





# TOWARDS THE TIPPING POINT: GLOBAL GOALS GUIDE FOR BUSINESS

Practical ways businesses are engaging with the Global Goals

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### **ABOUT BUSINESS IN THE COMMUNITY**

Business in the Community exists to build healthy communities with successful businesses at their heart. We are The Prince's Responsible Business Network, a business-led membership organisation made up of progressive businesses of all sizes who understand that the prosperity of business and society are mutually dependent. In the spirit of being a responsible business, our members are committed to:

The Prince's

Responsible

**Business Network** 

BUSINESS IN THE COMMUNITY

Being the best they can be in delivering social, environmental and economic sustainability across all areas of their business.

Working with other businesses to bring together their collective strength and be a force for good.

#### **Responsible Business Map**

We use our Responsible Business Map to guide members on a journey of continuous improvement, working across the whole responsible business agenda. From community engagement to employment, diversity and the circular economy, we offer expert advice and specialist resources, driving best practice by convening, sharing learning and recognising great performance across our influential network. Through participation in Business in the Community's groundbreaking campaigns and programmes, businesses can collaborate and help to bring about lasting change on a wider scale which benefits both business and society.



### **GLOBAL GOALS GUIDE FOR BUSINESS**

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### FOREWORD

#### Amanda MacKenzie, CEO, Business in the Community

The Global Goals provide a powerful route for the world to achieve long-term prosperity. They have the potential of unlocking worldwide market opportunities worth up to US\$12 trillion, in turn increasing employment by up to 380 million jobs a year by 2030. These opportunities can only be realised if the private and public sector move towards them together. By highlighting the ways in which businesses are engaging with the Goals, we hope to inspire others.



There is undisputed evidence that purpose, sustainability and responsible business go hand in hand with long-term commercial success. Consequently, at the very least it is enlightened self-interest to have a sustainable business model and a very clear purpose. If delivered well, these choices will ultimately support the achievement of the Global Goals.

As The Prince's Responsible Business Network, BITC has developed a Responsible Business Map, designed to guide organisations in all aspects of responsible business, from concepts like purpose to the very practical. Through this, we help organisations to achieve long-term success by connecting them with the heart of their communities. I hope you are inspired into action by some of the extraordinary work of our member companies.

#### Sam Baker, Partner, Monitor Deloitte

There is an urgent need for the world to find a more sustainable development path. As part of the 2030 Agenda for Sustainable Development, the 17 Sustainable Development Goals (a.k.a. the Global Goals) provide a framework for collective action to protect our future. Businesses have a huge role to play and are being called upon by citizens and governments to participate.



The good news is that participation isn't just good for humanity, it's good for business. Playing a positive role in society does not need to be at the cost of financial outcomes. Businesses that make a genuine commitment to sustainable development and effectively embed it in their business models can secure their future and enhance their financial performance.

Businesses in the UK are increasing their engagement with the Global Goals, and there are some exemplar approaches and initiatives. However, many are still far from engaging effectively. We hope that this report will act as a guide to those businesses looking to deepen their commitment to sustainable development, and their contribution to the Global Goals.

Here's to the world we all want to see.





### **EXECUTIVE SUMMARY**

The UN's 2030 <u>Sustainable Development Goals</u> (SDGs) or 'Global Goals' represent, for the first time in history, a consensus-driven, comprehensive framework with associated goals and targets to help address the major social, environmental and economic problems facing humanity. By applying their creativity and innovation, businesses have a vital role to play in contributing to the achievement of the Goals. Commitment from business isn't just good for society, it's good for business. Businesses are increasingly expected to contribute to sustainable development, and the transparency that the digitalisation of our world brings makes compliance urgent. Businesses that make a clear and authentic commitment to sustainable development and embed that commitment effectively into their business model can future-proof their business and enhance their long term commercial performance. Best practice typically means calling this commitment out through a statement of corporate purpose.

As businesses look to capitalise on a commitment to sustainable development, the Global Goals offer a globally agreed set of aspirations for widespread engagement. Across UK businesses and particularly amongst the BITC network, there are a range of examples of businesses already gaining value from engaging with the Global Goals. These businesses tend to utilise the Global Goals in two broad ways:

Global Goals as a communications framework: As businesses face an increasing need to articulate to their stakeholders how they intend to fulfil a commitment to societal impact, the Goals offer a set of shared aspirations that can provide a tool for businesses to signal their commitment in a globally recognised way. The Goals can also help businesses structure their measurement and non-financial reporting to help signpost stakeholders to business impacts by commonly understood themes.

**Global Goals as a strategic pathfinder:** As an articulation of society's expectations for the future, the Global Goals highlight a comprehensive set of risks and opportunities against which businesses can 'future-proof' and use to inform strategic choice. Businesses innovating solutions for selected SDGs can drive forward business growth by using the innovation to enter new markets and provide solutions to emerging challenges. Further, as a common language and set of shared aspirations, the Global Goals can facilitate new and strengthen existing partnerships within and across sectors.

Momentum is building across the system with more and more businesses recognising the value of a commitment to sustainable development and the use of the Global Goals to facilitate this. As pressure grows from employees, investors, regulators and the government, partners and consumers, we expect to see a continued acceleration of the number of businesses articulating their role in society and using the 2030 Agenda for Sustainable Development to do so. The businesses profiled in this report are providing great examples of how leading organisations are currently acting on this agenda. This report also provides practical examples and recommendations for businesses just beginning to engage with the Global Goals, which, until now, has been lacking in the marketplace.





#### Introduction

This report aims to move business towards the tipping point of action on sustainable development. The report highlights the advantages offered by aligning business with sustainable development, and particularly with the 17 Sustainable Development Goals (a.k.a. the Global Goals). This is brought to life through best practice examples of businesses in their current application of the Goals.

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In the spirit of being a responsible business, our members are committed to being the best they can be in delivering social, environmental and economic sustainability across all areas of their business, and to working with other businesses to bring together their collective strength and be a force for good.

In developing this report, BITC have worked closely with <u>Deloitte</u>, a strategy advisory practice across the global Deloitte network. As part of Deloitte's commitment to its purpose 'to make an impact that matters', Deloitte is working with businesses and organisations around the world to support growth through a commitment to sustainable development – as articulated through a statement of corporate purpose. They have recently produced advisory papers on business engagement with the Sustainable Development Goals and the landscape of impact reporting in the UK for the UK government.

#### Method and interpretation

This report has been written based on case study interviews with twenty businesses, representing more than 2.5 million employees from a range of sectors. These businesses have greater than average alignment with the Global Goals, and find value in the Goals in different ways. The case studies have been selected to call out leading practices for a particular use case, and don't represent all of a business' efforts towards sustainable development and don't provide a comparative analysis. We hope that the examples provided and lessons offered will provide inspiration and confidence to businesses, and that they will feed into their journeys in driving enduring value through a commitment to sustainable development and use of the Global Goals.

#### This report aims to:

- Set the context of current engagement with the Global Goals and the case for action
- Categorise and illustrate pioneering practice across the market into five broad models of engagement
- Outline key insights and practical tips to help businesses to kick-start or strengthen their engagement with the Goals





### THE BROADER CONTEXT: FROM BUSINESS OPPORTUNITY TO IMPERATIVE

- The Sustainable Development Goals (Global Goals)
- Opportunities for corporate engagement
- An opportunity for society: Wider engagement and system change
- Progress in Global Goals engagement
- Business engagement: from opportunity to imperative?







### THE SUSTAINABLE DEVELOPMENT GOALS (GLOBAL GOALS)

The Global Goals uniquely represent a 'strategy for the world' that is universally applicable, and which describes society's expectations for sustainable development. Ratified by all member states of the United Nations in 2015, the Sustainable Development Goals (SDGs), also known as the Global Goals, represent an articulation of society's aspirations for collective progress towards a sustainable future by 2030. The Global Goals are comprised of 17 goals, supported by 169 targets and 232 indicators. Business has a vital contribution to make to the achievement of these goals, nationally and worldwide.

# The Global Goals are a strategy for the world, that moves the conversation beyond politics and beyond what<br/>separates us, as human beings. It does not matter if you are left wing or right wing, North African or Chinese – the<br/>SDGs are relevant to all.SDGs are relevant to all.George Serafeim, Professor of Business Administration at the Harvard Business School

Alongside their unifying strategic nature, the Global Goals serve as a common framework for society's aspirations, allowing governments and businesses to recognise each others' efforts and seek partnerships on easily identifiable shared values.

17 Global Goals

169 Targets

232 Indicators







### **OPPORTUNITIES FOR CORPORATE ENGAGEMENT**

#### **Enduring Commercial Success**

• There is a growing expectation and need for businesses to clarify their societal impact and clearly link it to their business model. Across all key stakeholder groups, businesses are increasingly required to account for their impact.<sup>1</sup>

• Commitment to sustainable development is interdependent with enduring commercial success. Whilst many stakeholders still believe that there is a financial trade-off, as stakeholder expectations increase, evidence continues to mount that business commitment to sustainable development is associated with out-performance.<sup>2</sup>

• The Global Goals are a credible, globally recognised agenda for change. In aligning their intended impact with the Global Goals, businesses can clearly articulate their intended impact to stakeholders, build connections and synergies around the targets, deepen their impact and further enable enduring commercial success.

• The Global Goals provide a proxy for societal expectations and set the direction of travel. By embedding the Global Goals in their organisation, perhaps within their statement of purpose, businesses can ensure that they are aligned to stakeholder expectations and are prepared for the future.

#### **Practical advantages**

• The collective pursuit of the Global Goals will create new markets and unlock financial opportunity. The Business Commission predict that businesses adopting sustainable business models that address the Global Goals have the potential of unlocking \$12 trillion in business opportunities.<sup>3</sup> Early engagement with the Global Goals will allow

businesses to unlock these opportunities first, and shape new markets through innovative offerings.<sup>4</sup>

• Aligning with the Global Goals, and embedding them into strategy allows businesses to pre-empt regulatory change, creating a competitive

#### WHY SUSTAINABLE DEVELOPMENT MATTERS TO BUSINESS



advantage over rivals, and better prepares businesses for unpredictable events involving sustainable development.

• Achieving the Global Goals will secure a positive enabling environment for businesses. Business stability depends upon the fulfilment of multiple global goal themes, such as access to resources, fair incomes and a stable climate. Failure to achieve these 'is likely to result in severe disruption characterised by scarcity and instability'.<sup>5</sup>





### **AN OPPORTUNITY FOR SOCIETY: ENGAGEMENT AND SYSTEM CHANGE**

Within society, groups of actors influence each other through ongoing interaction. In a sustainable society, these interactions work towards the common cause of sustainable development. The Global Goals serve as a tool to help society and its actors realise this sustainable society, through articulating society's common cause and easing interactions within the system.

#### Mature Sustainable Society

The economic and societal system within which the Global Goals exist comprises **four key groups of actors**. These are: Government, Businesses, Investors, and Citizens.

These groups of actors **create the system** within which the Global Goals exist **through interactions** within their respective groups, and between each other.

**Businesses** and **Citizens** interact through continued transactional relationships. Citizens will provide **loyalty** to businesses that act in line with their expectations.

