economic or other statuses

10.3 Ensure equality opportunity and reduce inequalities of outcome

10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality

10.5 Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations

10.6 Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions in order to deliver more effective, credible, accountable and legitimate institutions

10.7 Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies

Business Actions



- 1 **Assess the distribution of economic value across stakeholder groups and implement policies and practices to make it more equal**
- 2 **Support the establishment and expansion of social protection measures at the national level**
- 3 **Implement policies and practices to support equality of opportunity, treatment and outcome for all across own and supply chain operations**
- 4 **Design and implement products, services, and business models that explicitly target the needs of disadvantaged and marginalized populations**

10 REDUCED INEQUALITIES



Do your actions satisfy the Leadership Qualities?



Guiding Questions to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 10? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 10?

Consistent

- Is support for Goal 10 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 10?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 10?

Accountable

- Do you publicly express your commitment to advance Goal 10?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations for Goal 10

Addressing inequalities may require action that implies a reduction in profitability in the short term. Top-level leadership and a strategic commitment are needed to successfully drive such action, and explain results to others.

Addressing inequalities may require action that implies a reduction in profitability in the short term. Top-level leadership and a strategic commitment are needed to successfully drive such action, and explain results to others.

Action on inequality should be consistently backed by all departments, especially where they concern changing internal and supply chain policies and practices (including related to adequate wages and pay gaps), and where intensive collaboration with Governments and other stakeholders are involved.

Inequalities are often due to systemic issues that cannot be addressed by one company alone. Collaboration, especially in multi-stakeholder partnerships including Governments, is key to successful delivery on the company's goals.

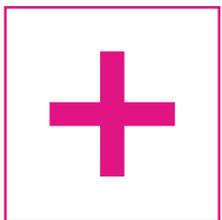
Companies should identify stakeholders that are most vulnerable to economic and social inequalities on which their action can have an impact, find ways to integrate their perspectives into actions, and be publicly accountable for outcomes – both positive and negative.



How taking action on Goal 10 is interconnected with other Goals



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



Maximise likelihood of positive impact on:



Action to reduce inequalities is deeply linked to other Goals. Reducing inequalities contributes directly towards greater levels of gender equality (Goal 5). It also helps build more stable and peaceful economies (Goal 16) by abating the social tensions that emanate from inequality. Evidence shows that reduced inequality fosters stronger and more sustainable economic growth (Goal 8) because it helps unlock the population's working potential, increases diversity of thought, and creates a more stable environment for businesses. This in turn helps reduce poverty (Goal 1), hunger (Goal 2), ill-health (Goal 3), and lack of access to education (Goal 4). A reduction in inequality can also benefit planet-related Goals indirectly. For example, bringing marginalised communities into the formal economy can reduce their dependence on activities that are harmful for the environment such as logging and illegal poaching.



Minimise risk of negative impact on:



In the short term there is a risk that efforts to decrease inequality contribute to environmental degradation. For example, increasing equality of access to energy resources using fossil fuel sources power can negatively affect efforts to combat climate change (Goal 13). For long-term success, action to reduce inequality should respect the environment. This will also contribute to inter-generational equity.

10 REDUCED INEQUALITIES



BUSINESS ACTION 1

Assess the distribution of economic value across stakeholder groups and implement policies and practices to make it more equal



Companies create economic value and distribute this to different stakeholders. All companies should recognize that shareholders are only one group, and that the interests of other stakeholders – and sustainable development more broadly – may need to be prioritized over short-term maximization of shareholder value. Responsible shareholders, in turn, recognize and act on the understanding that long-term maximization of returns may imply lower returns in the short term. Leading companies can critically assess the distribution of the economic value that they generate across stakeholder groups including employees (including in relation to adequate wages and pay gaps), investors, government, and communities, using the highest reporting standards for this purpose. Companies can use this information to distribute value more equally. This may be achieved through changing ownership structures to include communities and small suppliers, or distributing profits above a certain threshold to community and environmental benefit funds. Leading companies can also identify and include businesses in their value chain that distribute greater value to workers and communities, including suppliers with profit sharing agreements with workers, hybrid ownership models that give workers or suppliers a share of the business, or governance models that give greater representation to workers and communities.

Example practice

- A co-operative retail group which sells food, financial services and other products **applies GRI standard 201 to understand its economic value distribution**. This leads to several initiatives including significantly increasing sourcing of local meat, produce, and dairy from local farmers; and a membership scheme through which it returns value to its members and local communities. It is also recognized as abiding by a high standard of responsible tax practice and transparency
- A financial services firm undertakes an **objective gender pay gap audit** by a qualified external party, publicly reports on the results and takes robust remedial action to ensure jobs of equal value are remunerated equally
- A consumer goods company allows an NGO to undertake a thorough assessment of one of its overseas factories to assess the distribution of economic value across workers; it publicly publishes the findings and works towards addressing the systemic issues that are at the heart of unequal distribution
- A chocolate company has an ownership structure which allows for **co-ownership by smallholder farmers**; it ensures that farmers get a **share in the profits and a voice in company decisions**; it also **guarantees a minimum Fairtrade price** to protect farmers from the volatility of the market

- A Scandinavian company has an employee-owned structure which **distributes profits fairly amongst workers**; it puts a **cap on executive pay**, ensuring that compensation is fair and, proportionate to experience and contribution
- A global food producer works to **strengthen women smallholder farmers' linkages with market actors**, thus helping to improve equity in societal relationships
- A food company **tracks five domains of empowerment, that is, production, resources, income, autonomy and leadership for employees across its business** to assess whether action to further equality is effective. It takes robust remedial action in cases where inequality problems are found
- A US consumer goods company **becomes a certified benefit corporation in order to align its mission to generate social value through its hiring, products and operations with its legal status**. By doing so, the company's social goals and accountability to all stakeholders are legally protected, alongside obligations to shareholders



Consider the leadership qualities and interconnectedness of your action, including...

Intentionality: value distribution is a key area for decision making of executive management and most corporate governance structures include a board that holds management to account for its performance. Intentionality behind the commitment to address inequality must be ingrained in, and thereby enabled by, the governance structure. This allows management to explain its long-term value creation strategy to all stakeholders and act on it with full support.

Interconnectedness: a more equal distribution of value can support all of the Goals. It can directly impact incomes of people (Goal 1) and, through applying a gender lens, increase gender equality (Goal 5). It can indirectly allow other stakeholders including government, businesses, and local communities to take better care of themselves (Goals 2, 3, 4 and 6) and be better stewards of the planet (Goal 11, 12, 13, 14, 15).

10 REDUCED
INEQUALITIES

BUSINESS ACTION 2

Support the establishment and expansion of social protection measures at the national level



Business is obliged to respect applicable laws regarding taxation and other contributions to social protections. These include tax evasion and avoidance; temporary, zero hour, and part time contracting; and paying salaries below living wages. However, leading business also engages proactively with government and other stakeholders to consider how legal reform can contribute to greater social equality at local, national and international levels. Leadership supports Governments in the establishment and expansion of social protection measures for the betterment of vulnerable and marginalized groups. This can include adopting responsible taxation, including transparency, practices; establishing global minimum standards for living wages and benefits for employees across end-to-end operations that can be adopted at the national level; and advocating for social reforms that contribute to equality, including through living wage reforms and provision for unemployment. Companies should be careful to complement and not undermine existing social protection initiatives by Governments.

Example practice

- A tax advisory company establishes an initiative involving a wide range of relevant stakeholders, including taxpayers, academia, media, government, global bodies, politicians, NGOs and tax professionals, to **inform thinking on what responsible tax behavior in a global context requires**
- A utility gets accredited by a not-for-profit organisation that certifies companies for responsible taxation practices and tax transparency. Along with other certified companies, it actively advances the mission of the initiative by **calling on government to put responsible taxation at the heart of its policy agenda**
- A consumer goods company works with labour unions to **implement a living wage throughout its supply chain**, as well as ensuring collective bargaining and Freedom of Association for all employees
- A garment company participates in a **global framework agreement** with international brands, retailers, manufacturers, and trade unions to address the issue of living wages in the textile and garment supply chain
- A consumer goods company reviews its hiring practices to ensure that any hiring of workers on temporary or short-term contracts happens only when essential, due to seasonal changes and not to avoid social benefits regulations



Consider the leadership qualities and interconnectedness of your action, including...

Accountability: companies should meaningfully engage with all stakeholders to best understand how they can take effective action that does not in any way countervail existing initiatives, and, instead, complement them

Interconnectedness: social protection can help advance all people-focused sdgs, including no poverty (Goal 1), zero hunger (Goal 2), health and well-being (Goal 3), quality education (Goal 4), and gender equality (Goal 5).

10 REDUCED
INEQUALITIES

BUSINESS ACTION 3

Implement policies and practices to support equality of opportunity, treatment, and outcome for all across own and supply chain operations



Companies have a responsibility to adopt policies and practices in support of equality of opportunity, treatment, and outcome for their own employees. Leading companies extend their action to their supply chain and work with suppliers to do the same. Leading action on equality of opportunity can include working in own operations and with suppliers to provide opportunities for groups that have historically been discriminated. Equality of treatment can be promoted through the supply chain by building capacity for implementing and enforcing policies and practices to ensure non-discrimination such as recruitment, promotions, accessibility of the workplace, the quality of work that is offered, and addressing unconscious biases against certain groups. Including these factors in performance reviews can embed the practice. Equality of outcome can be supported with leading action to ensure businesses in the supply chain follow the principle of equal pay for equal work, for example helping to institute processes that ensure objective, merit-based pay. In relation to rapidly increasing data use and analysis, leading companies can set standards on reviewing use and protection of personal data and scrutinizing the processes and algorithms through which judgments are made that allow people access to products and services, to ensure that implicit biases in the data and its usage do not reinforce socio-economic inequalities within societies.

Example practice

- A consultancy implements **training workshops to help build suppliers' capacity to identify and rectify instances of wage discrimination and unfair treatment**
- A large accountancy firm **takes action to include members of the LGBT community** by offering benefits such as spousal equivalent recognition and gender transition coverage, and by raising awareness of inequities that LGBT professional face in the workplace. It also supports LGBT organisations through sponsorship, volunteering and board involvement
- A electric utility company, partners with an NGO to **empower semi-literate women from electricity deprived villages to install and maintain small photovoltaic systems**. This partnership develops the capacities of women entrepreneurs by providing them with technical training

- An international beverage company has a **dedicated program that provides targeted professional and personal growth opportunities to people with disabilities** through training, education, community events, networking etc. to ensure equality of opportunity
- A company reviews its use of big data to approve customers for store credit cards to identify whether the processes used are reinforcing the economic exclusion of vulnerable groups due to biases embedded in credit score rating methods



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: ambitious action aims to address inequality issues for the long-term, which in many instances requires fundamental shifts in corporate cultures. This ambition must be driven from the top to be effective

Accountability: not all inequalities are at the surface. Meaningful engagement with stakeholders is often required to understand areas of need. Monitoring and reporting on inequality across own and supply chain operations can also help direct action to address inequality and hold the company publicly to account

Interconnectedness: action on addressing inequality across own and supply operations can advance all Goals where empowerment is a key driver of progress, including no poverty (Goal 1), zero hunger (Goal 2), health and well-being (Goal 3), quality education (Goal 4), and gender equality (Goal 5).

10 REDUCED
INEQUALITIES

BUSINESS ACTION 4

Design and implement products, services, and business models that explicitly target the needs of disadvantaged and marginalized populations

Companies can lead by leveraging their innovation capabilities to create products, services, and business models that cater to the need of disadvantaged and marginalized populations. Products and services tailored for these groups can significantly alter their conditions and allow them to live healthy, fulfilling lives. New business models may be required in order to reach those groups with products and services. Examples include creating new, cheaper, and significantly improved technologies for everyday use in impoverished communities such as shelter, cooking, lighting, transport, and mobile telephony. Services and business models can include financial services for farmers, including microfinance and crop insurance.

Example practice

- A start-up in develops **feminine sanitary products that are sold at low price points** to increase affordability and help a greater proportion of women conduct activities as normal while menstruating. It **hires street vendors to distribute its products** across packed urban settlements
- A bank designs micro-loans with soft pay-back conditions, and **mobile-banking apps** to reach unbanked communities in rural Bangladesh. It collaborates with regional authorities to help increase the penetration of ID cards so that customers can easily verify their identity and access financial services
- A consumers goods company **designs a low-cost fridge** with sufficient functionality that the urban poor do not suffer from food-related health issues during summer
- A bank in Brazil uses **floating branches inside ships that travel rivers in an effort to reduce inequality of access to financial services**. During the visits to communities, staff hold meetings to increase financial education



Consider the leadership qualities and interconnectedness of your action, including...

Accountability: in designing products or services for vulnerable groups its important to consult them in order to understand their needs and perspectives. These products and services, just as any others, should be manufactured and delivered through supply chains that embed respect for human rights, such that products that help one vulnerable group do not do so based on the exploitation of another.

Interconnectedness: products, services, and business models that address inequality can advance all Goals where empowerment is a key driver of progress, including no poverty (Goal 1), zero hunger (Goal 2), health and well-being (Goal 3), quality education (Goal 4), and gender equality (Goal 5).

