

McKinsey
& Company

SDG Guide for Business Leaders

A practical Guide for Business Leaders to working with the
SDGs as a competitive factor

GUIDE | JUNE 6, 2019



INDUSTRIENS
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LEVERER DANES
KONKURRENCEFANE
The Danish Industry Foundation



Purpose and contents of this document

Purpose of this document

- Introduce and explain the 17 **UN Sustainable Development Goals** (the “SDGs”)
- Explain how the SDGs can be translated into **business value**
- Pinpoint **observations** that reinforce the importance of the SDGs for business
- Describe the results of our work with **~300 Danish executives** on the SDGs
- Provide a **framework** and **step-by-step Guide** for developing and executing a sustainability strategy based on the SDGs

Contents of the document



What are the SDGs and **why** are they so important?



How to create business value from the SDGs? (step-by-step Guide)



Appendix

Executive summary

What are the SDGs and why are they so important?

- The **17 SDGs** form a **global contract** with ambitious objectives for a sustainable future – for governments, citizens, and businesses – to be realized before 2030
- There are **large business opportunities** for **Danish businesses** in working strategically and systematically with the SDGs
- To harvest the potential **business value** from the SDGs, a shared value approach addressing societal issues is needed. This is a new strategic agenda compared to philanthropy and CSR
- **McKinsey's Sustainability Compass** provides a strategic framework for how the SDGs can drive business value
- A range of **observations** underpin the business value and constitute **a burning platform**; in particular, preferences of younger generations regarding choosing a place to work and consumer preferences for sustainable products
- The SDGs represent **different opportunities across industries**, and our work **with ~300 Danish executives** has demonstrated where Danish executives believe their companies can create value from the SDGs; **innovation/new products and talent management** are considered key value drivers across the SDGs, and **responsible consumption and production, decent work conditions** and **partnerships** are considered the largest **value pools**
- Our latest survey of **710 Danish executives** show that **some SDGs** are considered more **relevant** than others for businesses – with **regional differences** in Denmark. Moreover, **56% of surveyed Danish companies actively use the SDGs today**, with **CEOs** being the **main drivers** of the efforts

How do you create business value from the SDGs – a step-by-step Guide?

- McKinsey has developed an **easy-to-use Guide** for developing and executing a winning SDG strategy: The ambition of the Guide is to **inspire, engage**, and make it easy to follow up and to track **impact**:
 - First, organizations are encouraged to use the **McKinsey Sustainability Compass** to assess which SDGs will drive value creation and to set the strategic direction
 - Next, organizations should set themselves up for success by executing 4 actions:
 1. **CEO, board**, and owners must own the sustainability strategy
 2. **Key employees, customers**, and **stakeholders** should be engaged
 3. **Top team performance** measures should be introduced to **unleash the energy** in the organization
 4. **Sustainability** should be made an ingrained part of the **company culture and mission**
 - Lastly, **desired impact** should be defined and **concrete initiatives** should be **detailed** and **prioritized**, followed by creation of clear **execution road maps** and rigorous **impact tracking** using McKinsey's **6-step approach**



WHAT ARE THE SDGs AND WHY ARE THEY SO IMPORTANT?



HOW DO YOU CREATE BUSINESS VALUE FROM THE SDGs? (step-by-step Guide)



APPENDIX



The 17 SDGs form a global contract with ambitious objectives for a sustainable future – for governments, citizens, and businesses

UN's SDGs are 17 goals setting the ambition for creating a more sustainable future. The SDGs were adopted by all UN Member States in 2015. They replace the previous UN Development Goals (The 2015 Goals). For every SDG, there are additional sub-goals – in total, the SDGs consist of 17 overall goals and 169 sub-goals

 <p>1 NO POVERTY</p>	End poverty in all its forms everywhere	 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	Ensure access to affordable, reliable, sustainable, and modern energy for all	 <p>13 CLIMATE ACTION</p>	Take urgent action to combat climate change and its impacts
 <p>2 ZERO HUNGER</p>	End hunger, achieve food security and improved nutrition, and promote sustainable agriculture	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all	 <p>14 LIFE BELOW WATER</p>	Conserve and sustainably use the oceans, seas, and marine resources for sustainable development
 <p>3 GOOD HEALTH AND WELL-BEING</p>	Ensure healthy lives and promote well-being for all at all ages	 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	 <p>15 LIFE ON LAND</p>	Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
 <p>4 QUALITY EDUCATION</p>	Ensure inclusive and equitable quality education and promote life-long learning opportunities for all	 <p>10 REDUCED INEQUALITIES</p>	Reduce inequality within and among countries	 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable, and inclusive institutions at all levels
 <p>5 GENDER EQUALITY</p>	Achieve gender equality and empower all women and girls	 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	Make cities and human settlements inclusive, safe, resilient, and sustainable	 <p>17 PARTNERSHIPS FOR THE GOALS</p>	Strengthen the means of implementation and revitalize the global partnership for sustainable development
 <p>6 CLEAN WATER AND SANITATION</p>	Ensure availability and sustainable management of water and sanitation for all	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	Ensure sustainable consumption and production patterns		



The SDGs have the potential to unlock major business opportunities globally as well as in Denmark

The UN SDGs
are expected to
create ...

Globally



New market opportunities worth USD ~12 trillion by 2030¹



380 million new jobs

Denmark



New business opportunities worth USD 60 billion per year in 2030



This could increase the Danish GDP by ~15% by 2030

¹ See breakdown of value in appendix



The SDGs are about creating shared value by generating business value from addressing societal issues – a new agenda compared to philanthropy and CSR

Companies continue to engage in philanthropy and CSR, but shared value is key to changing the world



From philanthropy ...

Donations and volunteer work



... via CSR ...

Compliance, mitigating risk, and improving reputation



... to creating shared value

Addressing societal needs and challenges while also generating bottom-line value



The McKinsey Sustainability Compass clarifies how the SDGs can drive business value from 4 strategic directions

Introduction to the McKinsey Sustainability Compass

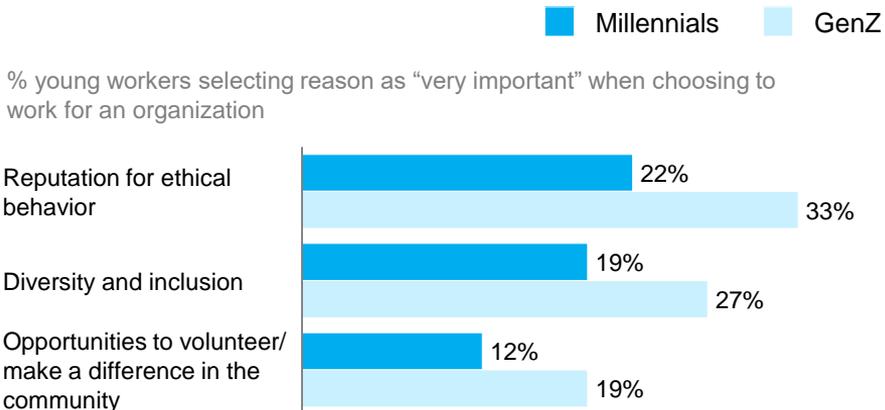
- Sustainability as a core part of the company strategy is a choice. There are 4 overall areas in which you can generate business value
- Organizational performance
- Growth
- Risk management
- Return on capital





Observations regarding citizen and consumer preferences are pushing the global sustainability development, and new technology enables new solutions (1/2)

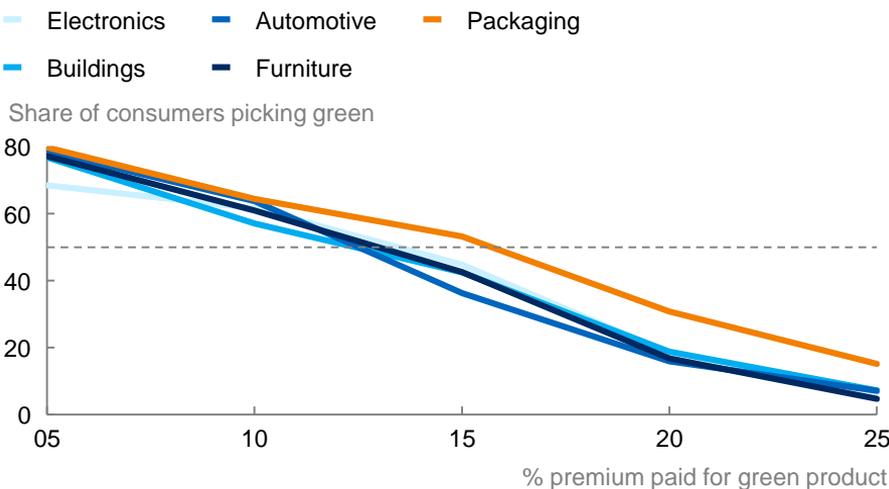
Organizational performance: The younger generation has a large focus on sustainability when selecting where to work



- Millennials were born between 1980 and 1994 with Gen Z being the following generation born between 1995 and 2015
- The data indicates that **the younger the generation, the larger the focus is on sustainability** when choosing an employer
- This means the **employees of the future will set higher demands** for their employers with 33% emphasizing the importance of perceived ethical behavior and 27% demanding inclusion on the agenda

SOURCE: Deloitte Millennial Survey, 2018; McKinsey European Consumer Survey, 2012

Growth: Many consumers value sustainability as 50% are willing to pay a premium of 13-16% for sustainable products

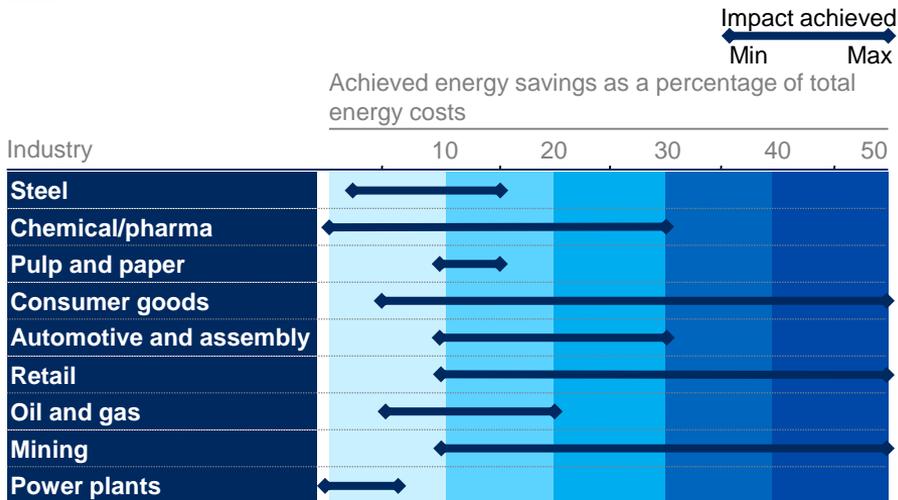


- The graph is showing how willing consumers are to pay a premium to obtain a sustainable solution within 5 categories
- 50% of consumers would pay a 16% premium for green packaging**, and 15% would pay a 25% premium
- On the contrary, customers are **least likely to pay a premium for green buildings and automotive** with 13% being willing to pay a premium



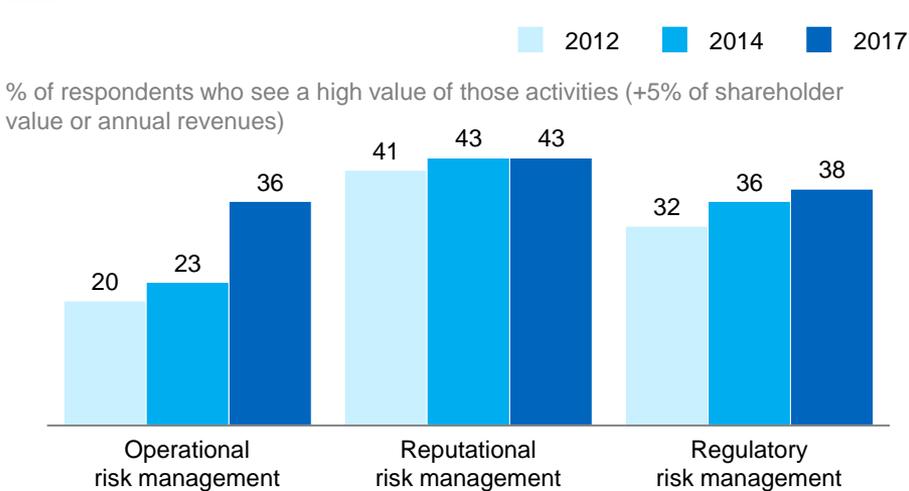
Observations regarding citizen and consumer preferences are pushing the global sustainability development, and new technology enables new solutions (2/2)

Return on capital: Implementing sustainable practices can lead to substantial cost and energy savings, typically +10% energy savings¹



- The largest energy-saving opportunities lies within **consumer goods, retail, and mining** which all have **energy savings towards 50% of total energy costs**

Risk management: 36-43% of senior executives see value in managing operational, reputational, and regulatory sustainability-related risks



- Since 2012, an **increasing amount of executives** have acknowledged the high value potential in working with sustainability-related risk management
- Across the entire period, the activity with the **highest perceived value is reputational risk management**
- **Operational management has seen the largest increase** by 16%-points
- **38% of executives are considering potential impact from regulatory changes** as a result of increased sustainability focus



Not all SDGs should be expected to be relevant to your organization, as the SDGs represent different opportunities across industries

Degree of relevance

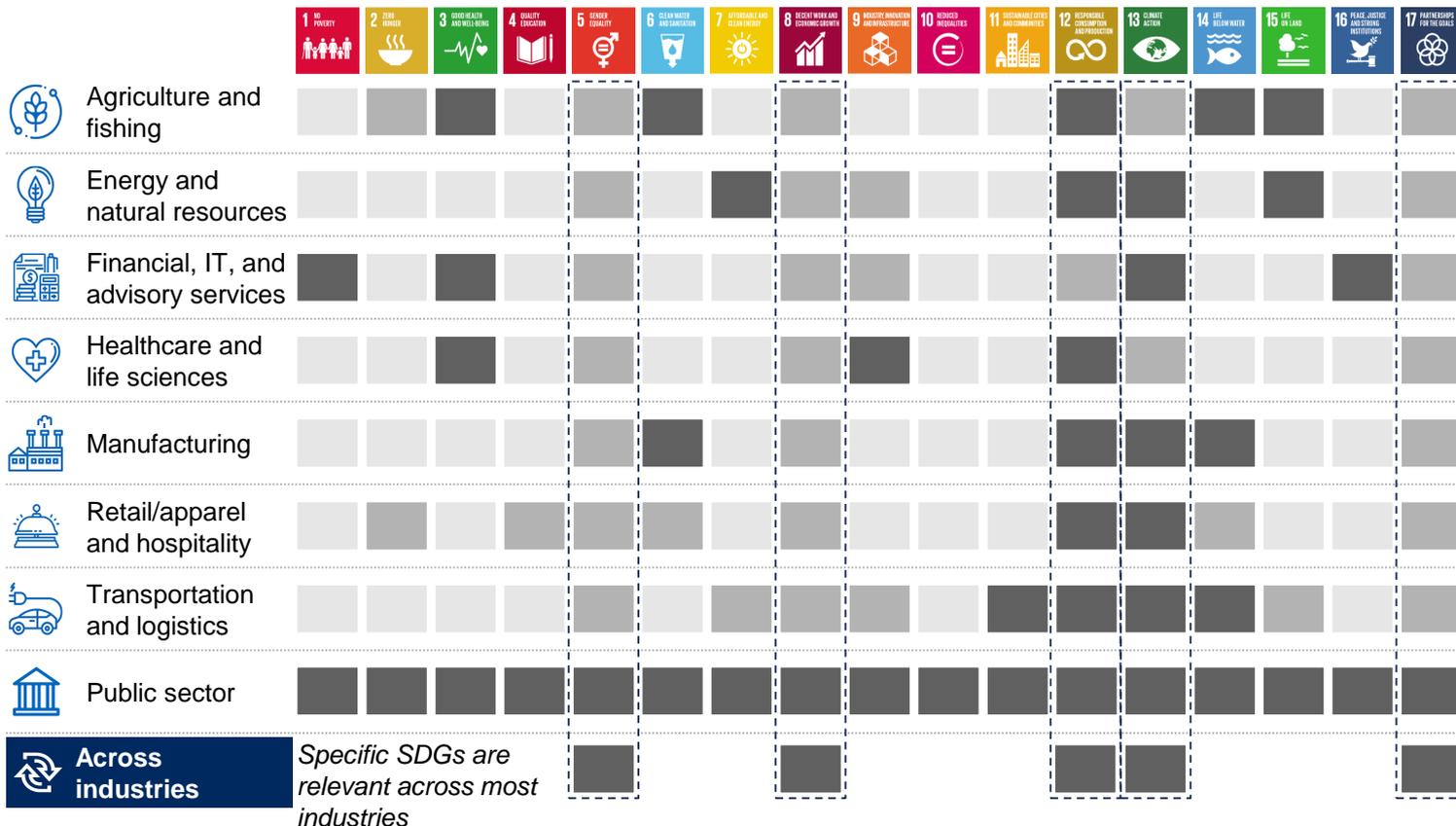
- High
- Medium
- Less relevant

Description

The matrix indicates which SDGs are more likely to be relevant within different industries, as certain types of companies will have elements that are more central to specific SDGs

SDG 5, 8, 12, 13, and 17 are considered to be highly relevant across all industries

If an SDG is marked “less relevant” to an industry, company specificities may still make it an interesting opportunity to explore



Specific SDGs are relevant across most industries



Since February 2019, ~300 Danish executives have generated +800 new ideas incorporating the SDGs to create business value



