



June 2010

The Impact of UK Companies on the Millennium Development Goals

Based on a survey of UN Global
Compact UK Network Members





By supporting the
UN Global Compact,
100% of UK Network
member companies
are contributing to
MDG 8: develop a
global partnership
for development.

The Impact of UK Companies on the
Millennium Development Goals

Methodology: The following report is based
on the results of a survey and interviews
conducted with UN Global Compact
UK Network member companies.

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UK Network
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design process.

Cover Image: Growing vegetables in the shadow
of Jakarta's expanding Central Business District



Foreword from Andrew Cave Chairman of the UN Global Compact UK Network

The UN Global Compact UK Network is committed to promoting the issues of human rights, labour standards, the environment and anti-corruption among UK businesses. These issues are fundamentally linked to the Millennium Development Goals (MDGs). From small and medium sized enterprises to multinational companies, UK businesses have an essential role to play in contributing towards the achievement of the MDGs and this report highlights some of the innovative approaches that are being undertaken.

I am delighted to see that such a high proportion of UK Network members are actively contributing to the achievement of the MDGs. This report clearly demonstrates the difference that UK signatories of the UN Global Compact are making by putting the Ten Principles into practice.

The UK Network also welcomes the support of the Department for Business, Innovation and Skills (BIS), and the commitment of the UK Government to working with business to accelerate progress towards these goals. Through a range of initiatives, the UK Government partners with companies to create economic opportunities for the poor as producers, suppliers, consumers and employers.

A huge amount remains to be done to meet the MDGs by the 2015 target date. However, it is clear from this report that UK companies can have, and are having, a positive impact. We look forward to sharing the lessons learned from these initiatives within the group of UN Global Compact UK Network members, and more broadly, to help companies to continue to increase their positive impact on development.





Foreword from Jane Nelson Director, Corporate Social Responsibility Initiative, Harvard Kennedy School

It has become increasingly clear that the Millennium Development Goals (MDGs) cannot be reached in the absence of a diversified and productive private sector. The economic growth and wealth creation that is essential for their achievement will come primarily from business - from small, medium and microenterprises as well as large corporations, and from both domestic and foreign investors.

In 2003, the International Business Leaders Forum and the United Nations Development Programme published a report on 'Business and the Millennium Goals: A Framework for Action', outlining how companies can work with the UN system, governments and civil society organisations to help achieve the MDGs.

The 'Framework for Action' focused on three ways that almost all companies can contribute to achieving the MDGs.

- First, by getting engaged through their core business operations and value chains to deliver profitable and innovative market-based solutions to development challenges, to spread responsible business standards and practices, and to minimise negative impacts on development.
- Second, through social investment, volunteering and strategic philanthropy activities that harness corporate competencies and are aligned with business and community interests.
- Third, through engaging in public policy dialogue, advocacy and institution strengthening to help improve the overall enabling environment for development.

A growing number of companies are contributing to the MDGs through these three broad types of business engagement - both on an individual basis and increasingly in collaboration with other private enterprises and development actors. The specific nature of these business contributions will depend on factors such as the industry sector and the company's size and business model, as well as the local context and the type of development intervention needed - such as increasing access to jobs, education, health, energy, water, technology and markets or improving accountability and public capacity. While the areas of focus and the scale of impact will vary between different industry sectors and companies, the 'Framework for Action' will hopefully have relevance for all companies and generate ideas for practical engagement.

This report draws from the framework and demonstrates just a few of the ways in which UK Network member companies are contributing to the MDGs. The range of examples in the following pages illustrate how companies are using their core competencies and assets to devise innovative new models through which they can have an impact. While more work is needed to build greater awareness and capacity within the business sector and to engage more companies, the report demonstrates what is possible through committed corporate leadership.





About the United Nations Global Compact

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption:

Human Rights

Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2:

make sure that they are not complicit in human rights abuses.

Labour Standards

Principle 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4:

the elimination of all forms of forced and compulsory labour;

Principle 5:

the effective abolition of child labour; and

Principle 6:

the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7:

Businesses should support a precautionary approach to environmental challenges;

Principle 8:

undertake initiatives to promote greater environmental responsibility; and

Principle 9:

encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10:

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

About the Millennium Development Goals



At the 2000 UN Millennium Summit, world leaders from rich and poor countries alike committed themselves – at the highest political level – to a set of eight time-bound targets that, when achieved, will end extreme poverty worldwide by 2015.



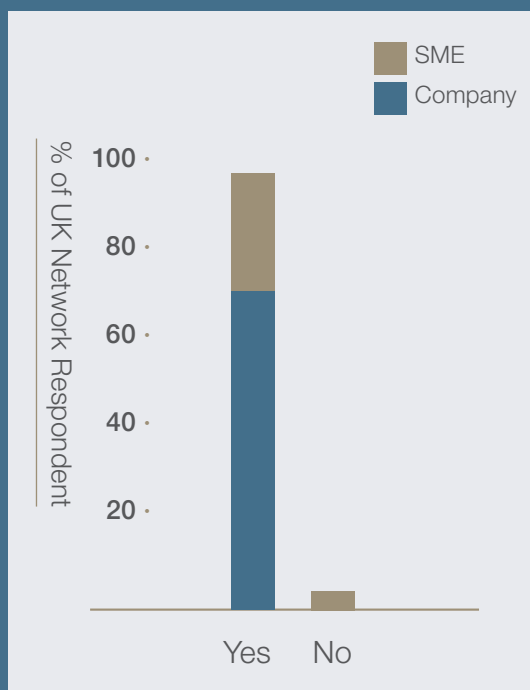
1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development



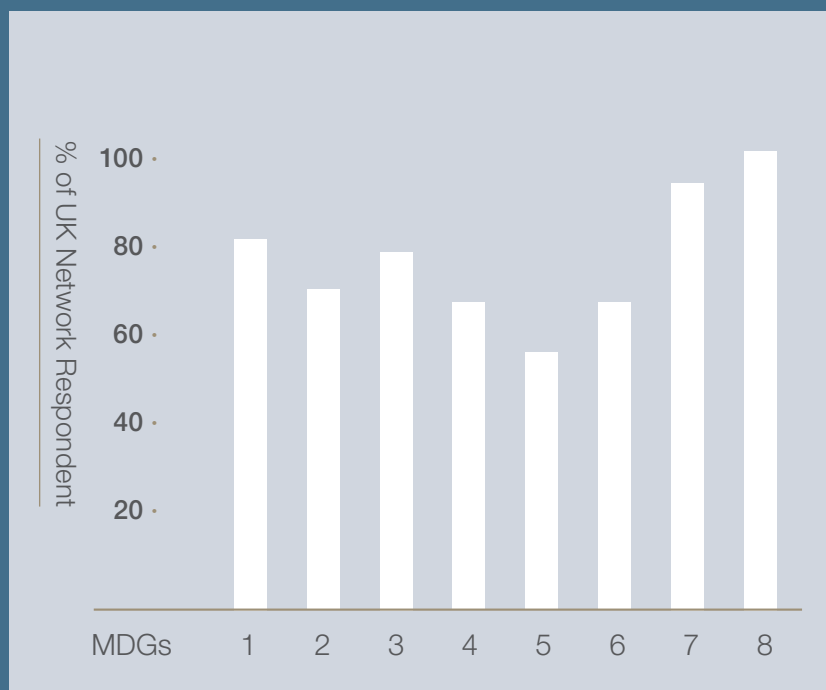
Source: Oxfam. Lelya Kayere selling tomatoes

