

SDGs

Communication
Guide



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Introduction

In recent years, a sense of crisis with respect to "sustainability" on the global scale has been discussed throughout the world, and in Japan too responses have been discussed seriously with the involvement of the national government, local governments, the business world, and NPOs.

In particular advanced companies have already integrated the idea of sustainability with their own corporate philosophy and are operating with this idea as the principal basis of their corporate activities. Those kinds of companies raise their corporate value through the provision of products and services while also contributing to global sustainability.

Since the SDGs (Sustainable Development Goals) were adopted by the United Nations, action based on the idea of sustainability has been required in all corporate activities and the field of advertising communication, not only the advanced companies.

On the other hand, today in the field of advertising communication "excessive expressions deviating from the actual initiatives of companies" and "inappropriate expressions that could mislead consumers," for example, not only are counterproductive but also receive strong criticism from a variety of stakeholders including general consumers. In many cases this has the consequence of damaging corporate value.

Here we have referred to the views of knowledgeable persons to compile the matters that companies should understand and be aware of in relation to the 17 SDG goals* when manufacturing products and carrying out corporate advertising and promotions in this "SDGs Communication Guide."

We hope this Guide will be of assistance to the managers of companies, the employees in charge of advertising, publicity and promotions, and everyone at advertising companies. Please utilize this Guide when thinking about communication pertaining to the SDGs.

* This refers to the 17 goals under the SDGs adopted at the United Nations Summit in September 2015. For the details please refer to page 3.

Part 1

The SDGs and business management

(1) What are the SDGs?

The SDGs are the "Sustainable Development Goals" stated in the "2030 Agenda for Sustainable Development" that was unanimously adopted with the participation of the leaders of more than 150 member states at the September 2015 United Nations Summit.

The SDGs are comprised of 17 goals targeting the social issues of all countries, and 169 targets which are the achievement criteria established for each of the issues. The SDGs aim to build an inclusive and sustainable society using these goals and targets.

The SDGs encompass a broad range of issues from poverty and hunger to environmental issues, economic growth and gender, pursue affluence while also protecting global environment, and emphasize that "no one will be left behind," and the goal is to achieve them by 2030.

The 17 goals stated under the SDGs

SUSTAINABLE DEVELOPMENT GOALS
17 GOALS TO TRANSFORM OUR WORLD



* The "goals" referred to here are priority issues that show the "future vision."

(2) Background of the SDGs

The background to the adoption of the SDGs is the growing global sense of crisis regarding sustainability from 2000 onwards, and a variety of movements calling for the cooperation and participation of companies for the solution of social issues.

Comparing the SDGs with the MDGs, the predecessors of the SDGs which were adopted in 2000, the MDGs covered limited social issues such as poverty, etc. in developing countries whereas the SDGs cover solutions for a wide range of social issues such as climate change, human rights, social infrastructure and urban problems, economic growth, etc. in all countries, including developed countries. Furthermore, the SDGs expect that companies will solve social issues through the investment and innovation they carry out as a part of their business activities.

The major developments in the world pertaining to companies and society since 2000 are reflected in the change from the MDGs to the SDGs.

Domestic and overseas developments pertaining to CSR/ESG/SDGs

Year	Developments
2000	<ul style="list-style-type: none"> Adoption of the MDGs, development goals for the 15 years until 2015, at the United Nations Millennium Summit (these were the predecessors of the SDGs and were centered on issues such as poverty, education public health, etc. in developing countries) The Global Compact (UNGC), a global framework for realizing sustainable growth centered on companies, is launched after being proposed by the United Nations
2010	The ISO (International Organization for Standardization) issues the SR international standard "ISO 26000"
2011	The United Nations Human Rights Council endorses the Guiding Principles on Business and Human Rights
2012	<ul style="list-style-type: none"> The participants at the United Nations Conference on Sustainable Development (Rio+20) shared the perception that building a society based on the three elements of the economy, the environment, and society was important for sustainable development They agreed to commence intergovernmental negotiations for the Sustainable Development Goals (SDGs)
2014	The Financial Services Agency announced the Japanese version of the Stewardship Code for institutional investors
2015	<ul style="list-style-type: none"> Adoption of the SDGs at the United Nations Conference on Sustainable Development The Government Pension Investment Fund (GPIF) signs the United Nations Principles for Responsible Investment that give consideration to the environment, society, and governance The CO₂ reduction goals for 2020 onwards are agreed at COP21 (the Paris Agreement) Application of the Corporate Governance Code, a code of conduct for listed companies, commences
2016	<ul style="list-style-type: none"> The SDGs Promotion Headquarters is established in the Cabinet. The SDGs Implementation Guiding Principles are formulated
2017	<ul style="list-style-type: none"> Publication of the Business Reporting on the SDGs provided by the United Nations Global Compact (UNGC) and the GRI (Global Reporting Initiative) KEIDANREN (Japan Business Federation) revises the Charter of Corporate Behavior to incorporate the achievement of the SDGs through the realization of Society 5.0

