



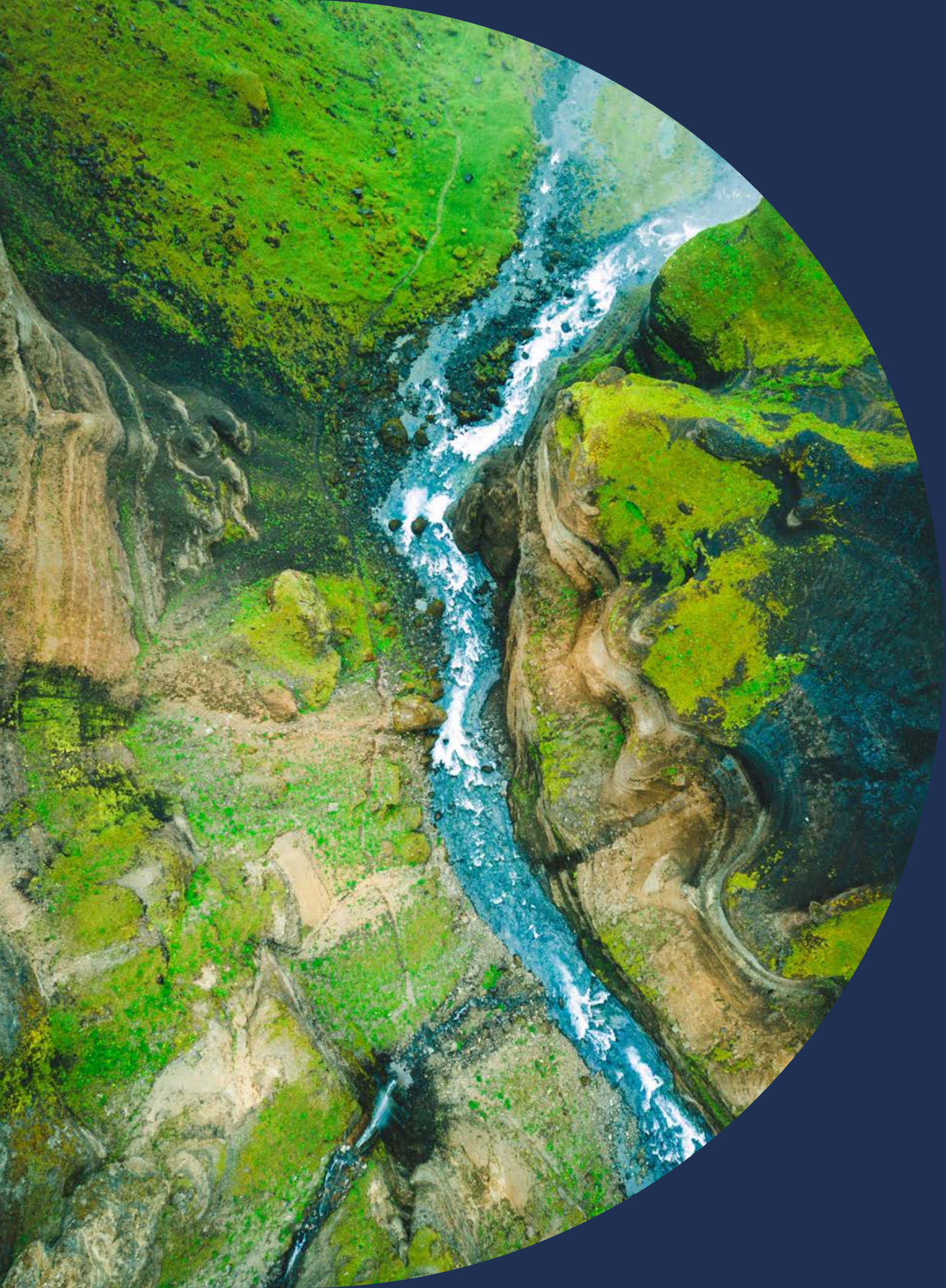
United Nations
Global Compact

accenture



SDG STOCKTAKE

THROUGH THE EYES OF THE PRIVATE SECTOR



**“ Unless we act now,
the 2030 Agenda will
become an epitaph
for a world that
might have been.”**



António Guterres
United Nations
Secretary-General

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An appraisal of private sector contributions to the Sustainable Development Goals (SDGs) in the first half (2015-2022), and a clear path forward for the second half (2023-2030).

In partnership with the International Organization of Employers, International Chamber of Commerce, and World Business Council for Sustainable Development.

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FOREWORD: UNITED NATIONS GLOBAL COMPACT



Sanda Ojiambo

Assistant Secretary
General, Executive
Director and CEO
United Nations
Global Compact

At the halfway point to 2030, the world is not on track to achieve the Sustainable Development Goals (SDGs) agreed in 2015. We are at a critical moment, and the world must change course to put sustainable development back on track.

The United Nations Global Compact-Accenture Global Private Sector Stocktake report finds that while the private sector remains confident in the SDGs as a vision for the future, it is losing confidence in our ability to achieve the SDGs in the remaining time.

Despite strong, positive contributions to economic growth and job creation by the private sector, these impacts are countered by powerful detriments to climate, nature, water and waste - exacerbating net negative impacts on global health, poverty and hunger. Rescuing and accelerating progress on the SDGs will require us to simultaneously expand the benefits of capitalism to more people, transform its basis to be more sustainable and scale up new incentive systems that shift our focus to the long-term balancing of risk, return and SDG impact.

The UN Secretary-General has made a strong call for accelerated, accountable and credible business action in line with the SDGs. In this report, we propose 10 pathways for businesses to take action on the 17 SDGs, recognizing the importance of the private sector focusing its actions where it can have an outsized impact.

This shift for our future is only possible if all stakeholders from the private, public and non-profit sectors work together more closely with a clear plan in mind. Business leaders are calling on stakeholders from the public sector and throughout supply chains to step up ambition and enable change through policy and partnerships.

In compiling this report, we are grateful to many colleagues at the UN Global Compact, especially Sue Allchurch, Sean Cruse and Bo Yang. We also recognize the leadership of our Accenture collaborators, in particular Michael Hughes, Emilia Hull, Evin Hipple, Noah Spector and Daniel Shropshall, for their insights and contributions. Furthermore, this report is a testament to our partnership with the International Organization of Employers, International Chamber of Commerce, World Business Council for Sustainable Development and UN Department of Economic and Social Affairs. The strength of our global partnership will be a critical determinant of future success.

Finally, on behalf of the UN Global Compact, we would like to express our profound gratitude to the business leaders and other stakeholders who participated in forming the findings of this report.

We are moving ever closer to 2030, and the stakes are high. It is time for the private sector to take bold, ambitious actions to move us forward faster.

FOREWORD: ACCENTURE



Stephanie Jamison
Sustainability
Services Lead



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Global Lead
Inclusive Business

The private sector is a critical stakeholder in achieving the SDGs – and, at the half-way point to delivering them, business leaders want to rise to the occasion.

Businesses contribute to all 17 SDGs and their actions will be key to meeting – or missing - the goals by 2030. However, most private sector contributions today are not properly measured, and as result the business community struggles to understand, report, and manage their impact on the SDGs.

But this is changing. Just five years ago, using multiple large data sets to answer the key question of the private sector’s impact on the SDGs would have been impossible. Today, with advances in technology and data analytics, we are able to explore new ways of measuring the SDG impact of thousands of individual companies in consistent ways, and explore this relationship with ESG reporting.

This unlocks exciting possibilities. This report is a good example of what can be achieved, on how these new tools can be used to get a better understanding about the strongest contributions and also negative impacts companies are driving. It is also a tool to articulate plans like the 10 key pathways developed in the report to accelerate the ambitious action needed of the private sector.

We would like to thank the three data providers ESG Book, Impaakt, and Util for their efforts in pioneering impact measurement, providing access to their data, and supporting our analysis. We’re thrilled to have continued our long-standing partnership with the UN Global Compact, and thank their teams for collaborating so well. In a world where partnerships are key to creating outsized impact, we are excited to continue to be able to work closely with the UN Global Compact to help accelerate change in the private sector.

This analysis is a taste of what digital innovation is now making possible – the integration of risk, return, and SDG impact. At Accenture, our purpose is to deliver on the promise of technology and human ingenuity. If the world can realize this promise, it is possible to attain the sustainable future the SDGs represent.



EXECUTIVE SUMMARY

Based on a combination of innovative data sources, this report measures the global private sector's impact on the SDGs for the first time. Strong positive contributions to economic growth and job creation are countered by powerful detriments to climate, nature, water, and waste – exacerbating net negative impacts on global health, poverty, and hunger.

At the midpoint between 2015 and 2030, 85% of all SDG indicators are off track and none of the SDGs are on track for achievement by 2030, according to the 2023 Sustainable Development Report.

The United Nations Global Compact-Accenture Private Sector SDG Stocktake report examines the impact of the private sector on the SDGs thus far, and how they can accelerate action moving forward. The first part of the report provides a detailed look into the private sector's contribution across all 17 SDGs. By combining new measures of SDG impact analysis with ESG reporting, earnings call transcript analysis, economic impact assessments, and a survey of over 2,800 business leaders, this report produces a comprehensive look into how the private sector has contributed to the SDGs so far.

The second half of the report outlines a blueprint for action looking ahead to 2030. Building on the United Nations Global Compact Forward Faster priorities, the report presents a practical framework for business leaders to create an outsized impact. The report concludes by exploring business attitudes to a collection of important public policy interventions that could accelerate SDG action.

Analyzing SDG impact data uncovers that the private sector's greatest contribution to the SDGs has been through creating employment opportunities and advancing economic growth. However, this growth has come at a cost, namely to the environment. Negative environmental factors are also further driving social disruption in poverty, hunger, health care, and global peace.

This report finds that business leaders' attention on the SDGs has fallen in recent years. Furthermore, confidence in the viability of achieving the SDGs is waning. While nearly all (94%) business leaders believe in the vision of the SDGs, only half (49%) of them believe that the world will achieve the SDGs by 2030.

The private sector needs to step up. While the majority (81%) of business leaders believe their businesses are doing enough to contribute to the SDGs, fewer (62%) feel that their industry is doing enough, and only half (48%) state that the private sector is doing enough. Furthermore, almost half (44%) of business leaders look to governments as the key stakeholder they would like to engage more when it comes to SDG action.

Accelerating progress on the SDGs will require the private sector to simultaneously expand the benefits of markets to more people, transform economies to be more sustainable and scale up new incentive models that shift our focus to the long-term balancing of risk, return and SDG impact.

To chart the path to 2030, we recommend 10 key pathways forward:

- 1. Recommit to the basics**
- 2. Provide a living wage**
- 3. Promote gender equality**
- 4. Innovate responsibly**
- 5. Accelerate climate action**
- 6. Improve water resilience**
- 7. Protect and restore nature**
- 8. Invest in circularity**
- 9. Commit to sustainable corporate finance**
- 10. Strengthen sustainability leadership**

Disclaimers: (1) we recognize many actions can be taken to advance the SDGs. We focus on cross-industry actions only. (2) this report is biased towards businesses based in the Global North based on survey respondents and data availability. Our analysis is intended to be relevant to businesses of all sizes across all countries, and we recognize that the Global South is especially vital to achieving the SDGs.



SDG BUSINESS REPORT:

**OVERVIEW OF THE PRIVATE
SECTOR'S CONTRIBUTIONS
TO THE SDGS (2015-2022)**

AT THE MIDPOINT TO 2030, THE SDGs ARE IN PERIL

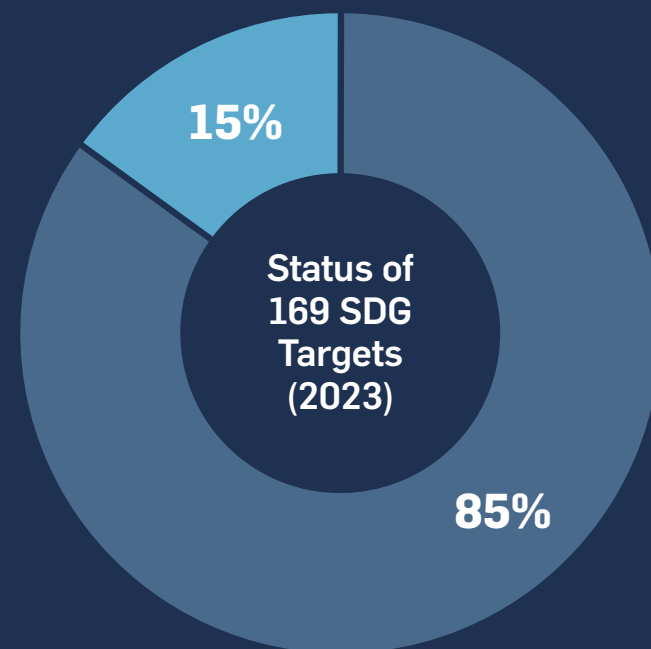
At the current rate of change, 85% of SDG targets are off track and none of the SDGs are on track to achieve by 2030, according to the 2023 Sustainable Development Report.¹

Global shocks such as the COVID-19 pandemic, the war in Ukraine, high levels of inflation, and extreme weather events have dramatically slowed or reversed progress on the SDGs. Millions of people have been pushed into extreme poverty and hunger, experienced disruptions to education and lost access to routine health services.

These setbacks, along with historic underspending and condensed timescales have now widened the

SDG financing gap to \$11–15 trillion per year, or four times greater than current spending levels according to the latest estimates by the Force for Good Initiative.²

Assessing the private sector's contribution to achieving the SDGs since 2015 requires a comprehensive research approach. First, it is important to define the role that the private sector plays in achieving the SDGs to understand how businesses contribute to the SDGs. Second, and once roles are defined, it is critical to identify the areas where businesses have focused and the barriers that they face in creating a positive impact on individual SDGs.



85% of the 169 SDG targets are showing either limited or no progress or a reversal in progress

BUSINESS PLAYS A KEY ROLE IN PROGRESSING THE SDGS

The private sector is a critical contributor to SDG progress. This report is dedicated to assessing the private sector's contributions thus far, and how action can be accelerated moving forward.

Every business contributes both positively and negatively to the SDGs. While not every business plays each role outlined below, the private sector in totality – across industries, countries, and business sizes – contributes to the SDGs via these roles.

Businesses also recognize their role and responsibility when it comes to the SDGs. When determining how they can best contribute positively in the remaining time, they look to double down on their key strengths. In a global survey of over 2,800 business leaders, respondents stated that their greatest contributions to the SDGs can be through: (1) powering innovation (25%), (2) creating decent jobs (21%), (3) improving environmental stewardship (13%), and (4) influencing global supply chains (12%).*

KEY ROLES BUSINESS PLAY IN CONTRIBUTING TO THE SDGS

ROLE	ILLUSTRATIVE STATISTICS
Innovator	\$16 trillion will be added to global GDP by 2030 due to artificial intelligence (AI) adoption ³
Employer	90%+ of all jobs in LMICs are created in the private sector ⁴
Engine of Growth	Over 60% of \$106 trillion global GDP is driven by private sector activity ⁵
Environmental Steward	40% of GHG emissions⁶ come from listed companies and 70% of water⁷ is used by farms
Investor	Under 1% of liquid assets are in sustainable investments: we need a 50X increase by 2030 ⁸
Producer of Goods & Services	Over 80% of production in LMICs is private sector driven ⁹
Policy Influencer	\$4 billion is spent on lobbying annually in USA alone; up from \$3.2 billion in 2015 ¹⁰
Skill-BUILDER	70%+ of businesses globally started spending more on skilling since the pandemic ¹¹
Supply Chain Influencer	80-90%+ of environmental impacts are not in direct operations but in supply chains ¹²
Tax-Payer	\$10 trillion is paid every year in payroll-, value added-, property- and corporate taxes ¹³

*Survey Question: Between now and 2030, how can your company make its greatest contribution to the SDGs? Rank 1-3. Percentages reflect the number of responses that selected each as #1

LEADING ORGANIZATIONS SIGNAL THEY ARE ALREADY TAKING ACTION

95%

understand how their business impacts the SDGs

91%

have a public commitment toward one or more of the SDGs

79%

have identified a business case for advancing at least one SDG

78%

have changed their product or service offerings to align with at least one SDG

*Survey Question: How much do you agree or disagree with the following statements on the SDGs?

THE PRIVATE SECTOR BELIEVES IN THE VISION OF THE SDGs, BUT CONFIDENCE IN ACHIEVING THEM IS WANING

Business leaders believe in the world view imagined by the SDGs. Yet despite growing focus and incremental progress, business leaders are not confident in the global population's ability to follow through and achieve the SDGs by 2030.

BUSINESS BELIEVES IN THE VISION OF THE SDGs

BUT CONFIDENCE IS LOW

94%

of business leaders believe that the SDGs represent a unifying global vision

96%

of business leaders believe that the private sector plays a crucial role in achieving the SDGs



49%

of business leaders believe the world will achieve the SDGs by 2030

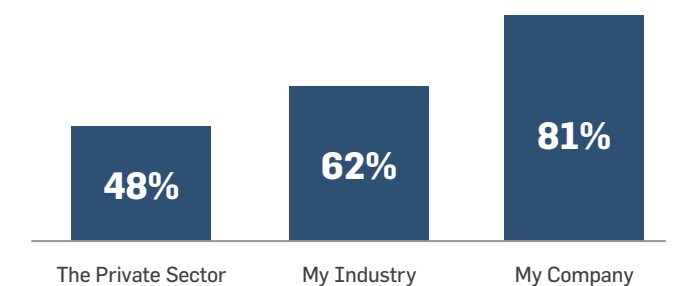
BUSINESS LEADERS LOOK TO PEERS TO STEP UP

Despite high confidence in their own contributions to the SDGs, business leaders are less confident in their peers' contributions. This could potentially showcase a 'shift the blame' mentality.

Furthermore, optimism in actions sharply contrast with reality, where 85% of the 169 SDG targets are off track. Leaders could therefore be showing an optimism bias.

Overall, while individual actions are needed to achieve the SDGs, there needs to be greater collaboration and engagement across the ecosystem.

BUSINESS LEADERS' CONFIDENCE IN POSITIVE CONTRIBUTION ACROSS THE PRIVATE SECTOR



*Survey Question: How much do you agree or disagree with the following statements on the SDGs? (___ is doing enough to contribute to the SDGs)

SDGS ARE ON THE RISE, BUT STILL NOT A PRIORITY FOR LEADERS, AND FURTHER THREATENED BY RECENT CRISES

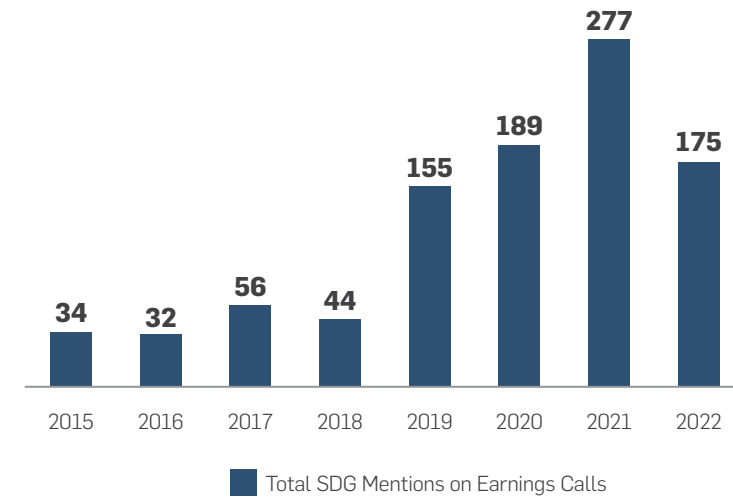
INVESTOR ATTENTION ON THE SDGS ROSE BETWEEN 2015 AND 2021, BUT HAS SINCE SHIFTED DUE TO COVID-19 AND THE WAR IN UKRAINE

Increasing focus on the SDGs in business leaders discussions with investors is reflected in earnings call transcripts. Between 2015 and 2021, the number of mentions of the SDGs increased sevenfold.

Yet focus has fallen by more than one third, as a combination of global challenges including the pandemic, the war in Ukraine and rising inflation have distracted business leaders' scarce attention from the SDGs at precisely the time when greater focus is urgently needed.

MENTIONS OF 'SDG' ON EARNINGS CALLS, 2015-2022

Source: CB Insights



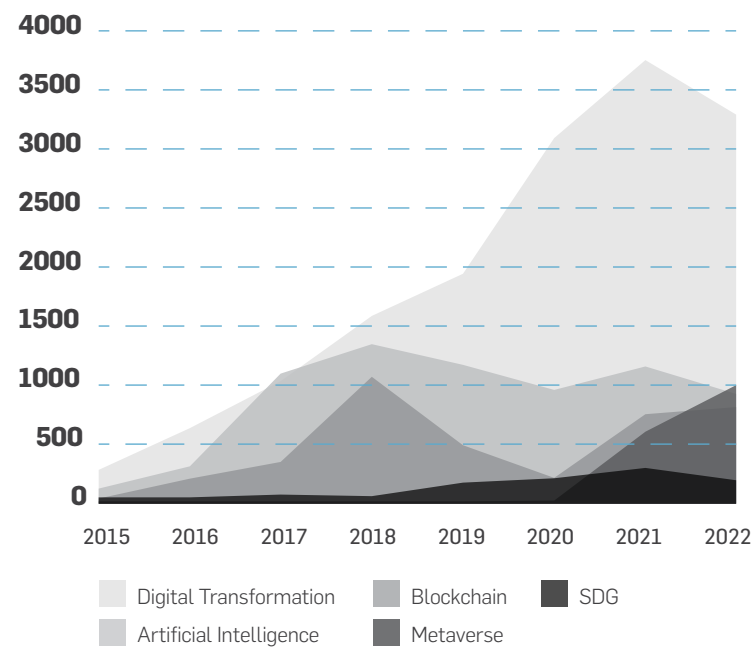
PRIORITIZATION OF THE SDGS IS NOT ON PAR WITH EMERGING TECHNOLOGIES

Despite growing focus on the SDGs, they are still not a priority for many business leaders. When compared to the latest slate of emerging technologies, the SDGs register significantly less interest in earnings calls.

More specifically, digital transformation has received almost 18 times more attention and blockchain has received nearly four times more attention than the SDGs in investor conversations. If the private sector is to make any contribution to the SDGs, business leaders must meaningfully prioritize the SDGs in strategic conversations.

MENTIONS OF TECHNOLOGIES & SDGS DURING EARNINGS CALLS, 2015-2022

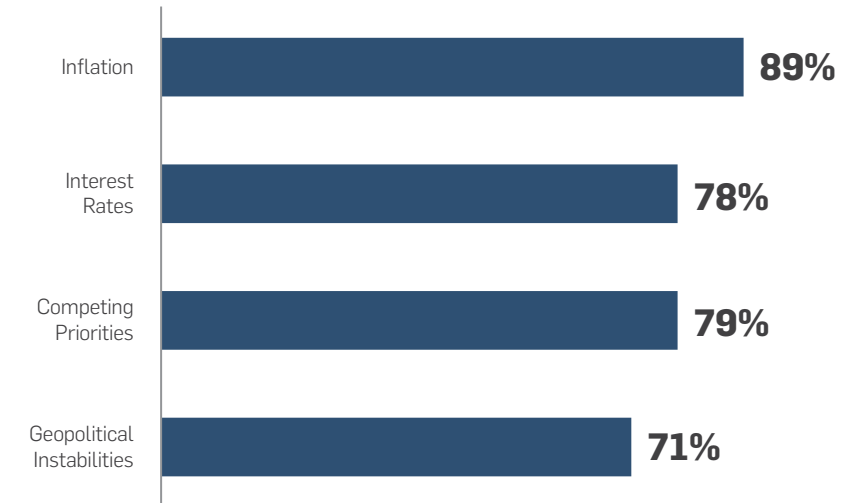
Source: CB Insights



BUSINESSES FACE CYCLICAL AND STRUCTURAL BARRIERS THAT IMPACT THEIR ABILITY TO CONTRIBUTE TO THE SDGS

Survey Question: How much of an impact does each of the following have on your company's ability to contribute to the SDGs?

CYCLICAL BARRIERS



The rise of concurrent crises is affecting the economy worldwide. As inflation and interest rates rise, leaders face competing priorities that are drawing attention away from the SDGs.

STRUCTURAL BARRIERS



However, there are underlying structural problems that are preventing companies from prioritizing the SDGs. Namely a lack of (1) incentives, as payback periods are long and supportive policies are insufficient, and (2) ability to use data to drive key decisions and influence supply chains into taking action.

*Source: UNGC Private Sector Stocktake Survey (n = 2,859)

BUSINESSES STRUGGLE WITH THE SDGs

Despite the rise of sustainability, business leaders have struggled to measure and understand their businesses' impact on the SDGs. Private sector focus on sustainable development is predominantly centered on ESG regulation. This is reflected in earnings calls, during which the term 'ESG' is mentioned 46 times more than 'SDG.' Business leaders need the tools and education to understand how their businesses impact the SDGs.

THE RISE OF 'SDG-WASHING'

With no clear business metrics tied to the SDGs or standardized reporting on SDG impact, there has been a rise in 'SDG washing'.

Misallocation of impact could be due to a deeper misunderstanding on the part of the business community of how actions relate to the SDGs, as well as the inability to properly track and measure impact data.

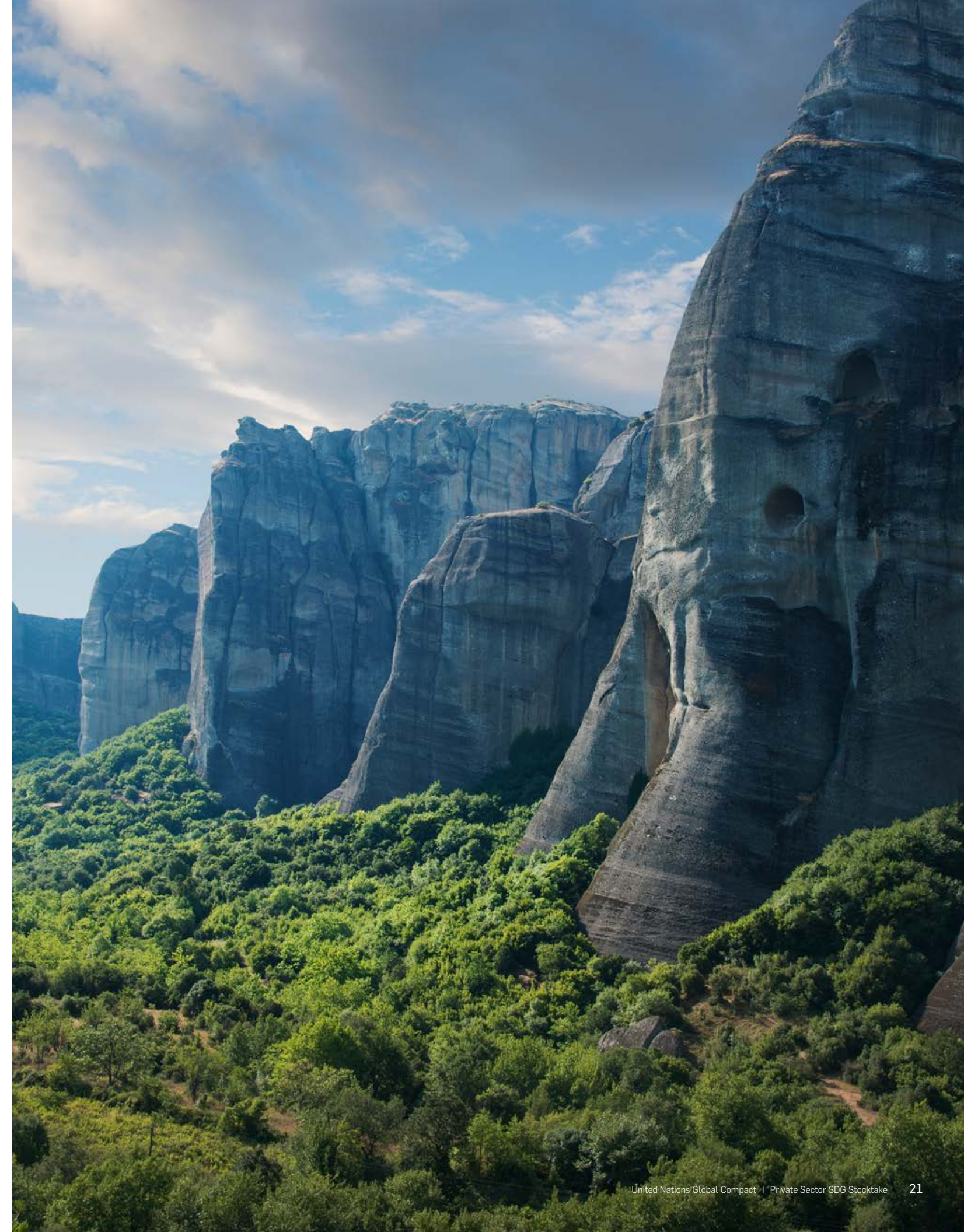
However, it could also be the product of the current system. Incentives in the private sector are often oriented on short-term profitability and do not encourage long-term impact. The tendency to over-value short-term profits over long-term impact is a structural and psychological barrier to meaningful contributions to the SDGs. This can lead to businesses over-stating the importance of relatively small positive impacts, while ignoring their lack of measurement and significant investment to tackle larger negative impacts.

WIDER UNDERSTANDING AND MEASUREMENT OF SDG IMPACT WILL UNLOCK FUTURE PROGRESS

To ensure clear measurement and reporting, it is imperative that leaders begin to complement ESG metrics, which focus on reducing sustainability risks to business, with SDG impact metrics, focused on optimizing positive contributions.







Bridging the gap between ESG and SDG will enable for rapid adoption and better impact measurement and reporting. Leveraging the progress in ESG metrics will allow for more accurate estimation of SDG progress and provide businesses with clear, measurable goals which can ultimately be integrated into accounting and taxation systems.

Many organizations are now working on not only ESG measurement, but also the tie-in to the SDGs. This has led to a rise of a new industry around sustainability measurement, with multiple innovative new players. This report is just a preview of what is becoming possible, transitioning to a 'risk, return and SDG impact' mindset across the global private sector.









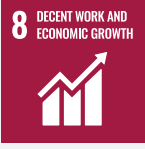








NEW APPROACHES TO SDG IMPACT MEASUREMENT ARE EMERGING, ENABLING DATA-DRIVEN INSIGHTS ON PRIVATE SECTOR SDG CONTRIBUTIONS

In this report, we combine three data sources to derive insights and form a composite picture of SDG impacts, recent trends and how this links to ESG metrics.

Provider			
Description	Crowdsourced ratings of SDG impact based on sustainability and business themes.	AI-powered scan of peer-reviewed journals to quantify the impact of revenue on the SDGs.	Mapping of ESG metrics to the SDGs to uncover how well ESG reporting covers SDG impact.
Approach	1.2 million Assessments done by a community of over 50,000 contributors that score companies on the value and scale of their impact across 40+ topics. Aggregate scores in the report are the weighted average of each analysis for that company or that topic, weighted by the scale of each analysis. ¹⁴	120 million Academic articles are scanned to identify the impact of products and services on each of the SDGs. Impacts are attributed to revenue to quantify impact in easily understood terms. ¹⁵	200+ ESG metrics are mapped to the SDGs to identify how well ESG reporting is aligned to the SDGs and where reporting is lacking. ¹⁶
Example	What is the balance of positive and negative impact?	What is the balance of positive and negative revenue?	How many relevant items are reflected in ESG metrics?
			6
Key Insights	Based on human experts scoring themes, which consider impacts of employment, products, processes, philanthropy and tax on SDG 1, the net impact of the private sector is 'very positive'.	Based on algorithms scoring product impacts and weighting this by where revenue is generated and where SDG 1 needs are greatest, net revenue alignment is 'somewhat negative'.	Based on Accenture analysis to map a standard set of 200+ ESG metrics to the 17 SDGs, only six relate to SDG 1 (i.e. it gets little focus relative to other SDGs).

Disclaimer: any use of these providers does not suggest endorsement nor involvement of the UN Global Compact in their methodology to score and/or assess companies on their implementation of the Ten Principles and contribution to the SDGs.

THE PRIVATE SECTOR'S BIGGEST POSITIVE IMPACTS ARE POWERING GROWTH THROUGH CREATING JOBS, BUILDING SKILLS, INNOVATING, AND INVESTING IN INFRASTRUCTURE

	WHAT IS THE BALANCE OF POSITIVE AND NEGATIVE IMPACT?	WHAT IS THE BALANCE OF POSITIVE AND NEGATIVE REVENUE?	HOW MANY RELEVANT ITEMS ARE REFLECTED IN ESG METRICS?
			8
			22
			51
			15
			38

Key Insights

Investments in upskilling employees are driving a positive impact in education.

The private sector is advancing clean energy and infrastructure.

The private sector is driving job creation, yet the quality is sometimes declining, leading to mixed impact.

All sectors contribute to work and growth.

Education impacts are mostly driven by ICT (EdTech) & Financials (student loans).






Four key sectors – Extractives, Infrastructure, Manufacturing, and Transport – are driving positive impacts on infrastructure and clean energy, yet air pollution is negatively affecting cities.

Progress on wages, employee safety and human rights are significant focus areas in ESG reporting (with 51 metrics).

There is limited focus on education and skilling (with only 8 metrics), despite the criticality of these topics to long term business sustainability.

KEY  Very Positive  Somewhat Positive  Mixed  Somewhat Negative  Very Negative

GROWTH HAS BEEN ACHIEVED AT UNSUSTAINABLE COSTS – THE PRIVATE SECTOR’S MOST NEGATIVE IMPACTS ARE EVIDENT ACROSS CLIMATE, WASTE, WATER AND NATURE

	WHAT IS THE BALANCE OF POSITIVE AND NEGATIVE IMPACT?	WHAT IS THE BALANCE OF POSITIVE AND NEGATIVE REVENUE?	HOW MANY RELEVANT ITEMS ARE REFLECTED IN ESG METRICS?
	↓	↘	22
	↓	↘	74
	↓	↓	37
	↓	↓	28
	↓	↓	35

Key Insights

For all five SDGs – many positive impacts (e.g. products that cut water use or GHG emission reductions) are being offset by the scale of damage being caused.

Almost all revenue, which represents products and services, is negatively aligned due to the lack of pricing of externalities, leading to negative SDG impacts.

All these SDGs are fairly well represented in ESG measurement, showcasing the progress in environmental sustainability reporting.

Responsible consumption and production in particular stand out as a key SDG for the private sector.

ENVIRONMENTAL DAMAGE IS DERAILING PROGRESS ON SOCIAL GOALS AND THE PRIVATE SECTOR’S IMPACTS ON POVERTY, HUNGER, HEALTH CARE AND PEACE ARE MIXED

	WHAT IS THE BALANCE OF POSITIVE AND NEGATIVE IMPACT?	WHAT IS THE BALANCE OF POSITIVE AND NEGATIVE REVENUE?	HOW MANY RELEVANT ITEMS ARE REFLECTED IN ESG METRICS?
	↑	↘	6
	↗	→	4
	→	↘	36
	↘	↘	69

Key Insights

Very positive impacts on poverty via job creation in low- and middle-income countries.

Positive impacts on hunger due to agriculture.

Mixed impacts on health between vaccines and R&D, and heat stress and air pollution.

Somewhat negative impacts on peace and justice from lobbying, corruption, and bribery.

Negative impacts on poverty, hunger and health are driven by climate change and effects such as air pollution and crop failures.

Poverty gets relatively little focus as private sector action is limited.

Peace and justice gets a very high focus, as this goal covers key governance topics including tax, bribery, corruption and human rights.

KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

Note: see Appendix for details on methodology and scoring thresholds

KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

THE BENEFITS OF GROWTH HAVE NOT BEEN SHARED EQUALLY – PRIVATE SECTOR IMPACT ON GENDER EQUALITY AND INEQUALITY HAS BEEN MIXED

	WHAT IS THE BALANCE OF POSITIVE AND NEGATIVE IMPACT?	WHAT IS THE BALANCE OF POSITIVE AND NEGATIVE REVENUE?	HOW MANY RELEVANT ITEMS ARE REFLECTED IN ESG METRICS?
5 GENDER EQUALITY	↓	→	13
10 REDUCED INEQUALITIES	→	→	36

Key Insights

Despite progress in gender, overall impact remains negative due to few women in management, limited access to flexible and remote work, and large and persistent gender pay gaps.

Mixed impacts on inequality are due to persistent bias and harassment in work. Products are being designed more inclusively and with better accessibility standards.

Health and Consumer Goods drive positive impacts on Gender by producing female hygiene and reproductive health products.

ICT and Financial Services drive positive impacts on Gender and Inequality due to remote work, e-commerce, financial inclusion, micro-finance, micro-insurance.

Gender and Inequality gets moderate focus in ESG reporting with 13 and 36 metrics respectively.

This is helping to improve the monitoring of critical challenges such as gender pay gaps, the portion of staff on minimum wages, the portion of female staff and portion of women in management etc. across the private sector.

PARTNERSHIPS ARE A BRIGHT SPOT – THE POSITIVE IMPACTS ACHIEVED IN THE FIRST HALF CAN BE BUILT UPON AND ACCELERATE PROGRESS IN THE SECOND

	WHAT IS THE BALANCE OF POSITIVE AND NEGATIVE IMPACT?	WHAT IS THE BALANCE OF POSITIVE AND NEGATIVE REVENUE?	HOW MANY RELEVANT ITEMS ARE REFLECTED IN ESG METRICS?
17 PARTNERSHIPS FOR THE GOALS	↗	↗	31

Key Insights

Partnerships are driving positive impacts overall, stemming from increasing cross-industry collaboration as well as multi-stakeholder coalitions.

Corporate Social Responsibility (CSR) spending also drives positive impact.

Financial sector drives positive impact via foreign direct investment, remittances, sustainability finance and responsible investing movements.

ICT and Infrastructure sectors drive positive impacts due to expanding mobile network and internet coverage.

Consumer Goods drives positive impact with supply chain and labeling initiatives.

Partnerships are relatively well represented within ESG reporting – encouraging the private sector to improve their sustainability engagement with local communities, governments and suppliers (e.g. on climate and diversity targets).