~300 Danish executives



~20 workshops



+800 ideas



Our workshops have shown where ~300 Danish executives believe their company could create value through 830 initiatives

of responses Greatest potential Least potential

Key takeaways

+800 ideas on how to incorporate the SDGs into the core strategy have been generated through the **~20 workshops** conducted across Denmark

There is a **broad variety** in where companies see opportunity for **value creation**, both from an SDG as well as a strategic perspective

These are all ideas generated within the 3-hour workshops, and there may **still be opportunities to generate value** through the SDGs that the companies are yet to realize

																			Total
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Total
Growth	Innovation and new products	2	6	18	7	6	5	8	21	18	2	7	26	10	4	5	1	19	165
	New markets	1	1	4	10	1	3	9	7	9	4	6	11	6	1	1	3	4	81
	Composition of business portfolio	1	1	7	2	-	2	3	6	5	-	1	8	2	2	1	-	5	46
Return on capital	Green sales and marketing	-	1	2	1	1	-	4	1	5	2	2	9	4	-	2	-	3	37
	Sustainable value chains	1	2	3	4	1	-	7	6	3	-	5	25	8	-	3	-	8	76
	Sustainable operations	-	1	3	2	-	4	8	4	8	2	6	20	7	1	4	1	2	73
Risk management	Operational risk management	1	1	2	1	-	-	3	4	2	1	1	5	1	-	-	2	1	25
	Reputational risk management	1	-	7	-	2	-	1	8	1	3	2	3	5	2	3	2	4	44
	Regulatory risk management	-	-	2	-	1	-	-	2	-	-	1	3	2	-	-	1	1	13
Organizational performance	Company mission	-	-	6	6	8	1	3	8	2	4	5	9	4	2	1	4	3	66
	Talent management	-	-	8	29	27	2	2	18	5	1	1	10	6	-	-	-	5	114
	Partnerships	2	3	9	8	6	-	3	3	9	3	4	5	5	3	1	2	24	90
Total		9	16	71	70	53	17	51	88	67	22	41	134	60	15	21	16	79	830



Survey results: Regional variation in SDG focus with climate action in Eastern Denmark and responsible production and consumption in Western Denmark

Importance of SDGs per region

Key takeaways

Clear differences in focus across the Danish regions though the regions in Western DK as well as in Eastern DK are more aligned

Western DK's focus is more typical for production companies with all regions agreeing on SDG 12, as well as a general focus on sustainable energy and economic growth

Eastern DK emphasizes climate action and also focuses on gender equality and good health

Region Nordjylland

- 7 Affordable and clean energy
- 12 Responsible production and consumption
- 4 Quality education

Region Midtjylland

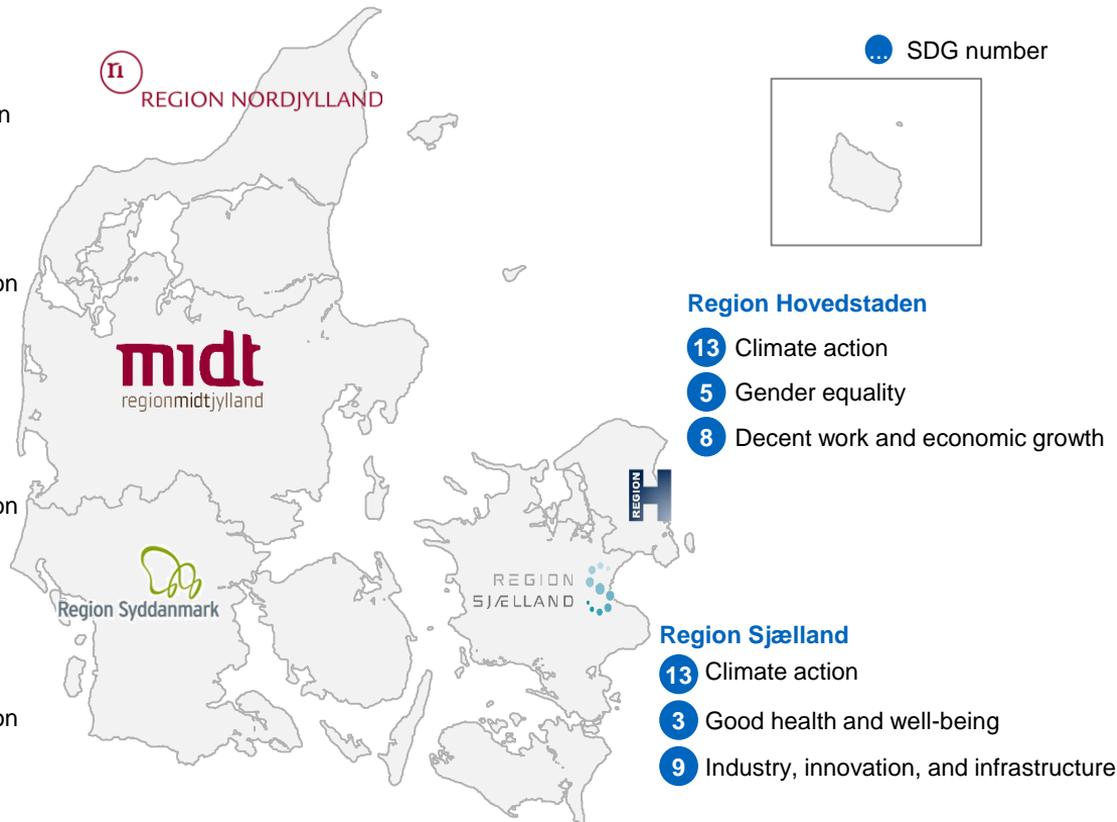
- 12 Responsible production and consumption
- 8 Decent work and economic growth
- 9 Industry, innovation, and infrastructure

Region Syddanmark

- 12 Responsible production and consumption
- 13 Climate action
- 7 Affordable and clean energy

Outside Denmark

- 12 Responsible production and consumption
- 8 Decent work and economic growth
- 9 Industry, innovation, and infrastructure





WHAT ARE THE SDGs AND WHY ARE THEY SO IMPORTANT?



HOW DO YOU CREATE BUSINESS VALUE FROM THE SDGs? (step-by-step Guide)



APPENDIX



Developing and executing a truly winning SDG strategy is challenging, but there are ways to improve the odds of beating competition

An SDG strategy is ...

An integrated set of hard-to-reverse choices

Made ahead of time in the face of uncertainty

Meant to create and capture economic profit in addition to social value

It is challenging because ...

Truly strategic choices require **deep commitment** and you have to make **bold trade-offs**

You must get **ahead of fundamental trends** and navigate toward a **highly uncertain future**

Market forces are always at work to **neutralize advantages** and **erode economic profit**



But there are ways to increase your odds of success



SDG strategic planning should stand out from day-to-day operations

- Make it a distinct strategy process with sufficient capacity to drive a focused effort



Eliminate conventional beliefs

- To unlock new insights on where, how, and why money is made in the industry value chain



Full senior management buy-in

- Consider what the different strategic options would mean for each management member



Clear and actionable execution plan

- Deliver a strategy that lands on action and has eliminated causes of poor execution



We have developed an easy-to-use Guide in 3 chapters: The ambition of the Guide is to inspire, engage, and enable easy follow-up



INSPIRE

... executives to think about the SDGs as a way to drive **strategic business value**



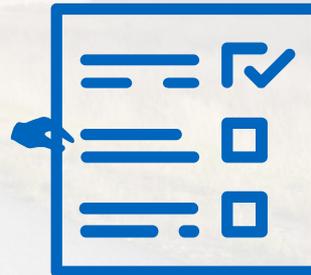
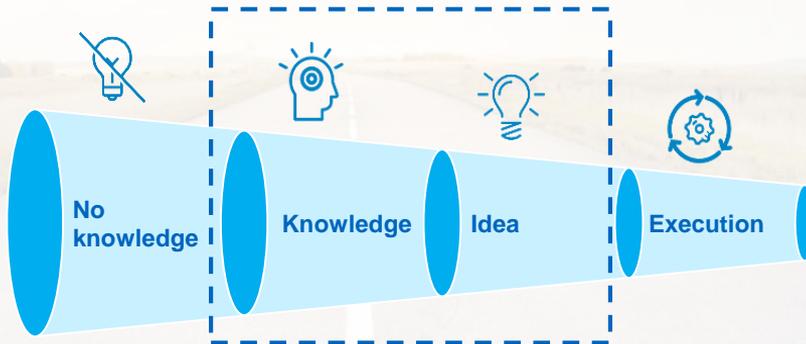
ENGAGE

... executives to **unleash the hidden energy** and potential in their organizations and execute the strategy



IMPACT

... tracked through **surveys**, measuring engagement with the SDGs



The Guide brings together all relevant tools from our Sustainability Practice and learnings from workshops with ~300 Danish executives



INSPIRE: The McKinsey Sustainability Compass will inspire executives to think about how the SDGs can drive business value



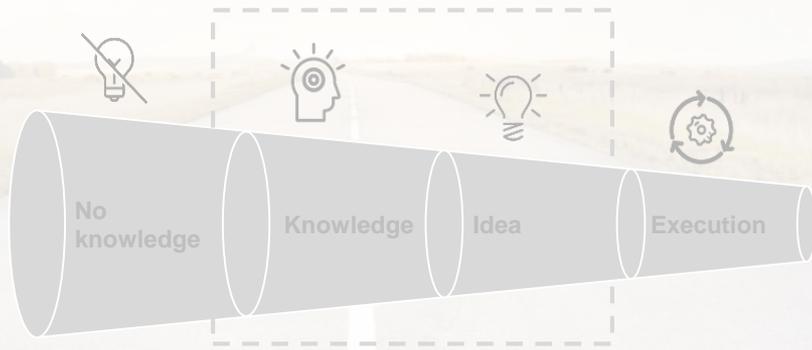
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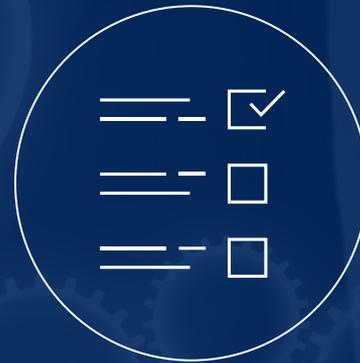


Setting the direction of your sustainability strategy starts with 2 steps



1

Consider in which of the 4 areas of the McKinsey Sustainability Compass you can create value from the SDGs



2

Fill out the template below to set the direction of your sustainability strategy



1 The SDGs can drive business value from 4 strategic directions as demonstrated by the McKinsey Sustainability Compass

Introduction to the McKinsey Sustainability Compass

Sustainability as a core part of the company strategy is a choice. There are 4 overall areas in which you can generate business value

- Organizational performance
- Risk management
- Growth
- Return on capital

Younger generations and an increasing number of employees are looking for companies with a clear mission with sustainability as a core part

193 countries have agreed to pursue the SDGs and may use legislative measures or cause reputational scrutiny

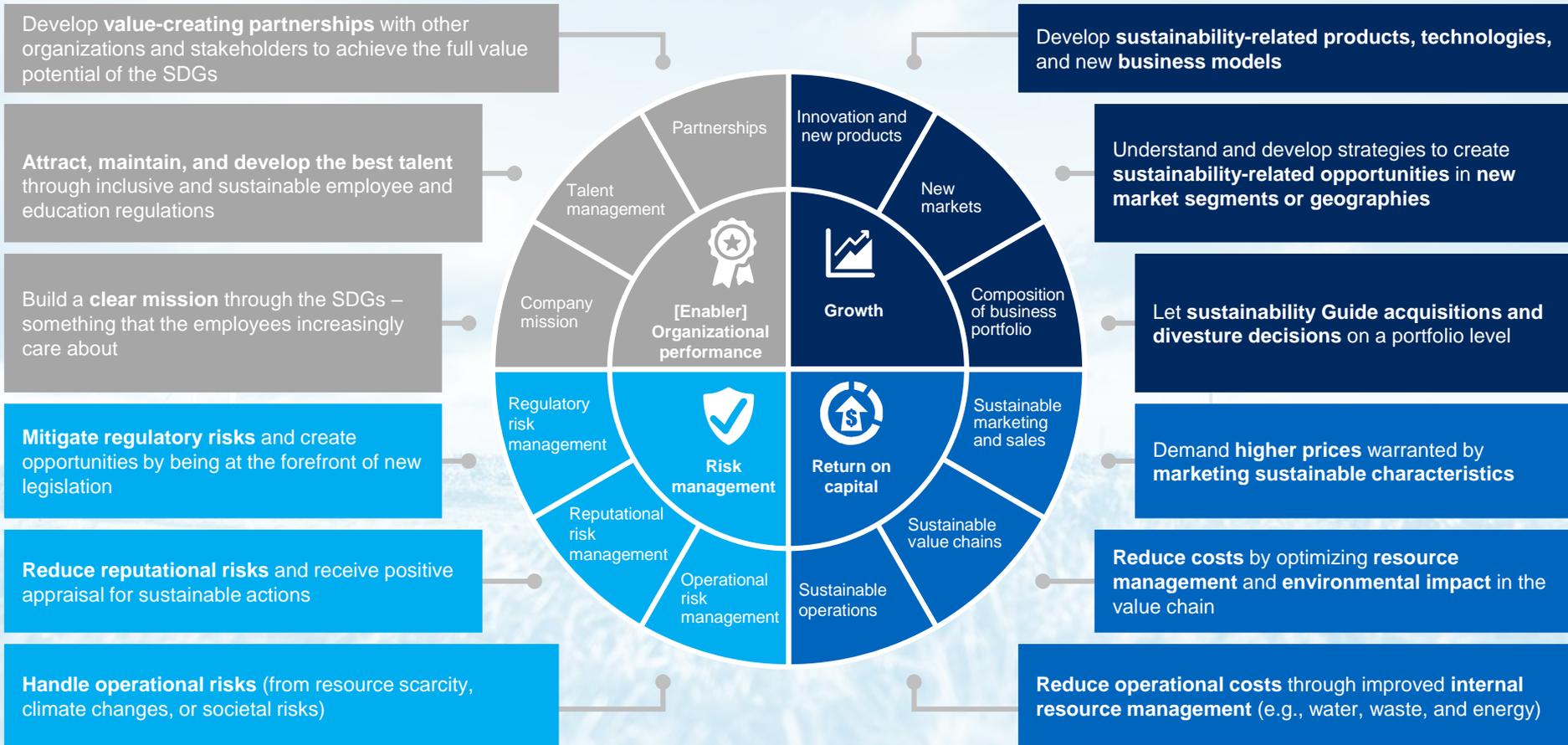


The SDGs shape existing markets and create new markets full of growth opportunities

Potential for optimizing consumption of water, energy, raw materials, etc., to decrease cost



1 The McKinsey Sustainability Compass is showing 12 primary areas in which companies can generate business value from the SDGs





1 4 company cases show how business value can be derived from the SDGs by pursuing different strategic directions¹



¹ More case examples in appendix
Source: McKinsey Sustainable Enterprise service line



2 Now it is your turn! Set your strategic direction: Which SDGs influence your company, and what is your strategic approach?

Description

Start or sharpen your focus on **how the SDGs influence your business**, and **where your business can influence the objectives of the SDGs**

To begin with, make 2-4 marks in the matrix to **indicate where you see an opportunity** to generate shared value

Think through your strategic direction. Is it a growth, ROIC, or risk opportunity or are you creating a high-performing organization?