10 REDUCED
INEQUALITIES

References

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ILO Social Protection Platform

GRI 201: Economic Performance

**BLUEPRINT
FOR BUSINESS
LEADERSHIP
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**11 SUSTAINABLE CITIES
AND COMMUNITIES**



11 SUSTAINABLE CITIES AND COMMUNITIES



How business leadership can advance Goal 11 on Sustainable Cities and Communities



Over half of the world's population live in urban areas; this is expected to increase to two thirds by 2050. Cities are centers of commerce, generating more than 80 per cent of global GDP, and play a key role in boosting productivity needed for economic development. Urbanization can make it easier to put in place the infrastructure needed for essential services such as grid-connected energy, water and sanitation. However, urbanization also brings significant challenges. All over the world, cities are facing critical levels of air pollution. Many cities in developing countries face rapidly growing numbers leading to slum dwellers and unplanned urban sprawl, as infrastructure provision has not kept pace with population growth. Much of this urban sprawl is in geographies vulnerable to disasters, risks that are being magnified by climate change. These challenges call for better urban planning and management to make the world's urban spaces more inclusive, safe, resilient and sustainable.

Businesses are core to the development of cities, livelihood, and services to urban populations. They are well positioned to deliver on Goal 11's promise of universal access to quality housing, transport, green ,and heritage sites, in collaboration with Governments and municipalities.

Leading companies can contribute to Goal 11 through research, development, and deployment of products and services that improve access to resilient buildings, transport, green spaces, and utilities including electricity, water, and waste management services. Businesses can also leverage their convening power and expertise to protect and invest in cultural and natural heritage. Further, they can play a central role in supporting access to essential services across the workplace, marketplace and community.

As the social and environmental impact of rapid urbanisation increases, businesses can benefit from opportunities to develop more connected, resilient and sustainable urban areas. A concerted effort to improve the sustainability of communities will necessitate investment across a range of sectors including transport, energy, waste management and recreation. The next 10 years will require \$78 trillion of investment in city infrastructure. This is likely to be delivered through private sector solutions including public private partnerships. A concerted effort to improve the sustainability of communities will necessitate investment across a range of sectors including transport, energy, waste management and recreation. Benefits of more sustainable cities and communities include a healthier more productive work force, and improved labour market functioning and market access as a result of better transport links.

By improving mobility and reducing pollution, developing more sustainable cities will contribute to the SDGs related to health (Goal 3), education (Goal 4), sustainable energy (Goal 7), decent work (Goal 8) and equality (Goals 5 and 10). Life on land (Goal 15) and climate action (Goal 13) can be positively impacted by ensuring that urban areas have a reduced environmental footprint. While investment in sustainable cities will improve the quality of life for their residents, it may also have negative impacts on housing affordability, the tax burden, and accelerate urban migration. This may lead to pressures on employment (Goal 8), food (Goal 11), water (Goal 6) and peace (Goal 16). Leading companies contribute inclusive, sustainable infrastructure that manages these risks to deliver prosperity and stability.



11 SUSTAINABLE CITIES
AND COMMUNITIES**Business Actions in Support of Goal 11****Targets of Goal 11**

11.1 Ensure universal access to quality housing

11.11 Ensure universal access to quality transport

11.3 Ensure inclusive and sustainable urbanisation, planning and management

11.4 Protect and safeguard cultural and natural heritage

11.5 Reduce human impacts of disasters

11.6 Reduce environmental impact of cities

11.7 Provide universal access to green and public spaces

Business Actions**1**

Research, develop, and deploy products and services which improve access to resilient buildings, transport, green spaces, and utilities

2

Protect and invest in cultural and natural heritage

3

Support access to essential services across the workplace, marketplace, and community

11 SUSTAINABLE CITIES AND COMMUNITIES



Do your actions satisfy the Leadership Qualities?



Guiding Questions
to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 11? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 11?

Consistent

- Is support for Goal 11 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 11?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 11?

Accountable

- Do you publicly express your commitment to advance Goal 11
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations
for Goal 11

Actions to deliver sustainable cities and communities require a top-level strategic commitment to ensure that all parts of the organization are motivated and incentivized to contribute for the long-term, in accordance with the long lifetimes of city and infrastructure assets.

Ambition on Goal 11 requires companies to take a holistic view of urban and infrastructure needs, taking all stakeholders into account, and providing solutions that can have the long-lasting impacts required for achieving the Goal 11 outcomes.

Consistency is essential as the complex nature of city and infrastructure investment requires many different departments, including procurement, legal, and government relations. Ensuring sustainability requires that sustainability is ingrained in all the company's departments.

Collaboration on Goal 11 means companies will partner and engage with local, national and regional Governments to prioritise infrastructure and urban planning projects to deliver the maximum access to services given available resources, in a way that is compatible with sustainable development.

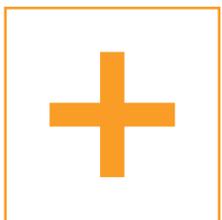
City and infrastructure projects have, due to their sheer size, lifetime, and frequency of use, a significant risk of negative impacts on people and communities which should be carefully managed. Safeguards must be in place, and companies must report on progress towards their goals.



How taking action on Goal 11 is interconnected with other Goals



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



Maximise likelihood of positive impact on:



By improving access to the services offered in cities and communities, progress on this goal will reduce inequalities tied to income levels or residential location, which are often higher in urban areas than others (Goal 10). Improved connectivity through transport infrastructure and smarter urban design links people to employment (Goal 8), education (Goal 4), health (Goal 3), energy (Goal 7) and green space (Goal 15). Reduced emissions through sustainable infrastructure and design (Goal 9) and less demand for transport will also support climate action commitments (Goal 13).



Minimise risk of negative impact on:



While investment in sustainable cities will improve the quality of life for their residents, it may also have negative impacts on housing affordability and the tax burden, and accelerate urban migration. Concentrating increasing amounts of economic activity in urban areas may imply that rural areas lag behind, increasing inequalities between rural and urban areas (Goal 10) and poverty in rural areas (Goal 1). Local communities at the fringes of expanding urban developments may be displaced with infringement on their human rights (Goals 1, 2, and 3) and losing access to decent jobs (Goal 8). Rapid urbanization and infrastructure build may further negatively impact on the environment if risks of negative impacts are not carefully managed (Goals 14 and 15).

11 SUSTAINABLE CITIES AND COMMUNITIES



BUSINESS ACTION 1

Research, develop, and deploy products and services that improve access to resilient buildings, transport, green spaces, and utilities



Businesses own property, develop physical assets, and offer services throughout the urban space, positioning them to have a large role in shaping sustainable urban areas and connecting residents to essential services. All businesses are expected to show that urban projects do not negatively impact on environment and social assets, including natural and cultural heritage sites. Leading businesses can research, develop, and deploy products that contribute to the development of sustainable, resilient urban areas. In the construction sector, business leadership can include the development and delivery of resilient infrastructure, buildings, and materials that maximize mobility and access to green space while minimizing resource use, pollution, and negative impacts on vulnerable groups in society. This would include minimizing impacts of infrastructure projects' end-of-life. Companies involved in service provision can lead through developing innovative ways to extend their offerings to consumers across all geographies and socio-economic strata. In doing so, it is important to collaborate with other stakeholders involved in urban planning and other activities in the urban space to understand the areas of need and opportunity. Given the challenge of sustainable urbanization in developing countries in particular, leading companies would seek out ways to tailor products and services for use in these areas.

Example practice

- A sports team **designs a multi-use stadium** which provides local populations with access to green space for recreation when events are not scheduled
- An infrastructure company ensures that waste management strategies encompass the entire process from demolition, disposal of waste, waste haulage, and final disposal. From the outset, it considers the type of waste that will be created in the demolition process in construction design
- An agriculture company **develops innovative vertical farming** products using closed-loop irrigation systems to provide access to local, fresh vegetables in urban areas throughout the year
- A financial institution **partners with city government to structure and launch a green bond** to attract investment for sustainable infrastructure within city region



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: with a high level of public and shared spaces, urban areas involve a large group of stakeholders that must be included in decisions on how to structure and connect residents to services. Governments, private sector, and local communities all have different needs from urban areas that must be balanced

Interconnectedness: delivering products for sustainable urban areas coincides with many other sdgs, including those related to access to employment (Goal 8), healthcare and exercise (Goal 3), educational institutions (Goal 4), electricity (Goal 7) and green space (Goal 15). Delivering sustainable infrastructure products supports Goal 9 and improved connectivity in urban areas will reduce the need for long-distance travel, which can contribute to climate change Goals (Goal 13)

11 SUSTAINABLE CITIES AND COMMUNITIES



BUSINESS ACTION 2 Protect and invest in cultural and natural heritage



Cultural and natural heritage sites provide livelihoods for local communities and valuable educational and recreational experiences for visitors. All businesses should, at a minimum, identify the impacts of their operations on cultural and natural heritage assets, including through using environmental impact assessments. Leading businesses leverage their reach, expertise, and resources to connect residents and visitors to heritage assets to ensure their preservation and enhancement. This could include investing in environmental protection, supporting museums, and creating transport infrastructure in communities surrounding own and supply chain operations. They could lead through implementation of policies and practices that factor natural capital and cultural heritage into corporate decision making, including physical design and building the capacity of suppliers to do the same.

Example practice

- A property developer **designs and manages a business park around natural features** to preserve natural ecosystems and existing habitats, as well as ancient land structures
- An outdoor retail company **invests a significant share of its profits in preserving natural and cultural heritage sites** featured in marketing materials
- A hotel company coordinates across its supply chain to **eliminate wastewater discharge and air pollution** near UNESCO World Heritage sites



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: action should involve long-term partnerships with all stakeholders involved in governance of cultural and natural heritage, including local and national governments, civil society organizations, and local communities

Accountability: companies should have adequate safeguards in place and carefully manage the risks of negative impacts on human rights and vulnerable ecosystems

Interconnectedness: implementing this business action can also help deliver Goal 15 (life on land) and Goal 14 (life on water) by respecting and protecting natural habitat areas, supporting biodiversity and the natural ecosystems on land and in water

11 SUSTAINABLE CITIES AND COMMUNITIES



BUSINESS ACTION 3

Support access to essential services across the workplace, marketplace, and community



In many communities, essential services such as education, housing, and healthcare may not be available or may not be of sufficient quality. Leading companies can take action to ensure that employees across own operations and the supply chain have access to quality essential services by directly providing those services in places where they are not available. They can also design and market affordable and accessible services that reach beyond their own employees to address gaps in service provision in the communities surrounding their operations. Further, they can lead on providing access to green spaces across the workplace, marketplace, and community. In all cases, leading companies take care not to interfere with existing initiatives from Governments and others by consulting all relevant stakeholders to understand where they might complement them.

Example practice

- An insurance company works on an **app that would connect women in danger or in need to the nearest police station, hospitals, banks, law and order institutions, and vocational training institutes**. The app aims to empower women and promote gender equality in locally
- A national telecommunications company partners with the United Nations Children's Fund (UNICEF), and the relevant government agency, to create an **automated registration system that gathers birth information via mobile phone** at the community level, and a web based application at hospitals, creating a legal identity record for each person. Legal identity is essential to ensuring access to basic services such as health care and education, and for the protection of individuals' fundamental rights, including against exploitation and violence. It provides individuals with the ability to contribute to the economy through employment and consumption of goods and services.



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: ambitious action results in outcomes that are aligned with what is needed for achieving Goal 11. Ambition in most cases would entail that action reaches well beyond own operations to include the value chain and communities surrounding end-to-end operations

Interconnectedness: providing services supports the delivery of several other Goals, including decent work (Goal 8), access to health (Goal 3), nutrition (Goal 2) and educational training (Goal 4). Company-specific services should not undermine publicly provided services including housing, transport and food systems

11 SUSTAINABLE CITIES
AND COMMUNITIES

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UN Global Compact Industry Matrix

Global Opportunity Explorer

Navigating the SDGs: a business guide to engaging with the UN Global Goals

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Green infrastructure: connected and multifunctional landscapes

Climate Financing for Cities with Green Bonds

Business for the Rule of Law Framework – Business Examples

**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

**12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION**



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION

How business leadership can advance Goal 12 on Responsible Consumption & Production



Responsible consumption and production is fundamental to sustainable development. Thus far, economic growth has been deeply connected to unsustainable outcomes including the degradation of natural capital, the advance of climate change, and violations of human rights. For example, unsustainable consumption and production has, to differing extents around the world, caused greenhouse gas emissions to surge, contributed to severe air pollution, decreased agricultural productivity threatening livelihoods and social cohesion, and heightened water scarcity. Waste production has led to burgeoning landfills with large methane emissions and negative health impacts as well as serious plastic pollution in the world's oceans. Food production and consumption is also one of the primary causes of biodiversity loss through habitat degradation, overexploitation of fish, pollution, and soil loss.

As producers of much of the world's output, businesses have a central role to play in advancing responsible production and consumption. They can manage sustainability of their own operations by improving efficiencies, look to source more sustainable inputs, improve the sustainability of products and services at the point of use with credible sustainability information, report publicly on their sustainability performance and that of their supply chain, and take steps to ensure their products are not misused to violate human rights

There is significant scope for business leadership on Goal 12 given the potential for increasing sustainability of production and consumption. Businesses can radically overhaul their existing models by designing and adopting responsible, circular business models. They can significantly narrow or even close the material and energy loops across own and supply chain operations using existing and new technologies and materials. They can shift to a portfolio of goods and services that require, and promote, negligible use of resources and negligible production of waste when used, including developing products and services with extended useful lifetimes, accurate sustainability labelling, and education of consumers on use phase and disposal. There is also scope for leadership in transparency and reporting, particularly by developing, implementing, and sharing solutions for tracing and reporting on sustainability of production and consumption across end-to-end operations and their impact on surrounding communities.