82%

agreed that their industry is collaborating for positive progress on the SDGs

80%

said that their company is actively involved in cross-sector partnerships for positive progress on the SDGs

79%

stated that their company is actively involved in multi-sectoral partnerships for positive progress on the SDGs

KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

THE PRIVATE SECTOR HAS POWERED ECONOMIC GROWTH AND JOB CREATION AT THE EXPENSE OF ENVIRONMENTAL AND SOCIAL PROTECTION

SDG	IMPACT	REVENUE	ESG METRICS
ECONOMIC GROWTH			
04: Quality Education	↑	↗	8
07: Affordable and Clean Energy	↗	↗	22
08: Decent Work and Economic Growth	→	↑	51
09: Industry, Innovation and Infrastructure	↗	↑	15
11: Sustainable Cities and Communities	↑	↘	38
ENVIRONMENTAL STEWARDSHIP			
06: Clean Water and Sanitation	↓	↘	22
12: Responsible Consumption and Production	↓	↘	74
13: Climate Action	↓	↓	37
14: Life Below Water	↓	↓	28
15: Life on Land	↓	↓	35
HUMAN WELLBEING			
01: No Poverty	↑	↘	6
02: Zero Hunger	↗	→	4
03: Good Health and Well-Being	→	↘	36
16: Peace, Justice and Strong Institutions	↘	↘	69
INEQUALITY			
05: Gender Equality	↘	→	13
10: Reduced Inequalities	→	→	36
PARTNERSHIPS			
17: Partnership for the Goals	↗	↗	31

KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

Note: see Appendix for details on methodology and scoring thresholds

INDIVIDUAL SDG ANALYSIS

We will deep dive into each individual SDG to better understand the private sector's impact. Each analysis will include:

- The global outlook of the SDG
- The private sector's key contributions
- A deeper analysis of the impact and revenue alignment



NO POVERTY

Significant Challenges → Stagnating

The world is moderately off track to achieve SDG 1 and progress is stagnating

The world is not on track to end poverty in all its forms everywhere by 2030. The COVID-19 pandemic erased more than four years of progress against poverty, with poverty rates rising for the first time in two decades between 2019 and 2020, pushing 8 million additional workers into poverty. This underscores the urgency of the challenge and need for action.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



15.2% of people earn below \$3.65/day (based on 2017 PPP) (2023)¹⁷



7.5% of people earn below \$2.15/day (based on 2017 PPP) (2023)¹⁸

GLOBAL OUTLOOK

575 million

people will still be living in extreme poverty if current trends continue. 97 million people were pushed into extreme poverty in 2020 by the pandemic.¹⁹

2 of 3 countries

will miss the critical goal of halving their national poverty levels by 2030 if current trends continue.²⁰

1 in 6

children are growing up in extreme poverty globally, greatly stunting their health, learning, social and economic opportunities.²¹

350

new social protection measures across 105 countries were announced in 2022 alone. However, over 4 billion people worldwide still have no social protection.²²

KEY PRIVATE SECTOR CONTRIBUTIONS

ESSENTIAL PRODUCTS

Globally, 7 billion people live on less than \$30/day,²³ including 5 billion people living on less than \$10/day.²⁴ These populations need greater access to basic products and services, including affordable food, electricity, education, connectivity and financial services. The private sector performs a critical role in serving these diverse needs, and in doing so has helped to lift hundreds of millions out of poverty since 2015. While great progress has been made, there is an urgent need to replicate successful business models and public-private partnerships to ensure no-one is left behind.

ACHIEVEMENTS & SHORTFALLS

- ↑ In 2011, only 42% of people in developing countries had a bank account. By 2021, 71% did.²⁷
- ↓ While access to financial services has grown rapidly, indicators of financial product usage and financial resilience or health still lag notably.
- ↓ 40% of the world's population remains offline because they can't afford handsets, data chargers or face other barriers such as digital illiteracy.²⁸
- ↓ In remote rural areas and urban slums, vast populations are being left behind and specific solutions are often needed. One billion people live in slums²⁹ and another billion live more than two kilometers away from all-weather roads.³⁰
- ↓ 1 in 3 people still cannot afford a healthy food intake.³¹ Food price volatility has had devastating impacts on the hundreds of millions living in extreme poverty.

LIVING WAGES

The private sector creates 90% of jobs in developing countries,²⁵ but businesses must go further to ensure workers and their families have a decent standard of living. Over one billion working people worldwide, representing 1/3 of all workers, earn less than they need to afford a decent standard of living.²⁶ As the largest source of employment, the private sector plays an important role in improving working conditions for workers globally. Ensuring that all workers are paid a living wage that enables them to meet their basic needs is fundamental to ensuring a people-centered sustainability approach that leaves no one behind.

ACHIEVEMENTS & SHORTFALLS

- ↑ Uptake of digital learning is rapidly expanding worldwide, with learning hours for technical skills and the number of online learners increasing in 2022.
- ↓ So far, only 4% of companies claim or intend to pay a living wage.³²
- ↓ Only 10% of the world's largest agriculture, mining, or ICT companies have certified living wage commitments.³³

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

6
Total standard ESG metrics that link to SDG 1

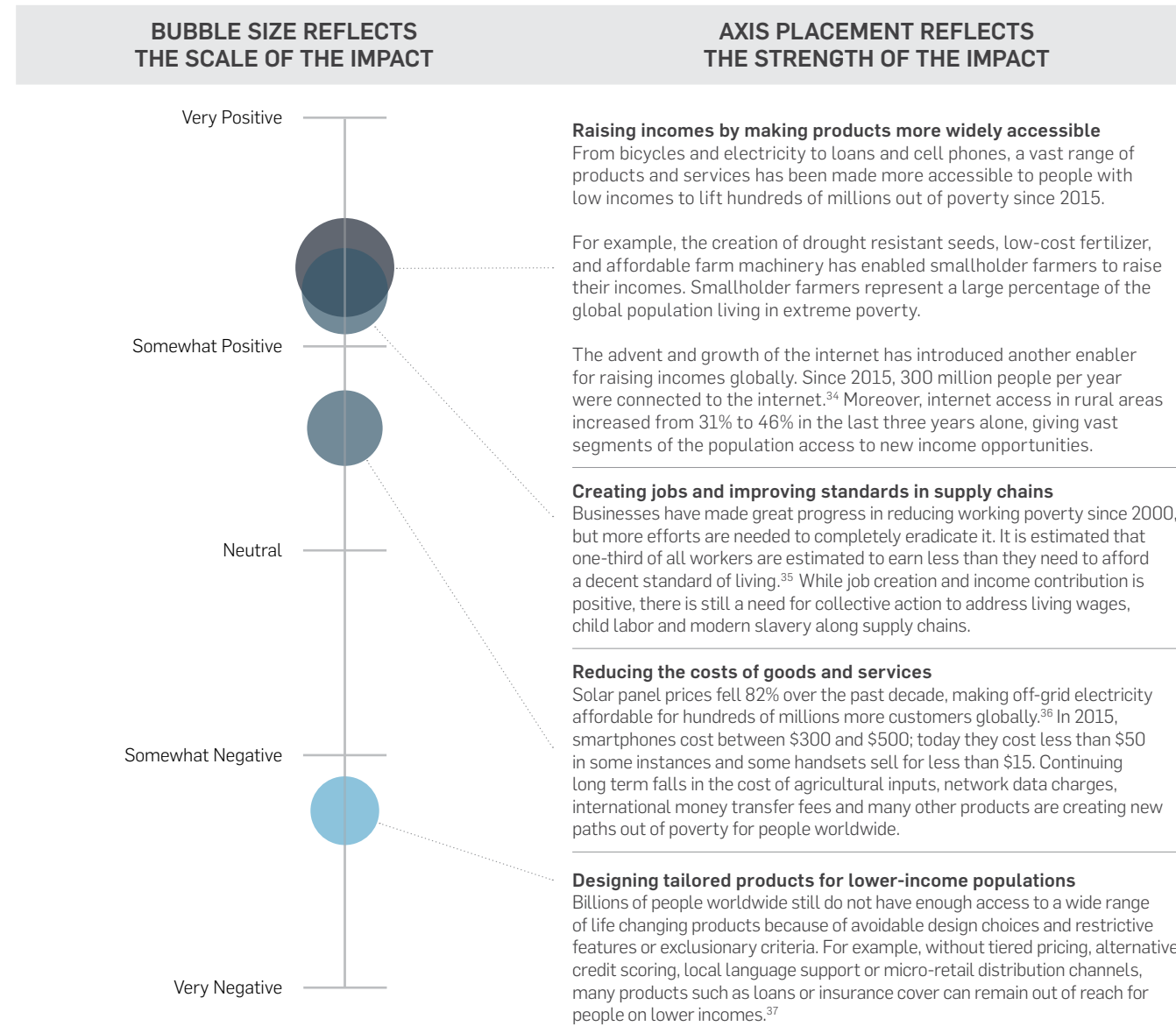
3 of 6
Average number of SDG 1 ESG metrics reported by companies in the ESG Book sample

- SAMPLE ESG METRICS**
1. Employees earning minimum wage
 2. Programs or initiatives to facilitate access to housing
 3. Programs or initiatives to facilitate financial inclusion

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT



The private sector's impact on alleviating poverty is **very positive**, reflecting the private sector's power of job creation, especially along supply chains.



KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT



In contrast to net positive impact, revenue alignment with poverty is **somewhat negative** and **stagnating**, reflecting the role of climate impacts on increasing poverty.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 1 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	5.6%	▶	<p>Food & Beverage</p> <p>There are 608 million family farms worldwide, and 78% of the world's extreme poor live in rural areas. The World Bank estimates that improving growth rates in agriculture is 200%–400% more effective in raising incomes for the extreme poor compared to equivalent rises in other sectors.³⁸</p> <p>Financial Services</p> <p>1.7 billion people still have no bank account, so despite several hundred million people gaining access to financial services since 2015, there remains a long way to go.³⁹ Going beyond improving 'access' to financial services to increasing 'usage' metrics for underserved populations is a vital contribution the private sector is making to poverty eradication.</p> <p>Extractives, Transport, Infrastructure, Manufacturing, Services and Consumer Goods</p> <p>The effects of climate change (e.g. rising temperatures and sea levels, more extreme droughts and floods), water stress and biodiversity loss driven mainly by these six sectors are negatively impacting on wealth and income levels for hundreds of millions of the most vulnerable people in the world – and indirectly pushing many back into extreme poverty.</p>
Consumer Goods \$7.7 trillion	3.2%	▶	
Extractives \$13.8 trillion	15.9%	▶	
Food & Beverage \$5.7 trillion	0.9%	▶	
Financial Services \$14.7 trillion	1.0%	▲	
Health Care \$5.6 trillion	0.1%	▶	
Infrastructure \$6.8 trillion	6.8%	▲	
Manufacturing \$7.1 trillion	5.2%	▲	
Services \$4.7 trillion	7.3%	▼	
ICT \$10.7 trillion	0.3%	▶	
Transport \$6.9 trillion	11.8%	▶	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



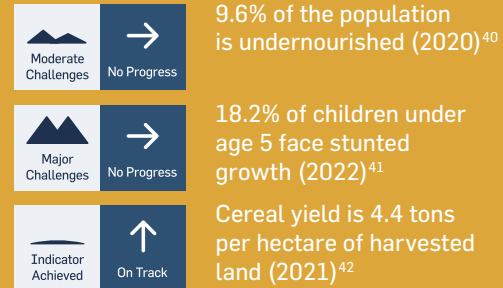
ZERO HUNGER

Major Challenges → Stagnating

The world is severely off track to achieve SDG 2 and progress is stagnating

The world is not on track to end hunger by 2030. Between 2015 and 2023, the number of people experiencing hunger has risen from 589 million to 783 million. COVID-19, climate change, and geopolitical conflict have only made the challenge more complex. Achieving 2030 goals will require transforming food systems and investing in sustainable agricultural practices.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



GLOBAL OUTLOOK

783 million

people face global hunger.⁴³

3 billion

people cannot afford a healthy diet.⁴⁴

1/3rd of food

produced for human consumption is lost or wasted globally.⁴⁵

8 in 10

low- and middle-income countries experienced 5%+ food price inflation in 2023, with many facing double-digit rises driving up hunger.⁴⁶

KEY PRIVATE SECTOR CONTRIBUTIONS

NUTRIENT FORTIFICATION

Leading food companies have made progress to improve nutrition. Large food providers and producers are committing to provide essential micronutrients and fortified foods including wheat, flour, edible oil, and rice to consumers around the world.

ACHIEVEMENTS & SHORTFALLS

- ↑ Mainstreaming of nutrient supplementation and fortification and wider distribution of nutrient-dense food via initiatives such as RUTF and Impact4Nutrition.⁴⁸
- ↓ Greater targeting of fortified products is needed to tailor accessibility to local micronutrient deficiencies.
- ↓ Larger companies across sectors can do more to incentivize micro-retailers and distributors to act on 'Zero Hunger'.⁴⁹

HEALTHY FOOD CAMPAIGNS

The private sector plays a critical role in re-shaping consumer demand towards more sustainable and nutritious foods. By making investments in R&D, marketing and advertising campaigns, transparent food labeling, and last-mile distribution, companies worldwide are contributing positively to zero hunger.

ACHIEVEMENTS & SHORTFALLS

- ↑ Increased global standardization on labeling for ingredients and nutrient content is re-shaping demand.
- ↑ The alternative proteins market is forecast to grow to \$290 billion by 2035 – but such optimistic estimates will only be realized if large-scale R&D and marketing investments are made and prove successful.⁵⁰
- ↓ Traceability and transparency of sourcing and last-mile distribution in food supply chains remains limited despite new technological possibilities.

FOOD WASTE REDUCTION

Up to 35% of food is wasted, which negatively impacts food availability and prices.⁴⁷ Most loss is due to pests, harvesting and irrigation, but inefficiency also remains high in storage, transport and consumption.

ACHIEVEMENTS & SHORTFALLS

- ↑ Innovations in drip irrigation, pest control, drought resistant seeds, storage, transport, and logistics including better packaging, cold chains and digitally enabled monitoring and optimization of inventories and routes have all reduced losses.⁵¹
- ↓ Farms with the highest losses during harvest and transport are also likely to be the least able to finance mechanization, irrigation and other efficiency drivers.

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

4
Total standard ESG metrics that link to SDG 2

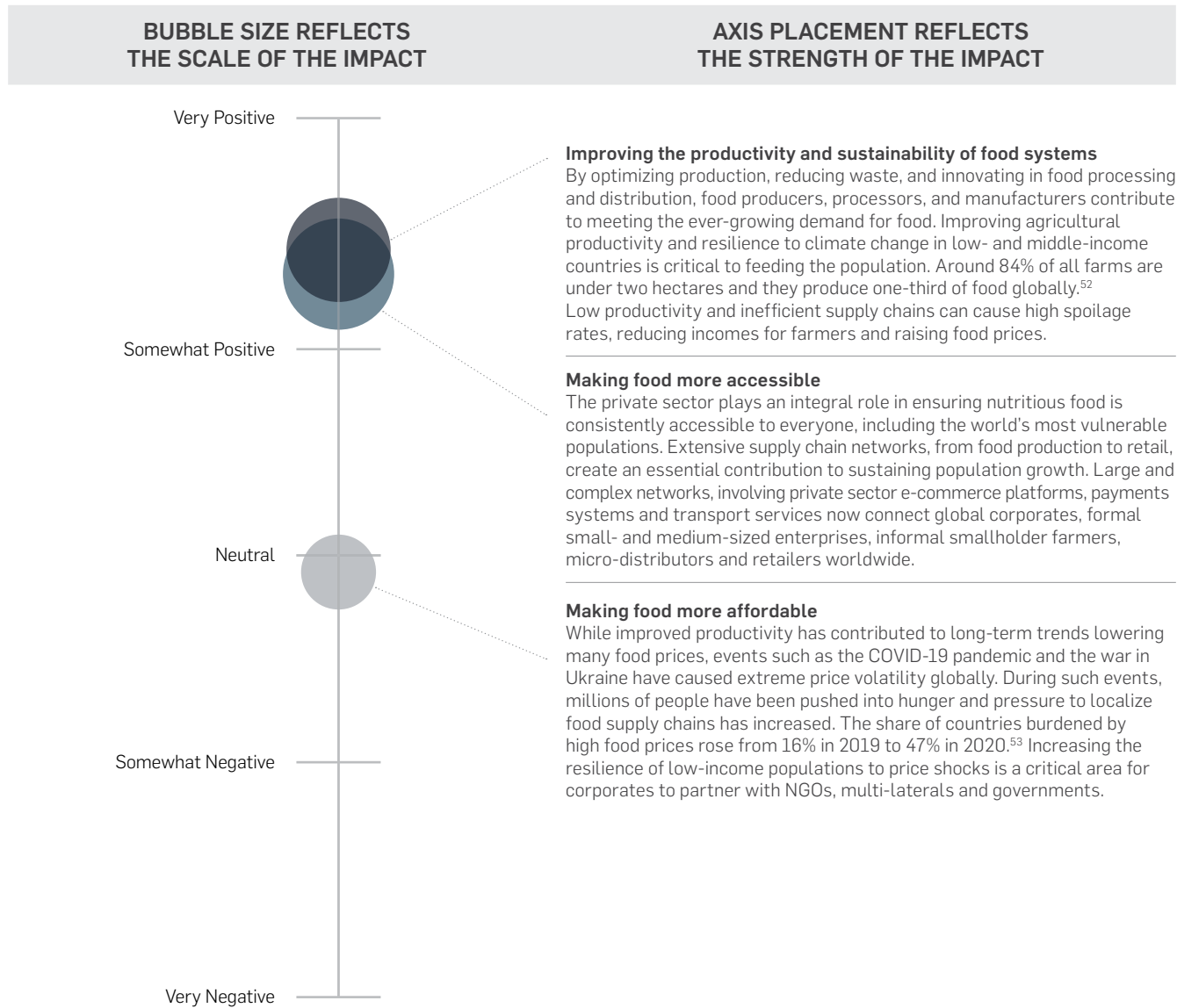
2 of 4
Average number of SDG 2 ESG metrics reported by companies in the ESG Book sample

- SAMPLE ESG METRICS**
1. Community food support
 2. Distribution of low-priced products and services
 3. Microfinance lending

PRIVATE SECTOR CONTRIBUTIONS: WHAT MATTERS MOST?



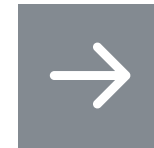
The private sector's impact on hunger is **somewhat positive**, reflecting the growth of food production and distribution, but the lack of stable prices during the COVID-19 pandemic and war in Ukraine have increased hunger.



KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↓ Somewhat Negative ↓ Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT



In contrast, revenue alignment with hunger is **mixed** and **stagnating**, reflecting on how a wide range of environmental harms are reducing crop yields and attributing to the rise of hunger

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 2 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	4.2%	▶	
Consumer Goods \$7.7 trillion	0.3%	▶	Food & Beverage Drought-resistant seeds, better pest control, irrigation, harvesting and packaging and nutrient fortification continue to contribute positively to zero hunger. Improving productivity and sustainability for 608 million small family farms who own just 12% of the world's agricultural land but produce 1/3 of all food remains a key challenge. ⁵⁴
Extractives \$13.8 trillion	17.0%	▶	
Food & Beverage \$5.7 trillion	3.4%	▼	Extractives, Infrastructure The effects of climate change are negatively impacting crop yields and agricultural productivity. These impacts are reducing food accessibility and affordability for the world's most vulnerable populations. For example, maize yields will fall by 24% by 2030 and wheat yields will fall by 17%, setting the stage for potential future price volatility. ⁵⁵
Financial Services \$14.7 trillion	0.1%	▼	
Health Care \$5.6 trillion	1.8%	▲	
Infrastructure \$6.8 trillion	9.4%	▲	
Manufacturing \$7.1 trillion	1.1%	▼	
Services \$4.7 trillion	3.2%	▼	
ICT \$10.7 trillion	< 0.1%	▲	
Transport \$6.9 trillion	0.1%	▼	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



GOOD HEALTH AND WELL-BEING

Major Challenges Improving

The world is severely off track to achieve SDG 3 and progress is moderately increasing

The world is not on track to achieve SDG 3 by 2030. Childhood vaccination rates have seen the largest decline in three decades, and tuberculosis and malaria deaths have increased compared to pre-COVID-19 levels. In order to overcome setbacks from the global pandemic, the private sector must invest in health systems to support a resilient future.

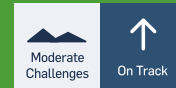
For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



The universal health coverage (UHC) index of service coverage is 68 (worst 0–100 best)⁵⁶



Life expectancy at birth is 73 years⁵⁷



The mortality rate for children under 5 years old is 38 per 1,000 live births⁵⁸

GLOBAL OUTLOOK

52%

reduction in AIDS-related death between 2010 and 2021.⁵⁹

800

women died every day from pregnancy or childbirth in 2020, 70% of whom were in Sub Saharan Africa.⁶⁰

381 million

people were pushed further into extreme poverty in 2019 because of out-of-pocket health payments.⁶¹

13.5 billion

doses of COVID-19 vaccine doses administered globally as of August 2023. While 71% of the world's population got at least one dose, inequalities between and within countries were stark and routine immunizations remain far off target.⁶²



KEY PRIVATE SECTOR CONTRIBUTIONS

UNIVERSAL HEALTHCARE

Half of the global population still lacks access to essential health services. By providing affordable health insurance, medicines and services, the private sector enables billions of people worldwide to access effective healthcare when they need it. Innovations in diagnosis testing, medical training, and delivering services through digital platforms are improving the quality and reach of healthcare services.

ACHIEVEMENTS & SHORTFALLS

- ↑ The Universal health coverage service coverage index increased from 45 in 2000 to 68 in 2019 with the fastest gains in the WHO African Region.⁶³
- ↑ The spread of health insurance and remote health is accelerating access to higher quality universal healthcare globally. Telehealth is forecast to grow at a phenomenal 20–30% CAGR globally between 2023 and 2030.⁶⁴
- ↓ As healthcare access becomes more linked to connectivity and digital literacy, the digital divide is deepening, and billions are being left behind.

VACCINE DEVELOPMENT

During the COVID-19 pandemic, the private sector made high-profile contributions to R&D, manufacturing and distribution of critical vaccines at record speed and scale. The groundbreaking joint effort between companies, governments, and academia showcased the power of effective cross-sector collaboration. In the time since, additional breakthroughs have occurred in malaria and cancer vaccine research, offering new prospects for radically improving the life of hundreds of millions of people by 2030.

ACHIEVEMENTS & SHORTFALLS

- ↑ By enabling 13.5 billion doses of COVID vaccines to be delivered to 5.7 billion people globally in two years, the private sector played a critical role in changing the course of the pandemic and saved over 20 million lives.⁶⁵
- ↑ Malaria sickens 240 million and kills 600,000 a year – but the first 18 million doses of a new vaccine were recently allocated to 12 African countries for 2023-25.⁶⁶
- ↑ Cancer vaccines now in R&D may be available by 2030.
- ↓ Despite tiered pricing of vaccines, country GDP masks affordability for all citizens within countries and leads to unequal distribution.
- ↓ The pandemic resulted in 20.5 million children missing routine vaccines in 2022 – and many companies across sectors could benefit from promoting routine immunization to employees and their families.⁶⁷

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

36

Total standard ESG metrics that link to SDG 3

19 of 36

Average number of SDG 3 ESG metrics reported by companies in the ESG Book sample

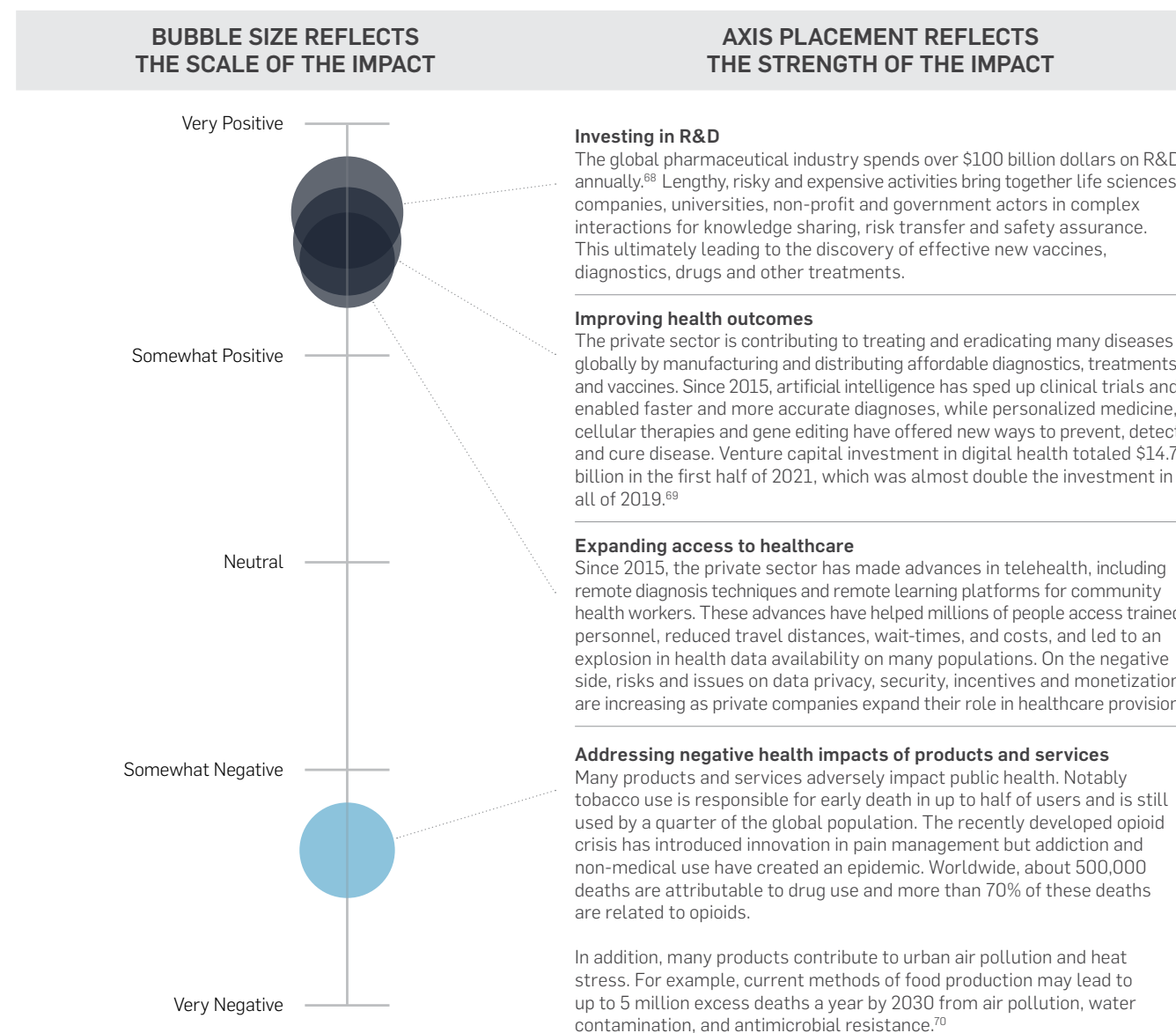
SAMPLE ESG METRICS

1. Employee safety training
2. Access to healthcare
3. Health and safety lawsuits

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT



The private sector's impact on health is **mixed**. While some consumer products have created harmful side-effects, investments in R&D, digital health and access to healthcare have improved outcomes.



KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT



In contrast, revenue alignment with health is **somewhat negative** and **stagnating**, reflecting how severely the private sector's activities contribute to air pollution and heat stress, damaging our health.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 3 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	16.2%	6.6%	<p>Health Care</p> <p>Global life expectancy, approaching 73 years, is at its highest ever level and innovation by pharmaceutical and healthcare companies has contributed significantly to this achievement – as well as to wider improvements in the quality of life experienced by billions of people globally.</p> <p>ICT</p> <p>Digital health is transforming outcomes giving ICT the second largest positive health contribution.</p> <p>Food & Beverage</p> <p>The balance of positive and negative impacts reflects the mix of healthy and unhealthy products the sector sells – as well as negative pollution and emissions impacts.</p> <p>Financial Services</p> <p>By providing health insurance, loans and financing R&D and startups, the financial sector makes a large positive contribution to health.</p> <p>Extractives, Infrastructure, Transport, Manufacturing, Services and Consumer Goods</p> <p>Climate change and pollution account for large negative impacts. Air pollution alone has cut global life expectancy by 2.2 years and is now the leading cause of death worldwide. It causes 8.8 million deaths a year, more than smoking – but few companies are addressing their impacts so far.⁷¹</p>
Consumer Goods \$7.7 trillion	11.4%	3.6%	
Extractives \$13.8 trillion	37.2%	0.5%	
Food & Beverage \$5.7 trillion	15.3%	9.5%	
Financial Services \$14.7 trillion	3.8%	8.9%	
Health Care \$5.6 trillion	0.6%	25.7%	
Infrastructure \$6.8 trillion	28.5%	2.1%	
Manufacturing \$7.1 trillion	18.8%	2.7%	
Services \$4.7 trillion	19.4%	4.3%	
ICT \$10.7 trillion	1.1%	12.4%	
Transport \$6.9 trillion	25.8%	1.1%	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



QUALITY EDUCATION

Moderate Challenges ↗ Improving

The world is off track to achieve SDG 4 and progress is stagnating

COVID-19 left a devastating impact on progress toward quality education for all. Without intervention, an estimated 84 million young people will continue to be out of school and 300 million students will lack basic numeracy and literacy skills by 2030. To deliver on SDG 4, improving educational infrastructure and digital learning capabilities is essential.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



The literacy rate for people aged 15 to 24 is 92% (2020)⁷²



The percentage of school age children enrolled in primary education is 87% (2022)⁷³



The completion rate of lower secondary schools is 77.47% (2021)⁷⁴

GLOBAL OUTLOOK

147 million

children missed over half of in-person instruction in 2020-2022 due to the COVID-19 pandemic.⁷⁵

1 in 4

children do not yet participate in organized learning one year before the official primary entry age, with little improvement since 2015.⁷⁶

50%

of primary schools still do not have access to computer facilities or disability adapted infrastructure.⁷⁷

14%

of teachers were not qualified according to national norms in 2020, with little improvement since 2015.⁷⁸



KEY PRIVATE SECTOR CONTRIBUTIONS

DIGITAL EDUCATION

Rapid growth in smartphone adoption and internet access have enabled previously underserved populations to access the benefits of education technology innovation. Benefits include wider access to online learning resources, more accessible information, and AI-powered educational assessments.

ACHIEVEMENTS & SHORTFALLS

- ↑ The education technology market was valued at \$106 billion in 2021 and is forecast to grow rapidly at a CAGR of 16.5% between 2022 and 2030, when 90% of the world's population are expected to be online.⁷⁹
- ↑ Accessibility features in digital platforms and devices are enabling more inclusive learning and replacing traditional assistive tools, which are often lacking in resource-poor educational contexts.
- ↓ 50% of primary schools globally still do not have internet enabled computers or accessible facilities.⁸⁰
- ↓ Localization of EdTech remains a challenge – from wider content translation to scaling up local startups.

SKILLING BEYOND SCHOOLS

Many businesses in the ICT sector and other industries facing skills gaps have begun to provide opportunities for self-directed skilling and offer work placements and apprenticeships. Leading large technology businesses have dropped formal degree requirements for new hires and skills-based hiring is becoming more popular. Scaling back formal job requirements can save costs for both employees and businesses, taking pressure off overloaded and underfunded public systems. Aspiring young entrepreneurs also now have access to a vast range of learning, resources and peer support online, much of it funded or provided by the private sector.

ACHIEVEMENTS & SHORTFALLS

- ↑ Uptake of digital learning is rapidly expanding worldwide, with learning hours for technical skills and the number of online learners increasing in 2022.
- ↑ 7 out of 10 companies provide more opportunities for employees to build skills than before the COVID-19 pandemic.⁸¹ Many of the new trainings will help redeploy staff as automation and remote working trends accelerate.
- ↓ The demand for skills is evolving faster than formal education programs can adapt. There is a gap for private sector players to integrate certificate programs for employees to signal knowledge of skills without receiving a formal education.

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

8

Total standard ESG metrics that link to SDG 4

4 of 8

Average number of SDG 4 ESG metrics reported by companies in the ESG Book sample

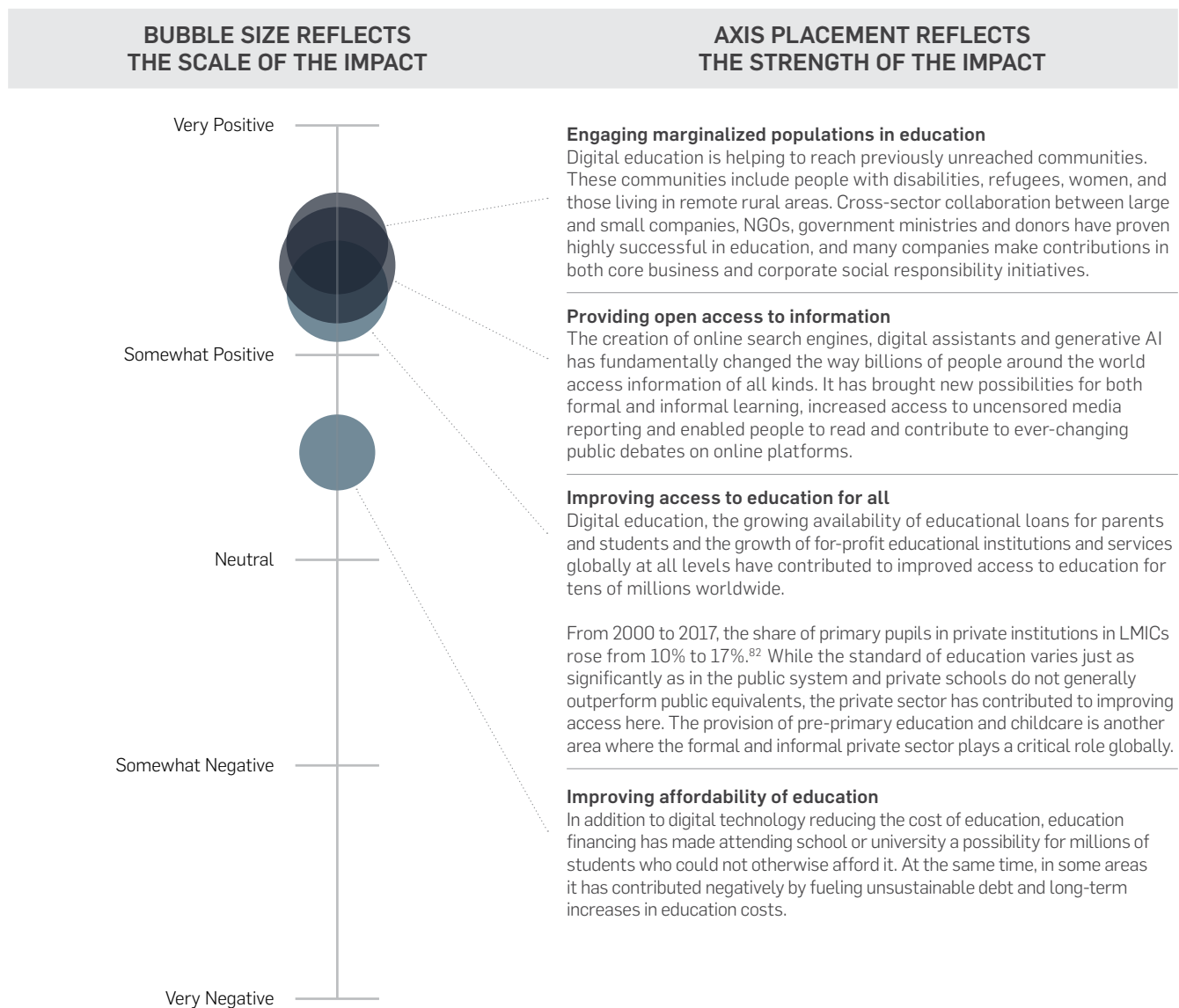
SAMPLE ESG METRICS

1. Access to education
2. Training hours per employee
3. Performance or career development reviews

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT



The private sector's impact on education is **very positive**, reflecting the expansion of low-cost, self-directed, personalized digital learning, private education and financing for education.



KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT



In agreement with net positive impact, revenue alignment with education is **somewhat positive** and **increasing**, reflecting the vital roles played by technology, finance, and infrastructure.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 4 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	0.1%	▲	
Consumer Goods \$7.7 trillion	0.1%	▲	Consumer Goods From glasses to reading lights to books, bags, pens, uniforms, desks and other equipment, many products make direct or indirect contributions to education.
Extractives \$13.8 trillion	< 0.1%	▲	
Food & Beverage \$5.7 trillion	1.6%	▶	Financial Services The availability of educational loans to students and parents has made education accessible to many millions worldwide who could not otherwise afford it. Innovations such as social impact bonds open new possibilities for funding of educational outcomes.
Financial Services \$14.7 trillion	< 0.1%	▲	
Health Care \$5.6 trillion	< 0.1%	▲	Infrastructure From improving road networks to constructing school buildings to providing internet access, the private sector enables students to travel to schools and to interact with content and teachers online.
Infrastructure \$6.8 trillion	< 0.1%	▲	
Manufacturing \$7.1 trillion	< 0.1%	▲	
Services \$4.7 trillion	0.1%	▲	ICT Internet search, digital assistants, generative AI and personalized learning platforms of many kinds are contributing to education by making it cheaper, more effective and more accessible to hundreds of millions of students worldwide, especially those with disabilities or living in remote rural areas.
ICT \$10.7 trillion	< 0.1%	▲	
Transport \$6.9 trillion	0.1%	▲	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



GENDER EQUALITY

Significant Challenges Improving

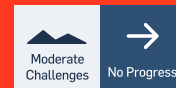
The world is moderately off track to achieve SDG 5 and progress is moderately increasing

The world is not on track to achieve gender equality by 2030. None of the targets have been achieved and only one is close to completion. The COVID-19 pandemic pushed out projections for gender parity by nearly a generation. While the gap persists in political and economic spheres, parity is closer in education and health outcomes. Reversing course will require a truly global effort.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



Women receive, on average, 10% less years of education compared to men (2021)⁸³



Women participate in the labor force at, on average, 31% the rate that men do (2022)⁸⁴

GLOBAL OUTLOOK

1 in 5

women were married before their 18th birthday in 2022. These women are less likely to stay in school or enter the workforce and more likely to suffer isolation, domestic violence and problems during pregnancy.⁸⁵

257

years to close the global gender gap.⁸⁶

50%

of total economic growth achieved in OECD countries over the past 50 years has been driven by improved women's education (OECD).⁸⁷

26.5%

of seats in lower and single chambers of national parliaments are held by women as of 2023, up from 22.3% in 2015.⁸⁸

KEY PRIVATE SECTOR CONTRIBUTIONS

GENDER PAY GAPS

The private sector plays a pivotal role in advancing gender equality by ensuring pay parity. Historically, the private sector in aggregate has done a poor job of ensuring pay parity across genders. Women are over-represented in the informal economy where most jobs are lower pay and offer very few benefits.⁸⁹ Past estimates have suggested that the loss of human capital due to a lack of gender pay parity is close to \$160 trillion. According to the ILO, women earn on average 20% less than male counterparts globally.⁹⁰

ACHIEVEMENTS & SHORTFALLS

- ↑ The gender pay gap in OECD countries fell from 13.8% to 11.9% between 2015 and 2020.⁹¹
- ↓ 43% of countries did not mandate equal remuneration for work of equal value.⁹²

WOMEN IN LEADERSHIP

Industry-leading private companies wield enormous economic, political, and cultural influence. Historical gender imbalance at the highest levels of corporate leadership has represented a significant barrier to the achievement of society-wide gender equality. While there have been recent advances toward achieving greater gender parity in the global workforce and more equal pay, gender equality will not be achieved for at least nine generations at the current pace of change. Private sector leaders must be intentional in increasing the number of women in the workforce and creating systems to promote women across all levels of the talent pipeline.

