



United Nations  
Global Compact

20  
years

# SDG AMBITION

## Introducing Business Benchmarks for the Decade of Action

CONSULTATION DRAFT

In partnership with:

accenture



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# INTRODUCTION

## WE ARE CONFRONTING GLOBAL CHALLENGES LIKE NEVER BEFORE

In the first half of 2020 alone, we experienced major social, environmental and economic upheaval — from the bush fires in Australia that burnt over 18 million hectares of land and killed an estimated one billion animals,<sup>1</sup> to the locust swarms in East Africa, which the FAO (the UN Food and Agriculture Organization) estimates will affect up to 25 million people from food shortages,<sup>2</sup> to a global health crisis unlike any in recent memory. COVID-19, the disease caused by the global coronavirus pandemic, has highlighted the broader vulnerabilities and challenges in our global society — from healthcare infrastructure, to reliable energy and water, to economic inequalities.

## THE CRISIS HAS ACCELERATED THE NEED TO REINVENT FOR A SUSTAINABLE FUTURE

For years, we have encouraged business to embrace a wider view of their social and environmental impact. Now, we face an even more challenging reality, in which industries are going to be reinvented to be more resilient to deliver better societal outcomes. This reinvention must be in the pursuit of the Sustainable Development Goals (SDGs), delivering wider impact in ways that drive enhanced business performance. Higher environmental, social, governance (ESG) performance has been correlated with higher financial performance pre-pandemic, a link that has only grown stronger in recent months as top ESG performers experienced a cumulative relative return 6.3 per cent higher than the bottom performers as evaluated by Accenture and Arabesque S-Ray(r) from January to April 2020.

## OUR ROADMAP FORWARD IS THE 2030 AGENDA AND THE 17 SDGS

The impact of the pandemic has starkly demonstrated that failure to address one crisis increases the magnitude and intensity of others. For instance, growing populations and consumption habits are leading to deforestation which puts different species in closer contact, increasing the risk of zoonotic viruses affecting humanity, as was the case with COVID-19.<sup>3</sup> Similarly, the 2.7 billion people currently living under water scarcity have less water to drink, maintain proper hygiene, or grow required crops for their livelihoods.<sup>4</sup>

The interconnected approach to resiliency embodied by the 17 SDGs is the path forward. However, despite progress made in many areas, we are not on track to deliver on the SDGs by 2030. The UN Global Compact Progress Report 2020 and the UN Global Compact-Accenture Strategy CEO Study 2019 both show that businesses need to step up their efforts in this area.

Now we are at a critical point of acceleration. All companies must define a new level of ambition to deliver on the SDGs by 2030.



**Already COVID-19 threatens decades of progress made towards achieving the Sustainable Development Goals. As we build back in an inclusive and sustainable way, we have a once in a lifetime opportunity to achieve the SDGs. But we cannot do it without business leadership.**

**António Guterres**  
Secretary-General of the United Nations

# RAISING AMBITION TO ADVANCE THE SDGs

Launched in January 2020 at Davos by UN Secretary-General, António Guterres, SDG Ambition aims to enable the world's leading companies to embrace ambitious benchmarks and advance the integration of the SDGs into core business management.

This two-fold approach consists of the following:

**Ambitious benchmarks in the areas that will have the greatest business impact on the SDGs**

## SDG BUSINESS BENCHMARKS

A set of absolute, measurable benchmarks grounded in established reporting requirements. The SDG business benchmarks translate the SDGs for business, focusing on where business can drive the greatest impact. These benchmarks are applicable across all industries, and their implementation is adaptable, allowing companies to define goals and targets in the areas that are most material for their industry context.

## INDUSTRY GUIDANCE

A set of sector-focused recommendations and benchmarks which are not broadly applicable across all industries, but remain highly impactful towards achieving the SDGs. These benchmarks are recommended for adoption by industries which may find that their highest potential for impact lies outside of the global SDG business benchmarks.

**Deep integration of sustainable development into enterprise management processes and systems**

## MANAGEMENT INTEGRATION GUIDANCE AND TOOLS

A benchmark-by-benchmark approach for integration into key business processes and technology platforms. The guidance outlines detailed, platform-agnostic steps for management implementation which map to the global and industry-specific benchmarks. This will enable companies to embed the benchmarks into decision-making and reporting, so that they can understand and measure their SDG progress holistically alongside traditional business indicators.

This pairing of ambition and integration into business forms the foundational theory of change for the initiative. To build a global movement, *SDG Ambition* aims to engage leaders across 1,000+ companies in 40+ countries over the next two years.

This document introduces the proposed SDG business benchmarks, outlining how companies can increase their leadership and contribution to the SDGs. The final version will form the second of three guides that summarize the findings and recommendations of the *SDG Ambition* initiative (see [INITIATIVE RESOURCES](#) on page 15).