These leading actions can have both significant environmental benefits and major positive impacts through respecting and supporting human rights, as new business models and sustainable products and services find their way to vulnerable populations, supporting human development. Business should, however, ensure that they manage any risk of negative impact on human rights associated with new business models, ways of producing, and product designs; especially where they might impact vulnerable populations in developing countries.

The business case for leadership on Goal 12 includes substantial reductions in production costs for companies with resource intensive production processes. It is estimated that European companies alone could save €600 billion annually. Supplying products and services that are more sustainable in their use enables businesses to compete in markets where government regulations and consumer preferences are becoming oriented towards sustainability. For example, there is increasing evidence that consumers are demanding certified and traceable products. Less dependence on resources also means companies can avoid volatility in raw material prices and availability. And, at a fundamental level, advancing Goal 12 is a necessity for safeguarding long-term productivity, preserving the natural resource base for the future, and ensuring resilience in the face of environmental shocks and disease outbreaks.

Goal 12 ties the people, planet and prosperity goals together. Action on Goal 12 is strongly interconnected with outcomes on other SDGs related to resource use and the environment, as well as those focused on people. Action on Goal 12 can advance SDGs through its connection with life on land and water (Goals 14 and 15), its impact on the use and contamination of water (Goal 6), associated use of energy (Goal 7) and impacts on climate change (Goal 13). Progress on Goal 8 implies that Goal 12 becomes ever more significant, as current production and consumption rates per unit of income cannot be sustained in the future. Companies that aim to lead on Goal 12 must carefully manage risks that result from this interconnectedness. These include pressures to substitute natural resource use in production with unfair labor practices. Leading companies recognize and take account of these interconnections, especially ensuring that changing production and consumption decisions respect the human rights of potentially affected populations.



Business Actions in Support of Goal 12

Targets of Goal 12

12.1 Implement the 10-year framework of programmes on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries

12.2 By 2030, achieve the sustainable management and efficient use of natural resources

12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses

12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities

12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

Business Actions

- 1** Design and adopt a responsible, circular business model
- 2** Significantly narrow or close material and energy loops across own and supply chain operations
- 3** Shift to a portfolio of goods and services that require and promote negligible use of resources and produce negligible waste
- 4** Develop, implement, and share solutions for tracing and reporting on sustainability of production and consumption across end-to-end operations and impact on surrounding communities

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Do your actions satisfy the Leadership Qualities?



Guiding Questions
to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 12? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 12?

Consistent

- Is support for Goal 12 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 12?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 12?

Accountable

- Do you publicly express your commitment to advance Goal 12?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations
for Goal 12

Explicit, continuous top level commitment is essential to drive the changes in the way business is done that are necessary to achieve responsible production and consumption, overcoming organizational inertia and risk aversion.

Ambition on Goal 12 implies inspiring others by taking holistic, replicable action spanning end-to-end operations. Incremental changes are insufficient to realize the necessary changes in production and consumption patterns so that they remain within planetary boundaries.

All organizational functions need to be fully aligned with the strategic commitment to Goal 12. Many actions on Goal 12 require a holistic approach, which makes active involvement of the entire organization crucial.

Many innovations are born by cross-fertilisation of ideas between different sectors and stakeholders. Some of the largest gains can be made with systems-level innovations which impact a wide variety of stakeholders. All of this renders collaboration crucial for leading action.

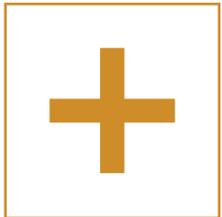
Monitoring and publicly reporting on sustainable business practices is key for realizing Goal 12. Where action reaches areas with vulnerable populations and ecosystems, social and environmental safeguards must be in place, and risks of negative impacts carefully managed.



How taking action on Goal 12 is interconnected with other Goals



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



Maximise likelihood of positive impact on:



Reducing waste and pollution can positively impact human health and well-being (Goal 3). Improving resource efficiency in how goods and services are produced and consumed is likely to reduce industry demands for water and energy inputs, contributing to progress on Goals 6 and 7. Resource efficiency should also reduce emissions from industry, supporting climate commitments (Goal 13). Sustainable production will result in less land and water pollution, with consideration of environmental impacts leading to reduced deforestation and biodiversity loss (Goal 14 and 15).



Minimise risk of negative impact on:



The use of new or different material and energy inputs could negatively impact health if these are harmful (Goal 3). Resource efficient production focusses on natural resource-related inputs, but may not directly consider labour inputs, which are often substitutes. These dimensions must be managed to avoid negative impacts on work conditions (SDG 8) and ensure complete delivery of the sustainable development agenda.

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION

BUSINESS ACTION 1

Design and implement a responsible, circular business model



Today, most business models are based on significant resource inputs, waste generation, greenhouse gas emissions, and energy losses. Businesses can lead a shift away from this linear economy by designing and adopting circular business models. This goes beyond adopting more efficient technologies and sustainable sourcing practices: it requires a fundamental rethink of systems design and the way in which products and services are produced and used in a manner that produces zero waste and minimum impacts. In product design this may imply a shift to offering services, for example mobility, instead of products, such as a car. Companies can lead on business model innovation by optimally leveraging their technological capabilities and skills, including in information technology, in collaboration with stakeholders across the private and public sector. In doing so, they should ensure they minimise risks of negative impacts on people and planet and harness opportunities to improve the lives of vulnerable parts of global society, especially in developing countries.

Example practice

- A public transport company works with an electric vehicle manufacturer, city and national authorities to **introduce a city car concept that is fully integrated with public transport** in a metropolitan area. It operates a "free floating" system where customers can pick up their EV and return it anywhere within the area
- An organic sugarcane grower **builds a comprehensive production and harvesting system that applies the principles of regenerative agriculture** in conjunction with technical innovation to replicate the resilient, regenerative ecosystem of uncultivated land, powering all operations with biofuels produced from waste sugarcane
- A developer leads a consortium managing **"living buildings" that are adaptable to different uses, using cradle-to-cradle principles** for building materials, and technologies to make the buildings energy-positive



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: given the complex nature of the systems that must become more circular, development of circular business models often requires collaboration with many different stakeholders

Accountability: new business models can have significant impacts on people and planet that must be carefully managed. Companies should meaningfully engage with users and affected communities and manage risks of negative impacts, especially in areas with vulnerable populations

Interconnectedness: circular business models can advance all sdgs. For example, in mobility, they help mitigate climate change (Goal 13), in food systems they help achieve zero hunger (Goal 2)

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION

BUSINESS ACTION 2

Significantly narrow or close material and energy loops across own and supply chain operations



Many companies run inefficient, unsustainable production processes with significant resource inputs, waste generation, greenhouse gas emissions, and energy losses; and also depend on inputs from supply chains with large inefficiencies. Prices do not reflect the real costs of these inefficiencies to society, so companies must act responsibly by steering towards more efficient resource flows and sourcing from sustainable supply chains. There is significant scope for leadership by introducing novel ways to narrow or even close material and energy loops in own operations through a 'reduce, reuse, and recycle' approach to inputs such as water, raw materials, non-renewable minerals, energy, and packaging. Leading companies can also take action to close resource loops across the supply chain or switch to sustainable supply chains. Business should further look for opportunities to transfer improved technology for efficiency to developing countries, where the vast majority of energy and resource demand growth is projected to occur.

Example practice

- A brewery partners with businesses, government, and research institutions to build a **zero-waste brewery** that aims to extract high-value products such as bread, biogas, mushrooms, and nutrients used in aquaculture from biomass residues from beer production
- An agriculture company **develops innovative vertical farming products using closed-loop irrigation systems** to provide access to local, fresh vegetables in urban areas throughout the year
- An IT equipment company develops a system to **responsibly separate and dismantle e-waste**, including domestic appliances, computers and mobile phones, so that it does not harm human health and local environment



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: for many companies, resource inputs and waste are greatest in the supply chain. Leading companies recognize this and take a reduce, reuse and recycle approach to both own operations and the supply chain

Collaboration: the extensive value chain of many products and services implies that leading companies must collaborate with many different stakeholders, including supply chain members and those in other sectors that are ahead of them in implementing new technology and building skills

Interconnectedness: closing material and energy loops can reduce waste and protect natural resources, providing benefits for health (Goal 3), water resources (Goal 6), the climate (Goal 13), and biodiversity (Goals 14 and 15)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



BUSINESS ACTION 3

Shift to a portfolio of goods and services that require, and promote, negligible use of resources and produce negligible waste



Today, the use of products and services including food, cars, buildings, appliances, and information technology are associated with unsustainable levels of pollution, use of resources, and production of waste at the point of use. As providers of most products and services, businesses have an important role and responsibility to make their use as sustainable as possible and provide reliable information on their sustainability to buyers. To support this, leading businesses can deploy product and services innovations throughout the product life cycle, for example by designing for minimal resource requirement in use, appropriate lifetimes including through offering maintenance services, and providing for easy dissembling for reuse or recycling. Business should adhere to strict standards of what sustainability means, educate consumers on sustainable use, and aim to make sustainable products better accessible to vulnerable populations and the global poor, to positively impact on human rights and development. Consumer education includes raising awareness with regard to their consumption choices and behavior. Consumer education also includes responsible engagement of government buyers in the case of public procurement, which constitutes a large share of GDP in many countries.

Example practice

- A home appliance company **designs smart consumer products which lower energy use** by recognizing consumption patterns and automatically turning off, supporting state-of-the-art energy efficiency
- An international food company engages in eco-design, responsible sourcing, effective packaging, recycling, and improvements in operational efficiency with the aim of **zero waste for disposal by 2020**
- An automobile manufacturer develops **high-performance, affordable electric vehicles; makes its technology publicly available to enable an industry-wide switch to EVs; and partners with a rooftop solar company** to provide solutions for allowing EVs to run on electricity from renewables
- A zero-waste grocery shop chain makes its stores **completely free of packaging**, requiring customers to bring their own recycled packaging materials
- A financial institution offers **mortgage packages at reduced costs tailored to new-build homes and offices that have high energy efficiency performance** and satisfy the passive house standard



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: ambition implies that a company develops novel solutions for reducing consumption at point of use that are replicable and inspire others to adopt the same, or similar solutions. They also adhere to the highest standard of labelling to properly inform consumers on sustainability.

Collaboration: good solutions for increasing the sustainability of product and services often flow from cross-sectoral partnerships that facilitate exchange of ideas and technologies.

Interconnectedness: leading action on enabling sustainable consumption can help improve water resources (Goal 6), the climate (Goal 13), the environment and biodiversity (Goal 14 and 15).

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



BUSINESS ACTION 4

Develop, implement, and share solutions for tracing and reporting on sustainability of production and consumption across end-to-end operations and impact on surrounding communities



To allow for global investment to flow to sustainable businesses, and for all stakeholders to understand how they might be impacted by business practices, companies must integrate sustainability information into their reporting cycle. This includes reporting information on environmental, social and governance indicators and the results of due diligence processes related to human rights. These are also essential tools for risk identification and management as well as long-term social, environmental, and financial performance. There is scope for leading companies to develop comprehensive tools for tracing and reporting on the sustainability of end-to-end operations, including impacts on communities surrounding business activities, including through the development of replicable digital tools and processes for inclusive stakeholder engagement and collaboration.

Example practice

- A shoe manufacturer implement a **stacked traceability system** to establish sustainable practices for its various supply chain stages and identify environmental and social breaches in its factories, and implements a plan for addressing any breaches. It communicates the sustainability of its production processes by publishing and regularly updating a green index
- A restaurant chain **deploys a cloud-based software tracking system** to document pathways for all agricultural inputs, inform quality assessments and guarantee sustainable practices throughout its supply chain



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: sustainability reporting is good practice for all companies. To be ambitious, a company must step up its practices and develop tools and methods for tracing and reporting on end-to-end operations

Accountability: transparency on sustainability performance allows society to hold companies to account for their impacts. Traceability is a key element in this, but not a substitute for due diligence or the broader scope of the corporate responsibility to respect human rights

Interconnectedness: action on tracing and reporting on sustainability is fundamental to advancing all sdgs



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**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

**13 CLIMATE
ACTION**



13 CLIMATE ACTION



How business leadership can advance Goal 13 on Climate Action



Climate change is caused by human emissions of greenhouse gases associated with electricity and heat production, industry, buildings, transport, and land use. Climate change impacts the planet through higher temperatures, an increase of extreme weather events, changing precipitation patterns, rising sea levels, and ocean acidification. It disrupts ecosystems and human livelihoods, particularly of vulnerable groups such as women, children, and the elderly as resources, food, and water become more scarce.

Business plays a vital role in holding the increase of the global average temperature to well below 2 degrees Celsius above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change – the Goal that is at the heart of the 2015 Paris Agreement on Climate Change, an international treaty adopted by the vast majority of countries in the world. The Paris Agreement brings all nations together with a common cause to undertake ambitious efforts to combat climate change and adapt to its effects, with enhanced support to assist developing countries to do so. Business, together with Governments, must act urgently and decisively to fundamentally change the greenhouse gas emissions associated with their products and processes in order to achieve global net zero emissions by the second half of the century. Businesses also play a central role in anticipation, building resilience, and adaptation to the current and expected impacts of climate change.