(3) What are the SDGs for companies?

Formerly the general thinking was that countries and international institutions should deal with environmental issues and social issues. However, in recent years the reality that countries and international institutions alone are unable to fully deal with environmental issues and economic and social problems, which are growing more serious globally, has become apparent.

On the other hand, the economic and social influence of companies is expanding globally, and companies themselves are required to exercise that influence appropriately.

Companies possess a high level of ability to innovate to transform themselves in the context of changing times and provide new products and services. The SDGs expect those kinds of transformations from companies, and are calling on them to tackle the solutions to social issues as businesses.

“Business is a vital partner in achieving the Sustainable Development Goals. Companies can contribute through their core activities, and we ask companies everywhere to assess their impact, set ambitious goals and communicate transparently about the results.”

”

Ban Ki-moon,
United Nations Secretary-General

* Source : SDG Compass

(4) Advantages for business management realized by the SDGs

The SDGs are currently leading the variety of transformations and innovations that are required of companies. That opens up the possibility of "sustainable business management focused on the future."

- **Improvement and development of relationships with stakeholders**
Initiatives for the SDGs improve and develop relationships with the stakeholders of companies (a variety of individuals and organizations involved with companies). This leads to the improvement of corporate value and reduces a variety of potential social risks.
- **The solution of social issues is an enormous business opportunity**
The 2017 report of the World Economic Forum, Better Business Better World, states that "Achieving the Global Goals opens up an economic prize of at least US\$12 trillion by 2030." Enormous business opportunities related to the SDGs are expected both in Japan and overseas in relation to the solution of social issues.
- **ESG investment* that is beneficial for funds procurement**
Initiatives for SDGs function beneficially for the funds procurement of companies through ESG investment which is becoming established among the investors of the world. It is estimated that the proportion of the global balance of managed assets accounted for by ESG investment reached approximately 26% in 2016.
- **Collaboration with a variety of entities is realized with the SDGs as the common language**
By transcending national borders and the boundary between the public and private sectors and providing goals and frameworks as a common language, the SDGs connect partners that can cooperate with each other to tackle social issues, such as companies and national and local governments, small and medium-sized enterprises and regions, NPOs, etc., thereby creating opportunities to work together.

* ESG investment refers to investment carried out giving the priority to companies that take into consideration the environment, social issues, and governance.



The positioning of the SDGs at the core of their management by companies ties them to their investors through ESG investment and encourages engagement with a variety of stakeholders

(5) Points to note when working on the SDGs

Assumptions for tackling the SDGs

When companies tackle the SDGs, it is ideal for them to integrate the SDGs into their management philosophy to position them at the core of their corporate activities and promote them from a medium to long-term perspective. Moreover, it is acceptable if they satisfy the following conditions.

- The companies themselves must ascertain what kind of positive/negative impacts they are having on a variety of stakeholders.*
- They must clarify how they will respond to positive/negative impacts on stakeholders going forward.
- They must always confirm through dialogue, etc. whether they are meeting the expectations of their stakeholders.

Points to note when tackling individual measures of the SDGs

In the case of implementing measures “pertaining to the SDGs,” it is acceptable if they satisfy the following conditions.

- The initiatives must be those that are commensurate with the scale and capacity of the company.
- The outcomes of the initiatives are clear, and the progress and results can be reported using consistent indicators.
- The initiatives are sustainable initiatives, not sporadic.
- The initiatives have the inevitability of “only being possible at your own company.”