ACHIEVEMENTS & SHORTFALLS

- ↑ Between 2017 and 2022, female board representation increased from 16% to 33% among the largest 100 companies tracked by the 50/50 Women on Boards campaign.⁹³
- ↓ Women represent only 15% of all S&P 500 named executive officers in 2021.⁹⁴
- ↓ In 2021, women held 28.2% of management positions despite accounting for almost 40% of total employment.⁹⁵

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

13

Total standard ESG metrics that link to SDG 5

7 of 13

Average number of SDG 5 ESG metrics reported by companies in the ESG Book sample

SAMPLE ESG METRICS

1. Gender pay gap
2. Females in management-level positions
3. Retention rate of employees taking parental leave

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT



The private sector's impact on gender equality is **somewhat negative**, reflecting the persistence of unexplained gender pay gaps and the lack of women in management roles globally.



KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT



In contrast to net negative impact, revenue alignment with gender equality is **mixed** but **stagnating**, reflecting the slow growth of products and services geared to females.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 5 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	0.1%	4.6%	
Consumer Goods \$7.7 trillion	0.1%	5.5%	Health Care From female hygiene to reproductive health, many products contribute positively to gender equality.
Extractives \$13.8 trillion	< 0.1%	0.8%	
Food & Beverage \$5.7 trillion	1.6%	3.3%	Financial Services Financial inclusion gains for women have been particularly important as they are significantly underserved compared to men in LMICs. Insurance targeted at women can also greatly improve resilience and financing for women-owned businesses is critically important – as it remains much harder for women to access financing that is critical for scaling startups.
Financial Services \$14.7 trillion	< 0.1%	5.1%	
Health Care \$5.6 trillion	< 0.1%	3.5%	ICT The rise of more flexible and remote work, access to online platforms and e-commerce opportunities are making it possible for hundreds of millions of women worldwide to generate income in new ways, ⁹⁶ from mothers returning to work in part-time remote roles, to female drivers finding work in the gig economy to entrepreneurs setting up on online e-commerce platforms.
Infrastructure \$6.8 trillion	< 0.1%	6.9%	
Manufacturing \$7.1 trillion	< 0.1%	0.7%	
Services \$4.7 trillion	0.1%	3.7%	
ICT \$10.7 trillion	< 0.1%	13.3%	
Transport \$6.9 trillion	0.1%	1.6%	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



CLEAN WATER AND SANITATION

Significant Challenges Improving

The world is **moderately off track** to achieve SDG 6 and progress is **moderately increasing**

While water-use efficiency has risen by 9 per cent, water scarcity remains an issue for many parts of the world. In order to get SDG 6 back on track, the private sector must focus on promoting innovation and evidence-based action, enhancing cross-sectoral coordination and cooperation, and a more integrated and holistic approach to water management.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



73% of the population has access to basic drinking water services (2020)⁹⁷



54% of the population has access to basic sanitation services (2020)⁹⁸



3.9 trillion litres of available freshwater resources are withdrawn (2019)⁹⁹

GLOBAL OUTLOOK

73%

of the population had access to safely managed drinking water services in 2022.¹⁰⁰

20%

increase in water-use efficiency in the agricultural sector since 2015.¹⁰¹

58%

of household wastewater in 140 countries in 2022 was safely treated.¹⁰²

64%

of CDP survey respondents are now reducing or at least maintaining their water withdrawals.¹⁰³

KEY PRIVATE SECTOR CONTRIBUTIONS

STAFF HEALTH & HYGIENE

Employers have a responsibility to ensure that 100% of employees have access to safely managed drinking water, sanitation, and hygiene services at work. WaterAid conducted a research project to demonstrate economic benefits of investing in WASH and found a financial ROI of \$1.32-\$4.30 for every \$1 invested.¹⁰⁴

ACHIEVEMENTS & SHORTFALLS

- ↑ Many of the people employed by the private sector globally get access to both clean drinking water, sanitation facilities and hygiene products from their employers.
- ↑ Many employers stepped up campaigns on employee hand-washing and hygiene during the pandemic.
- ↓ 1 in 4 people globally still lack access to clean water and 2.3 billion people lack basic hygiene services – informal private employers may not provide access.¹⁰⁵

WATER-USE EFFICIENCY

Many sectors have worked to prevent water decline and restore water sources by improving water-use efficiency. While more extractive industries have room to grow in improving water-use efficiency, many companies have taken preliminary steps toward becoming water efficient. At a basic level, it requires conscientious water use and identifying solutions to prevent water stress. At more advanced levels, leading companies are working to restore water-stressed basins in areas of operation to become water positive.

ACHIEVEMENTS & SHORTFALLS

- ↑ Innovations in micro irrigation have significantly improved agricultural water-use efficiency, in some cases by up to 50%.
- ↓ Global water deficit could reach 40% by 2030 – private sector water consumption is at unsustainable levels and relatively little is being done to address the crisis.¹⁰⁶

WATER POLLUTION

Leading companies are taking measures to protect and enhance the quality of water globally. While this may start with reducing operational wastewater pollution, achieving SDG 6 will require collective action to achieve positive water impact in at least 100 vulnerable prioritized water basins by 2030.

ACHIEVEMENTS & SHORTFALLS

- ↑ Globally, more than 300 million people get water from desalination plants, circumventing water quality challenges in areas far from freshwater sources.¹⁰⁷
- ↓ Nearly 80% of wastewater returns to the environment without proper treatment.¹⁰⁸
- ↓ Only 12% of CDP respondents set water pollution goals that are monitored at the corporate level.¹⁰⁹

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

22
Total standard ESG metrics that link to SDG 6

14 of 22
Average number of SDG 6 ESG metrics reported by companies in the ESG Book sample

- SAMPLE ESG METRICS**
1. Access to WASH services
 2. Water recycling and reuse
 3. Water discharge non-compliance

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT



The private sector's impact on water is **very negative**. While individual businesses have improved water-use efficiency and utilities have expanded water and sewage networks, the pace of water withdrawal from the private sector remains unsustainable to achieve SDG 6.



KEY Very Positive Somewhat Positive Mixed Somewhat Negative Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT



In contrast to net positive impact, revenue alignment with water is **somewhat negative** and **stagnating**, reflecting the unsustainable pace of water withdrawal across sectors and widespread water pollution.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 6 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	16.7%		Consumer Goods Cotton used in clothing is the largest single contributor to agricultural water use, which accounts for 70% of all withdrawals globally. ¹¹⁶
Consumer Goods \$7.7 trillion	12.9%		
Extractives \$13.8 trillion	45.4%		Extractives Mining, oil and gas, and other extractive industries account for 20% of freshwater withdrawals globally and cause significant water pollution problems. ¹¹⁷
Food & Beverage \$5.7 trillion	20.6%		
Financial Services \$14.7 trillion	4.2%		Infrastructure In North America, an estimated 20-50% of water is lost due to leaky pipes. ¹¹⁸ In addition, there are deep problems with contamination of water supplies and coastal areas by sewerage and chemicals in many countries.
Health Care \$5.6 trillion	11.9%		
Infrastructure \$6.8 trillion	27.3%		Food & Beverage Agriculture accounts for over 70% of global water use today. Demand is continuing to rise unsustainably as the rapidly expanding and increasingly affluent populations of LMICs are consuming more meat and other water intensive food and beverage products.
Manufacturing \$7.1 trillion	10.5%		
Services \$4.7 trillion	19.9%		Services Distribution services for petroleum and fuel have negative pollution impacts, including accidents such as oil tanker spills.
ICT \$10.7 trillion	0.3%		
Transport \$6.9 trillion	9.6%		

KEY Net revenue has increased by >20% since 2015 Net revenue is within +/- 20% since 2015 levels Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



AFFORDABLE AND CLEAN ENERGY

Significant Challenges Improving

The world is moderately off track to achieve SDG 7 and progress is moderately increasing

If we continue on our current trajectory, it is projected that 660 million people will continue to live without electricity access. Renewable energy adoption continues to grow, spelling hope for a clean energy future. To ensure access to clean and safe energy by 2030, we must accelerate electrification, improve energy efficiency, and increase investment in renewable energy.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>

Moderate Challenges	On Track	91% of the population has access to electricity globally (2020) ¹¹⁹
Moderate Challenges	Improving	71% of the population has access to clean fuels and technology for cooking (2020) ¹²⁰
Major Challenges	No Progress	12.3% of total final electricity consumption is from renewable sources (2019) ¹²¹

GLOBAL OUTLOOK

91%
of the global population has access to electricity, up from 87% in 2015.¹²²

567 million
people in sub-Saharan Africa did not have access to electricity, accounting for more than 80% of the global population without electricity access in 2021.¹²³

35%
of the world's electricity will come from renewable sources by 2025 – up from 29% in 2020, with global power-sector emissions now close to peaking.¹²⁴

\$2.9 trillion
spent globally on fossil fuel subsidies between 2013 and 2020.¹²⁵

KEY PRIVATE SECTOR CONTRIBUTIONS

ENERGY AFFORDABILITY

The cost of renewable energy per MWh of energy relative continues to decline. As renewable developers gain more experience, better technology, and broader funding resources, renewable energy will only become more cost competitive. Moreover, phasing out subsidies for fossil fuel energy is an essential component to improving clean energy affordability and competitiveness.

ACHIEVEMENTS & SHORTFALLS

- ↑ Solar photovoltaic (\$40/MWh) and onshore wind (\$41/MWh) surpassed coal (\$109/MWh) and gas (\$56/MWh) in cost efficiency in 2019 due to comparatively low operating costs and zero fuel costs.¹²⁶
- ↓ Fossil fuel subsidies doubled across 51 countries from \$362 billion in 2020 to \$697 billion in 2021.
- ↓ Fossil fuel subsidies per capita in Europe (\$113 per person) are more than triple those in the Middle East and North Africa (\$36 per person).
- ↓ Fossil fuel subsidies doubled across 51 countries from \$362 billion in 2020 to \$697 billion in 2021.¹²⁷

ACCESS TO CLEAN ENERGY

Over 9 in 10 people have access to electricity globally, up from 87% in 2015. Yet, in a quarter of the world's 46 least developed countries, more than 75% of the population lacks access to electricity. Achieving universal electricity access will require continued investment in mini- and micro-grids, energy storage systems, renewable energy efficiency, and battery recycling technology.

ACHIEVEMENTS & SHORTFALLS

- ↑ The number of people connected to mini grids more than doubled between 2010 and 2019, providing electricity access to an additional 6 million people.¹²⁸
- ↓ The world could face lithium shortages by 2025 due to rapid growth in demand for lithium batteries, particularly in electric vehicles¹²⁹. Over-reliance on lithium and insufficient recycling infrastructure could stifle renewable energy projects.¹²⁹

JUST TRANSITION

As global energy generation shifts away from polluting fossil fuels and towards clean energy sources, companies must remain vigilant of potential social effects of retiring large segments of the economy. In dialogue with governments, workers, and their representatives, entire industries must work to reskill workers and provide ample resources to avoid impoverishing workers and communities that depend on the fossil fuel industry to sustain lives and livelihoods.

ACHIEVEMENTS & SHORTFALLS

- ↑ CEOs are prioritizing upskilling and reskilling the workforce to build workforce resilience against ongoing global changes. 74% of CEOs flagged upskilling and reskilling their workforce as a primary action to build resilience.¹³⁰
- ↑ The ILO projects that up to 25 million new jobs will be created by 2030 from the energy transition.¹³¹
- ↑ Worldwide employment in renewable energy reached 12.7 million last year, a jump of 700,000 new jobs in one year, despite the lingering effects of COVID-19 and the growing energy crisis, according to a new report.¹³²
- ↓ An estimated 6 million jobs are expected to be lost due to the green transition.

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

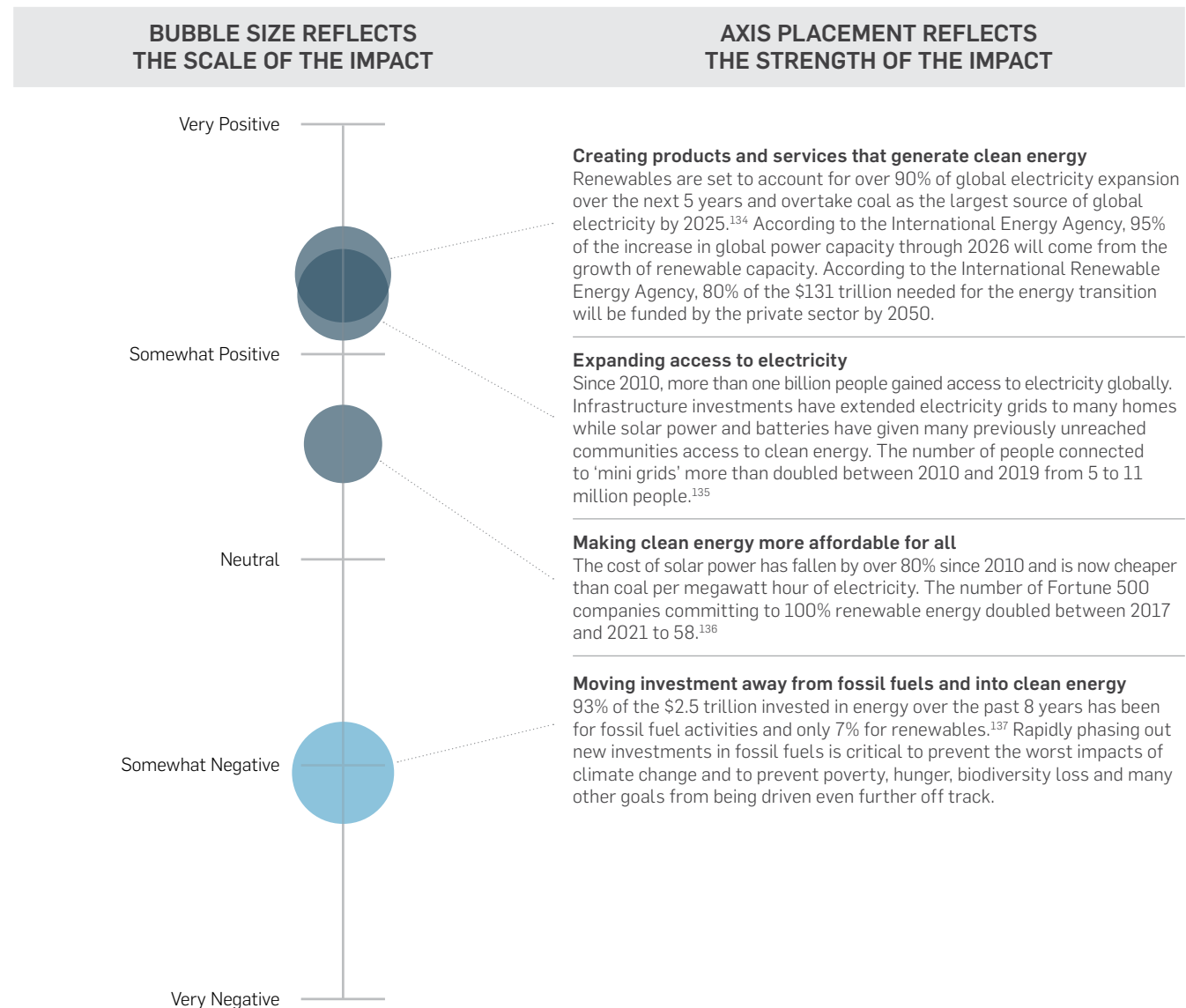
22
Total standard ESG metrics that link to SDG 7

13 of 22
Average number of SDG 7 ESG metrics reported by companies in the ESG Book sample

- SAMPLE ESG METRICS**
1. Renewable energy use targets
 2. Energy efficiency targets
 3. Energy consumption per production volume

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT

↗ The private sector's impact on affordable and clean energy development is **somewhat positive**. While businesses continue to invest in fossil fuel energy production, the tide is turning to usher in a clean energy future.



KEY **↑** Very Positive **↗** Somewhat Positive **→** Mixed **↘** Somewhat Negative **↓** Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

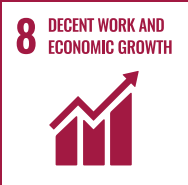
PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT

↗ Revenue alignment with energy is **somewhat positive** and **stagnating**, reflecting how products and infrastructure are increasingly moving towards energy efficiency.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 7 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	< 0.1%	▶	Extractives An estimated 3 billion tons of minerals and metals will be needed to deploy and store wind, solar, and geothermal power to limit global temperature rise to below 2°C. ¹³⁸ Companies have begun searching for undiscovered rare-earth metal deposits globally and many have been discovered in the US and Sweden.
Consumer Goods \$7.7 trillion	< 0.1%	▲	
Extractives \$13.8 trillion	< 0.1%	▶	
Food & Beverage \$5.7 trillion	< 0.1%	▲	Infrastructure According to the International Renewable Energy Agency, renewable capacity increased by close to 10% between 2021 and 2022. Asia accounted for over half of the new capacity added. ¹³⁹
Financial Services \$14.7 trillion	< 0.1%	▼	
Health Care \$5.6 trillion	< 0.1%	▶	Manufacturing The manufacturing sector is critical to scaling up renewable energy creation and adoption. Companies in the United States have responded to recent legislation and are on pace to triple domestic solar manufacturing capacity by 2024. ¹⁴⁰ In Africa, a multi-sectoral coalition launched the Africa Renewable Energy Manufacturing Initiative to scale renewable energy capabilities.
Infrastructure \$6.8 trillion	< 0.1%	▲	
Manufacturing \$7.1 trillion	< 0.1%	▲	
Services \$4.7 trillion	< 0.1%	▼	
ICT \$10.7 trillion	< 0.1%	▲	ICT Enterprise technology accounts for about 1% of total GHG emissions. Yet, optimizing cloud usage in data centers alone could reduce emissions by more than 55%. Since 2020, 86% of companies report increasing the scope and volume of cloud activities. ¹⁴¹
Transport \$6.9 trillion	< 0.1%	▶	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



DECENT WORK AND ECONOMIC GROWTH

Significant Challenges → Stagnating

The world is moderately off track to achieve SDG 8 and progress is stagnating

The global economy is still grappling with the effects of COVID-19. Persistent inflation and rising interest rates have created challenging economic conditions and stark inequalities of income, wealth, wellbeing and opportunity remain. Achieving SDG 8 will require systemic reform to promote equitable pay and decent work while tackling rising debt and economic uncertainty.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>

- Moderate Challenges** **Limited Data**: Adjusted GDP declined by 4.1% in 2020¹⁴²
- Moderate Challenges** **Limited Data**: There are 5.2 victims of modern slavery per 1,000 population (2018)¹⁴³
- Moderate Challenges** **No Progress**: The total labor force participation rate for workers aged 15 and above was 60% (2022)¹⁴⁴

GLOBAL OUTLOOK

160 million

children are subject to child labor globally, a number that has risen for the first time in two decades.¹⁴⁵

630 million

workers did not get paid enough to lift themselves and their families out of extreme or moderate poverty.¹⁴⁶

7,500

people die each day from unsafe and unhealthy working conditions.¹⁴⁷

1 in 4

young people globally were not active in the education system, job market, or training programs in 2022.¹⁴⁸



KEY PRIVATE SECTOR CONTRIBUTIONS

JOB CREATION

Companies generate employment, but the labor conditions of that employment determine whether there is a true contribution to the SDGs. Advancing decent work and raising the living standards of all workers across operations and supply chains require all companies to adopt sustainable, responsible and inclusive workplace practices, and for companies with supply chains to use their leverage with suppliers to contribute to the realization of decent work globally.

ACHIEVEMENTS & SHORTFALLS

- ↑ The ILO estimates that 100 million jobs can be created by 2030 by ensuring a green transition that fully takes into account its social dimensions.¹⁵⁰ Actors in the world of work, government representatives, employers' and workers' organizations are key actors for change.
- ↓ 28 million people are in situations of forced labor.¹⁵¹
- ↓ 74 percent of countries exclude workers from the right to establish and join a trade union.¹⁵²
- ↓ Global employment growth will be only 1.0% in 2023, less than half that of 2022.

ECONOMY FORMALIZATION

According to the International Labour Organization, about 2 billion workers, or 60% of the total employed population age 15 or older, works in the informal economy. While firms may remain in the informal economy for various reasons, high informality remains an obstacle to achieving the SDGs. Informal firms have limited access to financial services, practice tax avoidance, and drive inequality due to pervasive wage gaps and limited social protections. Formalizing more economic activity is critical to progressing sustainable development.

ACHIEVEMENTS & SHORTFALLS

- ↑ Digital technology has increased access to financial service and affordable care for workers in the informal economy.
- ↓ 1/3 of global economy activity remains outside of the formal economy.¹⁵³
- ↓ 85% of workers in the informal economy do so out of a lack of available opportunities in the formal economy. This leads to lower wages, social protections, and limited access to credit or education.¹⁵⁴

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

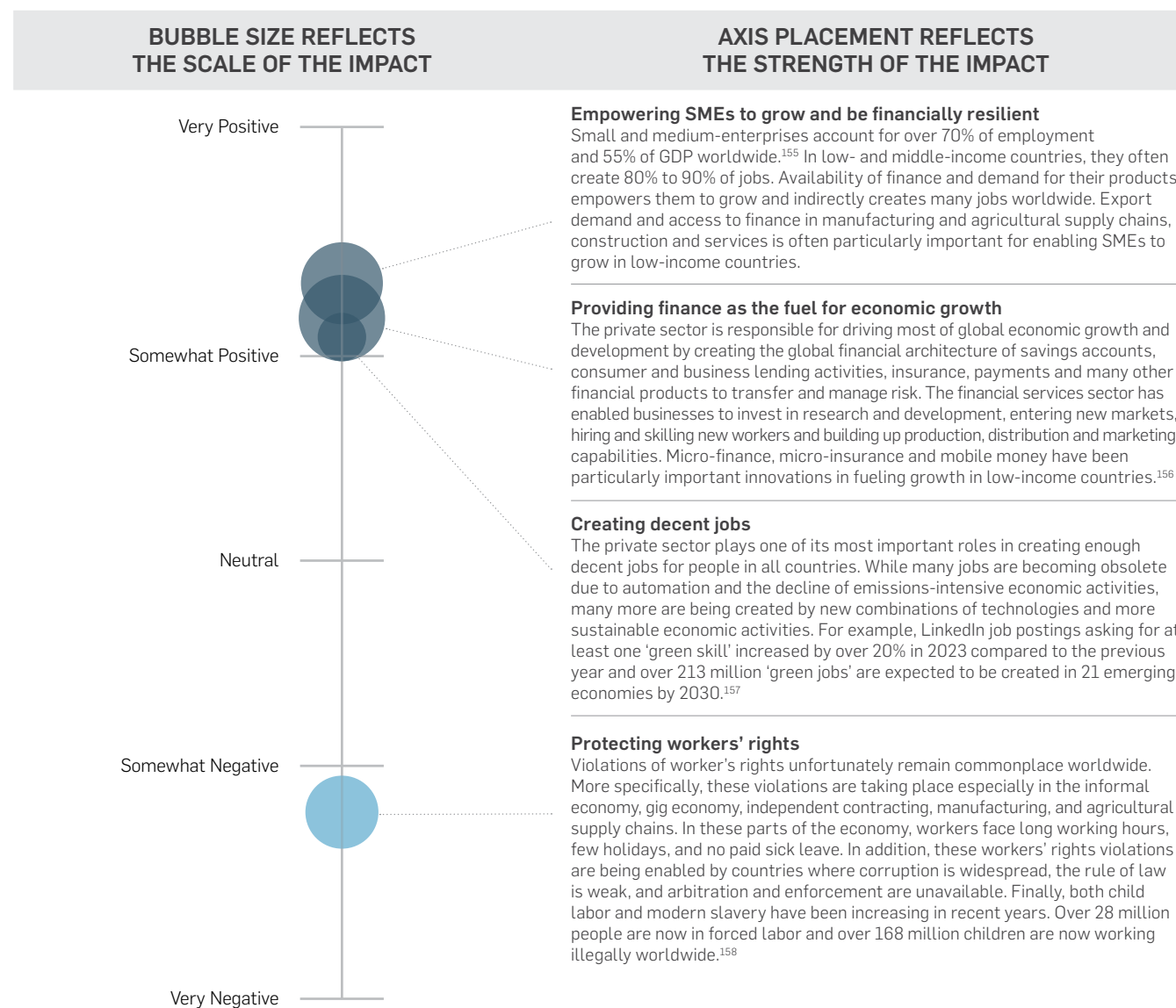
51
Total standard ESG metrics that link to SDG 8

30 of 51
Average number of SDG 8 ESG metrics reported by companies in the ESG Book sample

- SAMPLE ESG METRICS**
1. Human rights monitoring
 2. Incidents of community grievances
 3. Employee safety

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT

→ The private sector's impact on decent work and economic growth is **mixed**. While there is space to improve on labor practices, the private sector is driving value through job creation and small and medium-enterprise innovation.



KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT

↑ The private sector's revenue associated with decent work and economic growth is **very positive** and **improving**, reflecting the impact of businesses in developing economies and improving working conditions.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 8 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	0.2%	▲	
Consumer Goods \$7.7 trillion	0.1%	▲	Agriculture, Extractives, Infrastructure, Manufacturing, Transport, Consumer Goods These sectors generate significant direct employment opportunities, which drive development. For example, In LMICs, agriculture accounts for 63% of all jobs, services for 28% and manufacturing for 6%. Legislation has improved the quality of many jobs globally, but over 2 billion people are still employed in informal work with no social protection. ¹⁵⁹
Extractives \$13.8 trillion	< 0.1%	▶	
Food & Beverage \$5.7 trillion	0.3%	▲	
Financial Services \$14.7 trillion	< 0.1%	▲	
Health Care \$5.6 trillion	< 0.1%	▲	Financial Services These sectors are enablers for faster economic growth and job creation across all other sectors by financing development, expanding connectivity and creating innovative new tools and technologies.
Infrastructure \$6.8 trillion	< 0.1%	▲	
Manufacturing \$7.1 trillion	< 0.1%	▲	
Services \$4.7 trillion	< 0.1%	▶	
ICT \$10.7 trillion	< 0.1%	▶	
Transport \$6.9 trillion	< 0.1%	▲	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



INDUSTRY, INNOVATION AND INFRASTRUCTURE

Significant Challenges Improving

The world is moderately off track to achieve SDG 9 and progress is moderately increasing

The world is off track to achieve SDG 9 by 2030. The manufacturing sector's recovery from the COVID-19 pandemic remains incomplete with sector growth slowing to 3.3% in 2022. To achieve SDG 9, the private sector must support LDCs, invest in advanced technologies, continue increasing mobile broadband access and lowering carbon emissions.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



Expenditures on research and development represent 2.6% of global GDP (2020)¹⁶⁰



63% of the population uses the internet (2021)¹⁶¹



The quality of trade and transport-related infrastructure as measured by the Logistics Performance Index is 2.92 (worst 1–5 best)¹⁶²

GLOBAL OUTLOOK

6%

carbon emissions growth from energy combustion and industrial process in 2021, returning close to pre-pandemic levels.¹⁶³

95%

of people were covered by mobile broadband coverage of 3G or higher in 2022.¹⁶⁴

1.93%

of global GDP spent on R&D in 2020.¹⁶⁵

\$1,879

global manufacturing value added per capita in 2022.¹⁶⁶

KEY PRIVATE SECTOR CONTRIBUTIONS

SUSTAINABLE DEVELOPMENT

The private sector plays an integral role in ensuring that infrastructure investments are aligned with sustainable development. Notably, industrialization must be consistent with the global vision for a clean energy future. A key goal is ensuring that countries still undergoing industrialization prioritize the establishment of clean energy as a fundamental element, rather than developing a reliance on fossil fuels.

ACHIEVEMENTS & SHORTFALLS

- ↑ Private sector-led infrastructure investments are around \$160 billion in primary markets across G20 nations but further investment will be required to achieve SDG 9.¹⁶⁷
- ↑ Air cargo traffic exceeded pre-pandemic levels by the beginning of 2021 and maintains robust growth.
- ↓ Global manufacturing growth slowed from 7.4% in 2021 to 3.3% in 2022 due to inflation, energy price shocks, supply disruptions, and global economic deceleration.¹⁶⁸

BASIC INFRASTRUCTURE

The private sector has contributed to building foundational infrastructure. Expanded access to basic services like energy, internet, sanitation, and transportation have enabled sustainable growth. However, many communities still lack access to these basic services. Nearly 759 million people still live without electricity and 1 billion people live more than 2 kilometers from an all-weather road. Continued investment in sustainable infrastructure will be critical to achieving SDG 9 by 2030.

ACHIEVEMENTS & SHORTFALLS

- ↑ Between 2015 and 2021, 4G network coverage doubled, reaching 88% of the world's population.¹⁶⁹
- ↑ In 2022, while overall global manufacturing growth slowed, medium- and high-technology industries maintained strong growth; namely the automotive, computer, electronics and optical, and electrical equipment industries.
- ↓ While 95% of the world has mobile broadband access, coverage is only 82% in Sub-Saharan Africa and 68% in Oceania.¹⁷⁰
- ↓ Hard-to-abate sectors, such as aviation, lack a clear path to scaled economical decarbonization.

DRIVING INNOVATION

The private sector plays an integral role in driving innovation and disrupting technologies to create entirely new sectors. Massive investments in technological innovation and research and development have generated value and grown the productivity of the global workforce.

ACHIEVEMENTS & SHORTFALLS

- ↑ Between 2019 and 2020, the number of patents increased by 1.6% and the number of trademarks grew by 13.7%.¹⁷¹
- ↑ Climate tech start-ups raised \$53.7 billion from venture capital and private equity in 2021 globally.¹⁷²

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

15

Total standard ESG metrics that link to SDG 8

8 of 15

Average number of SDG 8 ESG metrics reported by companies in the ESG Book sample

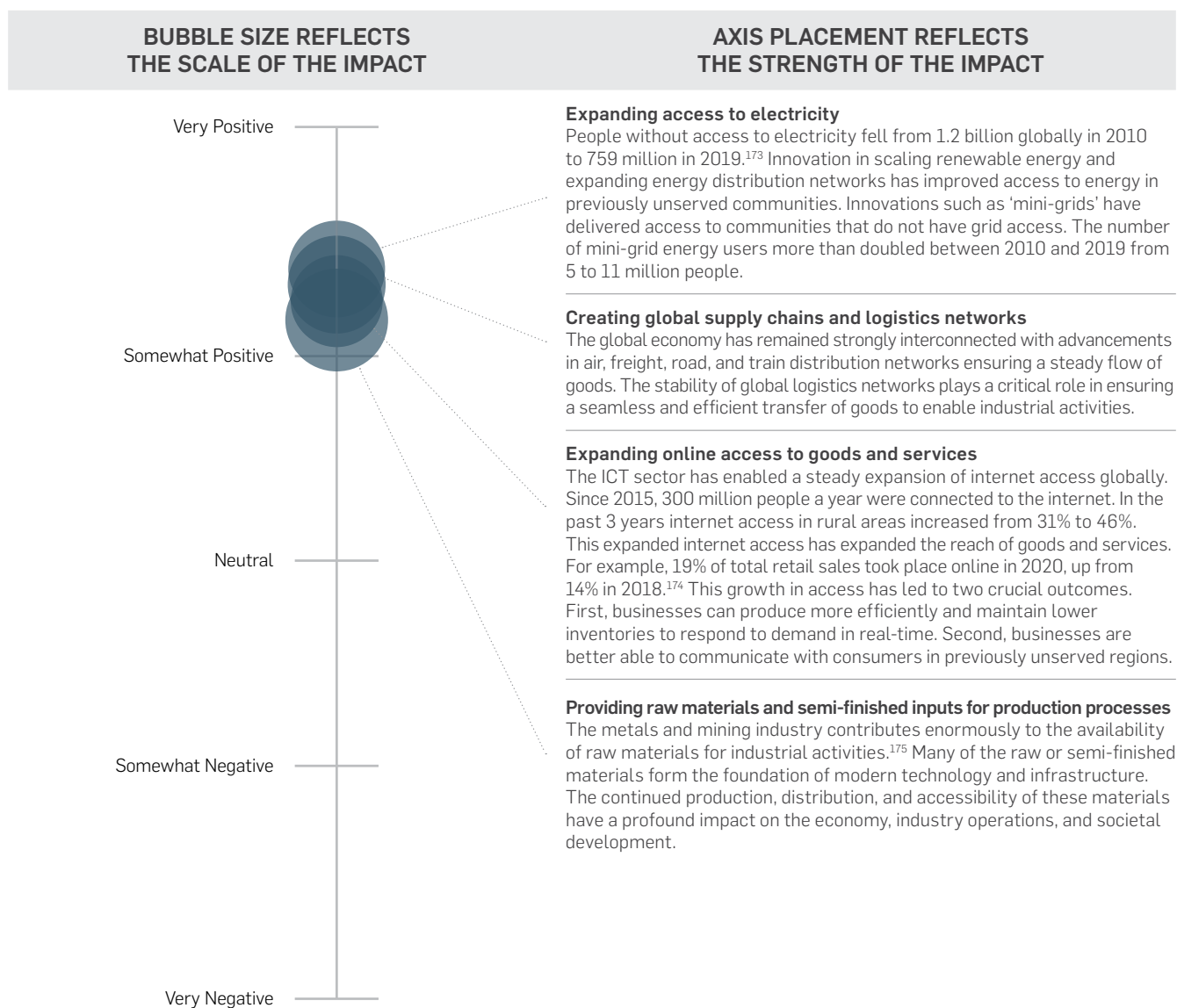
SAMPLE ESG METRICS

1. Real-estate assets emissions reduction policy
2. Community infrastructure programs
3. Quality management system certification

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT



The private sector's impact on industry, innovation, and infrastructure is **somewhat positive**. Businesses are the primary drivers for innovation and play a critical role in building infrastructure globally.



KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↓ Somewhat Negative ↓ Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT



Revenue alignment on industry, innovation, and infrastructure is **very positive** and **stagnating**, reflecting significant investment in infrastructure and a shift in the types of goods produced coming out of the COVID-19 pandemic.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 9 % Revenue Associated with (+) and (-) Impacts		TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	1.0%	23.4%	▶	<p>Infrastructure Utilities and construction services play a critical role in building infrastructure and industrializing globally. Within this sector, the entire product and service offering is wholly aligned with the goals of industrialization. Yet, as the future vision of a clean energy and sustainable future materializes, more businesses must alter their business models and product offerings to meet societal demands.</p> <p>ICT The ICT sector has invested heavily in connecting the world. Globally, 73% of the population aged 10+ owned a cell phone in 2022, enabled by the growth in cellular network infrastructure.¹⁷⁶ In addition, 66% of the world's population uses the internet, up from 41% in 2015. This growth was enabled by expansion of broadband infrastructure globally.</p> <p>Transport The transport sector has enabled industrialization by maintaining stable global supply chains. Through complex logistics networks spanning air, land, and sea, logistics companies enable the predictable flow of goods and services supporting industrialization.</p>
Consumer Goods \$7.7 trillion	1.5%	22.6%	▶	
Extractives \$13.8 trillion	2.7%	31.6%	▶	
Food & Beverage \$5.7 trillion	0.2%	9.0%	▶	
Financial Services \$14.7 trillion	0.1%	27.5%	▲	
Health Care \$5.6 trillion	0.4%	2.9%	▶	
Infrastructure \$6.8 trillion	0.1%	40.6%	▼	
Manufacturing \$7.1 trillion	2.9%	12.5%	▲	
Services \$4.7 trillion	0.5%	23.1%	▶	
ICT \$10.7 trillion	< 0.1%	25.1%	▶	
Transport \$6.9 trillion	0.5%	20.0%	▶	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



REDUCED INEQUALITIES

Significant Challenges → Stagnating

The world is moderately off track to achieve SDG 10 and progress is stagnating

The COVID-19 pandemic reversed recent advances in social equality. One in six people have experienced discrimination in some form, with women and people with disabilities disproportionately affected. In order to get back on track, we must invest in education and skills development, focusing on fostering international cooperation for fair trade and financial systems.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



The Palma ratio, or the ratio of the richest 10% of the population's share of gross national income divided by the poorest 40%'s share was 10.88 (2021)¹⁷⁷



The Gini coefficient, a measure for income inequality, is 37.6 (full equality 0–100 full inequality) (2020)¹⁷⁸

GLOBAL OUTLOOK

1 in 6

people have experienced discrimination.¹⁷⁹

34.6 million

refugees in 2022, the highest ever documented.¹⁸⁰

1 in 3

people with disabilities report having experienced discrimination.¹⁸¹

76%

of refugees and those in need of international protection hosted by low- and middle-income countries.¹⁸²



KEY PRIVATE SECTOR CONTRIBUTIONS

WORKFORCE EQUALITY

Workplaces around the world remain unequal across demographics. Leadership roles are overwhelmingly filled by men with no signs of reaching parity soon, and executive compensation is significantly higher than average worker pay. LGBTQ+ workers face discrimination and in many countries, data is unavailable to highlight these disparities out of fear over punishment. Wage floors are lower than what is considered a living wage. Prospective workers with disabilities, migrants, and workers with low educational backgrounds face many barriers and are under-represented in well-paying jobs.

ACHIEVEMENTS & SHORTFALLS

- ↑ The growth in skills-based hiring has opened doors for prospective job candidates from under-resourced communities who may not have access to a four-year college degree.
- ↓ In the US, Black workers earn \$0.76 for every \$1.00 White workers earn.¹⁸³
- ↓ About 1/3 of working-age persons with disabilities are in employment, which is roughly half the corresponding share of persons without disabilities.¹⁸⁴
- ↓ The average CEO of an S&P 500-listed company earns 272 times as much as their employees, reflecting the widening disparity between executive and worker pay.¹⁸⁵

GLOBAL INEQUALITY

Economic equality has not followed global economic growth and with the rise of artificial intelligence, inequalities are only expected to deepen. The wealthiest in society have accumulated disproportionate shares of new wealth while real wages have stagnated for billions of workers worldwide. Globalization and remote working have enabled businesses to provide jobs outside of their home countries, promising to reduce inequality but most remote work opportunities are restricted to high-income countries due to tax, legal, language and cultural barriers, which must be tackled to reduce inequalities.

