



# Peer Learning Groups

Connecting sustainability professionals to drive collective impact

## SME Peer Learning Group

### Session pre-read: Business Case for Sustainability

#### Topic background

To kick off, let's look at three facts:

- A study by Arabesque and the University of Oxford shows that good ESG performance results in 50% lower cost of capital and 7% higher return on equity ([See more here](#))
- 92% of investors say that companies with strong ESG performance deserve a premium valuation on their share price ([2022 Edelman Trust Barometer](#))
- 83% of consumers think companies should be actively shaping ESG best practices ([PwC](#))

Sustainability is no longer just an option, but a competitive necessity and key driver for innovation and long-term success. The [Ten Principles of the UN Global Compact](#) are an important vehicle for sustainable development as well as a critical ingredient for business' success and longevity. By integrating the Ten Principles into business strategy and operations, small and medium sized companies (SMEs) can lower operational cost and risk, strengthen customer loyalty, unlock new revenue streams, and improve relations with employees, suppliers and other stakeholders. In this session, participants will discuss how aligning their strategy with the Ten Principles is not only the right thing, but also the smart thing to do — debunking common misconceptions about SMEs and sustainability (i.e. “SMEs have a smaller footprint and therefore less responsibility”; “Significant up-front investments are required”; “Sustainability requires large teams for operationalization”) along the way.

#### Before the session

##### Questions to consider:

How do you think your business could use sustainability to

- increase revenue?
- increase your brand trust?
- decrease operational cost?
- reduce your risk from a business & regulatory perspective?

#### Recommended pre-session materials

- [Onboarding survey](#)
- Module 1 of the UN Global Compact Academy e-learning tool: Future-proofing your small and medium enterprise
  - [link](#) for UNGC participants
  - [link](#) for non-participants