(In the case of measures implemented from before adoption of the SDGs, it is best if there are new measures which were added after the adoption of the SDGs)

* The necessity of understanding and multifaceted considerations of trade-offs between the items of the SDGs (Reference)

- The 17 goals under the SDGs such as poverty and hunger, environmental issues, economic growth, etc. are related in complex ways, so there are cases in which unforeseen trade-offs between issues arise, “development for the eradication of poverty having a negative impact on the natural environment,” etc.
- When tackling the SDGs, it is essential to take a broad overview of a variety of social issues and have multifaceted considerations for handling them.
(IGES (the Institute for Global Environmental Strategies) has published a tool for visualizing the trade-offs between the items of the SDGs. <https://sdginterlinkages.iges.jp/>)

(6) Expectations with respect to the commitments of company executives

When companies tackle the SDGs, it is expected that they will tackle measures with clear intentions and medium to long-term goals and plans, and in particular company executives are expected to communicate the content of the measures both inside and outside the company as a commitment.* No matter how much companies are facing negative problems, they are required to declare “we have this kind of problem and we will tackle it in this way.”

Ideally a commitment declares not just the outcomes of individual measures but also “the final social impact on the achievement of the goals under the SDGs.” In order to ensure that the commitments do not become self-serving, the companies are required to hold dialogues with a variety of people involved in their own company and constantly confirm whether they are meeting the expectations of those people.

* “Commitment” is used with a variety of meanings, including “involvement” and “consignment,” etc. but in this Guide we use the meaning above.

Column

The idea of human rights at the foundation of the SDGs

What companies should take into consideration first when tackling the SDGs is respect for the rights called “human rights” (responsibility to respect). At the foundation of the SDGs slogan “no one will be left behind” is the idea of human rights, so when tackling the SDGs companies are required to recognize that people in a variety of positions such as children, women, persons with disabilities, sexual minorities including LGBT people,*¹ etc. are equally entities with human rights, listen to the voices of those people, and respect their will and right to self-determination.*²

Above all else, companies must handle impacts and risks of the kind that could infringe human rights if an attempt is made to reflect them in cost increases.

Positively tackling human rights brings about the sustainability and development of business and companies and in the long term leads to the improvement of corporate value.

*¹ “LGBT” is a term comprised of the capital letters of “Lesbian,” “Gay,” “Bisexual,” “Transgender, etc.” and is one of the general terms for sexual minorities.

*² Refer to pages such as “What is human rights education?” on the HURIGHTS OSAKA website, etc. (<https://www.hurights.or.jp/japan/l>)

Part 2

The SDGs and the advertising communication of companies

(1) "Advertising communication using the SDGs" to improve corporate value

Gaining a good reputation from society and customers with "advertising communication using the SDGs"

As "a sustainable company that complies with the philosophy of the SDGs and keeps in mind the future and society," we can expect effects like the following if we are understood by society overall and our customers and gain a good reputation from them.



- **With respect to the inside of companies →**

SDGs become the common language of in-house integration and centripetal force improves

Improve in-house integration and centripetal force and accelerate promotion of the SDGs by gaining a good corporate brand evaluation from society and customers and the SDGs becoming a common language that indicates the future of the company.

- **With respect to a variety of stakeholders →**

creates opportunities for constructive dialogue and creative relationship-building

If the management philosophy and its application are understood, that becomes an opportunity for dialogue with stakeholders and creative relationships.

- **With respect to a variety of organizations and groups such as companies, local governments, regions, NPOs, etc. →**

brings about the potential for diverse collaboration and co-creation

If the stance and intentions of the company regarding the promotion of the SDGs are communicated, the potential for collaboration and co-creation with a variety of companies, local governments, regions, and NPOs will be opened up.

- **When notifying and advertising new businesses and new products →**

evaluation and understanding is obtained from a higher viewpoint

When launching and notifying businesses aimed at the solution of social issues, if the business is evaluated and understood from a high viewpoint then this contributes to promotion of the business.

(2) Method of getting publicity for initiatives for SDGs

If we make active appeals with "advertising communication using the SDGs" to what kind of company we think we want to become in the future, and what kinds of products and services we will provide to solve social issues, then we will be able to communicate the stance of the company clearly to each stakeholder.

When communicating, it is effective to utilize perspectives like the following and furthermore to incorporate measures that enable consumers and diverse stakeholders to collaborate to tackle the goals under the SDGs.

Corporate advertising, product advertising, and promotions

■ Management strategy/medium to long-term strategy

Combine the company's intentions for the future with the goals under the SDGs and actively utilize communication.