Leading companies develop and implement innovative, far-reaching solutions to cut emissions in their operations and value chains, contribute to climate resilience, and/or bring about step changes in climate change awareness. They do so in a manner that inspires, and can be replicated in, the world around them. To this end, they can integrate their commitment to Goal 13 into corporate strategy, assess the implications of climate change, create and align policy positions and seize these opportunities to provide constructive input and demonstrate responsible policy engagement to policy-makers while setting ambitious emissions reductions targets in line with climate science. Leading business actions to advance Goal 13 can include building resilience to environmental hazards and shortages of resources, food, and water in their operations, supply chains, and

the communities in which they operate. Leadership can take the form of radically improving the carbon efficiency of own operations; sourcing low-carbon materials and energy inputs from renewable sources; and reducing the carbon footprint over the life cycle of products and services. Companies can also lead on climate awareness and capacity building, implementing ambitious programmes to promote climate conscious behaviour of people and businesses, and building human and institutional capacity to address the skills and governance gap for effective climate action. Innovation is key to climate action and as such, in many cases, transformative leadership is about investment at scale in research, development, and deployment activities that can drive low-carbon and resilience increasing technologies.

There is a strong case for business leadership on Goal 13. Businesses need to manage financial, regulatory, and reputational risks in their own operations and supply chains from climate change impacts. Already, there is a large market for low-carbon and climate change compatible technologies and services, which is set to grow rapidly as the global transition to low-carbon energy gathers momentum. The sizeable opportunity to deliver climate-related investments includes \$100 billion a year in climate finance by 2030, as called for in the Paris Agreement.

Climate action is strongly interconnected with the other SDGs. In its absence, it is virtually impossible to achieve them. Leading action on Goal 13 has strong benefits for energy security (Goal 7), clean air and water (Goal 6), decent work (Goal 8), livable cities (Goal 11), and improved national security (Goal 16). It also benefits sustainable food production systems through implementation of resilient agricultural practices and strengthening capacity for adaptation to climate change (Goal 2). It protect of life on land and below water (Goals 14 and 15). But climate action, particularly where they concern large infrastructure projects such as hydroelectric dams and land intensive activities such as the production of biomass, carries risks of negative impacts on human rights, which must be managed.

13 CLIMATE ACTION

Business Actions in Support of Goal 11

Targets of Goal 10

13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

13.2 Integrate climate change measures into national policies, strategies and planning

13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

Business Actions

1

Ensure climate resilience of company and supply chain operations, and the communities surrounding them

2

Substantially reduce emissions associated with own and supply chain operations, in alignment with climate science

3

Shift to a portfolio of goods and services that have, and promote, negligible emissions from use

4

Promote climate conscious behavior and build capacity for climate action

13 CLIMATE ACTION



Do your actions satisfy the Leadership Qualities?



Guiding Questions
to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 13? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 13?

Consistent

- Is support for Goal 13 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 13?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 13?

Accountable

- Do you publicly express your commitment to advance Goal 13?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations
for Goal 13

Intentionality and top-level leadership are key to realize the fundamental shifts in business required for successful climate action. Indeed, to date, leading companies on climate action have all built on the commitment of highly engaged CEOs.

Action on climate is leading if it aligns with science-based targets. For mitigation, this involves action on emissions associated with all stages of production and service life cycles. For resilience building, this requires planning and action reaching far beyond own operations.

Intentions must be matched by all organizational functions for climate action to be credible and successful. For mitigation action this crucially includes government relations and lobbying departments, also if that carries short term cost increases due to climate policy.

Climate action involves long, complex trajectories, especially as climate is largely an intergenerational issue that risks being forgotten by citizen action and political agendas. Long-term collaboration with a wide range of stakeholders is therefore critical.

Monitoring and publicly reporting on climate action is key to gauging progress at a global level. Where action reaches areas with vulnerable populations and ecosystems, social and environmental safeguards must be in place, and risks of negative impacts carefully managed.



How taking action on Goal 13 is interconnected with other Goals



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



Maximise likelihood of positive impact on:



Climate action is a critical pillar to achieving sustainable development, and all 17 Goals require efforts to address climate change. In its absence, it is virtually impossible to achieve them. Leading action on Goal 13 has strong benefits for energy security (Goal 7), clean air and water (Goals 3 and 6), decent work (Goal 8), liveable cities (Goal 11), and improved national security (Goal 16). It also benefits sustainable food production systems through implementation of resilient agricultural practices and strengthening capacity for adaptation to climate change (Goal 2 and 12). It protect of life on land and below water (Goals 14 and 15).



Minimise risk of negative impact on:



Climate change mitigation actions such as using hydroelectric dams and bio-based energy may have significant land requirements that displace people from their homes and affect agriculturally productive areas. Impacts on food production (SDG 2), access to decent work (SDG 8) and inequalities (SDG 10) should be managed in the implementation of climate action. Bio-based energy may also cause deforestation, further hampering climate action.

13 CLIMATE ACTION



BUSINESS ACTION 1

Ensure climate resilience of company and supply chain operations, and the communities surrounding them



Companies control the operation and maintenance of their capital assets, and decide on investments in upgrades, which has ramifications for their resilience to the impacts of climate change such as increased climate variability and environmental hazards. At a minimum, companies can ensure that their own assets are resilient to climate impacts. Leadership requires such action to be replicable and inspire others to bring about a step change in climate resilience, for example by developing and deploying innovative solutions for resilience. Companies can also lead by building resilience across multiple tiers of the supply chain and the communities surrounding these. Climate change is already affecting the most vulnerable countries and populations, which implies that leading action to increase resilience of and around supply chain operations in least developed countries and the small island developing States is particularly vital. Action might include setting supplier standards; and providing capacity building, technical, and financial support to relevant stakeholders, including through engagement with Governments and local partners to support context specific resilience and/or adaptation plans.

Example practice

- An agricultural equipment company works with an NGO to use **modified trucks for screening videos and host workshops, coupled with hands-on instruction at demonstration plots**, to train maize and dairy farmers in Kenya on improved agricultural practices that lead to greater climate resilience
- A furniture company commits €1bn to climate action, of which **€400m is aimed at supporting families and communities in nations vulnerable to impacts of climate change** such as floods, droughts and desertification



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: planning and investing for long-term resilience of own operations is good business practice, but would not in itself be leading unless it can be replicated by, and inspires, other actors

Accountability: action to boost resilience in areas with vulnerable populations must be fully accountable, with attention for managing risks of negative impacts and providing opportunities for redress

Collaboration: as resilience is a systemic property, action always requires extensive collaboration, including on institution building and adaptation planning

Interconnectedness: action on climate resilience provides opportunities for advancing no poverty (Goal 1), zero hunger (Goal 2), and good health and well-being (Goal 3). It can also create jobs (Goal 8) and reduce inequalities if it focuses on vulnerable populations (Goal 10).

13 CLIMATE ACTION



BUSINESS ACTION 2

Substantially reduce emissions associated with own and supply chain operations, in alignment with climate science



The urgency of climate action, driven by the necessity to achieve net zero emissions by the middle of the century, calls for significant mitigation efforts by all businesses. Leading companies inspire such efforts at scale. They recognize and disclose emissions from all sources throughout the life cycle of products and services, including direct emissions of own operations (Scope 1), indirect emissions from power and heat consumption (Scope 2), and emissions associated with the supply chain (Scope 3). Leading companies set time-bound, absolute reduction targets in line with the latest available scientific evidence. They act on these targets by committing to urgent and decisive action across end-to-end operations. This may include developing replicable low-carbon technologies and business models, identifying and resolving deforestation problems in the supply chain, and powering own and supply chain operations from renewable sources.

Example practice

- A food manufacturer commits to reduce absolute GHG emissions across its full value chain by 41-72% (compared to 2010) to achieve sustainable levels in line with scientific consensus by 2050. More than two-thirds of GHG emissions fall outside its own operations, primarily in agriculture, and it takes action to reduce those through **sustainable sourcing initiatives**
- A food and beverages conglomerate commits to eliminate the use of fossil fuel energy and greenhouse gas emissions from its operations by 2040. It only sources beef, palm oil, pulp and paper, and soy **from producers and suppliers that comply with its deforestation prevention policy and develops metrics to measure GHG emissions across its entire supply chain**



Consider the leadership qualities and interconnectedness of your action, including...

CONSISTENCY: leaders ensure that all business activities, including lobbying activities, are consistent with the emission reductions needed to deliver the Paris Agreement goal of restricting temperature increases to well below 2 degrees celsius

Collaboration: responsible engagement and collaboration with governments is particularly pertinent in the context of emissions reductions, as success relies on effective carbon prices and other climate policy

Accountability: ambitious action on climate will always take into account human rights and other social protections

Interconnectedness: climate change mitigation is fundamental to all other Goals as a stable climate underpins all livelihoods and ecosystems.

13 CLIMATE ACTION



BUSINESS ACTION 3

Shift to a portfolio of goods and services that have, and promote, negligible emissions from use



Companies have, within their Scope 3 emissions, a critical role to play in reducing emissions from use and consumption by supplying low-carbon products and services. All companies should aim for products and services that have the least possible emissions from use. Leading action would imply development and deployment of novel technologies, business models, and solutions that radically reduce or promote the reduction of emissions from use. These should be designed in a way that can fully replace carbon intensive alternatives in existing portfolios. They could be technologies impacting the emissions intensity of activities in major energy end use sectors including manufacturing, transport, buildings and appliances, and land use; or innovative solutions such as financial service offerings that are tailored to spur low-carbon

Example practice

- An investment bank leads an initiative under which it provides green finance, including green project bonds, green asset-backed securities, and philanthropic funds as catalytic first-loss capital to promote investment in energy access. As part of the initiative the bank partners with the Global Alliance for Clean Cookstoves and other commercial and development finance institutions **to raise \$100m to help provide clean cooking solutions to millions of households in the developing world**
- an automobile manufacturer develops **high-performance, affordable electric vehicles; makes its technology publicly available to enable an industry-wide switch to EV; and partners with a rooftop solar company** to provide solutions for allowing EVs run on electricity from renewables
- an insurance company creates **products to incentivize customers to make environmentally responsible choices, provides energy efficient replacements to customers, works with specialists to restore more of their customers' items, and engages with the companies it invests in** on climate change to deliver renewable energy products and other activities to mitigate greenhouse gases



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: inspiring and enabling others to take climate action at scale requires making innovative solutions that radically reduce emissions intensity, are accessible and replicable

Accountability: ambitious action on climate will always take into account human rights and other social protections

Interconnectedness: climate change mitigation is fundamental to all other Goals as a stable climate underpins all livelihoods and ecosystems

13 CLIMATE ACTION



BUSINESS ACTION 4

Promote climate conscious behavior and build capacity for climate action



Companies have an important role in shaping public debate on climate change and building stakeholder capacity for climate action. As Governments are vitally important for climate action in their role as designers and implementers of ambitious climate policy, all companies should publicly support their actions and practice responsible public policy engagement. Leading companies actively promote climate conscious behaviour through building climate change awareness and education programmes. To this end, they can implement a climate change-specific communications, education and awareness raising strategy targeting behavioral change in the workplace, marketplace, and community. They can practice responsible engagement with government, and build capacity and assist stakeholders in areas where they are well positioned to do so, especially where institutional capacity and will are lacking. Companies can lead in building capacity for channelling climate finance, especially capacity and will of peers through co-financing arrangements, as private finance is critical for achieving finance flows of US\$100 billion per annum by 2020 as agreed under the UNFCCC.

Example practice

- An agricultural equipment company works with an NGO to use **modified trucks for screening videos and host workshops, coupled with hands-on instruction at demonstration plots**, to train maize and dairy farmers in Kenya on improved practices that lead to greater climate resilience
- A detergent manufacturer **launches an industry-wide initiative to promote washing clothes in 30 degrees Celsius water** in an effort to reduce household emissions
- A major insurance company pledges financial capacity and expertise to support governmental climate action. It commits to having **advised 50 sovereigns and sub-sovereigns on climate risk resilience by 2020, and to have offered them protection of USD 10 billion against this risk**



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: behavioral change and building capacity for climate action are long, complex trajectories, especially as climate is largely an intergenerational issue that risks being forgotten by citizens and political agendas. Long-term collaboration with a wide range of stakeholders is therefore critical

Accountability: meaningful engagement is key to successful awareness raising and capacity building. This includes understanding and supporting national development plans and priorities, and minimising the risk of negative impacts on human rights – especially crucial when operating in developing markets

Interconnectedness: building capacity for climate action is interconnected with all other Goals, particularly through institution building (Goal 16) and partnerships for the Goals (Goal 17).

13 CLIMATE
ACTION

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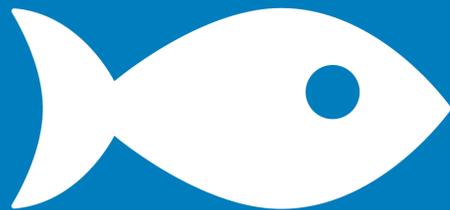
Evaluation of General Mills and Kelloggs GHG emission targets and plans

NDC Partnership

Science Based Targets

**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

**14 LIFE
BELOW WATER**



14 LIFE
BELOW WATER

How business leadership can advance Goal 14 on Life Below Water



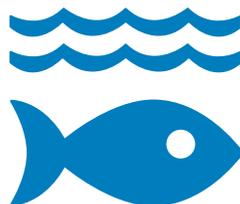
Healthy oceans are critical for life on earth through their regulation of global climate and water systems, and through sustaining the natural resources that provide 17 per cent of the global population's animal protein intake. Many communities also rely on oceans for their livelihoods. The earth's oceans are under ever increasing pressure from direct pollution and eutrophication, climate change, and fishing and aquaculture. Ocean plastic and debris are increasing rapidly; at this rate, it is estimated that there will be more plastic debris than fish in the world's oceans by 2050, presenting a huge risk to ocean and human life. Ocean acidification can lead to weakening of the shells and skeletons of many marine species. Overfishing negatively impacts food production, the functioning of ecosystems, and biodiversity.