# SDG BUSINESS BENCHMARKS

## Translating the SDGs into Business Benchmarks

The UN Global Compact, in consultation with business leaders and partner organizations, has developed an initial set of ten global business benchmarks that provide direction for business action on the SDGs. The benchmarks are grounded in the 17 SDGs and the Ten Principles of the UN Global Compact.

By translating the ambition level of the SDGs into concrete aspirations for business, these benchmarks challenge organizations to set more ambitious goals and targets in the areas in which business is positioned to have a substantial impact. For example, agriculture uses nearly 70 per cent of global freshwater while half of global water consumption comes from water-stressed basins.<sup>5</sup> By increasing their level of ambition in alignment with the benchmark "Net-positive water impact in water-stressed basins", companies can meaningfully advance Goal 6: "Clean Water and Sanitation".

We are establishing these benchmarks as the level of ambition that is required by business for the world to deliver on the SDGs by 2030. They enable companies to move from benchmarking against the competition or against their own past performance towards UN Global Compact established benchmarks — to set goals at the level of ambition required to deliver on the SDGs, rather than at the level of ambition that currently seems possible to deliver on.

**The benchmarks challenge companies to set more ambitious goals and targets in alignment with what is required to achieve the SDGs.**

## GOAL-SETTING FOR THE DECADE OF ACTION

Adoption of the SDG business benchmarks requires goal-setting that is more absolute, impact-oriented and interconnected.

From	To
<p>Incremental goals in light of what currently seems possible</p> <p><b>Example:</b> % CO<sub>2</sub>e reduction per dollar of revenue</p>	<p>Absolute goals grounded in science and what is required by each company to achieve the SDGs</p> <p><b>Example:</b> % CO<sub>2</sub>e absolute reduction in line with a 1.5°C pathway</p>
<p>Output-oriented</p> <p><b>Example:</b> Volume of waste as a byproduct of production</p>	<p>Impact-oriented to drive positive outcomes for business, society and the environment</p> <p><b>Example:</b> Elimination of waste across the business</p>
<p>Emphasis on impact through philanthropic and direct operations</p> <p><b>Example:</b> % revenue donated to charitable organizations</p>	<p>Expanded impact through core business products, services and across global value chains</p> <p><b>Example:</b> % revenue driven by sustainable products and services</p>
<p>Independent KPIs</p> <p><b>Example:</b> Sustainability targets are standalone, separate from business targets</p>	<p>Interconnected systems of KPIs</p> <p><b>Example:</b> Sustainability targets are embedded throughout the business and tracked at the enterprise-level</p>

# Defining Ambition with a Principles-based Approach

Raising ambition is both about responsibilities and opportunities. When we examine ambitious transformation for the SDGs, we cannot overlook the foundation to enabling long-term sustainable business conduct. Key to achieving the SDGs is behaving and operating in a principled manner. Building a resilient and sustainable business in an age of exponential change requires alignment with the Ten Principles of the UN Global Compact. Derived from UN Declarations and Conventions, these universal principles represent the fundamental values that business should embed in their strategies and operations. Without these foundational elements anchoring a company's approach to the SDGs, companies risk undermining progress.

Each company will have a unique set of priorities when raising ambition on the SDGs. The first step in setting ambitious business goals and targets is to define the most important priorities for the goals to cover. While companies are not required to set goals aligned with all benchmarks, the benchmarks should serve as a reference point for companies to define their level of ambition within priority areas for their industry and market.

## THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT

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<b>HUMAN RIGHTS</b>	<b>LABOUR</b>
	
<b>ENVIRONMENT</b>	<b>ANTI-CORRUPTION</b>

As companies set their own goals and targets, the three most important considerations are:

### BASELINE EXPECTATIONS

While market opportunities can be an important driver of prioritization, companies must first ensure they are acting responsibly in accordance with minimum standards. This includes upholding essential obligations to the Ten Principles across human rights, labour, environment and anti-corruption.

- Are the Ten Principles embedded in your organization's strategies and policies?
- How are you ensuring that principles-based actions and programmes are consistently taking place within your business?

### SDG IMPACT

Impact through core business activities is not limited to direct operations. It extends to the role you can play across your business ecosystem of suppliers, customers and peers (see [FIGURE A](#)).

- Where can you have the most direct impact — both negative and positive — through your operations, products and services?
- Where can you have the most indirect impact by influencing your suppliers, your customers and your industry?

The profile of your business and the communities in which you operate should also inform your strategy for impact. For example, global companies can drive major impact simply by extending more progressive policies across their operations and workforce.

- How can you leverage your business influence to advance social progress, minimize environmental impact and equip thriving communities?

