UN Global Compact (UN GC) and Ethical Business Values for The Paint&Coating Industries

As our world is struggling with the COVID-19 pandemic in the challenging years of 2020 and 2021 (and we are all affected somehow no matter our differences in nationality, race, religion, or culture), how about **spending time for 5-10 minutes of reading** which might be **beneficial to you** and **your business.** As a result, this reading may provide you an unprecedented opportunity to provide HOLISTIC & SYSTEMIC SOLUTIONS for your organization and even contribute to a **better future for all** !! Besides, since the year 2030 is fast approaching, you would probably appreciate learning the vital importance of the UN's **2030 Agenda** !!!

After reading this summary below, you will be able to grasp the big picture, with the UN Global Compact's (*aka.* **UN GC**) two official objectives, which are:

1- Mainstream the **Ten Principles** in business activities around the world classified under four categories. (*These principles will help you and your businesses to understand HOW to operate!*)



2- "Catalyse actions in support of broader UN goals, such as the "<u>Millennium Development Goals</u> (<u>MDGs</u>)" and "<u>Sustainable Development Goals (SDGs</u>)". (These global goals are an ambitious vision of what a business's activity should work to achieve.)



Following these **UN's Ten principles** and **17 SDGs**, you can find a dedicated section on **Paints & Coatings Companies** who are **signatories** or **participants** to **UN GC**. Finally, you will learn **how to get benefits** and reach more detailed information (and even a free-of-charge certificate from UN GC) on these topics via the official websites and presentations in these topics.

What is the "United Nations Global Compact" (UN GC)?

Firstly announced on 31 January 1999 by UN Secretary-General <u>Kofi Annan</u> in an address to the <u>World</u> <u>Economic Forum</u>, the **UN Global Compact (**aka. **UN GC)** was officially launched at UN Headquarters in New York City on 26 July 2000 as a *non-binding <u>United Nations pact</u>* to encourage businesses worldwide to adopt sustainable and socially responsible policies and to report on their implementation.

The UN GC is the world's **largest corporate sustainability** (a.k.a. *corporate social responsibility*) initiative with 13000 corporate participants and other stakeholders over 170 countries, providing a framework to guide all businesses regardless of size, complexity, or location.



To make you understand this concept clearer, the **UN GC** is a SYSTEMATIC principle-based approach for businesses, stating ten principles in the areas of <u>human rights</u>, <u>labor</u>, the <u>environment</u>, and <u>anti-corruption</u>. You can find these **Ten Principles** in 4 categories, which are considered as a common ethical & practical framework for business globally:



1. <u>HUMAN RIGHTS</u>

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.

2. LABOUR RELATIONS



Principle 3: Businesses should uphold the <u>freedom of association</u> and the effective recognition of the right to <u>collective bargaining</u>;

Principle 4:Principle The elimination of all forms of forced and compulsory labor; **Principle 5:** The effective abolition of child labor; and **Principle 6:** The elimination of discrimination in respect of employment and

Principle 6: The elimination of discrimination in respect of employment and occupation.



3. <u>ENVIRONMENT</u>

Principle 7: Businesses should support a <u>precautionary approach</u> to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility, **Principle 9:** Encourage the development and diffusion of environmentally friendly technologies.

4. ANTI-CORRUPTION

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



The **UN Global Compact** is <u>not a regulatory instrument</u>, but rather <u>a forum for discussion</u> and <u>a network for</u> <u>communication</u>, including governments, companies, and labor organizations, whose actions it seeks to influence, and civil society organizations representing its stakeholders. In other words, as mentioned in a 2015 interview with Executive Director Ms. Lise Kingo, "<u>we are the guide dogs</u>, not the watchdogs</u>", The **UN Global Compact** is aiming to prioritize these Ten Principles **providing resources** and **support** *instead of attempting to enforce discipline*.



