# UN GLOBAL COMPACT NETWORK UK 2022 ANNUAL ACTIVITY REPORT





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### **FOREWORDS**

### A year in review

Despite economic uncertainty and political volatility, UK business engagement with all aspects of sustainability and corporate responsibility continued to grow in 2022. The UK's post-pandemic and post-Brexit challenges have, if anything, reinforced a view that being more sustainable mitigates risks, builds brand reputation, and is increasingly necessary for investors.

Our own success in 2022 supports this view.

The number of UK businesses participating in the UN Global Compact grew significantly in 2022 as 184 new businesses joined the network – an increase of 47% compared to the previous year. This included 118 new SME participants who brought with them their unique perspectives on corporate sustainability. We fully expect to continue growing at a rapid pace in 2023.

Over the course of the year, we organised 132 engagement activities covering business and human rights, climate action, the Global Goals, and participant engagement. We attracted over 4,000 attendees to our "Reducing Scope 3 Emissions" webinar series, and 1,500 people to our cross-cutting "Climate & Human Rights: Building Resilience for Business" series, which explored the interlinkages between climate and human rights risks, as well as practical tools, resources, and good practice.

In September, we released Measuring Up 2.0: How the UK is Performing on the UN Sustainable Development Goals (SDGs). In this landmark project, our Global Goals team worked with over 100 stakeholders to review the UK's performance against the SDGs, the wider policy context, and the historical trends that affect us achieving the Goals. The report provides examples of how to achieve the SDGs in the UK if we work together to address gaps in policy and practice.

We have an exciting programme of work planned for 2023, offering what our participants have requested, and what is necessary, to create a world we want to live and do business in.

I look forward to working with UN Global Compact participants, our partners, and other Global Compact Networks around the world to get there.

Steve Kenzie
Executive Director at the UN
Global Compact Network UK

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### The year ahead

As the Chair of the UN Global Compact Network UK for the past three years, I have witnessed the Network grow exponentially in its membership, scope of activities, and Secretariat team. In this time, the Network has undergone significant developments including our application to gain charitable status, which we hope will be achieved in the coming months. After undergoing a strategy review this year, the Network enters 2023 with a renewed mission to promote sustainability leadership to create a world we want to live and do business in by inspiring business ambition, enabling practical action, and shaping a responsible business environment.

With new programming on nature, circularity, Just Transition, and Scope 3, we are responding to the demands of our Network participants, helping to set emissions reduction targets and climate transition plans in line with the latest science.

Our programming on human rights, living wage, diversity, equity, and inclusion, and more will support businesses to respond to current and emerging social sustainability challenges.

Finally, we recognise that we cannot address collective challenges without the leadership of all companies; therefore, in 2023, we will be tailoring more of our work to address the particular experiences our SME participants face in meeting their sustainability ambitions. We will soon share a new project to help businesses engage with smaller companies in their value chain and take action to reduce Scope 3 emissions.

In my final year as Chair of the UN Global Compact Network UK, I look forward to continuing to support the growth and impact of our initiative.



Márcia Balbe

Dr. Márcia Balisciano **Chair** 



### Who we are

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies to align their operations and strategies with Ten 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 20,000 companies and 3,500 non-business signatories based in over 162 countries, and over 70 Local Networks, it is the largest corporate sustainability initiative in the world.

Through an extensive programme of activity, the UN Global Compact Network UK connects UK-based organisations into this global movement. We promote sustainability leadership to create a world we want to live and do business in by inspiring ambition, enabling action, and collaborating to shape the business environment. The UK Network has 869 participants – 723 business and 146 non-business.

For more information visit unglobalcompact.org.uk

### Governance

The UN Global Compact Network UK is governed by a Board of Trustees who are elected from the membership to oversee the running of the organisation. Trustees also sit on the Network Advisory Group, along with a diverse panel of Network members, providing invaluable guidance to the Network Secretariat on strategic planning, programmatic activity, and growth ambitions.

#### **Our board**



**Dr. Márcia Balisciano**Chief Sustainability
Officer, Global Head
of ESG and Corporate
Responsibility,
RELX



Charlie Bronks
Head of Strategic
Partnerships,
Marketing &
Communications,
Crown Agents Bank



Hiba Khan
Civil Engineer &
Sustainability &
Social Outcomes Lead
for International
Development Services,
Mott MacDonald



Rachel Moseley Director, Sustainability, London Stock Exchange



**David Schofield** Sustainability Director, Aviva



Matthew Sparkes Head of Corporate Responsibility, Linklaters



Davide Stronati Director of Sustainability, Nuclear Decommissioning Authority



Anna Turrell Head of Environment, Tesco plc

### **PROGRAMME OF ACTIVITY**

In 2022, the UN Global Compact Network UK programme was structured around three workstreams – Business & Human Rights, Climate Action, and Global Goals – supported by an Operations Team focused on participant engagement, marketing, and communications.