Businesses play a key role as responsible stewards of oceans, seas, and marine resources. Oceans underpin the global economy. Over 90 per cent of the world's trade is carried by sea, supporting more than USD \$2.5 trillion of commercial activity every year. Maritime transport can impact ocean habitats by emitting exhaust, leaking chemicals and dumping waste into waters. Extractive activities including fishing, offshore drilling for oil and gas, and mineral mining can cause great damage to ocean environments if not managed sustainably. Land-based activities also generate by-products that are carried to oceans and disrupt marine ecosystems through pollution and eutrophication of habitats. All businesses have a responsibility to abide by environmental law and international treaties on the protection of marine ecosystems.

There is significant scope for business leadership on Goal 14. Yet today, Goal 14 is rarely identified as a priority for business action despite many businesses relying on maritime resources for inputs and transportation. Business leadership on Goal 14 requires first understanding the business link to oceans across end-to-end operations. Leading companies can then implement policies and practices to protect ocean ecosystems affected by their end-to-end operations. They can also contribute with their strong research, development, and deployment capabilities to provide new products, services, and business models which negate impacts on ocean ecosystems and contribute to their restoration. They can lead by galvanizing finance for the protection and further development of ocean ecosystems and water system flows, including through multi-stakeholder partnerships. Leading action can also involve the design and implementation of solutions to accurately value and respect natural capital, and enabling others to do the same.

Maintaining healthy ocean environments is a fundamental precondition for businesses to operate in the long term, and addressing the current challenges provides a significant business opportunity. Global markets for ocean resources including energy, food, fresh water, minerals and recreation are large and growing, but a lack of sustainable products, processes and business models make many activities unsustainable. Technologies such as aquaponics, tidal energy, and energy efficient desalinization can address this challenge while presenting significant opportunities to reap rewards from the sustainable use of ocean resources.

Action on Goal 14 is closely linked to many Goals, including Goal 13 on climate action and to Goal 15 on life on land. Reaching the targets of Goal 14 will likewise require significant progress on Goal 12. The important role that the oceans play in providing food globally means that the success of Goal 2 on zero hunger requires that ocean biodiversity loss be halted. Oceans are also closely tied to Goal 6 on clean water and sanitation through their regulation of global climate and precipitation.





Business Actions in Support of Goal 14

Targets of Goal 14

14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution

14.2 By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans

14.3 Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels

14.4 By 2020, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices and implement science-based management plans, in order to restore fish stocks in the shortest time feasible

14.5 By 2020, conserve at least 10 per cent of coastal and marine areas, consistent with national and international law and based on the best available scientific information

14.6 By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing

14.7 By 2030, increase the economic benefits to Small Island developing States and least developed countries from the sustainable use of marine resources

Business Actions

- 1** Implement policies and practices to protect ocean ecosystems that are affected by business and supply chain activities
- 2** Research, develop, and deploy products, services, and business models which negate impacts on ocean ecosystems and contribute to their restoration
- 3** Galvanize finance for the protection and further development of ocean ecosystems and water system flows
- 4** Design and implement solutions to accurately value and respect natural capital, and drive wider adoption of these solutions



Do your actions satisfy the Leadership Qualities?

 **Guiding Questions** to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 14? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learning from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 14?

Consistent

- Is support for Goal 14 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 14?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 14?

Accountable

- Do you publicly express your commitment to advance Goal 14?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations for Goal 14

Intentionality is essential for successful action on Goal 14, with top-level commitment and leadership to drive awareness and recognition of the importance of the Goal, especially as it is often less visible to stakeholders.

Ambitious action on life below water addresses systemic, often human activity-related causes of ecosystem threats, ensuring that solutions are aligned with the long-term outcomes required to realize the 2030 Agenda.

Consistency requires the company to have incentive structures that promote the protection of oceans, seas, and marine resources across all business functions.

Life below water is a common pool resource, influenced by a variety of stakeholders. This implies that successful realization of the company's goals will almost always depend on collaboration with other actors, including Governments, peers, supply chain members, local communities, and international organizations below water.

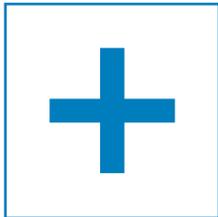
Life below water supports many livelihoods, so there are risks of negative impacts on communities associated with company action. These should be continually monitored and accounted for, with meaningful engagement with impacted communities, and public reporting.



How taking action on Goal 14 is interconnected with other Goals



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



Maximise likelihood of positive impact on:



Protecting ocean health contributes directly to climate action (Goal 13) by preserving natural carbon sinks and regulating global climate patterns. Its achievement relies on progress being made toward responsible consumption and production (Goal 12). Since several communities rely on ocean resources and fisheries for their livelihoods, action to protect these ecosystems also helps reduce poverty, hunger and inequalities (Goals 1, 2, 5 and 10), as well as improve health (Goal 3). A close link between life on land and life below water means that Goal 15 also benefits from action to preserve life under water.



Minimise risk of negative impact on:



There may be trade-offs in the short term between protecting ocean health, and pursuing economic growth (Goal 8) and industrial development (Goal 9). For example, current accounting methods may show that it is more valuable to transport goods or discard waste as cheaply as possible, with no regard for impact on ocean health. However, this trade-off may disappear if ocean health is valued appropriately.

14 LIFE
BELOW WATER

BUSINESS ACTION 1

Implement policies and practices to protect ocean ecosystems that are affected by business and supply chain activities



Companies have a responsibility to abide by national environmental standards. Leading companies go beyond this and set new benchmarks on pursuing growth without damaging oceans, seas, and marine resources. Where possible, they should do so through multi-stakeholder partnerships and standards. Leading companies implement ambitious policies and practices to protect natural ecosystems across multiple tiers of their supply chains. This can include supplier selection and working with strategic suppliers to help build their capacity to adhere to, and exceed, environmental standards.

Example practice

- An agriculture company commits to **eliminating the pollution of harmful pesticides in agriculture runoff and implements its commitment by transitioning to biological pest control** to reduce ocean pollution and biodiversity loss
- A zero-waste grocery chain **makes its stores completely free of packaging**, requiring customers to bring their own recycled packaging materials in order to prevent plastic debris related to its operations from entering the oceans
- A shipping company **equips its tanker fleet with rotating sails** to harness wind power for transportation and reduce emissions and ocean pollution



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: companies are often well placed to collaborate with their suppliers on more sustainable practices for the benefit of oceans, seas, and marine resources.

Accountability: ocean ecosystems often underpin livelihoods of vulnerable groups in coastal communities and provide food sources for other vulnerable populations. When taking action to protect these ecosystems, social safeguards should be in place and any risk of negative impacts managed. This includes meaningful engagement with potentially affected populations to understand how action can respect and support their human rights. It also involves monitoring and reporting on progress towards goals.

Interconnectedness: healthy oceans, seas, and marine resources are closely interlinked with, and contribute to, climate action (Goal 13) and life on land (Goal 15). As they underpin livelihoods, they also contribute to reducing poverty (Goal 1), hunger (Goal 2) and health and well-being (Goal 3).

14 LIFE
BELOW WATER

BUSINESS ACTION 2

Research, develop, and deploy products, services, and business models which negate impacts on ocean ecosystems and contribute to their restoration

All companies have a responsibility to ensure that their existing products and services minimize impact on ocean ecosystems. Leading companies go beyond this and leverage their innovation capabilities to deliver solutions that negate impacts and/or contribute to the restoration of ocean ecosystems. This can comprise new products and services with much improved environmental performance, such as sustainable fisheries technologies or alternatives for fertilizers and other products for agricultural use that cause polluting run-off. It can also include business models that fundamentally alter the pressures on ocean ecosystems, such as alternatives for fish protein intake. These innovations can have applications throughout the value chain, from agricultural and the extraction of basic materials, through to consumption of products and services.

Example practice

- A shoe company **designs a 3D printed shoe made entirely from recycled ocean debris** and markets it to raise awareness around ocean pollution
- A fishing equipment manufacturer **designs and markets a zero bycatch ocean fishing net** which includes lighted rings that allow small ocean life to escape nets intended to capture large fish
- A fertilising company **develops a phosphorus-free lawn fertiliser** that reduces nutrient runoff causing eutrophication in oceans and freshwater



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: ambitious innovations transform high impact activities into zero impact or restorative activities. They are affordable and accessible, so that other stakeholders can replicate them.

Accountability: developing and adopting new products, services, and business models can cause major shifts in economic activity with risks of negative impacts on local communities and other stakeholders. These risks should be managed, with adequate safeguards in place.

Interconnectedness: research & development progresses innovation (Goal 9) and sustainable production (Goal 12). Healthy oceans, seas, and marine resources are closely interlinked with, and contribute to, climate action (Goal 13) and life on land (Goal 15). As they underpin livelihoods, they contribute to people-focused sdgs.

14 LIFE
BELOW WATER

BUSINESS ACTION 3

Galvanize finance for the protection and further development of ocean ecosystems and water system flows



Companies in all sectors, from finance to industries with a direct impact on their environment, can play a role in allocating capital in a way that is commensurate with protecting and developing healthy oceans, seas, and marine resources. Companies with sufficient influence to affect the investment decisions of others can lead by galvanizing finance to support ocean ecosystem conservation, restoration, and development efforts, and build awareness among relevant stakeholders. They can identify funding gaps and focus particularly on regions that do not have the capacity to finance support for ocean ecosystems and water system flows so as to maximize positive impact. Companies can also engage policy makers and others in multi-stakeholder initiatives to eliminate harmful financial flows, such as investment in unsustainable fisheries or fisheries subsidies. They can also invest in training around sustainable practices in fisheries and aquaculture.

Example practice

- A seafood company **buys a stake in a community fishing co-op**, to provide a consistent income for fishermen and prevent the overfishing of the target species and reduce by-catch
- A group of food and restaurant companies **partner with industry peers and civil society to advocate for the end of fisheries subsidies** to end unsustainable fishing practices in ocean ecosystems



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: collaborative action on galvanizing finance, involving governments, international organizations, peers, and others, is essential to generate large financing volumes and ensure that all action is complementary.

Accountability: altering financial flows, in particular subsidies, carries significant risks of negative impacts on local communities and other stakeholders. These risks should be managed, with adequate safeguards in place. Meaningful engagement with vulnerable groups is essential to understand where impacts, both negative and positive, may materialize.

Interconnectedness: research & development progresses innovation (Goal 9) and sustainable production (Goal 12). Healthy oceans, seas, and marine resources are closely interlinked with, and contribute to, climate action (Goal 13) and life on land (Goal 15). As they underpin livelihoods, they contribute to people-focused Goals.

14 LIFE
BELOW WATER

BUSINESS ACTION 4

Design and implement solutions to accurately value and respect natural capital, and drive wider adoption of these solutions



Companies can lead on the protection of life below water by designing and implementing solutions that can help integrate the full value of natural capital into decision making related to their end-to-end operations, and that are also replicable. Methods can include natural capital accounting and innovative methods for payments for ecosystem services. Leading companies make sure that these solutions gain traction by collaborating with Governments, suppliers and other stakeholders to build capacity. They also showcase their own solutions to protect ecosystems.

Example practice

- A private sector water utility incorporates **natural capital accounting** in all its assessments, financial accounts and strategy to ensure that protecting natural assets is incentivised at all levels of decision-making. It encourages companies across its value chain to do the same
- A construction company adopts a **biodiversity net gain policy**: if it is unavoidable to negatively affect a part of the natural habitat in one area, it creates an equivalent amount of natural habitat in another area, after consulting with the affected stakeholders and government authorities



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: ambitious action on valuing and respecting natural capital would have a significant impact on end-to-end operations and inspire action beyond.

Accountability: newly acquired information on negative and positive impacts on natural capital should be made transparent to the public, so that other stakeholders can use it to inform their own actions.

Interconnectedness: natural capital valuation solutions are innovative (Goal 9) and sustainable production (Goal 12). Healthy oceans, seas, and marine resources are closely interlinked with, and contribute to, climate action (Goal 13) and life on land (Goal 15). As they underpin livelihoods, they contribute to people-focused SDGs.



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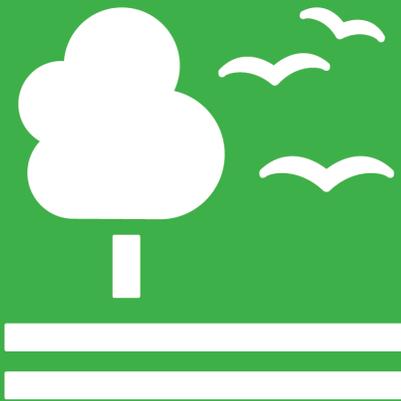
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Better Business, Better World

Wealth Accounting and the Valuation of Ecosystem Services (WAVES) Partnership

**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

15 LIFE
ON LAND



15
LIFE
ON LAND

How business leadership can advance Goal 15 on Life on Land



Terrestrial and inland freshwater ecosystems are under immense pressure as challenges including biodiversity loss, land degradation and illicit wildlife trade mount. Many biodiversity hotspots, including biodiverse savannahs, grasslands, and tropical rainforests, are under heightened threat from activities linked to global supply chains. The Millennium Ecosystem Assessment states that biodiversity is the foundation on which human lives depend. Biodiverse ecosystems not only provide essential goods including food, water, fibre, and medicines, but also irreplaceable services such as the regulation of disease and the purification of air and water.