You can find more detailed information on these **Ten Principles of the UN Global Compact** below: <u>https://www.unglobalcompact.org/what-is-gc/mission/principles</u>

Sustainable Development Goals (SDGs)

To make our world better, you may personally have numerous ideas about how and what to improve in our World! However, wouldn't it be so nice if you have a **<u>comprehensive road map</u>** that covers all the problems and solution ideas in a systematic way at hand?



In 2015, the UN gathered world leaders and adopted 17 Sustainable Development Goals (SDGs) to end poverty, promote prosperity, ensure well-being for all, and protect the planet. The ultimate purpose of this initiative is to banish a whole host of social ills by the year 2030.

In 2015, within the 17 global goals, there are 169 targets and indicators to guide action. UN member states are expected to align their agendas and political policies with the SDGs. The SDGs came into force on 1 January 2016, and the deadline for achieving them is 2030. (<u>The 2030 Agenda</u>)



Local Networks

Local networks of the **UN Global Compact**, aka GCLN, are organized by participants who come together voluntarily to advance the UN Global Compact and its principles at the local level. GCLNs serve an essential role in rooting the UN Global Compact within different national contexts – and their distinct economic, cultural, and linguistic needs.

Participation in a GCLN provides companies the opportunity to engage with a variety of stakeholders, including other businesses and representatives from civil society, government, academia, business associations, and investors.

Currently, there are more than 100 Local Networks (mostly representing the countries from different continents, i.e., the **UN Global Compact Türkiye**:

<u>https://www.globalcompactturkiye.org</u> launched in 2002) in each continent of our world totally. (And this number is growing!) These networks help companies and non-profit organizations understand what responsible business means within diverse national, cultural, and linguistic contexts. You can get more information via the links below:



https://www.unglobalcompact.org/engage-locally https://d306pr3pise04h.cloudfront.net/docs/networks around world doc%2FLN Brochure.pdf

UN-based Support Organizations: Global Compact Inter-Agency

Team

It is helpful for us to note that these UN-based organizations below are taking critical roles in the development of the UN Global Compact pact, in addition to the support of numerous business and other stakeholders around the world:

- <u>The Office of the High Commissioner for Human Rights (OHCHR)</u>
- International Labour Office (ILO)
- <u>United Nations Environment Programme (UNEP)</u>
- <u>United Nations Development Programme (UNDP)</u>
- <u>United Nations Organization for Industrial Development (UNIDO)</u>
- <u>United Nations Office on Drugs and Crime (UNODC)</u>
- <u>United Nations Convention against Corruption</u>



This "Global Compact Inter-Agency Team" can be regarded as the backbone of the UN GC pact, which serves as an integrated value platform based on universal principles on which to build UN engagement with the business community.

Paints & Coatings Companies and the UN Global Compact

Following these UN's Ten Principles, 17 SDGs, and brief information on the structure of the UN Global Compact, below you can find some of the major companies in the Paint & Coating-related companies and corporations who are <u>signatory</u> or <u>participant</u> of the UN Global Compact globally:



AKZONOBEL N.V.



<u>AKZONOBEL N.V.</u>, a Dutch multinational company which creates paints and performance coatings for both industry and consumers worldwide, proudly publicizes its support to UN Global Compact in their webpages about "sustainability" and "Sustainable Development Goals":

- https://www.akzonobel.com/en/about-us/sustainability-
- https://report.akzonobel.com/2016/ar/case-studies/sustainable-development-goals.html

Moreover, you can find a brief summary on AKZONOBEL at the UN Global Compact webpage below: https://www.unglobalcompact.org/what-is-gc/participants/410-Akzo-Nobel-N-V-

BASF



BASF, a German multinational chemical company having a Coatings division, proudly states its support on the UN Global Compact by explaining How they implement the UN Ten Principles and SDGs in their dedicated corporate webpage below:

https://www.basf.com/tr/en/who-we-are/sustainability/management-goals-and-dialog/networks/global-compact.html

In addition to this comprehensive website above, you can find more related information in the UN Global Compact webpage dedicated to BASF, below:

https://www.unglobalcompact.org/what-is-gc/participants/1194-BASF-SE.