**Businesses** and **Investors** interactions centre on exchange of reassurance and capital. Businesses provide **sound investments** capitalising on the opportunities offered by the Global Goals and pursuing a strategy pre-empting regulation, whilst investors offer **capital** to businesses creating long term growth potential through alignment with the Global Goals.

Businesses and Government respectively exchange an effective means of delivering policy, and a regulatory environment in which businesses can operate with forward certainty.

**Citizens** and **Investors** exchange **capital** from citizens with **vehicles through which citizens can see their aspirations realised** through investment in firms pursuing a sustainable future.

**Citizens** and **Government** interact through the democratic process. Citizens' opinions drive government priorities, whilst Government can **educate** citizens, and incentivise behaviours.

Investors and Government interact through an exchange of investment delivering growth, and a regulatory environment providing security and efficacy of investments in sustainable development values.





### **PROGRESS IN GLOBAL GOALS ENGAGEMENT**

Deloitte analysis shows that all system actors are still in the relatively early stages of engaging with the Global Goals. Momentum, however, is building, with progress by one actor encouraging and facilitating progress in all other sectors. As engagement progresses, increased action can be anticipated across the board.



\*Citizen engagement represented is based on awareness of the Global Goals alone, where other actors have been assessed on their degree of alignment and integration of the Goals—in other words, the bar was set lower for citizens, inflating the figure relative to other system actors. For further details on this data please see appendix page 58





### **BUSINESS ENGAGEMENT: FROM OPPORTUNITY TO IMPERATIVE?**

As citizens, investors and Government become more attune to sustainable development issues, their expectation on businesses to contribute positively to society increases

#### Citizens are becoming increasingly invested in sustainable development issues:

• This suggests that millennials - who are the new generation of consumers, employees, investors and leaders of business and society - are strongly and increasingly **committed to social impact.** 

• 52% of the UK population declare themselves concerned or very **concerned about social and environmental issues,** with 37% more concerned than the same time last year. <sup>6</sup>

• Over 50% of people now want to **buy brands that are more sustainable.**<sup>7</sup>

• 83% of millennials believe that **business should be a leading force** for positive social impact, up from 76% in 2017. <sup>8</sup>

Investors care more about effects on sustainable development issues:

 Increasingly, investors are treating ESG scores as a prime input into investment decisions and using active management to evaluate company sustainability outcomes. This scrutiny creates further pressure on companies and industries, especially those being transformed by sustainable development issues, to articulate their strategies for sustainability going forward.

• Notable evidence of this industry shift includes Blackrock CEO Larry Fink's letter on a <u>Sense of Purpose</u> calling for precisely this amongst investee companies.<sup>9</sup> In another example, 60 institutional investors called upon Oil and Gas groups to do more to address climate change.<sup>10</sup> The UK Government is increasing regulation and catalysts of sustainable development:

• Recent years have seen Government take a more proactive stance on **regulating business activity** on sustainable development issues, for example with the <u>Modern</u> <u>Slavery Act</u>, the <u>Gender Pay Gap</u> reports and updates to the <u>Corporate</u> <u>Governance Code</u>.

 The UK Government's Industrial Strategy places emphasis on inclusive economic growth, looking to business to deliver this. The Implementation Taskforce for social impact investing and the Department of Culture, Media and Sport's recent commissioning of a study on UK businesses engagement with sustainable development and the Global Goals are other manifestations of the **growing interest and imperative** within Government for sustainable development. This increases the expectation on businesses:

- Due to citizen, investor and Government actions, businesses are beginning to experience **increased stakeholder pressure** to commit to sustainable development and manage their impact on society.
- A prime example of this can be found in the recent wave of interest and activism around plastics (catalysed by Blue Planet II, the <u>Wrap</u> <u>initiative</u> and others), resulting in many businesses responding with bold public commitments (e.g. Pret and other coffee chains plastic straw commitments, Tesco's ban of nonrecyclable plastic packaging). For an example of system change in action through reducing plastic usage in the UK see appendix page 55.





# **ARE WE REACHING A TIPPING POINT?**

Expectations are rising across the system that each actor will make a clear commitment to sustainable development, increasingly framed by the Global Goals. As more and more actors engage, we will see expectations increase across markets and up and down the value chain. As this phenomenon spreads, we could reach a point where all institutions are expected to account for their impact on society, and their contribution to the 2030 Agenda.





### HOW TO USE THE GOALS MODELS OF ENGAGEMENT AND IMPACT SPECTRUM: AN OVERVIEW

#### This study found different levels of engagement and types of applications of the Goals, which broadly fall into two categories.

The Goals as a communications framework: The majority of businesses engaged with the Global Goals use them as a means to signal existing commitment and contribution to society. This frequently entails the mapping of how existing activities align with or impact on particular Goals, and/or public statements of commitment by the company. This was a common starting point for most businesses, with many going on to determine priority goals based on their initial mapping exercise, thus progressing to a more strategic engagement with the Goals.

The Goals as a strategic pathfinder: More mature forms of engagement demonstrate use of the Goals for strategic purposes. A key use of the Goals in this context is as a tool to future-proof corporate purpose and strategic decision making – ensuring that key choices are informed by a globally agreed set of demands for a sustainable future. The Goals represent a driver and toolkit for innovation, informing the design of new solutions, products and services. Finally, the Goals facilitate collaboration on common themes, enabling the identification of fellow travellers, and the forging of partnerships towards shared aspirations.

A number of businesses in this study are also spearheading the exploration of the Goals as a tool for non-financial reporting, in the pursuit of bringing more transparency and accountability to business impact—positive and negative—on society.





### THE IMPACT SPECTRUM



Whilst using the Goals as communications framework contribute to raising stakeholder awareness of the issues, greater impact is achieved through using the Goals as strategic pathfinder, as businesses inform their future direction and take action focused on progressing the Goals. The next sections explain and illustrate the five broad models of engagement currently found amongst businesses, drawing out identified drivers, barriers and enablers.





### **SIGNALLING A COMMITMENT TO IMPACT**

Businesses face a need to articulate their commitment to societal impact to their stakeholders - both to protect their license to operate and to realise new value from opportunities associated with that commitment. The UN-ratified Global Goals represent a broadly applicable and credible framework to help businesses articulate their commitment to societal impact in a globally recognised way. Many businesses link the Global Goals to pre-existing sustainability efforts, whereas other use the Goals to make new commitments. Others go further and advocate for other businesses to start engaging with the Global Goals.

#### IMPACT STORIES

#### Linking Global Goals to existing commitments on sustainability

Every business interviewed has linked their activity to the Global Goals in some way, to signal their commitment to impact and the 2030 Agenda. For example, <u>Citi</u> said that they regard the Global Goals as an important framework that articulates the world's sustainable development priorities and provides a common language to communicate with stakeholders about environmental and social issues and opportunities for sustainable investments.

#### Leveraging new commitments

Linklaters made an early public commitment to the Global Goals and have produced thought leadership on the rule of law, linking it to Goal 16 (Peace, Justice and Strong Institutions). They have also worked to be as open as possible about their efforts towards sustainable development, creating a culture of openness and transparency. Linklaters have found that this has triggered a number of client conversations surrounding sustainable development and led to clients coming to them first for advice in this area. <u>Vodafone</u> made a public target to connect an additional 50 million women living in emerging markets to mobiles by 2025, as owning a mobile phone can enhance a woman's physical and economic security, education, skills, access to employment opportunities and her health and wellbeing.

<u>The Coca Cola Company's 5by20</u> initiative seeks to enable the economic empowerment of 5 million women entrepreneurs across the Company's value chain by 2020.

#### Advocating for impact

<u>Aviva</u> has continued to create thought leadership on sustainable development, since publishing the <u>Roadmap for Sustainable Capital</u> <u>Markets</u> in 2014. They engage in driving policy to create consumer demand for positive impact products in the financial sector.

Given the nature of <u>Unilever</u> business, providing hygiene to society, they actively advocated alongside UNICEF and WaterAid for a hygiene indicator to be included in the Global Goals to increase impact worldwide.



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#### LESSONS

#### **ENABLERS**

All businesses found a mapping exercise central to signalling commitment to impact, highlighting areas on which to focus messaging.

Both Linklaters and Aviva found that thought leadership on material issues differentiated them from others in their industries.

#### BARRIERS

Some companies found that a lack of consumer awareness of the Global Goals reduced their impact as a communications tool.

One business interviewed found difficulty in measuring the progress of their impact, as the most effective metric would be recording the change in the work they rejected, which was difficult to report.

As expectations increase on business to articulate how they will deliver on a commitment to sustainable development, the Global Goals present a commonly agreed language and set of aspirations to publicly align against.

To leverage the benefits of a commitment to sustainable development, businesses can organise their activities around (i) the 17 Goals as themes to articulate their broader contribution, (ii) one Goal as a priority area of focus and (iii) a selection of the 169 targets as a specific contribution to the 2030 Agenda.





### **INFORMING STRATEGIC CHOICE**

In offering a clear articulation of society's expectations for sustainable development, the Goals highlight a comprehensive set of risks, which businesses must 'future-proof' against, and opportunities, against which businesses can potentially have significant impact. This enables businesses to use the Global Goals as a tool to inform strategic choice on key issues from product and service sets to core operations and capabilities. Though there are examples of businesses using the Global Goals as a tool to drive new strategy, it is more common for businesses to check existing strategies against the Global Goals, to make sure their strategy is aligned with society's expectations, making changes if not.

#### IMPACT STORIES

#### Setting measurable but discrete ambitions

IHG determined their 2018-2020 targets partly through stakeholder ideation around the Global Goals. As well as aligning pre-existing aims, the Goals helped to formulate new ambitions in relation to previously unexplored issues. For example, they used the impetus of Global Goal 6 (Clean Water and Sanitation) to introduce ambitious water saving plans, leading to high impact in areas of water stress.

#### Tool for opportunity selection

<u>Hermes Investment</u> run the <u>SDG Engagement Index Fund</u>, investing in mid-cap businesses large enough to impact on sustainable development, but who do not yet have sustainability strategies. Hermes invests in these firms, and then engineers conversations to guide them towards sustainability. Potential businesses included in this fund are assessed on upside potential and the opportunity for contribution to the sustainability agenda.

#### Contributor to business strategy

<u>Styles & Wood</u> see the Global Goals as an opportunity to help them reinform business objectives. They plan to use the SDGs as a strategy to drive their purpose, suggesting the Goals will soon inform new strategic choices. <u>Fujitsu</u> delivers sustainability training for its employees, aiming to encourage engagement across departments. This could lead, for example, to the sales team using Global Goals branding on their existing products, enabling businesses to understand the societal value the products can bring.

#### Creating new business models

<u>Pearson</u> runs an <u>incubator programme</u>, which develops new business models based on both social and financial objectives, often underpinned by the Global Goals. The success of the programme and its outputs have led Pearson's leaders to take opportunities to further integrate sustainability into core business.