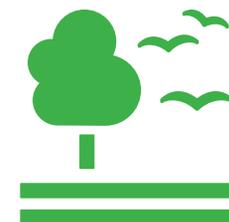
Business should, at a minimum, respect applicable environmental laws governing pollution, land-use, and life on land. Responsible business practice also adopts and integrates international standards that have been developed to support the core principles of the Convention on Biological Diversity and the Nagoya Protocol. Crucially, these international standards recognize that natural resources are not infinite, and that genetic resources should be shared equitably.

There is significant scope for business leadership on Goal 15. Leadership involves understanding and valuing natural ecosystems, ensuring that activities across internal operations and the value chain contribute to protecting ecosystems, and innovating and providing finance for preservation and enhancement of ecosystems. To achieve this, they can adopt the highest environmental standards and implement procedures to protect natural ecosystems that are affected by business and supply chain activities, including land remediation and rehabilitation, and habitat protection and restoration. They are encouraged to do so through multi-stakeholder partnerships and standards where they can. As drivers of innovation, companies can commit to research, development and deployment of new technologies to help decouple economic activity from the degradation of natural ecosystems. Businesses can lead by galvanizing

finance to create awareness, protect, and further develop natural ecosystems. Furthermore, current economic structures tend to undervalue natural ecosystems leading to the disproportionate conversion of these systems for agricultural or urban development uses. Businesses can play a key role in developing and adopting natural capital accounting protocol to correct for this.

Healthy natural ecosystems are foundational to many business activities and caring for them can deliver huge benefits to companies. Natural ecosystems that provide critical services to business and the business environment include food provision, water purification, hazard protection and nitrogen regulation. Forests and other highly biodiverse and carbon rich ecosystems have an irreplaceable role in air purification and carbon sequestration, which improves health outcomes for workers and boosts economic productivity. Forests also play a fundamental role in regulating the water systems on which businesses and employees rely. Natural ecosystems host a large amount of genetic and energy-related resources which have long-term medicinal, scientific and agricultural uses.

Since natural biomes are highly interlinked, action on Goal 15, such as the preservation of forests, can strongly contribute to Goal 13 on climate action and to Goal 14 on life below water. It can also directly contribute to ensuring that there is responsible consumption and production (Goal 12). Furthermore, action on Goal 15 can help reduce poverty and inequality (Goals 1 and 10). The rural poor rely on natural ecosystems for their daily needs. When the services provided from ecosystems are disrupted, the disadvantaged lack the means to replace them. With proper management, thriving ecosystems offers a path out of poverty. Preserving natural ecosystems also supports the natural mechanisms of disease control and the genetic resources that are critical for the discovery of new medicines; which can help advance Goal 3 on good health and well-being.



15 LIFE ON LAND



Business Actions in Support of Goal 15

Targets of Goal 15

15.1 Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services

15.2 Promote the implementation of sustainable management of all types of forest, halt deforestation, restore degraded forests and increase afforestation and reforestation globally

15.3 Combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods and strive to achieve a land degradation-neutral world

15.4 Ensure the conservation of mountain ecosystems, including their biodiversity

15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species

15.6 Promote fair and equitable sharing of the benefits arising from the utilization of genetic resources and promote appropriate access to such resources, as internationally agreed

15.7 Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products

15.8 Introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems

15.9 Integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts

Business Actions

1

Implement policies and practices to protect natural ecosystems that are affected by business and supply chain activities

2

Research, develop, and deploy products, services, and business models to help decouple economic activity from the degradation of natural ecosystems

3

Galvanize finance to create awareness, protect, and further develop natural ecosystems

4

Design and implement solutions to accurately value and respect natural capital, and drive wider adoption of these solutions



Do your actions satisfy the Leadership Qualities?

 **Guiding Questions** to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 15? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 15?

Consistent

- Is support for Goal 15 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 15?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 15?

Accountable

- Do you publicly express your commitment to advance Goal 15?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations for Goal 15

Intentionality is a key aspect of protecting life on land. A commitment in corporate strategy and top-level leadership can motivate employees, and can be used to communicate the strategic objective to suppliers to ensure respect and support for biodiversity in the wider supply chain.

Ambitious action to protect life on land requires minimizing and ultimately negating a company's impact on natural ecosystems. It involves innovation across business activities and the value chain to decouple economic activity from the degradation of natural capital

Consistency requires the company to have incentive structures that promote the protection of natural capital across all business functions. A natural capital accounting protocol which values ecosystem degradation and is reflected on financial accounts is a system that encourages consistent behaviour

Collaboration to protect natural ecosystems requires working with members of the supply chain to build capacity and ensure that they can also undertake measures to protect life on land. It requires working closely with government authorities and scientific bodies to understand key conservation priorities

Accountability is critical to the protection of terrestrial and inland freshwater ecosystems. Business actions to protect these ecosystems should be measurable and verifiable. The impact of business activities on ecosystems should be continually monitored and accounted for, with meaningful engagement with impacted communities to minimize risks of negative impact



How taking action on Goal 15 is interconnected with other Goals



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



Maximise likelihood of positive impact on:



Protecting terrestrial and inland freshwater ecosystems contributes directly to climate action (Goal 13) by preserving natural carbon sinks and helping ensure responsible consumption and production (Goal 12). Since many communities, especially rural communities, rely on natural ecosystems for their livelihoods, action to protect these ecosystems also helps reduce poverty and inequalities (Goals 1 and 10). A close link between life on land and life below water means that Goal 14 also benefits from action to preserve life on land. Preserving natural ecosystems facilitates provision of the natural mechanisms of disease control and the genetic resources that are critical for the discovery of new medicines; this can help advance Goal 3 on good health and well-being.



Minimise risk of negative impact on:



There may be trade-offs in the short term between protecting terrestrial and inland freshwater ecosystems, and pursuing economic growth or infrastructure development. For example, current accounting methods may show that it is more valuable to transform a forested area into an apartment block. However, this trade-off may disappear if ecosystem services are valued appropriately.

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LIFE
ON LAND

BUSINESS ACTION 1

Implement policies and practices to protect natural ecosystems that are affected by business and supply chain activities

Companies have a responsibility to abide by national environmental standards and international treaties. Leading companies go beyond this and set new benchmarks on pursuing growth without damaging natural ecosystems. They are encouraged to do so through multi-stakeholder partnerships and standards. Leading companies implement procedures to protect natural ecosystems across multiple tiers of their supply chains. This can include supplier selection and working with strategic suppliers to help build their capacity to adhere to, and exceed, environmental standards.

Example practice

- A British retailer ensures that **all of its products comply with the standards set by the Responsible Fishing Scheme and the Forest Stewardship Council (FSC)**; it takes additional measures to ensure supply chain traceability and adhere to robust sustainability standards
- A cosmetics company takes robust action to **source its raw material from sustainable sources to ensure that its business does not contribute to deforestation**; it has time-bound targets with the aim of being deforestation-free by 2020
- An outdoor apparel and equipment manufacturer **audits the materials and methods it uses to make products, taking responsibility for the entire lifecycle of products. It examines how it uses resources at buildings and facilities** to ensure that natural ecosystems are not directly or indirectly harmed by activities
- A large media company measures its indirect impact on forest ecosystems by **monitoring its consumption of paper-based products**; it enacts a 'no deforestation policy' and only sources paper products that comply with FSC standards or are recycled. **It encourages and helps other paper suppliers to follow similarly high standards**
- A food producer in Brazil investigates its supply chain to ensure that its operations do not illegally encroach upon natural ecosystems and communities; it takes steps to ensure that the **physical presence of business operations does not undermine the health of terrestrial ecosystems and supports afforestation efforts**



Consider the leadership qualities and interconnectedness of your action, including...

Accountability: valuable ecosystems often underpin livelihoods for vulnerable groups, such as indigenous people and the rural poor. When taking action to protect these ecosystems, social safeguards should be in place and any risk of negative impacts managed. This includes meaningful engagement with potentially affected populations to understand how action can respect and support their human rights.

Interconnectedness: healthy natural ecosystems are closely interlinked with, and contribute to, climate action (Goal 13) and life below water (Goal 14). As they underpin livelihoods, they also contribute to reducing poverty (Goal 1), hunger (Goal 2) and health and well-being (Goal 3).

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BUSINESS ACTION 2

Research, develop, and deploy products, services, and business models to help decouple economic activity from the degradation of natural ecosystems

Companies can lead on Goal 15 by undertaking and supporting research, development, and deployment activities with an aim to introduce viable technologies that help decouple economic activity from environmental degradation. This can comprise new products and processes to minimise the impact of economic activity on natural ecosystems and protect and enhance the capacity of natural ecosystems. These innovations can have applications throughout the value chain, including in processes to extract and produce basic materials, through to consumption of products and services.

Example practice

- A company **develops fully biodegradable products and packaging**, and promotes industry-wide adoption
- A biotechnology firm **conducts research to develop compounds that can sustainably replace palm oil to tackle deforestation**
- A company develops **high-yield seed varieties** and crop rotation programs to ensure that soil remains productive and fertile
- A technology company develops an app for small-holder farmers that connects them to suppliers where they can access the tools and knowledge necessary to **farm sustainably**



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: ambitious action involves making a significant contribution to minimizing and ultimately negating the degradation of natural ecosystems throughout the lifecycle of the product or service. New technology should be shared widely, inspiring action through adoption by other stakeholders

Interconnectedness: new technologies to decouple economic activity from the degradation of natural ecosystems can contribute to advancing all other people and planet sdgs. They can also contribute to sustainable production (Goal 12), innovation (Goal 9), and economic growth (Goal 8).

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BUSINESS ACTION 3

Galvanize finance to create awareness, protect, and further develop natural ecosystems



Companies in all sectors, from finance to industries with a direct impact on their environment, play a role in allocating capital in a way that is commensurate with protecting and developing healthy natural ecosystems. Companies with sufficient clout to influence investment decisions of others can lead by galvanizing finance to support ecosystem conservation, restoration and development efforts, and build awareness among relevant stakeholders. They can identify funding gaps and focus particularly on regions that do not have the capacity to finance support for natural ecosystems, so as to maximize positive impact.

Example practice

- An apparel and equipment retailer **establishes a venture fund which backs start-ups with an aim to protect natural habitats**
- A large commercial bank sets up a department specialized in environmental finance and **helps structure and place a forest-backed bond** that attracts more than \$150 million in institutional investor financing



Consider the leadership qualities and interconnectedness of your action, including...

Ambition: galvanizing financial resources should involve generating additional finance from other stakeholders including businesses, governments, and ngos. It should result in measurable, long-term benefits to natural ecosystems

Accountability: valuable ecosystems often underpin livelihoods for vulnerable groups, such as indigenous peoples and the rural poor. When taking action to protect these ecosystems, social safeguards should be in place and any risk of negative impacts managed. This includes meaningful engagement with potentially affected populations to understand how action can respect and support their human rights

Interconnectedness: healthy natural ecosystems are closely interlinked with, and contribute to, climate action (Goal 13) and life below water (Goal 14). As they underpin livelihoods, they also contribute to reducing poverty (Goal 1), hunger (Goal 2) and health and well-being (Goal 3).

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BUSINESS ACTION 4

Design and implement solutions to accurately value and respect natural capital, and drive wider adoption of these solutions

Companies can lead by designing and implementing solutions that can help integrate the full value of natural capital into decision-making relating to the business' end-to-end operations, but which are also replicable and applicable beyond that. Methods can include natural capital accounting and innovative methods for payments for ecosystem services. Leading companies make sure that these solutions gain traction by collaborating with Governments, supply chain members and other stakeholders to build capacity for reflecting the full value of natural ecosystems in decision-making. They also showcase their own solutions to protect ecosystems.

Example practice

- A utility incorporates **natural capital accounting** in its assessments, financial accounts, and strategy to ensure that protecting natural assets is incentivised at all levels of decision-making
- A construction company **adopts a biodiversity offset policy**: if it is unavoidable to negatively affect a part of the natural habitat in one area, it creates an equivalent amount of natural habitat in another area, after consulting with the affected stakeholders and government authorities
- A tourism company **implements a program to support local communities managing natural assets**, such as forests and streams. It also implements a program to **support impoverished communities near its game parks** so that people do not have to rely on illegal poaching to meet their basic needs



Consider the leadership qualities and interconnectedness of your action, including...

AMBITION: Ambitious action on valuing and respecting natural capital would have a significant impact on end-to-end operations and inspire action beyond.

Accountability: newly acquired information on negative and positive impacts on natural capital should be made transparent to the public, so that other stakeholders can use it to inform their own actions.

Interconnectedness: solutions for valuing and respecting natural capital can benefit natural ecosystems which is required for advancing all aspects of the 2030 agenda. It can also contribute to sustainable production (Goal 12).