BECKERS GROUP



BECKERS GROUP, a leading supplier of coil coatings and industrial coatings company, proudly states its support for the UN Global Compact initiative in its "<u>Our commitment</u>" and "<u>Beckers Sustainability Report</u> 2019" webpages below:

- https://www.beckers-group.com/en/sustainability/our-commitment
- https://www.beckers-group.com/-/media/files/about-us/publications/beckers_sustainability_2019_print.pdf

Moreover, you can find a brief summary on BECKERS GROUPat the UN Global Compact webpage below: https://www.unglobalcompact.org/what-is-gc/participants/133624-Beckers-Group

COVESTRO A.G.



COVESTRO A.G., formerly <u>Bayer MaterialScience</u>, which is a leading German polymer materials manufacturer, proudly states its support on the UN Global Compact initiative by declaring its **SOCIAL CORPORATE RESPONSIBILITY** in their dedicated weblinks below:

- https://www.covestro.com/press/covestro-announced-as-global-compact-lead/
- https://report.covestro.com/annual-report-2019/management-report/covestro-group-at-a-glance/responsibility-a long-the-value-chain/social-responsibility.html

Moreover, you can find a brief summary on COVESTRO Deutschland AG at the UN Global Compact webpage below:

https://www.unglobalcompact.org/what-is-gc/participants/65081-Covestro-Deutschland-AG

EVONIK INDUSTRIES AG



Evonik Industries AG, a stock-listed German specialty chemicals company offering numerous raw materials for the coatings industry, proudly declare its support to UN Global Compact in their webpages about "Corporate responsibility", "Peace, Justice, and Strong Institutions" and "Partnerships for the Goals":

- https://corporate.evonik.com/en/company/procurement/corporate-responsibility-123967.html
- https://corporate.evonik.com/en/responsibility/sustainable-development-goals/evonik-un-sdgs/peace-justice-an d-strong-institutions-123683.html
- https://corporate.evonik.com/en/responsibility/sustainable-development-goals/evonik-un-sdgs/partnerships-forthe-goals-123693.html

Moreover, you can find a brief summary on EVONIK at the UN Global Compact webpage below: <u>https://www.unglobalcompact.org/what-is-gc/participants/3571-Evonik-Industries-AG</u>

JOTUN A/S



JOTUN A/S, a Norwegian multinational chemicals company, dealing mainly in decorative paints and performance coatings, proudly express its support to UN Global Compact in their webpages about "<u>Global</u> <u>commitment</u>" and "<u>Business Ethics and Integrity</u>" below:

- https://www.jotun.com/gr/gr/corporate/about-jotun/commitment/global.aspx
- https://www.jotun.com/gr/gr/corporate/about-jotun/business-ethics-and-integrity/

Moreover, you can find a brief summary on JOTUN at the UN Global Compact webpage below:

https://www.unglobalcompact.org/what-is-gc/participants/13057-Jotun-A-S

HEMPEL A/S



HEMPEL A/S, a global paint coating manufacturer company providing products in the protective, marine, decorative, container, and yacht industries, announces its support to UN Global Compact in their webpages about "<u>sustainability</u>" and "<u>Annual Report 2019</u>" :

- https://www.hempel.com/en-sea/inspiration/sustainability
- https://www.hempel.com/-/media/files/global/pdf/news/03-03-2020-press-release-hempel-annual-report-2019.a shx

Moreover, you can find a brief summary on HEMPEL at the UN Global Compact webpage below: <u>https://www.unglobalcompact.org/what-is-gc/participants/115561-Hempel-A-S</u>