This approach balanced the need for expertise around our thematic priorities with the need for functional expertise to grow the Network and deliver our programme of activity.

The following pages provide an overview of each team's work, including key highlights from the past year.



In 2022, we delivered 132 engagement activities for our members and the wider business community, reaching over 10,000 people







### **Business & Human Rights**

The UN Global Compact Network UK's <u>Business & Human Rights Programme</u> aims to support businesses to understand and apply human rights and social sustainability standards in their operations.

In 2022, the Business & Human Rights Programme delivered 36 engagement opportunities. We continued our successful <u>Target Gender Equality Accelerator</u>, and began recruiting for our new <u>Business & Human Rights Accelerator</u>, commencing in 2023. Our three working groups on <u>Child Labour</u>, <u>Diversity</u>, <u>Equity</u>, and <u>Inclusion</u>, and <u>Modern Slavery</u> continued to provide space for members to explore relevant challenges and the strategies businesses are developing on these issues.

#### **HIGHLIGHTS**

#### **Social Mobility: Improving Business and Society webinar series**

In the autumn of 2022, we organised a four-part webinar series to accelerate business action on social mobility. The sessions aimed to support UK businesses in understanding how engaging with social mobility is good for business and society, and how to effectively deliver the 'S' in ESG.

The series featured guest presentations and case studies from organisations driving real progress on this critical issue in the UK. The webinar was well-received across all sectors, with over 700 attendees across the four sessions.

"I found the sessions by the companies involved interesting and authentic." Event participant

#### All-Party Parliamentary Group (APPG) on Sport, Modern Slavery, and Human Rights

The UK Network provides the Secretariat for the APPG on Sport, Modern Slavery, and Human Rights. This project convenes Parliamentarians from all political parties to discuss pressing human rights problems affecting the world of sport. In 2022, two meetings were hosted, the first on <a href="Protecting Athletes from Abuse and the Right to Remedy">Protecting Athletes from Abuse and the Right to Remedy</a>, and the second on <a href="Extreme Heat, Migrant Workers">Extreme Heat, Migrant Workers</a>, and the <a href="Qatar World Cup">Qatar World Cup</a>.

#### Climate & Human Rights: Building Resilience for Business webinar series

During the spring, we held a four-part webinar series to support companies in taking holistic action to address climate and human rights-related issues. To enable businesses to develop comprehensive approaches in addressing these critical issues, webinar participants explored the interlinkages between climate and human rights risks, as well as practical tools, resources, and good practice examples. The series attracted 1,500 attendees across its four sessions.

As part of London Climate Action Week, we convened a session on "Climate & Human Rights: Investor Perspectives" that attracted 271 attendees. A range of financial actors discussed the growing investor demand for business action to address climate and human rights-related issues in their supply chains and beyond. The session presented practical guidance for companies to meet investor expectations and prepare for future requirements.

#### PARTNERSHIP AGAINST CHILD EXPLOITATION (PACE) CONSORTIUM

The Partnership Again Child Exploitation (PACE)
Consortium was a three-year international
development project funded by the UK Government.
It brought together private sector, academic, media
development, and civil society organisations to
combat the exploitation of children in the worst forms
of child labour.

The UK Network's role in the partnership was focused on enabling the private sector to strengthen supply chains to reduce and prevent child labour.

Our work on this project was multi-faceted, with components taking place in the UK, Democratic Republic of Congo (DRC), and internationally.

Our Child Labour Working Group provided a
forum for companies to discuss good practice and
challenges when addressing child labour in their
supply chains. Members of the group met with
key stakeholders, including a former child labourer,
and experts from Government, civil society, and the
private sector.

- As part of a European Global Compact Local Network Peer Learning event, we organised a workshop to raise awareness of the issue and hear directly from international businesses on the challenges they faced in addressing child labour.
- To raise awareness of the project, we participated in various events such as the UN Forum on Business and Human Rights and the ILO Child Labour Platform.
- We convened a series of business roundtables in Eastern DRC to build greater awareness of child labour and provide a forum to identify and share good practice in combating this problem. Our aim was to generate evidence for better models of due diligence that could be replicated by companies around the world.