The Impact of UK Companies on the MDGs: An Overview

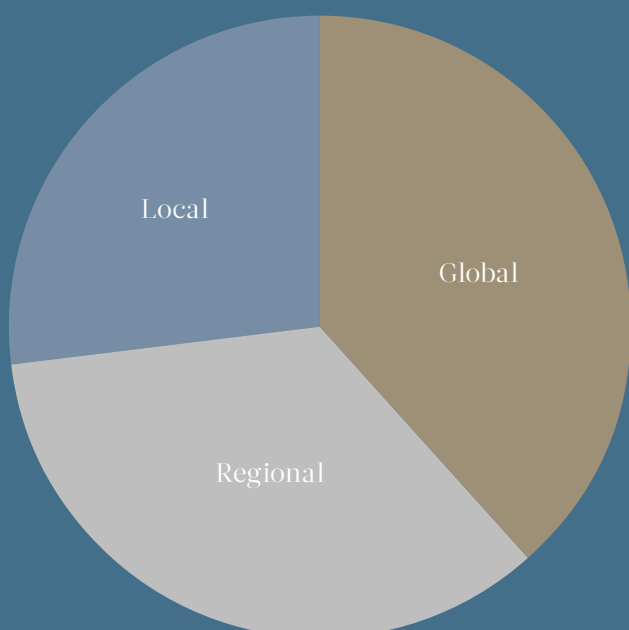
Are UK companies contributing overall to the MDGs?



Which MDGs are UK companies contributing to?

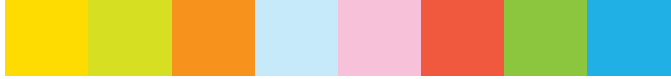


What scale of impact are UK companies having overall?



By supporting the UN Global Compact, **100%** of UK Network member companies are contributing to MDG 8: develop a global partnership for development.

Over **96%** of UK Network member companies believe that they have made a contribution to the achievement of the Millennium Development Goals to date.



Excluding MDG 8, UK Network member companies are contributing most to the achievement of MDG 7: ensure environmental sustainability. **93%** have had an impact to date.

UK Network member companies are having the least impact on MDG 5: improve maternal health. **56%** have had an impact to date.

“Companies can further the MDGs by applying their expertise to systemic problems. In our case, that includes providing access to critical information.”

Márcia Balisciano, Reed Elsevier

How are UK companies contributing?

UK Network member companies are having an impact on the MDGs through:

- **Core business** operations and value chains;
- **Social investment** and philanthropy;
- **Public policy** dialogue and advocacy activities.

What is limiting the impact of UK companies?

The following are key reasons given by UK Network member companies for not having an impact, either on any of the MDGs, or on specific MDGs:

- Focus on activities **closer to their core business activities**;
- **Lack of experience** and/or skills to contribute;
- **Lack of information** available about the MDG(s) and the impact that companies can have;
- **Lack of time** and/or resources to contribute.

“We are fully committed to operating sustainably, but as an SME it is very difficult to substantiate any impact that we have had on the MDGs.

More needs to be done to build an understanding of the MDGs among SMEs. The government has made a commitment to meeting these goals but this is not being cascaded down to SME level.”

Mark Barnett, The Consortium



Woman assembling world globes in factory



Over **80%** of UK Network member companies have had an impact on MDG 1 to date.

"We source products from some of the poorest nations in the world including Bangladesh, Cambodia and Pakistan, and also countries with large gaps between rich and poor like India and Brazil. We work with local partners, and by doing so support the employment and livelihoods of ordinary people who work in the factories that supply goods for our customers in the UK. We work according to a strict code of conduct and high standards, and monitor these routinely using our own experts. In doing so we believe we have played a small part in working towards MDG 1."

Michael Spenley, Shop Direct Group

Millennium Development Goal 1: Eradicate extreme poverty and hunger

Target 1

Halve, between 1990 and 2015, the proportion of people whose income is less than \$1 a day

Target 2

Achieve full and productive employment and decent work for all, including women and young people

Target 3

Halve, between 1990 and 2015, the proportion of people who suffer from hunger

The global economic and food crises threaten progress towards MDG 1, and also the commitment of world leaders to deliver aid and investment that is vital to meet this goal.

Some developing regions, particularly East Asia, have excelled in tackling poverty; 475 million people escaped extreme poverty in China between 1990 and 2005. Others, particularly Africa and South Asia, have not; there were 100 million more people in extreme poverty in sub-Saharan Africa in 2005 than in 1990, representing more than half the population in total. One in four children in developing countries remain under-nourished and on the brink of starvation.

Business can help by investing and creating jobs, but these alone will not guarantee poverty reduction. Poverty reduction efforts must benefit the very poor and tackle inequality. This means adapting business models to support women's participation in markets on fair terms, increasing smallholder farmers' productivity and promoting the responsible use of natural resources.

Adjusting investments in support of poverty reduction can also benefit business by increasing supply chain resilience and winning customers who care about the origins of the products they buy. Ad hoc business initiatives can represent positive change, but these are undermined if they coexist with irresponsible practices in other parts of the same business, or with business lobbying for public policies that impact negatively on the poor.

Penny Fowler, Oxfam GB

How are UK companies contributing?

UK Network member companies are helping to eradicate extreme poverty and hunger through a range of activities:

- **Building** local capacity;
- **Building** local business linkages and employment;
- **Providing** affordable products and services;
- **Investing** in social entrepreneurs;
- **Supporting** public policy efforts to build the domestic private sector and attract foreign investment;
- **Advocating** for fairer access to OECD markets.