<u>Hogan Lovells</u> has a practice dedicated to supporting the impact economy called <u>HL BaSE</u> (Hogan Lovells Business and Social Enterprise). The Global Goals framework helped to focus and articulate its purpose and to date they have trained over 700 junior lawyers and brought in new advisory projects.



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#### ENABLERS

Several of the businesses we interviewed first approached the Global Goals by conducting a mapping exercise, where they mapped the Goals to business activities to determine gaps and synergies. The results could then be used to make decisions around risks or opportunities, and often to evaluate existing choices.

#### BARRIERS

The Goals and their targets have been criticised for using technical, government relevant language, making it hard for some businesses to immediately identify the relevance of the Goals to their business.

The sheer number of the Goals and their coverage of such a broad range of issues creates a non-trivial amount of work for business in terms of determining focus areas.

#### LESSONS

Businesses can use the Goals as a set of issues to future-proof against, using the goals or specific targets to set new, globally relevant aspirations.

To maximise impact, businesses should select and prioritise certain goals and targets. Trying to impact all 17 Goals will dilute efforts made.

Various resources exist, such as the <u>WEF Global Risk Report</u>, which assists businesses in prioritising the Goals with the biggest material risks.





### **FORGING NEW COLLABORATIONS**

The common language and ambitions represented by the Global Goals provides clarity to those who have been talking about the same issues in slightly different ways, facilitating new partnerships with others who recognise the value of working towards shared Global Goals. The increased clarity of communication created by the goals strengthens existing partnerships through ensuring priorities are aligned and resources deployed effectively against Global Goal targets.

#### IMPACT STORIES

#### Cross-sector collaboration

Arm founded and chairs 2030Vision, a partnership focused on transforming the use of technology to both deliver the Global Goals and unlock the commercial opportunities they represent. 2030Vision connects expertise, knowledge and resources through building partnerships across sector and sub-sector leaders. Arm recognises the necessity of partnerships when working towards technical solutions to the Goals. 2030Vision has created value in coalescing the efforts and knowledge of experts and industry.

<u>Fujitsu</u>, in collaboration with the UNDP and Tohoku University, built a disaster statistics database to assist with disaster response and mitigation. The database helps to tackle issues such as food shortage, loss of shelter, and human trafficking. Whilst currently pro bono, Fujitsu sees potential in commercialising such solutions.

#### Sectoral collaboration

The Global Goals enabled <u>GSK</u> to unlock the power of partnership and join groups that are also combatting certain SDGs or sub-targets. For example, GSK have focused on <u>combatting malaria</u> for many years, but found Goal 3.3 (ending epidemics of several communicable diseases) useful as a rallying cry to mobilise others, helping to drive partnerships with NGOs such as Comic Relief, research institutions and other global health partners, as well as reaffirming GSK's commitment to the issue.

In aspiring to become the leading provider of vaccinations in the US <u>Walgreen Boots Alliance</u> (WBA) created <u>Get a shot, give a shot</u>. For every vaccination given, WBA donates to the UN Foundation's Shot@ Life campaign, designed to provide life-saving vaccines to children in developing countries. To date, WBA has contributed to over 40 million life-saving vaccines to children around the world.

#### Collaboration with local partners

In 2013, BT launched their digital inclusion programme <u>Connecting Africa</u>, with a goal of connecting people in remote locations to the internet. This involved partnering with <u>SOS Children's Villages</u>, a charity focused on children at risk. BT created network infrastructure in 50 villages, and trained SOS Children's Villages local teams on maintaining them. Although the initiative preceded the Goals, BT recognised the value in connecting to the relevant Goals retrospectively, to better communicate about their work with the wider community.





#### ENABLERS

Pre-existing partnership models can be leveraged and applied to Goal specific partnerships – for example the <u>12.3 Initiative</u> of retailers focused on reducing food waste.

In-sector collaboration appears more commonly than cross-sector collaboration, likely due to sector specific challenges in relation to the Goals. Examples of in-sector collaborations inspired by the Goals include initiatives created by the <u>International Tourism Partnership</u>, the <u>British</u> <u>Retail Consortium</u> and the Marketing and Communications industry's <u>Common Ground</u> initiative.

#### BARRIERS

Even with a UN site that logs existing partnerships under the relevant Global Goals, businesses still reported a lack of a marketplace to locate potential partners for new partnerships around the Goals.

Although many businesses are working towards Global Goal relevant themes, due to a lack of awareness, they have not yet linked them to the Goals - causing them to miss out on potential partnerships for shared global aspirations.



Moza and her son resting under their mosquito net. Tandahimba district, Tanzania, 2014. Photographer: Marcus Perkins. Image © GSK.

#### LESSONS

Businesses can use the Global Goals as a tool to collaborate within sector on a pre-competitive basis, unlocking potential for systemic change.

Businesses can also deploy the Global Goals as a tool to build partnerships of interest across sectors with a particular opportunity to leverage the capabilities of social entrepreneurs to drive new activity.

Businesses that join forums focused on the Global Goals reap the benefits of being part of groups of like minded companies, which can in turn build purposeful partnerships.





### **DRIVING INNOVATION**

In recent years, businesses have realised that innovation linked to the macro trends highlighted by the Goals is not just necessary to stay ahead of change but creates an engine for the business to prosper. In articulating a vision for society's aspirations for the future, the Goals drive widespread action to their attainment, creating opportunities for innovation to solve challenges created by new markets and initiatives.

#### IMPACT STORIES

#### Innovation against existing challenges

UPS internally used the Global Goals to identify risks to the business, and on how best to capitalise on the opportunities created. UPS found they were already innovating solutions against their most material goals, e.g. Goal 13 and 11. For example, UPS recently launched fleet of <u>electric</u> <u>delivery vehicles</u> which aimed to reduce emissions and congestion in cities. This innovation helped UPS to stay ahead of regulations, reduced the running costs below that of their diesel vehicles, and enabled them to increase their fleet size within London, generating a competitive advantage.

#### Creating innovation through collaboration

Arm aspires to enable the achievement of the Global Goals through technology. They hope to convey to other businesses in the tech sector that they will face large material risks if they do not innovate towards the Global Goals as well. Arm believes that they have an impact on all 17 Goals, as technology underpins every goal. However, they prioritised innovation against the health and education Goals as they felt these are areas where ICT can have the greatest impact on society.

#### Innovative deployment of core experience

Working towards Goal 4 (Quality Education), <u>Pearson</u> have leveraged their core business experience to create a digital learning map available to school children displaced by the conflict in Syria, to ensure they receive a consistent and comprehensive education.

Deloitte <u>WorldClass</u>, an organization-wide initiative aligning Deloitte's local efforts around a global ambition to progress on Goal 4 (quality education) and Goal 8 (economic growth and decent work for all), aims to empower 50 million people through education, skills development, and access to opportunity by 2030.







#### LESSONS

#### ENABLERS

Partnerships for innovation around the Global Goals, such as those pursued by Arm, facilitate knowledge sharing and can bridge funding and workforce gaps.

Regulations can favour or incentivise innovation on Goal themes through highlighting focus areas or mandating behaviour that drives action (i.e. the Modern Slavery Act, Gender Pay Reporting).

#### BARRIERS

The initial funding needed to drive innovation can be a significant barrier. UPS overcame this by applying for government funding. Whereas Arm used this as an opportunity to rally other businesses in the technology sector to innovate together.

The knowledge and experience required to create innovations can also be difficult to harness, requiring collaboration to tackle together.

When using the Global Goals to develop new initiatives, businesses must consider the landscape of opportunities, identify key risks to address and potential new markets to explore, and ideate around specific challenges.

Businesses should explicitly link existing innovations to the Global Goals. This will demonstrate the application of the Global Goals, help unlock support from internal and external stakeholders and help guide future progress.

Businesses can take advantage of the long-term nature of the 2030 Agenda, through encouraging departments to think beyond their 3-5 year programmes and operation timeframes, and by assessing the long term risks and opportunities represented by the Goals. Page 23 © Business in the Community





### **SUPPORTING NON-FINANCIAL REPORTING**

As of yet, there is no common approach to reporting non-financial outcomes amongst business across a wide variety of different frameworks and indicators. In this context, the Global Goals provide a useful overarching framework for grouping selected metrics and indicators under commonly understood themes. Looking forward, some businesses are exploring initiatives that would enable businesses to report directly against the Goals, creating the potential for easier comparison between businesses and potentially greater coalescence around approaches for non-financial reporting.

#### IMPACT STORIES

#### Linking existing reporting to the shared terminology of the Goals

Unilever's progress towards the Goals is embedded within their <u>Unilever</u> <u>Sustainable Living Plan</u> report and specific reporting on the Goals can also be found on their website. They refer to this reporting as 'The difference we are making'.

Citi highlights its contributions to the Global Goals in its annual <u>Global</u> <u>Citizen Report</u>. In addition, they published the report <u>Banking on 2030</u>: <u>Citi & the Sustainable Development Goals</u> which looks at how Citi directly contributes to specific Global Goals and targets.

<u>Grant Thornton</u> believe that there is a long way to go before businesses can report on the Global Goals meaningfully. As they believe that quantitative measurement is an important part of reporting on sustainability progress, they are currently mapping the Global Goals to their 'Future Fit' non-financial goal structure. They see value in linking the Global Goals to their non-financial reporting as they are well recognised, and excellent for raising awareness.

#### Initiatives to enable direct reporting against the Goals

Aviva are working with the UNF, BSDC and the Index initiative to create the <u>World Benchmarking Alliance</u> (WBA). The WBA will rank all businesses over a certain size on their outcomes against the Global Goals, facilitating company to company comparisons, and will make all data public. A key success metric for Aviva will be whether they can use the benchmark to support their own investment strategies.

Arm has been reporting against the Goals since their launch in 2015 and is working with a number of organisations to help improve the accuracy and alignment of its reporting. This year, Arm has mapped its activities against all the 169 targets to refine its measurement of impact and will be showing the results in forthcoming reports.





#### ENABLERS

Many organisations have created tools to help businesses engage and measure against the Global Goals, such as <u>PwC</u>'s mapping of GRI indicators against the SDGs and <u>BITC's Responsible Business Map</u>, which aligns business performance against the Goals.

Initiatives under development will simplify the process of mapping the Global Goals to existing reporting mechanisms, increasing the ease of future alignment – for example <u>BITC's Responsible Business Tracker</u>.

#### BARRIERS

Businesses face technical challenges in measuring progress on non-financial outcomes and specifically against the Global Goals in a quantitative, meaningful way. This is due to lack of available data and the difficulty in connecting the Goal targets to business outcomes.

Some businesses find other non-financial reporting tools, such as <u>Global</u> <u>Reporting Initiative</u> or bespoke targets, more useful than the Global Goals to measure sustainability progress.

#### LESSONS

To best contribute to the Global Goals, businesses can challenge themselves and accompany prioritised Goals with ambitious targets for fulfilment.

To effectively leverage progress, businesses can retrospectively link business reporting metrics to the Goals, demonstrating their contribution to the shared global vision.

Utilise new tools which have come to the market post 2015 and align to the Global Goals.