ACHIEVEMENTS & SHORTFALLS

- ↑ Remittances have grown rapidly and become far cheaper in recent years, and are now much more important to most LMICs than official development aid.¹⁸⁶
- ↑ Foreign Direct Investment into LMICs has increased significantly. Venture capital investment in Africa has increased at a compound annual rate of 32% between 2014 and 2021.¹⁸⁷
- ↑ Millions of jobs have been created in low-income countries due to outsourcing of call centers, back-office functions, and manufacturing activities.
- ↓ Less than 1% of people gained 2/3 of all new wealth created in the last 3 years, while 4 billion people own just 2% of global wealth.¹⁸⁸

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

36

Total standard ESG metrics that link to SDG 10

21 of 36

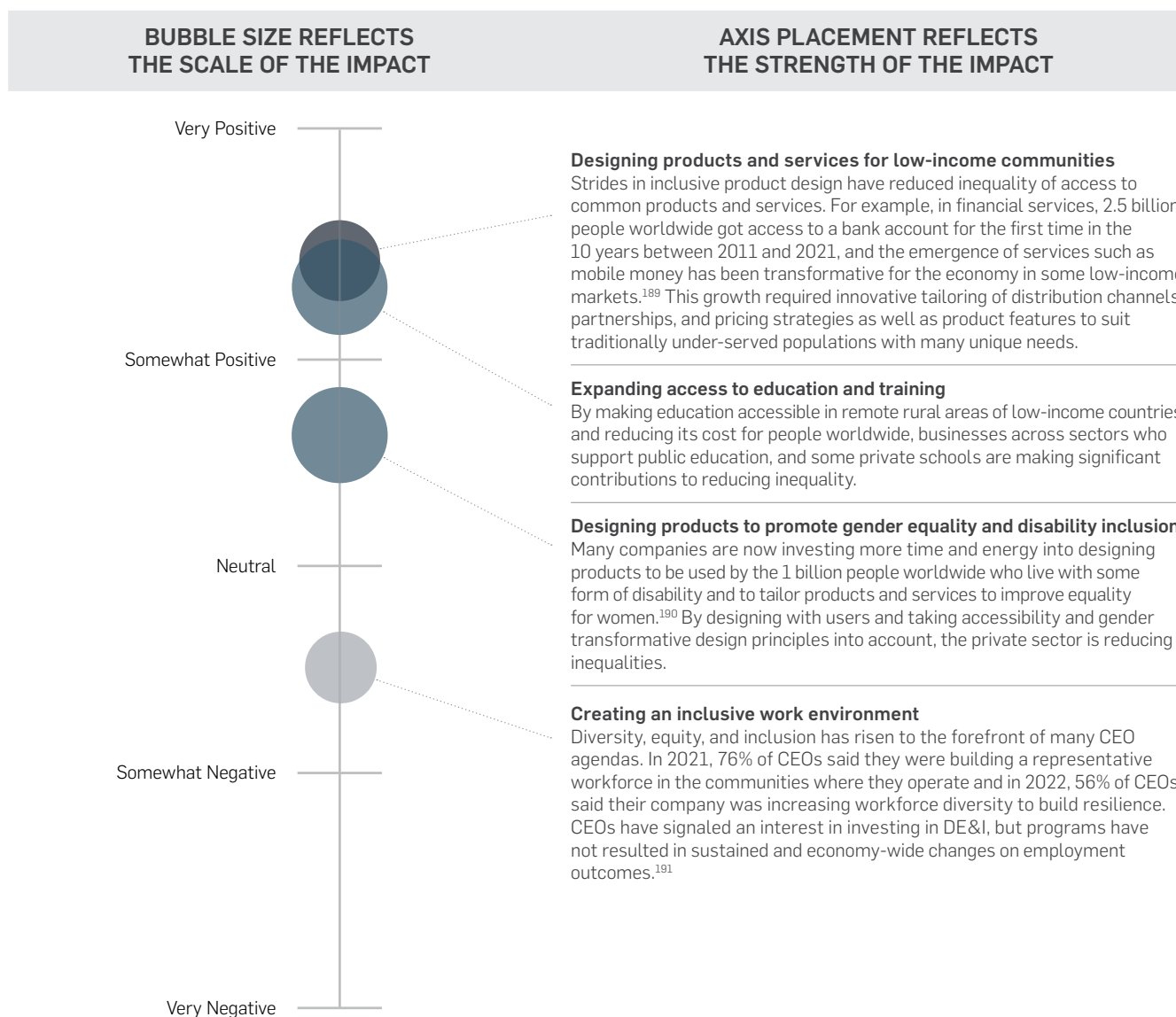
Average number of SDG 10 ESG metrics reported by companies in the ESG Book sample

SAMPLE ESG METRICS

1. Gender pay gap
2. Employees earning a minimum wage
3. Female employees

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT

→ The private sector's contribution to reduced inequalities are **mixed**. Despite progress on inclusive product design and wider access to education, many workplaces are still not inclusive today.



KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT

→ The private sector's revenue associated with reducing inequalities is **mixed** and **worsening**. Financial inclusion reducing inequality in many countries is offset by extractives increasing it in others.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 10 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	3.4%	▼	<p>Extractives</p> <p>The importance of extractives in an economy is strongly associated with inequality. While mining and oil and gas operations can bring jobs and investment into low-income countries, globally there are many workforces with limited focus on inclusion and many workers on low wages. There is often a growing divide between small segments of society growing wealthy from the benefits of extractives, while most people in local communities do not see much development and the local areas have often become far more unequal as a result.</p> <p>Financial Services</p> <p>Expanding access to financial services has significantly reduced inequality. The market for microfinance grew to \$187 billion in 2022 and is forecast to become \$488 billion by 2030.¹⁹² If designed responsibly, microfinance loans often have very high repayment rates and expanding access can reduce economic inequality.</p>
Consumer Goods \$7.7 trillion	3.4%	▶	
Extractives \$13.8 trillion	15.2%	▲	
Food & Beverage \$5.7 trillion	2.0%	▶	
Financial Services \$14.7 trillion	0.1%	▲	
Health Care \$5.6 trillion	0.1%	▲	
Infrastructure \$6.8 trillion	1.5%	▲	
Manufacturing \$7.1 trillion	1.1%	▼	
Services \$4.7 trillion	2.5%	▶	
ICT \$10.7 trillion	0.3%	▼	
Transport \$6.9 trillion	0.3%	▲	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



SUSTAINABLE CITIES AND COMMUNITIES

Major Challenges → Stagnating

The world is severely off track to achieve SDG 11 and progress is stagnating

The world is not on track to achieve SDG 11. Approximately 1.1 billion people live in slums or slum-like conditions. Slum populations in small cities and towns are recording faster growth than many major cities around the world. The private sector must focus on prioritizing access to basic services, efficient transport, and address continuing urban environmental degradation and pollution.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdginde.org>



24.20% of global urban populations are living in slums (2020)¹⁹³



The annual mean concentration of particulate matter of less than 2.5 microns in diameter is 45.4 micrograms per cubic meter (2019)¹⁹⁴



74% of global populations have access to a safely managed water source (2020)¹⁹⁵

GLOBAL OUTLOOK

55%

of the global population lives in urban areas.¹⁹⁶

51.6%

of the global urban population has convenient access to public transport.¹⁹⁷

3.2%

of urban land was accounted for by open public spaces in 2020.¹⁹⁸

102

countries reported having local governments with disaster risk reduction strategies in 2022.¹⁹⁹

KEY PRIVATE SECTOR CONTRIBUTIONS

AFFORDABLE HOUSING

By providing jobs in urban areas, the private sector is inadvertently driving massive urban population growth, fueling the housing crisis. Yet some companies are also seeing the opportunity in providing affordable products and services for urban life. Notably, businesses are combatting housing inequality by creating mortgage products, providing loans for small businesses, and creating affordable mobile and modular home products.

ACHIEVEMENTS & SHORTFALLS

- ↑ By 2030, experts predict that there will be 41 cities with more than 20 million residents, reflecting optimism around urban innovation.²⁰⁰
- ↓ The portion of people living in slums or informal settlements surpassed 1 billion in 2018.²⁰¹
- ↓ Globally, 35% of people do not have access to affordable housing; 55% in Sub-Saharan Africa, 30.5% in West Asia and North Africa, and 30.3% in Central and Southern Asia.²⁰²

CLEAN AIR AND WASTE

Industrial activity is often a large contributor to air pollution and waste in urban areas. Cities produce roughly 78% of carbon emissions and produce substantial airborne pollutants that adversely affect over 50% of the world's urban population. Businesses therefore have a key role to play in reducing air polluting activities.

ACHIEVEMENTS & SHORTFALLS

- ↓ The global average municipal solid waste collection rate in cities was 82% in 2022.²⁰³
- ↓ Globally, over 4.2 million annual premature deaths were attributed to outdoor air pollution, occurring predominantly in lower- and middle-income countries in 2016.²⁰⁴
- ↓ Cities account for 2/3rds of global energy consumption and more than 70% of greenhouse gas emissions.²⁰⁵

SMART CITIES

Private sector innovation in sensor technology, internet-of-things, and remote monitoring have created the potential for improved, data-driven urban management. Combined with artificial intelligence, the growth of smart city technology has enabled transportation networks to operate semi-autonomously and for energy systems to reduce power usage and losses.

ACHIEVEMENTS & SHORTFALLS

- ↑ Sensor-triggered street lighting has allowed cities to conserve energy and reduce urban light pollution.²⁰⁶
- ↑ Connected public transportation and internet-of-things technology enable greater system reliability and faster repairs.
- ↓ Privacy concerns related to urban data collection often impede the broad implementation of smart city technologies.

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

38

Total standard ESG metrics that link to SDG 11

23 of 38

Average number of SDG 11 ESG metrics reported by companies in the ESG Book sample

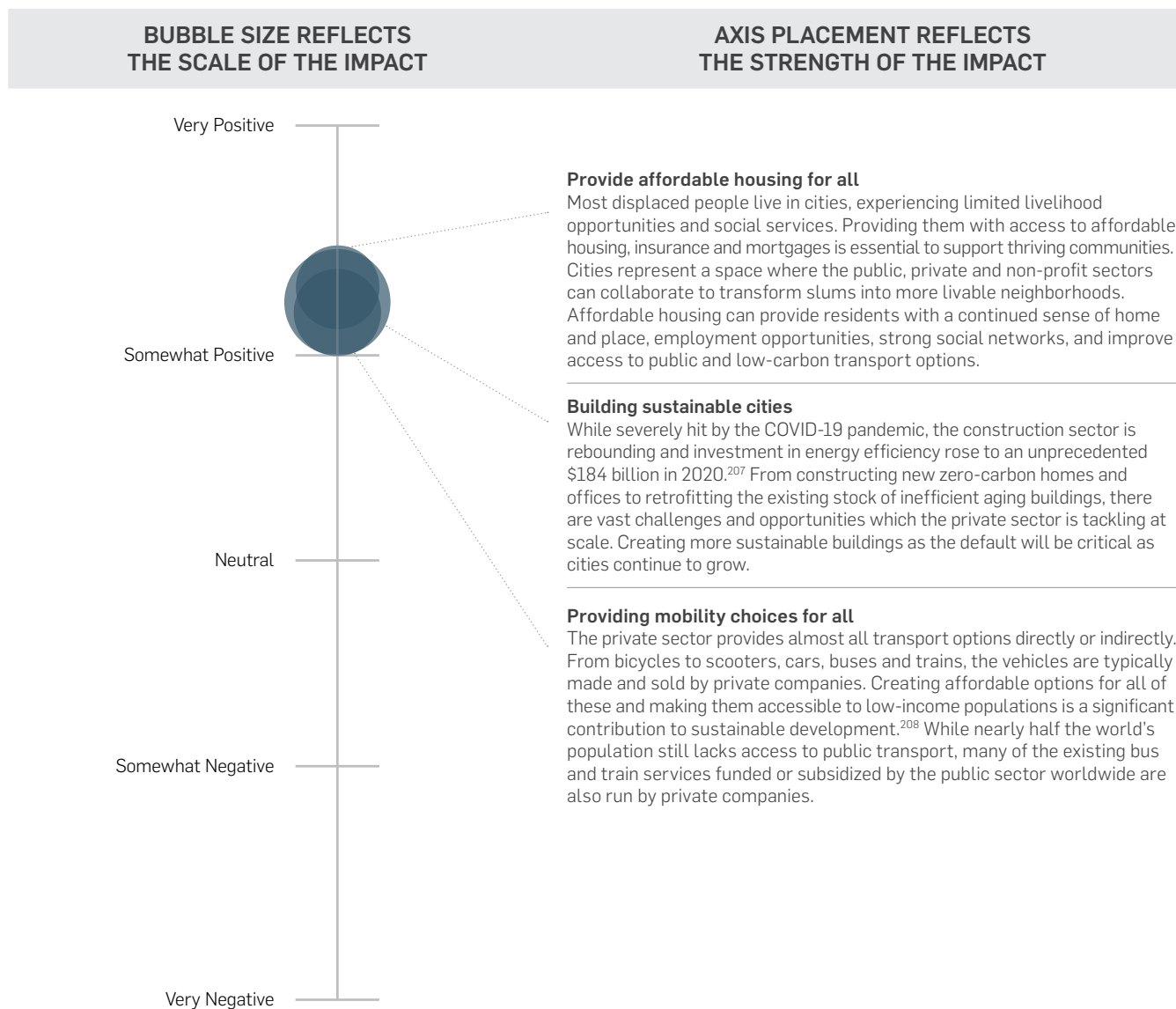
SAMPLE ESG METRICS

1. Community programs and infrastructure programs
2. Waste reduction (e-waste, hazardous chemicals, etc.)
3. Air quality impact

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT



The private sector's impact on sustainable cities and communities is **very positive**, reflecting innovation surrounding green infrastructure and transportation.



KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT



The private sector's revenue associated with sustainable cities and communities is **somewhat negative** and **worsening**, driven mainly by the effects of global air pollution in cities.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 11 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	11.3%	6.5%	<p>Extractives, Infrastructure, Transport, Manufacturing</p> <p>These sectors are significant contributors to air pollution. Air pollution cuts global life expectancy by 3 years and is now the leading cause of death worldwide, causing 8.8 million deaths a year (more than smoking). 99% of the global population now breathes air that does not meet WHO levels²⁰⁹ – but few companies are addressing their impacts so far. The WEF Alliance for Clean Air is a key platform for coordinating action.</p> <p>Financial Services</p> <p>Financial institutions play several critical roles in improving urban sustainability. Contributions range from financing solar farms and transportation infrastructure to providing mortgages and loans for new housing.</p>
Consumer Goods \$7.7 trillion	6.2%	7.5%	
Extractives \$13.8 trillion	31.9%	1.0%	
Food & Beverage \$5.7 trillion	4.6%	3.9%	
Financial Services \$14.7 trillion	0.6%	18.0%	
Health Care \$5.6 trillion	0.5%	0.6%	
Infrastructure \$6.8 trillion	16.1%	5.3%	
Manufacturing \$7.1 trillion	12.5%	3.0%	
Services \$4.7 trillion	15.1%	4.0%	
ICT \$10.7 trillion	0.4%	7.3%	
Transport \$6.9 trillion	21.9%	4.3%	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



RESPONSIBLE CONSUMPTION AND PRODUCTION

Moderate Challenges ↗ Improving

The world is off track to achieve SDG 12 and progress is moderately increasing

The material footprint per capita in high-income countries is 10 times that of low-income countries. Despite rising global hunger, food waste and losses remain staggering and uneven. Responsible consumption and production is integral to the acceleration of the Sustainable Development Goals.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



Per capita exports of plastic waste reached 0.76 kilograms per capita in 2021.²¹⁰



Per capita municipal solid waste reached 0.79 kilograms per capita per day in 2020.²¹¹



Per capita electronic waste reached 7.3 kilograms per capita in 2019.²¹²

GLOBAL OUTLOOK

66%

increase in global domestic material consumption – the amount of raw materials directly used for production processes in a country – from 2000 to 2019.²¹³

13.2%

of the world's food was lost after harvest along the supply change in 2021.²¹⁴

90%

of biodiversity loss is directly attributable to material extraction, consumption, and waste.²¹⁵

100 Gt

of materials were extracted in 2019 and will rise to 170-184 Gt by 2050.²¹⁶

KEY PRIVATE SECTOR CONTRIBUTIONS

CIRCULAR PRODUCTS

Leading businesses are manufacturing products with circularity as a core principle. Material innovation and modular design principles are enabling businesses to easily recycle products and create new revenue sources. Many multinational corporations have established successful take-back programs to retain value from old products while mitigating environmental impacts and increasing product longevity. While individual businesses have found success, the global economy is still missing the requisite large-scale infrastructure to become truly circular.

ACHIEVEMENTS & SHORTFALLS

- ↑ The global secondhand apparel market will grow by 127% by 2026, which is three times faster than in the overall global apparel market.²¹⁷
- ↑ The average age of a light vehicle in the United States has risen from 9.6 years in 2002 to 12.1 years in 2021, reflecting an increase in the product category durability.²¹⁸
- ↓ Only 9% of plastic waste is recycled, 19% is incinerated, 50% ends up in landfill and 22% evades waste management systems and goes into uncontrolled dumpsites, is burned in open pits or ends up in terrestrial or aquatic environments, especially in poorer countries.²¹⁹
- ↓ The CPG market uses 144 million metric tons of plastic packaging each year and only businesses accounting for 20% of this packaging have committed to using recycled content and have targets for 2025.²²⁰

CIRCULAR BUSINESS MODELS

The world cannot fix its waste problem by just recycling. Businesses are evolving their fundamental business model to become more circular, improving responsible production and end of life practices. For example, businesses are retaining ownership over products to control end-of-life treatment and leasing or renting products to consumers. Deploying as-a-service business models and establishing a sharing economy have allowed certain businesses to own large upfront capital costs to control an end-to-end product lifecycle while generating ongoing value by leasing the product over time.

ACHIEVEMENTS & SHORTFALLS

- ↑ Industries that have shifted away from one-off product sales toward capital equipment-as-a-service have typically recorded higher-than-average margins, often via cost savings in maintenance, equipment optimization, and storage and logistics.
- ↑ The UK rental apparel market is forecast to be worth £142 million by the end of 2022, with growth of 164% predicted in the following years to 2026.²²¹
- ↓ Circular business models remain a small niche across sectors and firms due to corporate inertia, uncertainty from leadership, and labor-intense processes such as reverse logistics, resource sorting, and product refurbishment.

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

74

Total standard ESG metrics that link to SDG 12

42 of 74

Average number of SDG 12 ESG metrics reported by companies in the ESG Book sample

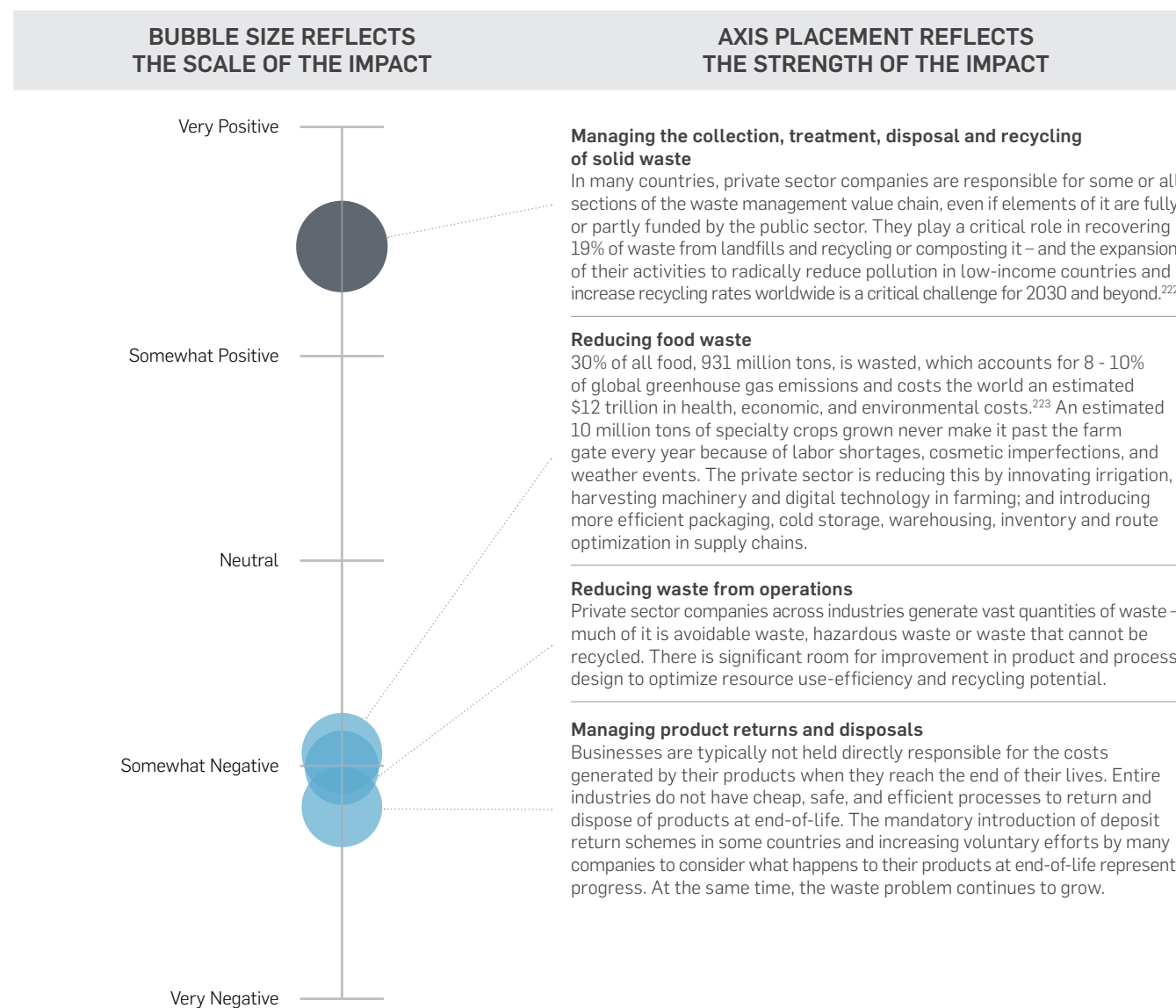
SAMPLE ESG METRICS

1. Recyclable and reusable product design
2. Product return and recycling programs
3. Supply chain traceability

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT



The private sector's contribution to responsible consumption and production are **very negative**. While we've seen improvement in waste management, recycling remains inaccessible to many consumers and businesses.



KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT



The private sector's revenue associated with responsible consumption and production is **somewhat negative** and **worsening**, caused by enormous food waste and plastic pollution.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 12 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	10.2%	1.5%	
Consumer Goods \$7.7 trillion	11.2%	1.7%	Consumer Goods Consumerism and cheaper low-quality goods are driving wastefulness and undercutting the recycling industry. 100 billion tons of resources enter the economy each year, and only around 9% of these resources get recycled or used again. ²²⁴
Extractives \$13.8 trillion	24.8%	0.4%	Extractives, Transport, Infrastructure, Manufacturing These high resource-intensity sectors are creating non-recyclable products, and are not investing in alternatives or recycling infrastructure at scale. For example, the world is producing twice as much plastic as it was two decades ago, with only 9% of plastic being successfully recycled according to the Organization for Economic Co-operation and Development. ²²⁵
Food & Beverage \$5.7 trillion	16.5%	0.6%	
Financial Services \$14.7 trillion	1.7%	0.5%	
Health Care \$5.6 trillion	1.7%	< 0.1%	
Infrastructure \$6.8 trillion	12.9%	3.1%	Food & Beverage 30% of food produced globally is lost or wasted, much of it never leaving the farm. ²²⁶ Food waste in the food service and retail sectors account for 362 million tons of food waste per year.
Manufacturing \$7.1 trillion	7.2%	2.9%	
Services \$4.7 trillion	11.5%	1.0%	
ICT \$10.7 trillion	2.1%	2.9%	
Transport \$6.9 trillion	11.4%	2.3%	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



CLIMATE ACTION

Significant Challenges → Stagnating

The world is moderately off track to achieve SDG 13 and progress is stagnating

The pace of climate action is not sufficient to efficiently tackle climate change. Without cross-sectoral cooperation and policy, global temperature rise will likely surpass 1.5°C above pre-industrial levels. Urgent greenhouse gas emissions reduction is necessary to avoid increases in the severity and frequency of disasters.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



There was 4.69 tCO2 per capita of CO2 emissions from fossil fuel combustion in 2021²²⁷



The emissions for consumption-based CO2 emissions in the US reached 15.47tCO2 per capita in 2021, and the US has produced 400 billion tCO2 since 1750²²⁸



China made up 30.90% of the annual global CO2 emissions in 2021, but it has cumulatively produced 250 billion tCO2 since 1750²²⁹

GLOBAL OUTLOOK

\$1.4 trillion

clean energy investment is expected in 2022.²³⁰

1.2 billion

people could be forcibly displaced globally by 2050 due to climate-related disasters.²³¹

93%

of Global 2000 companies will miss their net-zero targets unless they accelerate decarbonization.²³²

\$803 billion

annual global climate finance flow in 2019-2020.²³³

KEY PRIVATE SECTOR CONTRIBUTIONS

MITIGATION

Climate mitigation is central to the private sector's contribution to global climate action. Businesses have leaned on multiple levers to mitigate their impacts on climate change. Setting net-zero targets validated by the Science-Based Target initiative, measuring and reducing scope 3 emissions (which account for 70% of corporate emissions), sourcing renewable energy, and setting internal prices on carbon are examples of actions that leading companies have taken to mitigate climate impacts.

ACHIEVEMENTS & SHORTFALLS

- ↑ The total number of TCFD supporters has grown by 47% between 2018 and 2022 (571 to over 4,000).²³⁴
- ↑ By the end of 2022, companies with science-based targets or commitments represented 34% of the global economy by market capitalization.²³⁵
- ↑ More than three quarters (76%) of companies with science-based targets publicly reported progress against their targets in some form. More than half (53%) of companies fully reported progress on all their near-term and long-term targets in 2022, while around a quarter (23%) reported on at least one target.²³⁶
- ↓ Unless companies accelerate decarbonization, 93% will miss their net zero targets.²³⁷

RESILIENCE & ADAPTATION

Businesses have recognized the need to adapt and build resilience to already existing changes to the climate. Leading businesses have responded by diversifying material inputs for production, conducting scenario analyses to identify climate risk management policies, participating in insurance markets to protect against climate risks, and investing in nature-based solutions to reduce disaster risks.

ACHIEVEMENTS & SHORTFALLS

- ↑ Supplier Chain Finance (SCF) programs are starting to gain more popularity. For example, Citi's recently launched SCF supports clients as they advance their ESG priorities.
- ↓ Projections based on global temperature rise of 1.5°C by 2100 suggest that heat stress will reduce total working hours worldwide by 2.2 per cent—a productivity loss equivalent to 80 million full-time jobs.²³⁸
- ↓ In 2021, only 3 in 10 CEOs indicated that their businesses had access to strong insurance for climate-related risks.²³⁹
- ↓ In 2021, just 28% of CEOs indicated that their businesses conducted intermediate-to-advanced scenario analyses to identify physical and transition risks of climate change.²⁴⁰

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

37

Total standard ESG metrics that link to SDG 13

21 of 37

Average number of SDG 13 ESG metrics reported by companies in the ESG Book sample

SAMPLE ESG METRICS

1. Scope 1, 2, and 3 GHG emissions
2. GHG emissions reduction targets
3. Climate strategy and resilience planning

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT



The private sector's lack of climate action is creating a **very negative** impact. While innovation is creating viable new pathways, there are deep problems with credible targets and inadequate progress.



KEY Very Positive Somewhat Positive Mixed Somewhat Negative Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT



The private sector's revenue associated with climate action is **very negative** and **worsening**, reflecting the lack of action, accountability, and financial commitment on climate goals.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 13 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	24.5%	4.0%	<p>Extractives & Manufacturing High-resource industries are driving significant GHG emissions worldwide, illustrating the private sector's continued reliance on fossil fuels.</p> <p>Food & Beverage Agriculture is responsible for 11% of emissions, showcasing the need for greener practices such as reducing tillage and using cover crops to reduce carbon emissions.²⁴⁵</p> <p>Infrastructure The built environment accounts for 40% of GHG emissions, with 25% coming from electricity generation. This is set to double by 2050 due to rising energy demands.²⁴⁶</p> <p>Financial Services Financial services plays a large role in pushing forward the green energy transition. Since 2016, renewable energy has taken a total of \$2.5 trillion in bank loans and bond underwriting.²⁴⁷ However, this only represents 7% of total energy activities, reflecting the level of investment that is still needed.</p> <p>Transportation While EV adoption is increasing, there is still a large gap.²⁴⁸ Furthermore, other travel modes such as air travel and shipping remain difficult to decarbonize.</p>
Consumer Goods \$7.7 trillion	30.0%	2.6%	
Extractives \$13.8 trillion	48.7%	0.6%	
Food & Beverage \$5.7 trillion	29.9%	0.9%	
Financial Services \$14.7 trillion	6.7%	11.7%	
Health Care \$5.6 trillion	0.9%	1.5%	
Infrastructure \$6.8 trillion	40.3%	4.6%	
Manufacturing \$7.1 trillion	24.2%	3.8%	
Services \$4.7 trillion	26.1%	2.7%	
ICT \$10.7 trillion	1.5%	2.0%	
Transport \$6.9 trillion	41.5%	4.4%	

KEY Net revenue has increased by >20% since 2015 Net revenue is within +/- 20% since 2015 levels Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



LIFE BELOW WATER

Major Challenges → Stagnating

The world is severely off track to achieve SDG 14 and progress is stagnating

The world is not on track to achieve SDG 14 by 2030. The ocean faces a state of emergency with increasing eutrophication, acidification, and pollution threatening its health. To counter these negative trends, increased funding for ocean science, intense conservation efforts, science-based ocean management plans, and reducing marine pollution of all kinds are essential.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



Only 28% of marine sites critical to biodiversity are protected (2022)²⁴⁹



The Ocean Health Index: Clean Waters score is 69 (worst 0–100 best) (2022)²⁵⁰



More than a third (35.4%) of global stocks were overfished in 2019²⁵¹

GLOBAL OUTLOOK

17 million

metric tons of plastic waste that have entered the Atlantic Ocean over the past 65 years.²⁵²

30%

increase in ocean acidity compared to pre-industrial times.²⁵³

539

ocean-monitoring stations reporting acidification in 2023.²⁵⁴

35%

more than a third of global fish stocks were overfished in 2019.²⁵⁵

KEY PRIVATE SECTOR CONTRIBUTIONS

PLASTIC & CHEMICAL POLLUTION

Poor operational and product controls have led to destructive ocean pollution globally. Most notably, 50-75 trillion pieces of plastic and microplastics are currently in ocean, reflecting the compounded result of the growing plastics dilemma. Chemicals pollution from agricultural run-off is another major source of ocean pollution and threatens to stifle the prospect of progress on SDG 14. In addition, the prevalence of hazardous oil contamination has disrupted ocean biodiversity. The private sector must be diligent in carefully weighing production activities against the risk of irreversibly destroying ocean life.

ACHIEVEMENTS & SHORTFALLS

- ↑ 65% of packaging is reusable, recyclable or compostable among signatories of the Plastic Pact network.²⁵⁶
- ↓ Estimated ocean oil pollution is up to 20 times higher than it was 20 years ago from oil spills, natural oil seeps, and discharge from oil and gas operations.²⁵⁷
- ↓ Plastic waste makes up 80% of all marine pollution and around 8 to 10 million metric tons of plastic end up in the ocean each year. 91% of all plastic is still single-use.²⁵⁸
- ↓ Agriculture chemical run-off has detrimental effects on water systems, contributing to high levels of algal growth, sediment, and harmful bacteria for ocean ecosystems.

SUSTAINABLE OCEAN ECONOMY

Businesses are starting to see the value of a sustainable ocean economy, which will reach \$3 trillion in value and employ 40 million people by 2030. The introduction of blue bonds has been a bright spot for funding marine protection projects, linking ocean protection to financial agreements. Shifts away from single-use plastics have diverted plastic pollution from the ocean. Regulatory and consumer pressure have also forced businesses to consider impacts on oceans and marine life when planning large capital projects. Estimates suggest that investing \$1 in key ocean actions can yield at least \$5 in global benefits.

ACHIEVEMENTS & SHORTFALLS

- ↑ Between 2018-2022, 26 blue bond transactions took place, amounting to a total value of \$5 billion with 92% CAGR in those years; yet blue bonds currently represent 0.5% of the sustainable debt market.²⁵⁹
- ↑ Financial institutions are underwriting new financing methods such as debt-for-nature swaps to align investment incentives with improving nature outcomes in countries such as Belize.

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

28

Total standard ESG metrics that link to SDG 14

15 of 28

Average number of SDG 14 ESG metrics reported by companies in the ESG Book sample

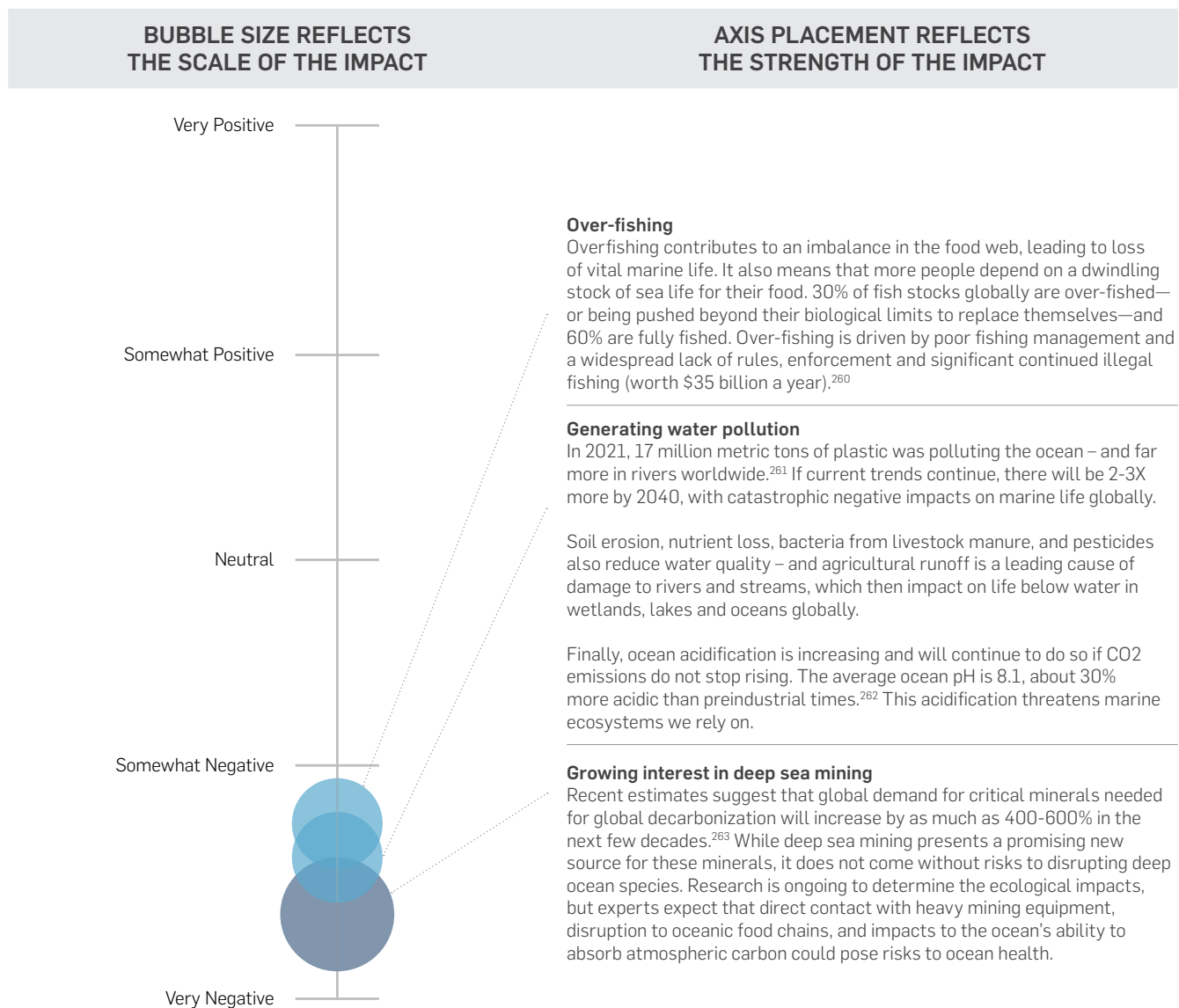
SAMPLE ESG METRICS

1. Biodiversity impact reduction
2. Water habitat protection or restoration
3. Hazardous waste and oil spill reduction

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT



The private sector's impacts on life below water are **very negative**. Ocean acidification and plastic pollution continue to threaten ecosystems underwater.



KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT



The private sector's revenue associated with life below water is **very negative** and **stagnating**, reflecting the scale and impact of illegal fishing and mismanagement of agricultural.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 14 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	28.3%	▶	<p>Extractives, Infrastructure, Manufacturing, Transport, Services, Consumer Goods</p> <p>Climate change is raising ocean temperatures and acidity to record levels with drastic effects. It is disrupting critically important ocean currents, plankton and algae balances, and destroying coral reefs. As the foundations of life below water are eroded, marine populations worldwide are being decimated.</p> <p>Further sector-specific negative impacts that are disrupting coastal and ocean ecosystems include: offshore oil and gas platforms, oil spills from tankers, under-sea mining, offshore wind turbines, development of coastal land and destruction of mangrove and sea-grass forests, and chemicals, exhaust and waste dumped from shipping.</p> <p>Food & Beverage</p> <p>Overfishing and agricultural chemical run-off are having devastating effects on marine life globally.</p>
Consumer Goods \$7.7 trillion	32.6%	▶	
Extractives \$13.8 trillion	56.9%	▶	
Food & Beverage \$5.7 trillion	30.5%	▶	
Financial Services \$14.7 trillion	7.8%	▶	
Health Care \$5.6 trillion	7.5%	▶	
Infrastructure \$6.8 trillion	48.3%	▶	
Manufacturing \$7.1 trillion	29.7%	▶	
Services \$4.7 trillion	30.1%	▼	
ICT \$10.7 trillion	2.9%	▶	
Transport \$6.9 trillion	41.8%	▶	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



LIFE ON LAND

Major Challenges → Stagnating

The world is severely off track to achieve SDG 15 and progress is stagnating

Progress toward achieving SDG 15 is bleak. The planet faces escalating forest loss, land degradation, and the extinction of species which pose a severe threat to the rest of life on earth. In order to get back on track toward SDG 15, we must mobilize efforts to finance biodiversity conservation and put an end to land degradation practices.

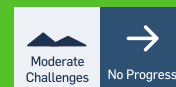
For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



The survival rate of Red List Index species is 0.72 (worst 0–1 best) (2023)²⁶⁴



14.7 % of terrestrial land is protected (2020)²⁶⁵



Global forest coverage decreased from 31.9% in 2000 (4.2 billion hectares) to 31.2% (4.1 billion hectares) in 2020²⁶⁶

GLOBAL OUTLOOK

100 million

hectares of net forest area lost over the last two decades.²⁶⁷

\$8.9 billion

generated in biodiversity-related taxes between 2017 and 2019.²⁶⁸

500,000+

terrestrial species with insufficient habitats for long-term survival without habitat restoration.²⁶⁹

90%

of global deforestation is the result of agricultural expansion.²⁷⁰



KEY PRIVATE SECTOR CONTRIBUTIONS

LAND-USE CHANGES

Rampant deforestation has contributed to large-scale biodiversity loss. Factory farming and the mass expansion of ranching have led to land degradation and increased carbon emissions. Increasing industrialization has eliminated wildlife corridors and reduced arable land. The private sector must pivot quickly to protect natural ecosystems and value natural capital in all project decisions.