Source: RBS. Microfinance in India



Source: Lakehouse. Construction training

Royal Bank of Scotland:

Combating poverty through microfinance

RBS Group has an established microfinance programme operating across most of India with outreach to an estimated 380,000 households. Part of the Group's "Supporting Enterprise & Microfinance" community investment programme, the activity in India has three main elements:

Bank lending to microfinance institutions (MFIs) - this is a small but profitable business. The bank lends to MFIs on commercial terms, who then lend this money in small loan packets (typically INR5,000-10,000, which is equivalent to about £75-£150) mainly to women to enable them to start an enterprise and generate sustainable income for their families.

Structural support for MFIs - working with its third-sector partner, MicroSave, the RBS Foundation India helps nascent MFIs to establish themselves in areas that are typically underserved by existing providers, including the north and east states of India and in some of the cities (e.g. Mumbai). This assistance takes the form of support and advice on all elements of setting up and running the business, including governance, accounts and operations. This programme has supported 36 MFIs and extended the reach of microfinance to an estimated 100,000 poor households.

'Livelihood' programmes – these work with some of the most vulnerable communities in India to promote microenterprise and to provide social support to encourage better incomes, education and health care. These are typically communities that are too poor, remote or fractured to even be eligible for microfinance loans. For each project RBS works with an expert NGO to ensure the specific needs of the community are addressed. In some cases, these projects include an element of RBS employee volunteering and our colleagues in India are encouraged to get involved in specific activities. RBS currently has 15 projects across 11 states, each one helping build the credit inclusiveness of more than 63,000 poor women. This is done by strengthening their income generating abilities through trainings that help them better manage their productive assets and get better prices for their produce.

Lakehouse:

Investing in training for the homeless and unemployed

With offices in London and the south east, building services provider Lakehouse recognises the need to eradicate poverty and hunger closer to home. The company is committed to investing in the communities that it serves. Through its Corporate Social Responsibility Policy, Lakehouse works with workless and homeless people of all ages to offer employment and training opportunities to help them find a way into work.

Building on its current partnerships with homeless charities such as Thames Reach, St. Mungo's and Chapter 1, Lakehouse has invested in a unique construction social enterprise named 'Building Lives Training Academy'. The academy is based within Camden's homeless hostel, Arlington House, and the board structure enables residents and local stakeholders to help run the business.

Whilst Lakehouse's work covers four markets – social housing, education, health and public buildings – the majority of its work is in the social housing sector, and this is where much of its help focuses on workless and homeless families. Assistance can include anything from mentoring services, on a one-to-one basis or in small groups, to practical help with CV's and interview techniques, right through to support in building self esteem and confidence levels, life skills and general well-being.

The company has a strong track record of employing and training people from deprived communities across London and the south east. Through 'Building Lives' Lakehouse will offer construction and employability training, with the support of Building Crafts College, to assist 100 individuals a year with a City & Guilds qualification in maintenance, as well as 'green skills' and a range of short training courses.

"Business investment needs to create jobs where workers enjoy rights, social protection, social dialogue and tripartism; this way, efforts to reduce extreme poverty are more likely to reach the very poor." Janet Williamson, TUC



70% of UK Network member companies have contributed to the achievement of MDG 2 to date.

“Petrofac works with NGO BRAC in Southern Sudan, building over 60 schools for children living in marginalised areas. The schools are all complete and over 1,800 children have been educated to date.”
Gwen Folland, Petrofac

Millennium Development Goal 2: Achieve universal primary education

Target 1

Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

There are estimated to be approximately 100 million street children across the world, with the number likely to grow as a result of financial and environmental crisis*. This figure is only approximate because it is very hard to accurately measure the numbers of children living or working on the street. All of these children have extremely limited access to basic needs of shelter, health care and education.

Taking India as an example, there are between 11 and 18 million street children. Even for the lucky few who are able to enrol in school, a lack of school readiness means that 53% drop out before completing the primary education cycle.

Children “of the street” are essentially those who live 24 hours a day without any parental care or adult supervision, whereas children “on the street” are those who spend a considerable amount of time during the day on the streets but go back to some sort of family at night. All of these children are prone to abuse, violence and exploitation, and lack of education prevents them from escaping their situation.

Schools need to be flexible to offer education to children living or working on the street, particularly if children have missed out on years of education. Accelerated learning programmes have been developed by Save the Children and others to provide welcoming, flexible classes which enable children to catch up with their education and offer support to help them move into mainstream school.

Businesses can play a huge part in overcoming these challenges through working in partnership with a number of stakeholders such as education authorities, the police, child welfare professionals, employers and trade associations towards creating greater social justice, helping to fulfil the right of every child to receive quality education. We as citizens, either as individuals or corporate employees, speaking in one voice can ensure the empowerment of disadvantaged children with education, thereby insuring their future and providing long-term benefits to society.

Aleksandra Sawyer, Save the Children UK

How are UK companies contributing?

The top three ways in which UK Network member companies are helping to achieve universal primary education are by:

- Tackling child labour;
- Investing in local schools or supporting the work of education NGOs;
- Delivering education services.

“The KPMG Foundation pioneered The Every Child a Reader programme which focuses on providing one-to-one teaching to lift the lowest achieving primary school children out of literacy difficulties. The programme started as a £10 million funding partnership between charities, the business sector and the then British Government. A commitment by the previous British Government resulted in the scheme rolling out nationally from September 2008, with 30,000 children set to benefit in the school year 2010 – 11.”

Shelley Aggarwal, KPMG UK

Marshalls:

Providing schools for the children of Indian migrant workers

Hard landscaping plc Marshalls is actively working in India to provide children of migrant quarry workers with the opportunity to get an education. The first company in the hard landscaping industry to belong to the Ethical Trading Initiative (ETI), Marshalls is committed to adopting the ETI Base Code, which includes the principles that child labour should not be used, no one should be forced to work and working conditions should be safe and healthy.

Together with a local NGO partner in Kota, India, Marshalls set about providing practical assistance in the form of free schools for children who would otherwise have no opportunity to get even a basic education. Since funding the first school in 2006, the company now fully funds six schools which are open to the children of all quarry workers in the locality regardless of whether their parents work with Marshalls's sole supplier in India.

For parents, these schools address the problem of not having money to pay for education and the dearth of care facilities for their children while they are at work. Importantly, for the children themselves these schools offer access to education, a right which under Indian law is lost when families migrate in search of work. With approximately 50 children being educated in each school every year, Marshalls is making a huge contribution to reducing the illiteracy rate of around 85% in these quarry areas in India.

