

SDG Impact Standards for Enterprises – Enterprise actions

The Standards are provided to organizations as a ‘best practice’ guide to help them operate more sustainably and optimize their contribution to sustainable development and the SDGs by integrating responsible business and impact management practices into their organizational systems and internal decision-making.

Enterprises can follow the following actions to properly integrate operating sustainably and contributing positively to sustainable development and the SDGs into their organizational systems and decision-making.

STRATEGY

Action 1. Commit to operating responsibly and sustainably, contributing positively to the SDGs, and optimizing impact

Action 2. Understand what’s important to Stakeholders and achievement of the SDGs, and where the Enterprise is making impacts to determine where material impact can be made in the future

Action 3. Embed impact into purpose and strategy

Action 4. Set impact goals in line with now integrated purpose and strategy

Action 5. Adjust strategy and impact goals as needed to optimize impact

MANAGEMENT APPROACH

Action 6. Align organizational culture, structure, capabilities, systems, and incentives with purpose and strategy

Action 7. Develop methodology, processes, and systems to effectively measure impacts, and integrate into business decision-making

Action 8. Assess, compare, and monitor material impacts over time, with external benchmarks and between stakeholder groups and subgroups, generate options for increasing impact and make choices between options

Action 9. Embed continuous improvement, updating impact management practices as needed

TRANSPARENCY

Action 10. Disclose how responsible business practices, sustainability and contributing positively to the SDGs are integrated into decision-making and report on performance

GOVERNANCE

Action 11. Integrate responsible business and impact management practices into governance framework

Action 12. Ensure governing body leads by example

SDG Impact Standards for Enterprises – Mapping Practice Indicators to Enterprise actions

Those actions are also mapped to the practice indicators included in the relevant set of Standards as follows:

STRATEGY

Action 1. Commit to operating responsibly and sustainably, contributing positively to the SDGs, and optimizing impact

Decide that operating responsibly and sustainably, and contributing positively to the SDGs is central to business purpose (1.1.1)

Action 2. Understand what's important to Stakeholders and achievement of the SDGs, and where the Enterprise is making impacts to determine where material impact can be made in the future

Increase understanding of sustainable development context including about the global, national, and local SDG priorities and gaps and interdependency across the SDGs (1.1.4, 1.1.2)

Engage with Stakeholders to understand what matters to them (1.1.5)

Map current and future potential impacts on different Stakeholders (including under-represented Stakeholder segments) through the value chain, and determine what impacts are material based on what is important to them (1.1.6)

Action 3. Embed impact into purpose and strategy

Develop an impact thesis to translate sustainability and contributing positively to the SDGs into actionable steps and into business strategy (1.1.1)

Embed respect for human rights, planetary boundaries, and other responsible business practices in approach (1.1.3)

Assess business models and partnership approaches (1.1.7)

Integrate strategy and impact goals into business plan, and allocate adequate budget & resources to achieve strategic plan and impact goals (1.1.10)

Action 4. Set impact goals in line with now integrated purpose and strategy

Set ambitious and measurable goals for all material impacts (including negative ones) and cross cutting issues in context of baselines, thresholds and rate of change required to achieve the goal in a timely way (1.2.1, 1.2.2, 1.2.3, 1.2.5)

Specify goals according to SDG outcomes areas & ABC impact classifications (1.2.4)

Assess the risk (including to Stakeholders) that impacts may not occur as expected (1.1.8, 1.1.9)

Action 5. Adjust strategy and impact goals as needed to optimize impact

Review and adjust strategy & impact goals as internal & external contexts change & as information on actual impact becomes evident (1.1.11)

MANAGEMENT APPROACH

Action 6. Align organizational culture, structure, capabilities, systems, and incentives with purpose and strategy

Embed respect for human rights, planetary boundaries, and other responsible business practices in policies and procedures (2.1.1, 2.1.2)

Develop outside-in ways of working, involving Stakeholders in decision-making, engaging with government bodies, and collaborating with peers and potential partners on collective solutions (2.1.3, 2.1.4)

Develop capacity, integrate accountability, and align incentives with purpose and strategy (2.1.5)

Action 7. Develop methodology, processes, and systems to effectively measure impacts, and integrate into business decision-making

Develop approach to identify decision-useful metrics and collect, verify, manage, and use impact data appropriately (2.1.6, 2.3.2)

Develop methodology for assessing, monitoring, and managing impacts (2.2.1, 2.2.2, 2.2.3, 2.3.1, 2.3.3, 2.3.4)

Determine how much information is needed to make a decision (2.2.4)

Determine when independent impact evaluations will be required to manage impact risk (2.2.6)

Capture results and lessons learned so that impact information is connected to business decision-making and ongoing impact management activities and continuous improvement (2.2.7, 2.3.5)

Action 8. Assess, compare, and monitor material impacts over time, with external benchmarks and between stakeholder groups and subgroups, generate options for increasing impact and make choices between options

Assess and compare material impacts based on methodology established in 7 (2.1.6, 2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.6)

Make choices between options to optimize impact and positive contribution to the SDGs (2.2.5)

Monitor actual impact performance against expected impact and as against baselines, counterfactuals, and thresholds and act to optimize impact and contribution to the SDGs (2.3.1, 2.3.2, 2.3.4)

Analyze deviations from expected outcomes and respond accordingly (2.3.3)

Action 9. Embed continuous improvement, updating impact management practices as needed

Refine impact management practices over time based on impact results, lessons learned and changes in the sustainable development context (2.1.7, 2.3.5)

TRANSPARENCY

Action 10. Disclose how responsible business practices, sustainability and contributing positively to the SDGs are integrated into decision-making and report on performance

Disclose/report in line with the Sustainable Development Goal Disclosure (SDGD) Recommendations, Stakeholder needs, and relevant laws and regulations (3.1, 3.3, 3.5)

Communicate impact performance consistently and in context (3.2)

Disclose policies concerning human rights and other responsible business practices (3.4)

Have impact/ sustainability reports assured and implement recommendations (3.6)

GOVERNANCE

Action 11. Integrate responsible business and impact management practices into governance framework

Governing body has oversight of the Enterprise's integration of sustainability and contributing positively to the SDGs into its purpose, strategy, risk management and decision-making practices and its responsible business and impact management practices and performance (4.1)

The Enterprise's parent and/or holding company has policies, practices and performance relating to governance and responsible business practices, consistent with the requirements set out in these Standards (4.3)

Action 12. Ensure governing body leads by example

Governing body includes sustainable development competencies and diversity in its composition, operates transparently and recognizes the importance of acting on behalf of impacted stakeholders (4.2)

Governing body holds management accountable for its responsible business and impact management practices (in line with the Enterprise's values, purpose, and policies) and performance (4.2)