By settling on these choices, your **strategy will start to materialize**

		Zero hunger		Quality education		Clean water and sanitation		Decent work and economic growth		Reduced inequalities		Responsible consumption and production		Life below water		Peace, justice and strong institutions		
		No poverty	Good health and well-being	Gender equality	Affordable and clean energy	Industry, innovation and infrastructure	Sustainable cities and communities	Climate action	Life on land	Partnerships for the goals								
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Growth	Innovation and new products																	
	New markets																	
	Composition of business portfolio																	
Return on capital	Green sales and marketing																	
	Sustainable value chains																	
	Sustainable operations																	
Risk management	Operational risk management																	
	Reputational risk management																	
	Regulatory risk management																	
Organizational performance	Company mission																	
	Talent management																	
	Partnerships																	



2 Example: Palsgaard is focusing on SDG 12 and 13 with innovation and sustainable operations as strategic direction

Description

Palsgaard is primarily working with **SDG 12 and 13** in ways that will grow their business and bottom line through **new products** and **decreased operational costs**

Initiatives relevant to SDG 12 are met through **responsible use of production resources** and through new plant based polymer additives **reducing food waste**

Focus on SDG 13 has **decreased CO₂ emissions in operations** globally as well as increased focus on optimization for energy consumption

		Zero hunger		Quality education		Clean water and sanitation		Decent work and economic growth		Reduced inequalities		Responsible consumption and production		Life below water		Peace, justice and strong institutions		
		No poverty	Good health and well-being	Gender equality	Affordable and clean energy	Industry, innovation and infrastructure	Sustainable cities and communities	Climate action	Life on land	Partnerships for the goals								
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Growth	Innovation and new products												📌	📌				
	New markets																	
	Composition of business portfolio																	
Return on capital	Green sales and marketing																	
	Sustainable value chains																	
	Sustainable operations												📌	📌				
Risk management	Operational risk management																	
	Reputational risk management																	
	Regulatory risk management																	
Organizational performance	Company mission																	
	Talent management																	
	Partnerships																	



CASE: Palsgaard has grown its business and decreased externalities by integrating SDG 12 and 13 into the core strategy

About Palsgaard



Industry and markets

Global food ingredients industry as well as polymer industry (plastic)

Key products

+100 years of experience within manufacturing and application of emulsifiers and stabilizers as well as vegetable additives for polymers

Key figures, 2018

Revenue: 1.4 bn DKK

Number of employees: 536

Challenge/opportunity



The food and polymer industry

- Production of emulsifiers, stabilizers, and polymer additives requires intensive energy consumption
- Reduce global CO₂ footprint
- Potential to keep food fresh and inviting for low temperatures for longer time through innovative, sustainable polymer solutions

Solution

SDGs impacted



Business focus



Investments in reducing CO₂ emissions for all production sites globally



Sustainable operations and resources

Description of key initiatives

- Goal: All products to be produced at CO₂-neutral factories by 2020
- Use of CO₂-neutral energy sources in main production sites
- Focus on optimization for energy, water, and raw material consumption
- Strong responsible supplier program including the use of sustainable palm oil (RSPO certified)
- Polymer product range with food durability optimization features



Results and benefits



- CO₂-neutral production sites in Denmark, Mexico, and Holland
- Achieved 7% reduction in energy consumption (per kg finished product) in 2018 compared with 2017
- 3 times winner of DK's most prestigious CSR prize, the FSR Danish Auditors' CSR Award
- Gold rating by EcoVadis in 2016 and 2018
- 100% plant based polymer products for packaging prevents food waste. Global demand is increasing
- CSR strategy and results provide competitive advantages



ENGAGE: Your organization should be set up to execute the sustainability strategy



INSPIRE

... executives to think about the SDGs as a way to drive **strategic business value**



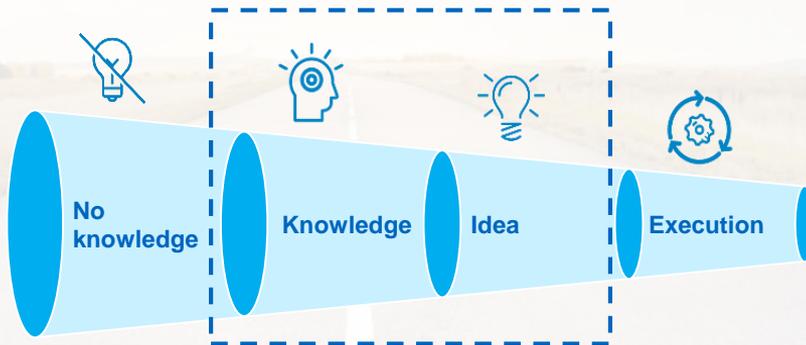
ENGAGE

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IMPACT

... tracked through **surveys**, measuring engagement with the SDGs



The Guide brings together all relevant tools from our Sustainability Practice and learnings from workshops with ~300 Danish executives



We have identified 4 actions that your organization needs to take to properly integrate the sustainability agenda into the core strategy



1

CEO, board, and owners must stand behind the sustainability strategy



2

Key employees, customers, and stakeholders should be engaged



3

Introduce top team performance measures to unleash the energy in your organization



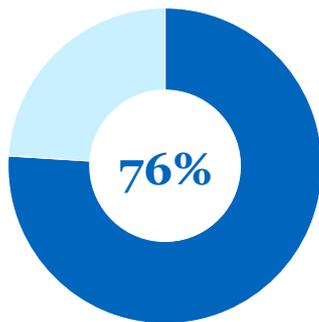
4

Make sustainability an ingrained part of your company culture

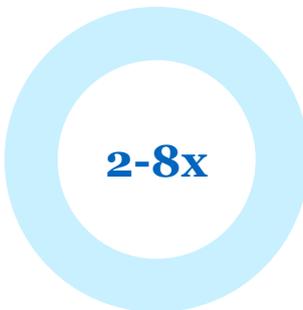


1 CEO, board, and owners should take leadership and embody the SDG strategy and transformation to ensure success

By the numbers



of surveyed Danish CEOs engage in sustainability



greater chance of success when change comes from the top

3 things you can do as a CEO to ensure sustainability focus



Integrate sustainability into your **core strategy** – as an alternative to having an isolated CSR strategy



Involve the **board** and the **owners** on the agenda to ensure support on both short-term and long-term objectives



Use the strategy process and engagement as a lever to inspire and **unleash energy** in your organization and to facilitate **ownership**

To move from philanthropy and CSR to creating business value from the SDGs, it is pivotal to put the SDGs on the CEO and board agenda

Also, in particular for cooperative companies, it is important to involve the owners early and closely



2 Successful companies identify and engage the key employees, key customers and stakeholders to execute the SDG strategy and drive impact

By the numbers

To drive change, successful companies identify and engage the relevant change agents in the organization

Change agents are not only top managers but often also talents and employees with key knowledge, experience, etc.

In addition, key customers and stakeholders should also be involved in executing the strategy, as they possess pivotal knowledge and experience



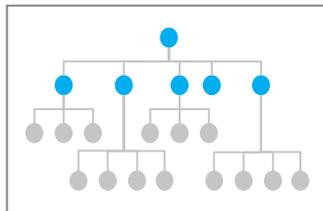
critical talent is missed when organizations only focus at the top



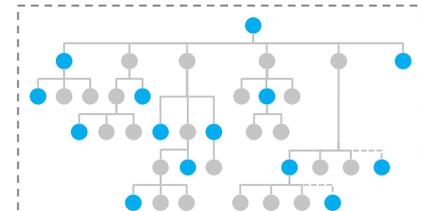
value generated by top performers compared to average

Involve change agents everywhere in the organization – not just the top management team ...

Traditional approach



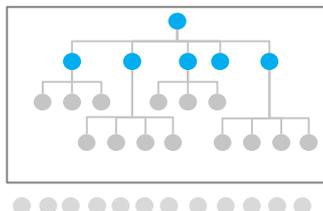
Talent-to-value approach



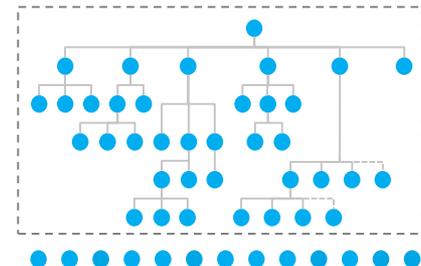
● Change agents

... and involve key customers and stakeholders to understand the outside-in perspective on your organization

Traditional approach



Outside-in approach





3 To execute the strategy and unleash the energy in your organization, ensure that the top team is set up to deliver on the SDG strategy

By the numbers



95% of investors state that the most important non-financial performance indicator is the credibility and experience of the top team



33% of failed transformations occur because the behavior of the top team did not support the desired changes

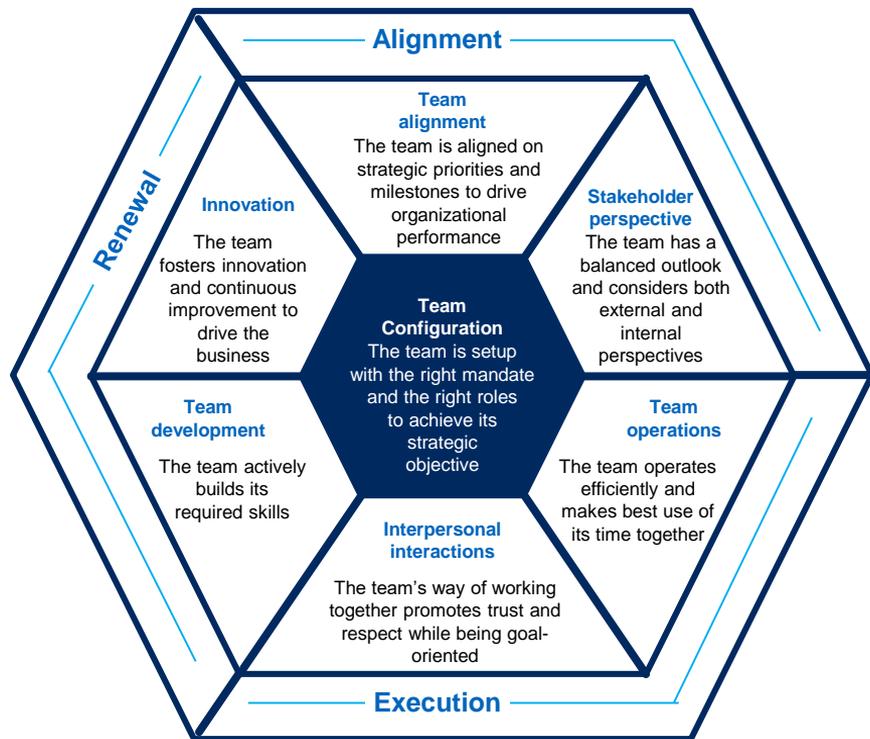


1.9x as likely to have above median financial performance when the top team has a shared, meaningful, and engaging vision

When you have identified the change agents in your companies and set up an agile organization, the principles of Top Team Effectiveness will drive impact

Based on studies of 150 organizations, interviews, and detailed analyses of top literature, we have found that top team effectiveness is based on a few basic principles

Our Top Team Effectiveness assessment evaluates team behaviors and priorities across 7 elements





4 To ensure that the SDG strategy becomes an ingrained part of the organization, frequently assess the 9 dimensions of organizational health

By the numbers

Making the new sustainability strategy an integral part of your company culture is challenging – infamously “culture eats strategy”

Through more than 1,000 case examples, McKinsey has identified 9 dimensions of organizational health

Organizations with higher levels of organizational health consistently outperform competition

By tracking systematically on the 9 dimensions of organizational health, it is possible to drive change in your company effectively



outperformance by healthy organizations vs. unhealthy organizations¹



EBITA increase after 1 year by companies focusing on organizational health²



of performance variation across business units explained by health differences

9 dimensions constitute the organizational health of your company

Direction	A clear sense of where the organization is heading and how it will get there that is meaningful to all employees
Leadership	Extent to which leaders inspire actions by others
Work Environment	Shared beliefs and quality of interactions in and among organizational units
Accountability	Extent to which individuals understand what is expected of them, have authority, and take responsibility for delivering results
Coordination and Control	Ability to evaluate organizational performance and risk, and to address issues and opportunities when they arise
Capabilities	Presence of the institutional skills and talent required to execute strategy and create competitive advantage
Motivation	Presence of enthusiasm that drives employees to put in extraordinary effort to deliver results
External Orientation	Quality of engagement with customers, suppliers, partners, and other external stakeholders to drive value
Innovation and Learning	Quality and flow of new ideas and ability to adapt and shape the organization as needed



¹ Represents 8 year average Total Return to Shareholders (TRS) for healthy companies vs. unhealthy companies across McKinsey's database

² Companies actively working on organizational health initiatives



IMPACT: Follow up on progress of implementing the SDGs



INSPIRE

... executives to think about the SDGs as a way to drive **strategic business value**



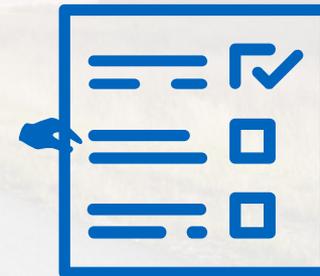
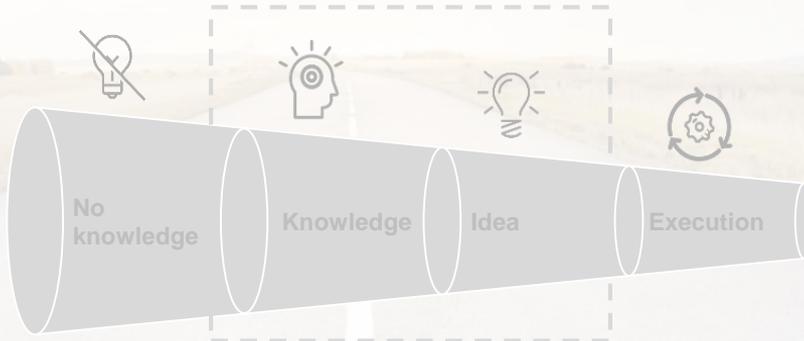
ENGAGE

... executives to **unleash the hidden energy** and potential in their organizations and execute the strategy



IMPACT

... tracked through **surveys**, measuring engagement with the SDGs



The Guide brings together all relevant tools from our Sustainability Practice and learnings from workshops with ~300 Danish executives



To maximize the impact of working with the SDGs, it is key to make the initiatives operational and define how to measure and track the effects



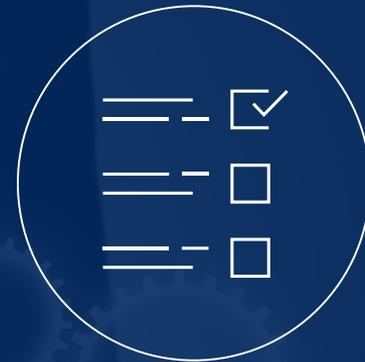
1

Fill out the templates below to identify the impact you wish to achieve, prioritize your ideas, and operationalize your initiatives



2

Draw up a timeline and appoint a person in charge of each initiative



3

Identify, track, and communicate the shared value generated by the SDG initiatives



1 Now it is your turn! Identify the impact you want to achieve through the goals

2. Write your desired impact

Description

Fill out this template to define the concrete impact you wish to achieve through the SDGs you have chosen to prioritize

Examples: CO₂ reduction targets, energy consumption targets, rare material consumption targets, gender equality targets

This will concretize your strategy and help you identify specific initiatives and actions in the next step

SDGs	Focus area	Desired impact	SDGs	Focus area	Desired impact
	<input type="checkbox"/>			<input type="checkbox"/>	
	<input type="checkbox"/>			<input type="checkbox"/>	
	<input type="checkbox"/>			<input type="checkbox"/>	
	<input type="checkbox"/>			<input type="checkbox"/>	
	<input type="checkbox"/>			<input type="checkbox"/>	
	<input type="checkbox"/>			<input type="checkbox"/>	
	<input type="checkbox"/>			<input type="checkbox"/>	
	<input type="checkbox"/>			<input type="checkbox"/>	
	<input type="checkbox"/>				

1. Mark SDGs that are focus areas for you



1 Now it is your turn! Fill out the template¹ below to operationalize and realize the goals you want to achieve

Description

This template allows you to fill out the action plan related to one of the SDG opportunities identified in the strategy matrix on page 23

Firstly, fill out the specific SDG goal and the area where it will derive business value using the McKinsey Sustainability Compass

Secondly, describe the specific initiative

Lastly, identify the next 3 activities to realize your idea and commit to action by giving each step a deadline. Try to be as concrete and pragmatic as possible

Overall description of initiative

# SDG goal		Description of initiative	
Area of the McKinsey Sustainability Compass			

Concrete activities

	Activity	Deadline
1		
2		
3		

¹ See example in appendix



1 Now it is your turn! Fill out the template below to operationalize and realize the goals you want to achieve

2. Place each initiative in the matrix

Implementation matrix – impact vs. ease of implementation

Initiatives

Description

Prioritize your initiatives by plotting them on the implementation matrix

Start by listing your initiatives on the right

Then, consider the impact and ease of implementation of each initiative and place the number bubble on the matrix accordingly

This will provide you with an overview of which initiatives that will create the largest impact with the least effort, which initiatives that may be hard to implement, and which initiatives that will need to be analyzed further



Impact

- Growth
- Return on capital
- Risk
- Organizational performance

	High			
	Medium			
	Low			
		Easy	Medium	Hard



Ease of implementation

- Required investment
- Complexity of implementation
- Time to implement
- Organizational capabilities

1

2

3

4

5

6

7

8

1. List your initiatives

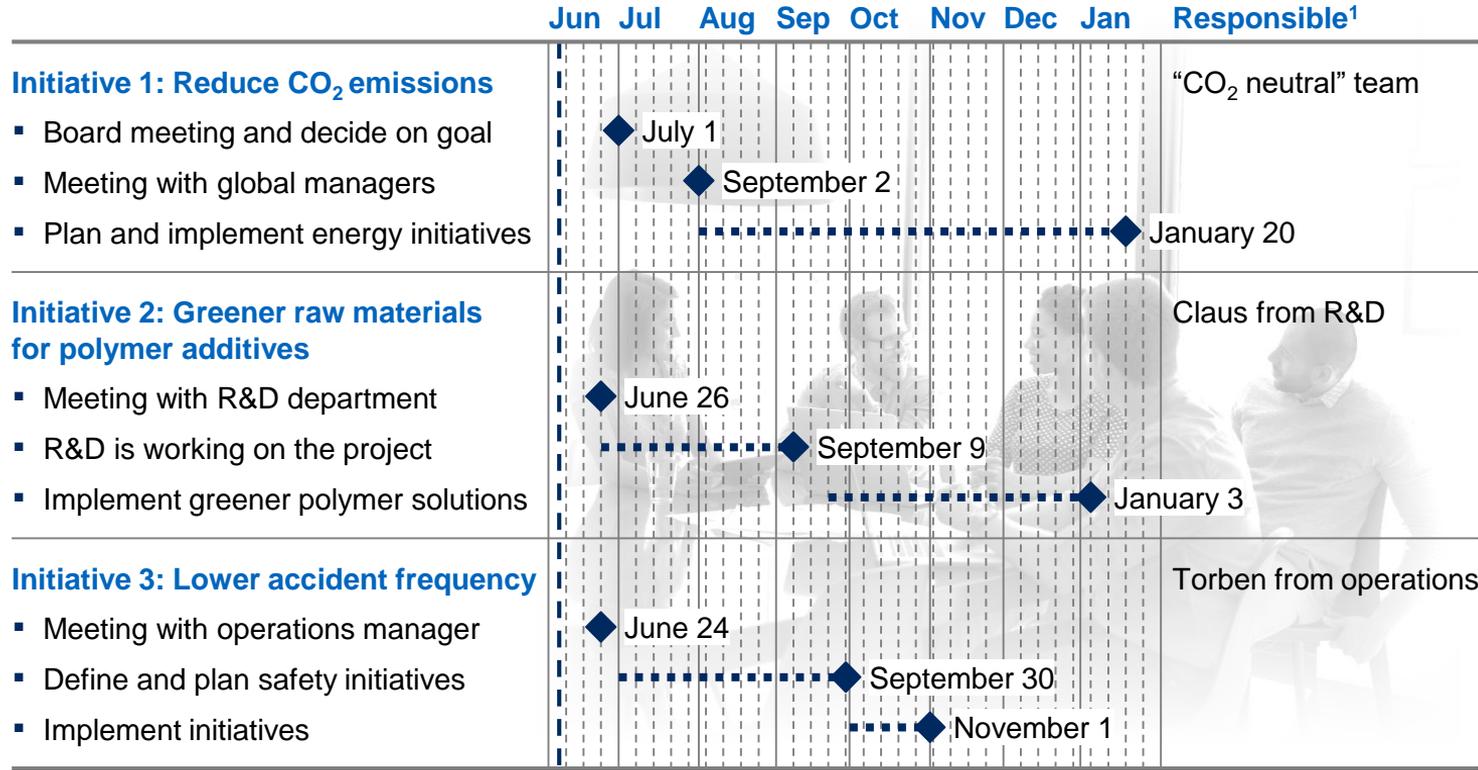


2 In order to track and control the new initiatives, draw up a timeline and appoint a person in charge of each initiative

..... Process ◆ Deadline

You should track and control your initiatives!