### **MODELS OF ENGAGEMENT – KEY INSIGHT SUMMARY**

### Signalling a commitment to impact

As expectations increase on business to articulate how they will deliver on a commitment to sustainable development, the Goals present a **commonly agreed language** and set of aspirations to publicly align against.

#### To leverage the benefits

of a commitment to sustainable development, businesses can organise their activities around (i) the 17 Goals as themes to **articulate their broader contribution**, (ii) one Goal as a priority area of focus and (iii) a selection of the 169 targets as **specific contributions** to the 2030 Agenda.

### Informing strategic choice

Businesses can use the Goals as a **set of issues to future-proof** their business against. Issues

can be drawn thematically from the 17 Goals or more precisely from the 169 targets. Some businesses might use the targets as **inspiration for new aspirations** relevant to their context.

To maximise impact, businesses can **select and prioritise goals** and targets. Trying to impact all 17 Goals will dilute the effort businesses can make.

### Forging new collaborations

Businesses can use the Goals as a **tool to collaborate** within sector on a pre-competitive basis, unlocking potential for systemic change.

Businesses can also deploy the Goals as a tool to **build partnerships** of interest across sectors with a particular opportunity to leverage the capabilities of social entrepreneurs to drive new activity.

#### **Driving innovation**

To use the Goals to develop new initiatives, businesses can consider the landscape of opportunities relating to the Goals, identify key risks to address and new markets to explore most relevant to them and then ideate around specific challenges.

Businesses can explicitly link existing innovations to the Goals. This will demonstrate the application of the Goals, help unlock support from internal and external stakeholders and help **guide future progress**.

### Supporting non-financial reporting

To best contribute to the Goals, businesses can challenge themselves and accompany prioritised Goals with **ambitious targets for fulfilment.** 

To effectively leverage progress, businesses can retrospectively link business reporting metrics to the Goals, demonstrating their contribution to the **shared** global vision.







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### **HOW TO GET STARTED**

## Businesses should approach engagement with authenticity, consistency and balance.

To build momentum on their journey of engagement with sustainable development and the Global Goals, businesses must set out their commitment with authenticity, consistency and balance.

Engagement must be authentic, reflected in businesses' most important decisions and embedded throughout their strategy, operations, culture, values and brand. Embedding the Global Goals into core business has greater impact by extending companies' strategic horizons and encouraging decisions and investments that will deliver long-term sustainable gains up and down the value chain.<sup>11</sup>

Engagement should be consistent, to ensure that it endures well into the future and transcends corporate changes.

However, a balance needs to be continually maintained between emphasis on short-term imperatives and longer-term external commitments with engagement being applied consistently to allow for long-term endurance. Where possible, businesses can lean on existing efforts to commit to sustainable development as a basis for deeper impact.

# **IMPACT RELIES ON ACTION**

## Businesses can learn from best practice in the market.

The businesses featured in this study are on a journey of engagement with sustainable development and the Global Goals. Reflecting on their experience so far, they have shared top tips for others to follow, which have been collated into 5 broad recommendations.





### **KEY RECOMMENDATIONS**

Don't be intimidated	Prioritise material Goals	Use the resources and knowledge available	Seek Partnerships	Embrace this as core to the business, not CSR
Don't hesitate to engage with the Global Goals, regardless of the maturity of your company, as they represent a framework that allows you to <b>cut</b> <b>through complex issues.</b>	Prioritise the Goals that are most <b>material to your</b> <b>business</b> as either risks or opportunities, and that fit with your vision for how you want your business to look in 2030.	Institutions around the world are focused on supporting specific SDG goals and targets, creating <b>resources</b> <b>and tools</b> that can be leveraged.	Many of the sustainable issues businesses are tackling are too big to tackle alone, and <b>require</b> <b>partnerships</b> . Be willing to <b>collaborate</b> <b>with competitors.</b>	Businesses must regard a commitment to sustainable development as <b>core to business</b> , rather than philanthropy that cannot harness core competencies and be scaled.
If the number of Goals seems overwhelming, <b>focus on the overarching</b> <b>ethos</b> initially - a sustainable future for everyone - as something that everyone can understand and get behind.	Be thoughtful about where your <b>biggest contribution</b> can be, as it might not be immediately obvious. Specialisation around prioritised Goals can be a <b>significant competitive</b> <b>advantage</b> .	Look at what your clients, customers and competitors are doing and <b>advocating</b> for, in relation to sustainable development. Use external resources available, as they provide different viewpoints and can <b>demystify</b> <b>challenges</b> .	Be careful in selecting partners, as partnerships only work well where there is alignment and <b>mutual understanding</b> of goals. Local partners can be invaluable in providing <b>local insight</b> , as the nature and pace of work in local areas can be very different.	The only way to really reach scale is when you truly embed your commitment in your core business, integrating into key decisions and strategically linking departments' efforts.





### **GLOBAL GOALS RESOURCES**

Further to this report, there are many examples of other resources and practical tools that exist to advise businesses on engaging with the Global Goals in a practical and meaningful way.

wbcsd

CEO Guide

#### WBCSD's CEO Guide to the SDGs

• A resource aimed at galvanizing global business leaders to engage with the Global Goals

• Sets out clear actions that CEOs can take to begin to align their businesses to the Goals in order to unlock the value they represent

## Uniting to deliver technology for the

#### Global Goals: 2030Vision

• 2030Vision's ambition is to transform the use of technology through collaborative partnerships and innovative projects, to support the delivery of the Global Goals and unlock the commercial opportunities they represent.

#### The SDG Compass

• The Compass explains the relevance of the Goals to business, and offers a practical 5 step guide for businesses to use to maximize their contribution to the Goals

• The aim of the guide is to support businesses in aligning their strategies with the Goals, and in measuring and managing their contribution UNITING TO DELIVER TECHNOLOGY FOR THE GLOBAL GOALS 2030 SION



#### KPMG: How to report on the SDGs

The study is intended to help businesses that are unsure on how to report on the Global Goals by showing them what good looks like
It proposes quality criteria for reporting which readers can use as a guide for their own business reporting



#### UKSSD-Measuring Up

Shows how the UK is performing on the Global Goals, examining progress against the 143 targets deemed relevant to the UK
The report calls for leadership from government, supported by action from businesses to drive progress against targets where performance is inadequate

### 2030 Purpose: Good business and a better future

• To fully benefit from the inter-dependency between sustainable development and commercial success, businesses need to articulate a clear purpose that can be linked to the Global Goals and use it to shape the activities and culture of the organisation.





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### CONCLUSION

The Global Goals present a unique and powerful opportunity to drive transformational change in our world, and through this report we are witnessing a move **towards the tipping point of engagement.** The 17 Goals and 169 targets represent a shared to-do list for all parts of society, and business has a critical role to play. Indeed, the Goals cannot be delivered without the direct contribution of business. To realise our shared aspirations for a better world by 2030, **business too must leverage the power of their core operations** to meeting global challenges.

And we know that delivering the Global Goals isn't just good for the world, it's good for business. Where companies make a clear commitment to positive social and environmental impact through the heart of their business model, they **develop better relationships** with their stakeholders and build towards **enduring commercial success.** The companies featured in this report understand this central insight.

But commitment to the Global Goals needn't be and is not, a minority sport. The Goals are **accessible to businesses of all types** and engagement can take many forms. The Goals are within everyone's reach. Whatever the industry, or type of business, the Goals provide a broad set of access points that can help businesses to **articulate their intended contribution** and **drive appropriate action**.

Our primary research uncovered how the majority of businesses engaged with the Global Goals currently use them as a means to signal existing commitment and contributions to society. More mature uses of the Goals as **strategic pathfinder**, whilst rarer, drive the greatest impact as businesses inform their future direction and develop partnerships and innovations focused on progressing the Goals. The cyclical nature of strategic planning, however, will see a growing number of businesses using the Goals as strategic pathfinder as they refresh strategies that will have preceded the launch of the Goals in 2015.

The examples showcased in this report from across the BITC community will have hopefully provided inspiration for leaders at all levels of business to engage with the Goals, pushing us closer to the tipping point of successfully reaching the 2030 Agenda. Those well embarked on their Global Goals journey have emphasised the need to **not feel intimidated** by the complexity or number of Goals, and to **focus on prioritising** material Goals, based on resources and knowledge available. Partnership working was also recognised as paramount to drive system-wide change and impact, as was the role of technology and innovation.





### **CONCLUSION (Cont.)**

Most important perhaps is the need to **embrace and embed commitment at the core of the business.** For businesses to reap the long-term benefits of the Goals, they need to have an **integrated purpose.** Taking this approach will in turn lead to full engagement across the business, lived and breathed through leadership, operations and culture. Whilst a few of the businesses interviewed are taking initial steps in that direction, or have expressed intention to do so, this remains largely white space, seeking for the **pioneers and leaders of tomorrow**.

#### The Impact Spectrum: Going Forward



### **METHODOLOGY**

With support from pro-bono partners, Deloitte and BITC reviewed 40 reports and interviewed 20 businesses to create the evidence base for this report.

#### Report co-leads :

BITC commissioned Deloitte, an active member of the BITC network, to assist in the co-creation of this report. BITC and Deloitte subsequently co-led on the literature review, the interviewing of selected businesses and the collation of insights into this final report.

#### **Pro-bono partners:**

Contributed to the literature review, conducted research prior to business interviews and assisted at the interviews.

#### Phase 1: Literature Review

BITC, Deloitte and the pro-bono partners reviewed a number of reports which provided insight on the imperative for business action on the Global Goals, 10 major reports to review were identified through BITC and Deloitte's existing expertise on the subject, as well as additional suggestions from the pro bono partners. A few reports identified by a Global Goals literature review of over 200 reports led by Deloitte in April 2018 were also referenced. Insights from the reports were summarised internally and influenced thinking throughout the report, particularly in the introductory sections (pages 8-13).

#### Phase 2: Interviews

The twenty businesses interviewed, from across the BITC network and more widely, responded positively and proactively to the request to interview sent to BITC members and Deloitte contacts. All interviews were between one and one and a half hours, and had at least one member from both the BITC and the Deloitte teams present. Interviews focused on the businesses' commitment to both sustainable development and the Global Goals, as well as a "deep dive" into an initiative started by the business, with the intent to positively impact upon either sustainable development or the Global Goals. For a full list of businesses interviewed and a summary of each interview, please see pages 35-54.













### **APPENDIX**







# arm

Architecting a smarter world and improving lives through innovation

Commitment to sustainable development

Commitment to the Global Goals

• Sustainability considerations have become more central to Arm in the last 3 years (i.e. smart cities, connected intelligence etc).

• This commitment to sustainability is apparent throughout Arm's operation. They describe sustainability as developing across all aspects of the organisation.

They recently formalised this commitment to sustainable development through the creation of a C-suite sustainability committee that meets quarterly and is managed through the office of the CEO.
Arm looks at sustainability from both a risk and opportunity perspective. Arm is the source of an IT ecosystem and recognises its privileged position to engage a breadth of sectors on sustainability. Arm sees its greatest impact as creating secure, energy efficient processors, which have an impact across the global economy. • Arm is closely committed to the Global Goals themselves and is creating a reporting system focused on Global Goal impact.