### **Climate Action**

The UN Global Compact Network UK's <u>Climate Action Programme</u> aims to support businesses to transition to net zero through a range of activities aimed at driving ambitious climate action. In 2022, the Climate Action Programme delivered 48 engagement activities – including our continued <u>Climate Ambition Accelerator</u>, <u>Climate Action Q&A surgeries</u>, and <u>TCFD Working Group</u> – engaging over 150 member companies and many more external stakeholders. We also renewed participation in the European Peer Learning Group on Climate, a forum facilitated by Global Compact Local Networks in Europe to share knowledge and address challenges in corporate climate management.

### <u>CLIMATE SUMMIT:</u> DEBATING NATURE VS TECHNOLOGY TO DELIVER A NET ZERO FUTURE

Green technologies cannot substitute for nature in supporting life on Earth. Therefore, this house believes that in our efforts to tackle climate change, investment in the protection and restoration of nature must be prioritised over the development of novel technologies.

In October, we hosted an in-person and live-streamed formal debate on the role of nature vs. technology as a means of tackling climate change. Two teams of three sustainability professionals argued for

Over 2,400 people attended our two-day Climate Summit in 2022

and against the motion. The 'pro-nature' team won the final vote; however, the 'pro-tech' team was successful in swaying more people away from the initial audience consensus. The debate was a great opportunity to encourage both our debaters and audience to step outside of their comfort zones and challenge their preconceived ideas of the best way to mitigate climate change.

The debate concluded our two-day hybrid Climate Summit, which brought together business, government, and civil society leaders to demonstrate effective solutions for achieving net zero. Over eight sessions, the Summit focused on the interlinked themes of nature-based solutions and circularity. Both contribute to company mitigation strategies and the achievement of science-based emissions targets while also building overall business and broader environmental and societal resilience.

#### **HIGHLIGHTS**

#### **Reducing Scope 3 Emissions webinar series**

To support companies in reducing carbon emissions across their value chain, we hosted a nine-part webinar series exploring how companies can tackle the Scope 3 emissions categories defined by the GHG Protocol. Participants heard from climate specialists at the Science Based Targets Initiative and business leaders across industries as they shared good practice for identifying, measuring, and reducing Scope 3 emissions. The series was a great success with over 4,000 attendees and 3,800 recording views.

#### **Regional SBT Exchange**

The UK Network led the development of a nine-part sector-specific webinar series for companies seeking to understand the best ways to approach setting and achieving science-based targets. The series was run in collaboration with European Global Compact Local Networks, the Climate Ambition Accelerator, and the UN Global Compact Academy. We hosted the Financial Institutions and Professional Services sector sessions, which facilitated exchanges between over 60 companies.

[The Climate Summit has] "given me a whole new outlook on what the problems are, how to address them, who to get involved and a whole new insight into the next steps I need to take with my business."

Event attendee







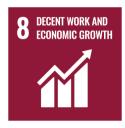
































### **Global Goals**

The UN Global Compact Network UK's <u>Global Goals Programme</u> supports businesses to better understand the UN Sustainable Development Goals and contribute to achieving them. Our programme delivers a range of activities throughout the year for both members and the wider business community to advance the aspects of the SDGs that reflect charitable sustainable development.

In 2022, the Global Goals Programme delivered 28 engagement activities. We continued our two successful accelerators, <u>SDG Innovation Accelerator for Young Professionals</u> and <u>SDG Ambition</u>, as well as our two working groups: <u>Global Goals Working Group</u> and <u>SDG Advocacy Working Group</u> — between them engaging over 70 member companies and many more external stakeholders.

Our "SDG Benchmarks for Business Transformation webinar series" was well-received with over 1,300 attendees across the five sessions. It assisted businesses to explore opportunities in the SDG Benchmarks and learn how to overcome challenges in implementing them.









# MEASURING UP 2.0: HOW THE UK IS PERFORMING ON THE SUSTAINABLE DEVELOPMENT GOALS

Measuring Up 2.0 assessed the UK's performance against each of the 17 SDGs to understand how and where the Government, and other key stakeholders, should focus efforts for the remainder of this decade of action. More than 100 organisations and individuals were involved in producing the report. It includes over 120 recommendations to advance the Goals and almost 50 case studies from business, civil society, and national and local government – the report has been downloaded over 800 times to date.