Working in partnership with the local NGO, Marshalls continues to expand its programme of fully funding schools, alongside funding health camps in the heart of the quarrying area. A rigorous monthly reporting process is in place with the NGO and a Marshalls funded full-time local social auditor.

As well as the positive impact on individual families and the wider community, Marshalls is clear of the benefits of investing in, and engaging with, the local community. The plc was able to gain competitive advantage and launch 'Marshalls Fairstone' to the market in the autumn of 2009. Fairstone is an ethically sourced range of Indian natural sandstone, quarried and produced in line with a set of

ethical values and a commitment that Marshalls strongly believes in. Marshalls can confidently say that it actively guards against child labour of any kind, that workers receive living wages and that health and safety practices are firmly in place and regularly monitored.

Aviva:

Street to School

Education as a way out of poverty is a core theme of Aviva's community investment programme. In 2009, the global insurance service provider announced the launch of Aviva Street to School, a five-year global community programme that aims to get children and young people off the streets and into education and training.

Street to School is already underway in Aviva UK, Turkey and India with the aim of equipping children with the tools to learn and look after themselves. It will gradually be adopted in every country in which the company operates, accounting for 50% of its charitable spend. To deliver Street to School, Aviva is developing long-term partnerships with leading national and international charities and experts, including the Consortium for Street Children and Save the Children (international); Child Rights and You (India); Railway Children (UK); and SHÇEK, the Social Services and Child Protection Agency in Turkey.

Aviva launched its Street to School programme in India in August 2009, working in partnership with CRY (Child Rights and You) and Save the Children India. In India, the aim is to provide education to 50,000 underprivileged children over the next three years, including 20,000 children in its first year.

Aviva employees have a key role to play in the success of Street to School through both fundraising and volunteering opportunities. The company's 2009 global Employee Promise Survey raised enough funds to open a new street children centre run by Save the Children. More recently, nearly 400 staff took part in a series of sponsored Sleep Outs around the UK to raise awareness of street children issues in the UK. With company matching, approximately £100,000 has been raised by staff for Aviva's partner Railway Children. In Turkey and India, staff have raised funds through salary donation drives.



Far Left: Source: Aviva. Kolkata Street to School class Left: Source: Marshalls. Child labour in Indian quarries



Almost **78%** of UK Network member companies have had an impact on MDG 3 to date.

“Research we have undertaken in a number of our markets indicates that women are responsible for the household budget in the majority of homes. For this reason we have chosen to target many of our financial literacy activities at this group, through workshops, media campaigns in magazines, newspapers, radio and websites, and through supporting the debate at a national level.”

Tamsin Fraser, International Personal Finance

Millennium Development Goal 3: Promote gender equality and empower women

Target 1

Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015

Equality between men and women is both a fundamental human right and makes good economic sense. Women with equal rights are better educated, healthier and have greater access to land, jobs and financial resources as well as improving the prospects and greater well-being of children. Yet women, as the world's primary family caretakers, account for 60% of the world's poorest people.

MDG 3 aspires to eliminate differences of opportunity for men and women in education by 2015, and to reduce gender disparities in non-agricultural waged labour and parliament. It is inextricably linked to the MDG 1 target “Achieve full and productive employment and decent work for all, including for women and young people.”

Progress is slow: two thirds of countries have reached gender parity in primary education and only one third in secondary education; women's paid employment has marginally increased but jobs tend to be short-term, exploitative, badly paid, without social security and pension entitlements; similarly, at present rates decades will pass for developing country women to reach a 30% share in parliamentary seats.

UK companies, especially when they work with trade unions, can make a difference by: ensuring all supply chains and procurement have equal employment opportunities, pay and conditions; joining multi-stakeholder initiatives such as the Ethical Trading Initiative; lobbying governments to meet their international obligations; ensuring charitable initiatives champion women's human rights.

Janet Williamson, Trades Union Congress (TUC)

How are UK companies contributing?

The top ways in which UK Network member companies are helping to promote gender equality and empower women are by:

- **Strengthening** women's economic capacity as entrepreneurs, employees and producers;
- **Eliminating** workplace violence against women;
- **Raising** public awareness of women's issues and promoting women's voices;
- **Investing** in women's leadership development beyond the company's own operations.



Source: Penny Tweedie/Panos Pictures.
The first women to work in the Kuwaiti oil industry



Source: Sven Torfinn. Women picking tea in Kericho, Kenya

Old Mutual:

Promoting employment equity and female entrepreneurs

The long-term savings, protection and investment group, Old Mutual, employs over 53,000 people in 34 countries and is committed to promoting gender equality, both internally and externally. The Group works hard to ensure employment equity within its own operations, setting up forums to promote gender equality, and actively monitoring the female ratio, particularly at senior management level. At Nedbank (one of the Group's South African businesses), for example, it runs a Women's Empowerment Programme to improve the management skills of female junior managers which, in 2009, was lengthened from three to nine months and widened in its geographic reach to include even more of its employees.

Externally, Old Mutual extends this commitment to the communities in which it operates. It actively promotes enterprise development and employability among women by providing financial assistance to small businesses, improving skills and literacy, and raising the profile of successful women in business. For example, in 2009 members of the Old Mutual Group in southern Africa supported Women's Action for Development by hosting a number of Field Days for marginalised women in five regions. The Field Days equipped women with basic vocational and business skills. Another example is Masisizane, which is a set of development initiatives aimed at supporting national economic transformation in South Africa, run through Old Mutual South Africa. One of Masisizane's four initiatives focuses on helping rural women succeed in business. By providing access to investment, business development support and skills development, it enables rural women to develop their own micro, small and medium sized enterprises, helping them succeed in business and encouraging economic transformation in the region.

Pearson:

Providing access to global education for all

Access to global education for all is a business and philanthropic priority for Pearson. The company recognises that, as a publisher with the ability to reach large audiences and partner in the education process, its role is a privileged one that brings special responsibilities: its products themselves have a fundamental and significant 'impact on society'.

Pearson is committed to diversity in publishing. For example, through its Penguin brand, this commitment means that Pearson supports a range of initiatives in several countries aimed at promoting diversity in the book world and seeks out new titles and imprints that will also appeal to particular cultures and age groups. The company supports and encourages local publishing, especially in local languages, extending its commitment to making great literature accessible to as wide an audience as it can. Pearson has continued its efforts to make books and reading available to as many people in as many formats as possible: the Group's inroads into the world of digital print have moved forward further in 2009, with a number of eBook titles.

At the heart of Pearson is a social purpose, to help people learn globally. This is why the company is committed to consulting with academics, researchers, teachers, students, readers and others to make sure learning continues to improve.