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ON LAND

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SDG Compass

UN Global Compact Industry Matrix

Global Opportunity Explorer

Navigating the Goals: a business guide to engaging with the UN Global Goals

SDG Reporting - An Analysis of the Goals and Targets

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**BLUEPRINT
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**16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS**



16 PEACE, JUSTICE
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INSTITUTIONS



How business leadership can advance Goal 16 on Peace, Justice and Strong Institutions



Progress in promoting peace and justice - together with fostering effective, accountable, and inclusive institutions - is a decisive challenge across the globe. Violence cost 12.6 per cent of world GDP in 2016. While homicides have declined and more citizens around the world have better access to justice, violent conflicts have increased in recent years. A few high-intensity armed conflicts are causing a large number of displaced persons and threatening rule of law. In 2016 IMF estimated the annual cost of bribery alone at about \$1.5 to \$2 trillion. Bribery and corruption impede business growth, raise transaction costs, and create an unlevel playing field. This ultimately creates social instability, fuels mistrust in public officials and institutions, and undermines the rule of law. Indeed, an estimated 4 billion people world-wide continue to live outside the protection of the law. There is also still a gulf between quality of governance globally, including government effectiveness, regulatory quality, and, pertinent to the private sector in particular, control of corruption. Corruption and bribery scandals can cause major societal instabilities.

Businesses have a vitally important role to play in respecting and supporting peace, justice, and strong institutions, both globally and in the countries in which they operate. Now more than ever, a growing number of business leaders are recognizing they have a crucial role to play in advancing anti-bribery and corruption, peace and rule of law efforts, as a complement to, not substitute for, government action. In a society that is based on the rule of law, all actors - including Governments, businesses, and individuals - are accountable to clear, fair, and predictable laws, regulations and impartial institutions. As such, businesses should respect the rule of law, and, wherever possible, work with all relevant stakeholders including Governments, civil society, and non-governmental organizations to strengthen institutions and the rule of law, working as a complement to Governments. Businesses can also strive to achieve zero violence, abuse, exploitation, and corruption across their own operations and supply chain while businesses operating in areas of conflict should regularly consult with international bodies and, where possible, relevant Governments and embassies to ensure that their activities contribute to advancing peace, justice, and strong institutions. At the same time, businesses should respect the lines of separation that are critical for well-functioning Governments taking care that their involvement in Goal 16 does not cross into domains that are exclusively the remit of government.

Business leadership on Goal 16 is about respecting and supporting Governments in efforts to advance peace, justice, and the proper functioning of effective, accountable, and inclusive institutions. Leading businesses will critically examine the direct and indirect consequences of their end-to-end operations to ensure that they are respecting and supporting the rule of law, including strengthening efforts to combat corruption, protect human rights, and reduce violent conflict. To this end business can implement such measures that ensure robust supply chain management and transparency of financial flows. Businesses can also be leaders through support of accountable and inclusive institutions and peace-building efforts by building organizational capacity in the public sector and the provision of technologies, skills, and logistical solutions in areas of conflict and humanitarian crises.

There is a strong interdependence between business success and the sustainability of the societies in which they operate. An operating environment which is governed by the rule of law provides the basis for commercial certainty and long-term investment, growth, and sustainable development for all. Women and minority-owned businesses may face particular obstacles from laws that are inconsistent with universal norms and standards.

Goal 16 is highly interconnected to all of the other Goals. Without a peaceful, just and inclusive society, which is supported by strong institutions, the 2030 Agenda cannot be achieved.





Business Actions in Support of Goal 16

Targets of Goal 16

- 16.1** Significantly reduce all forms of violence and related death rates everywhere
- 16.2** End abuse, exploitation, trafficking and all form of violence against and torture of children
- 16.4** Reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms or organised crime
- 16.5** Substantially reduce corruption and bribery in all their forms
- 16.6** Develop effective, accountable and transparent institutions at all levels
- 16.3** Promote the rule of law at the national and international levels and ensure equal access to justice for all
- 16.7** Ensure responsive, inclusive, participatory and representative decision-making at all levels
- 16.10** Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements
- 16.A** Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels
- 16.B** Strengthen relevant national institutions, including through international cooperation, for building capacity at all Promote and enforce non-discriminatory laws and policies for sustainable development

Business Actions

- 1** Identify and take robust action against corruption and violence in own operations and the supply chain
- 2** Work with government to strengthen institutions and increase respect and support for the rule of law
- 3** Work with government and/or international institutions in areas of conflict and humanitarian crises to contribute to peace and institution building

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Do your actions satisfy the Leadership Qualities?



Guiding Questions
to apply to the Leadership Qualities to your business

Intentional

- Does your company commit to supporting Goal 16 across operations and the supply chain in its strategy?
- Do you successfully implement your strategy to advance Goal 16 and is it supported by the highest levels of management?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 16?

Consistent

- Is support for Goal 16 embedded across all organizational functions, including company's external communications? Are staff and board incentives aligned with achieving Goal 16?

Collaborative

- Do you consult and work with employees, suppliers, civil society and industry peers to understand how you can best work together to advance Goal 16?

Accountable

- Do you publicly express your commitment to advance Goal 16 across the workplace and your supply chain?
- Do you monitor and report on impacts, including potentially adverse impacts?
- Do you manage the risks associated with your action?
- Do you engage stakeholders in a meaningful way?

Key Considerations
for Goal 16

Intentionality and successful implementation of action on Goal 16 is crucial, as a lack of commitment can delay and hamper other action and lead to serious infringement of human rights.

Leadership on Goal 16 requires far-reaching, innovative solutions and committed action that goes beyond changes in the context of own operations. It can inspire peers and other actors to take similar leading action.

Goal 16, particularly where it relates to just behavior in workplaces, requires action to be consistently applied across all organizational functions and incentives to be aligned, to create a supportive corporate culture.

All action on Goal 16 must be collaborative, as outcomes will, with few exceptions, depend significantly on efforts from other stakeholders. This, critically, includes Governments, alongside other stakeholders.

Accountable action does not cross into domains that are exclusively the remit of government, and meaningfully engages all affected stakeholders to understand areas of need and enable management of the risks of negative impacts, particularly human rights.



How taking action on Goal 16 is interconnected with other Goals



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



Maximise likelihood of positive impact on:



Action on Goal 16 can positively contribute to all Goals. Salient positive impacts include those that are related to reducing inequalities (Goal 5 and 10) by building inclusive institutions, fostering partnerships (Goal 17) by encouraging collaboration on respecting and supporting the rule of law and, reducing poverty and creating economic growth (Goal 1 and 8) by creating a stable and predictable business environment.



Minimise risk of negative impact on:



Businesses should take care to ensure that their actions on Goal 16 do not cross into domains that are exclusively the remit of government. They should maintain the lines of separation between the private and public sector that are essential for retaining well-functioning democracies and effective partnerships (Goal 17).

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



BUSINESS ACTION 1

Identify and take robust action against corruption and violence in own operations and the supply chain

Businesses can contribute to peace and justice by developing, implementing, and sharing solutions to take robust action against corruption and violence throughout their own operations and the supply chain. All business should take action against corruption and violence, including by implementing strong whistleblowing and anti-bribery and corruption policies. Leading companies go further and extend their commitments to multiple tiers of the supply chain. This requires tools and frameworks for robust supply chain management and transparency of financial flows. Business can also advance Goal 16 by controlling the way in which products and services, including financial services, are used by its customers.

Example practice

- A textiles company adopts **robust supply chain traceability practices** to identify corruption and/or potential human rights violations in its overseas factories and develops a plan for redressal or disengagement as appropriate. It shares good practice with industry peers on how to disengage, and advocates for supply chain regulation and standards
- A furniture company **partners with UNICEF to address child labour issues in India**; its program includes setting up child protection committees and addressing the root causes of child labour such as debt, poverty, lack of access to education, disability and ill health
- A jewellery company **develops careful partnerships with suppliers to ensure that strict labour and environmental standards are met in mining gems**. It ensures that its supply chain is transparent and traceable, and donates a proportion of its profits to benefit communities harmed by dirty practices in the jewellery industry.



Consider the leadership qualities and interconnectedness of your action, including...

Intentionality: zero tolerance for corruption and violence driven from the top levels of management are crucial for creating a corporate culture required for fighting corruption and violence across all activities

Ambition: ambitious action against corruption and violence should show the way and inspire other companies to step up their efforts as well. This usually means that action extends well beyond own operations to cover multiple tiers of the value chain, with high levels of transparency and traceability.

Accountability: accountability is essential in the context of action against corruption and violence, as companies should monitor and report on progress so as to be continuously and publicly accountable.

Interconnectedness: action against corruption and violence can contribute to decent work (Goal 8), health (Goal 3), and reducing inequalities (Goal 10)

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BUSINESS ACTION 2

Work with government to strengthen institutions and increase respect and support for the rule of law



Companies can, in close consultation with Governments and civil society, become leaders on increasing respect and support for the rule of law, and building stronger, more accountable, and inclusive institutions that govern the workplace, marketplace and community. Companies can bring capabilities that can significantly bolster government efforts. They can build organizational capacity in the public sector where there are significant capacity gaps, contribute technological solutions such as information technology and data analysis, and facilitate the development of legal and regulatory frameworks.

Example practice

- An IT company partners with industry peers to create a standard code of conduct to address hate speech online. This commits them to efforts to tackle illegal hate speech online and to develop internal procedures and staff training. The IT companies work with government and civil society to identify and promote counter-narratives, new ideas and initiatives, and support educational programs that encourage critical thinking consistent with fundamental human rights.
- A shipping company creates a **maritime anti-corruption network that helps companies identify and addresses vulnerable elements in maritime processes where corruption is prone to take place**. The network collaborates with local Governments and other actors to identify and mitigate the root causes of corruption in the industry.

A global insurance company established **a fund with a mission to support projects that advance the rule of law**. The fund's initiatives include support for the development of civil legal codes in emerging economies, training and support of domestic judges and fairer procedures for detained migrants and juveniles.



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: successful collaboration with governments involves understanding areas of need and opportunity for support

Accountability: actions needs to ensure that all risks of negative impacts on people and planet are accounted for. This is particularly pertinent in developing countries where there are many areas of need

Interconnectedness: institution building and respect and support for the rule of law is fundamental to the achievement of all sdgs.

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



BUSINESS ACTION 3

Work with government and/or international institutions in areas of conflict and humanitarian crises to contribute to peace and institution building

Companies that work in, or source from areas of conflict and humanitarian crises must conduct business with great care. They have a responsibility to make substantial efforts to respect and support human rights in the context of their end-to-end operations and are encouraged wherever possible, to appeal to international institutions and the embassy of a business' home country to understand whether there is hard evidence that a particular state is engaging in crimes against humanity. Beyond that, there is scope for businesses to become leaders by supporting working with Governments, peace building and institution building organizations. This could include the provision of technologies, skills, logistical solutions, and security services, taking care that their contribution does not cross into domains that are exclusively the remit of government.

Example practice

- A shipping company dedicates a materially significant proportion of its fleet towards identifying and **rescuing refugees** on precarious boats. It works with local government authorities, NGOs, and multilateral agencies to rehabilitate the refugees in a manner consistent with international law and good practice
- A global technology company and its corporate partners work with United Nations High Commissioner for Refugees (UNHCR) to **design and deploy a registration system for refugees** from conflict, many of whom had been stripped of all identification documents. The database is used in the distribution of aid and assists in searching for and reuniting separated families



Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: action can only be leading if essential stakeholders for resolution of conflicts and crises are involved, including government and international institutions, as well as ngos, civil society organisations, and other companies.

Accountability: action in areas of conflict and humanitarian crises must be fully accountable, with attention for identifying, monitoring, and managing risks of negative impacts on human rights in affected communities and providing opportunities for redress.

Interconnectedness: contributing to addressing conflicts and humanitarian crises, and helping to build institutions, can strongly contribute to people-oriented Goals including no poverty (Goal 1), zero hunger (Goal 2), and good health and well-being (Goal 3).



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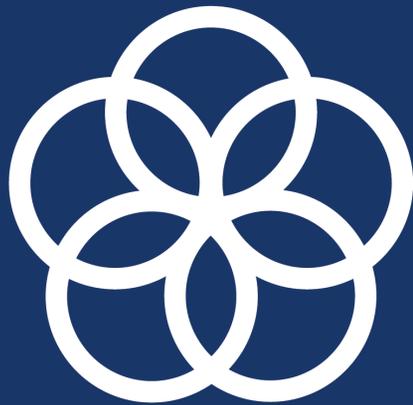
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**BLUEPRINT
FOR BUSINESS
LEADERSHIP
ON THE SDGS**

**17 PARTNERSHIPS
FOR THE GOALS**



17 PARTNERSHIPS
FOR THE GOALS

How business leadership can advance Goal 17 on Partnerships for the Goals



Partnership and cooperation are essential for achieving the Global Goals. The international community has encouraged the development of partnerships between stakeholders, including business, to achieve common goals. It is only by forging partnerships that leverage the core competencies of all partners that the ambition of the SDGs can be achieved.

Companies are major players among SDG stakeholders, offering expertise, experience, resources, access to knowledge, and capabilities to innovate. But, companies cannot create transformative change acting alone. Business may not fully take account of all voices and be aware of all areas of need; and they may not have access to the best available knowledge. To support the achievement of the SDGs in all countries, companies should work alongside national and regional Governments, multilateral organizations, civil society, the scientific community and academia, and their peers to participate in and establish multi-stakeholder partnerships that mobilize and share knowledge, expertise, technologies and financial resources. At a minimum, all companies can seek to be aware of the key partnerships in the context of their end-to-end operations and become active participants wherever they might make a significant contribution.