### BUSINESS VALUE

To mobilize business resources behind SDG commitments, it is important to shape initiatives that will drive sustainability and business benefits. The benchmarks offer opportunities to build resilience, keep up with growing stakeholder expectations and differentiate to create competitive advantage.

- Which benchmarks can strengthen financial returns for your business?
- Which are most material to business continuity and competitiveness?

## FIGURE A BROADENING AMBITION ACROSS BUSINESS ACTIVITIES

As companies prioritize opportunities for SDG impact through core business activity broadening the scope of goals and targets beyond direct operations to include market and value chain impact will increase the level of ambition.

	<b>OPERATIONS</b>	<b>PRODUCTS &amp; SERVICES</b>	<b>VALUE CHAIN</b>
SCOPE	Direct impact through core business operations	Direct impact through products and service offerings	Indirect influence on suppliers, customers, industry peers
EXAMPLE ACTIONS	<ul style="list-style-type: none"> <li>▪ Addressing operational waste, energy and water</li> <li>▪ Enhanced treatment of workers</li> </ul>	<ul style="list-style-type: none"> <li>▪ Design of products and services with positive impacts</li> <li>▪ Expansion of low-impact business models</li> <li>▪ Extended producer responsibility</li> </ul>	<ul style="list-style-type: none"> <li>▪ Supplier policies and performance criteria</li> <li>▪ Customer information and engagement</li> <li>▪ Industry collaboration and innovation</li> <li>▪ Support of communities</li> </ul>
GUIDING QUESTIONS	<ul style="list-style-type: none"> <li>▪ How can we reduce negative impact and maximize positive impact from our operations?</li> <li>▪ How can we extend our positive impact across our global operations footprint and workforce?</li> <li>▪ How can we propel sustainable markets through our own procurement?</li> </ul>	<ul style="list-style-type: none"> <li>▪ How can we innovate products and services that contribute to positive societal and environmental outcomes?</li> <li>▪ How can we control the impact of products and packaging at end of use to ensure responsible disposal or promote circular business models?</li> </ul>	<ul style="list-style-type: none"> <li>▪ How can we influence and engage our suppliers to innovate solutions?</li> <li>▪ How can we engage and support consumers to make more sustainable choices and behaviours?</li> <li>▪ How can we collaborate within and beyond our industry to accelerate solutions?</li> </ul>

### BENCHMARK DEVELOPMENT

Our assessment included a bottom-up analysis of the SDG sub-targets paired with a top-down analysis of global challenges that underlie the SDGs (such as climate change and inequality) to further refine the areas in which business can play a sizable role.

The benchmarks have been assessed for consistency with the Ten Principles (see “Defining Ambition with a Principles-based Approach”). Consequently, the SDG business benchmarks will enable business to directly drive impact across SDG sub-targets while upholding the values of the Ten Principles, without being limited by specifications intended for national Governments.

### CRITERIA

The following criteria have been used to develop the proposed list of SDG business benchmarks:

- Aligned to issue areas where business action will be necessary in order to achieve the SDGs by 2030
- Reflective of existing goal-setting practices where metrics, benchmarks and scientific evidence already exists
- Flexible in terms of exact delivery pathways and reporting metrics
- Framed to be impact-oriented and absolute in nature, with clear quantitative measurements
- Applicable across industries and geographies

## Proposed SDG Business Benchmarks

100% of employees across the organization earn a living wage

Gender balance across all levels of management

Net-positive water impact in water-stressed basins

Zero waste to landfill and incineration

Zero discharge of hazardous pollutants and chemicals

100% sustainable material inputs that are renewable, recyclable or reusable

Science-based emissions reduction in line with a 1.5°C pathway

100% resource recovery, with all materials and products recovered and recycled or reused at end of use

Land degradation neutrality including zero deforestation

Zero incidences of bribery

## SDG IMPACT

### Primary

### Additional

## SCOPE

### Operations

### Products & Services

### Value Chain



## NOTES

- These benchmarks are applicable across all industries, and their implementation into business is adaptable, allowing companies to set targets and metrics in the areas that are most material for their industry context.
- **SDG Impact:** Refers to the relevant SDGs that will be impacted by pursuit of the benchmark.
- **Scope:** Indicates the suggested boundary of action and impact for the benchmark. While some benchmarks are specific to the supply chain, value chain applicability could comprise everything beyond the four walls of the organization, including product use and disposal.



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## Benchmarks in Detail

### 100% OF EMPLOYEES ACROSS THE ORGANIZATION EARN A LIVING WAGE

This benchmark calls upon businesses to make sure that all employees in their direct operations — regardless of employment type — receive compensation sufficient to afford a decent standard of living for the worker and their family. While recognizing the difficulties in mandating that living wages are paid across supply chains, businesses should engage their suppliers and peers to encourage the movement towards living wages across the industry.