ACHIEVEMENTS & SHORTFALLS

- ↑ Investments in some nature-based solutions promise to restore biodiversity and protect nature while generating financial returns to investors.
- ↓ Between 2015 and 2020, the rate of deforestation was estimated at 10 million hectares per year.²⁷¹
- ↓ Agriculture alone is a threat to 86% of species at risk of extinction and the global rate of species extinction today is higher than the average rate at any point over the past 10 million years.²⁷²
- ↓ Currently, most nature-based solutions projects are financed by public and philanthropic funds, while only 14% of capital is provided by the private sector.²⁷³

REGULATIONS CHANGES

Businesses are beginning to grapple with economy-wide ramifications of biodiversity loss and have implemented a framework for disclosing nature-related risks. Efforts to establish regulatory frameworks reflect the early stages of a long process to protect biodiversity and habitats from business impacts. Agreeing on a standardized framework will be critical to reverse biodiversity loss and prevent land degradation, while joining biodiversity-related goals with the net-zero movement to ensure a more sustainable future.

ACHIEVEMENTS & SHORTFALLS

- ↑ Numerous organizations have developed methodologies for science-based nature target setting, including the Science Based Targets Network and the Taskforce for Nature-Related Financial Disclosures.
- ↓ Less than 40% of asset managers report voting policies on biodiversity in governing investment practices. In comparison, over 80% of asset managers report voting policies on climate change in investment practices.²⁷⁴

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

35

Total standard ESG metrics that link to SDG 15

18 of 35

Average number of SDG 15 ESG metrics reported by companies in the ESG Book sample

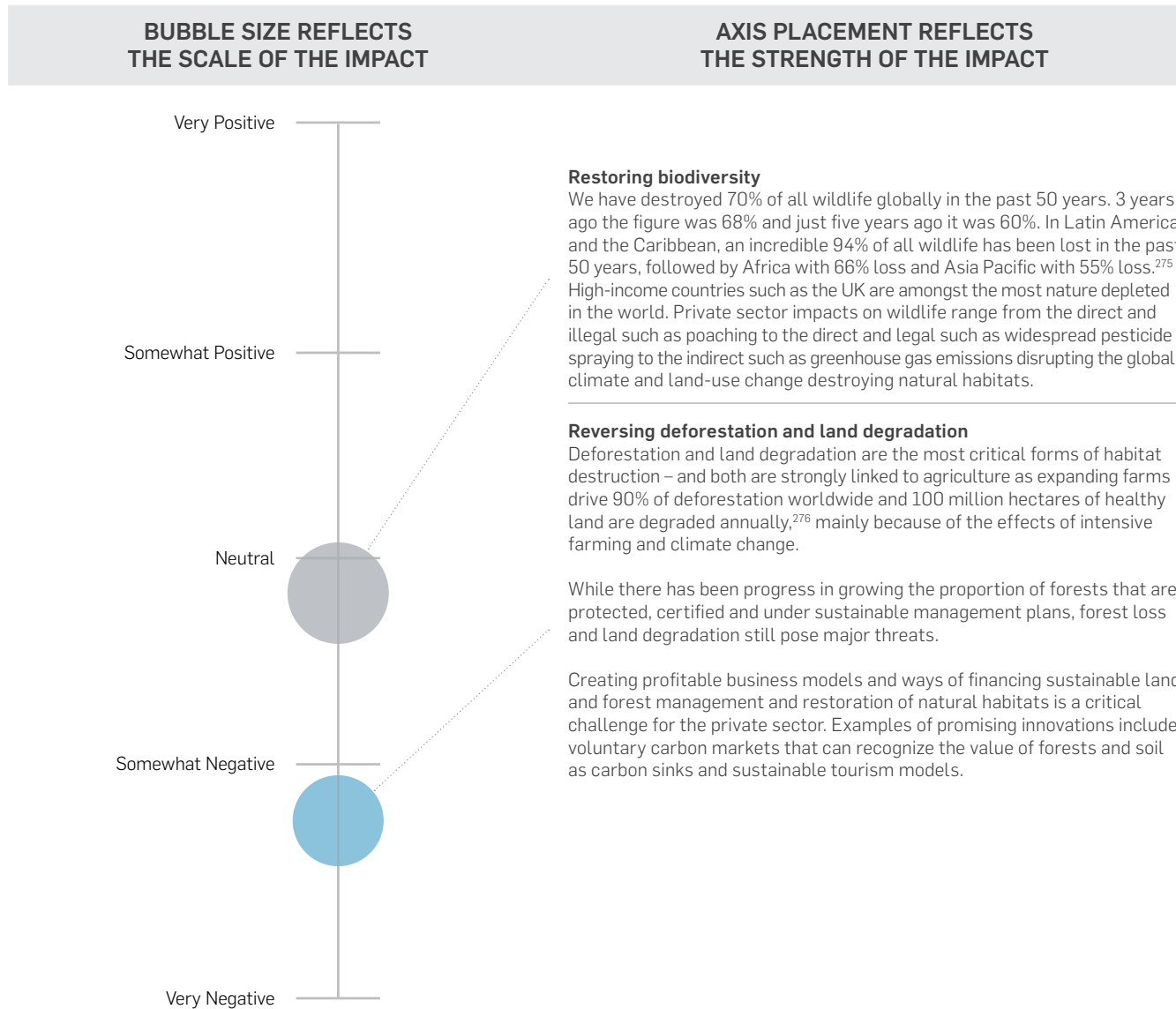
SAMPLE ESG METRICS

1. Deforestation policy
2. Land asset sustainability
3. Products sourced from responsibly managed forests

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT



The private sector's impacts on life on land are **very negative**. Climate change, land degradation, deforestation, pesticide use and other activities have destroyed 70% of all wildlife in 50 years.



KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↘ Somewhat Negative ↓ Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT



The private sector's revenue associated with life on land is **very negative** and **stagnating**, reflecting the scale of negative climate change impacts on ecosystems globally.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 15 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	31.2%	0.7%	
Consumer Goods \$7.7 trillion	38.8%	< 0.1%	Extractives, Transport, Manufacturing & Infrastructure Climate change is rapidly accelerating a new era of human-induced mass extinction and biodiversity loss globally. For the extractives industry, activities such as open-cast mining and creating slurry ponds from coal washing have further negative effects on biodiversity. ²⁷⁷
Extractives \$13.8 trillion	62.4%	0.4%	
Food & Beverage \$5.7 trillion	36.8%	0.2%	Food & Beverage Unsustainable farming drives deforestation, widespread land degradation, and the replacement of complex and carefully balanced natural ecosystems with monocultures where pesticide use and water stress often destroys the base of the food chain and biodiversity collapses. Accelerating the transition to regenerative farming with ecological corridors, more plant-based diets, alternative proteins and locally grown food is critical to feed a growing population while reversing the destruction of nature.
Financial Services \$14.7 trillion	9.1%	< 0.1%	
Health Care \$5.6 trillion	1.4%	0.4%	
Infrastructure \$6.8 trillion	53.9%	2.7%	
Manufacturing \$7.1 trillion	33.5%	1.6%	
Services \$4.7 trillion	33.4%	1.7%	
ICT \$10.7 trillion	3.2%	0.6%	
Transport \$6.9 trillion	44.1%	0.5%	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



PEACE, JUSTICE AND STRONG INSTITUTIONS

Major Challenges → Stagnating

The world is severely off track to achieve SDG 16 and progress is stagnating

Lack of global cooperation, financing and violent conflicts have derailed SDG 16. By the end of 2022, 108.4 million people were forcibly displaced worldwide – over 2.5 times the number a decade ago, and 4 billion people still lived outside the protection of the law. To meet SDG 16, we must strengthen institutions to facilitate peaceful, just, and sustainable societies.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



The Corruption Perceptions Index, which measures perceived levels of public sector corruption, is 43 globally (highly corrupt 0–100 very clean) (2021)²⁷⁸



10.7% of children aged 5 to 14 are involved in child labor (2021)²⁷⁹

GLOBAL OUTLOOK

160 million

children are engaged in child labor worldwide; or 1 in 10 globally. In Sub-Saharan Africa it is 1 in 4 children; and in four countries in Africa, over half of all children aged 5-15 are forced to work.²⁸⁰

\$2 trillion

is paid in bribes every year worldwide.²⁸¹

\$4 billion

spent on lobbying in the USA alone in 2022, up from \$3.2 billion in 2015 – the most spending came from pharma, insurance, utilities, tech and oil & gas.²⁸²

458,000

homicide victims in 2021 – the highest number in 20 years – nearly 44% involve gun violence and the number of firearms globally grew from 875 million in 2006 to 1 billion in 2017 (85% civilian owned).²⁸³

KEY PRIVATE SECTOR CONTRIBUTIONS

PROTECTING HUMAN RIGHTS

Businesses have both legal and moral responsibility to enforce critical aspects of human rights protections, including playing a key role in eliminating modern slavery, child labor and human trafficking. In addition, they are responsible for ensuring workers' rights, safety standards and general working practices. Implementing risk management and compliance checks, quality standards, and committing to cross-sectoral partnerships can contribute to protecting human rights.

ACHIEVEMENTS & SHORTFALLS

- ↑ The incorporation of measures on child labor, modern slavery and workers' rights into ESG metrics incentivizes large companies to increase inspections of their supply chains.
- ↓ 86% of forced labor occurs in the private sector – and migrants are particularly vulnerable to it. The number of people in modern slavery increased by 10 million from 2016 to 2021 and is now over 50 million globally.²⁸⁴
- ↓ Child labor rose by 8 million in the 4 years to 2020 and was forecast to rise by another 8 million by 2022 (to 168 million) – the effects of the pandemic, food, humanitarian and climate crises are reversing years of progress.²⁸⁵

TACKLING CORRUPTION

The private sector is responsible for significant corruption, bribery, tax abuse, and money laundering globally. At the same time, many businesses play a leading role in detecting fraud and combatting money laundering and corruption. The private sector plays a twin role here – firstly strengthening the public sector and enabling it with the latest innovation and secondly enhancing compliance and improving self-regulation activities.

ACHIEVEMENTS & SHORTFALLS

- ↑ New anti-money laundering and anti-fraud measures have been introduced and anti-corruption training is improving in scope, quality and coverage.
- ↑ Traceability of physical products, financial flows, internet searches and mobile-phone calls is improving, which supports the detection of crimes.
- ↑ AI is helping improve detection of many forms of crime.
- ↓ Money laundering fines increased to \$10 billion in 2021, 80% more than in 2019 – but this could reflect both more money laundering and better detection of it.²⁸⁶
- ↓ Bank fraud is increasing globally with more identity theft, account takeovers, cyber attacks and scams.

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

69

Total standard ESG metrics that link to SDG 16

47 of 69

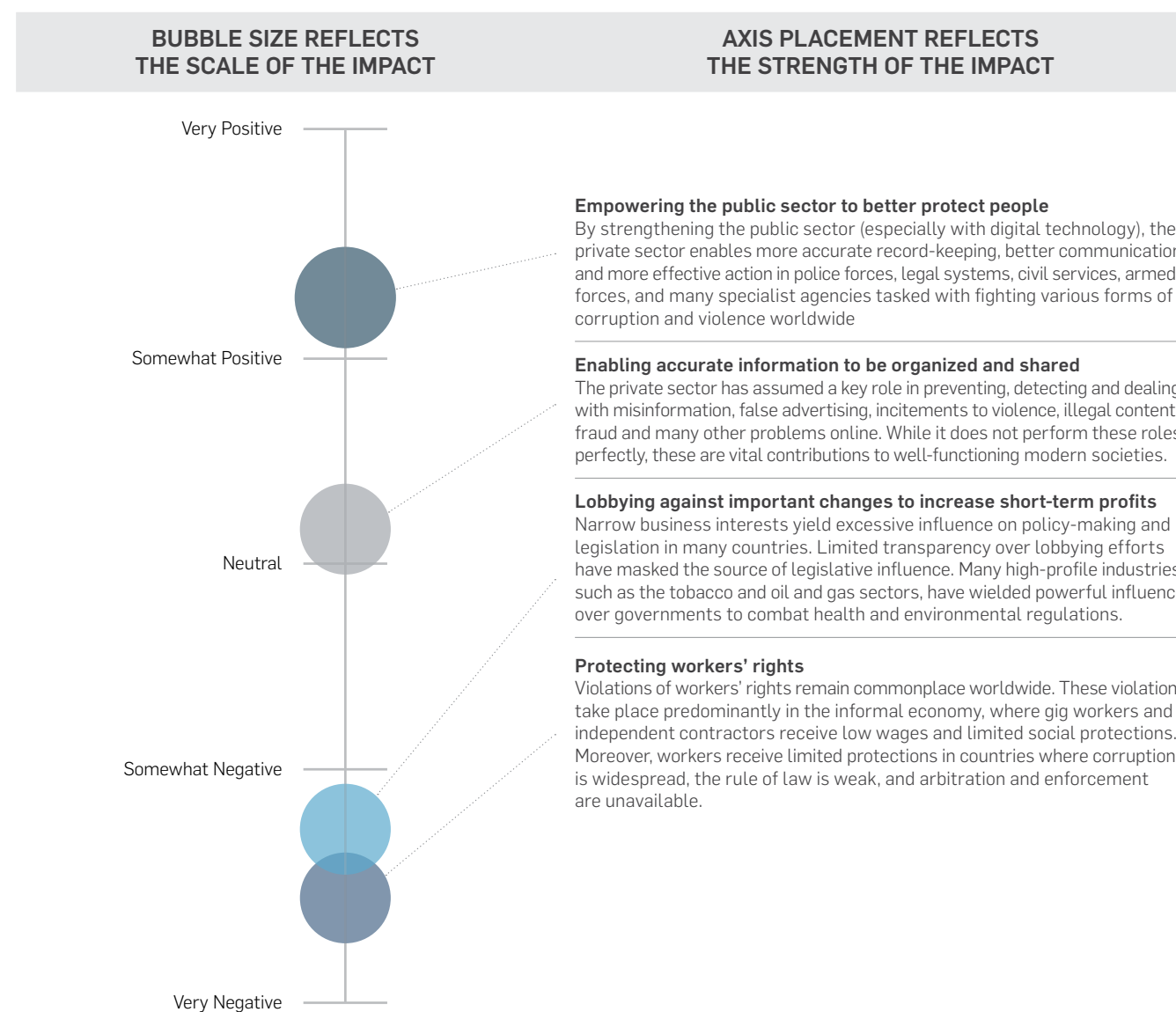
Average number of SDG 16 ESG metrics reported by companies in the ESG Book sample

SAMPLE ESG METRICS

1. Bribery- or corruption-related lawsuits
2. Tax contributions
3. Anti-slavery throughout value chain

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT

The private sector's impact on peace, justice, and strong institutions is **somewhat negative**, reflecting damaging lobbying, the growth of child labor and modern slavery and the erosion of workers' rights.



KEY ↑ Very Positive ↗ Somewhat Positive → Mixed ↓ Somewhat Negative ↓ Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT

The private sector's revenue associated with peace, justice, and strong institutions is **somewhat negative** and **stagnating**, reflecting ongoing challenges in corruption despite improvement in access to information.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 16 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	6.5%	▶	<p>Extractives</p> <p>There is a strong correlation between the importance of extractives in an economy and the levels of corruption and violence in society. Specific examples include cases of bribery and political influence (both within and beyond the rules) by oil & gas companies, unsafe working conditions in many extractive operations worldwide and the use of forced labor and child labor, especially in the artisanal mining sector.</p> <p>Food & Beverage</p> <p>70% of all child labor globally is in the agriculture sector – with the highest concentration in small family farms in Sub Saharan Africa.²⁸⁷</p> <p>Services</p> <p>There is a strong link between the gambling industry and casinos and organized crime, corruption and violence in society.</p> <p>ICT</p> <p>The growth of the internet has enabled information to spread more rapidly. While the ease of information sharing has in tandem led to a rise in misinformation, the widespread availability of information has empowered greater media freedom in many parts of the world.</p>
Consumer Goods \$7.7 trillion	3.0%	▶	
Extractives \$13.8 trillion	27.3%	▶	
Food & Beverage \$5.7 trillion	5.4%	▼	
Financial Services \$14.7 trillion	1.5%	▲	
Health Care \$5.6 trillion	0.2%	▼	
Infrastructure \$6.8 trillion	1.8%	▲	
Manufacturing \$7.1 trillion	2.9%	▶	
Services \$4.7 trillion	10.1%	▶	
ICT \$10.7 trillion	0.6%	▼	
Transport \$6.9 trillion	0.3%	▲	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



PARTNERSHIPS FOR THE GOALS

Significant Challenges → Stagnating

The world is moderately off track to achieve SDG 17 and progress is stagnating

The world is off track to achieve SDG 17 by 2030. Geopolitical tensions and a resurgence of nationalism are creating a challenging environment for business leaders to navigate. Businesses must adapt and collaborate to overcome compounding challenges of constrained financial capacity and record high inflation globally.

For more information on the SDG progress scoring methodology, please visit <https://dashboards.sdgindex.org>



9.8% of global government spending is allocated to health (2021)²⁸⁸



In low- and middle-income countries, government revenue excluding grants constitutes 18.2% of GDP (2020)²⁸⁹



The Corporate Tax Haven Score, which ranks jurisdictions most complicit in helping multinational corporations underpay corporate income tax, is 20 globally (no scope for corporate tax abuse 0–100 unrestrained scope) (2021)²⁹⁰

GLOBAL OUTLOOK

\$10 trillion

Global estimate of annual private sector tax revenues – including VAT, corporate tax, payroll tax.²⁹¹

\$500 billion

global corporate tax avoidance in 2021.²⁹²

\$9 trillion

The total external debt of low- and middle-income countries reached in 2021, recording a 5.6 per cent increase from 2020.²⁹³

2.7 billion

people are still offline in 2022 – 1/3 of the world's population. This reduced significantly from 3.6 billion before the pandemic, but progress is slowing.²⁹⁴



KEY PRIVATE SECTOR CONTRIBUTIONS

PARTNERSHIPS

Businesses are increasingly working alongside governments, multilaterals, non-profits, academics and peers to tackle systemic challenges that no one business or sector can handle alone. In partnerships the private sector can offer valuable expertise, data, technologies, financial resources and innovation. They can benefit by unlocking sustainable revenue opportunities, managing their greatest long-term risks, enhancing the skills of their workforces, and improving company value.

ACHIEVEMENTS & SHORTFALLS

- ↑ Public-Private Partnerships and blended finance have been critical to many successes – the Joint SDG Fund has mobilized 1.5 billion in funding for countries to achieve 2030 targets.
- ↑ Impact investment funds were valued at \$1.2 trillion by the end of 2021 – fueling the growth of sustainable business models which can act as bridges between sectors.²⁹⁵
- ↑ The Global Compact Business Partnership Hub is an online platform connecting the UN and businesses to advance partnership projects around the world.

FINANCING THE SDGs

The latest estimates of the SDG financing gap between 2023 – 2030 are \$103–135 trillion. Mobilizing more private sector finance is vitally important to accelerate progress on the SDGs. Facilitating these global investments will be critical to support SMEs and businesses in the Global South.

ACHIEVEMENTS & SHORTFALLS

- ↑ ESG measurement standardization has improved; guidance on impact accounting is emerging and there is formal collaboration to integrate these movements.
- ↑ SDG financing by just 40 leading financial institutions increased from \$2.1 trillion in 2020 to \$2.5 trillion in 2021 (20% one-year increase).²⁹⁶
- ↓ SDG financing gap has greatly increased since 2020.²⁹⁷

FORMALIZING BUSINESSES

According to the ILO, 2 billion workers, or 60% of the world's employed population aged 15 and older, spend at least part of their time in the informal sector. By expanding the internet, bank accounts, payments and digital identities, the private sector is incentivizing millions of small businesses to set themselves up as formal legal entities every year and enabling the growth of tax revenues.

ACHIEVEMENTS & SHORTFALLS

- ↓ More than 60% of the world's employed population (over 2 billion people) are employed in the informal sector according to the ILO.²⁹⁸
- ↓ In Africa, over 85% of all employment is informal – it is highest in rural areas for those with less education.²⁹⁹

WHAT'S THE PRIVATE SECTOR MEASURING?

Leveraging ESG Book as a market aggregator of ESG data measurement, we have identified:

31

Total standard ESG metrics that link to SDG 17

21 of 31

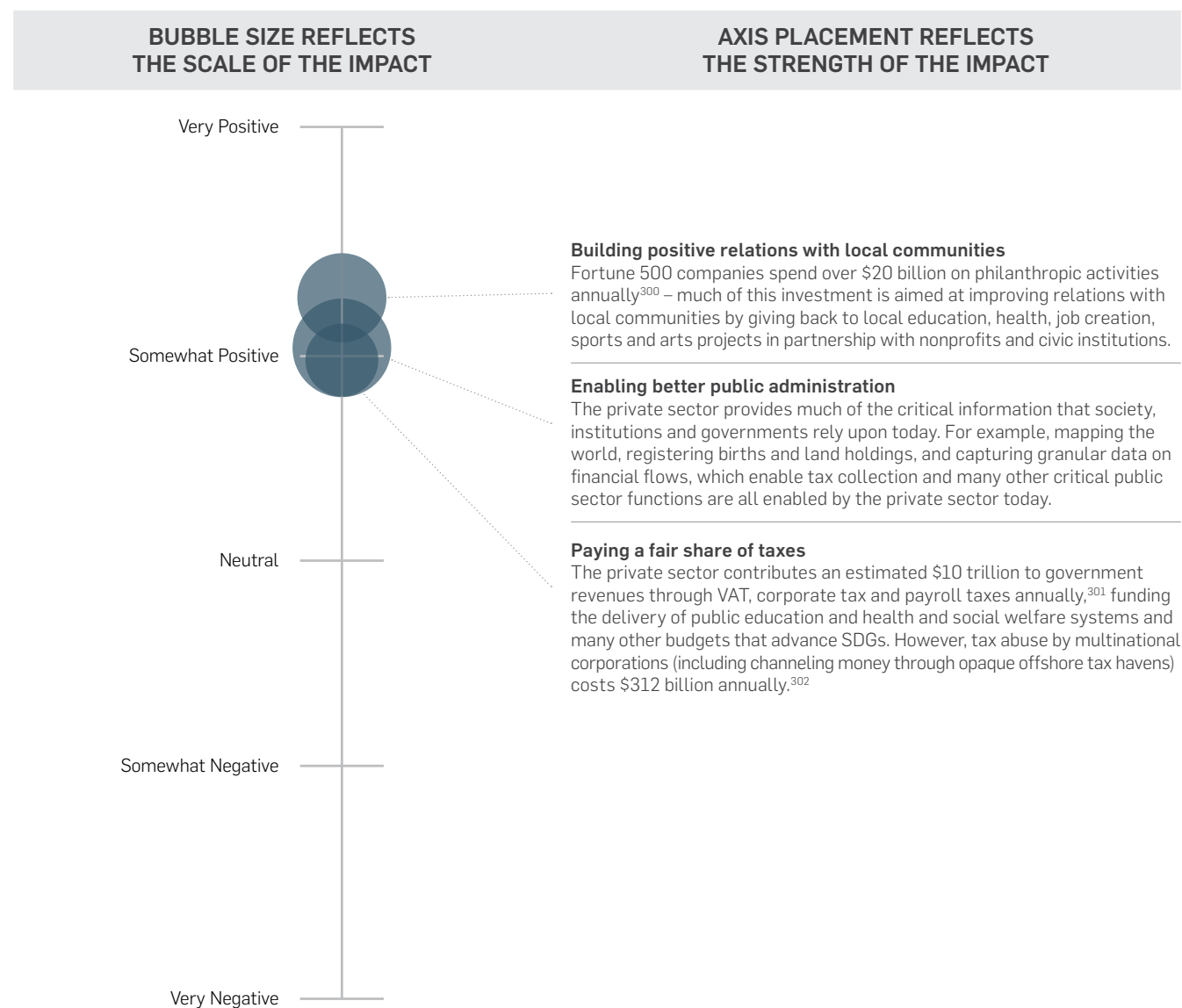
Average number of SDG 17 ESG metrics reported by companies in the ESG Book sample

SAMPLE ESG METRICS

1. Supplier criteria rigor (climate, diversity targets, etc.)
2. Community engagement
3. Government engagement

PRIVATE SECTOR CONTRIBUTIONS: IMPACT ASSESSMENT

↗ The private sector's impact on partnerships for the goals is **somewhat positive**, reflecting the private sector's ongoing efforts in working with various stakeholders as well as engaging local communities.



KEY **↑** Very Positive **↗** Somewhat Positive **→** Mixed **↘** Somewhat Negative **↓** Very Negative

Data provided by Impaakt. For more information, please visit www.impaakt.com

PRIVATE SECTOR STOCKTAKE: REVENUE ALIGNMENT

↗ The private sector's revenue associated with partnerships for the goals is **somewhat positive** and **stagnating**, reflecting the scale of cross-sectoral collaboration and the importance of open-forum dialogue.

SECTOR Market Size	REVENUE ALIGNMENT WITH SDG 17 % Revenue Associated with (+) and (-) Impacts	TREND 2015-2023	COMMENTARY
Total \$84.1 trillion	< 0.1%	▶	
Consumer Goods \$7.7 trillion	< 0.1%	▶	Consumer Goods Industry consortiums such as the Sustainability Consortium have brought competitors together to improve working conditions and product impacts in pursuit of sustainable development. Outcomes have included product labeling agreements to provide greater consumer transparency.
Extractives \$13.8 trillion	< 0.1%	▼	
Food & Beverage \$5.7 trillion	< 0.1%	▶	
Financial Services \$14.7 trillion	< 0.1%	▲	Financial Services Financial services companies have created products and financing schemes to fund sustainable development. The market for sustainability-linked fixed income instruments reached \$1 trillion in 2021. In addition, foreign direct investment in Africa reached \$83 billion, up from \$39 billion in 2020. ³⁰³
Health Care \$5.6 trillion	< 0.1%	▶	
Infrastructure \$6.8 trillion	< 0.1%	▶	Infrastructure Expanding internet access is contributing to better tax collection, facilitating many new forms of cross-country and cross-industry partnerships. ³⁰⁴
Manufacturing \$7.1 trillion	< 0.1%	▶	
Services \$4.7 trillion	< 0.1%	▼	
ICT \$10.7 trillion	< 0.1%	▶	
Transport \$6.9 trillion	< 0.1%	▶	

KEY ▲ Net revenue has increased by >20% since 2015 ▶ Net revenue is within +/- 20% since 2015 levels ▼ Net revenue has decreased by >20% since 2015

Data provided by Util. For more information, please visit www.util.co



CHARTING THE PATH TO 2030: BLUEPRINT FOR PRIVATE SECTOR ACTION ON THE SDGS (2023-2030)

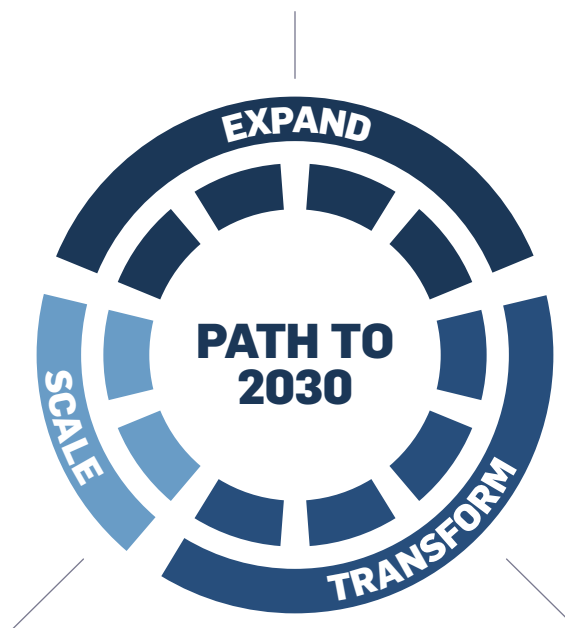
EVERY BUSINESS PLAYS A ROLE IN ACHIEVING THE SDGS BY 2030

Achieving the SDGs by 2030 will require the world to move from an outdated extractive economy to a fairer and more sustainable economic system. To effectively accomplish this transition, the private sector must adopt three core principles of action.

Embedding these three pillars across the private sector is critical to achieving the SDGs by 2030. Business leaders must balance trade-offs between the pillars as well. By focusing on where each business can maximize its positive impact while minimizing negative impacts, business leaders can take calculated risks to progress the 2030 agenda.

EXPAND THE BENEFITS OF MARKETS TO ACHIEVE SOCIAL RESPONSIBILITY

Leverage the impacts of economic activity and innovation promote an equitable and inclusive society.



SCALE NEW INCENTIVE SYSTEMS TO REDEFINE SUCCESS IN TERMS OF RISK, RETURN, AND IMPACT

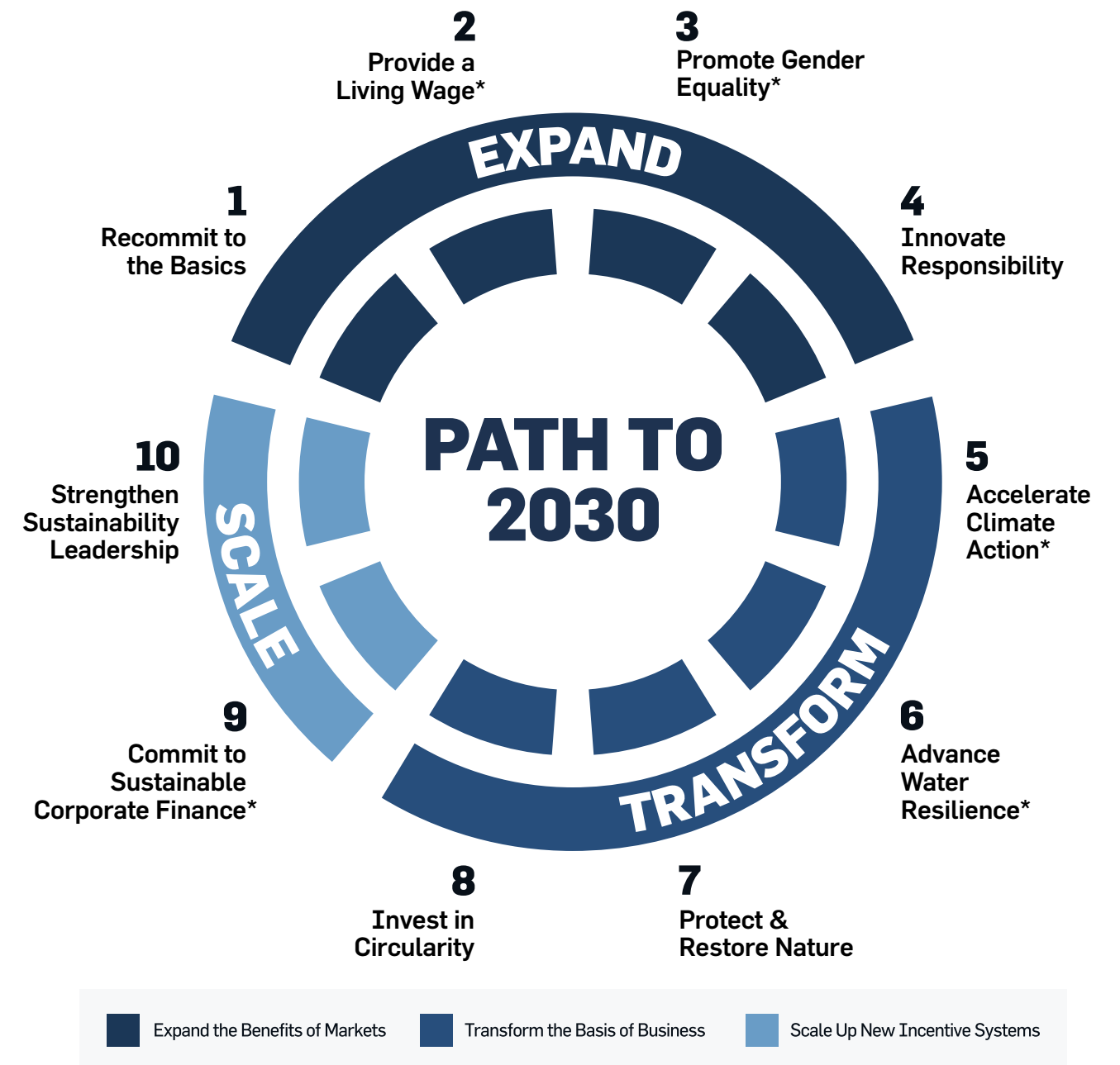
Adapt governance and corporate finance strategies to promote private sector alignment with the SDGs.

TRANSFORM THE BASIS OF BUSINESS TO ACHIEVE ENVIRONMENTAL SUSTAINABILITY

Align business models to mitigate environmental impacts and pair traditional economic growth metrics with environmental sustainability.

THE 2030 BLUEPRINT OFFERS 10 PATHWAYS FOR EVERY BUSINESS TO SHAPE ITS OWN CONTRIBUTION

These 10 pathways represent cross-sector actions that can enable the private sector to embed SDGs into their core operations. As all SDGs are interconnected, these 10 pathways serve to support many of them. Some pathways represent actions that have already started, but must be accelerated, while others are more novel and ambitious. Depending on the sector or industry, as well as where a company is on their sustainability journey, paths may vary in importance.



*Please visit the UN Global Compact [Forward Faster](#) campaign for detailed guidance on five of these pathways

RECOMMIT TO THE BASICS

CURRENT STATE

All companies need to adhere to the principles of integrity, transparency, and accountability. This starts with recommitting to the basics, which includes (i) adopting responsible human-rights based business strategies, and (ii) conducting business in a principled manner, free of corrupt practices and bribery.

Sustainability action to support life on the planet is intrinsically tied to human rights. Over 90% of SDG-related targets reflect core international human rights and labor standards.³⁰⁵ The private sector needs to demonstrate how it respects the human rights of employees, contractors, workers in value chains, consumers, and communities. Real and measurable performance from the private sector is crucial and can be reflected in the Human Rights Due Diligence (HRDD) process guided by the [UN Guiding Principles for Business and Human Rights](#) (UNGPs), anchored in Human Rights Principles, the UN Global Compact Ten Principles, and international labor standards.

Momentum is building for businesses, as a positive transformative power of change, to conduct human rights due diligence. Investors, workers, communities, and consumers now demand more conscientious action from brands and are willing to vote with their wallets. Additionally, legislative and regulatory efforts are increasing in some jurisdictions, requiring reporting and accountability for human rights impacts. This means that businesses can no longer purely carry out hand-picked social impact projects, but also need to embed a human rights-based approach to every aspect of their operations.

1 in 4

people said they paid a bribe for public services in the 12 months prior to survey

30%

of people surveyed globally felt their government was doing well fighting corruption

160m

children estimated to be involved in child labor

BUSINESS POTENTIAL

Corruption presents a massive economic cost to businesses around the world. Combating corruption through good governance can help lower the astronomical cost and realign funds to achieving the SDGs.

GLOBAL CORRUPTION COSTS ARE AS HIGH AS:

\$1.3T

from corruption, bribery, theft and tax evasion, and other illicit financial flows in developing countries³⁰⁹

\$132B

from corruption each year throughout the European Union's member states³¹⁰

COMPANY EXAMPLES

COVESTRO

Covestro is one of the world's leading manufacturers of high-quality polymer materials and is committed to respecting and safeguarding human rights on the basis of the United Nations Guiding Principles on Business and Human Rights (UNGPs). The company acknowledges its responsibility to respect human rights throughout the company, its subsidiaries and in global supply and value chains, to prevent human rights violations. Covestro integrates human rights topics into its company management systems while its cross-departmental Human Rights Office is responsible for driving the due diligence approach at Covestro in line with the UNGPs. This due diligence is embedded in its human rights management system, which comprises six core elements: policy & commitment; risk assessment; reporting; measures; grievance mechanism and monitoring.

HAAS & CO MAGNETTECHNIK GMBH

Upon noticing particularly high turnover at one of their Chinese suppliers, Haas & Co. sought to improve working conditions to reduce turnover. They completed comprehensive mapping of their magnet supply chain to identify potential risk hot-spots and collaborated with the supplier to improve working and living conditions for a migrant workforce. In developing and implementing simple changes, such as the provision of PPE, installation of emergency switches on production machines or renovation of worker accommodation, they saw significant positive feedback with the return rate of migrant workers increasing up to 90%. This highlights how even small businesses can enhance workers' rights and integrate human rights considerations into supplier relationships.

TCHIBO

Tchibo has signed a Global Framework Agreement together with IndustriALL Global Union, a global union trade federation, to improve working conditions in its supply chain. The human rights WE program plays a crucial role for the implementation of the agreement and is based on an innovative, dialogue-oriented approach. The aim is to sustainably improve working conditions in production facilities of the consumer goods industry by involving workers, worker representatives and managers. Tchibo has extended the WE program to all strategic producers, overall to more than 430. To expand the WE program beyond its own supply chain, Tchibo has taken the step to set-up the WE Program as a separate entity as of January 2023 to enable further scaling and to offer innovative solutions to organizations and other businesses.

PRIORITY ACTIONS

CEO, CECO, CLO, CRO, CSO

IMPLEMENT THE HUMAN RIGHTS DUE DILIGENCE (HRDD) PROCESS



Hold leadership accountable to Human Rights policies

Assign responsibility for embedding HR policies, aligned with the UN Guiding Principles for Business and Human Rights (UNGPs), senior management for clear direction and incorporation into all business operations. Actions include: **(1)** develop clear HR policy that aligns with UNGP, **(2)** communicate HR policy internally and externally to make sure stakeholders understand throughout the organization, **(3)** embed the policy throughout operations, decision-making processes, and governance structures.



Initiate or accelerate the implementation of ongoing HRDD processes

Develop and implement an ongoing mechanism to identify actual and potential risks to people—both internal and external—and prioritize addressing the most salient risks first. Actions include: **(1)** support training of individuals or workstreams responsible, **(2)** develop an ongoing HRDD process that aligns with the UNGPs and assures meaningful and transparent engagement with stakeholders, and **(3)** plan and implement actions to prevent, mitigate, address and account for adverse impacts while monitoring and reporting on performance.



Establish grievance mechanisms and remediation processes

Proactively provide a channel for affected parties to voice grievances, access information, and obtain redress for any human rights violations or negative impacts caused by company actions. Actions include: **(1)** establishing a legitimate authority or group within the organization, with independence and impartiality, to address human rights grievances, **(2)** making the mechanism accessible to all potentially affected stakeholders, including workers, communities, and customers, and **(3)** collaborate and cooperate with external parties, such as industry regulators, multi-stakeholder initiatives, or relevant governmental bodies, to facilitate access to remedy.



Advocate for respect for human rights beyond direct operations

Work collaboratively with industry peers, suppliers, and partners to influence the implementation of human rights due diligence across the private sector and to support government in protecting human rights. Actions include: **(1)** engage meaningfully with suppliers to influence and support their human rights due-diligence efforts, **(2)** share experiences, join industry associations, and attend peer-learning sessions to learn from others about their sustainability efforts, and **(3)** support government efforts for the SDGs and cooperate with judicial mechanisms to assure access to remedy for victims and vulnerable communities.