"As a key part of my role as Head of Global Gender Supplier Diversity, I represent Accenture in the World Bank Global Private Sector Leaders' Forum focused on 'Gender Equality as Smart Business' and serve on the Executive Committee of WEConnect International, the global membership organisation striving to level the playing field for women entrepreneurs to compete in the global value chain." Marianne Schoenig, Accenture



67% of UK Network member companies have had an impact on MDG 4 to date.

56% of UK Network member companies have had an impact on MDG 5 to date, the lowest impact rate out of the eight MDGs.

Millennium Development Goals 4 & 5:

Reduce child mortality

Target 1

Reduce by two thirds, between 1990 and 2015, the under-five mortality rate

Improve maternal health

Target 1

Reduce by three quarters the maternal mortality ratio

Target 2

Achieve universal access to reproductive health

Maternal, newborn and child health is inextricably linked to the achievement of the other Millennium Development Goals (MDGs). Women have demonstrated that they are the engine for stable, peaceful and productive societies. Investing in both women's and children's health leads to high economic returns, including greater national productivity and higher GDP for countries. By not addressing just one of the many challenges such as under-nutrition, a country's GDP may be lowered by as much as 2%¹. We are making progress but millions more lives must be saved.

With only five years left until the 2015 deadline to achieve the Millennium Development Goals, new decisive action is required to accelerate progress on the health-related MDGs. We are reaching a tipping point in energy and excitement, but we need many new partners to reach the finish line.

To speed progress, The United Nations Secretary-General, Ban Ki Moon, is leading a joint effort with international, national, business and civil society leaders on women's and children's health through the development of a Joint Action Plan (The Plan) to be adopted at the MDG Summit in September.

Businesses are major contributors to these challenges. They provide leadership, innovations and expertise. Products such as vaccines, drugs, medicines and medical supplies, innovative technologies, supply chain services and communication, along with workplace policies are essential to improving women's and children's health. Several UK companies are at the forefront of this effort.

A McKinsey study in 2010 showed that three-quarters of those companies with specific initiatives to empower women in developing countries reported that their investments were already increasing their profits². Businesses that support better maternal and child health efforts will see their labor forces become more productive, the quality of their global supply chains improve, and their customer bases expand.

More than ten million women, newborns and children die every year from preventable causes. We know the solutions and must implement them now wherever there is an unmet need. We are asking international, national, industry and civil society leaders to honor previous commitments and to redouble their efforts for new commitments.

Dr. Flavia Bustreo, The Partnership for Maternal, Newborn and Child Health (PMNCH), hosted by World Health Organization*



Right: Young basketweaver
Far right: Source: Anna Wang / MMV.
Mother and child in health centre in Burkina Faso



How are UK companies contributing?

The top three ways in which UK Network member companies are helping to reduce child mortality are by:

- **Supporting** children's NGOs and awareness raising projects;
- **Providing** affordable products and services;
- **Supporting** children's programmes for AIDS orphans.

The top three ways in which UK Network member companies are helping to improve maternal health are by:

- **Improving** working conditions and occupational health for women;
- **Supporting** women's NGOs and community health services;
- **Providing** affordable products and services.

"Our Street to School programme is about much more than education. Our overall vision is prosperity and peace of mind, of which health is an essential part. Through our work with Save the Children, we provide vaccinations and strengthen the health of children." Zelda Bentham, Aviva

"Through our investment in the 'Adopt' an Orphan Programme in South Africa, our employees have provided over 900 vulnerable children with vital support ranging from books, food and clothing, to counselling, school fees and government grant funds." Helen Wilson, Old Mutual

Achilles:

Supporting efforts to eradicate child labour in supply chains

As a leading management service provider, Achilles helps companies to manage commercial, health, safety, environmental and corporate responsibility-related risks, including child labour.

In 2007, the company launched the Electronics Industry's Tool for Accountable Supply Chains (E-TASC) in partnership with the Global E-Sustainability Initiative (GeSI) and The Electronic Industry's Citizenship Coalition (EICC). E-TASC has now, in 2010, reached over 50 buying organisations and over 1,000 supply facilities in 40 different countries. The tool enables buying organisations to set expectations and request data from their suppliers on CSR performance issues in order to: raise awareness of CSR issues and educate suppliers in developing countries; identify and manage risk; promote responsible best practices; build local awareness and capacity to improve performance.

One of the features of the E-TASC tool is that it allows buying organisations to convey to their suppliers that they wish to eradicate child labour and to ask those suppliers for evidence that child labour is not used in their facilities. Through this tool, electronics companies are encouraged to work with suppliers to become more aware of the presence of child labour in their supply chains and to address this issue by measuring performance over time, enhancing capabilities for tackling child labour and sharing best practice solutions.

The E-TASC is due to feature on the UN Global Compact's Supply Chain Sustainability website which will provide information on sustainable supply chain resources and tools.



Source: Stephen Hird / Reuters. A local woman and her child drink water at the Bhaonta Water Harvesting in India

“The Joint Action Plan for Women’s and Children’s Health aims to strengthen collaborations between the private sector and a broad range of other stakeholders to accelerate progress on MDGs 4 and 5. The aim is to scale up efforts to achieve the health MDGs, reinforce existing commitments, secure new commitments and track progress for delivering results. We can only do this by working together.”

Barbara Bulc, Global Development

“Shell Foundation’s Breathing Space programme helps tackle indoor air pollution from cooking with wood or dung on open fires and traditional stoves. Indoor air pollution kills more than 1.5 million people a year, particularly affecting women and children. Breathing Space aims to significantly reduce the incidence. It aims to help sell ten million cooking stoves designed to dramatically reduce fuel use and emissions in five countries in the next five years.” Jeroen Blum, Shell Foundation

Shell:

Supporting health care programmes to protect child health

Shell has many years of experience of supporting targeted community health programmes in the vicinity of our major projects and operations. These aim to promote access to a range of sustainable health care services including health education, vaccinations, HIV programmes, antenatal care and the distribution of malaria bed nets.

In Nigeria, for example, Shell Petroleum Development Company (SPDC) supported a three-year, \$4.5 million (Shell share \$3.4 million) partnership with Africare to reduce the impact of malaria on mothers and children in the Niger Delta through awareness programmes and the distribution of drugs and mosquito nets. In 2008, almost 1,000 nets and more than 2,000 doses of anti-malarial drugs were given away at antenatal clinics.