■ Products and services

Closely examine on a factual basis whether the company's products and services match the goals under the SDGs, not only at the time of use but also at the time of raw materials procurement and product manufacturing, and after use, etc., and actively utilize this information in the communication.

■ Promotions/campaigns

Formulate and implement a range of promotions and campaigns to encourage participation in and cooperation with the SDGs by customers and a variety of stakeholders.

■ Utilization of a range of certification labels

Utilize sustainable certification labels by third parties that can be trusted, such as environmental labels*1 and fair trade labels*2, etc. in the products and services provided by the company.

*1 Environmental labels are labels that communicate environmental information about products and services to purchasers through products and packaging labels, product instructions, advertising, public relations, etc. ISO has established standards divided into three types.

*2 Fairtrade labels are labels which certify that the international Fairtrade Standards stipulated by Fairtrade International have been met in each process from when the raw materials were produced to importing and exporting, processing, and the manufacturing process until the product is completed as an "international Fairtrade certified product."

(3)-1 What is SDGs wash?

In the case that companies use the SDGs in their communication to expand the corporate value and sales of their own company, there is a danger that the company will receive criticism and suggestions for improvement from each stakeholder due to mistaken methods of communication. In order to realize correct "advertising communication using the SDGs" it is necessary to understand what the point of the communication is.

In the 1980s companies that appealed to their environmental friendliness despite the fact they were actually having a bad impact on the environment were criticized for carrying out a "Greenwash."

Currently "Greenwash" is used as a word with the negative nuances of

- (i) Pretending the company as environmentally-friendly even though there is no truth to that
- (ii) Pretending the company as environmentally-friendly to a greater extent than is true
- (iii) Transmitting only good information without communicating inconvenient facts

Precisely because the activities of the SDGs are tackled while aiming for high ideals, sufficient consideration regarding their communication is required to ensure that it doesn't attract doubts and criticisms that perhaps it is an "SDGs wash"* in the same way as a "Greenwash."



* The image is provisional.

* "SDGs wash" is a coined word combining "whitewash," which means "deception" and "false presentation" in English, with "SDGs" and it is a word that has started to be used in Europe. It means communication that evokes "for society" and "involvement with social issues" to a greater extent than is true due to the sound of the word "SDGs."

(3) - 2 Effects that SDGs wash has on companies

It damages the relationships of trust between consumers and individual companies

It damages the appeal of the company as an investment & loan destination

Once a company has been accused of SDGs wash, there is a possibility that the sense of trust in the company and its products and services will be damaged and the corporate activities overall will sustain major damage.

Put simply, SDGs wash is "the claims made in advertising and the actual behavior (activities) of the company differing." There is a possibility that this will go beyond being a problem of communication to seriously damaging the appeal of the company as an ESG investment and loan destination.

(3)- 3 Ambiguity and vagueness of SDGs wash and human rights

We briefly discuss SDGs wash and matters pertaining to human rights as points to note when engaging in communication, taking into account the fact that the idea of human rights is at the foundation of the SDGs.

- **The judgment criteria differ depending on the country and region, and the perceptions and religion of the people**

There are no international guidelines for SDGs wash and their good and bad aspects are not judged based on law. The judgment of specifically what kind of expression is equivalent to a "wash" differs greatly depending on the literacy of individuals and the situation of the country and society.

- **The judgment criteria change due to the trends of the era and society**

Currently suggestions for improvement and criticism by opinion leaders, etc. regarding expressions that do not equate to "wash" are having an impact on the way of thinking of many people through social media, etc. and it is possible that social criticism that "it is SDGs wash" will suddenly spread.

- **The judgment criteria change depending on the company scale and industry, etc.**

There are cases in which a company sets out goals that it believes are achievable based on its internal resources but if the company scale is taken into account actually the scale is not adequate to be able to say the company is tackling the SDGs. There is a danger that the company will be suspected of insincerity if it communicates in this way. It is necessary to firstly set goals commensurate with the company scale before doing any advertising, and the setting of goals commensurate with the industry characteristics and the region in which the company will be active is required first of all.

- **It is important to be careful to make the judgment for the goals under the SDGs overall, including taking into account negative impacts**

It is dangerous for companies to do advertising that only presents the positive aspects of measures related to the goals under the SDGs. If the company does not take into consideration the negative aspects of the impact of the business of the company overall on society, rather than only the implemented measures, and disclose those negative aspects as well, there is a risk that it will be judged as engaging in a "wash."