To keep an overview of the different initiatives and activities, track the progress and success with next steps and deadlines

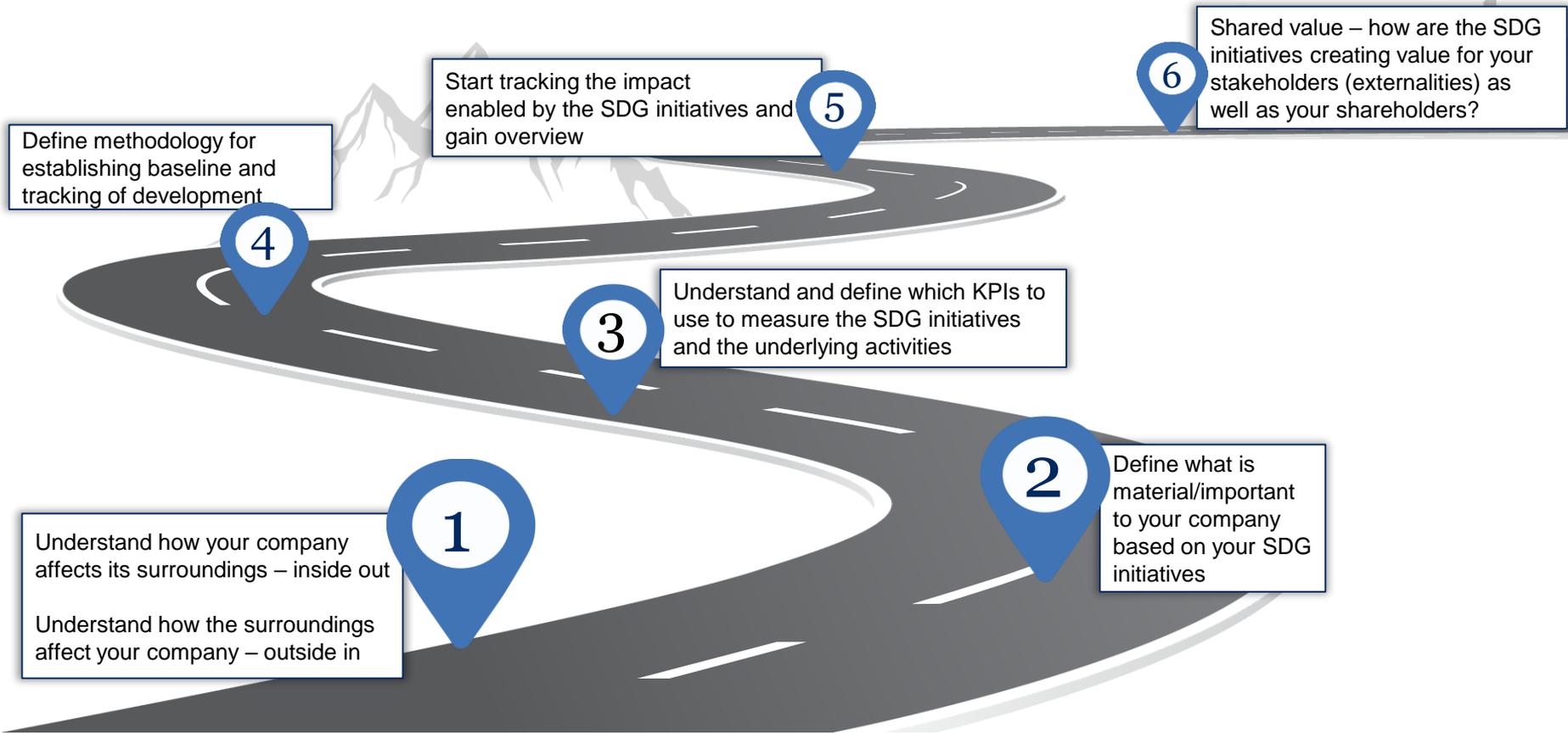


▲ Today: June 6

¹ A team will be allocated to each initiative, i.e., the responsible is not the sole person pushing the initiative



3 To identify the impact of the sustainability initiatives, we suggest this 6-step approach to allow for tracking and communication of the shared value





3 Palsgaard is an example of how to track the impact of the SDG initiatives and how to communicate it

Palsgaard has followed the 6-step approach for their SDG initiatives ...



... which has resulted in clear tracking and communication of their efforts and results



Our Journey to the 2020 targets

<u>Core CSR figures and targets</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Target 2020</u>
CO ₂ emissions (kilo CO ₂ per kilo finished product)	0.17	0.17	0.12	0.12	0.11	0
Energy consumption (gross) (kWh per kilo finished product)	1.11	1.36	1.34	1.27	1.21	1.05
Waste water emissions (litre per kilo finished product)	1.39	1.64	1.42	1.56	1.44	1.00
Raw material consumption (kilo per 100 kilo finished product)	107.37	108.39	107.71	107.11	106.01	104.00
Accident frequency (per million working hours)	11	16	18	13	20	3



WHAT ARE THE SDGs AND WHY ARE THEY SO IMPORTANT?



HOW DO YOU CREATE BUSINESS VALUE FROM THE SDGs? (step-by-step Guide)



APPENDIX

A DATA FROM THE WORKSHOPS

B DATA FROM THE SURVEYS

C TOOLS AND TEMPLATES

D CASES

E INDUSTRY OVERVIEWS

F SDG GOALS AND SUBGOALS

Our workshops have shown where ~300 Danish executives believe their company could create value through 830 initiatives

of responses Greatest potential Least potential

Key takeaways

+800 ideas on how to incorporate the SDGs into the core strategy have been generated through the **~20 workshops** conducted across Denmark

There is **broad variety** in where companies see opportunity for **value creation**. Both from an SDG as well as a strategic perspective

These are all ideas generated within the 3-hour workshops, and there may **still be opportunities to generate value** through the SDGs that the companies are yet to realize

																			Total
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Total
Growth	Innovation and new products	2	6	18	7	6	5	8	21	18	2	7	26	10	4	5	1	19	165
	New markets	1	1	4	10	1	3	9	7	9	4	6	11	6	1	1	3	4	81
	Composition of business portfolio	1	1	7	2	-	2	3	6	5	-	1	8	2	2	1	-	5	46
Return on capital	Green sales and marketing	-	1	2	1	1	-	4	1	5	2	2	9	4	-	2	-	3	37
	Sustainable value chains	1	2	3	4	1	-	7	6	3	-	5	25	8	-	3	-	8	76
	Sustainable operations	-	1	3	2	-	4	8	4	8	2	6	20	7	1	4	1	2	73
Risk management	Operational risk management	1	1	2	1	-	-	3	4	2	1	1	5	1	-	-	2	1	25
	Reputational risk management	1	-	7	-	2	-	1	8	1	3	2	3	5	2	3	2	4	44
	Regulatory risk management	-	-	2	-	1	-	-	2	-	-	1	3	2	-	-	1	1	13
Organizational performance	Company mission	-	-	6	6	8	1	3	8	2	4	5	9	4	2	1	4	3	66
	Talent management	-	-	8	29	27	2	2	18	5	1	1	10	6	-	-	-	5	114
	Partnerships	2	3	9	8	6	-	3	3	9	3	4	5	5	3	1	2	24	90
Total		9	16	71	70	53	17	51	88	67	22	41	134	60	15	21	16	79	830

Companies consider innovation and talent management as key value drivers across the SDGs

of responses Greatest potential Least potential

Key takeaways

Innovation and new products as well as talent management regarding education, gender equality, and decent work are considered the largest opportunities for value creation

Only few companies see potential for value creation within risk management using the SDGs

Focus on growth and organizational performance indicates a proactive approach to working with the SDGs as Danish executives believe they have more to win than to lose

		SDGs																	Total
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
		No poverty	Zero hunger	Good health and well-being	Quality education	Gender equality	Clean water and sanitation	Affordable and clean energy	Decent work and economic growth	Industry, innovation and infrastructure	Reduced inequalities	Sustainable cities and communities	Responsible consumption and production	Climate action	Life below water	Life on land	Peace, justice and strong institutions	Partnerships for the goals	
Growth	Innovation and new products	2	6	18	7	6	5	8	21	18	2	7	26	10	4	5	1	19	165
	New markets	1	1	4	10	1	3	9	7	9	4	6	11	6	1	1	3	4	81
	Composition of business portfolio	1	1	7	2	-	2	3	6	5	-	1	8	2	2	1	-	5	46
Return on capital	Green sales and marketing	-	1	2	1	1	-	4	1	5	2	2	9	4	-	2	-	3	37
	Sustainable value chains	1	2	3	4	1	-	7	6	3	-	5	25	8	-	3	-	8	76
	Sustainable operations	-	1	3	2	-	4	8	4	8	2	6	20	7	1	4	1	2	73
Risk management	Operational risk management	1	1	2	1	-	-	3	4	2	1	1	5	1	-	-	2	1	25
	Reputational risk management	1	-	7	-	2	-	1	8	1	3	2	3	5	2	3	2	4	44
	Regulatory risk management	-	-	2	-	1	-	-	2	-	-	1	3	2	-	-	1	1	13
Organizational performance	Company mission	-	-	6	6	8	1	3	8	2	4	5	9	4	2	1	4	3	66
	Talent management	-	-	8	29	27	2	2	18	5	1	1	10	6	-	-	-	5	114
	Partnerships	2	3	9	8	6	-	3	3	9	3	4	5	5	3	1	2	24	90
Total		9	16	71	70	53	17	51	88	67	22	41	134	60	15	21	16	79	830

Responsible consumption and production, and partnerships are considered the largest opportunities for value creation

of responses Greatest potential Least potential

Key takeaways

Many companies believe they can create value through increased **responsibility** in both **consumption and production**

This is particularly relevant within **innovation and rethinking of the value chain** and **general operations**

Only very **few companies** consider themselves able to create value within the area of **peace, justice, and strong institutions** – probably because of the existing high standards in Denmark and rest of Europe

		Zero hunger		Quality education		Clean water and sanitation		Decent work and economic growth		Reduced inequalities		Responsible consumption and production		Life below water		Peace, justice and strong institutions			
		No poverty	Good health and well-being	Gender equality	Affordable and clean energy	Industry, innovation and infrastructure	Sustainable cities and communities	Climate action	Life on land	Partnerships for the goals									
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Total
Growth	Innovation and new products	2	6	18	7	6	5	8	21	18	2	7	26	10	4	5	1	19	165
	New markets	1	1	4	10	1	3	9	7	9	4	6	11	6	1	1	3	4	81
	Composition of business portfolio	1	1	7	2	-	2	3	6	5	-	1	8	2	2	1	-	5	46
Return on capital	Green sales and marketing	-	1	2	1	1	-	4	1	5	2	2	9	4	-	2	-	3	37
	Sustainable value chains	1	2	3	4	1	-	7	6	3	-	5	25	8	-	3	-	8	76
	Sustainable operations	-	1	3	2	-	4	8	4	8	2	6	20	7	1	4	1	2	73
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	Reputational risk management	1	-	7	-	2	-	1	8	1	3	2	3	5	2	3	2	4	44
	Regulatory risk management	-	-	2	-	1	-	-	2	-	-	1	3	2	-	-	1	1	13
Organizational performance	Company mission	-	-	6	6	8	1	3	8	2	4	5	9	4	2	1	4	3	66
	Talent management	-	-	8	29	27	2	2	18	5	1	1	10	6	-	-	-	5	114
	Partnerships	2	3	9	8	6	-	3	3	9	3	4	5	5	3	1	2	24	90
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F SDG GOALS AND SUBGOALS

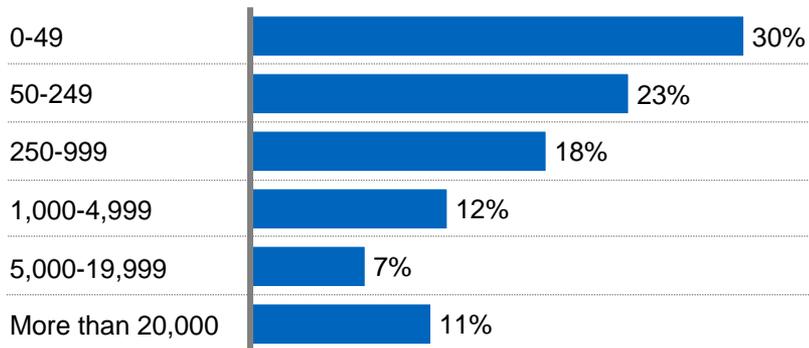


Key insights: More companies are working with UN's SDGs, but motivation is primarily social and barriers remain

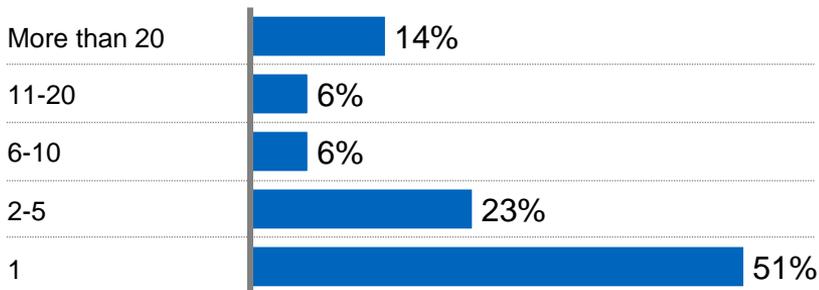
- 1 Primary focus on working with the business-related SDGs, but **motivation is primarily social** and **non-business related**. The survey reveals a **regional and sectorial variation in SDG focus**.
- 2 **~60% of companies actively use the SDGs today**, but only 21% has made the SDGs an integrated part of the company's strategy and business model. 64% of the workshop participants stated that the workshop have had significant impact
- 3 Largest barriers are **limited opportunity to gain and measure impact**, as well as potentially high costs. In the course of the VL workshops, Danish executives **no longer see lack of customer interest as one of the largest barriers**
- 4 UN's SDGs are **high on the CEO agenda (~50% of companies)**. Additionally, the **CEO often plays an active role** in the work with the SDGs (**~80% of companies**).
- 5 The impact is primarily being measured by **benchmarking with the UN SDG sub goals**, and most companies report the impact in the **company's annual or sustainability report**

Survey results: 710 Danish executives have answered with variation in company size, industry and geography

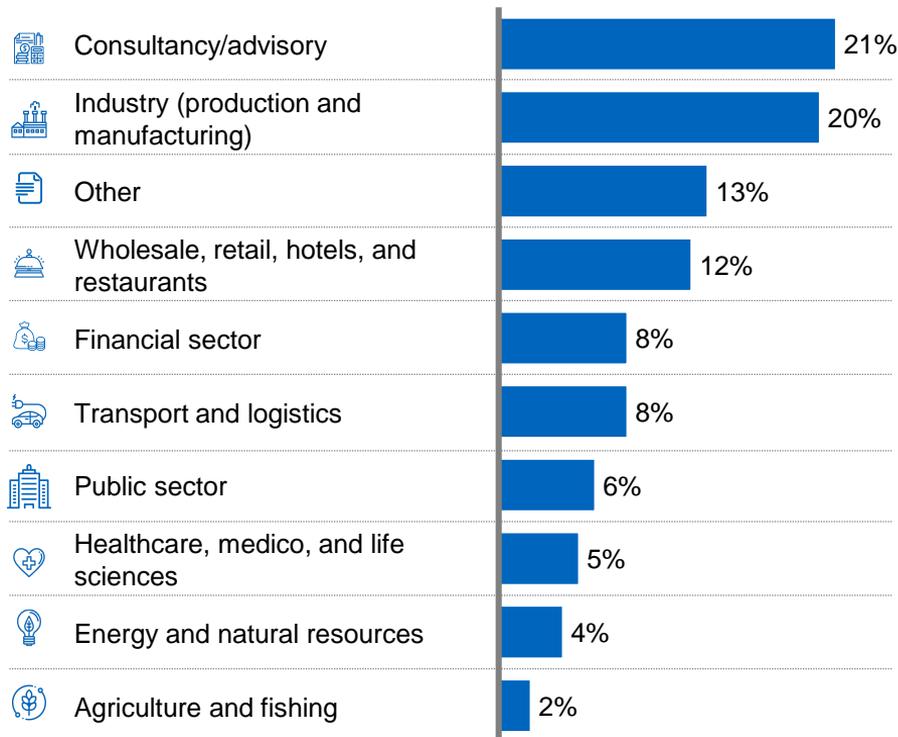
Global revenue, mDKK 2018, % of responses



Countries with primary operations, % of responses



Industry, % of responses





Survey results: SDG 12 is considered to be the most relevant among Danish executives closely followed by SDG 8, 13, 9, and 3 ...