STOP ALL INCIDENTS OF BRIBERY



Conduct risk assessments

Define specific company risks and review current practices. Potential actions include **(1)** establishing regular reviews of risks and existing processes **(2)** developing an anti-bribery program and integrating it into organizational structure, assigning responsibilities **(3)** reviewing ability of service functions to support zero bribery policy/program.



Ethical leadership and anti-corruption programmes of ethics and compliance

Run training courses and implementation programs to raise awareness on company policy. Potential actions include **(1)** communicating anti-bribery policy and program internally and externally **(2)** running training courses for all employees and partners **(3)** obtaining commitments from all employees and leadership to zero bribery, **(4)** developing whistleblowing channels for raising issues **(5)** establishing disciplinary procedures and tracking incidents and response **(6)** capturing knowledge from incidents and report, including third-party audits.



Promote a strong culture around Collective Action

Promote a strong culture around Collective Action. Potential actions include: **(1)** creating a culture of ethics and integrity to build trust with consumers, employees, investors, suppliers, and other stakeholders by communicating and applying policies in a consistent, inclusive, and transparent manner.

KEY RESOURCES

- Ten Principles of the UN Global Compact
- UN Global Compact Anti-Corruption
- UN Global Compact Anti-Corruption Risk Assessment
- UN Global Compact Fighting Corruption in the Supply Chain Guide
- UN Global Compact Playbook on Anti-Corruption Collective Action
- UN Global Compact UNODC "Fight Against Corruption" Course
- UN Global Compact Academy "Taking Collective Action Against Corruption"
- Business and Human Rights Navigator

PROVIDE AND PROMOTE A LIVING WAGE

CURRENT STATE

Business has the power to improve the lives of the most economically vulnerable populations. Assuring that all workers can meet their basic needs—supporting themselves and their families to a standard that is universally considered decent—is fundamental to ensuring a people-centered sustainability approach that leaves no-one behind.

The private sector plays an important role in improving working conditions for workers globally. Minimum-wage laws are often misaligned with the requisite level of pay to enable decent living as they are not always consistently enforced, often set without extensive social dialogue, not adjusted frequently enough to keep up with inflation, or they do not apply to all categories of wage-earners nor those who do not earn wages, including small-scale farmers and the self-employed. Companies must go beyond legal requirements to improve employee pay and thereby increase quality of life.

Providing a living wage benefits core operations, value chains and the wider operating environment and enables businesses to meet their human rights commitments. While providing payment of living wages is often seen as a cost, it can offer many benefits to businesses—such as increased staff motivation, productivity and improved supply chain relationships and performance—and should be seen as an investment.

1/3

of all workers, are estimated to earn less than they need to afford a decent standard of living³¹¹

50%

of small-scale farmers earn less than a living income³¹²

3.7%

decrease in normal weekly wages in the US among workers in the lowest earnings decile since 2000³¹³



BUSINESS POTENTIAL

If companies would pay a living wage, the private sector could meaningfully drive positive impact globally on working poverty.

BY 2030, THE PRIVATE SECTOR COULD LIFT:

123M

123 million people out of working poverty if companies employing 20% of the working poverty population raised wages to the level of a living wage (See Appendix)

26M

26 million people out of working poverty if the agriculture, forestry, fishing, mining, and manufacturing industries (3 industries with the most working poverty globally) took collective action to encourage living wage adoption across their supply chains (See Appendix)

COMPANY EXAMPLES

ALVAREZ-DIAZ & VILLALON

Álvarez-Díaz & Villalón (AD&V), a design firm based in Puerto Rico, found that the architecture and design profession was notoriously undervalued and underpaid globally, but particularly locally, so they committed to paying 100% of their employees a living wage. Unable to find data to use as a benchmark, they reached out to MIT to include Puerto Rico in the Living Wage Calculator, which sets and advocates for an accurate living wage standard. As part of this mission, AD&V is playing a crucial role as a local representative and connector, while assisting in identifying important funding sources. Parallely, AD&V successfully implemented a salary scale in 2022 that aligns with national standards, resulting in a 55% company wide base salary increase. The scale also provides opportunities for merit and company performance bonuses through a profit-sharing model. This progressive model not only ensures financial security for employees but also helps mitigate unconscious and gender biases.

L'OREAL

In line with its commitment to fair pay for its employees, L'Oréal, a French cosmetics company, is partnering with labor rights experts such as the Fair Wage Network to develop and implement a robust living wage strategy. Through its L'Oréal for the Future program, the Group committed to ensuring by 2030 that 100% of its strategic suppliers' employees will be paid at least a living wage covering their basic needs and those of their dependents, calculated in line with best practices. To reach this objective, L'Oréal has developed an ambitious sustainable sourcing policy. In 2023, L'Oréal was awarded the Living Wage Employer accreditation by Fair Wage Network. This accreditation follows a rigorous selection process based on anonymous employee surveys selected randomly by the NGO in the markets in which the Group operates.

MCCORMICK & COMPANY

McCormick, a global leader in flavor, headquartered in the US, is working towards increasing the resilience of their smallholder farms by increasing skills and capacity, income, access to financial services, education and nutrition and health. To date, McCormick has positively impacted over 31,000 farmers, with a goal of increasing resilience for 35,000 farmers by 2025. A recent study of one of McCormick's more advanced sustainable sourcing programs indicated that around 80% of farmers working with one supplier earn a living income compared with approximately 56% in a control group. McCormick's interventions will be tracked over several years to determine the long-term impacts.

UNILEVER

In 2014, Unilever, a global consumer goods company, published its Framework for Fair Compensation and achieved 100% living wage compliance for its own operations in 2020. To enable further progress, in 2021, Unilever made a commitment to support everyone who directly provides goods and services to the company to earn at least a living wage or income by 2030. They see this as not only the right thing to do for a business that is founded on the respect for human rights, but also as a measurable and tangible contributor to business success. Through the Living Wage Supplier Promise, Unilever encourages their suppliers to close the gap and work together to address joint challenges. In partnership with suppliers, other businesses, governments and NGOs, Unilever is leveraging purchasing practices, collaboration and advocacy to create systemic change to ensure the rights of everyone to a decent standard of living.

PRIORITY ACTIONS

CSCO, CHRO

100% OF EMPLOYEES ACROSS THE ORGANIZATION EARN A LIVING WAGE BY 2030

ESTABLISH A JOINT ACTION PLAN(S) WITH CONTRACTORS, SUPPLY CHAIN PARTNERS, AND OTHER KEY STAKEHOLDERS TO WORK TOWARDS ACHIEVING LIVING WAGES AND/OR LIVING INCOMES



Understand and commit to paying a living wage

Understand the concept of the living wage and how it relates to legal or negotiated minimum wages. Potential actions include **(1)** have discussions with workers and their representatives about whether compliance with the legal minimum wage is adequate to meet living wage expectations **(2)** create a policy or commitment to pay living wages to all direct employees with top management buy-in and **(3)** identify gaps between current wages paid to direct employees and credible living wage estimates.



Actively monitor and manage pay levels

Assess wage levels in all areas of operation and raise wage for all direct employees and supply chain partners who fall under respective minimum wage levels. Potential actions include **(1)** conduct wage-setting and revision based on analysis of prevailing rates of pay in the industry and inform workers — and their representatives — about wage-setting and revision while carrying out their work and at the time of payment and **(2)** have a process in place to regularly review wages.



Set targets to monitor progress and engage partners and stakeholders

Tracking progress through set KPIs and engage with partners to make progress toward paying a living wage across own operations and supply chains. Potential actions include: **(1)** include performance metrics/KPIs linked to achieving the living wage in your own strategy and joint action plan(s) **(2)** become involved in one or more partnerships — globally or in your home country — focused on achieving living wages for your direct workforce and/or workers engaged by third-party contractors and labor providers and **(3)** engage and advocate with policymakers to support adequate legal minimum wages that consider both the needs of workers and their families and economic factors and which are revised regularly, have wide coverage and are enforced by law.

KEY RESOURCES

- UN Global Compact: Living Wage Analysis Tool
- UN Global Compact: Improving Wages to Advance Decent Work in Supply Chains
- UN Global Compact: Achieving the Living Wage Ambition
- International Labour Organization: Setting adequate wages: The question of living wages
- The Sustainable Trade Initiative (IDH): Living Wage Action Guide

PROMOTE GENDER EQUALITY

CURRENT STATE

The world is off track to achieve universal gender equality by 2030. In 86 countries, women face some form of job restriction and 95 countries do not guarantee equal pay for work of equal value. While there has been progress on gender equality, the gap between men's and women's expected lifetime earnings is \$172 trillion.³¹⁴

Businesses play a critical role in promoting gender equality. A mere 5 per cent of companies globally have a female CEO³¹⁵ and 7 per cent have a female chair of the board.³¹⁶ Leaders have several levers at their disposal, including recruitment, compensation policies, benefits, and promoting gender parity across management levels, to generate economic and social equality both inside and outside the workplace. Moreover, achieving gender equality does not rest solely on the female workforce and must include male allyship throughout the value chain.

Since 2015, business leaders have signaled that gender equality in the workplace is a priority, but the current state of action has proven insufficient to reach 2030 goals. Globally, women earn on average 20% less than men in similar roles,³¹⁷ and only one in three businesses are owned by women.³¹⁸ To achieve global ambitions for gender equality, business leaders must focus on promoting equal pay for work of equal value and preserving gender balance across all levels of management.

5%
of Fortune Global 500 companies are led by a female CEO³¹⁹

1 in 2
countries do not guarantee equal pay for equal work³²⁰

257
years to close the global gender gap³²¹



BUSINESS POTENTIAL

Pay-gap disclosure, gender equal parental leave, recruitment and promotion targets, flexible working arrangements, and bans on asking candidates for salary history are proven strategies to improve pay parity across genders.

IF ALL BUSINESSES INTRODUCED THESE 6 POLICIES, THE PRIVATE SECTOR COULD:

2/3
Close 2/3 of the unexplained gender wage gap (See Appendix)

\$222B
Generate \$222 billion of net benefits to the female workforce via increased wages (See Appendix)

\$353B
Create \$353 billion of benefits to companies via improved productivity and retention (See Appendix)

COMPANY EXAMPLES

CISCO

Cisco's strategies for diversity, equity, and inclusion, are designed to create a movement. Using a holistic approach and tools like the Diversity Talent Accelerators (DTA) solutions, Cisco is continually working to ensure fairness, equity, and accountability in their hiring processes. From these initiatives, they have seen significant increases in hiring Hispanic candidates, and African American employees, especially in technical roles. Women are also now 33% of Cisco's new hires, contributing to growing female representation in the tech industry.

Their commitment extends to the younger generations. Through programs like Women Rock-IT, young girls are upskilled and meet with female role models across the technology field. Since its launch in 2014, the Women Rock-IT program has engaged 2 million participants, of which nearly 870,000 subsequently enrolled in Cisco' Networking Academy courses. Cisco's commitment to equality extends throughout their employee base, their contingent workforce, and future generations, providing equal opportunities for all.

SOLUTECH

Solutech, a technology company based in Kenya, wanted to ensure more equal representation throughout the company. By implementing small changes, such as explicitly encouraging female applications in job postings which led to more diverse candidate pools, Solutech was able to achieve a 50% female workforce.

VESTA

Gender equality plays a key role in Vesta's ESG strategy, encompassing three specific objectives: (1) Vesta strives to minimize the salary pay gap to a minimum of 15% within leadership and managerial-level positions. In just two years, they have already doubled the number of women occupying these roles. (2) Enhancing board diversity by having three women serve as permanent members of the Board of Directors, and (3) incorporating diversity and inclusion KPIs into all social investment initiatives, including projects that exclusively focus on empowering women, girls, and young individuals within the communities they operate.

PRIORITY ACTIONS

CHRO, CSCO

PROMOTE GENDER BALANCE ACROSS ALL LEVELS OF MANAGEMENT



Balance recruitment

Implement policies and procedures to consider a gender-balanced candidate pool for open positions. Potential actions include (1) setting requirements for gender diversity in candidate pools, (2) unbiased interview panels, mentorship, and (3) investing in skills development, especially in underrepresented fields like STEM.



Invest in employee retention

Make sure that once employees join the company, they feel supported and are offered growth opportunities down the talent pipeline. Potential actions include (1) implementing policies that address systemic barriers to inclusion like flexible work plans and (2) conducting training on inclusion and gender equality, from leadership down.



Provide pathways to employee progression

Provide women with an equal opportunity to join the company and rise to the top levels of management. Actions to support this may include (1) leadership programs and (2) external training sessions.

PROVIDE EQUAL PAY FOR WORK OF EQUAL VALUE



Address discrimination in remuneration

Provide women and men equal remuneration for the same or similar work and for work that is different but of equal value. Potential actions include (1) establishing a pay committee, (2) undertaking a gender-neutral job evaluation, and (3) estimating wage gaps for jobs of equal value and making pay adjustments.



Tackle bias

Identify Human Resourced-led initiatives and governance mechanisms to tackle gender bias across the talent life cycle. Potential actions include (1) assessing recruitment procedures for bias, (2) reviewing promotion policies, (3) allocating budget to rectify remuneration gaps, and (4) banning asking candidates for salary history.



Regularly disclose progress on equal pay

Report progress on equal and foster a culture of transparency. Potential actions include (1) publishing salary ranges in job postings and (2) reporting pay-gap metrics in annual reports.



Apply framework to advance inclusion for other minority groups

Leverage learnings and techniques from gender equality pursuit to promote equal pay for work of equal value for other minority groups across ethnicity, race, sexual orientation, and disabilities.

ADVOCATE FOR GENDER EQUALITY BEYOND DIRECT OPERATIONS



Promote gender equality throughout supply chain

Integrate gender considerations into buying practices to promote more inclusive supply-chain business strategy. Potential actions include (1) collaborating on reporting transparently on progress for women in supply chains, (2) engaging with suppliers actively working to support gender-sensitive sourcing and workplace practices.



Promote and encourage male allyship

Encourage male allyship within the workforce and in communities. One potential action includes (1) consciously fighting gender bias and discrimination.

KEY RESOURCES

- Target Gender Equality
- One Global Women Empowerment Initiative (OGWEI)
- WEP Gender Gap Analysis Tool
- How to Be a Male Ally for Gender Equality

INNOVATE RESPONSIBLY

CURRENT STATE

Innovation can be a force for good, solving critical issues, fueling economic growth, and addressing market needs. However, it can also be a catalyst to create more consumption, more waste, and negatively impact progress against SDGs.

For example, by embracing inclusive invention, companies can intentionally engage people outside of classic target audiences. This pushes companies into different territories and provokes new ways of thinking, which can unlock opportunities that help drive revenue and improve lives. Inventions such as mobile money, which has brought financial freedom to countless individuals, is transforming daily life for billions at unprecedented speed.

On the other hand, unchecked innovation has set back progress on the SDGs. New business models such as the gig economy, while initially improving access to work opportunities, has resulted in many workers who are subject to low pay and limited rights without competitive forces.

Responsible innovation can reimagine consumption and behavior models aligned with the SDGs. When used properly, design criteria can provide both natural constraints and incredibly powerful ways to challenge given behaviors that have contributed to the climate crisis. By establishing certain constraints, or attributes, it forces us to rethink how we've been doing things for centuries, leading to incredibly powerful innovation breakthroughs. Yet, to avoid unintended consequences, future-state scenario planning and modeling is absolutely critical.

As the world becomes more interconnected, opportunities for innovation increase. It is impossible to predict where innovation will go from here, but its continuation – and the need for guardrails to do so responsibly – will be critical to ensure SDG alignment.

85%
of the global population lives on less than \$30 per day³²²

\$12 trillion
of estimated annual incremental value from SDG-related business opportunities in agriculture, cities, energy and materials, and health³²³



BUSINESS POTENTIAL

When companies consciously target underserved populations, they can create SDG impact on a vast scale.

WHAT BENEFITS COULD POSITIVE-IMPACT FOCUSED INNOVATIONS ACHIEVE?

\$3.2T

Expanding internet access at the same rate as between 2015-2022 could generate more than \$3.2 trillion in economic output by 2030 (See Appendix)

\$1.3T

Increasing annual global vaccine expenditures at the same rate as between 2015-2022 could generate more than \$1.3 trillion in economic benefits by 2030 (See Appendix)

\$544B

Increasing the total gross microfinance lending portfolio at the same rate as 2015-2022 could generate \$544 billion in economic benefits by 2030 (See Appendix)

COMPANY EXAMPLES

ACCENTURE

Accenture, a global consulting firm, believes in harnessing the power of its people to innovate for positive change. Annually, it hosts the Sustainability Innovation Challenge, a six-month competition and accelerator program. Teams pitch and develop innovative solutions that address challenges directly related to the UN's Sustainable Development Goals. Winning teams enter Accenture's Social Innovators Accelerator where they receive funding, mentorship and resources to find ways to take their idea to market and catalyze impact. The overall goal is to tap into the collective intelligence of Accenture innovators, clients, and pioneering partners to create scalable climate, nature and people-focused solutions for a better future.

VODAFONE TURKEY

Vodafone Turkey is embracing innovation to power change. Vodafone's Kırmızı Çizgi Project targets to transform our everyday language to a more gender-neutral version. When a gender-oriented word is used in mails, the app detects it and suggest a gender neutral version. This is in an effort to change verbiage, with the hope of changing actions in the long run. Testing, it has analyzed 2,800 opinion columns and reduced the sexist word rate in these articles from 11% to 0%. By integrating the Kırmızı Çizgi into its corporate e-mail infrastructure, Vodafone Turkey raises its employees' awareness of discriminatory discourses in business correspondences by sharing instant feedback. According to data, words have been detected 3701 times and replaced with a gender-neutral version, with numbers continually decreasing since its release.

ALLIED IRISH BANK

The way customers bank has changed and banks need to respond to customers' demand for a more personalised experience in a proactive and responsible way. AIB Group plc (AIB) continues to enhance its retail-banking scenarios however it recognises data-driven processes can increase risk. Failure to adequately secure, control or govern our data can lead to unintended bias in algorithmic decision-making or data breaches, which could result in the erosion of trust from key stakeholders, such as customers and regulators. AIB has therefore worked to get their data-science teams up to speed on the latest developments in the space, and integrate algorithmic-fairness assessments into their Group Model Risk Management Policy and the models they use to aid with their decision-making.

PRIORITY ACTIONS

COO

INFUSE A SUSTAINABILITY MINDSET INTO ALL INNOVATION ACTIVITIES



Embed purpose and SDG impact into research & development

Include an SDG lens into all research & development activities, innovation programmes, and new business incubators or accelerators. Potential actions include: **(1)** include an SDG screen for all innovation activities, ensuring alignments to explicit social and/or environmental priorities, **(2)** define a set of SDG impact metrics to provide strategic cohesion across your portfolio, and **(3)** collaborate with startups, universities, donors, NGOs, and large corporates to amplify impact and scale innovation.

PROACTIVELY IDENTIFY UNINTENDED CONSEQUENCES



Run tests to explore and address unintended consequences

Put products through tests to identify unintended consequences prior to larger product release. Potential actions include: **(1)** test products and services through a 'red-team approach', with an eye toward SDG impacts, **(2)** partner with NGOs and other stakeholders to consider a wider range of stakeholder impacts, **(3)** promote business models that are not reliant on activities that hinder or reverse progress on the SDGs.

In particular, for new and existing products and business models, consider the following critical impacts:



Water, waste, climate and nature impacts

Explicitly look for opportunities to make products circular, net zero, nature positive and water positive.



Impacts on decent work and incomes

Align compensation strategies with providing a living wage, limit job losses from automation, and provide reskilling support where applicable.

KEY RESOURCES

• Consequencing scanning toolkit

• Responsible AI

ACCELERATE CLIMATE ACTION

CURRENT STATE

Global greenhouse gas emissions are currently at their highest level in recorded human history. The average temperature of the Earth's surface has increased by at least 1.1°C since 1880.³²⁴ Scientists agree that limiting temperature rise to no more than 1.5°C by or before 2050 will mitigate the worst climate impacts, including those such as the devastating floods in Pakistan last year and the cyclone that lasted over a month in southeast Africa in March 2023. Beyond environmental degradation, climate impacts are estimated to have the potential to drive nearly 216 million people to migrate within their countries by 2050 and to subject up to 600 million people to malnutrition by 2080.³²⁵

The private sector plays a critical role in contributing to global climate action. Businesses must set credible targets and achieve their long-term goals through verifiable, short-term actions. By setting net-zero targets through the Science Based Targets initiative (SBTi), companies can be assured that their decarbonization plans are in line with the latest climate science and best practices. As of August 2023, over 5,900 companies are working with the SBTi to align climate targets with the Paris Agreement and more than 3,300 have an approved target.

While reducing emissions is key to fighting the effects of climate change, companies must be cognizant of how they are achieving their climate goals. A just transition to net-zero and a climate resilient future is non-negotiable. All business strategies and actions must result in the creation of decent, green jobs and ensure that no workers or communities are left behind.

79%
of all companies with science-based targets were 1.5°C-aligned for scopes 1 and 2 by the end of 2022³²⁶

96%
of companies with a science-based target have a scope 3 target³²⁷

5%
of companies in the Forbes Global 2000 have set climate targets in line with the Race to Zero 'starting line' criteria³²⁸

BUSINESS POTENTIAL

The SBTi is a partnership of the UN Global Compact, CDP, World Resources Institute, and the World Wide Fund for Nature to define and promote best practices in emissions reductions and net-zero targets in line with climate science.

34%
of the global economy by market capitalization has set or committed to set a science-based target³²⁹

76%
of companies with science-based targets publicly reported progress against their targets in some form³³⁰

COMPANY EXAMPLES

MAHINDRA SUSTEN

Mahindra Group, via Mahindra Susten, a renewable energy company in India, runs an upskilling program for socioeconomically weaker communities to help them become part of the renewable energy transition. The program is run through a training and skilling center in Karjat in the state of Maharashtra, India. The center runs multiple programs focused on building solar photovoltaic (PV) technical skills, of which there is a shortage in the industry. Its unique pedagogy includes focus on practical skills to ensure a thorough understanding of solar technology installation processes for candidates with economically disadvantaged backgrounds, with a focus on training female candidates. To date, the center has trained over 4,700 technicians in full trade skills and over 10,000 people in semi-skilled trades.

ENEL

In an effort to make Sardinia more sustainable, Enel, an Italian energy services provider, together with Rossi Doria Centre of Economic and Social Research – Roma Tre University and “Alleanza Sardegna Rinnovabile”, promoted the electrification of consumption to help move away from fossil fueled-generated electricity. In Sardinia, this meant setting up green ports, zero-impact accommodation, and fully electric transportation, in order to support tourism – the backbone of the regional economy. To date, ca. 120 domestic charging points, ca. 120 private business charging points and over 1210 public charging points have been installed by Enel. Enel kept the focus local to ensure that local workers would possess the skills essential for the generation of renewable energy, supporting a just transition. The program promotes experimentation with new business models and innovation, and offers customized solutions by involving regional players and working closely with involved cities.

TALAWAKELLE TEA ESTATES PLC

As the first organization in the country to adopt Science Based Targets, Talawakelle Tea Estates PLC, a Sri Lankan plantation company, is committed to a net-zero future by 2050, with a goal of reducing greenhouse gas emissions by 50%. The company was able to convert all Diesel boilers to Biomass boilers, utilizing the company's sustainable biomass growing model and generate clean energy from Mini-hydro and solar plants. This resulted in the company's energy consumption ratio, powered by clean and renewable sources, surpasses its consumption by an impressive 136%. Furthermore, Talawakelle employs innovative Biochar technology to enhance its carbon sink. By capturing and storing carbon dioxide through Biochar for Carbon Sequestration and actively participating in Ecosystem Restoration initiatives, the company effectively mitigates its impact on the environment. Finally, collaborates with stakeholders to develop skills for a low-carbon economy, fostering job creation and economic growth. Their holistic approach demonstrates unwavering commitment to sustainability and the SDGs. Talawakelle Tea Estates PLC's multifaceted efforts exemplify environmental stewardship, and its climate actions align with the principles of the UN Global Compact and contribute significantly to the SDGs.

PRIORITY ACTIONS

CEO, COO, CSO, CSCO

SET CORPORATE SCIENCE-BASED NET-ZERO GHG EMISSIONS REDUCTIONS TARGETS IN LINE WITH A 1.5°C PATHWAY



Review existing sector-specific guidance and projects to gather information that is best tailored to your organization and industry.

Perform a complete GHG emissions inventory/screening, which includes company-wide scope 1 and 2 emissions and gross scope 3 emissions for all emissions sources, following the minimum boundary for each scope 3 category set out in the GHG Protocol's Scope 3 Standard.

Utilize the SBTi's resources and tools to follow its 5-step process to set your science-based target.

Create a transition plan showing how you will successfully deliver on your commitments in an equitable and just way.



Engage with your networks and supply chains and encourage them to set net-zero targets as well, using the SBTi's Supplier Engagement Guidance.

Align external policy and engagement efforts with corporate emission reduction goals and advocate for positive climate action.

CONTRIBUTE TO A JUST TRANSITION BY ADDRESSING SOCIAL IMPACTS OF CLIMATE CHANGE MITIGATION AND ADAPTATION MEASURES IN PARTNERSHIP WITH WORKERS, UNIONS, COMMUNITIES AND SUPPLIERS



Workforce: respect rights at work; assess human capital development and job creation; promote robust social dialogue in just transition planning; assess and improve equity in recruitment, career progress and pay; and protect employee benefits.

Government Relations & Policy Advocacy: engage in tripartite social dialogue at local and national levels; advocate for decent work and financially sustainable social protection systems.

Supply Chain/Procurement: engage with suppliers to promote decent work and respect for rights; encourage sustainable production, training and risk management.

Management: create a collaborative culture between management in key business functions and employees across the organization.



Measurement & Reporting: track data related to just transition including, but not limited to, equity audits of the social impacts of operations and products and place-based socioeconomic impact assessments.

Risk: identify relevant reputational, human capital, legal, market, and technology risks associated with the transition; strengthen input channels for just transition risk analysis.

Human Rights Due Diligence & Social Risk/Impact Management: implement human rights risk prevention, mitigation and remediation measures; assess and address social inequities in transition strategies.

KEY RESOURCES

- Science Based Targets initiative
- Greenhouse Gas Protocol
- Introduction to Just Transition: A Business Brief
- Intergovernmental Panel on Climate Change
- International Labour Organization Just Transition Guidelines
- UN-backed 1.5C aligned Net Zero Credibility Criteria

ADVANCE WATER RESILIENCE

CURRENT STATE

By 2030, global demand for freshwater will exceed supply by 40%.³³¹ Population growth, climate change, and increasing food demands are forcing humankind to reckon with quality water as a finite and vulnerable resource. According to the UN, over 2 billion people lack safely managed drinking water services and for at least 3 billion people, the quality of the water they rely upon is unknown due to the lack of monitoring.³³² The World Wildlife Fund estimates that by 2025, two-thirds of the world's population may face water shortages.³³³

The private sector represents the largest water user in the world. The agriculture sector accounts for over 70% of global water use and experts predict water use will need to increase by 15% just to meet food demand.³³⁴ An additional 19% of global water use is attributed to industrial processes.³³⁵ Leading companies are working across the three dimensions of water—quantity, quality, and accessibility (WASH)—to build basin-level water resilience.

Leaders have an opportunity to improve the private sector's water efficiency and reverse water depletion. In 2022, CDP respondents identified a combined \$436 billion of financial benefits from reducing water impacts.³³⁶ Achieving water-related SDGs will require companies to prioritize efficiency improvements, reduce water waste, and work with local communities to protect and restore water-stressed basins.

260B
of economic value is lost globally each year due to lack of basic water and sanitation³³⁷

246
companies have endorsed the CEO Water Mandate³³⁸

\$436B
of reported potential value from 2022 CDP responses in water-related opportunities³³⁹



BUSINESS POTENTIAL

India, Pakistan, China, Indonesia, and Ethiopia are five of the largest agriculture water withdrawing countries with high water stress and water intensive crops. Collectively, they account for nearly half of all global agricultural water withdrawal.

BY 2030, THE AGRICULTURE SECTOR IN THESE FIVE COUNTRIES COULD:

133B m³
Save 133 billion cubic meters of water if 20% of farmers in these five countries invest in micro-irrigation (See Appendix)

Equivalent to 9% of their agricultural water use and 4% of total global agricultural water use

72B m³
Save 72 billion cubic meters of water if half of farmers in these five countries shift from day-time irrigation to overnight irrigation (See Appendix)

Equivalent to 4% of their agricultural water use and 2% of total global agricultural water use

COMPANY EXAMPLES

WATER RESILIENCE COALITION

In 2015 a severe drought struck Brazil's largest city of Sao Paulo. Companies contributed to the Sao Paulo Water Fund to pay farmers to restore the watershed with nature-based solutions. The project pays 1500 residents to make the basin more resilient to drought and other forms of water stress. The initiative likewise sequesters carbon, supports the local economy, and protects valuable ecosystems. Five companies within the Water Resilience Coalition are among the list of private and public supporters of this collective action. Through multi-sector collective action projects like these, the Water Resilience Coalition seeks to build water resilience to 100 water-stressed basins by 2030.

INTERLOOP LIMITED

Interloop Limited is a fully vertical manufacturer of hosiery, denim, knitted apparel and seamless activewear, based in Pakistan. Interloop Limited champions responsible manufacturing. At Interloop, water footprint reduction is one of their key Sustainability targets, set for 25% reduction by 2025-26. To promote water stewardship, Interloop has collaborated with WWF for AWS certification, a globally applicable framework for major water users to understand their water use and impacts, and to work transparently for sustainable water management within a catchment. The Standard intends to drive social, environmental and economic benefits at the catchment level. The company is making huge investments on multiple initiatives which include 95% water reduction in wash process through Nano bubble technology, sustainable textile bleaching to ensure reuse of bleached water and chemicals for various processing cycles, use of less water consuming dyes, recycling of treated wastewater (up to 20%), reusing non-contact process cooling water, and rainwater harvesting.

ROTOPLAS

There is a high demand for innovative and decentralized water solutions that can help address water infrastructure overwhelmed by population growth and challenged by climate change effects. Grupo Rotoplas' solutions address the issue of difficulties and backlog in access to water and sanitation by providing products and services that decrease water transportation costs and electricity consumption, while improving water quality. Through their product portfolio, they offer solutions to improve water management in urban and rural areas and increase the availability of this resource with storage, waterflow, improvement, purification, treatment, recycling, rainwater harvesting, irrigation, and septic products and services. They have consolidated their position in the market as a leading company in the development and distribution of water and sanitation solutions in Latin America and the United States.

LEVI STRAUSS & CO

Levi Strauss & Co., a US-based retailer, is working to reduce the apparel industry's impact on water around the world. They are engaging with their supply chain – in particular key mills and factories which represent 80% of production volume – to meet geographically contextual water targets. Their goal is to reduce water used in manufacturing by 50% in areas of high-water stress by 2025 (against a 2018 base year). The company also published their Water Action Strategy as an open-source document to inspire collective action and progress across our industry.

PRIORITY ACTIONS

CSCO

ACHIEVE NET-POSITIVE WATER IMPACT IN WATER-STRESSED BASINS



Address direct operations

Address water impact in direct operations. Potential actions include **(1)** implementing water-related standards, **(2)** integrating context and/or science into target-setting practices, **(3)** implementing best practices in water efficiency and wastewater management, **(4)** implementing proven innovative technologies for water reuse, recycling, and circularity, **(5)** preserving safe, resilient access to water, sanitation and hygiene (WASH) for employees, and **(6)** implementing practices that optimize climate-energy-water co-benefits and protect ecosystems.



Extend impact throughout supply chains

Amplify net-positive water impacts throughout supply chains. Potential actions include **(1)** understanding where the greatest water dependencies and impacts exist within supply chains and setting appropriate internal targets and plans to preserve long-term resilience, **(2)** working with suppliers in water-stressed basins to improve water efficiency, wastewater management and the provision of safe, resilient access to water, sanitation and hygiene in the workplace.



Work collaboratively across sectors

Work with leaders outside the private sector to protect water basins. Potential actions include **(1)** working with public sector actors, integrating best practices in data information and transparency to inform decision-making, **(2)** engaging with local communities, including frontline, Indigenous and under-represented communities, to improve conditions by taking a human rights-based approach, **(3)** identifying and advancing co-financing mechanisms with governments and multilateral funding agencies to close the financing gap, **(4)** advancing proven innovative technologies for water reuse, recycling and circularity, **(5)** contributing expertise to curate and develop technologies and tools at scale.

KEY RESOURCES

- The Pacific Institute
- CEO Water Mandate
- Water Resilience Coalition
- AQUASTAT
- UN Water Conference
- The Aqueduct Alliance

PROTECT & RESTORE NATURE

CURRENT STATE

At least 40% of the world's economy and 80% of the needs of the poor are derived from biological resources,³⁴⁰ but these are in steep decline. Already 83% of wild mammals and half of all plants have been wiped out, and our marine and land environments have been severely altered.³⁴¹

The private sector plays a critical role in promoting and preserving biodiversity, both on land and underwater. Deforestation and irresponsible land use continue to pose threats to biodiversity and business. Agricultural expansion is the direct driver of nearly 90% of deforestation.³⁴² Every year more and more productive land is degraded, directly affecting the lives of 1.3 billion people.³⁴³ At the same time, fish provide more than 1 billion people with most of their daily animal protein, but threats such as overfishing, acidification, pollution, and rising temperatures threaten mass extinction of aquatic life within decades.³⁴⁴

The latest research from WEF shows that \$44 trillion of economic value generation—over half of the world's total GDP—depends moderately or highly on nature and its services.³⁴⁵ It is therefore up to business to promote practices that help preserve biodiversity, from core operations through supply chain impacts.

1m
animal and plant species are threatened with extinction³⁴⁶

54%
of survey respondents report their company discloses nature and biodiversity risks and impacts (See Appendix)

17m
metric tons of plastic clogging the ocean in 2021, set to double or triple by 2040³⁴⁷

BUSINESS POTENTIAL

Protecting and restoring biodiversity is vital to the future of our world and economy.

IF COMPANIES ADOPT REGENERATIVE BUSINESS MODELS BY 2030, THEY COULD:"MODELS BY 2030, THEY COULD:

\$44T

Eliminate the risk of losing one half of global GDP as a result of business dependence on nature and its services³⁴⁸

395m \$670B

Generate 395 million jobs in transitioning to a nature-positive economy³⁴⁹

Realize opportunities linked to utilities that effectively manage air, water, and waste pollution in urban areas³⁵⁰

COMPANY EXAMPLES

ORSTED

Ørsted, a global renewable energy developer, has set an industry-leading ambition for net-positive biodiversity impact. In the UK's Humber Estuary, the company is partnering with the Yorkshire and Lincolnshire Wildlife Trusts to restore multiple habitats – seagrass meadows, salt marshes, and oyster reefs – and improve the health and resilience of the estuary's ecosystem. Seagrass and salt marches are not only efficient carbon capture means, but also provide nutrient-rich habitats for fish and birds, as well as coastal protection. The UK's Department for Environment, Food and Rural Affairs has commended this project as an example of how restoration can work in practice and deliver multiple benefits for biodiversity and climate.

SYMRISE

Symrise, a global supplier of fragrances, flavors, food, nutrition, and cosmetic ingredients, puts policies and procedures in place that respect the rights of local traditional people and their knowledge through benefit-sharing and value chain development. For example, in the Brazilian Amazon they implemented projects promoting local value creation, in partnership with Brazilian cosmetic company Natura & Co. and GIZ, by enhancing farming techniques and sustainable wild collection practices. From 2017-2021, Symrise and their partners trained local communities in sustainable farming methods, developed equipment, and helped them to diversify and increase quality of production. For Symrise, this meant reliable access to key ingredients as well as the opportunity to research new raw materials. 17 participating cooperatives were able to increase revenue by 50%, improving livelihoods of >1500 families, and certification from Union for Ethical biotrade (UEBT) further facilitating market access.

PRIORITY ACTIONS

ALIGN WITH THE TNFD REPORTING FRAMEWORK



Adopt biodiversity risk reporting

Align reporting practices with the final TNFD recommendations (final recommendations to be launched on 19 September 2023). Potential actions include **(1)** adopt the LEAP risk and opportunity assessment approach **(2)** leverage expertise and biodiversity planning and monitoring platforms to report on the suggested data, metrics & targets **(3)** set targets for nature based on the Science-Based Targets Network methodologies.



Center nature in infrastructure

To live sustainably, we must center nature in the built environment and infrastructure. Potential actions include **(1)** build connecting infrastructure around the natural environment **(2)** build dense rather than expansive city infrastructure **(3)** prioritize 'green' buildings and vehicles.



Reduce irresponsible deforestation and aquatic degradation

Report progress on and foster a culture of transparency. Potential actions include **(1)** implement precision forestry and habitat monitoring technology **(2)** engage in productive and regenerative agriculture **(3)** monitor footprint of terrestrial and marine protected areas.



Proper waste disposal practices

In order to stall biodiversity loss, we must manage air, water, and solid waste more efficiently. Potential actions include **(1)** develop and implement planet-compatible utilities **(2)** redirect plastic waste from oceans **(3)** discontinue harmful industrial fishing practices and instead use precision fishing technologies.



Promote biodiversity throughout green supply chain

Integrate biodiversity considerations into buying practices to promote more inclusive supply-chain business strategy. Potential actions include **(1)** work with suppliers who also engage in efforts to preserve biodiversity **(2)** improve supply chain efficiency and reduce footprint of biodiversity impacts through increased transparency and traceability, **(3)** partner with local workforce bodies and nonprofits to channel corporate buying power toward generating alternative livelihoods for individuals and communities that depend heavily on resource extraction.



Develop strategic nature-positive investments, capabilities and offerings

Companies are well positioned to align bottom-line metrics with making nature-positive investments. Potential actions include **(1)** identify and invest in revenue-generating opportunities and customer value propositions that include nature-positive outcomes **(2)** partner with the innovation ecosystem and scientific community to deploy win-win solutions **(3)** explore and pilot innovative financing solutions.



Work with community partners

Work with community leaders to protect biodiversity. Potential actions include **(1)** engaging in social dialogue with local and indigenous communities to respect their self-determination, FPIC and land rights, and access and benefit sharing.

KEY RESOURCES

- TNFD Recommendations
- High-Level Business Actions on Nature
- Kunming-Montreal Global Biodiversity Framework
- Science-Based Targets Network Methodologies

INVEST IN CIRCULARITY

CURRENT STATE

Current consumption and production patterns are incompatible with the global vision for a sustainable economy. Between 2015 and 2021, the global economy consumed half a trillion tons of virgin materials, 70% more than the Earth can safely replenish.³⁵¹ Most consumed materials never re-enter global supply chains; the global economy produces roughly 300 million tons of plastic waste and 54 million tons of electronic waste, of which only 17% gets collected and recycled.³⁵² Shifting consumption away from 'take-make-waste' will build a more resilient global economy.