In addition, SPDC, in partnership with Family Health International (FHI), designed the Niger Delta AIDS Response (NiDAR) programme in 2007 with the purpose of establishing high-quality comprehensive HIV/AIDS care, treatment and support services. Since its inception, the NiDAR project has provided testing and counselling services to more than 11,000 individuals at five hospitals, of whom over 6,000 were female. More than 2,600 pregnant women enrolled for the prevention of mother-to-child HIV transmission programme, while over 1,900 people who tested positive to the disease were given free anti-HIV and over 90 tuberculosis treatment. Some \$3.5 million was spent on the upgrade of five hospitals while over 200 staff have been trained in HIV care. SPDC is working to scale up the project in 2010 by involving more partners and taking on additional health facilities and medical staff in other parts of the Niger Delta.

More than 800 government-employed community health staff work at over 27 health facilities supported by Shell in the Niger Delta. In 2009, they treated more than 265,000 people and helped to deliver more than 1,800 babies.

Reed Elsevier:

Raising awareness and sharing research about maternal health

As a world-leading provider of scientific, medical and other information, Reed Elsevier has a powerful role to play in widening access to science and improving health outcomes. The company is committed to using its research expertise and core business platforms to provide universal, sustainable access to information and to advance science and health among other goals.

Reed Elsevier is contributing to improving maternal health in a number of ways. In 2009, The Lancet, a prime medical journal published by its Elsevier division, addressed MDG 5 in articles, like Maternal and Child Health in Bolivia; in commentary, including a proposal by scientists for a global fund to achieve the health MDGs; and in editorial, with a piece by editor Richard Horton on ending maternal deaths.

Through 'information philanthropy' Reed Elsevier also ensures leading research is available to countries that need it most. Among key programmes is Research4Life, in partnership with United Nations agencies and other publishers, which encompasses the Health Internetwork Access to Research Initiative (HINARI). HINARI provides health workers and researchers in over 100 developing countries access to both core and cutting-edge health sciences information. In 2009, there were two million articles from nearly 1,600 Reed Elsevier journals downloaded through HINARI, a 30% increase over 2008.

In addition, Reed Elsevier has helped the International Council of Nurses Mobile Library set up more than 250 mobile libraries to deliver up-to-date health information to nursing professionals working in remote areas of 17 developing countries. Each library is housed in a sturdy, transportable trunk with approximately 80 titles. In 2009, Reed Elsevier won the ICN Partnership in Development Award recognising organisations that demonstrate "outstanding leadership and investment in nursing and health care capacity building, bringing benefit to the health of populations."



Far left: Health care in Mozambique.
Left: Source: Shell. Community chief presenting certificates and kits to trained traditional birth attendants



Over **66%** of UK Network member companies have contributed to the achievement of MDG 6 to date.

“Within our South African business, we have worked on many projects that provide practical help and guidance to people who give advice on eating well to strengthen your immunity and help your body to fight against the virus.”

Nicki Crayford, Compass Group plc

Millennium Development Goal 6: Combat HIV/AIDS, malaria and other diseases

Target 1

Have halted by 2015 and begun to reverse the spread of HIV/AIDS

Target 2

Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it

Target 3

Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases

Malaria, HIV and other diseases comprise a significant health burden worldwide, notably in less developed countries of Africa, Asia and Latin America. Malaria alone accounts for 863,000 deaths in 2009. 85% of these are children under five years of age living in Africa. There were 243 million estimated malaria cases worldwide in 2009. An estimated 33 million people were living with HIV in 2007, with approximately 2.7 million new HIV infections and two million AIDS-related deaths.

Globally, women and children are hard hit by these diseases: women and children under five years of age are most affected by malaria, and women account for half of all HIV infections. Children worldwide still suffer lower access to life-saving quality paediatric treatments for HIV/AIDS and malaria. This can, and must, change.

But there is hope. Some countries have shown that massive scale-up in access to treatment is possible. Namibia scaled up antiretroviral (ARV) treatment from 1% in 2003 to 88% in 2007, and similarly for Rwanda, from 3% to 71% in the same period. Greater access to treatment is leading directly to reductions in deaths and new infections. Health facility-based malaria deaths in countries such as Rwanda and Zambia have declined by up to 66% between 2002 and 2008.

Businesses are already contributing significantly to this challenge. They invest in corporate prevention and treatment programmes, information and education activities and direct funding of promising interventions. However, more can be done to share experience and transfer core business skills, such as supply chain management, communications and marketing. Corporate Social Responsibility programmes can encourage twinning or mentoring programmes. Direct finance of programmes should be increased. Finally, businesses in the UK are direct partners in public-private partnerships, contributing to the development of new medicines and technologies to tackle these important diseases.

Renia Coghlan, Medicines for Malaria Venture (MMV)



Source: SABMiller. Contributing to the reduction of HIV/AIDS in Botswana



Source: Anna Wang / MMV. Child taking medication

How are UK companies contributing?

The top ways in which UK Network member companies are helping to combat HIV/AIDS, malaria and other diseases are by:

- **Implementing** workplace HIV/AIDS programmes focused on education, prevention, treatment and care;
- **Supporting** HIV/AIDS and other medical funds, NGOs or research institutes and AIDS orphans projects;
- **Providing** affordable products and services;
- **Providing** product donations.

“Pentland’s Speedo brand supports World Swim Against Malaria, an event organised by the Against Malaria Foundation that runs every two years. So far, Speedo’s fundraising has bought over 31,000 bed nets, protecting over 63,000 children and is set to increase this in 2010.” Stephen Rubin, Pentland Group



SABMiller:

Strengthening education, awareness and treatment for HIV/AIDS

SABMiller is working to contribute to the reduction of HIV/AIDS within its sphere of influence. The HIV/AIDS pandemic is particularly relevant to the company’s operations in Africa where, in many countries in which the company operates, more than 5% of the population is HIV-positive. Here, SABMiller provides education and awareness programmes to all employees, including access to voluntary counselling and testing. If diagnosed, employees have access to a managed health care system if they have no alternative medical provision. The company actively encourages participation and pays for treatment. Spouses and dependants are also eligible for the programme. In addition, SABMiller appoints peer educators who act as agents within the business to help overcome the stigma and prejudice surrounding HIV/AIDS – a barrier to effective treatment.

SABMiller applies its experiences in Africa to its operations around the world. The company also shares its experience and knowledge of tackling HIV/AIDS externally with other private sector organisations, NGOs, multilateral organisations and local and international governments. For example, ‘Makanudo’ is a wellness programme for all employees in Honduras. Recent activities have included an awareness-raising campaign highlighting the causes and prevention of HIV/AIDS. The programme has included regular employee workshops with educational materials provided to attendees. NGOs such as Hogar Renacer, a local charity which works with people at risk from HIV/AIDS, and other associations working and caring for people affected by HIV/AIDS, have participated in these workshops. The Honduran Ministry of Health is also a key partner in the awareness-raising campaign, providing guidance and assistance for the workshops.