SDG number

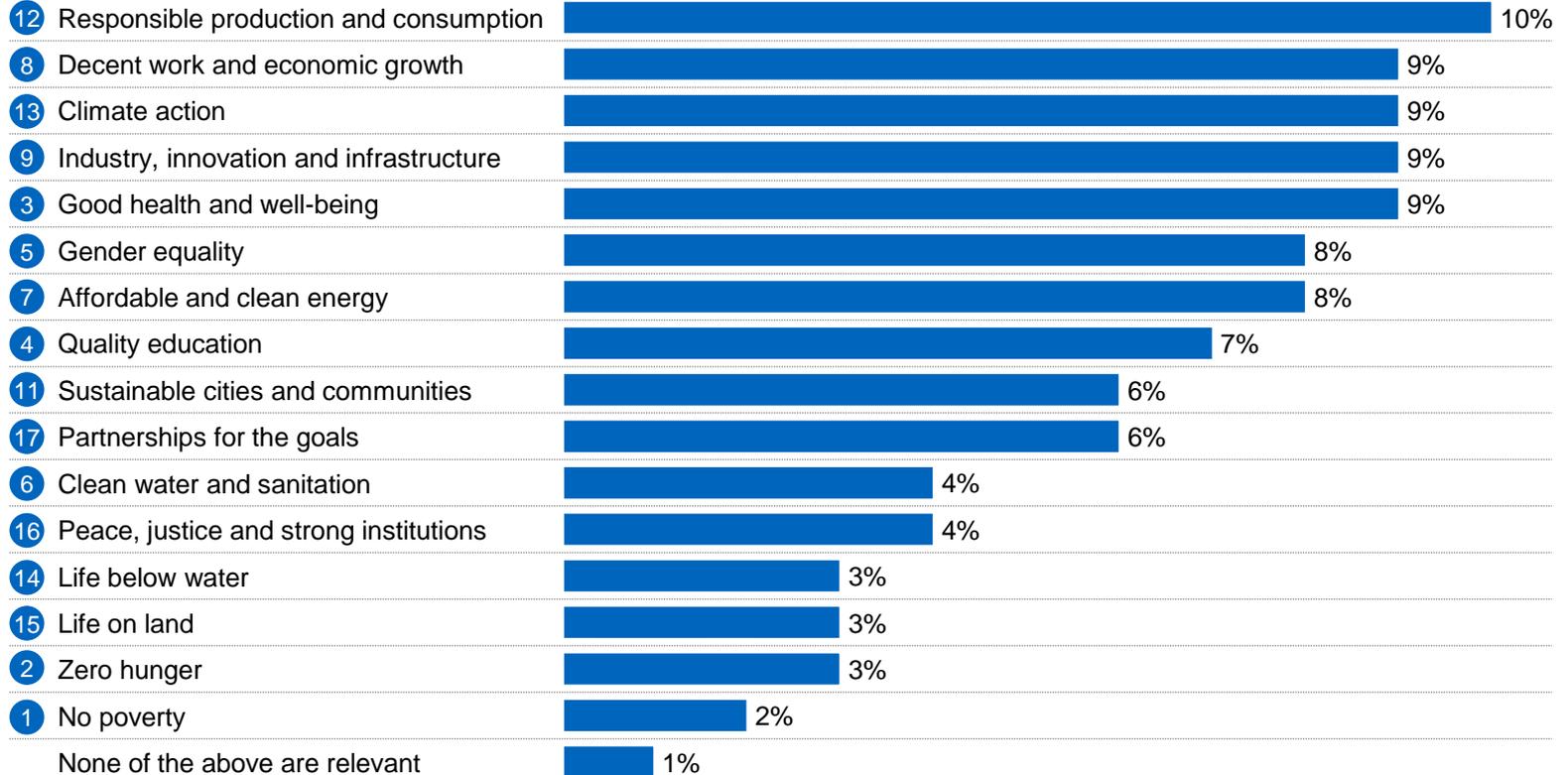
Key takeaways

Executives see SDG 12, 8, 13, 9, and 3 as most relevant to business

SDG 5, 7, 4, 11, and 17 also receive high business attention

All goals are seen as somewhat relevant to business

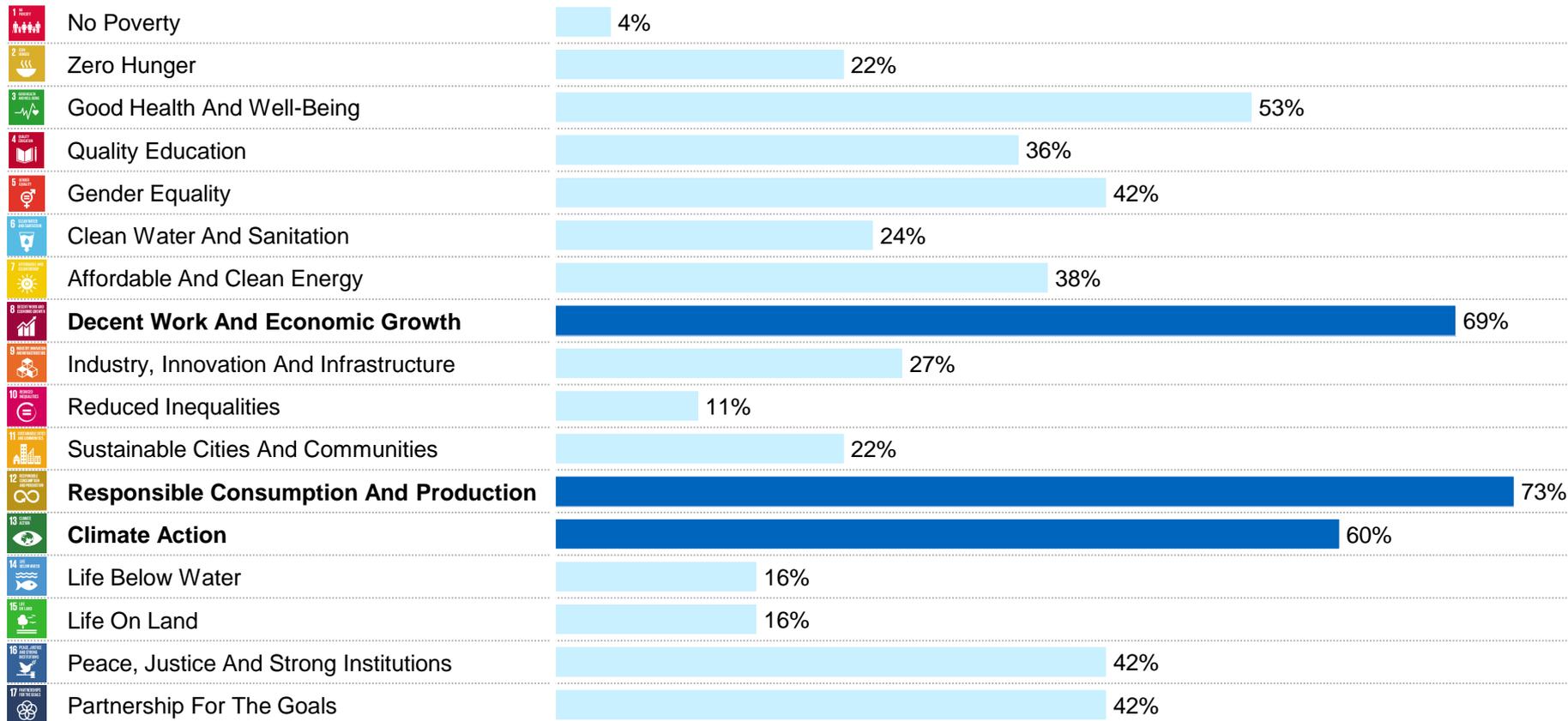
Relevance of the different SDGs, % of 3,682 votes made by 605 survey participants



... this is in line with the SDGs in focus in the annual reports and sustainability reports of the largest Danish companies

Goal

Share of 100 largest Danish companies working with the SDG, %



Survey results: Regional variation in SDG focus with climate action in Eastern Denmark and responsible production and consumption in Western Denmark

SDG number

Key takeaways

Clear differences in focus across the Danish regions though the regions in Western DK as well as in Eastern DK are more aligned

Western DK's focus is more typical for production companies with all regions agreeing on SDG 12, as well as a general focus on sustainable energy and economic growth

Eastern DK emphasizes climate action and also focuses on gender equality and good health

Region Nordjylland

- 7 Affordable and clean energy
- 12 Responsible production and consumption
- 4 Quality education

Region Midtjylland

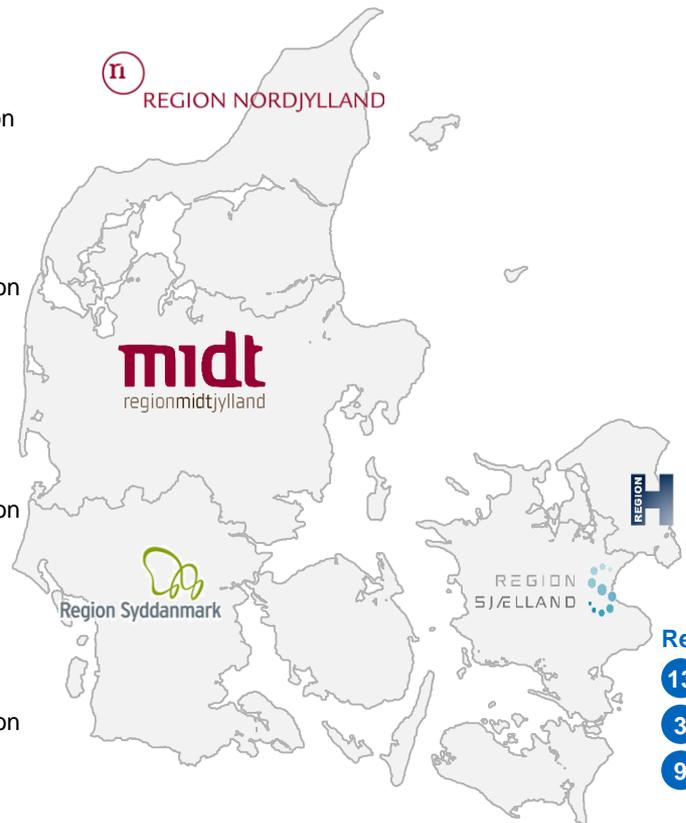
- 12 Responsible production and consumption
- 8 Decent work and economic growth
- 9 Industry, innovation, and infrastructure

Region Syddanmark

- 12 Responsible production and consumption
- 13 Climate action
- 7 Affordable and clean energy

Outside Denmark

- 12 Responsible production and consumption
- 8 Decent work and economic growth
- 9 Industry, innovation, and infrastructure



Region Hovedstaden

- 13 Climate action
- 5 Gender equality
- 8 Decent work and economic growth

Region Sjælland

- 13 Climate action
- 3 Good health and well-being
- 9 Industry, innovation, and infrastructure

Survey results: Sectorial variation in SDG focus

... SDG number

Key takeaways

Relevance of SDGs vary across sectors/industries

The most productive sectors consider **climate action** and **responsible consumption and production** as the most relevant SDGs in their industries

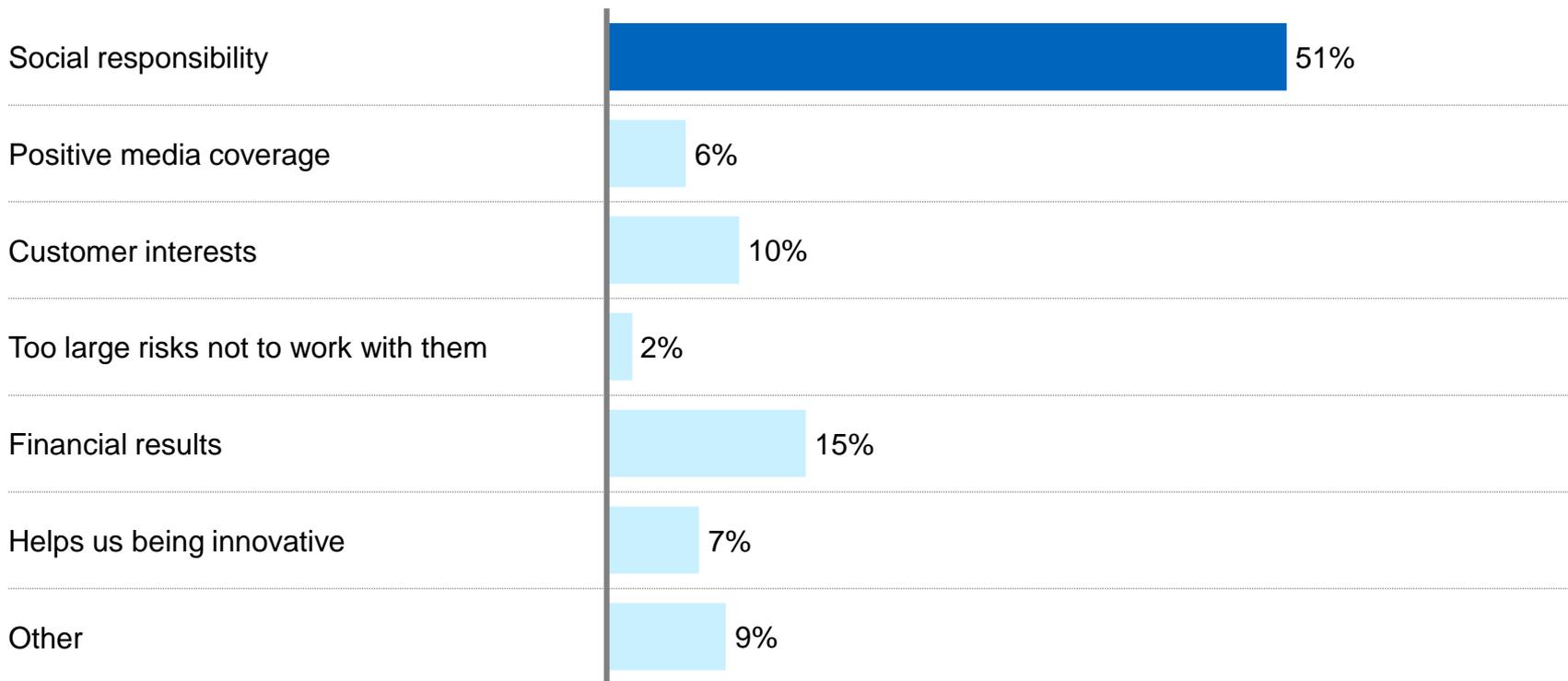
Thus, we assume that these SDGs in particular have a higher probability of success in business

Sector	Most relevant SDG	Productivity rank ¹
 Industry (production and manufacturing)	12 Responsible consumption and production	4
 Consultancy/advisory	5 Gender equality	7
 Financial sector	12 Responsible consumption and production	2
 Wholesale, retail, hotels, and restaurants	5 Gender equality	10
 Healthcare, medico, and life sciences	12 Responsible consumption and production	N/A
 Education and research	3 Good health and well-being	8
 Organizations and associations	4 Quality education	N/A
 Liberal professions	3 Good health and well-being	N/A
 IT	5 Gender equality	6
 Transport and logistics	5 Gender equality	5
 Energy and natural resources	13 Climate action	1
 Service	13 Climate action	11
 Other public institution	8 Decent work and economic growth	NA
 Cultural institution	8 Decent work and economic growth	9
 Agriculture and fishing	12 Responsible consumption and production	12
 Telecommunications	12 Responsible consumption and production	3
 Other	11 Sustainable cities and communities	N/A

¹ Ranking based on productivity measured as Gross Value Added per employee within sector