The living wage underpins several of the SDGs including Goal 1: No Poverty, and Goal 8: Decent Work and Economic Growth. According to ILO estimates, 13 per cent of the global workforce can be classified as moderately poor.<sup>6</sup> As long as workers do not have the income to provide for their family's basic needs, food, housing, education and healthcare as well as some discretionary income, they will remain trapped in poverty. Businesses can make sure all of their employees have the income to support the needs of themselves and their families, raising standards of health and well-being. Achieving this benchmark requires a systematic assessment of and social dialogue on the living wage across all locations in which a business operates and employs workers, mandating salaries are all set at or above that benchmark. Making the commitment to be a living wage employer can support a happy, healthy and productive workforce, reduce turnover costs, and increase consumer trust.

### GENDER BALANCE ACROSS ALL LEVELS OF MANAGEMENT

This benchmark asks organizations to strive to achieve gender equity in business leadership at all levels. Achieving this benchmark requires business to take a range of actions to address barriers to gender equality and to create inclusive workplaces that enable all employees to thrive.

Despite progress, women continue to be underrepresented in power and decision-making roles. At the current pace, it will take 257 years to address the economic gender gap; despite this, less than 30 per cent of companies are setting time-bound, measurable gender balance benchmarks.<sup>7</sup> Goal 5: Gender Equality, calls for women's full participation and equal opportunities for leadership, including in economic life. A growing body of evidence further supports the link between gender diversity and increased innovation and improved financial performance. For example, achieving 30 per cent female representation in leadership has shown

to increase profitability by 15 per cent.<sup>8</sup> Among other things, in order to attract and retain top female talent, businesses must focus on pipeline development, hiring and promotion, adopt inclusive workplace policies and performance reward structures, eliminate sexual harassment, and offer equal pay for work of equal value.

### NET-POSITIVE WATER IMPACT IN WATER-STRESSED BASINS

This benchmark aims to deliver measurable net-positive impact in water-stressed basins, focusing on the availability, quality and accessibility of freshwater resources. To achieve this, businesses will need to move beyond operational to measurable improvements of watersheds in proportion to their local water use and economic impact. This benchmark applies to direct operations, however companies should also look to achieve water resilience across the global value chain in support of Goal 6: Clean Water and Sanitation.

Business is the largest global user of water as nearly all operations and supply chains rely on access to water in some form. Nearly two-thirds of freshwater consumption is associated with ingredient production for corporate supply chains.<sup>9</sup> Given their dependence on freshwater resources, companies have a vested interest to be sure that these resources are sustainable, resilient and ample enough to serve both the needs of society and industry. 45 per cent of companies report exposure to risks from water insecurity estimated at over US\$ 425 billion.<sup>10</sup>

### ZERO WASTE TO LANDFILL AND INCINERATION

This benchmark requires organizations to evaluate and optimize material flows and eliminate all solid waste from operations. While often most relevant in the context of manufacturing where material use runs high, zero waste to landfill is applicable to all businesses with owned facilities and operations. When possible, companies should support their suppliers to reduce waste to landfill as well.

Through adoption of a zero-waste philosophy, companies can contribute to the achievement of Goal 12: Responsible Consumption and Production. The private sector is a major contributor to global solid waste streams. One estimate of industrial solid waste projected 7.6 billion tons produced each year in the United States alone.<sup>11</sup> Some industries, like construction, have seen cost savings of up to 40 per cent as a result of reducing their waste.<sup>12</sup> The scale of solid waste makes clear the need for business to systematically avoid generating or discharging waste into the environment.

## **ZERO DISCHARGE OF HAZARDOUS POLLUTANTS AND CHEMICALS**

This benchmark aims to reduce hazardous industrial pollution to zero, including chemicals, materials and wastewater. This benchmark is inclusive of pollutants released into the air (such as soot or particulate matter), water (such as groundwater contaminated with waste or fertilizer) and soil (such as hazardous mining byproducts). These types of pollution can be generated in direct operations and the supply chain. Commitment to this benchmark will increase progress towards many SDGs, in particular Goal 12: Responsible Consumption and Production.

Industrial pollution has wide-ranging adverse effects on public health, freshwater supply, agricultural production and more; companies must commit to fully eliminating discharge of hazardous pollutants to avoid harmful impact to the economy, human populations and the environment. Air pollution causes seven million deaths per year,<sup>13</sup> agriculture runoff of fertilizers and pesticides contaminates waterways,<sup>14</sup> and industrial activity degrades soil health, reducing plant metabolism and agricultural output.<sup>15</sup>

## **100% SUSTAINABLE MATERIAL INPUTS THAT ARE RENEWABLE, RECYCLABLE OR REUSABLE**

This benchmark calls for embedding circular economy practices into material selection and product design. The aim of a circular economy is to decouple economic activity from the consumption of scarce and harmful resources by designing for continued material use. This benchmark applies to product and packaging design to be sure input materials and feedstocks are sustainable, with 100 per cent of material inputs sourced according to the highest possible environmental and social standards to be reused, recycled or composted at end of use.