Source: Speedo International. School children take their bed nets home



93% of UK Network member companies have contributed to the achievement of MDG 7 to date.

“We have completed full Environmental Impact Assessments on all products and carbon footprint labelled over 2,000 products with the UK’s Carbon Trust.” Chris Harrop, Marshalls

Millennium Development Goal 7: Ensure environmental sustainability

Target 1

Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources

Target 2

Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss

Target 3

Halve, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation

Target 4

By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers

93% of UK Network member companies have had an impact on MDG 7: ensure environmental sustainability. This is the highest impact rate across all of the MDGs and has received the most company practice examples. Companies are rightly proud of the work they have done. Progress has been made by almost all companies to understand and measure their direct environmental impacts, and investments have been made in product and process innovation as well as projects to tackle climate change.

This is all positive work, however, unfortunately, the state of the natural world continues to decline. WWF’s analysis tells us we are living 40% above one planet capacity, in effect living beyond our means, drawing down ecological assets, and reducing the ability of the planet to support life, society and economies. WWF expects the feedbacks of this decline to escalate significantly in the next five years, impacting on the operating environments of business, their profitability and ultimately, their viability.

These feedbacks are not just from the natural world; they are reactions from different sectors of society: anxiety from the general public driving more legislative change and for more confidence in the products they buy, investors concerned about carbon pricing on company profitability, new competitors emerging through the investments of Nations determined to be at the forefront of the green economy transition.

The message from this is clear: economies are transforming and business opportunities will open up rapidly. Companies that have made promising steps through their work under MDG 7 now need to escalate their ambitions, seize the opportunity by transforming business models and developing a new service relationship with customers, find investors who seek the long-term growth and proactively support policy that promotes innovation.

Five years from now the world will look very different from today. WWF is confident the actions companies have taken under MDG 7 will start to pay dividends and reward even greater efforts.

Oliver Greenfield, WWF-UK



Image above: Source: Marshalls. Protecting the environment

Image right: Source: WWF. One Planet Business



How are UK companies contributing?

The top ways in which UK Network member companies are helping to ensure environmental sustainability are by:

- **Understanding** and measuring the company's direct environmental impacts;
- **Tackling** climate change;
- **Investing** in product and process innovation and transforming business models;
- **Mobilising** core corporate competencies to support community-level environmental initiatives.

Compass Group:

Reducing food miles and carbon emissions in the supply chain

For contract catering provider Compass Group, reducing the amount of 'food miles' within its business makes sense from both a commercial and environmental perspective. This year, the company has successfully implemented improved logistics models to reduce the amount of deliveries required to each site on a daily basis by consolidating all the volume into a 'one stop shop'. For example, in Ireland, Compass Group has removed about 2.2 million kilometres from its deliveries, saving 2,000 tonnes of CO₂ per annum. In France, the company has reduced delivery kilometres by 20% since 2002 and, in the United Arab Emirates, the new logistics platform is expected to reduce deliveries by around 600,000 kilometres this year.

In 2009, in conjunction with key UK clients, Compass Group also participated in the Supply Chain module of the Carbon Disclosure Project (CDP) which is designed to measure carbon risks and liabilities through the supply chain. Feedback from this programme will be used to refine the company's environmental strategy in relation to the supply chain and further collaborate with suppliers to achieve environmental efficiencies in day-to-day operations.

National Grid:

Working with governments and regulators to drive positive changes in the energy markets

After mapping its core activities against the Millennium Development Goals, international electricity and gas company National Grid identified MDG 7 as the area where it should focus to have a real impact. Within the company's own operations across the UK and northeastern US, National Grid has set a target to reduce its emissions by 80% by 2050, with an interim target of 45% by 2020. Reducing carbon dioxide emissions from its generating plant in the US and methane emissions from its gas pipelines are key priorities.

The company is also promoting energy efficiency. In the US, for example, National Grid's 3% campaign encourages customers to reduce energy consumption by 3% a year for the next ten years. Looking to the future, in the UK, National Grid has succeeded in decoupling energy revenue and demand meaning that revenue is no longer tied to the amount of energy transmitted, and is looking to do the same where it can in the US.

However, National Grid's environmental efforts go well beyond its own operations. The company is also playing a sector-leading role by working with governments and regulators to define the market mechanisms of the future. By working closely with government in the regions where it operates, National Grid hopes to drive positive changes in market mechanisms to encourage investment in renewable energy. In the area of reporting, the company is also leading the way by piloting the new World Resources Institute (WRI) Scope 3 reporting guidelines. These aim to enable companies to determine where the greatest greenhouse gas reduction activities are in their value chain.

"A focus on water quality and availability is one of our environmental priorities. We aim to be more efficient in our water use, understand our watersheds and engage with our suppliers. This will cut costs, reduce risks and benefit local communities. We also have a Water Futures partnership with WWF, active in South Africa, Ukraine, Tanzania, Peru, Colombia and Honduras." Andy Wales, SABMiller



By supporting the UN Global Compact among other activities, **100%** of UK Network member companies have had an impact on MDG 8 to date.

“We feel our continuing hard work in support of the Global Compact, its ten principles, and the development of local networks in developing or emerging economies shows our commitment to MDG 8.” Michael Spenley, Shop Direct Group

Millennium Development Goal 8: Develop a global partnership for development

Target 1

Address the special needs of least developed countries, landlocked countries and small island developing states

Target 2

Develop further an open, rule-based, predictable, non-discriminatory trading and financial system

Target 3

Deal comprehensively with developing countries' debt

Target 4

In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries

Target 5

In cooperation with the private sector, make available benefits of new technologies, especially information and communications

From providing poor rural communities with access to information and communications technologies to delivering affordable life-saving drugs and sustainable productive employment, the private sector has a fundamental role to play in the achievement of the Millennium Development Goals. There is a huge amount to be done, but using its resources and expertise, business can deliver positive changes to the lives of the poorest people in the world.

However, business cannot tackle these enormous challenges alone. As MDG 8 highlights, partnership is an essential part of the development process, especially if progress is to be made on the scale required to meet the MDG targets by 2015. Companies need to work together with governments and civil society to maximise the effectiveness of their combined impact.