A leading company will create and promote stronger partnerships by galvanizing finance for sustainable development, fostering exchange of technology and knowledge with stakeholders in developing regions, engaging in capacity building activities, and taking a leading role in establishing coalitions to create innovative technologies and business models. A leading company will look across borders to find ways to increase partnerships for sustainable development, especially in least developed countries, and tackle systemic challenges through joint leverage. It will also ensure to include vulnerable communities that are at risk of being excluded from discussion. Such partnerships will be principles-based and needs-driven, build on local capacity, and reflect the undiluted values of the United Nations to ensure they are transparent, accountable, and inclusive.

Action on Goal 17, and thereby advancing all Global Goals, is essential for business success. There are significant revenue opportunities and costs savings from business practices that integrate respect and support for human rights and protection of the planet. These can be harnessed more fully in collaboration with other stakeholders. Partnerships facilitate the exchange of information, knowledge and technologies that allow for enhanced risk management, value protection, and identification of joint business opportunities.

Goal 17 is deeply interconnected with all other SDGs. Unlike the other Goals which deal with specific thematic areas, Goal 17 is cross-cutting and can help in the realization of the other 16 Goals. Care should be taken to ensure that action to further partnerships and collaboration is inclusive and does not reinforce existing inequalities by further excluding particular groups. Where partnerships spur new economic activity, any risk of negative impact on the environment, on human rights, for instance those of indigenous peoples, should be managed



17 PARTNERSHIPS FOR THE GOALS



Business Actions in Support of Goal 17

Targets of Goal 17

17.1 Strengthen domestic resource mobilization

17.3 Mobilize additional financial resources for developing countries

17.5 Adopt and implement investment promotion regimes for least developed countries

17.6 Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation

17.7 promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms

17.9 Enhance international support for implementing effective and targeted capacity-building in developing countries

17.16 Enhance the global partnership for sustainable development

17.17 Encourage and promote effective public, public-private and civil society partnerships

17.18 Enhance capacity-building support to developing countries, including for least developed countries and small island developing States, to increase significantly the availability of high-quality, timely and reliable data

Finance

Technology

Capacity Building

Systemic Issues

Business Actions

1

Lead on partnerships to improve domestic resource mobilisation through responsible tax practices

2

Galvanize private sector finance to support sustainable development initiatives in developing countries

3

Lead on partnerships to develop and share new and existing technology, knowledge, and business models

4

Build regulatory, organizational, and staff capacity in developing countries

5

Lead on partnerships that address systemic challenges for achieving the SDGs

17 PARTNERSHIPS FOR THE GOALS



Do your actions satisfy the Leadership Qualities?



Guiding Questions to apply to the Leadership Qualities to your business

Intentional

- Is your company committed to supporting the achievement of Goal 17? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

Ambitious

- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 17?

Consistent

- Is support for Goal 17 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 17?

Collaborative

- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 17?

Accountable

- Do you publicly express your commitment to advance Goal 17?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

Key Considerations for Goal 17

An intentional, top-level strategic commitment to advancing Goal 17 sends a signal that can build the trust of other stakeholders. Without real commitment, partnerships often fail to achieve the full potential impact.

Participating in a partnership alone does not satisfy the ambition quality. The contribution to the partnership should go beyond this, for example through initiating the partnership, chairing it, or making a contribution that lifts its impact to a significantly higher level.

Leading companies ensure that partnerships can build on capabilities from all parts of the organization. Full alignment of the organization further ensures that no countervailing actions erode impact and trust between partners.

Partnerships should involve all relevant stakeholders, including those in potentially affected communities, to ensure there is a shared vision, joint ownership of the objectives, and mutual responsibility and accountability for achieving them.

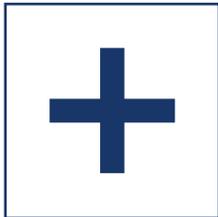
Partnerships should articulate their intended positive impacts and identify risks of any negative impacts that may also result, in particular on human rights. They should integrate processes to mitigate these risks and to monitor their success in doing so.



How taking action on Goal 17 is interconnected with other Goals



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



Maximise likelihood of positive impact on:



Goal 17 is highly interconnected to all the other Goals. Goal 17 is cross-cutting, and its success undergirds the realization of the other 16 goals.



Minimise risk of negative impact on:



Global partnerships to achieve the Goals should not reinforce inequalities. Funding, technology transfer and capacity building should be conducted in a way that promotes self-sufficiency and does not reinforce global inequalities (Goal 10). There are also may be bribery and corruption risks (Goal 16) associated with increasing financial flows and working with some Governments. Where partnerships lead to new economic activity, care should be taken that this does not negatively impact the environment, or the human rights of people involved in or affected by that activity.

17 PARTNERSHIPS
FOR THE GOALS**BUSINESS ACTION 1****Lead on partnerships to improve domestic resource mobilisation through responsible tax practices**

Governments requires corporate tax revenues to advance the SDGs. At a minimum, therefore, businesses should comply with the tax laws and regulations in the countries in which they operate. They should adopt responsible tax practices, not engage in tax avoidance measures, and be transparent about their tax practices through country-by-country reporting. Going beyond this, companies can assume leadership on responsible taxation through partnerships with peers and Governments, responding to the need to create a just international taxation regime that minimises tax avoidance, and by supporting developing countries through providing capacity building to small local business regarding tax payment.

Example practice

- An IT company establishes an initiative involving a wide range of relevant stakeholders, including government, taxpayers, NGOs and accountants, to **develop a platform that can be used to collect, file and disburse tax revenue**
- A private bank **publicly publishes tax and profit data and provides explanations for each country of operation**; it adopts the highest standards on responsible taxation and partners with industry peers to help them do the same

**Consider the leadership qualities and interconnectedness of your action, including...**

Accountability: responsible engagement on tax policy involves pursuing a level playing field with other taxpayers, regardless of position and power. When engaging with developing country governments, national development plans and priorities should be understood and supported.

Consistency: for partnerships to be credible, companies need to practice and advocate responsible taxation across the entire organization and at all levels.

Interconnectedness: supporting domestic resource mobilisation has great potential to advance Goal 10 on inequality, but the additional tax burden should not disproportionately fall on vulnerable groups in society and thereby impact negatively on human rights.

17 PARTNERSHIPS
FOR THE GOALS**BUSINESS ACTION 2****Galvanize private sector finance to support sustainable development initiatives in developing countries**

Companies can be sustainable development partners in developing countries, galvanizing private sector finance for investment including in infrastructure, essential services, and growing businesses while supporting a reduction in financial flows to unsustainable activities that, for instance, violate human rights or damage the environment. Partnerships for private sector finance can involve SMEs and large enterprises in all sectors, including, but not limited to, the financial sector. Along with financial resources, leading companies in such partnerships typically bring expert knowledge, skills, and access to advanced technologies. Foreign investments can also enable domestic industries to access international markets, linking them with multinational enterprises in the global value chain. The partnerships can contribute to addressing gaps in reporting of environmental and social risks, which is essential information for allocating finance to sustainable businesses.

Example practice

- An investment bank leads an initiative under which it provides and facilitates green finance, including green project bonds, green asset-backed securities, and philanthropic funds as catalytic first-loss capital to promote investment in energy access. As part of the initiative the bank partners with the international initiatives and commercial and development finance institutions to **raise \$100m to help provide clean cooking solutions to millions of households in the developing world**
- A telecoms company in India collaborates with industry peers, and government department and ministries to **sustainably undertake critical infrastructure investment in rural communities** to enable affordable internet access, last mile connectivity and build fibre optics to foster development in the region
- Investment companies, working with the UNDP, **support and capitalize a crowd funding platform that connects investors with solar power entrepreneurs in five Sub-Saharan African countries**

**Consider the leadership qualities and interconnectedness of your action, including...**

Accountability: embedding environmental and social safeguards, alignment with aid effectiveness principles and national development plans, responsible tax practices, and accountability frameworks for private finance such as the principles of responsible investment are essential for partnerships that galvanize private sector finance for sustainable development, especially in areas with high risk of negative impact

Interconnectedness: in partnerships to galvanize private sector finance, companies can significantly advance many Goals at once; but they should take steps to avoid reinforcing local inequalities (Goal 10).

17 PARTNERSHIPS
FOR THE GOALS**BUSINESS ACTION 3****Lead on partnerships to develop and share new and existing technology, knowledge, and business models for sustainable development**

The scale of the world's sustainable development challenges requires strong partnerships of companies and relevant stakeholders to develop and share solutions for addressing them. These partnerships are key for wide deployment of technology, knowledge, and business models for sustainable development across all countries.

Example practice

- A telecoms company in sub-Saharan Africa establishes partnerships with industry peers, banks and regional Governments to **advance a mobile-payments scheme for local communities to extend banking services and support marginalised groups**
- An electric vehicles company **makes its intellectual property freely available** and forms partnerships with other automobile manufacturers to **share research in support of an industry-wide transition to low-carbon road transport**
- An electronics company establishes an **industry-wide platform on ethical standards** and forms partnerships with industry peers to **facilitate coordination and develop innovative methods to track and address corruption**
- A local telecommunications company also **partnered with UNICEF and the government registration agency to put in place a system of birth registration**

**Consider the leadership qualities and interconnectedness of your action, including...**

Ambition: leadership requires that partnerships work towards solutions that yield real outcomes in line with what is required for achieving the sdgs.

Accountability: partnerships must involve meaningful engagement with, and assessment of, the communities and natural systems that are impacted, to understand areas of need. They must identify and take steps to avoid adverse impacts on people and planet associated with their innovations.

Interconnectedness: sustainable development solutions can spur new economic activity and value chain integration that creates jobs, but care must be taken that these jobs are decent and that innovations do not replace jobs in vulnerable areas (Goal 8) and create inequalities (Goal 10).

17 PARTNERSHIPS
FOR THE GOALS

BUSINESS ACTION 4

Build regulatory, organizational, and staff capacity in developing countries



Companies can promote sustainable development through partnerships with developing country stakeholders to build local capacity. Capacity building can help close skills and institutional quality gaps. Such partnerships can equip employees and suppliers with knowledge and skills; support the development of organizational capacity of supply chain companies, public sector, and civil society counterparts; and facilitate the development of legal and regulatory frameworks.

Example practice

- A multinational mining company works with multilateral institutions on **various projects to improve governance and help reform the legal sector** in an African country. This included bringing judges from the company's home country to assist with the legal training of judges, modernizing the national juridical training center, and piloting programs aiming to improve the administration of, and access to, courts and legal services
- A consortium of small and medium enterprises partner to **revitalize forest training centers** in the South African Development Community region
- A multinational company **provides comprehensive training and capacity building among the SMEs in its supply chain**, which includes training on ways to incentivize responsible business conduct.



Consider the leadership qualities and interconnectedness of your action, including...

Accountability: meaningful engagement with recipients of capacity building efforts is key to successful partnerships. This includes understanding and supporting national development plans and priorities

Interconnectedness: capacity building efforts can contribute positively to all sdgs. Care must be taken that existing inequalities are not exacerbated (Goal 10), and capacity-building work should help equip recipients to integrate respect for human rights into their own processes and practices.

17 PARTNERSHIPS
FOR THE GOALS

BUSINESS ACTION 5

Lead on partnerships that address systemic challenges for achieving the SDGs

Collaboration is a key quality of all leadership on the Goals. But there is a range of deep systemic impediments to sustainable development that require inclusive, formalized, long-term partnerships that bring together and align critical drivers of change. Myriad systemic challenges that hold people back from realizing their human rights and development require such partnerships: child labour, poverty wages, denial of land rights, sexual violence, and discrimination are pertinent examples. Stewardship of our planet, including cross-border governance of natural resources, biodiversity, and the atmosphere, also requires these partnerships. Businesses can lead on partnerships addressing one or several systemic challenges by initiating, chairing, and/or making consistently significant contributions to them.

Example practice

- A global beverage company is one of the **key drivers of the Business Coalition Against Corruption** in an African country, in partnership with numerous participants from the private and public sector and civil society. The company plays a leading role in the development of a code of business ethics in an African country, launched in conjunction with the UN Global Compact Local Network of that country
- A group of companies **formed a coalition to advocate for amendments to a North American state's civil rights act** which would allow protections based on sexual orientation and gender identity
- A garment manufacturer partners with peers and other stakeholders to create an independent, legally binding agreement with trade unions, the Accord on Fire and Building Safety in Bangladesh, designed to work towards a safe and healthy Bangladeshi Ready-Made Garment Industry. Its purpose is to **enable a working environment in which no worker needs to fear fire, building collapses, or other accidents that could be prevented with reasonable health and safety measures**



Consider the leadership qualities and interconnectedness of your action, including...

Intentionality: partnerships must be intentional to drive the right levels of commitment over time and achieve a degree of formalization that is necessary to drive impact for the long term

Accountability: meaningful engagement with, and inclusion of, all relevant stakeholders is critical for partnerships to gauge all areas of need and address the root causes of systemic challenges. Clear targets with shared responsibility for action and mutual accountability for outcomes can significantly strengthen their success.

Interconnectedness: systemic challenges often relate to a range of sdgs or even the entire 2030 Agenda. Partnerships should maximise the potential to advance all relevant sdgs, while minimising any risks of negative impact.

17 PARTNERSHIPS
FOR THE GOALS

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KPMG 'Responsible tax is everyone's business'

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Doing business with respect for human rights



United Nations
Global Compact