The trajectory of annual global resource use is on track to exceed the planet's available resources by over three times each year by 2050.<sup>16</sup> Most physical goods and commodities are consumed in a "take-make-waste" model with major adverse ecological effects, such as overfishing, overharvesting, greenhouse gas (GHG) emissions and more. Product design is often biased towards single-use; for example, 40 per cent of all plastics are used for single-use packaging.<sup>17</sup> An industrywide shift to circular inputs is essential to achieve Goal 12: Responsible Consumption and Production and continued business growth. In the fashion industry, for example, one analysis found that shifting to circular inputs offered an opportunity of \$30 to 90 billion (3 to 8 per cent of EBITDA) by 2030.<sup>18</sup>

## **SCIENCE-BASED EMISSIONS REDUCTION IN LINE WITH A 1.5°C PATHWAY**

This benchmark aims to align business operations with what the latest climate science says is necessary to meet the goals of the Paris Agreement, by setting science-based benchmarks through the Science Based Target initiative (SBTi). Science-based targets specify how much and how quickly an organization must reduce their GHG emissions. The ultimate aim is to limit the global temperature rise to 1.5°C above pre-industrial levels and to reach net-zero emissions well before 2050 to avoid the worst impacts of climate change. Company benchmarks must meet the criteria of SBTi and thus cover GHG emissions from the company's operations, purchased energy, as well as the company's value chain.

By setting a science-based target, businesses can meaningfully contribute to Goal 13: Climate Action. Business has a critical role to play in the systems transitions required to stay within 1.5°C, as the vast majority of the world's GHG emissions are produced by commercial activities. 72 per cent of GHGs are produced by the energy sector, inclusive of manufacturing, transportation, generation and fugitive emissions.<sup>19</sup> Aligning with science sets the private sector on track to help deliver on the 2030 Agenda and the Paris Agreement.

## **100% RESOURCE RECOVERY, WITH ALL MATERIALS AND PRODUCTS RECOVERED AND RECYCLED OR REUSED AT END OF USE**

This benchmark calls for extending responsibility over materials and products downstream in the value chain to be sure that all materials produced by the business are recovered and recycled or reused in practice. Companies can drive product and material recovery by introducing new circular business models and customer incentives (including product-as-a-service and takeback), building industry ecosystems for reverse logistics and secondary markets, and investing in new capabilities, such as asset tracking or material recycling.

Today, the majority of materials and products are not recovered, reused or recycled; instead, they are discarded. Globally, for example, 14 per cent of plastics are collected for recycling and only 2 per cent enter a closed loop recycling streams.<sup>20</sup> Much of this packaging ends up in the ocean; unless urgent action is taken, more than 250 million tons of plastic will be found in marine systems by 2025.<sup>21</sup> Committing to this benchmark will support many SDGs, including Goal 14: Life Below Water. Models for extended material use and recovery also offer opportunities for business improvement. By some estimates, reuse as a pathway for raw material recovery could lead to savings as high as 25 to 50 per cent.<sup>22</sup>

## LAND DEGRADATION NEUTRALITY INCLUDING ZERO DEFORESTATION

This benchmark asserts that companies should take actions to preserve land that outweigh the impact of business activities. The aim of Land Degradation Neutrality (LDN) is to maintain or enhance land-based natural capital and its associated ecosystem services. "Zero deforestation" allows for some conversion of forests if an equal area is replanted elsewhere to be included in LDN. Businesses can take action across multiple tiers of their supply chain, such as through implementing deforestation-free policies, sustainable forestry management and soil health or regenerative management practices.

Action on this benchmark will accelerate a global reduction of forest loss in support of Goal 15: Life on Land. While natural causes such as wildfires and small-scale firewood collection play a part in the overall loss, business activity is the top contributor to deforestation and associated land and habitat loss.<sup>23</sup> Moreover, 15 per cent of global CO<sub>2</sub>e emissions are attributed to deforestation and troubling evidence of illegal and extralegal deforestation continues to accumulate.<sup>24</sup> Participation in initiatives such as Zero Deforestation Zones could reduce monitoring costs and enable premium pricing for companies along the supply chain.<sup>25</sup>

## ZERO INCIDENCES OF BRIBERY

This benchmark seeks to promote the prevention and eradication of bribery and corruption, including the wide range of behaviours that abuse entrusted power for private gain. Bribery has no place in a transparent, sustainable economy as it discredits business environments and particularly affects the vulnerable. Corrupt business practices can pose serious compliance and reputational risks, reducing consumer trust and impacting the bottom line.<sup>26</sup> These risks should be mitigated through whistleblower protections, independent due diligence and the promotion of transparent contracting.