We hosted three events to launch Measuring Up 2.0 – our in-person launch reception, an SDG Advocacy Group meeting: Measuring Up the UK's progress on the SDGs, and our Measuring Up on Climate: Reflections of COP27 webinar. Over 300 people attended these events, including representatives from the Foreign, Commonwealth and Development Office, and the APPG on the UN Global Goals for Sustainable Development.

Following on from the report, we have an ongoing Measuring Up <u>blog series</u>, which takes a deep dive into some of the more detailed findings,

recommendations, and case studies that sit underneath specific SDGs. So far, the series features seven guest blog posts including from the Royal College of Nursing, the University of Bristol and Bristol City Office, and Burges Salmon.

Measuring Up 2.0 will form the basis for our ongoing advocacy work with parliamentarians and other key stakeholders.



#### **HIGHLIGHTS**

#### **SDG Flag Campaign**

On 23 September, 200 SDG flags were raised across the UK by 97 organisations for our SDG Flag Day, marking the seventh anniversary of the UN Sustainable Development Goals. The campaign engaged 39 of our members, along with 58 external organisations. It resulted in some of our highest engagement figures on social media – impressions on LinkedIn went up by 516% from the previous day, and we were tagged in over 50 posts across our social media channels.

#### **SDG Pioneers**

David Orr, Product Lead for Mott MacDonald's digital embodied carbon reduction solution and Moata Carbon Portal, was recognised as our 2022 UK SDG Pioneer – a young leader who is supporting the Sustainable Development Goals and inspiring others to advance the 2030 Agenda.

As the winner of the UK Round, David went through to compete in the Global Round and was named 2022 SDG Pioneer for Climate Mitigation at the UN Global Compact Leaders Summit in June. The 2022 competition saw our highest number of applications to date, and the highest number of applications for any Local Network in the UN Global Compact community.

David has since gone on to share <u>five tips for how businesses can address climate change</u> and use their collective gravity to accelerate progress in our Measuring Up blog series.



## **Participant Engagement**

In addition to its programmatic work, the UK Network delivered 20 events to provide members with opportunities for networking and learning, as well as support with the practical aspects of UN Global Compact participation. This included helping members adapt to a new Communication on Progress and a new participant engagement model.

#### **New Communication on Progress**

To drive accountability and enable companies to benchmark their progress against peers and competitors, from 2023 all participating companies of the Global Compact will have to report under a new, improved Communication on Progress (CoP) format.

In June, the UK Network and USA Network ran an Early Adopters Peer Learning Session to provide an opportunity for participants to share feedback on the new CoP with the global CoP Team ahead of the 2023 roll-out.

To help support our members in the transition to the new format, the Participant Engagement team also hosted biweekly drop-in sessions for UK Network Members to ask questions about the new CoP.



#### Your On-Demand Learning Platform: UN Global Compact Academy

The UN Global Compact Academy platform offers live and on-demand programming covering key corporate sustainability topics, including human rights due diligence and setting science-based targets. In 2022, the Academy was made available to all employees of all UN Global Compact participating companies; therefore, we organised a <a href="webinar to help members maximise value">webinar to help members maximise value</a> from this new resource.

#### **UN Global Compact Network UK Members' Breakfast**

We continued our popular monthly Members' Breakfasts: informal, interactive morning sessions offering members a forum to share ideas, challenges, and experiences with peers. In 2022 we added a new version of the Members' Breakfast, open exclusively to our SME participants in order to create a space for smaller companies to discuss the particular challenges they face when tackling sustainability issues.

The breakfasts were attended by over 200 members and covered a wide range of themes from ESG reporting and reducing Scope 3 emissions, to managing e-waste and occupational safety and health.

### **OUR SUSTAINABILITY EFFORTS**

Our own sustainability efforts are aligned with the dedication and standards we expect from our members. By walking the talk and embedding social and environmental sustainability within our own organisation, we demonstrate our commitment to a more sustainable world.

Our efforts in 2022 include:

#### **DIVERSITY, EQUITY, AND INCLUSION**

We are committed to promoting and respecting diversity, equity, and inclusion in our workforce and our external stakeholder community.

We believe that having a diverse workforce and fostering an inclusive culture where everyone feels valued and able to fully express themselves is a key element of a successful business. The UK Network has a Diversity, Equity, and Inclusion Policy that outlines our commitments. Some examples of actions we have taken include:

#### **Recruitment via Applied**

Since 2019, we have used Applied's blind hiring platform to eliminate bias from our staff recruitment process. Using anonymised applications and predictive, skill-based assessments, we identify talent that might have been overlooked by reviewing CVs alone. Each job posting includes diversity disclaimers and, where possible, we use gender and ethnically-diverse interview panels. We have recruited 27 employees through this platform and 78% of our current team were hired through Applied.