• Arm aspires to enable the Goals through technology, however, they note that they cannot do this alone. Arm therefore aims to leverage its core partnership model and engage other organisations across the technology sector and beyond in innovation for the Goals. They hope to convey to businesses in the tech sector that innovation for the Goals will unlock commercial opportunities and mitigate risks.

• Arm can demonstrate that they have an impact on all 17 SDGs, as technology underpins every goal.

• Arm says that engaging with the Goals, even though it is early days, has helped raise Arm's profile and allowed Arm to open up conversations with new and existing partners.

### Specific initiative relating to the Global Goals or sustainable development

• Arm founded and chairs 2030Vision, a partnership focused on transforming the use of technology to deliver the Global Goals and unlock the commercial opportunities they offer.

• 2030Vision focuses on convening technology leaders behind the Goals, delivering independent research on the transformative role of technology and supporting innovative programs that can deliver impact at scale.

• Although initially measured qualitatively, the aspiration is for quantitative measurement against the seventeen Goals and sub-indicators.

• With 2030Vision, Arm has created a strategy driven by the Goals.

The Prince's Responsible Business Network

BUSINESS IN THE COMMUNITY



To help people defy uncertainty

Commitment to the Global Goals

Commitment to sustainable development

• Aviva is deeply committed to sustainable finance. This has manifested in its thought leadership, including the publication of reports such as the 'Roadmap for Sustainable Capital Markets' in 2014, which made specific policy suggestions for moving capital markets onto a sustainable footing.

• Feeding into its belief that capital markets can drive significant progress towards sustainability, Aviva is involved in increasing demand for sustainable finance, for example through encouraging the inclusion of sustainable financial literacy in national curricula or asking for an OECD convention on fiduciary duty. This policy engagement takes place at the national, EU (through the <u>HLEG</u> for instance) and international level.

• Aviva was one of the founders of the <u>Corporate</u> <u>Human Rights Benchmarks</u>, and Aviva's Chief Responsible Investment Officer is the CHRB chair. Aviva is now looking at how to integrate CHRB results into their investment decisions. • Aviva has emphasised the important role of the private sector to deliver the Global Goals, especially regarding the financing of the SDGs.

• Aviva's CEO, Mark Wilson, addressed the UN General Assembly at the launch of the Global Goals to highlight this message.

• Aviva has mapped its contribution to the Global Goals, and has prioritised five Global Goals which are closer to its operations. Aviva is currently looking at how for those five Goals, (Good Health (SDG 3), Decent work and economic growth for all (SDG 8), Responsible consumption and production (SDG8), Climate Action (SDG 13) and Partnerships for the Goals (SDG 17)) targets and metrics could be developed to track impact.

• Aviva uses the Goals to offer a clear narrative to customers and investors, and internally focus on raising awareness of the Goals with employees.

• The 'Roadmap for Sustainable Capital Markets' and follow-up reports focus on how policy changes could increase private financing of the Global Goals.

#### Specific initiative relating to the Global Goals or sustainable development

• The World Benchmarking Alliance is a collaboration between Aviva, the UNF, BSDC, and the Index Initiative.

• The WBA will rank all companies over a certain size on their contribution to the Global Goals.

• It will enable direct company to company comparisons and will incentivise companies to perform better through league tables.

• All ranking conducted as part of the WBA will be free and publicly available. This supports an aim of the initiative to empower the consumer to choose on the basis of contribution to sustainable development.

• The development of the WBA benchmarks is the result of public consultations around the world, to ensure the design of the WBA is as inclusive as possible.

• A key success metric for Aviva will be whether it can use the benchmark to support its own investment strategies.


BUSINESS IN THE COMMUNITY





Our purpose is to use the power of communications to make a better world

Commitment to sustainable development

Commitment to the Global Goals

• Being a 'Purposeful Business' has been important to BT for some time. For example, BT created 5 ambitious purposeful business goals in 2013 (i.e. to be powered by 100% renewable energy), before the Global Goals were agreed, as they wanted to make it very clear that they were doing their bit to contribute to sustainable development. The driver of BT's sustainability activity has not been the Global Goals but rather, thus, has been the result of annual sustainability risk analyses and other inputs.

• Some of BT's core products also contribute to sustainable development, i.e. they have 30 products that save carbon, but again this was not driven by the Global Goals. • BT have aligned their business to the most materially relevant Goals. They do a material risk analysis annually, so it was just a task of mapping the relevant Goals to those risks.

• BT find the Goals too broad and unspecific to drive new activity- instead they create their own, more specific goals. For example, their climate action targets link to Goal 13 (Climate Action) but are far more numerically specific than Goal 13's targets. They also noted that the number of Goals creates a huge amount of work in term of determining which ones are relevant.

• However, they do find it important to engage with the Goals as they are a good framework for a sustainable future. Engagement with the Goals is also driven by stakeholder expectation with, for example, the Goals serving as a useful representation of a future BT are looking to move towards in stakeholder workshops.

• BT noted that a clear understanding of the UK Government's priorities around the Global Goals would help BT know what action to take.

## Specific initiative relating to the Global Goals or sustainable development

• In 2012, BT decided that they could have the biggest impact on society through their core products and services. In 2013, they launched their digital inclusion programme, Connecting Africa. So far, it has provided satellites IT to 100,000 people in 30 villages.

• Various departments, not just the sustainability department, were instrumental in helping this initiative succeed, as well as on the ground partnerships and knowledge of the local area. It was also critical to demonstrate that the initiative was good for business as well as good for societyby using the initiative to showcase BT's ability to deliver internet to hard to reach places.

• Even though the initiative preceded the introduction of the Global Goals, BT recognised value in linking the initiative to the Goals retrospectively, in order to signal which Goals they were contributing to and allow for the potential for greater collaboration with other players working towards the same outcomes.

BUSINESS IN THE COMMUNITY





We responsibly provide financial services that enable growth and economic progress

Commitment to sustainable development

Commitment to the Global Goals

• Citi has a long history of promoting growth and economic progress, and is committed to sustainable development.

• Citi leverages a range of solutions and resources

 from their financial products and services, to their operations and supply chain, employee volunteerism and philanthropic giving – to support sustainable development.

• Citi views sustainable and inclusive finance as drivers of industry advancement and innovation that contribute to Citi's commercial success. They see their sustainable and inclusive financial products and services as responsive to what their clients want and need.

• Citi's contributions to sustainable development are aligned with the expectations of their employees, clients, investors and other stakeholders.

• For Citi, the Global Goals underscore a continuation of the work they've been doing for more than 200 years to innovate financial solutions that help clients meet the world's toughest challenges.

• Citi regards the Global Goals as an important framework that articulates the world's sustainable development priorities and provides a common language to communicate with stakeholders about environmental and social issues and opportunities for sustainable investments.

• Citi recognizes that finance has an important role to play in achieving all 17 Goals and has chosen to prioritize the seven goals that focus on areas where they can have the greatest impact: Goals 5, 7, 8, 9, 11, 13 and 17. They use both existing initiatives that pre-date the SDGs and new commitments to support these priority Goals.

• Citi collaborates with a wide range of partners including clients, governments, NGOs, academic institutions and companies to support and promote sustainable development. Goal 17 – Partnerships for the SDGs – underpins all of their initiatives that contribute to the SDGs.

#### Specific initiative relating to the Global Goals or sustainable development

#### • Citi's \$100 Billion Environmental Finance Goal, a

commitment to finance and facilitate \$100 billion toward environmental solutions over ten years (2014 – 2023) was first announced in 2015 as part of its Sustainable Progress Strategy. Renewable energy investments, green bonds and sustainable infrastructure are the largest contributors to their goal, which align with Goals 7, 11, and 13. Citi had directed \$57bn towards its \$100 billion goal by the end of 2017 and annually reports on the estimated environmental and social impacts resulting from the goal.

• Citi's Inclusive Finance Team partners with the bank's clients globally to deliver commercial solutions, enabling the success of their client's inclusive business strategies. Initially the team worked with microfinance institutions, which has expanded their scope to working with multinational and local corporates, and social enterprises that are delivering products or services to or from low-income communities in emerging markets. The inclusive finance work is unique as it is embedded into core business activity of the local businesses. The work contributes to several Goals. For example, in partnership with OPIC. Citi funded \$448M to inclusive businesses and microfinance institutions in 25 countries. 88% of end borrowers supported by Citi's financing to the microfinance sector are female, which gives access to financial services to women, the aim of target 5A of Goal 5 on Gender Equality. Citi's focus on inclusive finance for small businesses, particularly in developing countries also supports Goals 8 on Decent Work and Economic Growth by supporting job creation and 9 on Page 38 Industry, Innovation and Infrastructure. © Business in the Community

BUSINESS IN THE COMMUNITY





The Coca-Cola Company brings people everywhere beverages that make life's everyday moments more enjoyable, while doing business the right way, not just the easy way.

Commitment to sustainable development

Commitment to the Global Goals

• As a total beverage company that does business in more than 200 countries and territories, The Coca-Cola Company (TCCC) has focused on sustainability efforts that help create shared opportunity for their communities, customers, associates, and shareowners.

• The Company's sustainability agenda comprises three key pillars:

- Water Leadership: Achieve at least 100% water balance globally, use water more responsibly, and improve access for communities.

- World Without Waste: Make 100% recyclable packaging by 2025 and collect a bottle or can for every one they sell by 2030.

- Care for People & Communities: Strengthen and engage local communities, support women's economic empowerment and build community resilience.

• Doing business the right way is a key strategic advantage for TCCC.

• As a member of the <u>UN Global Compact</u>, TCCC supported the Millennium Development Goals and was involved in the development of the Global Goals.

• The Company's strategy and operations broadly encapsulate the ethos of the Goals. Primary points of connection are Goal 5 Gender Equality; Goal 6 Clean Water and Sanitation; Goal 11 Sustainable Cities and Communities; Goal 12 Responsible Consumption and Production; and Goal 14 Life Below Water.

• In alignment with Goal 17, TCCC has long been a proponent of 'Golden Triangle Partnerships' – collaboration with governments, civil society and the private sector – to harness each organisation's unique skills and capabilities to tackle the greatest global challenges.

• TCCC is focused on these Goals because their business can only be as strong as the communities that they serve.

#### Specific initiative relating to the Global Goals or sustainable development

• TCCC 5by20 initiative seeks to enable the economic empowerment of 5 million women entrepreneurs across the Company's value chain by 2020.

• This global initiative addresses Goal 5 Gender Equality through enabling the economic empowerment of women to drive economic growth and development while also tackling Goal 1 No Poverty through enabling women and youth, particularly in low income communities.

• Since the initiative's launch in 2010, 5by20 has developed and implemented programmes to break down barriers that prevent women entrepreneurs from succeeding by increasing access to 1) business skills training, 2) financial services and assets and 3) mentoring networks.

• Key partnerships with government agencies, civil society and the private sector are at the heart of 5by20's most successful programmes.

• By the end of 2017, 5by20 had already reached 2.4 million women in over 75 countries.





# Deloitte.

We exist to make an impact that matters for our clients, our people and society.