The 10<sup>th</sup> Principle of the UN Global Compact commits participants not only to avoid bribery, extortion and other forms of corruption, but also to develop policies and concrete programmes to address it. Yet in recent years, participation in anti-corruption activities has declined among UN Global Compact participants; for example, only 33 per cent of large companies monitor and report anti-corruption performance.<sup>27</sup> Companies must join Governments, UN Agencies and civil society to realize a corruption-free and more transparent global economy.

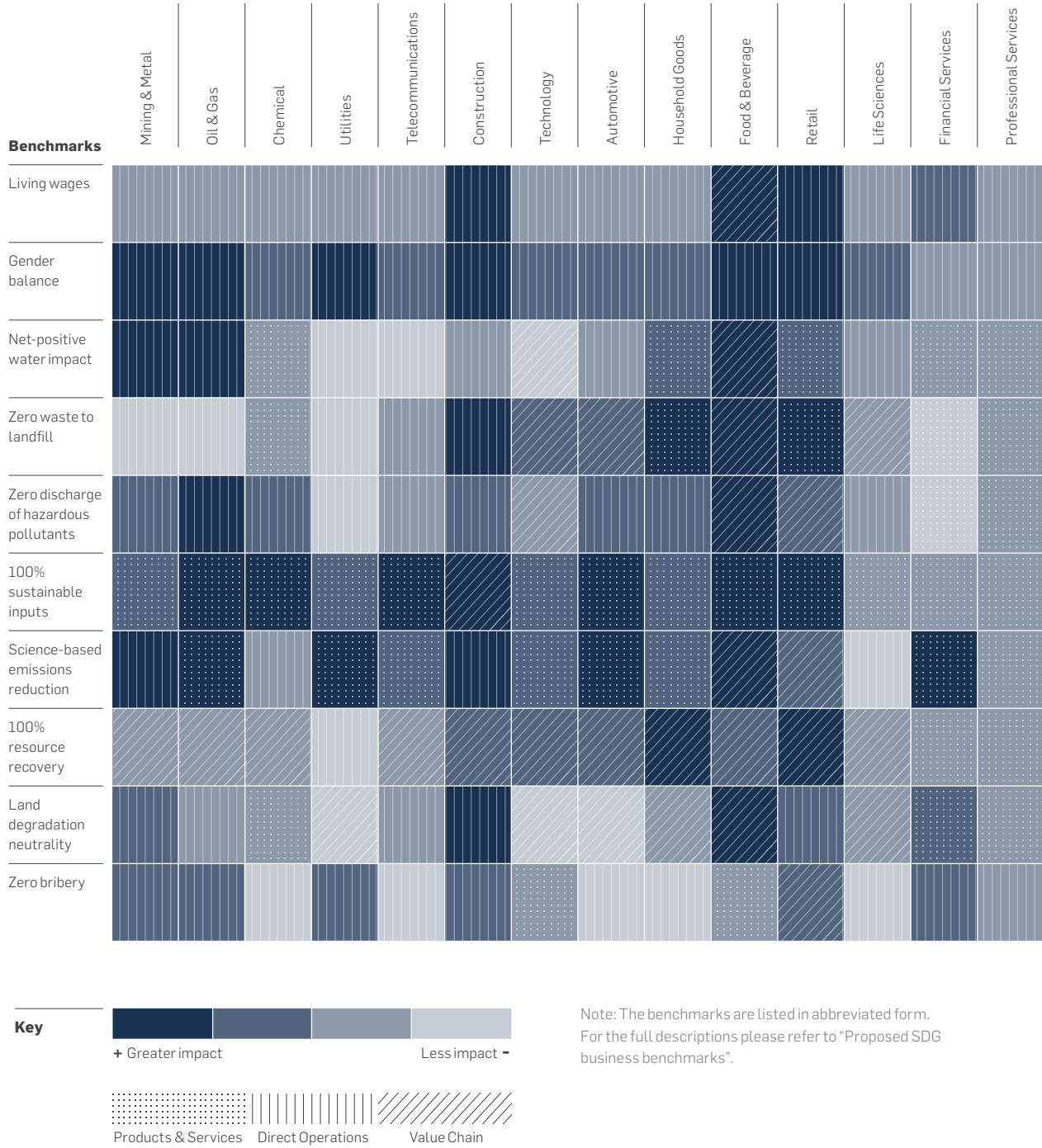
## INDUSTRY CONSIDERATIONS

An initial assessment of relative industry impact and priority areas across the benchmarks is shown in [FIGURE B](#). This view is derived from analysis of factors such as global footprint (e.g. emissions contribution or volume of employees), industry exposure (e.g. industries with lower female gender representation), and enabling impact (e.g. financial services impacting an issue area with targeted investment products). It intends to highlight the areas where business can have the greatest impact through direct operations, product and services, or influence across the broader value chain (from suppliers to end consumers).