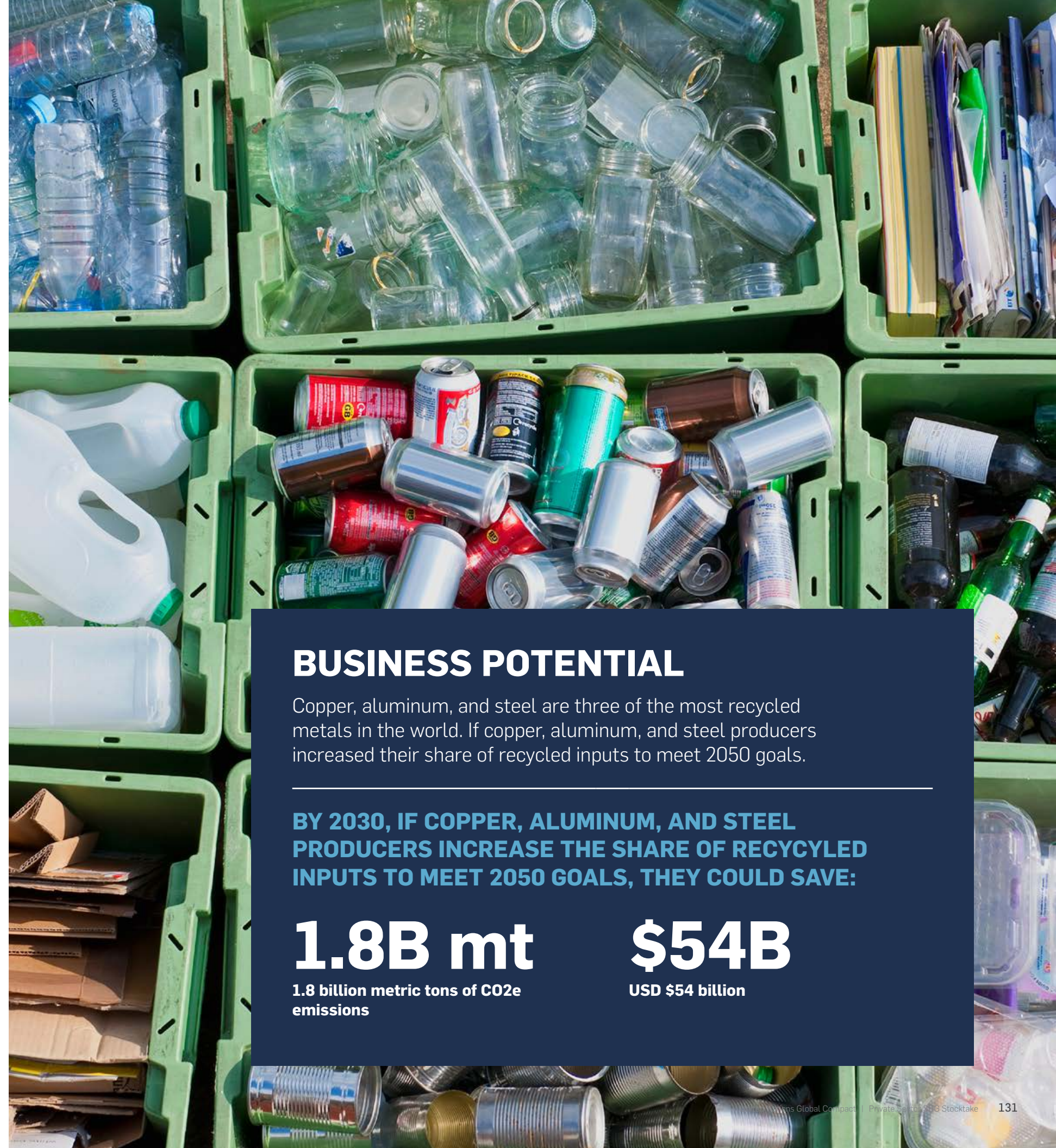
The private sector inherently plays a role in transitioning the global economy toward circularity. Companies must fundamentally rethink product design and new business models to unlock the economic and sustainable benefits of a circular economy.

Entire industries must evolve to design products to be used for as long as possible or offer leasing and renting models that increase access and utilization. These new business models not only align with the SDGs but can also be beneficial for business. The World Bank found that industries shifting away from one-off product sales toward capital equipment-as-a-service have recorded higher than average margins.³⁵³

2X
Total material extraction has almost doubled since 2000, putting it at 100 billion tons per year³⁵⁴

7.2%
of global production is circular³⁵⁵

1.9%
of manufactured products come from remanufacturing versus new manufacturing³⁵⁶



BUSINESS POTENTIAL

Copper, aluminum, and steel are three of the most recycled metals in the world. If copper, aluminum, and steel producers increased their share of recycled inputs to meet 2050 goals.

BY 2030, IF COPPER, ALUMINUM, AND STEEL PRODUCERS INCREASE THE SHARE OF RECYCLED INPUTS TO MEET 2050 GOALS, THEY COULD SAVE:

1.8B mt
1.8 billion metric tons of CO₂e emissions

\$54B
USD \$54 billion

COMPANY EXAMPLES

COTY

Coty, a global beauty company, has produced the world's first globally distributed fragrances made using carbon-captured alcohol. In January 2022, Coty began integrating this innovative CarbonSmart™ alcohol from partner LanzaTech into its fragrance portfolio. This novel technology process captures carbon from industrial emissions and transforms it into alcohol for use in fine fragrances. Alcohol, a key ingredient in the production of fragrances, is Coty's top fragrance ingredient by volume. By transforming carbon into a new source of alcohol, Coty and LanzaTech are progressing innovative solutions to reduce the beauty industry's environmental impact. Carbon-captured alcohol involves nearly zero water consumption and reduces the need for agricultural land, in turn limiting Coty's impact on biodiversity and lowering the company's carbon emissions related to fragrance production.

NOVO NORDISK

Novo Nordisk, a Danish multinational pharmaceutical company, is embedding an end-to-end responsible business model by considering healthcare's sustainability impacts across different stages of its product lifecycle. One area of focus is medical device waste. To reduce their impact, Novo Nordisk has launched an insulin pen takeback programme designed to divert waste from landfills and reduce end-of-life carbon emissions. The pilot programme has been launched in a range of countries with the aim to recycle plastic, glass and metal from used insulin pens into new products thereby preventing waste and reducing the use of resources. The overall vision is to drive industry-wide takeback and recycling programs in the healthcare sector.

PRIORITY ACTIONS

CSCO, CTO, CFO

SOURCE 100% SUSTAINABLE MATERIAL INPUTS THAT ARE RENEWABLE, RECYCLABLE, OR REUSABLE



Assess product design and incorporate recyclable inputs

Embed re-use and recyclability into design and material selection processes. Potential actions include **(1)** mandating recyclability assessments to test end-of-life sorting, processing, and recovery feasibility and **(2)** implementing product design criteria that use recycled and renewable inputs and prioritize durability.



Source recyclable inputs at scale

Incorporate recycled and renewable materials and feedstocks at scale. Potential actions include **(1)** implementing procurement requirements to meet sourcing criteria and **(2)** increasing waste collection across the value chain to identify and support collection and processing for recycled materials into products.

RECOVER 100% OF RESOURCES AND RECYCLED OR REUSE ALL MATERIALS/PRODUCTS AT END OF LIFE



Assess products for end-of-life use

Embed requirements for product and service design to enable recovery, recycling and re-use at end of product use. Potential actions include **(1)** implementing product design criteria that require the use of recyclable and renewable materials and **(2)** mandating recyclability assessments to test for end-of-life sorting, processing, and recovery.



Cater business models to maximize product life

Develop new offerings that increase control over product and packaging recovery. Potential actions include **(1)** growing product-as-a-service offerings, such as leasing and rentals, over one-time purchases, **(2)** growing remanufacturing and repair services, and **(3)** tracking product ownership, use, and lifecycles.



Build capability to collect and recycle products at end of life

Recapture reusable materials for recycling and reintroduce into supply chain. Potential actions include **(1)** developing reverse supply chain capabilities, **(2)** implementing sales and customer incentives to increase product recovery and **(3)** developing recycling infrastructure for collecting and sorting returned material.

SEND ZERO WASTE TO LANDFILL AND INCINERATION



Reduce waste

Deploy waste prevention solutions to eliminate waste generation at the source. Potential actions include **(1)** conducting waste-stream mapping, **(2)** analyzing material flows and destinations to identify waste leakage and **(3)** implementing waste prevention solutions to reduce material consumption and optimize packaging and inventory.



Reuse and recycle

Repurpose waste as a new internal input for conversion to new products for other uses. Potential actions include **(1)** diverting operational waste and byproducts to other uses and **(2)** valorizing recycled waste and byproducts through sale to other markets and sectors or by innovating new products within own business portfolio.

KEY RESOURCES

- The World Bank: What a Waste 2.0
- Ellen MacArthur Foundation
- Zero Waste International Alliance
- The Circular Economy Handbook
- Platforms for Accelerating the Circular Economy
- The Circular Design Guide
- UNEP Circularity

COMMIT TO SUSTAINABLE CORPORATE FINANCE

CURRENT STATE

The United Nations estimates that the world must mobilize between USD \$3.3-4.5 trillion to achieve the SDGs by 2030, with other sources estimating the gap to be nearly \$10-15 trillion.³⁵⁷

The private sector as a collective has the resources at its disposal to close the gap, accounting for over 60% of GDP in most countries. Yet many companies are still making decisions that often do not take into account the full cost of the action, leading to large negative SDG impacts. This is reflected by only 24% of companies stating that embedding the SDGs into investment criteria is a top 3 priority between now and 2030.³⁵⁸

Furthermore, companies are incentivized by short-term gains, often at the cost of long-term sustainability investment. For example, despite 4 out of every 5 companies say they have a business case for at least one SDG, nearly 9 in 10 companies say that long payback periods present a challenge to investing in SDG action.

In response to the challenge, the UN Global Compact has organized the CFO Coalition for the SDGs, which outlines four principles to integrate sustainable development in corporate investments and finance. The principles detail methods for companies to adopt as they evaluate investment criteria, transform business models, and maximize their impact on the SDGs.

CFOs can take concrete steps to define investment criteria, create accountability and embed measurement frameworks to align corporate investments and financing with the SDGs.

15%

The total cost of achieving the SDGs has increased by at minimum 15% from \$116-142 trillion to \$134-176 trillion in 2022³⁵⁹

90%

The finance industry is the custodian and/or manager of 90% of the world's gross liquid capital (\$400 trillion)³⁶⁰

36%

Annualized five-year total shareholder returns for the most proactively engaged companies on sustainability, against 5% by the MSCI world financial index³⁶¹

BUSINESS POTENTIAL

The CFO Coalition for the SDGs plays a key role in shaping the sustainability agenda of CFOs all around the world, developing a common language, collective ambitions, and resources to accelerate corporate investments toward the SDGs.

A GROUP OF 71 PIONEERING COMPANIES IN THE COALITION DEMONSTRATE THE IMPACT POTENTIAL:

\$500B

Total Cumulative SDG-aligned corporate investments for the period 2020-2025³⁶²

50%

Proportion of SDG-aligned corporate investments for the period 2020-2025³⁶³

50%

Proportion of SDG-linked finance by 2025³⁶⁴

COMPANY EXAMPLES

ABN AMRO

To measure positive and negative impact on relevant stakeholders, highlight trade-offs between stakeholders, and support decision-making on how to improve their impact, ABN AMRO applies the Framework for Impact Statements and Impact-Weighted Accounts Framework. Since 2018, they have published this analysis as part of their annual disclosures in an integrated profit and loss report they call the Impact Report. Impact is measured annually, so changes in impact can be tracked. Recently, ABN AMRO has taken steps to better understand the impact that arises through sectors they finance and identify impact intensive sectors. These insights will be incorporated into decision-making and client relationships.

SCHNEIDER ELECTRIC

Schneider Electric, a French energy company, has defined a progress plan to become an impact company, measuring its progress against 11 targets each quarter in the Schneider Sustainability Impact 2021-25. Financial investment priorities are aligned to set the course towards its SBTi-validated Net-Zero Commitment, and more broadly to meet its long-term commitments for climate, to preserve natural resources and to contribute to development. To help finance its transition, the company has issued a €650 million convertible bonds linked to sustainability targets on saved and avoided CO2 emissions for customers, gender diversity, and energy management training for underprivileged people.

PRIORITY ACTIONS

CFO

ACHIEVE 100% ALIGNMENT WITH THE CFO PRINCIPLES ON INTEGRATED SDG INVESTMENTS AND FINANCE



Understand SDG impact and embed SDG considerations in investment decision making

Potential actions include (1) developing and implementing a specific SDG impact thesis that maximizes positive impact and mitigate negative impact on the most material SDGs, (2) working with established third-party providers to measure SDG impact.



Adopt impact accounting

Potential actions include (1) joining and supporting forums to create an SDG impact accounting standard, (2) adopting investment criteria that incorporates impact-weights in traditional accounting activities to embed costs for negatively impacting the SDGs.



Advocate for ESG reporting and tax integration with impact accounting

Potential actions include (1) advocating for public incentives to adopt impact accounting, such as blended finance opportunities for companies creating positive SDG impacts and tax burdens for companies creating negative SDG impacts.

KEY RESOURCES

SDG IMPACT MEASUREMENT

- International Foundation for Valuing Impacts
- Impaakt
- Util
- GISD Sector-Specific SDG-related Metrics

UN GLOBAL COMPACT RESOURCES

- CFO Principles
- Blueprints for Implementation of the CFO Principles
- CFO Coalition for the SDGs: Macro Sector Profiles
- Scaling SDG Finance for the SDGs

STRENGTHEN SUSTAINABILITY LEADERSHIP

CURRENT STATE

The private sector is still focused on short term profitability, often at the expense of long-term sustainability investments. For example, despite a unanimous call for a rapid shift to source renewable energy, 20 of the world's biggest oil and gas companies are projected to spend \$932 billion to develop new oil and gas fields by the end of 2030.³⁶⁵ At the same time, under plausible and expected changes in climate policy, stranded asset risk in the oil and gas sector exceeds \$1 trillion.³⁶⁶

Companies need to establish a culture of ethical leadership that ensures more effective, accountable, and transparent governance. By creating shared values that elevate corporate behavior and value, they raise the standard for responsible business.

Executive remuneration is a key lever for guiding corporate behavior and incentivizing companies take long-term, sustainable action. To achieve the SDGs, companies must shift priorities to properly account for more than just shareholders' interests, and hold leadership accountable. In 2022, the number of FTSE 250 companies that tied ESG performance with bonuses increased by 57% in a single year, signaling a growing trend in tying executive compensation with sustainability goals.³⁶⁷ To go further, companies can link executive pay to the SDGs and establish board accountability to create a more sustainable and transparent future.

Companies must create an environment that favors long-term value throughout the formation and implementation of business strategy. Executive remuneration is the truest expression of a corporation's real priorities, and responsible remuneration is a real commitment on behalf of leadership to the SDGs and sustainable long-term value creation.

85%
of survey respondents believe that long pay-back periods for sustainability projects negatively impact their ability to contribute to the SDGs

34%
of UN Global Compact CEOs say they link leadership remuneration to sustainability targets³⁶⁸

31%
of UN Global Compact CEOs say they are increasing the diversity of the company's board³⁶⁹

BUSINESS POTENTIAL

Aligning company values with the SDGs is important to establish good governance and leadership incentives.

43%
of investors believe applying ESG criteria to corporate decision-making leads to enhanced financial results³⁷⁰

\$200M
of lobbying dollars spent by the five largest stock market-listed oil and gas companies on blocking climate change action every year³⁷¹

COMPANY EXAMPLES

MASTERCARD

Mastercard, a US-based technology company in the payments industry, to help further align its actions with its ESG goals, and to help ensure that all Mastercard employees share in the responsibility to uphold these goals, links their annual incentive programs for executives and employees to ESG performance measures, including quantitative objectives for financial inclusion, gender pay equity and greenhouse-gas emissions reductions.

MARS

To make an impact, compensation plans need to be tied to clear KPIs and be financially meaningful to participants. Mars' long-term incentive plan (LTIP) highlights this approach by linking pay to shareholder objectives set by its owners the Mars Family. These objectives, which are known as the Mars Compass, cover four "quadrants of performance" (financial value creation, quality growth, positive societal impact and being a trusted partner). In the LTIP, the non-traditional metrics are weighted 40% and are comprised of GHG emission reduction targets (on all scopes) for the three year cycle, progress against packaging sustainability targets and an externally monitored societal reputation metric measuring Mars' corporate ratings as a trusted partner that addresses stakeholder interests (employees, supply chain, customers, and society at large).

PRIORITY ACTIONS

CEO, CFO, CLO, Government Affairs

APPLY RESPONSIBLE EXECUTIVE REMUNERATION PRINCIPLES TO ACCELERATE SDG PROGRESS



Define scope

Clarify which SDGs are materially relevant to the company, and who are leaders who drive progress in these areas. Potential actions include **(1)** identifying SDGs and metrics with a clear link to shareholder value and alignment to the long-term business strategy, and **(2)** balance SDG metrics to be diverse and relevant.



Structure incentives

Design pay incentives aligned with SDG targets and defined time horizons. Potential actions include **(1)** designing incentives to promote the achievement of SDG targets on defined time horizons **(2)** accounting for unintended consequences in incentive structures. Remuneration time-frames should favor long-term value creation over short-term financial results.

Executive Evaluation

Ensure remuneration decisions are made by an independent, well-informed and stakeholder connected board. Stakeholder reporting provides a consistent narrative that helps assess linkage to strategy, materiality, and pay for performance.

CREATE A BOARD POSITION TO ADVOCATE FOR ALL STAKEHOLDERS' LONG-TERM INTERESTS



Identify and understand stakeholder interests

Identify primary and secondary stakeholders to the business. Potential actions include **(1)** conducting an organizational assessment to identify stakeholder groups most impacted by business operations.



Establish a board seat

Create a board seat for a representative to give voice to nonfinancial stakeholders. Potential actions include **(1)** establishing a voting or non-voting board seat to represent nonfinancial stakeholders **(2)** establishing board reception to external input on the societal impact of business operations **(3)** putting shares with rights in trusts to give ordinary shareholders the ability to purchase shares with voting rights.

ENGAGE IN RESPONSIBLE ADVOCACY



Aligning advocacy efforts with internal sustainability priorities

Advocate and lobby for legislative and systemic change in ways that align with long-term corporate interests. Potential actions include **(1)** aligning investments with long-term stakeholder interests, **(2)** improving transparency around lobbying efforts and engaging with stakeholders – including employees and communities – to ensure alignment at all levels.

KEY RESOURCES

- UNGC 10 Principles
- Integrating ESG Issues Into Executive Pay
- UNGC: Modernizing Executive Pay
- UN Global Compact: SDG 16
- E&C Insights
- Reward Value



POLICYMAKER ASKS

GOVERNMENT POLICY CHANGES ARE CRITICAL TO SCALE UP BUSINESS CONTRIBUTIONS TO THE SDGS

Achieving substantial progress in the seven years left is possible, but only if public, private and non-profit players work more closely together with a clear game plan. To harness the full potential of the private sector, the right policies need to be in place to incentivize action across all 10 of the pathways.

BUSINESSES NEED GOVERNMENTS TO ENGAGE

44%
of survey respondents ranked policymakers as the top stakeholder group from which more engagement is required

Governments represent the group that business leaders say they need more support from as they pursue SDG impact. Businesses need to feel that governments are engaging, supporting, and partnering with them to lead the necessary change ahead of 2030.

BUSINESSES ARE DEMANDING CHANGES IN INCENTIVES

80%
Claim insufficient policy incentives to incorporate SDGs into business strategy is hindering progress

Businesses are demanding that governments put in place policy incentives to help integrate the SDGs into business strategy and operations. This ensures an even playing field across all businesses, and widespread action. This also helps give businesses clear guidance on where to concentrate their efforts.

BUSINESSES ARE ASKING FOR CLEAR GUIDANCE

84%
State that uncertainty around measurement and calculations of impacts towards SDGs is a major barrier

Businesses struggle to understand how to calculate their impact on the SDGs. They are asking for clear measurement criteria and calculation methods so that they can not only properly report progress, but also make informed decisions based on these insights.

Source: UNGC Private Sector Stocktake Survey (n = 2,859)
Survey Question: How much of an impact does each of the following have on your company's ability to contribute to the SDGs?

BUSINESSES ARE CALLING ON POLICYMAKERS TO STEP UP AND ENGAGE IN SDG ACTION IN THESE AREAS:

When asked, business leaders indicated their support of specific policies that would help support the trilemma and achieve the pathways outlined above:

SCALE UP NEW INCENTIVE SYSTEMS TO REDEFINE SUCCESS IN TERMS OF RISK, RETURN AND IMPACT

The top ask from business leaders is consistent **sustainability reporting and disclosure mandates (76%)**. This helps ensure all businesses are held to the same standard both nationally and globally.

EXPAND THE BENEFITS OF MARKETS TO ACHIEVE SOCIAL RESPONSIBILITY

The second ask is **adjusting the national minimum wage to equal living wage levels (71%)** – a cost to business, but one that they deem worthy should everyone pay the price fairly. In addition, the majority support policies that would help promote gender equality, namely **mandatory disclosure of gender pay gaps (65%)**, and **mandatory minimum company paid shared-parental leave (58%)**.

TRANSFORM THE BASIS OF BUSINESS TO ACHIEVE ENVIRONMENTAL SUSTAINABILITY

Finally, businesses support a range of stronger policies to strengthen environmental protection. Businesses are asking for policymakers to support a clean energy transition, advocating for policies such as **shifting subsidies from fossil fuels to renewables (68%)**, **requirements for all businesses to reach net-zero emissions by 2050 (62%)**, and **carbon pricing to reduce fossil fuel use and shift to renewables (60%)**. For more information on renewable energy transition, [click here](#).

Businesses are also advocating for more mandatory disclosures, including **mandatory disclosure of water withdrawal and consumption (64%)** and **mandatory nature-related risks and impact reporting (61%)**. Advocating for higher transparency enables better decision-making for individual companies, as well as private sector action.

For more information on LDC's asks, please review the [Doha 5-point perspective](#).

Source: UNGC Private Sector Stocktake Survey (n = 2,859)
Survey Question: Which of the following government policies would you support?



APPENDIX

METHODOLOGY

This report pulls together unique data sources to produce complementary insights about the private sector's impact on the SDGs. The variety of the data makes this report one of the most current, comprehensive, and evidence-based analyses of the private sector's contribution to the SDGs.

Leveraging three distinct quantitative data providers, this report represents the first attempt to generate insights on SDG impacts at the aggregate private sector level, breaking new ground in the world's effort to evaluate progress on the SDGs. While methodologies exist to evaluate individual company contributions, this report focuses on aggregate sector-wide impact.

In addition, the triangulation of data sources allows us to explore thematic insights across sectors, products, processes, and ESG reporting for the first time.

Finally, we complement this analysis with traditional tools. The first is a survey of over 2,800 business leaders to gauge sentiment on the private sector's role and contributions in progressing the SDGs. The second is an analysis of earnings call transcripts using CB Insights.

Our hope is that this analysis provides a much-needed assessment of the current state while producing a catalyst and blueprint for action.

DISCLAIMERS

- 1 No measurement approach is perfect**
Using imperfect, far-reaching quantitative measures is a critical and hitherto missing complement to qualitative insights. By combining sources, we have explored questions from multiple angles to add robustness.
- 2 The report does not include absolute measurements**
SDG contributions for the entire private sector are 'best guesses' based on the best available data. We are confident they are directionally correct for the 40+ themes and 10 sectors per SDG.
- 3 Underlying samples are not truly representative of the private sector**
This report represents feedback mainly from the Global North and Western countries and businesses. While we had opportunities to discuss with employers from Global South it was limited. Moreover, it is recognized that to reach the 2023 Agenda the Global South is in the most need from advocacy to commitment to the guiding principles.

DATA PROVIDERS

Each of the sources utilized in the report gives different insights. Combined, they give us a new picture of current SDG impacts, historic trends and how this links to ESG reporting.

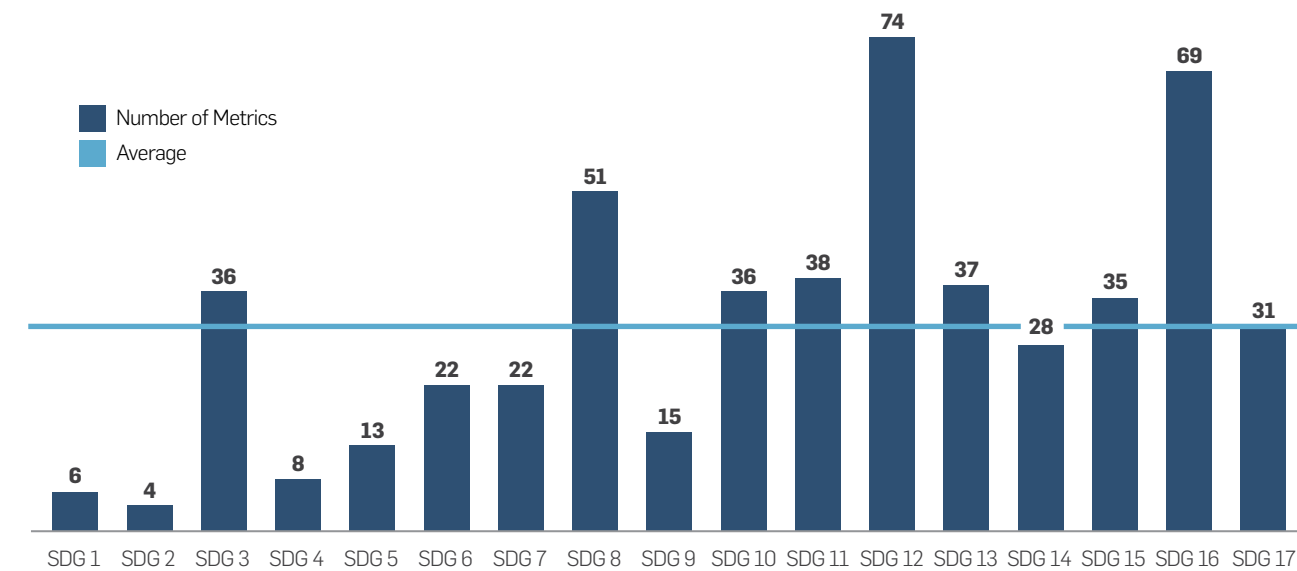
Provider			
Description	Mapping of ESG metrics to SDGs to identify gaps between impact and reporting.	Crowdsourced ratings of SDG impact based on 40+ common themes.	AI-powered tagging of revenue to SDGs based on 7,000+ product impacts.
Insight	For each SDG, what is the relationship between impact and ESG reporting, and do we see critical gaps?	For each SDG, what are the most important common themes driving impacts for the private sector overall?	For each SDG, what sectors have the most positively and negatively aligned revenue and why?
Approach	200+ 'ESG Performance Score' metrics are mapped to SDGs to measure where there is most reporting today and where there are critical gaps.	1.2 million Assessments done by a community of over 50,000 contributors that score companies on the value and scale of their impact across 40+ topics. Aggregate scores in the report are the weighted average of each analysis for that company or that topic, weighted by the scale of each analysis.	120 million Academic articles are processed by algorithms to map the impacts of 7,000+ products for 17 SDGs, accounting for where revenue is generated.
Scope	Does not measure SDG impact, only scores the current state of ESG reporting.	Considers product, process, employment, philanthropy and tax impacts on SDGs.	Considers only product impacts on SDGs.
Sample	7,000 Companies rated	5,000 Companies rated	50,000 Companies rated

Disclaimer: any use of these providers does not suggest endorsement nor involvement of the United Nations Global Compact in their methodology to score and/or assess companies on their implementation of the Ten Principles and contribution to the SDGs. These providers are part of a diverse industry of sustainability measurement and were selected as representative examples given complementary data approaches.

ESG BOOK METRIC DETAILS

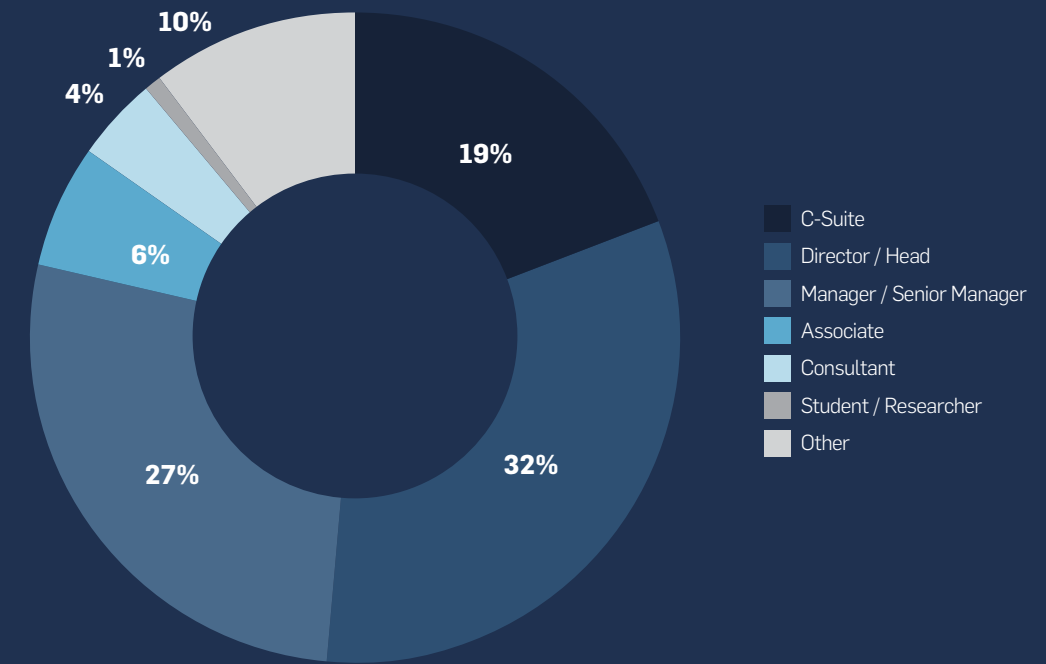
ESG Book provides a mapping of ESG metrics to each SDG and the percentage of companies that measure each SDG metric. Of the 202 total ESG metrics, on average, 31 metrics are relevant per SDG, but this varies heavily by SDG.

GOAL	NAME	NUMBER OF METRICS
SDG 1	No Poverty	6
SDG 2	Zero Hunger	4
SDG 3	Good Health and Well-being	36
SDG 4	Quality Education	8
SDG 5	Gender Equality	13
SDG 6	Clean Water and Sanitation	22
SDG 7	Affordable and Clean Energy	22
SDG 8	Decent Work and Economic Growth	51
SDG 9	Industry, Innovation and Infrastructure	15
SDG 10	Reduced Inequalities	36
SDG 11	Sustainable Cities and Communities	38
SDG 12	Responsible Consumption and Production	74
SDG 13	Climate Action	37
SDG 14	Life Below Water	28
SDG 15	Life On Land	35
SDG 16	Peace, Justice and Strong Institutions	69
SDG 17	Partnerships for the Goals	31

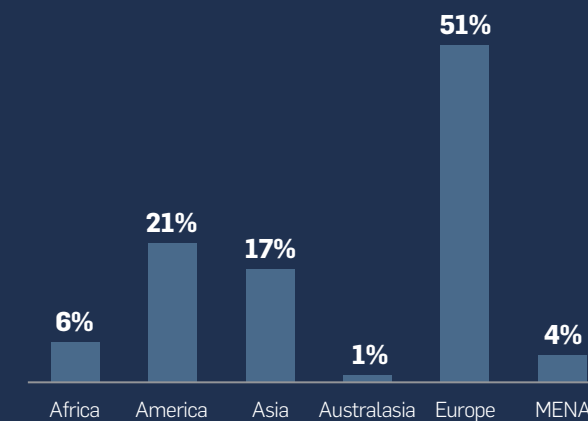


SURVEY DEMOGRAPHICS

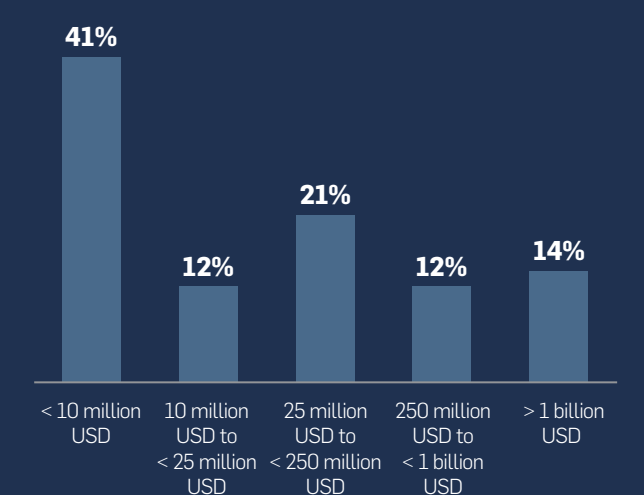
The United Nations Global Compact and Accenture commissioned a survey in the spring of 2023 to gauge business sentiment on the private sector's contribution to the SDGs. The survey was completed by 2,859 business practitioners.



REGION



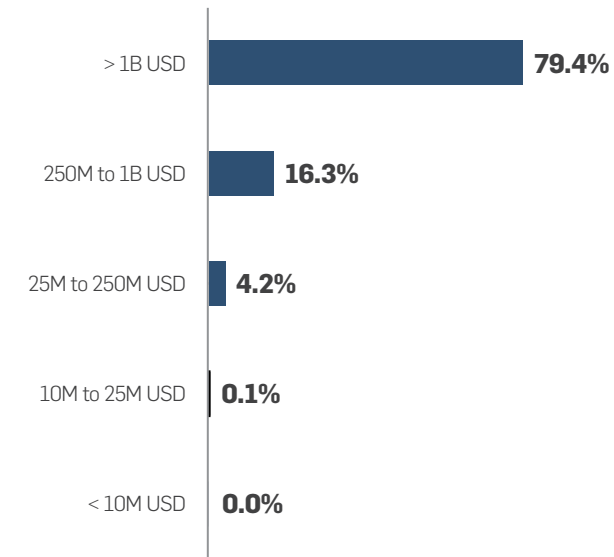
COMPANY REVENUE



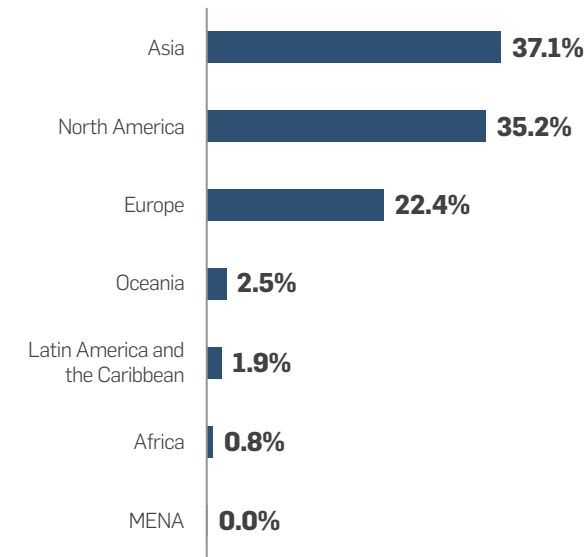
IMPAKT DATA DEMOGRAPHICS

Impaakt provides estimates for the scale of positive or negative impact that a company's entire operations have on the SDGs.

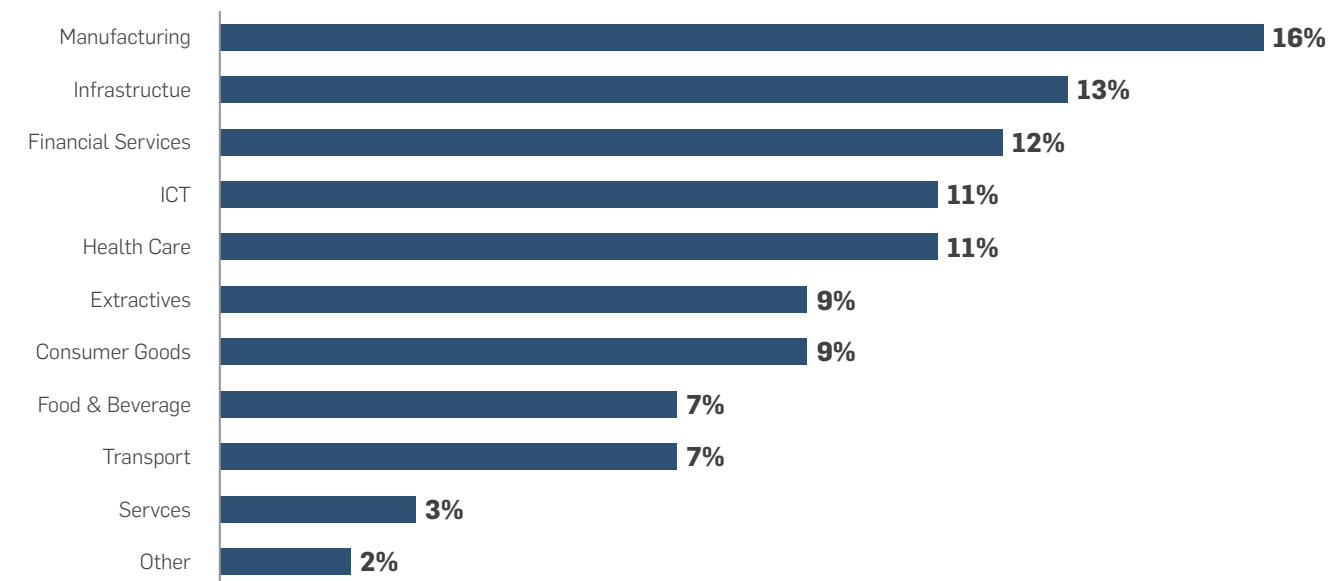
COMPANY REVENUE



REGION



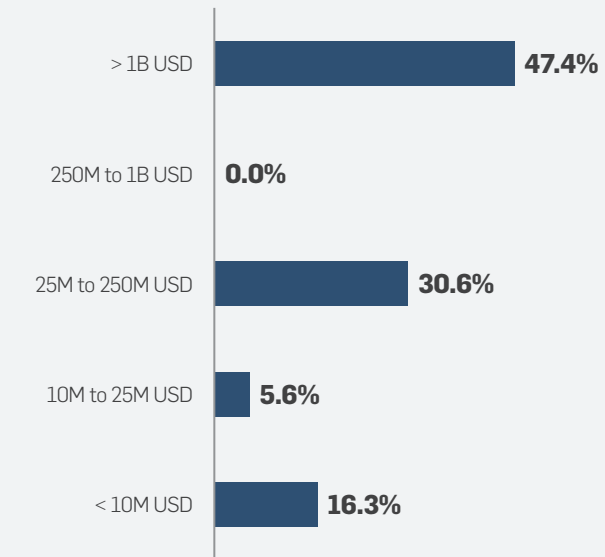
INDUSTRY



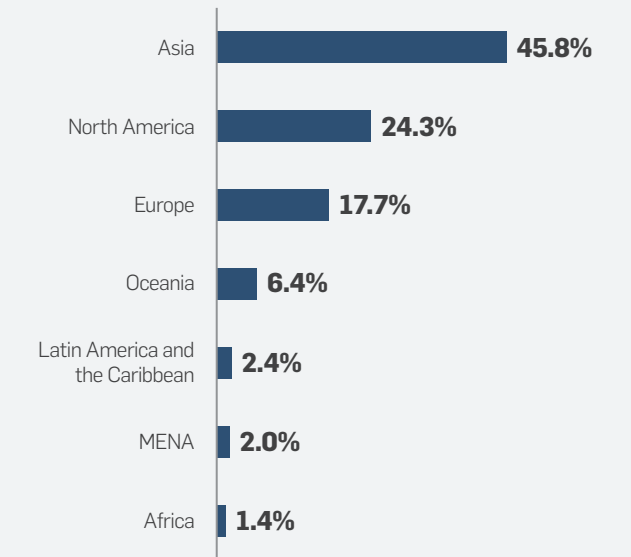
UTIL DATA DEMOGRAPHICS

Util provides estimates for the percentage of company revenue aligned with positive or negative impacts to the SDGs.