Commitment to sustainable development

Commitment to the Global Goals

• Deloitte has long been a purpose-led organisation. In 2015, that was put into words to inspire Deloitte professionals and help achieve a global strategy of being the undisputed global leader in professional services.

• Deloitte is committed to making a positive, enduring impact every day for our organisation and its stakeholders by:

- serving clients with quality and distinction, making a measurable and attributable impact.

- inspiring people to deliver value—mentoring and developing future leaders and colleagues for life

- contributing to society, building confidence and trust, upholding integrity, and supporting the community.

• We lead the profession by challenging ourselves to do what matters most, delivering innovative ideas that reflect our unique capabilities. • Deloitte supports the Goals and is committed to advance the 2030 Agenda, preparing people, and the organisations they are part of, to be ready for the prosperity and progress it offers.

• Across the international network of Deloitte member firms, the Global Goals are used as a critical tool for aligning the objectives of responsible business programmes with wider stakeholders.

• For example, Deloitte UK's signature initiative, One Million Futures, combines a number of interventions to reduce inequality by helping people overcome barriers to education and employment and directly contribute to Goals 4 and 8. One Million Futures is now being expanded around the world as the World Class initiative.

• Deloitte are also focused on Goals 16 and 17, leading on global initiatives to combat corruption – hosting multiple anti-corruption academies to combat corruption, money-laundering, and fraud in Brazil, Mexico, Chile, Indonesia and the UAE.

#### Specific initiative relating to the Global Goals or sustainable development

• Globally, there are millions of people who lack the education, skills, and training needed to fulfil their potential.

• This is why Deloitte created WorldClass – an organisation-wide initiative that aligns Deloitte's local efforts around a global ambition to progress Global Goals focused on inclusive and equitable education and lifelong learning (Goal 4), and sustained economic growth and decent work for all (Goal 8).

• Through WorldClass, we are applying our core skills, experience, and global reach to empower 50 million people through education, skills development, and access to opportunity.

• In line with the timeframe for achieving the Global Goals, Deloitte are committed to reaching this target by 2030.

BUSINESS IN THE COMMUNITY





We exist to contribute to the creation of an affluent, networked society that links together communities, businesses and individuals.

Commitment to sustainable development

Commitment to the Global Goals

• Delivering social value through innovation and services has been embedded in Fujitsu's corporate philosophy for 10-15 years, anchored in a vision of creating a human-centric intelligent society.

• Many of Fujitsu's technology solutions make positive contributions to society, including disaster management, healthcare technology, and agricultural solution.

• The company currently communicates its impact through a number of publications including local responsible business reports, and a global integrated report which combines financial figures with sustainability information.

• As a B-2-B business, Fujitsu is subject to ever increasing demand and scrutiny for transparency and business ethics. Customers are also looking at their brand and own goals around the environment, and their own ethics and value.

• Employees want to know what Fujitsu is doing for the good of society. Fujitsu's graduate scheme rotation now includes a mandatory responsible business project.

• Fujitsu's ongoing strategy is committed to cocreation and innovation, which highlights the connection between delivering societal impact and new commercial growth and value. • The themes of the Global Goals are not new to Fujitsu but are a helpful framework to frame and rationalise their social value creation, and galvanise R&D efforts on the world's most pressing issues.

- The firm's existing technology solutions contribute to Goals 2 (Zero Hunger), 3 (Good Health and Wellbeing), 9 (Industry, Innovation and Infrastructure) and 11 (Sustainable Cities and Communities).
- Fujitsu is also strong proponents of Goal 17 and recognise the value of the Goals for both external communication: senior Executives communicate Fujitsu's ability to co-create social value with other businesses through the Goals and expect growing traction of industry partnerships towards the Goals.

• The firm equally recognises the importance of embedding the Goals at the heart of its culture to energise all teams towards realising the organisation's purpose.

• In order to embed the Goals more fully and systematically across the business, Fujitsu is determined to develop training for employees, such as a compulsory module on the Global Goals during induction. This would lead to, for example, sales teams being able to use the SDG branding on their existing core solutions, enabling businesses to understand the societal value the product can bring.

#### Specific initiative relating to the Global Goals or sustainable development

• The initiative Fujitsu highlighted directly links to Goal 11 (sustainable cities & communities) and 17 (partnership for the goals). The project is a collaboration with the UNDP and Tohoku University, to build a disaster statistics database to assist with disaster response as well as mitigation.

• Fujitsu is using their database expertise to load historic data on disasters into a database, which the university then analyses using super-computing to provide outputs on disaster mitigation. The UNDP will use to develop and refine disaster management policies to help avoid situations such as food shortage, loss of shelter, human trafficking (all Global Goals themes as well).

• Still at an early stage, the project has great scalability potential, with hundreds of millions of lives that could be safeguarded in future episodes of natural disasters.

• Whilst this project is currently a pro bono piece run by the responsible business and core business architect teams, the organisation sees the potential of commercialising such a solution.

• The team are planning on exploring non-traditional impact metrics to fully measure impact of the project.







Shaping a vibrant economy for the UK

Commitment to the Global Goals

Commitment to sustainable development

• A commitment to sustainable development is important to Grant Thornton, and is encompassed within their purpose statement. Grant Thornton see their mission as 'driving a vibrant economy and society' in the UK.

• This commitment is led from the top by their committed CEO and from the bottom by new, passionate employees coming in.

• Grant Thornton pointed to evidence showing that businesses with a purpose are more successful, and use their purpose as a differentiator in areas like employee recruitment and attracting new clients.

• Grant Thornton noted that their commitment to sustainable development is opening up conversations with household names that they would not previously have been approached by. Grant Thornton is reporting internally on the Goals, and are looking to do so externally going forward. The firm is working with the 'Future Fit' benchmark as a tool to report their impact. Grant Thornton believes there is a long way to go before businesses can report on the Goals meaningfully.
Grant Thornton see the Goals as well recognised, and excellent for raising awareness. They see the challenge as getting the most out of the Goals practically.

• Grant Thornton believe a 'kick-start' from the government is required to get all businesses to engage with the Goals in an assured way.

## Specific initiative relating to the Global Goals or sustainable development

• One current focus is 'Vibrant Capital', looking at how Grant Thornton can help London think about the sustainable development issues Londoners are facing.

• Related to this, Grant Thornton created the Vibrant Economy Index as an alternative measure of success to GDP-considered 6 social variables.

• Grant Thornton was an early adopter and are a strong advocate of the Future Fit framework for businesses. Future Fit comprises a vision and a set of tools focused on aligning businesses with sustainable development, and measuring their impact.

BUSINESS IN THE COMMUNITY





### Our mission is to help people do more, feel better, live longer

Commitment to sustainable development

Commitment to the Global Goals

• GSK's purpose is to help people do more, feel better and live longer. Social impact is central to that purpose and lies at GSK's core.

• GSK is committed to delivering shareholder and societal value over the long-term. GSK is a longterm business by nature - it takes decades of investment to bring a scientific discovery from the labs to patients.

• Management and boards need to strike the balance between delivery against financial performance targets and creating value over the long-term.

• GSK has set out a long-term strategy for the company and organised everyone at GSK to deliver against three enduring priorities of Innovation, Performance and Trust.

• GSK sees some sustainability issues, such as tackling global health challenges; access to healthcare; and developing an engaged, diverse and healthy workforce as key opportunities to create value for both business and society.

• Consumer interest in responsible business is not a new phenomenon but is more mainstream, louder and more coordinated. New recruits expect it of GSK. • GSK doesn't use the Goals widely for internal communications to all employees, because they feel that communicating progress against their own strategy resonates better. GSK sees the benefit of aligning with the Goals as a way to understand the shared expectations of governments, businesses, NGOs and consumers – and as a reference point to think about whether their core business strategy is meeting those expectations.

• The Goals are one of many inputs to GSK's sustainability strategy. However, it would be too simplistic to say that the 17 Goals can form the sole basis of a sustainability approach. The Goals have enabled GSK to unlock the power of partnership and join groups that are combatting certain Goals or sub-targets.

• GSK believe that it is important for companies to be able to incorporate and translate the Global Goal language to help mobilise the organisation without feeling constrained by the technical language.

#### Specific initiative relating to the Global Goals or sustainable development

GSK highlighted their work to tackle malaria, in support of Goal 3 (target 3.3). GSK are fighting malaria in the lab and on the ground. This includes innovating new medicines and vaccines and working with partners to get them to patients, helping to drive scientific progress beyond GSK, and working in communities with NGO partners.
GSK have worked on malaria for a long time, however, having Goal 3 has been useful as a rallying-cry to help mobilise others, and has reaffirmed GSK's commitment to the issue.
The Global Goals have provided a framework for conversations and tracking progress for all organisations focused on ending epidemics such as malaria.





ROYAL FOUNDING PATRON S

Our goal is to help people invest better, retire better, and create a better society for all

Commitment to sustainable development

Commitment to the Global Goals

• Since its inception in 1983, Hermes has put Responsible Investing at the core of its business mission. Hermes integrates environmental, social and governance issues (ESG) and engagement across its entire range of investment products and has a dedicated Stewardship business approaching \$500bn of assets under advice for a broad range of global asset owners.

• Hermes' approach to sustainable development investing focuses on the delivery of holistic returns. They recognise that to sustain the wealth of their clients, they need to consider the wider impact that investment decisions have on the planet and society and to act in a responsible way to create sustainable prosperity.

• Hermes actively work with a broad range of organisations to support and deliver a more sustainable system. These include the <u>IIGCC</u>, <u>UNEP</u> Finance Initiative, the <u>Impact Measurement Project</u>, the <u>UK National Advisory Board on Social Impact</u>, amongst others. • Hermes see the Global Goals as a powerful reminder of the scale of the underserved needs of global society and the exciting growth opportunities that they represent for solution-providers.

• Hermes also finds value in their usage as a communications framework: the Goals in their simplicity are powerful and the 17 colourful blocks an instantly recognisable call to action.

• Hermes sees the Goals increasingly featuring in investor presentations and becoming more integrated into traditional investment approaches.

• Similarly, when Hermes talk about ESG issues, they can often be linked back to the Goals in some way, as the Goals are globally comprehensive,

• Hermes are working with the <u>UNEP FI Positive</u> <u>Impact Initiative</u> to broaden the awareness of the Global Goals and the role that finance can play in their successful delivery.

## Specific initiative relating to the Global Goals or sustainable development

• Hermes created the 'Impact Opportunities Fund', premised on making good returns whilst doing good. It began trading in December 2017.

• The fund uses nine themes, distilled from the target level of the Global Goals, to identify emerging growth investment opportunities.

• Additionally, a rigorous impact assessment at the company level is undertaken. The process focuses on five areas: the nature of the impact of the firm; the intentionality of the impact; the additionality achieved by the investment; the "balance" or net impact being delivered; and improvement in a company's practices.

• Measurement of the impacts delivered by the investee companies and through corporate engagement are central to client reporting.

• Hermes also run the SDG Engagement Fund. This fund invests in small and mid-cap companies that have not yet fully addressed the Goals, and uses collaborative engagement to drive positive change linked to specific targets.

