



# THE UN GLOBAL COMPACT

A FU<sup>+</sup>UREPLUS GUIDE

UNITED NATIONS  NATIONS UNIES

## + WHAT IS THE UNITED NATIONS GLOBAL COMPACT?

The UN Global Compact is a non-binding initiative that encourages businesses and organisations worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. It's the world's largest global corporate sustainability initiative that provides a universal language for corporate responsibility and a framework to guide all businesses regardless of size, location or industry. Since its launch in 2000, there have been +15,000 signatories in over 160 countries, both developed and developing. [Click here](#) to see who's involved.

The Ten Principles of the UN Global Compact are categorised into: Human Rights, Labour, Environment & Anti-Corruption.

The objectives of the Global Compact are twofold:

1. To mainstream the Ten Principles in business activities around the world.
2. To catalyse actions in support of broader UN goals, such as the Sustainable Development Goals (SDGs).

## + WHO CAN JOIN THE UN GLOBAL COMPACT?

Becoming a part of the UN Global Compact is open to any organisation that is serious about its commitment to working towards the UN Global Compact's principles and to communicate on its progress.

However, if companies meet any of the following exclusionary criteria, they cannot join:

- Subject to a UN sanction.
- Listed on the UN Ineligible Vendors List for ethical reasons.
- Derive revenue from the production, sale and/or transfer of antipersonnel landmines or cluster bombs.
- Derive revenue from the production and/or manufacture of tobacco.

UNITED NATIONS  NATIONS UNIES

## + HOW DO COMPANIES PARTICIPATE IN THE UN GLOBAL COMPACT?

As a voluntary initiative, the United Nations Global Compact seeks wide participation from a diverse group of businesses. You must voluntarily pledge to:

- Take actions that support the society around you.
- Operate responsibly, in alignment with universal sustainability principles.
- Commit to the effort from your organisation's highest level, pushing sustainability deep into your DNA.
- Report annually on your ongoing efforts.
- Engage locally where you have a presence.

[Click here](#) to find out what you can do.

## + COMMITMENT & ACCOUNTABILITY

The UN Global Compact requires a **commitment** from your CEO (or equivalent for non-business entities) and support from the Board.

**Accountability** is also key. The UN requires all participants to produce an annual Communication on Progress (CoP) that outlines your efforts to operate responsibly and support society.

In other words, it provides a visible expression of your commitment to sustainability, which can be communicated to your stakeholders. This could be part of your annual or sustainability report, or another publicly-available document. Organisations that fail to report over time may be removed from the UN Global Compact.

## + ENGAGEMENT TIERS & JOINING FEES

There are two Engagement Tiers that you can choose from: Signatory or Participant, with differentiated fees and benefits. These do not apply to non-business participants.

The table below shows the financial contribution UK-headquartered companies falling into different turnover brackets are required to make. This fee includes membership of the UN Global Compact Network UK.

Participating companies not subject to the mandatory fees are not automatically members of the UK network. UK network fees for subsidiaries, non-business participants, and Signatory companies with less than USD 50 million annual turnover are shown in the light blue section on the table. Subsidiaries are obliged to take on the Engagement Tier of their parent company.

Turnover Bracket*	Required Annual Contribution			
	UK-Headquartered		UK-Subsidiary **	
	Signatory	Participant	Signatory	Participant
over \$5 billion	£7,500 +VAT	£15,000 +VAT	£3,750 +VAT	£5,500 +VAT
\$1 billion - \$5 billion	£5,625 +VAT	£11,250 +VAT	£2,750 +VAT	£4,850 +VAT
\$500 million - \$1 billion	£3,750 +VAT	£7,500 +VAT	£1,700 +VAT	£3,300 +VAT
\$250 million - \$500 million	£2,815 +VAT	£5,625 +VAT	£1,250 +VAT	£2,475 +VAT
\$50 million - \$250 million	£1,880 +VAT	£3,750 +VAT	£1,025 +VAT	£1,880 +VAT
\$25 million - \$50 million	£750 +VAT	£1,880 +VAT	£750 +VAT	£1,250 +VAT
Less than \$25 million	£550 +VAT	£940 +VAT	£550 +VAT	£940 +VAT
Non-business	£550 +VAT	-	£550 +VAT	-

\* UK-Headquartered companies should use their global turnover in USD, while subsidiaries should use their UK turnover in USD.

\*\* To be eligible for the reduced subsidiary fee, a company's parent must pay the full annual contribution in another country.

The 2021 Fee Schedule. Source: [UN Global Compact Network UK](#)

## + NEED MORE HELP?

Please let us know if you would like more information on the UN Global Compact – we are happy to help: [team@future-plus.co.uk](mailto:team@future-plus.co.uk)