

Showing the Way towards Integrating SDGs into Core Business with Extensive Examples of Private Companies in Japan: Launch of new report

Global Compact Network Japan (GCNJ) and the Institute for Global Environmental Strategies (IGES) today announced the launch of a report* summarising the results of a survey on the progress front-running Japanese businesses are making towards realising the Sustainable Development Goals (SDGs). The publication, "SDGs and Business for the Future: Actions by Private Companies in Japan" follows up last year's IGES-GCNJ survey report "[SDGs and Business in Practice - Early Actions by Japanese Private Companies](#)" which gave an overall picture of initiatives on SDGs by Japanese companies. This year's report looks at ways to integrate SDGs into core business focusing on two approaches - Organisations and Corporate Activities. This latest report also includes 25 case studies highlighting ongoing SDG measures and initiatives undertaken by concerned businesses, as reference material for SDG implementation¹.

*This is the English translated version of the Japanese Report published in March 2018.

http://www.ungcjin.org/sdgs/pdf/elements_file_4001.pdf

https://pub.iges.or.jp/pub/SDGs_Business_for_the_Future

Key findings of the report include;

- Japanese businesses have made improvements both in terms of understanding among top management and awareness in society about the SDGs, which were specified as challenges facing SDGs-related initiatives by companies last year. However, the level of understanding remains extremely low at the middle management level (9%), highlighting an enduring challenge for effective promotion of the SDGs.
- The level of progress on the five steps of the SDG Compass² is good overall and GCNJ member companies that do nothing are exceedingly few. However, over 70% of companies indicated that they were still only on Step 1 "understanding the SDGs", or Step 2 "defining priorities". This shows that many companies are still at the stage of searching for ways to integrate the SDGs into core business.
- While companies are increasingly expected to engage in the SDGs as business opportunities, more effort has been put into goals perceived to be linked to negative impacts for companies (i.e. management risks).

Main messages

- It is essential that companies consider SDGs as business seeds, and work to grow them in ways that strengthen and expand existing business, and also then lead to developments in new business. For

¹ This year's report was written based on the results of a questionnaire survey for GCNJ members (total 254 companies and organizations) and face-to-face interviews with 30 companies/organizations.

² SDG Compass is a corporate action index related to SDGs which was created by the GRI (Global Reporting Initiative), UNGC and WBCSD and used as a reference by many corporations in implementing SDGs. The Japanese version was issued by GCNJ·IGES in March 2016 http://www.ungcjin.org/sdgs/pdf/SDG_COMPASS_Jpn.pdf

this purpose, creating mechanisms to facilitate solutions to social problems within a company, including awards, reward systems and assessment schemes, targeting either the organisation or individuals, are effective ways. This is also effective to raise awareness among middle management.

- To contribute to the creation of a sustainable society, together with core business, companies need to promote initiatives to improve market environments and social business with small profit/philanthropic activities associated with core business.
- In order for these types of activities to be considered as investments, not costs, companies must steadfastly incorporate elements of the SDGs into medium and long-term plans and strategies. Medium and long-term objectives and commitments should ideally be ambitious, and need not be strictly limited to those readily achievable.
- A corporate philosophy is a company's reason for existence. Linking corporate initiatives based on such philosophy to the SDGs ensure the roles of private companies in society become clearer and this helps employees become motivated and strongly committed to their work.
- Key elements for integrating SDGs into core business are leadership by top management, engagement in dialogue with relevant parties internally and externally to build partnerships and return to a corporate philosophy.

The report is available at:

GCNJ: http://www.uncgcnj.org/sdgs/pdf/elements_file_4001_en.pdf

IGES: <https://pub.iges.or.jp/pub/sdgs-and-business-future-actions-private>

< Related Information >

[GCNJ/IGES Interview Series: SDGs and Business for the Future]

Included in the report are a series of interviews providing details on various initiatives led by Japanese corporations and organisations for realisation of the SDGs and the promotion of a more sustainable society. The interviews reflect honest opinions of various stakeholders regarding the range of initiatives, efforts and challenges to integrate sustainability into core business activities.

<http://www.uncgcnj.org/sdgs/archive/index.html> (Japanese only)

About Global Compact Network Japan (GCNJ)

United Nations Global Compact (UNGC) is a voluntary initiative based on CEO commitments to implement universal sustainability principles in line with ten principles of human rights, labor, environment and corruption prevention. By taking strategic actions to advance broader societal goals, such as the SDGs, with an emphasis on collaboration and innovation. UNGC seeks to support sustainable growth by corporations and groups demonstrating responsible and creative leadership. Global Compact Network Japan (GCNJ) was launched as a local network of UNGC in Japan in December 2003. Its mission is to promote UNGC activities in Japan with a view to realise a more sustainable world by serving as a platform for learning, collaboration, communication among corporations and organisations sharing this vision.

<http://www.uncgcnj.org/sdgs/index.html>



About Institute for Global Environmental Strategies (IGES)

The Institute for Global Environmental Strategies (IGES) is a collaborative research and outreach organisation working to accelerate the transition to a sustainable, resilient, shared, and inclusive Asia-Pacific region, both across borders and within the world at large. Our strategic research and operations are defined by a mission-- to drive action on the world's most critical environmental and social challenges through the delivery of trusted expertise on sustainable development and resilience. IGES operates as an agent of change. Together with key international organisations, governments, academic institutes, business and civil society leaders we seek to foster a world where planetary boundaries are fully respected, a green economy is flexibly implemented, and the well-being of people is steadily improved. In so doing we emphasise workable and inspired approaches to cross-cutting global development issues ranging from climate change, natural resources and ecosystems management, and sustainable consumption and production, among many others. The Institute— established in 1998 with support from the Japanese government and Kanagawa Prefecture— maintains its international headquarters in Hayama, Japan. With offices and local centres in Tokyo, Kansai, Kitakyushu, Beijing, Bangkok, and New Delhi, IGES supports a regional and global network for ground breaking sustainable development research and practice.

<https://www.iges.or.jp/en/>

For more information on GCNJ and IGES:

GCNJ: <http://www.ungcjin.org/sdgs/index.html> (Japanese only)

IGES: <https://www.iges.or.jp/en/press/20180705.html>

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