• Potential businesses are assessed on investment upside potential from existing operations, and on the opportunity for contribution to the sustainability agenda that enhances long-term value creation.



BUSINESS IN THE COMMUNITY





Helping solve your toughest and most complex legal issues wherever you are

Commitment to sustainable development

Commitment to the Global Goals

• Hogan Lovells strives to serve society and solve problems.

• It has a strong commitment to social purpose through CSR programmes and its core business.

• Hogan Lovells significantly invests in sustainability through pro bono services (i.e supporting projects addressing global issues such as environmental law and women's empowerment).

• Whilst Hogan Lovells' social purpose is rooted in its pro bono work, this approach has cross-fertilised to other practice areas within the firm, enabling a responsible business ethos to mature.

• Hogan Lovells attributes its commitment to sustainability to the engagement and expectations of its employees.

• Hogan Lovells increasingly works alongside its clients in support of the impact economy.

• Hogan Lovells welcomes the Global Goals as a key methodology for determining what purpose and impact look like.

• Hogan Lovells aligns its CSR programmes, pro bono projects and work in support of the impact economy and the Global Goals.

• The Global Goals resonate equally with Hogan Lovells' clients and as a result they work alongside many clients in support of this agenda.

• Hogan Lovells created an SDG Game which was launched at a Partner Conference to increase employee awareness and engagement.

• It acknowledges the difficulties around impact measurement and in particular reporting on SDG 16 (Peace, Justice, and Strong Institutions).

• Hogan Lovells believes that the Global Goals will evolve with time, but they should be mission led and not scorecard led

#### Specific initiative relating to the Global Goals or sustainable development

Hogan Lovells has a practice dedicated to supporting the impact economy called HL BaSE (Hogan Lovells Business and Social Enterprise)
HL BaSE has three parts: HL BaSE Legal which provides legal advisory services, HL BaSE Training which trains the next generation of lawyers to understand business with purpose and the SDGs, and HL BaSE Catalyst which collaborates with clients' in-house legal teams to support social enterprises.

• HL BaSE focuses on building sustainable businesses by ensuring that legal advice is accessible for organisations growing the impact economy.

• Work has included advice on the set up of a disability hub in the London Olympic Park and running an award for solar energy use judged by client lawyers.

• To date over 700 junior lawyers have attended HL BaSE Training which is held in Europe, Asia and the United States.

• HL BaSE has benefited from the SDG framework which has helped to focus and articulate its purpose.

BUSINESS IN THE COMMUNITY



# HG®

*Our purpose is to provide True Hospitality to everyone* 

Commitment to sustainable development

Commitment to the Global Goals

• Commitment to sustainable development is fundamental to IHG. The Group considers sustainability at both global and local levels.

• This commitment is critical to retaining their social license to operate, operational efficiency (e.g. energy is the #2 operational cost for hotels) and to brand. To deliver these benefits, IHG needs to drive real, sustainability related change and ensure that these changes are communicated to the relevant stakeholders.

• IHG has seen a big change in expectations across all stakeholder groups: graduate recruits want to know about IHG's positive impact, investor concerns have moved from the social impact sector to the mainstream, and sustainability is increasingly important to business partners and end customers. • Over the last year, IHG developed their 2018-2020 business targets with explicit consideration of the Global Goals at both goal and target level. This involved broad stakeholder engagement, and has resulted in making the core business more aligned to the 2030 Agenda.

• The process of alignment has involved adapting existing activities as well as the identification and develop of new activities. One particularly dynamic area is water: with significant new programmes targeting water saving and broader water stewardship.

• The Global Goals that align most clearly with the business and are therefore IHG's focus are: 6, 8, 10, 11, 12, 13 and 17.

• Two particular benefits of using the Goals specifically as opposed to referencing sustainability more broadly are: the benefits of a common language, more easily recognisable to all; and the ambition and time-frame which have pushed IHG to expand their strategic planning horizon.

## Specific initiative relating to the Global Goals or sustainable development

• IHG have been focussing on their carbon footprint and have reduced emissions by 15% per room over the last 4 years. They are now launching two water projects each year to 2020 to tackle water scarcity at a local level.

• They have developed a platform <u>Green Engage</u> system, to disseminate best practice across their network of hotels and franchisees, and have tied sustainability programmes in with cost savings through this platform.

• IHG considers itself a leader in Global Goals engagement in the tourism sector, advocating since their formation and signing up to the International Tourism Partnership's (ITP) collective goals for the tourism industry which were informed by the Goals, and are critical in driving consensus and commitment. The Group also collaborates with peers informally, sharing best practice around Global Goal related activity.





## **Linklaters**

Delivering legal certainty in a changing world

Commitment to sustainable development

Commitment to the Global Goals

• One of Linklaters key corporate objectives is to be admired as a responsible business – not just doing things right but doing the right thing.

• From the award-winning 'Collective Responsibility' approach to more recent work with the Global Goals, the firm is increasingly relating its client work to aspects of sustainable development.

• Linklaters believes that transparency is in itself a responsibility and so now makes public internal guidance such as its ethical code and sustainable procurement policy. This also strengthens relationships with the many clients who share a similar commitment to responsible business. • Linklaters mapped fee paying and pro bono work, community investment activity and its own operations against the Goals. This revealed a remarkable range and scale of work addressing the Global Goals. This exercise was initially undertaken at a high level, the firm is now moving to a greater level of detail encompassing both targets and indicators.

• The Global Goals provide Linklaters with an accessible and attractive framework for their sustainability story, aiding both internal understanding and external awareness.

• Moreover, the Goals highlight the opportunities and threats of a changing world, enhancing the firm's ability to assist clients in their response to such flux.

#### Specific initiative relating to the Global Goals or sustainable development

• As one might expect, Linklaters has a particular focus on the <u>rule of law</u>, tying into Goal 16.

• This work has included a <u>report</u> on erosion of the rule of law globally and, more recently, a follow-up assessing how <u>Brexit could strengthen the rule of law in the UK</u>.

• Much of the firm's pro bono work also supports this Goal including a project analysing and making available for the first time the entire jurisprudence of Liberia.

• The firm also specialises in research for NGOs seeking to challenge discriminatory legislation, using its legal expertise to address the issues behind many of the other Goals.

BUSINESS IN THE COMMUNITY





To help people make progress in their lives through learning

#### Commitment to sustainable development

Commitment to the Global Goals

• Pearson have been consistently working to raise responsible business standards for the last decade.

• As an education company, Pearson's core business targets around improving education and learning for all, closely tie in with sustainable development.

• They believe it's their role to help enable access to high quality education that leads to improved learning outcomes.

• Their sustainability and business strategies are increasingly aligned.

• Pearson's incubator programme is focused on developing new business models and products that combine social and financial objectives. Early successes include helping business leaders to see opportunities to integrate sustainability into core product development.

• Pearson were involved in the development of the Global Goals through their engagement with the UN Global Compact.

• Pearson see themselves as hugely committed to the Global Goals, with Goal 4 having immediate relevance to their core business, but also close affiliation with Goals 8 and 10.

- Pearson are looking to integrate the SDGs into their product development including through the creation of a strategy around 'education for sustainable development', focused on integrating sustainability concepts into curricula.
- Pearson are now reaching out to competitors to further develop ideas as to how to integrate sustainable development into curricula.

• Over the last three years, Pearson have worked to set goals in Global Goals target areas. This has entailed creating baselines for impact, against which to measure quantifiable change.

• The Global Goals have provided Pearson's leadership with exposure to the efforts of other organisations, providing motivation and helping create a common agenda.

## Specific initiative relating to the Global Goals or sustainable development

- Working alongside Save the Children and the Jordanian Ministry of Education, Pearson have created 'Every Child Learning', a programme centred on improving the quality of education for children affected by conflict.
- Every Child Learning has three key pillars: 1) helping to meet the immediate needs of children through donations to support Save the Children education centres; 2) joint advocacy to raise awareness of issues/ best practices/ investment in refugee education; and 3) innovating solutions to deliver education in conflict-affected areas more effectively.

BUSINESS IN THE COMMUNITY



**XX RBS** 

To serve customers well

Commitment to the Global Goals

Commitment to sustainable development

• RBS has a good level of awareness of the social challenges relevant to the business, particularly at a senior level.

• RBS have focussed on creating a values driven culture, with customers at the forefront of everything they do.

• RBS have a strong board subcommittee for sustainability, chaired by an independent director and attended by the Chairman, CEO, and half the board.

• Significant and regular time is spent by the Board and senior management engaging with external stakeholders to understand challenging views on topics of material interest.

• Sustainability reports have now been integrated into the annual accounts.

• There is a recognition of growing back sustainably. Sustainability factors into decision making, alongside the drive for commercial returns. • RBS say that there is general, but not deep understanding of the Goals internally.

• The focus is on specific social, environmental and economic issues that affect long term value creation. These issues have a clear relationship to the Global Goals, but the framing in Global Goals' language is not ubiquitous.

• RBS are mapping and developing reporting against the Goals, emphasising that this needs to be meaningful and cannot simply be an association at Goal level.

## Specific initiative relating to the Global Goals or sustainable development

• RBS's current work on mapping activity and aspirations to the Goals may result in reporting when contribution and impact can be meaningfully quantified.





STYLES&WOODGROUP 🗼

Working together to make a difference

Commitment to sustainable development

Commitment to the Global Goals

• Styles&Wood have built a sustainability programme based on the issues that they believe are the most material to them: waste management, the built environment, fuel consumption and occupational health. Whilst these areas are all represented within the Global Goals, the Goals were not used to identify or inform them.

• Their commitment to sustainable development is rooted in their purpose and championed by their CEO.

• These impact areas are used to engage employees, local stakeholders and communities. There is broad consensus amongst their employees that the business needs to have an impact beyond financial return.

• Their clients want to know about their social impact during tender processes, but once into delivery they focus on cost, sometimes to the detriment of more sustainable options.

• Initially, the Goals were considered too broad and daunting, but internal research has shown their relevance.

• The Goals are seen as an opportunity to inform their sustainability areas, making them relevant to the business. The Goals help them develop their purpose and strategy of creating sustainable environments for people.

• The Goals are also used to enhance employee engagement with sustainability issues.

• Styles&Wood consider themselves very much at the start of their Global Goals journey. They don't consider their sector particularly progressive and therefore look outside it for inspiration.

## Specific initiative relating to the Global Goals or sustainable development

• Styles&Wood focus on waste management and are reaching above average recycling targets with current figures showing 99.3% of their waste diverted from landfill. Their 'zero to landfill by 2020' target is on course and is helped through their partnership with Go Green.

• They are working with their supply chain to design solutions that minimise waste and reduce their carbon footprint.

• 'The Plan' is their initiative which aims to promote behavioural safety and sustainable thinking to their employees and supply chain. 'The Plan' encourages employees and members of their supply chain to 'Think Safety' and 'Think Sustainable' when working by circulating campaigns on safety, health and wellbeing. These campaigns include information provided by companies such as Health Shield, RVT Group and Go Green who all work in close partnership with Styles&Wood.