Survey results: Motivation is primarily social and non-business related

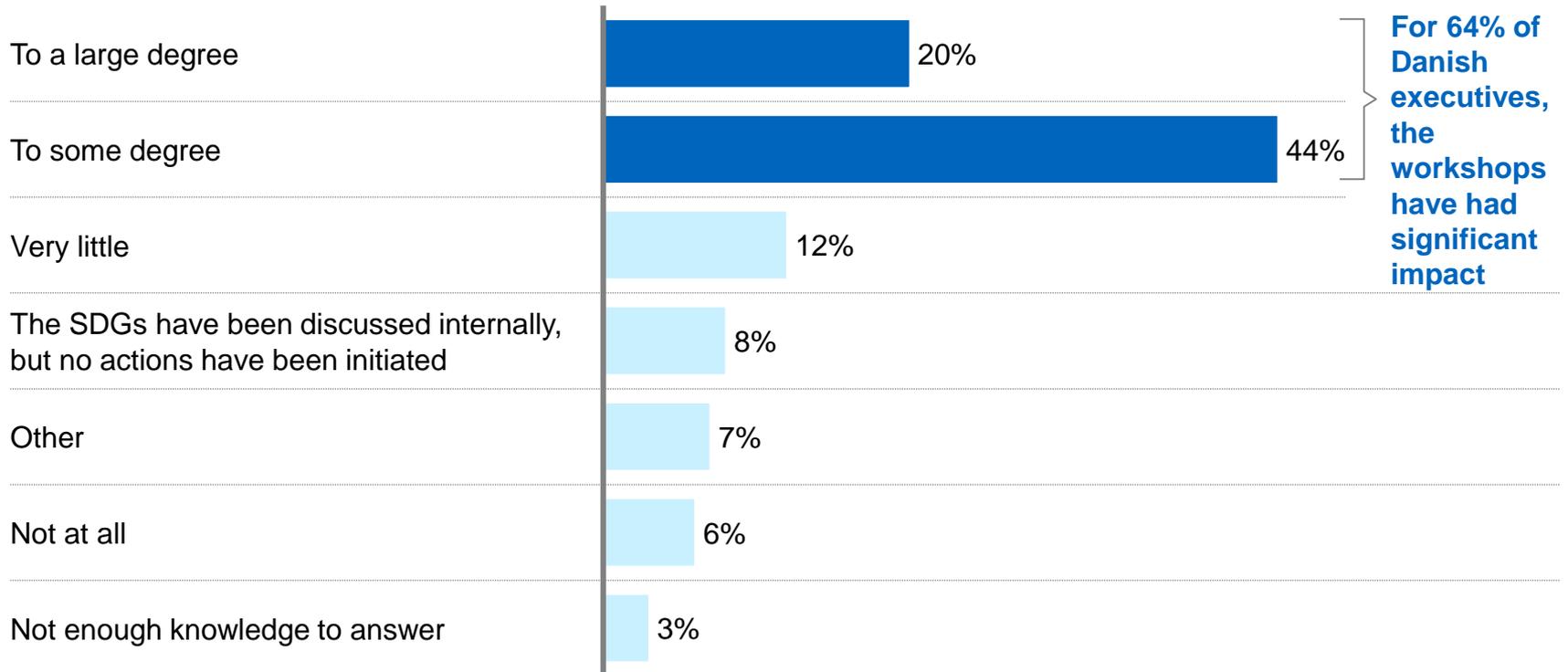
What is the primary motivation for working with UN's SGDS?, % of responses, N = 254





Survey results: Workshops have significantly increased awareness of the SDGs

To which extent have the workshops affected your company's awareness of the SDGs?, % of responses, N = 64





Survey results: 60% of Danish companies actively use the SDGs, while 40% still do not apply them

To which extent does your company use UN's SDGs today?, % of responses, N = 319

The SDGs are an integrated part of the company's strategy and business model



One or more projects have been initiated specifically to promote the SDGs



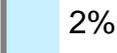
The SDGs are integrated in the company's CSR policy



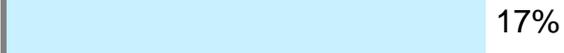
The SDGs have been discussed internally, but no activities have been initiated



Other



Not at all



Not enough knowledge to answer



60% of companies actively use the SDGs today



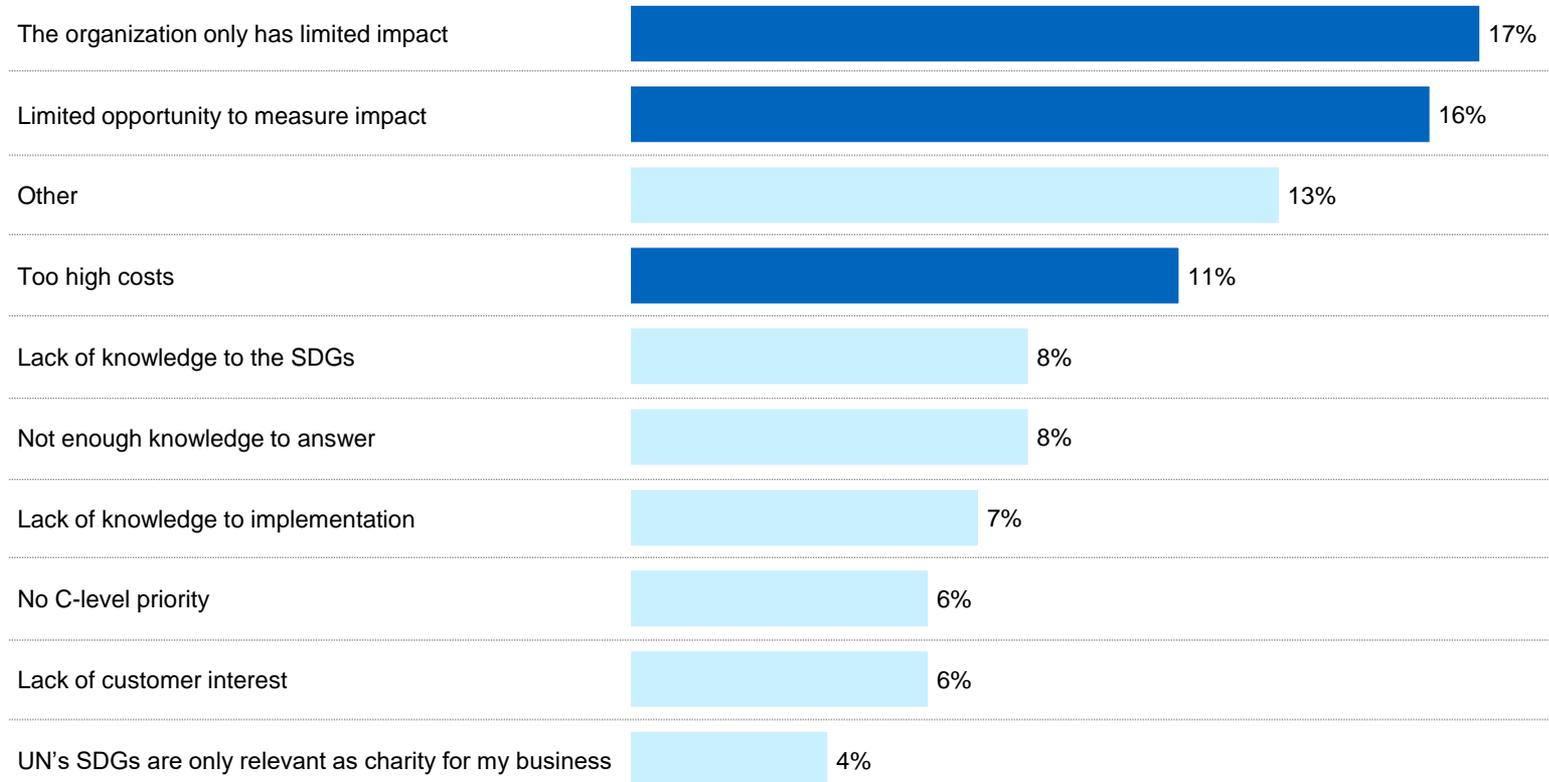
Survey results: Largest barriers to working with the SGDS are limited opportunity to gain and measure impact, as well as potentially high costs

Key takeaways

Limited opportunity to gain and measure influence, as well as potentially high costs are among the largest barriers

As a result of the workshops, Danish executives **no longer see lack of customer interest** as one of the largest barriers

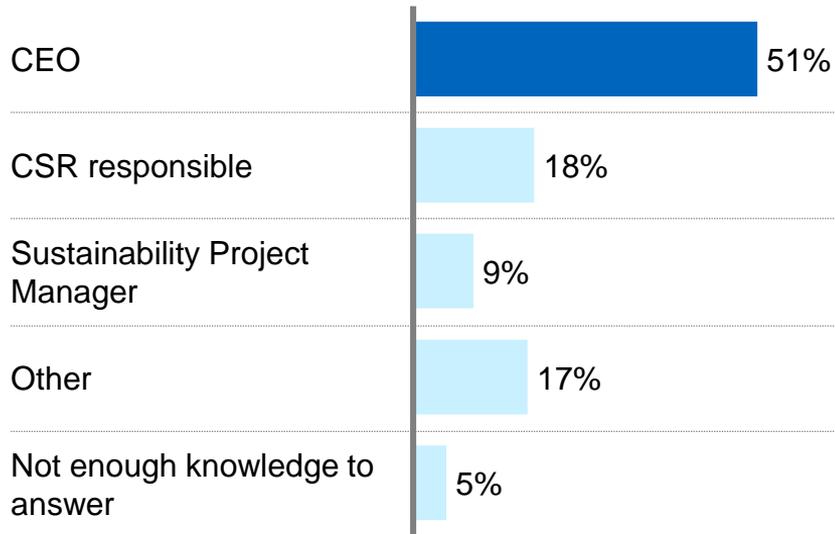
Largest barriers for working with UN's SDGs, % of responses, N = 319



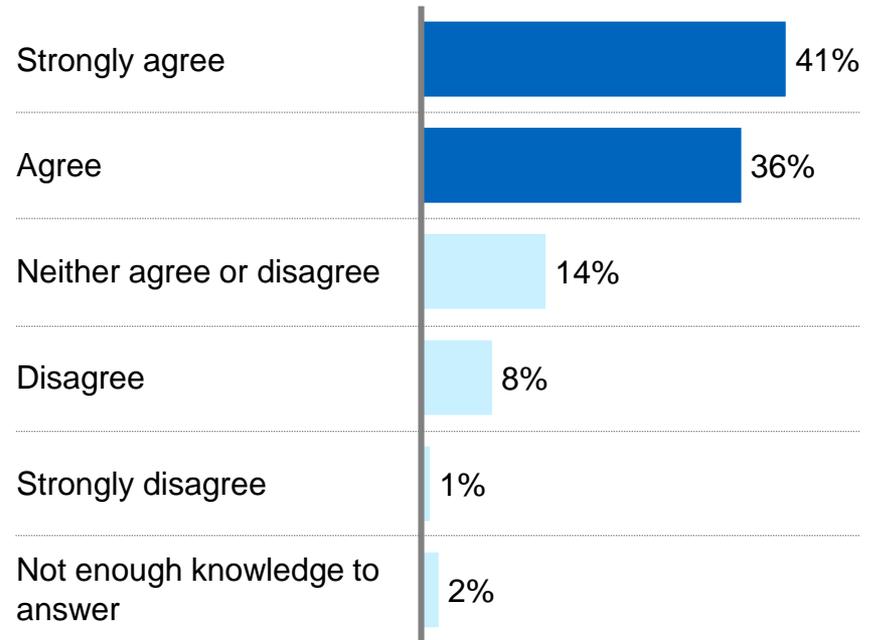


Survey results: CEOs are the primary driver and plays an active role in the work with the SDGs in most companies

Primary driver of the SGD work, % of responses, N = 254

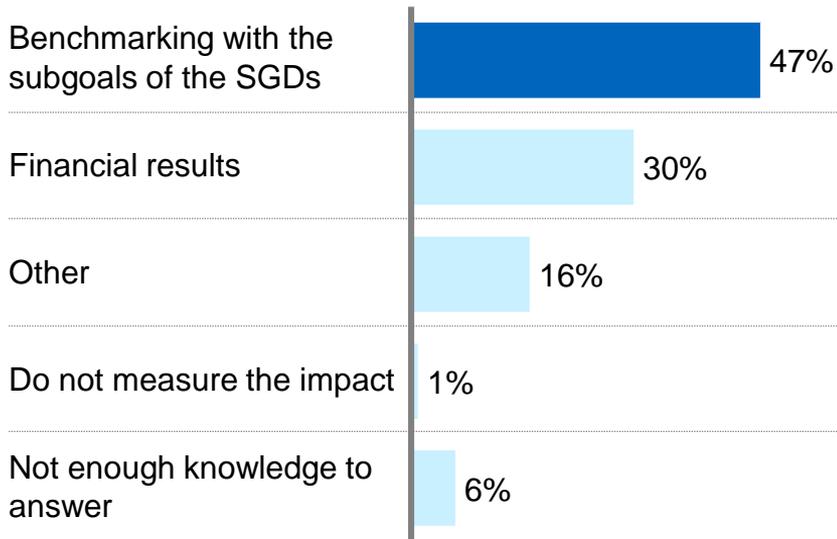


High on the CEO agenda and he/she plays an active role in the work with the SDGs, % of responses, N = 254

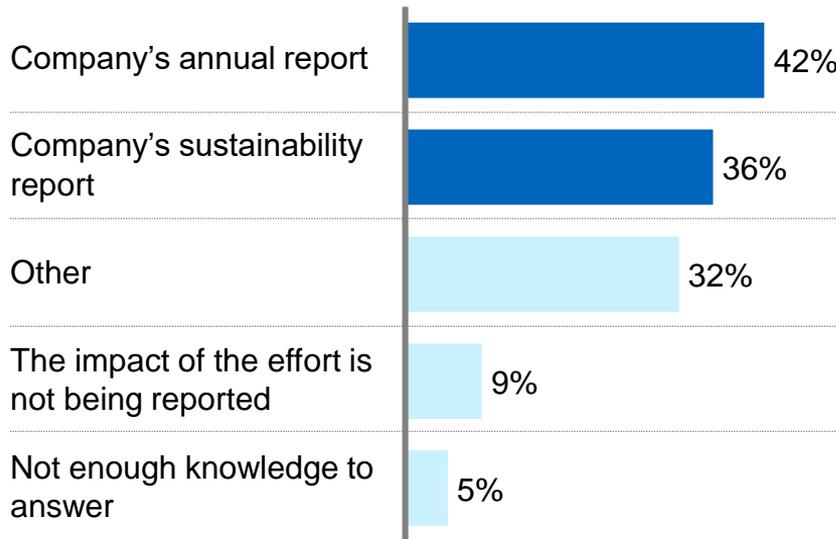


Survey results: Impact is primarily measured by benchmarking with the UN SGD sub goals

Measurement method, % of responses, N = 98



Reporting method, % of responses, N = 98



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Now it is your turn! Set the strategic direction your company should prioritize: Which SDGs influence your company, and what is your strategic approach?

		Zero hunger		Quality education		Clean water and sanitation		Decent work and economic growth		Reduced inequalities		Responsible consumption and production		Life below water		Peace, justice and strong institutions		
		No poverty	Good health and well-being	Gender equality	Affordable and clean energy	Industry, innovation and infrastructure	Sustainable cities and communities	Climate action	Life on land	Partnerships for the goals								
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Growth	Innovation and new products																	
	New markets																	
	Composition of business portfolio																	
Return on capital	Green sales and marketing																	
	Sustainable value chains																	
	Sustainable operations																	
Risk management	Operational risk management																	
	Reputational risk management																	
	Regulatory risk management																	
Organizational performance	Company mission																	
	Talent management																	
	Partnerships																	

Now it is your turn! Identify the impact you want to achieve through the goals

2. Write your desired impact

SDGs	Focus area	Desired impact
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...

1. Tick-mark SDGs that are focus areas for you

SDGs	Focus area	Desired impact
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...
	<input type="checkbox"/>	...



Now it is your turn! Fill out the template¹ below to operationalize and realize the goals you want to achieve

Overall description of initiative

# SDG goal		Description of initiative	
Area of the McKinsey Sustainability Compass			

Concrete activities

	Activity	Deadline
1		
2		
3		

Now it is your turn! Prioritize the initiatives you have identified

2. Place each initiative in the matrix

Implementation matrix – impact vs. ease of implementation

Impact

- Growth
- Return on capital
- Risk
- Organizational performance

High

Medium

Low

Easy

Medium

Hard

Ease of implementation

- Required investment
- Complexity of implementation
- Time to implement
- Organizational capabilities

Initiatives

1

...

2

...