For example, "zero deforestation" is most relevant to agriculture and basic resources sectors. As much as 80 per cent of global deforestation is attributable to industrial agriculture; industry commitment to reversing this pattern would lead to a positive global trend. A further 10 per cent of deforestation in the Amazon rainforest is attributable to mining, nearly all of it illegal mining, warranting quick action amongst companies which operate in the region.

## FIGURE B ILLUSTRATIVE INDUSTRY IMPACT AREAS

Industries should prioritize the areas in which they can drive the greatest impact across the benchmarks, driving positive change through their operations, products and services, and value chain.



Note: The benchmarks are listed in abbreviated form. For the full descriptions please refer to "Proposed SDG business benchmarks".

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## Areas of Interest for Benchmark Development

Success in accelerating business impact on the SDGs requires a coalition of businesses from across sectors and geographies. In addition to inviting input to the proposed list of benchmarks, over the coming months we will engage in benchmark development for additional impact areas and explore potential industry-specific application.

### ADDITIONAL IMPACT AREAS

During the development of the proposed SDG business benchmarks, additional impact areas were identified that currently lack consensus to enable a universal and absolute business benchmark. Nevertheless, they are critical areas for business impact and advancement of the SDGs. For example, the shifting nature of work, driven by technology and automation, is set to have profound impacts on employees at all levels. According to the WEF, more than 54 per cent of employees globally will require "significant reskilling" by 2022.<sup>28</sup>

Over time, we hope to expand this initial set of benchmarks to cover topics such as:

- Human rights and anti-discrimination
- Biodiversity and the ocean
- Privacy and data protection
- LGBTQ equality
- Responsible taxation and lobbying
- Workplace health and safety

Photo: John Hogg / World Bank

### INDUSTRY-SPECIFIC BENCHMARKS

While many of the global cross-industry benchmarks will be "sector-driven" in that certain industries will have a greater impact relative to others (see [FIGURE B](#)), an additional subset of industry-specific benchmarks have been identified.

These benchmarks will be highly impactful towards achieving the SDGs, but they are not broadly applicable across sectors. For example, sustainable fish stocks have decreased by 90 per cent in the past half-century, and it has been shown that just 13 companies control up to 40 per cent of global fish stocks;<sup>29</sup> seafood industry leaders are therefore uniquely well-positioned to lead action towards ending over fishing in support of Goal 14: Life Below Water.

Over time, we hope to expand this initial set of benchmarks to cover topics such as:

- Financial inclusion
- Food waste, access and agricultural productivity
- Harvesting and overfishing
- Access to basic services, such as medicine, electricity and broadband internet
- Unregulated logging and mining



# NEXT STEPS FOR BUSINESS LEADERS

## A Call for Leadership

Now more than ever, companies everywhere must unite in the business of a more resilient, sustainable world. We call upon business leaders to raise their SDG ambition and fully integrate the Ten Principles and 17 SDGs, via the SDG business benchmarks, into corporate strategies and day-to-day management. This effort can only be effective if it is based in dialogue that engages voices from all industries and perspectives. As we recover better together with the SDGs as our roadmap, we need company leadership.

### JOIN THE INITIATIVE

The UN Global Compact invites you to join the movement and be a part of developing crucial pathways for business to take a leading role in sustainable development. We invite all UN Global Compact participants to be part of *SDG Ambition* and engage through upcoming webinars, Academy sessions and Local Network programming. The year-long initiative will begin in October 2020.

### RAISE AMBITION

Through aligning their business strategies with impact on the SDGs and the SDG business benchmarks, companies can prioritize actions that will accelerate their contribution to the 2030 Agenda. As more companies align purpose and profits, we call on visionary leaders to set targets aligned with absolute benchmarks that today may seem aspirational but are critical to spearhead the transformation of economies and societies.

### EMBED INTO BUSINESS MANAGEMENT

Successful companies will achieve ambitious benchmarks by enabling robust data collection and measurement in their core business systems to promote more active management and optimization. Moving away from standalone sustainability impact measurement to a holistic view of financial, social and environmental performance will require integration into business decisions large and small via finance systems, supply chain planning and operations.