BUSINESS IN THE COMMUNITY



Making sustainable living commonplace

#### Commitment to sustainable development

#### Commitment to the Global Goals

• Unilever, led by CEO Paul Polman, developed the <u>Unilever Sustainable Living Plan</u> (USLP) in 2010, in the belief that a more sustainability based business model would not only help solve global sustainable development challenges, but also drive growth and trust in the business, avoid risks, and retain talent.

• The USLP has three pillars: health and wellbeing, environment impact, and enhancing livelihoods; progress against these pillars is reviewed annually against 50+ targets, and social impact is signed off by auditors.

• Unilever drive the plan through their business model, i.e. their mainstream products and services rather than through more peripheral approaches e.g. through CSR. Unilever's sustainable products are currently driving 60–70% of total growth.

• The USLP, which is aligned to the Global Goals, is Unilever's global strategy, and is implemented in the markets they work in. Unilever clearly identify the issues most prominent in these markets and align activities towards these.

• The company notes the talent attraction power of their commitments, with 80% of employees applying to Unilever because of the USLP.

• For Unilever, sustainability has been a longstanding part of their work even prior to the adoption of the Global Goals. Their leadership through the USLP and transformational change agenda is already delivering progress against the Global Goals. Unilever consider the Global Goals an external validation of their sustainable business model and have worked to build them into their targets.

• The USLP is mapped against the Global Goals, together with the 50+ targets. Unilever have specific reporting on their website illustrating how they are contributing to the Global Goals.

• Unilever describe how they are just one company and change within their own business is not enough. Transformational change in the industry is needed, which Unilever believe can be aided through their own actions with partnerships and external advocacy on public policy.

• In addition to taking action on the Global Goals, Unilever believe businesses have a responsibility to influence others who don't yet have sustainable, long-term business models. Unilever therefore focuses on advocacy work, using the goals as a communications tool to resonate with target audiences.

#### Specific initiative relating to the Global Goals or sustainable development

• Under the health and wellbeing pillar of the USLP, Unilever pursue water sanitation and hygiene efforts, specifically aligned to Target 6.2: "achieve access to adequate and equitable sanitation and hygiene for all".

• Unilever's first product was low cost soap, and so have had a role in providing hygiene to society since their beginning. They actively advocated alongside UNICEF and WaterAid for a hygiene indicator to be included in the Global Goals.

• Unilever recognises that growth is easier in a healthy and prosperous society. Helping people improve their behaviours around water, sanitation and hygiene helps to achieve this, but also helps to grow their business.

• This is the fundamental model for Unilever: helping people, and the planet whilst growing their business; encapsulated in their purpose "making sustainable living commonplace."



BUSINESS IN THE COMMUNITY





Commitment to sustainable development

Commitment to the Global Goals

• UPS have been pursuing sustainability for many years, but sustainability is now core to UPS, and no longer simply to save money or drive efficiency gains.

• UPS has made sustainability core to the business in recognition that it can help the business to prosper. This is in line with their broader belief that it's becoming harder to separate what is right for society and what is right for business.

• UPS emphasise that regulatory pressure is a big motivator to engage, as well as employees (particularly millennials) and clients.

• Programmes from across the business are involved in supporting the initiatives, led by UPS' sustainability department.

• Day to day, UPS focuses on emissions and the congestion impact of their core business, whereas the UPS foundation looks at broader sustainable development issues.

• UPS believes that the Global Goals are a good framework to use to ensure alignment between the business and the sustainable development needs of society.

• UPS, led by their global sustainability group, looked at the Goals that the business negatively impact and sought ways to mitigate or reverse this.

• A small number of Goals were found to connect directly and daily to the business (Goals 11 and 13), with other Goals connected, but more indirectly (e.g. Goals 7 and 9). The work of the UPS Foundation is broader.

• UPS believe there is a role for Government to play in using the Goals to "harmonise" various sustainability standards and drive towards common targets for stakeholders. A local translation of Goal targets would also be useful.

## Specific initiative relating to the Global Goals or sustainable development

• UPS has long realised the importance of minimising the pollutants emitted by their vehicles, particularly in cities.

• This has led to targeting emissions as a key focus area: they have developed their own hybrid and pure electric vehicles, which are now being deployed in cities globally.

• To support this, UPS have designed a unique charging system that avoids strain on their grid connection, enabling a significant expansion of their electric and hybrid fleets in cities.

• This initiative has resulted in UPS being more attractive as a supplier for many clients.

• It was initially led by the sustainability team, who pursued government support, but is now owned by the relevant business functions.



BUSINESS IN THE COMMUNITY





Our purpose is to connect everybody to live better today and build a better tomorrow

Commitment to sustainable development

Commitment to the Global Goals

Commitment to sustainable development is important to Vodafone, tying into their commitment to deliver impact beyond financial success.
Vodafone's purpose is "to connect everybody to live better today and build a better tomorrow".
A clear commercial rationale exists for each pillar of Vodafone's sustainable business strategy, which seeks to drive women's empowerment, energy innovation, and youth skills and jobs; reflecting the alignment between the sustainable business strategy and wider commercial strategy.

• Stakeholder engagement with sustainable development is predominantly focused on investors, governments and NGOs.

• Commercial strategy drives Vodafone's sustainability goals, each of which has some form of quantifiable commercial value. Whilst the Global Goals informed thinking, the business decided priorities independently, which were subsequently aligned with the Goals.

- The Global Goals help articulate Vodafone's ambition and progress in a way that is shareable with a broad audience.
- Non-financial reporting at Vodafone focuses on the most material risks and opportunities for the business. These predate the Global Goals, and are more specific to the business.
- Vodafone has mapped it's sustainable business strategy against the Global Goals and associated targets. This is presented in an annual report.

## Specific initiative relating to the Global Goals or sustainable development

• Vodafone has a target of providing mobile connectivity to 50 million women in emerging markets by 2025. Owning a mobile phone for the first time can enhance a woman's physical and economic security, education, skills, access to employment opportunities and her (and her dependants') health and wellbeing.







We help people across the world lead healthier and happier lives

Commitment to sustainable development

Commitment to the Global Goals

• Both commercial needs and CSR feed into Walgreens Boots Alliance's sustainability agenda.

Sustainable development is central to commercial strategy, with time horizons reaching to 2050.

• They have found that the business community are seeking greater collaboration on sustainable development.

• Walgreens Boots Alliance have found challenges in comparing impact across countries, as history and culture often play a greater part than company policy (e.g. recycling infrastructure).

• CSR is embedded through the business, with only a small central CSR team.

• Each division sets targets, which are signed off by the central CSR team.

• The business has seen commercial and reputational value, with £3.2m in savings from recycling realised so far.

• Employees are pleased with the direction of travel.

• Walgreens Boots Alliance make a consistent effort to publish information against targets, even when progress is limited. • Walgreens Boots Alliance see the Global Goals as aspirational, describing the world we'd like to live in. They have tried to create programmes delivering on these aspirations, linking them to commercial benefits.

• They have made significant efforts to increase employee awareness of the Global Goals, with noticeboards through their offices showing the 17 Goals and their impact against them, and finding regular ways to mention goals to employees.

• WBA have found Board engagement with the Global Goals crucial to driving action through the business.

## Specific initiative relating to the Global Goals or sustainable development

• Tying the Global Goals to commercial strategy, and particularly their aspiration to become the leading provider of vaccinations in the United States, Walgreens Boots Alliance created 'Get a shot, give a shot'.

• This programme involved providing a vaccination in the developing world for each vaccination they provided in the US.

• It gained significant media traction and positive awareness, contributed to WBA becoming the number one provider of vaccinations in the US, and resulted in 40m vaccinations being donated to the developing world.





## SYSTEM CHANGE IN ACTION: REDUCING PLASTIC USAGE IN THE UK

Below showcases an example of how actors impact one another, resulting in systemic change.

• David Attenborough's plea in the final instalment of Blue Planet II for viewers to try and reduce plastic usage for the sake of the oceans has set this system in motion.

• Citizens were first to act, with Google searches of 'plastic recycling' skyrocketing, tweeters vowing to never use plastic bags again and many citizens putting pressure on government and businesses to take action as well.<sup>12</sup>

• Leading businesses have begun to respond to this pressure, getting ahead of their competitors in doing so. For example, Pret A Manger recently vowed to make their packaging 100% recyclable, reusable or compostable by 2025.<sup>13</sup> Sky Launched the Ocean Rescue Campaign, raising awareness on the impact of plastic waste in our oceans.<sup>14</sup>

• Citizen pressure has also not gone unnoticed by government. In December 2017, after the last episode of blue planet, the EAC published a report on plastic litter: 'Plastic bottles: Turning back the Plastic Tide', and in April 2018 Theresa May announced the setting aside of £61.4m to fight the rising amount of plastic in the world's oceans.<sup>15</sup>

• The UK Plastics Pact is a unique collaboration which brings together businesses from across the entire plastics value chain, and will continue to help businesses drive forward change across the system.



Graham Thomson	Follow ~
@Pret can't believe you straws. Come on @Pret use plastics	
6:26 AM - 25 Apr 2018	







## **INTERVIEWEES**

The 20 businesses interviewed contribute significantly to the UK economy through the generation of employment and revenue.







## FOOTNOTES

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## **MEASUREMENTS**

Calculation of the system's current progress towards engagement with the Global Goals (page 11)

Deloitte analysis from a previous Global Goals project allowed the production of proxy numbers for the system's current progress towards the Global Goals. The numbers were calculated as follows:

• **Citizens:** 24% is the number of citizens aware of the Global Goals and is a proxy for citizen engagement assuming that awareness is a prerequisite to and catalyst of engagement.

• **Businesses:** 14% is the average Global Goal engagement score of 200 public and private businesses analysed by Deloitte. Engagement was scored on the basis of Global Goal acknowledgement, alignment of the Goals to core and non-core business, creation of new products or services inspired by the Goals and inclusion of the Goals in non-financial reporting.

• Investors: 19% is the average Global Goal engagement score of 52 investors (institutional, hedge funds, family offices etc.) analysed by Deloitte. Engagement was scored on the basis of Global Goal acknowledgement, alignment of the Goals to core and non-core business, creation of new products or services inspired by the Goals and inclusion of the Goals in non-financial reporting.

• **Government:** 18% is the number of government departments and ministries (out of the 17 analysed) that linked their latest Single Departmental Plans to the Global Goals.

As mentioned above, these numbers are a proxy for current progress and by no means reflect the full number of activities and efforts occurring in the system. Calculation of sector representation (page 56)

The sector representation of businesses interviewed was calculated by using the UK Government Department of Business, Innovation and Skills' designation of Major and Minor sectors in the UK, highlighted in their 2012 paper 'UK Industrial Strategy: UK Sector Analysis'.

The paper determines that there are 5 Major sectors present in the UK: Low-Medium Tech Manufacturing Medium-High Tech Manufacturing Other Production Knowledge Services Other Services

Within these 5 Major sectors there sit a total of 28 Minor Sectors. The businesses interviewed were analysed by Deloitte against these sector designations, and it was determined that the businesses interviewed cover all 5 Major Sectors and 14/28 Minor sectors, thus suggesting that this report represents a broad and sufficient coverage of UK sectors.





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