At IBLF, we believe this kind of cross-sector partnering is an important mechanism for addressing critical sustainable development issues such as health, youth employment, social inclusion, post-conflict resolution, enterprise development and environmental diversity. Within true global partnerships for development, relationships are based on the principles of transparency, equity and mutual benefit, and partners commit to sharing the risks and the rewards. This report clearly shows that UK companies can, and are, working with local partners and sharing their expertise to make a difference at a local level in regions where they operate. This is a trend that we hope to see continue, and that needs to continue, for the Millennium Development Goals to be achieved.

Graham Baxter, International Business Leaders Forum (IBLF)



Source: Impact International. Supplies being distributed after the earthquake in Pakistan's North Western Frontier Province

How are UK companies contributing?

UK Network member companies are helping to develop a global partnership for development by:

- **Supporting** the UN Global Compact;
- **Supporting** NGO or community-led projects through donating resources, expertise and technology;
- **Supporting** employability, equal opportunities, entrepreneurship and/or employment creation for youth;
- **Promoting** investment in Least Developed Countries, especially in Africa.

Impact International:

Helping aid organisations operate more effectively

In 2006, Impact launched the Relief and Development Group as a specialist consultancy to help organisations more effectively serve people living in crisis. The Group focuses on generating personal, team, organisational, and ultimately systemic, leadership action in a number of ways: helping existing relief and development agencies work more effectively, catalysing action from the private sector to serve people living in crisis, and forging cross-sector ventures to inspire systemic leadership action.

Recent examples include Impact's work with Christian Aid to conduct a global review of humanitarian programmes, policies and procedures. In DR Congo, Impact has worked with Save the Children to develop a strategic planning programme.

Experiential learning is a fundamental part of all Impact's work – the organisation believes that people learn best by experiencing real situations, consequences and achievements, and by being fully engaged in the learning process. Rather than simply offer a solution to a problem, Impact works in true partnership with clients to design an integrated process. Every programme and event is viewed as part of a wider learning journey.

Accenture:

Supporting development partnerships

In addition to supporting the UN Global Compact at a global level, Accenture is making a huge impact on developing a global partnership for development through Accenture Development Partnerships, a group within Accenture. Through a first-of-its-kind business model, Accenture Development Partnerships, designed to operate on a non-profit basis, is able to deliver affordable world-class management and technology consulting services to these critical organizations, while providing Accenture people with an unparalleled personal and professional opportunity as part of their careers.

The Group is involved in numerous projects to stimulate entrepreneurship and higher quality of life for communities through providing strategic advice and technical project management support to non-profit organisations, NGOs, foundations and donor organisations operating in the development sector, helping these organisations achieve social and economic development goals. These activities are examples of Accenture's corporate citizenship focus, Skills to Succeed, which educates people around the world, building skills that enable them to participate in and contribute to the economy.

As an example, Accenture teamed with Oxfam GB in India to address how smallholder farmers could participate in the economic growth opportunities presented by the increased demand for fresh produce in the expanding retail market in India. The company's support spanned research to implementation by conducting market assessments, contributing to Oxfam's Poverty Footprinting methodology and leveraging Accenture's client network to help convene an important partnership with a major agricultural supply chain company in India.

“National Grid is partnering with education establishments in the UK and the US to address the current lack of engineers coming out of universities. Around 1,000 engineers will be needed over the next decade in the UK to deliver low carbon energy solutions so our objective is to make engineering an attractive career option to make sure that we have the skilled workforce we need in the future.” Ian Gearing, National Grid

Key Messages from UK Network Member Companies

1. UK companies of all sizes and across various sectors are having an impact on the MDGs in a range of innovative ways.
2. Companies are focusing on issues that are relevant to their business and applying their expertise to tackle these development challenges.
3. The role of business is not to replace government, but to complement the work of the public sector in order to accelerate progress towards the MDGs.
4. Business cannot tackle these challenges alone, but needs to work in partnership with government and civil society to make a real difference to the lives of the poorest.
5. Among SMEs, companies are having an impact on the MDGs, but this is not necessarily a conscious decision, and can be difficult to measure.
6. Companies are not always able to measure the direct impact of their efforts on development, but there is a huge amount of constructive work going on.
7. Many initiatives contribute to multiple Millennium Development Goals so it can be difficult for companies to isolate their impact on goal or another.

Opportunities for the UK Network

Spreading the word. There is a huge amount of work being done by UK Network member companies to contribute to the achievement of the MDGs and this must be more widely communicated.

More information. There is a clear demand for more information to help companies understand specific MDGs, how their activities relate to these MDGs and how they can have an impact.

Sharing experience. UK companies are already adopting innovative approaches to make a contribution to the MDGs. These best practice examples offer valuable learning opportunities for other companies and should be shared.

“If companies are to fully support the realisation of the Millennium Development Goals in a sustainable manner, their activities must reflect their core business practices, produce sound economic returns and be relevant to the markets in which they operate.”

Andrew Mason, Royal Bank of Scotland

“As we develop and improve our CSR policy, we would benefit hugely from opportunities to learn from the experience of other UK Network member companies and how they are contributing to the Millennium Development Goals.” Gwen Folland, Petrofac

Below left: Source: Oxfam. Agriculture is new to the Maasai

Below right: Source: Shop Direct Group . Basket weaver, Atlas Mountains, Morocco





Conclusion from Michael Spenley, Head of Corporate Responsibility, Shop Direct Group, Special Advisor to the UN Global Compact UK Network

This report is full of splendid case studies and fantastic examples representing activity by UK companies and members of the UK Network of the Global Compact. We are very pleased to see that virtually all of our member companies are engaged in activities that are advancing the MDGs.

In general, we spoke with specialists employed by member companies in areas specifically related to the MDGs, such as CSR, Sustainability or Corporate, Community and Governmental Affairs. It was noted by some of our respondents that, outside of their specific departments, awareness of the Goals was still low, including at boardroom level. In fact, some companies did not see the linkage between their activities and the Goals. So there is more to do in terms of spreading the message. However, events like the Global Compact Leaders Summit can go a long way to addressing this gap.

We are pleased to find that our members are engaged and are moving in the right direction. We recognise that other frameworks such as the Ten Principles of the Global Compact, and in particular internal bespoke sets of targets and goals, often have greater relevance within companies than the MDGs. Therefore, we encourage companies to align their corporate citizenship objectives with the MDGs wherever possible. Ultimately, we are willing supporters of the MDGs and call for more activity, both in the UK and globally, to raise awareness of the Goals and the problems they seek to redress. Of course, governments have a big part to play in this as well as companies.

Finally, we must not forget that by supporting the Global Compact our members publicly declare their impacts on the MDGs through an annual Communication on Progress (COP). It is our hope that this annual body of work further demonstrates and defines our collective and ongoing commitment.