HENKEL



HENKEL, a German chemical and consumer goods company providing innovative industrial coating solutions to the paints & coatings market, proudly reveals its support to UN Global Compact in its webpages about "<u>Human Rights and Social Standards</u>" and "<u>Henkel Sustainability Report 2019</u>" below:

- https://www.henkel.com/sustainability/positions/human-rights
- https://www.henkel.com/resource/blob/1040456/e79aade49c25a867d77b04cdb973450d/data/2019-gri-index-a nd-un-global-compact-index.pdf

Moreover, you can find a brief summary on HENKEL at the UN Global Compact webpage below: https://www.unglobalcompact.org/what-is-gc/participants/4815-Henkel-AG-Co-KGaA

MERCK GROUP



MERCK GROUP, a German chemical, pharmaceutical, and life sciences company that also manufactures pigments and additives for the paints & coatings industry, proudly mentions its support to UN Global Compact in its "*Sustainability*" and "*Global Compact CoP*" pages below:

- https://www.merckgroup.com/en/sustainability/products-and-businesses.html
- <u>https://www.merckgroup.com/en/cr-report/2019/facts-figures/global-compact-cop.html</u>

Moreover, you can find a brief summary on MERCK at the UN Global Compact webpage below: https://www.unglobalcompact.org/what-is-gc/participants/6524-Merck-KGaA

Finally, as the last word for "Paints & Coatings Companies and the UN Global Compact" section: If you would search other companies in the Paints & Coatings industries from the official UN Global Compact website, you can use the link below:

https://www.unglobalcompact.org/what-is-gc/participants

Benefits

You may ask, "what is in it for me?" after reading these Ten Principles and the official views of the UN Global Compact? Below you can find a list that is highlighting the personal and public benefits that you may use in your business life:

- 1) **It's good for business.** Corporate and organizational success requires stable economies and healthy, skilled, and educated workers, among other factors. And sustainable companies experience increased brand trust and investor support.
- 2) It's good for society and business really can make a difference. Companies offer fresh ideas and scalable solutions to society's challenges exactly what we need to create a better world. More than 10,000 business participants and 5,000 non-business participants in the UN Global Compact are already changing the world. They're helping alleviate extreme poverty, address labor issues, reduce environmental risks around the globe, and more.
- 3) You will have a set of universal ethical business rules for fair business competition.
- 4) Benefits of joining:
 - a) **Unprecedented networking access with UN Global Compact participants** representing nearly every industry sector and size, in over 160 countries
 - b) Access to partnerships with a range of stakeholders to share best practices and emerging solutions
 - c) Best practice guidance built on 15 years of successes
 - d) Tools, resources, and trainings
 - e) Local Network support in 85 countries
 - f) The moral authority, knowledge, and experience of the United Nations

For more information about these benefits above, you can visit the UN GC web-link below: <u>How Will I Benefit? | UN Global Compact</u>

As a final word in this section;

I genuinely believe that "**Improving the company reputation and increasing the trust for the company.**" might be a side benefit to all the advantages mentioned above, since each company has a dedicated webpage on the UN Global Compact website:

https://www.unglobalcompact.org/what-is-gc/participants



CONCLUSION

Taking actions on these Global Goals, which are 17 Sustainable Development Goals - **SDGs** by following the **Ten Principles** of **the United Nations Global Compact**, is vital for all the business sectors because business cannot succeed if societies fail and natural resources are depleted.

Today, the **UN Global Compact** has been signed by **12,000**+ signatories in over 160 countries, both developed and developing, representing nearly every sector and size.

If you would like to get more information on "17 SDGs and Ten Principles", you can look into the weblinks below:



https://www.unglobalcompact.org/ https://sdgs.un.org/goals https://www.undp.org/content/undp/en/home/sustainable-development-goals.html

BONUS: You can even earn certifications via the UN Global Company website via the e-learning courses below: https://info.unglobalcompact.org/globalgoals https://info.unglobalcompact.org/genderequality https://info.unglobalcompact.org/sciencebasedtargetsinitiative

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