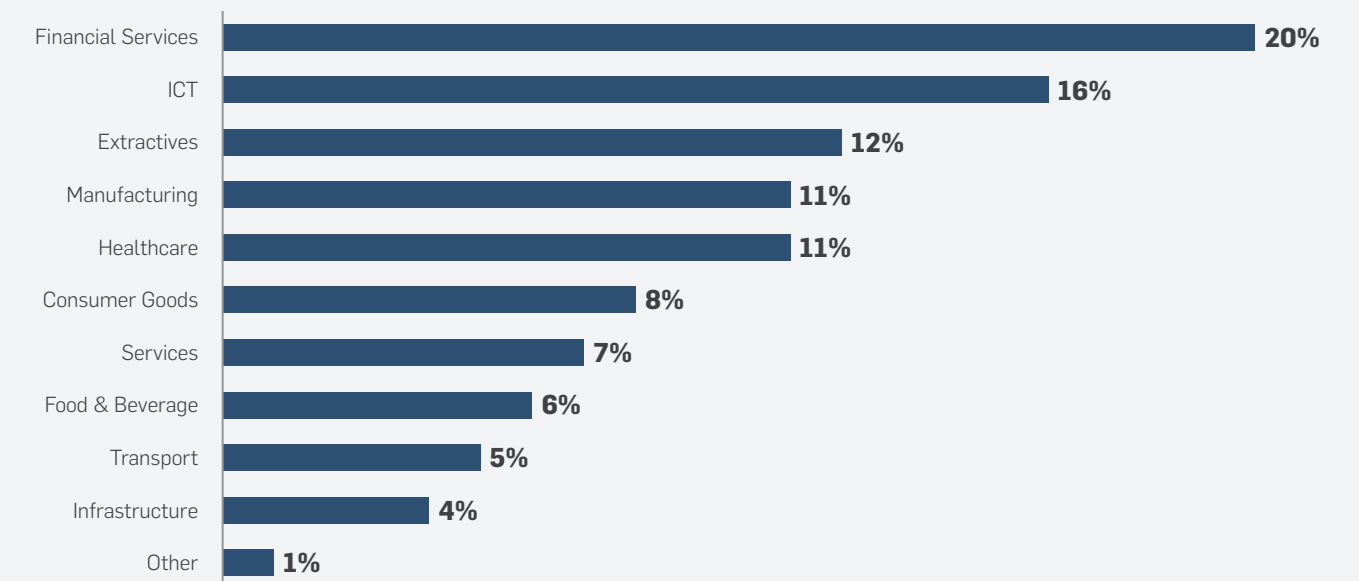
COMPANY REVENUE



REGION



INDUSTRY



SECTOR CLASSIFICATIONS

Sustainability Accounting Standards Board Industry Classification System

To facilitate data analysis, all report data was classified using the Sustainability Accounting Standards Board (SASB) Industry Classification System (SICS).

SICS builds on and complements traditional classification systems by grouping companies into sectors and industries in accordance with a fundamental view of their business model, their resource intensity and sustainability impacts, and their sustainability innovation potential.



CONSUMER GOODS

- Apparel, Accessories & Footwear
- Appliance Manufacturing
- Building Products & Furnishings
- E-Commerce
- Household & Personal Products
- Multiline and Specialty
- Retailers & Distributors
- Toys & Sporting Goods



EXTRACTIVES & MINERALS PROCESSING

- Coal Operations
- Construction Materials
- Iron & Steel Producers
- Metals & Mining
- Oil & Gas - Exploration & Production
- Oil & Gas - Midstream
- Oil & Gas - Refining & Marketing
- Oil & Gas - Services



HEALTH CARE

- Biotechnology & Pharmaceuticals
- Drug Retailers
- Health Care Delivery
- Health Care Distributors
- Managed Care
- Medical Equipment & Supplies



SERVICES

- Advertising & Marketing
- Casinos & Gaming
- Education
- Hotels & Lodging
- Leisure Facilities
- Media & Entertainment
- Professional & Commercial Services



FINANCIAL SERVICES

- Asset Management & Custody Activities
- Commercial Banks
- Consumer Finance
- Insurance
- Investment Banking & Brokerage
- Mortgage Finance
- Security & Commodity Exchanges



FOOD & BEVERAGE

- Agricultural Products
- Alcoholic Beverages
- Food Retailers & Distributors
- Meat, Poultry & Dairy
- Non-Alcoholic Beverages
- Processed Foods
- Restaurants
- Tobacco



INFRASTRUCTURE

- Electric Utilities & Power Generators
- Engineering & Construction Services
- Gas Utilities & Distributors
- Home Builders
- Real Estate
- Real Estate Services
- Waste Management
- Water Utilities & Services



TECHNOLOGY & COMMUNICATIONS

- Electronic Manufacturing Services & Original Design Manufacturing
- Hardware
- Internet Media & Services
- Semiconductors
- Software & IT Services
- Telecommunication Services



RESOURCE TRANSFORMATION

- Aerospace & Defense
- Chemicals
- Containers & Packaging
- Electrical & Electronic Equipment
- Industrial Machinery & Goods



TRANSPORTATION

- Air Freight & Logistics
- Airlines
- Auto Parts
- Automobiles
- Car Rental & Leasing
- Cruise Lines
- Marine Transportation
- Rail Transportation
- Road Transportation

UNITED NATIONS GLOBAL COMPACT STOCKTAKE ECONOMIC IMPACT ASSESSMENTS

APPROACH & INSIGHT SUMMARIES

ABOUT

As part of the UN Global Compact Stocktake report, a team from Accenture's Macro Foresight hub created five Economic Impact Assessments (EIAs).

Their purpose is to provide quantitative insights on five key actions the private sector can take to accelerate the SDGs by 2030, specifically:

1. Close the gender pay gap
2. Implement living wages
3. Improve water efficiency
4. Invest in circularity
5. Increase access to products and services
 - Internet connectivity (both fixed and mobile)
 - Micro-finance
 - Vaccines

For each EIA, the purpose of this document is to:

- Summarize the most important inputs and the sources they came from
- Explain the calculation approach used at a high-level
- Outline the key findings and potential headlines for the report

This document does not include:

- Complete methodology guidance covering all calculation steps
- Exhaustive lists of all inputs and sources used





CLOSE THE GENDER PAY GAP

How much of the unexplained gender wage gap can the private sector close via widespread adoption of pay gap disclosure, non-transferable parental leave, recruitment quotas, promotion quotas, flexible work arrangements, and salary history bans?

TOP HEADLINES

- The private sector could close 2/3 of the unexplained gender wage gap by 2030 if all companies adopted pay gap disclosure, paid paternity leave, gender recruitment and promotion quotas, flexible working arrangements, and salary history bans.
- Implementing pay gap disclosure, paid paternity leave, gender recruitment and promotion quotas, flexible working arrangements, and salary history bans across the private sector could result in:
 - \$200-240 billion of net benefits to the female workforce from increased wages, driving higher female labor force participation
 - \$353 billion of net benefits to companies from improved productivity and retention
 - \$3 trillion of net benefits to society from higher wages, driving higher female labor force participation and more economic activity, and from wage increases driving greater spending and increased taxes

CLOSE THE GENDER WAGE GAP

1 What is the global unexplained gender wage gap today?

INPUTS	SOURCES	COMMENTARY
Gender Wage Gap 23%	UN	The model starts with a global estimate of the total gender wage gap at 23%. The analysis is only concerned with comparing nearly identical roles where the only difference is the gender of the person filling the role. The model leverages an estimated unexplained gender wage gap , which is the portion of the wage gap that remains after controlling for education, work experience, demographics, job type, and union status.
% of Wage Gap Unexplained 23%	CAP	

2 How much of the unexplained gender wage gap (UWG) could be closed by 2030 by adopting 6 policies?

Headlines

- The private sector could close 2/3 of the unexplained gender wage gap by 2030 if all companies adopted pay gap disclosure, paid paternity leave, gender recruitment and promotion quotas, flexible working arrangements, and salary history bans.

INPUTS	SOURCES	COMMENTARY
% ↓ in UWG by 2030 via Pay Gap Disclosure 10.3%	HBR; Center for Economic Performance; Quartz	We looked at evidence of reductions in the gender wage gap from studies of real-life policy implementations across countries. These studies compared a control group with a sample to derive an estimate of policy effectiveness. Because the impacts observed were measured over varied timelines, we then annualized the figures to make them comparable and use this to calculate a cumulative impact by 2030. We assume that simply adding the individual impact of each policy will overestimate the true combined impact because there will be interaction effects . As a result, we reduced the combined impact by 30% to account for interaction between policies. The model assumes pay gap disclosure, flexible work arrangements and banning candidate salary history have a larger impact in the initial implementation year followed by declining impacts. In contrast, we assume implementing non-transferable parental leave, recruitment goals, and promotion goals have increasing impacts over time as the scope and coverage of these policies expands. The model assumes male wages remain constant, there are no inflationary effects and decreasing wage gaps are proportional to increasing female wages. Pay gap disclosure refers to voluntary measurement and reporting on pay differences between male and female workers. Non-transferable leave refers to allocated maternity and paternity leave that cannot be exchanged between parents. Recruitment goals refers to set objectives to hire a certain number of employees by gender. Promotion goals refers to set objectives to promote a certain number of employees by gender. Flexible work refers to offering hybrid work to employees, as opposed to requiring 100% remote or in-person work. Salary history bans refers to policies that prevent companies from requesting the salary history of prospective job candidates.
% ↓ in UWG by 2030 via Non-Transferable Leave 7.2%	Journal of Labor Economics	
% ↓ in UWG by 2030 via Recruitment Goals 9.7%	EU Impact Assessment	
% ↓ in UWG by 2030 via Promotion Goals 43.8%	NBER	
% ↓ in UWG by 2030 via Flexible Work 9.6%	SAGE	
% ↓ in UWG by 2030 via Salary History Bans 13.0%	NBER; Yale University	
Interaction Effect 30%	Assumption	

3 What are the benefits and costs to individuals, companies, and society from closing the wage gap by 2030?

Headlines

- There are positive net benefits to closing the gender pay gap for individuals, companies and society. Implementing 6 policies across the private sector would result in:
 - \$200-240 billion of net benefits to the female workforce from increased wages
 - \$353 billion of net benefits to companies from improved productivity and retention
 - \$3 trillion of net benefits to society from GDP growth

INPUTS	SOURCES	COMMENTARY
What are the benefits and costs to individuals from closing the wage gap by 2030?		
Post-Tax Income Increase \$200-240B	Calculated	The income increase assumes that a decrease in the wage gap corresponds with a directly proportional increase in female wages. The figure assumes a 14% tax rate and 10% savings rate.
What are the benefits and costs to individuals from closing the wage gap by 2030?		
Productivity Gains \$1.4-1.7T	University of Chicago	Productivity gains assume an associated increase in productivity for every incremental \$1 in wages. For retention, the model assumes that wage increases will reduce overall attrition. Retention savings are captured by lower recruitment costs to fill otherwise vacant roles and by avoided salary premiums that employers must pay to fill a vacant role (i.e., if an employee leaves a role, an employer will have to pay the replacement a higher wage). Work from home savings only apply to the benefits of flexible work arrangements and reflect.
Retention Savings \$175-220B	Harvard	
Work from Home Savings \$58B	Business.org	
Implementation Costs (set-up, run costs) \$530-650B	Portland State University	The total implementation cost for all six policies is assumed at \$176 per covered employee. The increased wage bill captures wage increases for existing female workers, wages for new workforce entrants, and wage bill reductions due to potential layoffs or restructuring.
Wage Bill Increase \$415-500B	ILO	
Cost of Time Off (for Paternity Leave) \$265B	Calculated	
What are the benefits and costs to society from closing the wage gap by 2030?		
↑ in Female Labor Force Participation 3%	Federal Reserve Bank of Richmond	GDP uplift captures increases in consumer spending due to wage increases and corresponding GDP growth due to higher economic activity from an implied increase in female labor force participation due to wage increases. Regarding tax revenue , the model assumes a global savings rate of 10%, leaving 90% of post-tax income available for consumption. The model assumes that tax revenue will also increase due to a higher amount of income in the economy, assuming a flat global average tax rate of 14%.
Tax Revenue \$50-65B	Calculated	
What are the benefits and costs to society from closing the wage gap by 2030?		
Global Enterprise Count 333 million	Statista, Statista	To estimate the potential benefits and costs of closing the wage gap in step two, the model uses enterprise counts, employee counts, and labor force participation to estimate the scale of the impact. The estimated global enterprise count relies on an estimated number of companies across all sizes. The global employee count calculates the average number of employees and scales against a global estimate for the number of companies. Labor force participation rate is sourced directly from the ILO and includes only workers ages 15 and older.
Global Employee Count 3.3 billion	Statista, Statista	
Labor Force Participation Rate Female: 47% Male: 72%	ILO	



IMPLEMENT A LIVING WAGE

How many people could be lifted out of working poverty if companies implemented living wages for their own workers – or influenced companies in their supply chains?

TOP HEADLINES

- 123 million workers could be lifted out of working poverty if companies employing 20% of the working poverty population raised wages to the level of a living wage.
- Raising the wages of 20% of the working poverty population to the level of a living wage would cost approximately \$800 billion.
- If 5 industries (agriculture, forestry, fishing, mining and manufacturing) took collective action to encourage living wage adoption across their supply chains, it could lift 26 million people out of working poverty:
 - 6.3 million in agriculture, forestry, and fishing industry
 - 467,000 in mining and quarrying
 - 19.7 million in manufacturing

IMPLEMENT A LIVING WAGE

1 How many people are in working poverty today?

Headlines

1. **617 million workers** earn wages below the working poverty line today.

INPUTS	SOURCES	COMMENTARY
Working Poverty: Low Income Countries 71 million	ILO	We aim to determine the number of people in working poverty by defining a working poverty level across four distinct country income categories. In low-income countries , the working poverty population includes people earning below \$1.90 per day, or 43% of the working population. In low-middle income countries , the working poverty population includes people earning below \$3.20 per day, or 32% of the working population. In upper-middle income countries , the working poverty population includes people earning below \$5.50 per day, or 15% of the working population. In high income countries , the working poverty population includes people earning below \$20.00 per day, or 6.3% of the working population.
Working Poverty: Low-Middle Income Countries 316 million	ILO	
Working Poverty: Upper-Middle Income Countries 201 million	ILO	
Working Poverty: High Income Countries 30 million	ILO	

2 If 20% of people in working poverty got living wages, how many people might be impacted and what's the cost?

Headlines

1. **123 million workers** could be lifted out of working poverty if companies employing 20% of the working poverty population raised wages to the level of a living wage.
2. Raising the wages of 20% of the working poverty population to the level of a living wage would **cost approximately \$800 billion**.

INPUTS	SOURCES	COMMENTARY
% of Workers Earning a Living Wage 20%	Assumption	We elected to model a scenario in which 20% of workers currently in working poverty receive a living wage . To form a conservative estimate, the model assumes the highest-paid worker receives a wage increase (i.e., the wage differential is smallest). The average monthly living wage for low-income countries, is \$568; for low-middle income countries, is \$636; for upper-middle income countries, is \$707; and for high income countries, is \$1,217. Average working poverty wages are \$1.90 per day for low-income countries; \$3.20 for low-middle income countries; \$5.50 per day for upper-middle income countries; and \$20.00 for upper income countries. We assume minimal inflation below adoption for 20% of workers.
Average Living Wage by Country Income Varies by Country Income	Valuing Impact	
Number of Workers in Working Poverty 617 million	Calculated in Step #1	

3 How many years would it take to end working poverty based on current wage growth?

Headlines

1. Even if wages always grew 3% faster than inflation, it would still take **78 years to end working poverty globally and bring all workers to living wage levels based on current trends**.

INPUTS	SOURCES	COMMENTARY
Annual Real Wage Growth 3%	ILO	In the 21st century, real wage growth has been 3%. Research has identified a poverty rate elasticity due to wage growth : for every 100% ↑ in average real wages, the working poverty rate in low-income countries ↓ by 46%; in middle-income countries ↓ by 25%; and in high-income countries ↓ by 22%. The model assumes this effect remains constant across all poverty rate levels. The model calculates how many years it would take for working poverty wages to reach the level of a living wage, assuming the current living wage definition remains constant.
% Δ in Poverty Rate due to % ↑ in Wages Varies by Country Income	IZA; IMF; ILR	

4 How much could we reduce working poverty if select industries took collective action on living wages?

Headlines

1. If 5 industries (agriculture, forestry, fishing, mining and manufacturing) took collective action to encourage living wage adoption across their supply chains, it could lift 26 million people out of working poverty:
 - **6.3 million in agriculture, forestry, and fishing industry**
 - **467,000 in mining and quarrying**
 - **19.7 million in manufacturing**

INPUTS	SOURCES	COMMENTARY
Share of Exports per Industry Varies by Country Income	UNCTAD	To estimate the impact businesses in wealthy nations can create throughout their supply chains, we first identified the working poverty population by industry and country. We estimated the working poverty rate by country and industry based on the average wages per industry. We then identified exports as a percentage of GDP within each country and industry to identify the share of each industry, within each country, that interact with international trade. Multiplying the share of exports as a percentage of GDP by industry and the number of employees in working poverty by industry outside of wealthy nations produces a proxy for the working poverty population working in the higher tiers of global supply chains.
Share of Employment per Industry Varies by Country Income	ILO	
Working Poverty by Country Varies by Country Income	ILO	
Share of Employment per Sector Varies by Country & Industry	ILO	



INVEST IN CIRCULARITY

By how much can the private sector reduce emissions by increasing the use of recycled copper, aluminum, and steel? What is the associated cost savings?

TOP HEADLINES

- If copper, aluminum, and steel producers increased their share of recycled inputs on par with 2050 goals, it would save 1.8 billion metric tons of CO2e, resulting in more than \$54.3 billion in savings.

INVEST IN CIRCULARITY

1 How much emissions would the private sector emit between 2022-2030 if recycling rates remain constant?

Headlines

1. If copper, aluminum, and steel producers maintained current levels of recycled inputs in production, they would emit **36.6 billion metric tons of CO2e** between 2022-2030.

INPUTS	SOURCES	COMMENTARY
% of Recycled Input in Production Mix by Metal Varies by Metal	Light Metal Age; World Steel Association	This analysis projects emissions off a hypothetical global carbon price if the percentage of recycled metal input rates remains constant. The model assumes that between 2022-2030, the percentage of recycled copper vs. virgin copper used in production remains at 22%; 30% for steel; and 32% for aluminum. The recycled input mix for copper is estimated by dividing the amount of direct scrap copper used by manufacturers by the total amount of copper world mine production in 2021. Holding these rates constant, the model projects the amount of recycled metal used in production between 2022-2030 based on an estimated CAGR of total production for each metal. The estimated CAGR of total production is 2% for copper; 1% for steel; and 2% for aluminum. Multiplying projected total metal production by the percentage of recycled inputs allows the model to segment the number of metric tons of recycled vs. virgin metal between 2022-2030. To calculate total emissions, each sum of recycled and virgin metals are multiplied by an estimated emissions factor . The emissions factors for recycled and virgin production of copper are 0.2 and 4.1 tCO2e, respectively; for steel, the emissions factors are 0.4 and 2.3 tCO2e, respectively; and for aluminum, the emissions factors are 0.3 and 13.5 tCO2e, respectively.
CAGR of Production by Metal Varies by Metal	HSBC	
Emissions Factor by Metal Varies by Metal	Material Economics; Carbon Chain	

2 What would be the financial cost for companies between 2022-2030 if recycling rates remain constant?

Headlines

1. If copper, aluminum, and steel producers maintain current levels of recycled inputs in production, they would emit **36.6 billion metric tons of CO2e**; if they paid to offset all of these emissions, it would **cost \$1.06 trillion between now and 2030**.

INPUTS	SOURCES	COMMENTARY
Total Emissions from Metal Production 36.6 billion metric tons of CO2e	Calculated in Step #1	Building off the analysis in Step #1, this component calculates the associated financial cost of the base case total carbon emissions via purchasing carbon offset credits on emissions trading systems. To calculate the estimated global carbon price , the model assumes that the global average carbon price in 2022 is \$6 per tCO2e and will grow to \$75 per tCO2e by 2030, according to IMF assumptions and projection. The model calculates the expected annual growth rate of global average carbon price to determine an estimate by year (assuming the price grows constantly). The model finally averages the estimated annual average global price of carbon to calculate a single estimate of \$29 per tCO2e between 2022-2030. Finally, to calculate the associated cost of the total emissions in Step #1, the model multiplies the estimated average global carbon price and the total CO2e emissions figure.
Avg. Estimated Global Carbon Price, 2022-2030 \$29 per tCO2e	IMF	

3 How much emissions would the private sector emit between 2022-2030 if recycling rates increased?

INPUTS	SOURCES	COMMENTARY
% of Recycled Input in Production Mix by Metal Varies by Metal	Light Metal Age; World Steel Association	This analysis follows the same logic as Step #1; except in this analysis, the percentage of recycled inputs by metal increase over time, rather than remain constant. To calculate the estimated growth rate of the percentage of recycled inputs in the production process, the model assumes a maximum percentage of recycled input by metal . This figure reflects the maximum percentage of metal demand that can be reached if all available metal scrap stock were deployed by 2050. The maximum percentage of recycled copper is 50%; the maximum for steel is 80%; and the maximum for aluminum is 60%. The model calculates the average annual growth rate in recycled input mix by metal to reach each respective maximum rate by 2050, assuming demand for the metals grows at a constant rate. The annual growth rate in recycled inputs for copper is 5.8%; 9.7% for steel; and 6.3% for aluminum. The resulting growth rate is applied to shift production mix each year leading up to 2030. The remaining analysis is identical to the analysis conducted in Step #1.
Maximum % of Recycled Input in Production Varies by Metal	Material Economics; International Aluminum; ACS	
CAGR of Production by Metal Varies by Metal	HSBC	
Emissions Factor by Metal Varies by Metal	Material Economics; Carbon Chain	

4 What would be the financial cost for companies between 2022-2030 if recycling rates increased?

INPUTS	SOURCES	COMMENTARY
Total Emissions from Metal Production 34.8 billion metric tons of CO2e	Calculated in Step #1	Leveraging the same methodology as Step #2, this analysis calculates the associated cost with the resulting emissions from Step #1. To calculate the associated cost of the total emissions in Step #3, the model multiplies the estimated average global carbon price and the total emissions figure.
Avg. Estimated Global Carbon Price, 2022-2030 \$29 per tCO2e	IMF	

5 By how much can the private sector reduce emissions and cost by increasing recycling rates?

Headlines

1. If copper, aluminum, and steel producers increased their share of recycled inputs on par with 2050 goals, it would save **1.8 billion metric tons of CO2e**, resulting in more than **\$54.3 billion** in savings.

INPUTS	SOURCES	COMMENTARY
Total Emissions from Base Case 36.6 billion metric tons of CO2e	Calculated in Step #1	The final piece of this analysis compares the total emissions and cost from the base case with the total emissions and cost associated with increased recycling. Calculating the difference between the respective inputs yields expected emissions savings and cost savings associated with increasing recycled input mix of copper, steel, and aluminum.
Total Cost from Base Case \$1.06 trillion	Calculated in Step #2	
Total Emissions from Increased Recycling 34.8 billion metric tons of CO2e	Calculated in Step #3	
Total Cost from Increased Recycling \$1.01 trillion	Calculated in Step #4	



IMPROVE WATER EFFICIENCY

How much water might be saved in water-stressed countries if farmers invested more in micro-irrigation – or changed behavior to irrigate fields at night?

TOP HEADLINES

- If 20% of the agriculture sector in India, Pakistan, China, Indonesia, and Ethiopia — five of the largest agriculture water-withdrawing countries with high water stress and water-intensive crops — adopt micro-irrigation by 2030, the agriculture sector in these countries could reduce total water withdrawal by 133 billion cubic meters.
- If 50% of the agriculture sector in India, Pakistan, China, Indonesia, and Ethiopia — five of the largest agriculture water-withdrawing countries with high water stress and water-intensive crops — shifts from day-time irrigation to overnight irrigation by 2030, the agriculture sector in these countries could reduce total water withdrawal by 72 billion cubic meters.

IMPROVE WATER EFFICIENCY

1 How much water might be saved in water-stressed countries if farmers invested more in micro-irrigation?

Headlines

1. If 20% of the agriculture sector in India, Pakistan, China, Indonesia, and Ethiopia — five of the largest agriculture water-withdrawing countries with high water stress and water-intensive crops — adopt micro-irrigation by 2030, the agriculture sector in these countries could reduce total water withdrawal by **133 billion cubic meters**.
2. If 20% of the agriculture sector in India, Pakistan, China, Indonesia, and Ethiopia — five of the largest agriculture water-withdrawing countries with high water stress and water-intensive crops — adopt micro-irrigation by 2030, the sector could **reduce global water withdrawals by 3%**.
3. If 20% of the agriculture sector in India, Pakistan, China, Indonesia, and Ethiopia — five of the largest agriculture producing countries with high water stress — adopt micro-irrigation by 2030, the sector could **reduce agricultural sector water withdrawals by 3.9%**.
 - If 20% of the agriculture sector in **India** adopted micro-irrigation by 2030, the country could **reduce agricultural sector water withdrawals by 8%**
 - If 20% of the agriculture sector in **Pakistan** adopted micro-irrigation by 2030, the country could **reduce agricultural sector water withdrawals by 11%**
 - If 20% of the agriculture sector in **China** adopted micro-irrigation by 2030, the country could **reduce agricultural sector water withdrawals by 5.5%**
 - If 20% of the agriculture sector in **Indonesia** adopted micro-irrigation by 2030, the country could **reduce agricultural sector water withdrawals by 10.5%**
 - If 20% of the agriculture sector in **Ethiopia** adopted micro-irrigation by 2030, the country could **reduce agricultural sector water withdrawals by 10%**

INPUTS	SOURCES	COMMENTARY
Total Agriculture Water Withdrawal Varies by Country	FAO	The model pulls total historical agricultural water withdrawal data from FAO to provide a baseline for this analysis. The analysis focuses on India, Pakistan, China, Indonesia, and Ethiopia — five large agriculture-producing countries experiencing high levels of water stress. We assume that the current share of agriculture conducted via micro-irrigation techniques is 5.5% in India, 0.2% in Pakistan, 10% in China, 1% in Indonesia, and 1% in Ethiopia. The model creates a scenario in which each country increases its share of micro-irrigation to 20% by 2030 and estimates future water use. The projected decrease in water use is contingent on research suggesting that micro-irrigation uses 55% less water than conventional irrigation. As a result, if micro-irrigation in the five countries reaches 20% adoption by 2030, they would use 133.2 billion cubic meters less of water than if the status quo continues.
% of Sector Using Micro-Irrigation Today Varies by Country	AWM, ICFA, Med Crave, The Third Pole	
Average Water Savings from Micro-Irrigation 55%	MIT, Reuters, Ethiopian Agricultural Research Institute	
% of Micro-Irrigation Use by 2030 20%	Assumption	

2 How much water might be saved in water-stressed countries if farmers changed their irrigation behaviors?

Headlines

1. If 50% of the agriculture sector in India, Pakistan, China, Indonesia, and Ethiopia — five of the largest agriculture water-withdrawing countries with high water stress and water-intensive crops — shifts from day-time irrigation to overnight irrigation by 2030, the agriculture sector in these countries could reduce total water withdrawal by **72 billion cubic meters**.
 2. If 50% of the agriculture sector in India, Pakistan, China, Indonesia, and Ethiopia — five of the largest agriculture water-withdrawing countries with high water stress and water-intensive crops — shifts from day-time irrigation to overnight irrigation by 2030, the sector could **reduce global water withdrawals by 1.5%**.
- If 50% of the agriculture sector in India, Pakistan, China, Indonesia, and Ethiopia — five of the largest agriculture water-withdrawing countries with high water stress and water-intensive crops — shifts from day-time irrigation to overnight irrigation by 2030, the sector could **reduce sector water withdrawals by 2%**.
- If 50% of the agriculture sector in **India** shifts from day-time irrigation to overnight irrigation by 2030, the country could **reduce agricultural sector water withdrawals by 4%**.
 - If 50% of the agriculture sector in **Pakistan** shifts from day-time irrigation to overnight irrigation by 2030, the country could **reduce agricultural sector water withdrawals by 4%**.
 - If 50% of the agriculture sector in **China** shifts from day-time irrigation to overnight irrigation by 2030, the country could **reduce agricultural sector water withdrawals by 4%**.
 - If 50% of the agriculture sector in **Indonesia** shifts from day-time irrigation to overnight irrigation by 2030, the country could **reduce agricultural sector water withdrawals by 4%**.
 - If 50% of the agriculture sector in **Ethiopia** shifts from day-time irrigation to overnight irrigation by 2030, the country could **reduce agricultural sector water withdrawals by 4%**.

INPUTS	SOURCES	COMMENTARY
Total Agriculture Water Withdrawal Varies by Country	FAO	The model pulls historical agricultural withdrawal data from the FAO to provide a baseline for this analysis. We assume that 96% of total agricultural water withdrawal is attributable to conventional flood irrigation. Based on internal expert reviews, we estimate that 90% of flood irrigation is conducted during daylight hours. Daylight flood irrigation is less efficient than irrigating during the evening because temperatures during the day are higher, and thus more water is lost to evaporation. Based on publicly available literature, we assume that overnight irrigation is 10% more water efficient than day-time irrigation. As a result, we ambitiously model potential water savings if the agriculture sector in India, Pakistan, China, Indonesia, and Ethiopia increases overnight irrigation from 4% to 50% of conventional flood irrigation.
% of Flood Irrigation Use 96%	MIT, Agrivi	
Proportion of Day-Time Irrigation 90%	Estimated	
Estimated Water Savings of Overnight Irrigation 10%	Clemson Extension Home & Garden Information Center	
% of Overnight Irrigation Use by 2030 50%	Assumption	



INCREASE ACCESS TO... INTERNET (FIXED & MOBILE)

How many more people could be connected to the internet between now and 2030, and what is the potential economic impact?

TOP HEADLINES

- From 2015 to 2022, an estimated 2.3 billion people were connected to the internet, generating more than \$3.4 trillion in economic output.
- Expanding internet access from 5.3 billion to 7.4 billion people between 2023 and 2030 could generate more than \$3.2 trillion in economic output.

INCREASE INTERNET ACCESS

1 How many more people could be connected to the internet by 2030?

INPUTS	SOURCES	COMMENTARY
Current Global Population 8.0 billion	Sample	The projected number of internet users by 2030 is determined by estimating the global population in 2030 and the percentage of the population with internet access in 2030. Projected population growth assumes the same annual population growth rate from 2015-2021 will continue through 2030 at 1% per year. Projected internet user growth assumes the same annual internet user growth rate from 2015-2021 will continue through 2030 at 4% per year. The model estimates that by 2030, there will be 8.7 billion people and 8.0 billion will have internet access.
Projected Annual Population Growth Rate 1%	Estimated	
Internet Penetration Rate (2021) 5.3 billion (66% of the global population)	ITU	
Projected Annual Internet User Growth Rate 4%	Estimated	

2 What is the potential economic impact of increasing access to the internet?

Headlines

1. From 2015 to 2022, an estimated 2.3 billion people were connected to the internet, generating **more than \$3.4 trillion in economic output**.
2. Expanding internet access from 5.3 billion to 7.4 billion people between 2023 and 2030 could **generate more than \$3.2 trillion in economic output**.

INPUTS	SOURCES	COMMENTARY
% Δ in Internet Users Year-on-Year Varies Year-to-Year	Calculated	The model takes the implied percentage increase in internet access from Step #1 to calculate the associated economic benefits. The percentage increase in GDP associated with increased internet access is a weighted average of the increase in GDP associated with increased mobile broadband and fixed broadband access. More concretely, the model assumes that for every 10% increase in broadband access, GDP increases by 1.4%.
% ↑ in GDP due to Increased Internet Access ↑ 1.4 pct. point in GDP due to 10 pct. point ↑ in Internet Access	ITU	



INCREASE ACCESS TO... VACCINES

What is the potential economic impact of continuing 2015-23 vaccine spending trends out to 2030?

TOP HEADLINES

- Between 2015-2022, increasing annual global vaccine expenditures from \$5.2 billion to \$6.9 billion generated an estimated \$939 billion in economic benefits.
- Between 2023-2030, increasing annual global vaccine expenditures from \$6.9 billion to \$9.5 billion could generate more than \$1.3 trillion in economic benefits.

INCREASE VACCINE EXPENDITURES

1 What is the potential economic impact of continuing 2015-23 vaccine spending trends out to 2030? (COI)

Headlines

1. Between 2015-2022, increasing annual global vaccine expenditures from \$5.2 billion to \$6.9 billion generated an estimated \$939 billion in economic benefits.
2. Between 2023-2030, increasing annual global vaccine expenditures from \$6.9 billion to \$9.5 billion could generate more than \$1.3 trillion in economic benefits.

INPUTS	SOURCES	COMMENTARY
Current Year Vaccine Expenditures \$6.6 billion	WHO	This model aims to understand the economic benefits of increasing vaccine expenditures between 2023 and 2030. This first analysis deploys a cost-of-illness calculation approach, which focuses strictly on resources that were used or avoided due to health outcomes. The first input requires projecting the cumulative vaccine expenditures between 2023 and 2030. Assuming the compound annual growth rate of vaccine expenditures continues at 4%, projected annual vaccine expenditures will reach \$9.5 billion by 2030, and cumulative expenditures will be \$66 billion. According to academic research, every \$1 spent on vaccines translates to \$19.80 of additional benefit via reduced healthcare costs and increased workforce productivity. The resulting product yields a total cumulative benefit of \$1.3 trillion.
Projected Annual Vaccine Spend Growth Rate 4%	Estimated	
Economic Impact of Every \$1 Spent on Vaccines \$19.80	Estimated	

2 What is the potential economic impact of continuing 2015-23 vaccine spending trends out to 2030? (VSL)

Headlines

1. Between 2015-2022, increasing annual global vaccine expenditures from \$5.2 billion to \$6.9 billion generated an estimated \$2.5 trillion in economic benefits.
2. Between 2023-2030, increasing annual global vaccine expenditures from \$6.9 billion to \$9.5 billion could generate more than \$3.5 trillion in economic benefits.

INPUTS	SOURCES	COMMENTARY
Current Year Vaccine Expenditures \$6.6 billion	WHO	This model aims to understand the economic benefits of increasing vaccine expenditures between 2023 and 2030. This second analysis deploys a value of statistical life calculation approach, which assigns an individual's willingness to pay to reduce the risk of death. The first input requires projecting the cumulative vaccine expenditures between 2023 and 2030. Assuming the compound annual growth rate of vaccine expenditures continues at 4%, projected annual vaccine expenditures will reach \$9.5 billion by 2030, and cumulative expenditures will be \$66 billion. According to academic research, every \$1 spent on vaccines translates to \$52.20 of additional benefit via reduced healthcare costs and increased workforce productivity. The resulting product yields a total cumulative benefit of \$1.3 trillion.
Projected Annual Vaccine Spend Growth Rate 4%	Estimated	
Economic Impact of Every \$1 Spent on Vaccines \$52.20	Estimated	



INCREASE ACCESS TO... MICROFINANCE

What is the potential economic impact of continuing 2015-23 microfinance growth trends out to 2030?

TOP HEADLINES

- Between 2015-2022, increasing the total gross microfinance lending portfolio from \$97 billion to \$162 billion generated an estimated \$179 billion in economic benefits via new loan origination and social returns.
- Between 2023-2030, increasing the total gross microfinance lending portfolio at the same rate as 2015-2022, from \$179 billion to \$360 billion, could generate more than \$544 billion in economic benefits via new loan origination and social returns.

EXPAND MICROFINANCE

1 What is the potential economic impact of expanding microfinance lending between 2022 and 2030?

Headlines

1. Between 2015-2022, increasing the total gross microfinance lending portfolio from \$97 billion to \$162 billion generated an estimated \$179 billion in economic benefits via new loan origination and social returns.
2. Between 2023-2030, increasing the total gross microfinance lending portfolio at the same rate as 2015-2022, from \$179 billion to \$360 billion, could generate more than \$544 billion in economic benefits via new loan origination and social returns.

INPUTS	SOURCES	COMMENTARY
2019 Microfinance Loan Portfolio Size \$120 billion	World Bank	This model aims to understand the benefits of increasing microfinance lending between 2022 and 2030. The first input requires projecting the growth in microfinance lending between 2022 and 2030. Assuming the compound annual growth rate of microfinance lending continues at 10%, projected total gross loan portfolio size will reach \$360 billion by 2030. According to academic research, every \$1 increase in microfinance lending translates to \$2.80 of additional social benefits. The social return on investment includes the stock of resources available to the MFIs (equity and external funding in the balance sheet), donations, and volunteer time, where applicable the resulting product yields a total cumulative benefit of \$586 billion. The model assumes no interest on loan portfolio growth.
Projected Annual Microfinance Growth Rate 10%	Yahoo	
Social ROI of Every ↑ \$1 in Microfinance Lending \$2.80	European Investment Fund	

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ABOUT THE UNITED NATIONS GLOBAL COMPACT

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere to align their operations and strategies with Ten Principles in the areas of human rights, labour, environment and anti-corruption. Our ambition is to accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the Sustainable Development Goals through accountable companies and ecosystems that enable change. With more than 17,000 companies and 3,000 non-business signatories based in over 160 countries, and 62 Local Networks, the UN Global Compact is the world's largest corporate sustainability initiative — one Global Compact uniting business for a better world. For more information, follow @globalcompact on social media and visit our website at unglobalcompact.org.

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THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT



HUMAN RIGHTS

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.



LABOUR

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.



ENVIRONMENT

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.



ANTI-CORRUPTION

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

The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption

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