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1. List your initiatives



Template example: Palsgaard

Overall description of initiative

# SDG goal	<i>12: Responsible consumption and production</i>	Description of initiative	<i>Make changes to production that will allow for reducing energy consumption reaching a level of 1.05 kWh per kilo finished product in 2020 down from 1.21 kWh per kilo finished product in 2017</i>
Area of the McKinsey Sustainability Compass	<i>Return on capital: Sustainable operations</i>		

Concrete activities

	Activity	Deadline
1	<i>Set up meeting with production department to discuss opportunities</i>	<i>July 1</i>
2	<i>Discuss the business model at next board meeting to achieve support for the project and possible investments</i>	<i>September 2</i>
3	<i>If the board approves: Plan for implementation of initiatives to reduce energy consumption and launch initiative</i>	<i>January 20</i>

Appendix overview

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F SDG GOALS AND SUBGOALS

McKinsey has also used the UN Sustainable Development Goals to drive business value within all 4 areas of the McKinsey Sustainability Compass



Focusing on diversity and inclusion
 Firmwide commitment reflecting a deep, long-standing practice of bringing everyone's voices to the table, recruiting diverse talent, and creating an exceptional environment for our people – with policies and programs to increase representation of women and other under-represented groups

Minimizing environmental footprint
 Carbon neutral since 2018 through emissions reduction and offsetting to address greenhouse-gas emissions. Target to use 100% renewable electricity by 2025. Green Teams in ~70 offices address local footprint, including waste and recycling



Leading sustainability practice
 Fast-growing sustainability consulting practice, drawing on decades of global consulting experience to help clients focus on the sustainability issues that matter most to them and deliver economic value as well as better environmental and social outcomes

Supporting the transition to a circular economy
 McKinsey.org – a non-profit founded by McKinsey – is developing new solutions to build recycling systems that will put all waste to productive use for the benefit of communities and the environment, with pilots in Bali and Buenos Aires

CASE: Plus Pack is decreasing food waste and plastic pollution through sustainable packaging

About Plus Pack



Industry and markets

Food packaging industry with focus on packaging for convenience food

Key products

Family-owned production company with +100 years of experience and sales across 54 countries globally

Key figures, 2017

Revenue: 600 mDKK

Number of employees: 230

Challenge/opportunity



- Packaging causes 5% of total environmental impact measured on CO₂

Solution

SDGs impacted



Business focus

-  Innovation and new products
-  Sustainable value chains
-  Partnerships

Description of key initiatives

- Minimize environmental impact**
 - E.g., decrease use of raw materials through innovation and circular products, such as recycled plastic (rPET) used for certain product ranges
- Optimize energy consumption in value chain**
 - E.g., related to transportation of products to and from Plus Pack
- Inspire and learn with stakeholders**
 - E.g., collaborating with design students on how to inspire and educate end-customers to recycle used food packaging



Results and benefits



- 25% of all Plus Pack packaging is reused
- World Packaging Organization awards
 - WorldStar 2019 Award for innovative food packaging due to the product's design and recyclability features

Vision and next steps

- Testing circular packaging on Roskilde Festival 2019
- Continue to develop sustainable packaging solutions in close collaboration with stakeholders to follow market packaging trends

CASE: Peter Larsen Kaffē is providing sustainable coffee to the people during every step of the value chain

About Peter Larsen Kaffē



Industry and markets

Coffee production and retail, importing coffee from local farmers in South America, Africa, and Asia

Key products

Peter Larsen Kaffē has been producing coffee since 1902 and has since then expanded to retail, catering, and online sales

Key figures, 2017

Revenue: N/A

Number of employees: 56

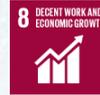
Challenge/opportunity



- Coffee supply chain is threatened due to a number of critical parameters, e.g., financials, climate changes, political structures, high-risk countries
- In 30 years, 50% of the ground used for growing coffee beans today will be unsuitable for production due to climate change
- Coffee production is unattractive to young people in the coffee growing regions as climate change makes it increasingly tough to support oneself by farming coffee, making it difficult to employ them in the industry

Solution

SDGs impacted



Business focus



Sustainable value chains



Sustainable operations

Description of key initiatives



Project “Next Generation Coffee”

Runs in Kenya, Tanzania, and Colombia

The purpose is to educate the local farmers on how to improve coffee production through coffee production techniques to improve the farmers’ livelihoods and prepare for the challenges that climate change will bring



Results and benefits



- “Next Generation Coffee” shows significant payoffs by improving the lives of local farmers and strengthening Peter Larsen Kaffē's CSR profile
- +5,000 coffee farmers educated in optimizing coffee production techniques
- +200% increased profitability for 15,000 coffee farmers
- +300% output per coffee tree

Vision and next steps

- Zero Waste by 2030 through 100% circular use of biomass related to coffee production and consumption (including packaging materials)
- Research coffee’s nutrition potential and coffee beans for biomass, e.g., through establishing the first North European coffee farm

CASE: Roskilde Festival is using festival platform to engage participants in climate action and societal issues

About Roskilde



Industry and markets

Largest music festival in the Nordics with ~130,000 participants. Organized as a non-profit association

Key products

1-week music festival in July and ongoing activities throughout the year

Key figures, 2017

Revenue: 1.3 bnDKK
 Number of employees: 25 FTE and ~30.000 volunteers during festival

Challenge/opportunity

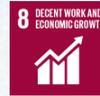


- Large consumption footprint during the festival from food, beverages, and electricity
- Heavy pollution of festival ground from leftover plastic, tents, etc.
- Multicultural environment with platform for awareness about global and local issues

Solution



SDGs impacted



Business focus



Engagement of participants and vendors on festival



Targeted donation of profit and NGO activities

Description of key initiatives

- On festival activities**
 - Food and beverage vendors on festival site to promote vegetarian and sustainable consumption
 - Encourages clean up of camp areas by gradually introducing new camp concepts
 - Promotes political awareness of contemporary societal issues through cultural events
- Off-festival activities**
 - Donates profit to a variety of causes such as humanitarian and climate issues, welfare of children, education, and cultural engagements

Results and benefits



- Majority of vendors supply organic food and beverages
- Large parts of camp site are 100% cleaned and recycled
- 345 mDKK donated to charitable causes from festival profits

Vision and next steps

- Aiming at a fully CO₂-neutral and recycled festival

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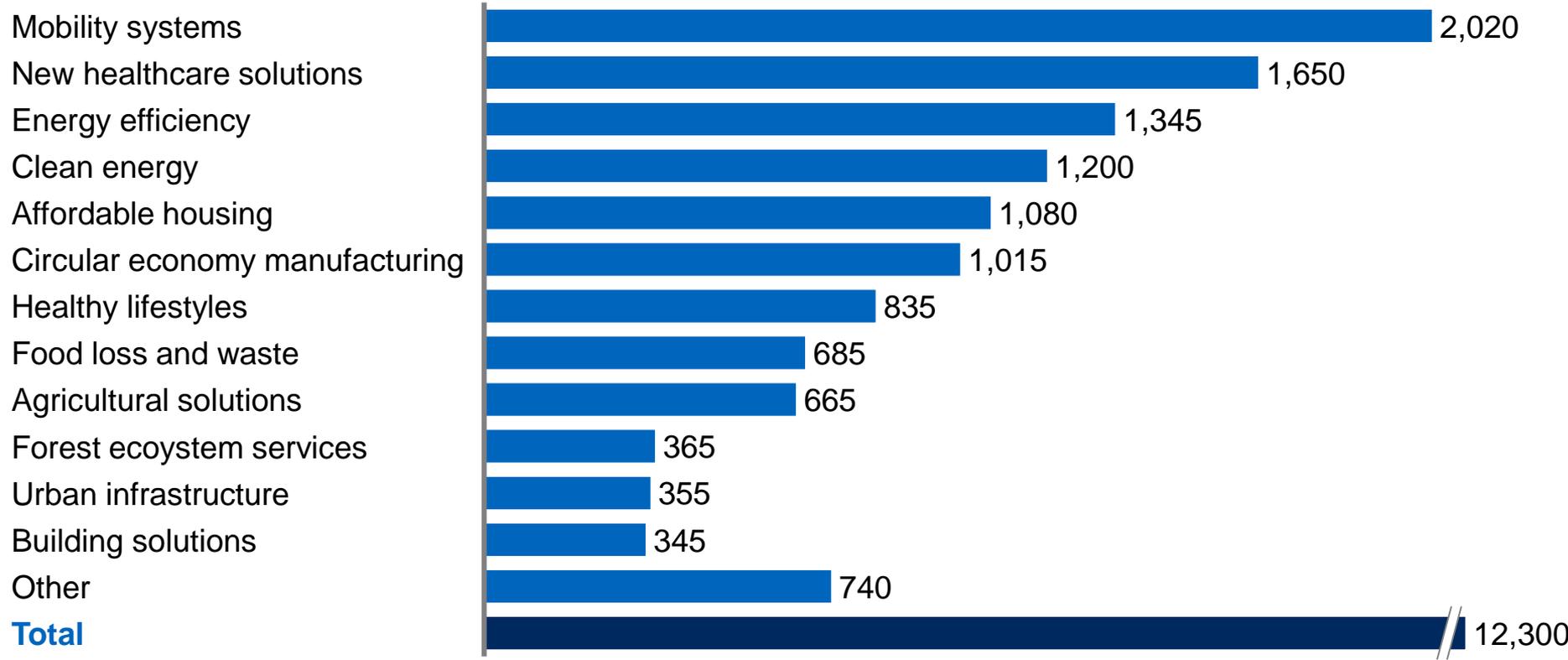
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The SDGs present business opportunities of at least USD 12 trillion

Incremental value of 12 largest SDG-related business opportunities in 2030

USD billions, estimated savings or projected market sizing



Significant growth opportunities entail from increased economic growth in developing countries and new sustainable products and business models

Achieving the SDGs entails significant economic growth implying increasing purchasing power

~700 million people lifted out of extreme poverty by 2030 if target 1.1 is achieved

~300 billion USD in additional real GDP in 2019-30 in least developed countries (LDCs) if target 8.1 of 7% growth is achieved

Significant growth opportunities from pursuing sustainable solutions exist – illustrative opportunities (not exhaustive)

Potential value in 2030, billion USD

Food and agriculture	Low-income food markets; nutritious foods for low-income groups	155-265
	Forest ecosystem services, e.g., climate change mitigation, biodiversity conservation	140-365
Cities	Affordable housing; filling the affordable housing gap	650-1,080
	Electric and hybrid vehicles	310-320
Energy and materials	Expansion of renewables	165-605
Health and well-being	Health insurance risk pooling; increasing penetration of private and public schemes	350-500
	Telehealth; leverage mobile internet technologies in health services	130-320

SOURCE: World Bank; Global Insights; UN Department of Economic & Social Affairs; Better Business, Better World 2017

The initiatives on the following pages follow 3 principles



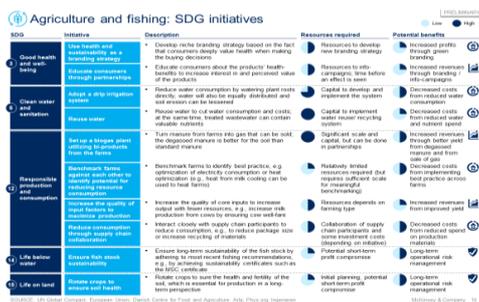
They focus on the most relevant SDGs per industry

The initiatives are structured by industry and focus is on the SDGs most relevant for the specific industry



They use the McKinsey Sustainability Compass to identify business value

The initiatives focus on shared value creation, i.e., they also create business value. The potential business value is defined using the 4 elements of the McKinsey Sustainability Compass



They are complemented by successful case examples

For every industry, there is 1 or more case examples with a company having successfully adopted the SDGs

Agriculture and fishing: Case example – Aria Foods

About Aria Foods
 Aria Foods is a Danish-based dairy cooperative, and the largest producer of dairy products in Scandinavia

Saving on the energy bill through LED lighting and farm heating
 Aria farmer Hans Clausen reduced his farm's energy consumption, bringing down its carbon footprint while saving significantly on the energy bill

Identifying the problem
 In a benchmark climate assessment performed by Aris, Hans realized that his farm was using more than average amounts of energy

Identifying the solution
 To reduce energy consumption, he implemented several initiatives, including:
 - Installing LED lighting to reduce electricity consumption
 - Recycling the warm air generated from cooling the fresh milk from 37 °C to 4 °C through a pump installed in the milk tank he recycles the heat in the underfloor heating of the farm

Realizing the benefits
 Hans was able to significantly optimize his farm's energy consumption, which resulted in reduced carbon-footprint and operational cost savings

Not all SDGs should be expected to be relevant to your organization, as the SDGs represent different opportunities across industries

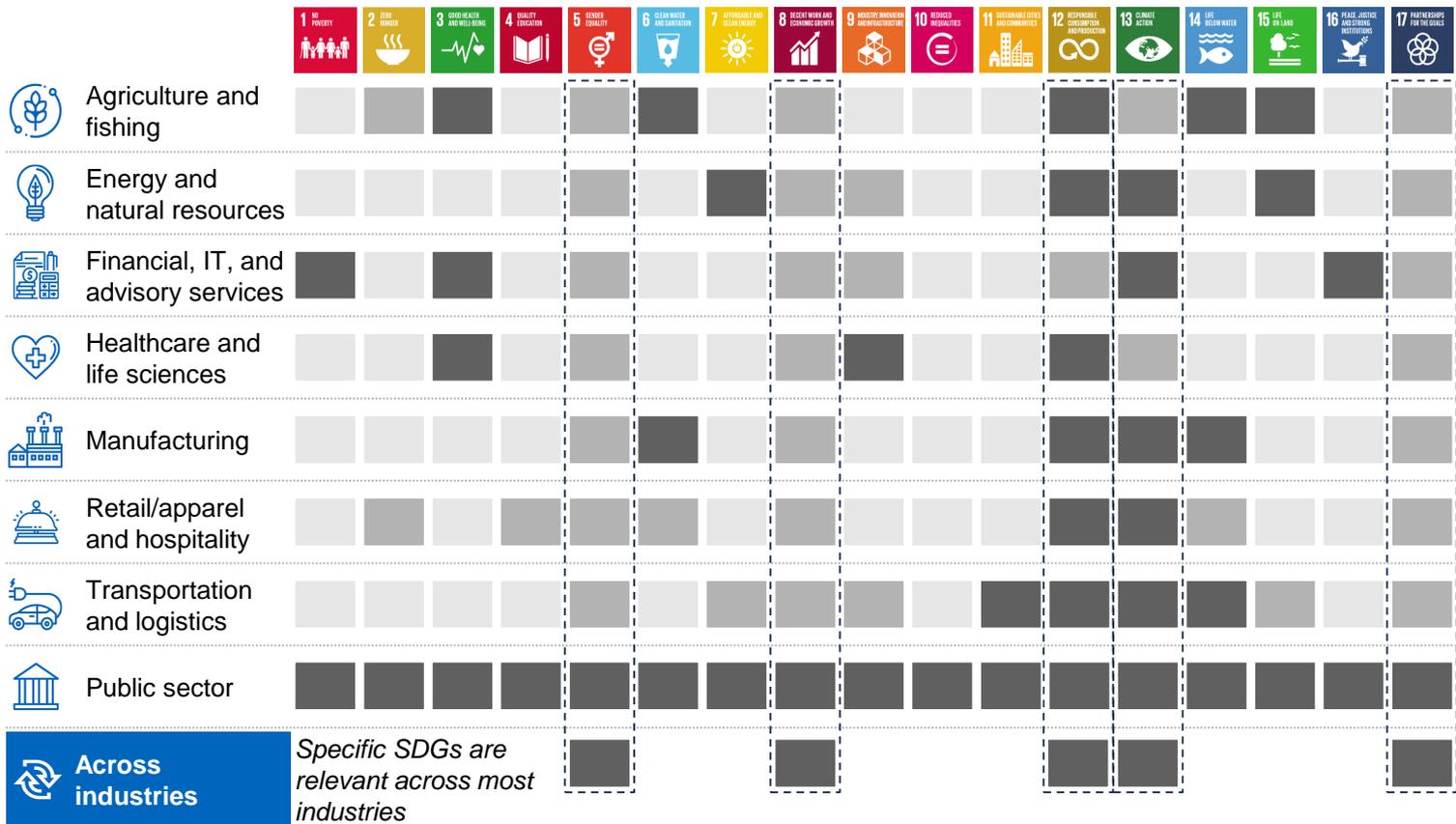
Degree of relevance
 ■ High
 ■ Medium
 ■ Less relevant

Description

The matrix indicates which SDGs are more likely to be relevant within different industries, as certain types of companies will have elements that are more central to specific SDGs

SDG 5, 8, 12, 13, and 17 are considered to be highly relevant across all industries

If an SDG is marked “less relevant” to an industry, company specificities may still make it an interesting opportunity to explore





Agriculture and fishing: SDG initiatives (1/2)

● Low ● High

SDG	Initiative	Description	Resources required	Potential benefits
3 Good health and well-being	Use health and sustainability as a branding strategy	<ul style="list-style-type: none"> Develop niche branding strategy based on the fact that consumers deeply value health when making the buying decisions 	<ul style="list-style-type: none"> Resources to develop new branding strategy 	<ul style="list-style-type: none"> Increased profits through green branding
	Educate consumers through partnerships	<ul style="list-style-type: none"> Educate consumers about the products' health-benefits to increase interest in and perceived value of the products 	<ul style="list-style-type: none"> Resources to info-campaigns; time before an effect is seen 	<ul style="list-style-type: none"> Increased revenues through branding/info-campaigns
6 Clean water and sanitation	Use technology to optimize water usage	<ul style="list-style-type: none"> Use sensing and technology, e.g., remote sensors in the field, to map water footprint and optimize water usage 	<ul style="list-style-type: none"> Technology investments 	<ul style="list-style-type: none"> Decreased costs from reduced water consumption
	Filter and manage runoff	<ul style="list-style-type: none"> Adopt digital technologies and advanced fertilizers to limit nitrogen / nutrient runoff 	<ul style="list-style-type: none"> Technology investments 	<ul style="list-style-type: none"> Operational risk management
	Reuse water	<ul style="list-style-type: none"> Reuse water to reduce water consumption and costs; at the same time, treated wastewater can contain valuable nutrients 	<ul style="list-style-type: none"> Capital to implement water reuse/ recycling system 	<ul style="list-style-type: none"> Decreased costs from reduced water and nutrient consumption
12 Responsible production and consumption	Use precision agriculture to optimize input efficiency	<ul style="list-style-type: none"> Implement technologies for precision agriculture to optimize returns on inputs, enabling more sustainable production practices 	<ul style="list-style-type: none"> Resources depends on farming type 	<ul style="list-style-type: none"> Increased revenues from improved yield
	Benchmark facilities to identify potential for reducing resource consumption	<ul style="list-style-type: none"> Benchmark farms to identify best practice, e.g., optimization of electricity consumption or heat optimization 	<ul style="list-style-type: none"> Relatively limited resources required (but requires sufficient scale for meaningful benchmarking) 	<ul style="list-style-type: none"> Decreased costs from implementing best practice across facilities
	Improve end-to-end forecasting of demand	<ul style="list-style-type: none"> Collaborate with supply chain participants to invest in technologies to forecast demand better and improve matching of demand and supply 	<ul style="list-style-type: none"> Investment in technologies; coordination of participants 	<ul style="list-style-type: none"> Improved profits from reducing waste



Agriculture and fishing: SDG initiatives (2/2)