(3)- 4 Matters for confirmation in advertising planning

Confirmation should be carried out in advance of planning the advertising communication for the SDGs

In the case that you are planning the advertising communication for the SDGs, have the following points been satisfied?

We recommend that you carry out confirmation.

- The measures are those on a scale that is suitable for the scale and capacity of the company
- The outcomes of the measures must be clear. The progress and results can be reported using consistent indicators.
- They are sustainable measures, not sporadic.
- The measures have the inevitability of “only being possible at your own company.”

* Ideally the planning should be carried out only after understanding the goals of the SDGs pertaining to the measures.

* In the case of measures that have continued from the past, ideally there should be facts such as "new measures which were added after the adoption of the SDGs," etc.

(3) - 5 Checkpoints for the avoidance of SDGs wash and consideration for human rights

Measures to avoid SDGs wash

- (i) **Avoid expressions which have no basis and for which the information source is unknown**
 - In the case that the materials that form the basis for the expressions are not very reliable and in the case that there are no verifying materials
- (ii) **Avoid expressions which exaggerate beyond the facts**
 - The case of greatly emphasizing and appealing to initiatives for the SDGs which are not that big, and discussing small initiatives to an exaggerated degree
 - The case of using expressions that suggest the company is voluntarily taking into consideration matters that are regulated by law anyway
- (iii) **Avoid vague expressions for which it is difficult to determine the meaning of the words**
 - Copywriting lacking specificity regarding the response to the SDGs for which it is difficult to determine the meaning of the words, etc.
- (iv) **Do not use visuals with little relationship to the facts**
 - Aiming to create or amplify the SDGs image using photographs of "poverty," "education," etc. despite there being no consideration given to the SDGs in fact, etc.

Consideration for human rights

- (v) **Use expressions after looking up the original etymology of the words**
 - Be careful of the fact that cases in which the meaning of words is different depending on religious background, etc. are possible
- (vi) **Verify whether or not the means of expressions of people and groups that appear in advertising expressions are appropriate**
 - Check whether or not stereotypical roles and images, prejudices, discrimination consciousness, etc. have been expressed
- (vii) **Be aware that there are differences in values and culture in each country**
 - Be aware that evaluations and understanding of history and ethnic groups differs greatly depending on the country and ethnic group, etc.

In conclusion

Going forward the integration of the SDGS and management will be an important issue for companies but, as explained in this Guide, it is necessary to be careful about many points when implementing advertising and communication.

In advertising communication taking into account the SDGs, “the declaration of intentions” and at the same time “sincerity” are particularly important. Furthermore, regarding advertising expressions, even if suggestions for improvement have been received from the stakeholders, if the company “sincerely” engages in dialogue with respect to the indicated problems that will lead to the company being understood more, leading to the stakeholders also gaining opportunities for more growth.

The following kinds of activities are not direct advertising communication, but they are important for gaining credibility for the company. They have the potential to be measures for the risk of not taking measures for the SDGs, and on the other hand they lead to the creation of opportunities.

- Release of initiatives and policies for issues pertaining to the products and services provided by one’s own company that have a negative impact
- Active provision of products and services with little negative impact

Opportunities for the SDGs to be used in public relations are increasing in companies in Japan and overseas. Please utilize this Guide when carrying out appropriate public relations activities.



Contact: Dentsu SDGs Project Email: team-sdgs@dentsu.co.jp

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List of Creation Committee As of 1 April, 2018

Name	Affiliation / Title
Toshihiko Goto / Chair	Executive Director Global Compact Network Japan CEO, Sustainability Forum Japan
Mikako Awano	Founder & CEO, General Association SusCon Japan
Yumiko Horie	Advocacy Manager, Save the Children Japan
Ichiro ISHIDA	Director Marketing Strategy Division, The Asahi Shimbun
Koichi Kaneda	CSR Promotion, Senior Director, ANA HOLDINGS INC.
Koji Kinoshita	Chair of Environmental Subcommittee, Japan Advertising Agencies Association
Kaori Kuroda	Executive Director, CSO Network Japan
Taikan Oki	Professor, Integrated Research System for Sustainability Science, The University of Tokyo Institute for Advanced Study Senior Vice-Rector, United Nations University Assistant Secretary-General, United Nations