We recognize that industry and civil society leaders play a vital role in the development of the SDG business benchmarks. Your participation will help ensure the creation of an initiative that is useful and impactful for all. Over the coming months, we will seek input from companies and non-industry stakeholders on the SDG business benchmarks and co-develop solutions for integrating the SDGs into management systems.

Working together, companies across the globe can build a stronger, more equitable society and a thriving planet. To learn more and participate in *SDG Ambition*, visit: [unglobalcompact.org/sdgambition](https://unglobalcompact.org/sdgambition)

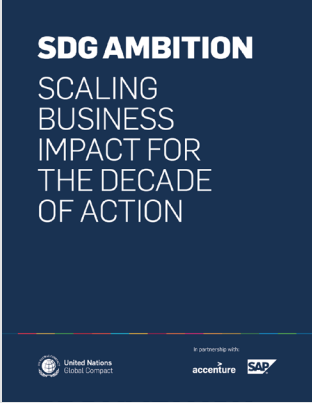
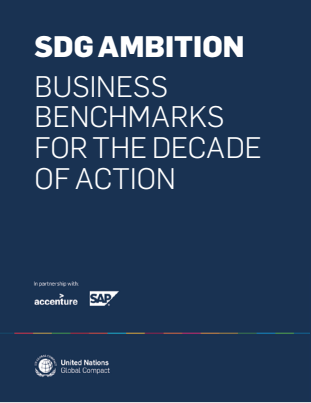
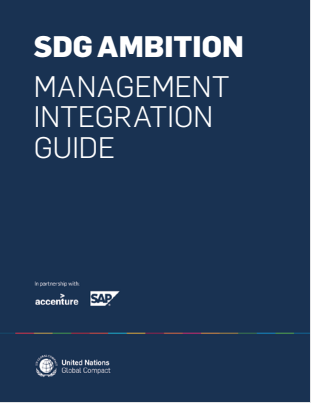
**“To make the SDGs a reality, we need leaders across the world. You can’t run a successful business in an economy that isn’t thriving. Going forward, leaders must consider ‘How do you run your business in harmony with the world’s needs and make these issues your own issues?’**

**Lise Kingo**  
CEO & Executive Director, UN Global Compact

# INITIATIVE RESOURCES

This document provides a working draft of **SDG AMBITION: BUSINESS BENCHMARKS FOR THE DECADE OF ACTION**, outlining what benchmarks companies should align with to contribute to the SDGs. The final version will form the second of three guides that summarize the findings and recommendations of the *SDG Ambition* initiative.

The first, **SDG AMBITION: SCALING BUSINESS IMPACT FOR THE DECADE OF ACTION**, provides an overview of the initiative context, objectives and the foundational SDG Implementation Framework. The third guide, the forthcoming **SDG AMBITION: MANAGEMENT INTEGRATION GUIDE**, will provide technical guidance for how companies can accelerate action on SDG benchmarks through integration into business management and systems.

 <p>Initiative overview</p> <p>Background &amp; context</p> <p>SDG Implementation Framework</p>	 <p>SDG business benchmarks (global and industry-specific)</p> <p>Corporate strategy and goal-setting guidance</p> <p>Leading practice examples</p>	 <p>The case for integration of the SDGs into business systems</p> <p>Benchmark-by-benchmark integration guidance</p> <p>Leading case studies</p>
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As they become available, these guides and supporting materials can be accessed here:

[unglobalcompact.org/sdgambition](https://unglobalcompact.org/sdgambition)

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## PARTNERS AND CONTACTS

We would like to thank Accenture and SAP for their support of *SDG Ambition* and this publication. If you are interested in learning more about *SDG Ambition*, please contact:

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## ABOUT ACCENTURE

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## ENDNOTES

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## THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT



### HUMAN RIGHTS

- 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2 make sure that they are not complicit in human rights abuses.



### LABOUR

- 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4 the elimination of all forms of forced and compulsory labour
- 5 the effective abolition of child labour; and
- 6 the elimination of discrimination in respect of employment and occupation.



### ENVIRONMENT

- 7 Businesses should support a precautionary approach to environmental challenges;
- 8 undertake initiatives to promote greater environmental responsibility; and
- 9 encourage the development and diffusion of environmentally friendly technologies.



### ANTI-CORRUPTION

- 10 Businesses should work against corruption in all its forms, including extortion and bribery.

## ABOUT THE UNITED NATIONS GLOBAL COMPACT

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universal principles in the areas of human rights, labour, environment and anti-corruption. Launched in 2000, the mandate of the UN Global Compact is to guide and support the global business community in advancing UN goals and values through responsible corporate practices. With more than 10,000 companies and 3,000 non-business signatories based in over 160 countries, and more than 60 Local Networks, it is the largest corporate sustainability initiative in the world.

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The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.