#### **Living Wage Employer**

We have been a Living Wage accredited employer since 2019, so all members of our Secretariat (including interns) are paid at least the London Living Wage. We recognise that paid internships are key to enabling decent work, equal opportunity for employment, and growth within the organisation for young people, particularly for candidates of varying socio-economic backgrounds. The real Living Wage provides a voluntary benchmark for employers that wish to ensure their staff earn a wage they can live on.

#### Inclusive communications and marketing

We prioritise inclusive and accessible digital marketing and communication materials. For example, our website uses EqualWeb, an accessibility widget that allows users to adapt web content to their individual accessibility needs.

#### **Speaker Diversity**

The UK Network organises over 120 events every year, each providing a platform for our speakers to inspire and share their knowledge with hundreds of people. To ensure that we provide equal opportunities for speaking roles and share a wide range of perspectives at our events, every six months we send an anonymous Speaker Diversity Monitoring Survey to our presenters. We track a range of diversity indicators including ethnicity, gender, sexuality, disability, and socio-economic background.

#### **Diversity and Inclusion Group**

The UK Network is a member of the Diversity and Inclusion Group on the UN Global Compact Local Network Hub. This allows us to communicate our practices with other Local Networks around the world, as well as share national and company examples, spark conversation, and share outcomes with others.

#### **NET ZERO TARGET**

To contribute to global efforts to tackle climate change and achieve the Paris Agreement, we made a commitment to get our emissions to net zero by 2030 via the SME Climate Hub in 2021. As 2022 was our baseline reporting year, we are now in the process of calculating our total greenhouse gas emissions as an organisation. Our first Net Zero Report will be released in June 2023.

### **LOOKING AHEAD TO 2023**

In light of the UN Global Compact Network UK's new strategic plan, 2023 brings a renewed focus. Many of our existing activities will continue, but we will also begin to address some new thematic areas including transformational governance and sustainable finance. We are also committed to influencing the wider policy context by leveraging the collective voice of our UK Network participants through partnership and advocacy activities.

Our upcoming programming includes the <u>Transitioning to a Circular Economy 6-part webinar series</u>, which will provide a deep dive into the challenges and opportunities in the transition to a circular economy. Businesses also have the opportunity to move from commitment to action with the new <u>Business and Human Rights Accelerator</u>, learning how to identify salient impacts on human rights, establish an ongoing due diligence process, and develop an actionable plan. Additionally, we are developing specific programming and tailoring our work to better support our SME participants and to address the unique challenges small companies face.

We will continue to use the findings of <u>Measuring Up 2.0</u>, and the aspirations of the SDG Ambition Benchmarks, to help deliver the Sustainable Development Goals and influence the wider business ecosystem in 2023. We encourage you to be inspired by what can be achieved when we focus our efforts and work in partnership for the SDGs.

We would like to conclude by thanking all our members, sponsors, collaborators, Board members, Advisory Group members, and the Secretariat Team for helping to make 2022 impactful for businesses and significant for the development of the UK Network.

We look forward to 2023 as we continue to work with our network of UK businesses to create a world we want to live and do business in.





#### ABOUT THE UNITED NATIONS GLOBAL COMPACT

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere to align their operations and strategies with Ten Principles in the areas of human rights, labour, environment, and anti-corruption.

Our ambition is to accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the Sustainable Development Goals through accountable companies and ecosystems that enable change. With more than 20,000 companies and 3,500 non-business signatories based in over 162 countries, and over 75 Local Networks, the UN Global Compact is the world's largest corporate sustainability initiative – one Global Compact uniting business for a better world.

For more information, follow @globalcompact on social media and visit our website at www.unglobalcompact.org

#### ABOUT THE UN GLOBAL COMPACT NETWORK UK

The UN Global Compact Network UK connects UK-based organisations that are part of the United Nations Global Compact in a global movement dedicated to driving sustainable business.

Through an extensive programme of activity, we promote practical sustainability leadership, share knowledge across sectors, and actively shape the responsible business environment to create a world we want to live and do business in.

For more information, follow us on <u>LinkedIn</u> (UN Global Compact Network UK) and <u>Twitter</u> (@globalcompactUK) or visit our website at <u>unglobalcompact.org.uk</u>

#### **DISCLAIMER**

The inclusion of company names and/or examples in this publication is intended strictly for learning purposes and does not constitute an endorsement of the individual companies by the UN Global Compact Network UK.

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