● Low ● High

SDG	Initiative	Description	Resources required	Potential benefits
12 Responsible production and consumption (continued)	Reduce consumption through supply chain collaboration	<ul style="list-style-type: none"> Interact closely with supply chain participants to reduce consumption, e.g., to reduce package size or increase recycling of materials 	<ul style="list-style-type: none"> Collaboration of supply chain participants and some investment costs (depending on initiative) 	<ul style="list-style-type: none"> Decreased costs from reduced spend on production materials
	Find ways to utilize production by-products	<ul style="list-style-type: none"> Utilize production by-products, e.g., set up biogas plant (can be in partnerships) that turns manure from farms into gas that can be sold 	<ul style="list-style-type: none"> Significant scale and capital, but can be done with partnerships 	<ul style="list-style-type: none"> Increased revenues through selling by-products
	Predict and prevent diseases	<ul style="list-style-type: none"> Utilize technologies to predict and prevent diseases in animals, in order to lower usage of antibiotics, e.g., advanced analytics using elements such as photo recognition, big data, and machine learning to predict disease patterns 	<ul style="list-style-type: none"> Potential short-term profit compromise 	<ul style="list-style-type: none"> Decreased costs from reduced loss due to diseases
14 Life below water	Decrease bycatch	<ul style="list-style-type: none"> Decrease bycatch to reduce unnecessary fish loss through investments in technology such as drones and sensors 	<ul style="list-style-type: none"> Technology investments 	<ul style="list-style-type: none"> Reputational risk management
	Avoid fish feed shortage using feed alternatives	<ul style="list-style-type: none"> Use feed alternatives to avoid fish feed shortage, e.g., novel proteins such as insects or bacteria-based feeds 	<ul style="list-style-type: none"> Potentially higher costs of feed; costs of finding new suppliers 	<ul style="list-style-type: none"> Long-term operational risk management
	Ensure fish stock sustainability	<ul style="list-style-type: none"> Brand products as sustainably sourced and produced by achieving sustainability certificates, e.g., the MSC certificate 	<ul style="list-style-type: none"> Potential short-term profit compromise 	<ul style="list-style-type: none"> Higher margins from sustainable branding
15 Life on land	Rotate crops to ensure soil health	<ul style="list-style-type: none"> Rotate crops to ensure health and fertility of the soil, essential for production in a long-term perspective 	<ul style="list-style-type: none"> Initial planning; potential short-term profit compromise 	<ul style="list-style-type: none"> Long-term operational risk management
	Implement variable rate agriculture	<ul style="list-style-type: none"> Invest in technologies for variable rate agriculture customizing the application of fertilizer at each location, to minimize usage of fertilizers 	<ul style="list-style-type: none"> Technology investment 	<ul style="list-style-type: none"> Long-term operational risk management
	Optimize usage of cover crops	<ul style="list-style-type: none"> Optimize the usage of cover crops to manage land quality and nutrient run-off 	<ul style="list-style-type: none"> Initial planning; potential short-term profit compromise 	<ul style="list-style-type: none"> Long-term operational risk management



About Arla Foods

Arla Foods is a Danish-based dairy cooperative, and the largest producer of dairy products in Scandinavia

Saving on the energy bill through LED lighting and farm heating

Arla farmer Hans Clausen reduced his farm's energy consumption, bringing down its carbon-footprint while significantly saving on the energy bill

Identifying the problem



In a benchmark climate assessment performed by Arla, Hans realized that his farm was using more than average amounts of energy

Finding the solution



To reduce energy consumption, he has implemented several initiatives, including:



Installing LED lighting to reduce electricity consumption



Recycling the warm air generated from cooling the fresh milk from 37°C to 4°C; through a pump installed in the milk tank he recycles the heat in the underfloor heating of the farm

Realizing the benefits



Hans was able to significantly optimize his farm's energy consumption, which resulted in reduced carbon-footprint and operational cost savings





Energy and natural resources: SDG initiatives

● Low ● High

SDG	Initiative	Description	Resources required	Potential benefits
7 Affordable and clean energy	Invest in identifying breakthrough technologies	<ul style="list-style-type: none"> Invest in in-house R&D or in new ventures to identify breakthrough technologies that can enable adoption of renewable energy sources, e.g., by increased cost effectiveness and reliability 	● High investment costs required	● Increased revenues if the technologies are commercialized
	Shift towards renewable energy sources	<ul style="list-style-type: none"> Increasingly shift investments towards production of renewable energy rather than traditional energy sources 	● High investment costs required	● Long-term revenue stability and diversification of revenues
12 Responsible production and consumption	Use cogeneration to reduce energy consumption	<ul style="list-style-type: none"> Capture heat created from electricity generation to use in other production, refining, and processing operations 	● High investment costs required	● Decreased costs from reduced consumption
	Turn waste into useful resources	<ul style="list-style-type: none"> Identify opportunities to turn waste or production by-products into useful resources or products 	● Research and development costs	● Potential new source of revenue generation
	Develop products that use carbon as input	<ul style="list-style-type: none"> Invest in start-ups or research projects focused on developing products that use carbon as input, in order to create improved business case for selling stored carbon 	● Investments in start-ups or research projects	● Potential new source of revenue generation
13 Climate action	Use technological innovations in the production	<ul style="list-style-type: none"> Use technological innovations to reduce emissions from production, e.g., carbon capture and store technologies 	● Costs to implement new technologies and adapt existing processes	● Reputational risk management
	Minimize flaring	<ul style="list-style-type: none"> Minimize flaring in production, and particularly routine flaring, e.g., by capturing the associated gas to use for power generation 	● Costs to adapt production processes	● Reduced costs; the gas can be used as energy input
	Minimize methane emissions	<ul style="list-style-type: none"> Minimize methane emissions in production, e.g., through completions technologies or monitoring leaks using infrared cameras and methane detectors 	● Costs to install new technologies and monitoring systems	● Reduced costs from reducing gas lost; Reputational risk mgmt
15 Life on land	Minimize impacts through new technologies	<ul style="list-style-type: none"> Minimize impact on areas surrounding the company's operations using new technologies, e.g., reducing operational footprint using directional drilling that allows locating multiple wells on a single pad This provides a more stable operating environment by enhancing local government and community acceptance 	● Costs to implement new technologies and potentially collaborate with governments or communities to find feasible solution	● Managing operational risks to be able to continue operations



About Ørsted

Ørsted is Denmark's largest energy company, producing, distributing, and selling energy



Shifting to an entirely green world

Ørsted is leading the shift towards renewable energy, allowing it to seize attractive growth opportunities and brand itself as sustainable and green enabler

Identifying the problem



In 2016, 50% of Ørsted's energy supply came from non-green energy sources



However, these energy sources are faced with increasing regulatory and societal pressure, leading to increased reputational risks and long-term increased costs

Finding the solution



Ørsted has a target of increasing the share of green energy in its heat and power generation to 95% by 2023; its action plans include:



- Triple its installed offshore wind capacity



- Phasing out coal consumption completely



- Install 1 million smart meters in households to monitor real time energy consumption

Realizing the benefits



Already from 2016 to 2017, Ørsted was able to increase its green energy share by ~30%; it uses the shift as a green marketing engine



Ørsted is able to seize attractive growth opportunities, e.g., within offshore wind, which is expected to be the fastest growing renewable energy technology towards 2020



Financial and advisory services: SDG initiatives

● Low ● High

SDG	Initiative	Description	Resources required	Potential benefits
1 No poverty	Develop products for financial inclusion	<ul style="list-style-type: none"> Develop new financial products, credit scoring methodologies, and distribution channels that increase financial inclusion and access 	<ul style="list-style-type: none"> Development costs 	<ul style="list-style-type: none"> Increased revenue from new revenue sources
	Invest in healthcare	<ul style="list-style-type: none"> Invest in and/or raise capital for investments in healthcare institutions 	<ul style="list-style-type: none"> Investment costs 	<ul style="list-style-type: none"> Increased revenue from investment returns
3 Good health and well-being	Share anonymized health data	<ul style="list-style-type: none"> Share anonymized data, e.g., mortality data, with government institutions (without compromising data protection and privacy) to improve public health, thus lowering long-term underwriting risk 	<ul style="list-style-type: none"> Costs of ensuring anonymization of data 	<ul style="list-style-type: none"> Long-term reduced costs from lower underwriting risk
	Develop low-cost insurance policies for low-income groups	<ul style="list-style-type: none"> Develop low-cost health, disability, and life insurance policies for low-income groups 	<ul style="list-style-type: none"> Costs of product development 	<ul style="list-style-type: none"> Increased revenues from product sales
13 Climate action	Make green investments	<ul style="list-style-type: none"> Invest in and/or raise capital for climate risk mitigation, resilience, and adaptation, e.g., green bonds 	<ul style="list-style-type: none"> Investment costs 	<ul style="list-style-type: none"> Revenue from investment returns
	Integrate climate risks in existing practices	<ul style="list-style-type: none"> Integrate climate risks into underwriting practices, investment analysis, and decision making 	<ul style="list-style-type: none"> Costs of implementing and using risk assessment framework 	<ul style="list-style-type: none"> Operational and reputational risk management
	Measure carbon footprint of investment portfolios	<ul style="list-style-type: none"> Measure and disclose the carbon footprint of investment portfolios, e.g., following the Montréal Carbon Pledge 	<ul style="list-style-type: none"> Costs of measuring footprint and validating information 	<ul style="list-style-type: none"> Reputational risk management
16 Peace, justice, and strong institutions	Reduce illegal financial flows	<ul style="list-style-type: none"> Reduce illegal financial flows by implementing best-in-class anti-money laundering and anti-corruption policies 	<ul style="list-style-type: none"> Costs of reviewing and improving existing policies 	<ul style="list-style-type: none"> Reputational risk management
	Integrate social risks in existing practices	<ul style="list-style-type: none"> Integrate social and governance risks into underwriting practices, investment analysis, and decision making 	<ul style="list-style-type: none"> Costs of implementing and using risk assessment framework 	<ul style="list-style-type: none"> Reputational risk management



About PensionDanmark

PensionDanmark is one of the 50 largest European pension funds, currently managing EUR 32 bn



Shifting to an entirely green world

PensionDanmark invests in SDG fund, identifying new attractive investment opportunities

Identifying the problem



With low levels of interest rates, pension funds are looking to identify new assets in which to deploy capital; however, need to identify assets at the right risk levels

Finding the solution



PensionDanmark has invested DKK 400 million in the Danish SDG Investment Fund

5 other pension funds and the Danish government have committed to invest in total DKK 3.7 bn

The fund will invest in, e.g., sustainable energy, agribusiness, and infrastructure in developing countries in Africa, Asia, and Latin America

Investment costs: DKK 400 million

Realizing the benefits



The fund expects an annual net yield of 10-12% over the next 11 years

- The fund is expected to invest in large infrastructure assets, which fit well with the portfolio of PensionDanmark
- The public-private partnership enables risk mitigation for PensionDanmark

Benefits: 10-12% annual net yield



Healthcare and life science: SDG initiatives

● Low ● High

SDG	Initiative	Description	Resources required	Potential benefits
3 Good health and well-being	Co-innovate with research institutions	<ul style="list-style-type: none"> Co-innovate with research institutions such as universities to combine research and know-how to develop innovative medical products 	<ul style="list-style-type: none"> Resources and organizational structure 	<ul style="list-style-type: none"> Increased revenues from product innovation
	Invest in startups to be at the forefront of innovation	<ul style="list-style-type: none"> Identify and invest in start-ups that are focused on under-researched areas of healthcare or life-sciences, to contribute to developing new solutions to health issues 	<ul style="list-style-type: none"> Resources to investments 	<ul style="list-style-type: none"> Increased revenues from product innovation
	Adopt low-price, high-volume strategy in underdeveloped markets	<ul style="list-style-type: none"> Sell products at a lower margin in underdeveloped markets to increase sales volume and secure market presence; likely option for increasing prices in the future as the market develops and matures 	<ul style="list-style-type: none"> Opportunity cost of selling at lower margin; risk of illegal resale in higher-priced markets 	<ul style="list-style-type: none"> Increased revenues through increased sales volume
	Use technology to optimize availability	<ul style="list-style-type: none"> Use technology and availability of data to optimize the supply chain, e.g., to ensure more reliable stocking of healthcare products 	<ul style="list-style-type: none"> Technology investments 	<ul style="list-style-type: none"> Increased revenues from improved availability
	Educate providers	<ul style="list-style-type: none"> Educate providers (e.g., hospitals, physicians, and pharmacies) about new or unknown products and the related health-questions, in order to become the preferred medical partner 	<ul style="list-style-type: none"> Resources to info-campaigns 	<ul style="list-style-type: none"> Increased revenues through branding/info-campaigns
	Educate consumers	<ul style="list-style-type: none"> Educate consumers about healthy lifestyles and about own products' health-benefits to increase interest in and perceived value of the products 	<ul style="list-style-type: none"> Resources to info-campaigns; time before an effect is seen 	<ul style="list-style-type: none"> Increased revenues through branding/info-campaigns
9 Industry, innovation, and infrastructure	Provide low-cost services and products for underdeveloped markets	<ul style="list-style-type: none"> Provide lower-priced construction and supply of medical equipment for health care infrastructures in underdeveloped countries, allowing for expansion into new markets 	<ul style="list-style-type: none"> Time commitment Resources used in providing expertise and know-how 	<ul style="list-style-type: none"> Increased revenues through market expansion
12 Responsible consumption and production	Benchmark facilities or units to identify potential for reducing resource consumption	<ul style="list-style-type: none"> Identify cost optimization opportunities, e.g., optimize electricity consumption through supply chain collaboration; these can partly be passed on to consumers to foster more inclusive and affordable healthcare 	<ul style="list-style-type: none"> Relatively limited resources required (but requires sufficient scale for meaningful benchmarking) 	<ul style="list-style-type: none"> Decreased costs from implementing best practice

Healthcare and life science: Case example – Novozymes



About Novozymes

As a world leader in bio-innovation, Novozymes works within industrial enzymes and microorganism

Novozymes has annual revenues of DKK ~14.5 bn and invests ~13% in R&D



Creating an open innovation platform, HelloScience, to solve global challenges

With HelloScience, Novozymes collaborates on innovations to bring to market profitable solutions to global health problems

Identifying the problem



Novozymes' overall business purpose is to find answers to global health problems and solve these in a profitable and sustainable manner; Novozymes' long-term targets are thereby aligned with the SDGs



However, to broaden the potential for innovations and idea generation, Novozymes needs partnerships

Finding the solution



To foster innovation, Novozymes created HelloScience to bring together start-ups, NGOs, and experts to collaborate on solving problems with the SDGs as the starting point



Novozymes supports promising ideas, e.g., through funding, mentorship, or potentially co-development (the idea-provider still owns IP-rights)

Realizing the benefits



Through HelloScience, Novozymes helps accelerate its business purpose of finding solutions to the global health challenges



At the same time, Novozymes gets access to a broader pool of ideas and innovation, increasing potential for identifying and co-developing future promising products



Manufacturing: SDG initiatives (1/2)

● Low ● High

SDG	Initiative	Description	Resources required	Potential benefits
6 Clean water and sanitation	Replace wet-machining with dry-machining	<ul style="list-style-type: none"> Replace wet-machining with dry-machining in all manufacturing processes where possible 	Resources to invest in new machines	Decreased costs through reduced water usage
	Reuse water by improving treatment	<ul style="list-style-type: none"> Improve water treatment facilities to allow water to be reused, e.g., by investing in reverse osmosis and ultrafiltration 	High investment cost for the system	Decreased costs through reduced water usage
8 Decent work and economic growth	Set high standards for health and safety	<ul style="list-style-type: none"> Implement high-standard safety regulations for all employees and reduce risk of human errors Seek to replace dangerous human work with machines 	Investment costs to purchase new machines	Reputational risk management
12 Responsible consumption and production	Improved production methods	Apply lean principles to minimize waste in production	Redesigning and implementing new production process	Decreased costs from implementing effectivizations
		Minimize and postpone product customization	Resources are required in the design of the production process	Decreased costs through less capital tied in inventories
		Use 3D-printing in the production of, e.g., prototypes	Investment costs highly depends on the desired production	Decreased costs through simplified production



Manufacturing: SDG initiatives (2/2)

● Low ● High

SDG	Initiative	Description	Resources required	Potential benefits	
12 Responsible consumption and production (continued)	More sustainable inputs	Manufacture more durable products	Higher material costs	Increased profits from higher margins	
		Increase recyclability/reusability of products	Potentially higher material costs	Improved green branding	
		Use sustainable and healthy inputs	Higher material costs	Increased profits from higher margins	
		Use sustainable packaging materials	Investments into packaging	Decreased costs from less material used	
	Better end of life	Recycle products	Urge consumers to return recyclable products at the end of usage	Resources to info-campaigns; resources to product redesign	Decreased costs through recycling
		Turn waste into resources	Identify opportunities to turn waste or production by-products into resources or products	Research and development costs	Potential new source of revenue generation
13 Climate action	Shift towards renewable energy sources	Invest in new machines and adapt current machines to run on sustainable energy to reduce the carbon footprint	High investment costs required	Reputational management through image of responsibility	

Manufacturing: Case example – Grundfos



About Grundfos

Grundfos is one of the world's leading pump manufacturers, and has a significant focus on sustainability as part of its core business

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



Recycle magnetic materials to save costs and help the environment

By reusing magnetic materials, Grundfos simultaneously saves money and reduces its environmental output

Identifying the problem



Grundfos is using magnetic materials in the production of some of its energy efficient products



Magnetic materials are, however, expensive to produce and have negative implications for the environment during the refinement process

Finding the solution



To bring down costs and environmental footprint, Grundfos started testing the effect of mixing reused material with virgin material



Tests showed that the magnetic materials could be reused with no product quality implications

Realizing the benefits



Based on the initiative, Grundfos will save water and energy, decrease waste, and bring down CO₂ emissions – as a result, Grundfos will see a material decrease in its production costs



Retail/apparel and hospitality: SDG initiatives (1/2)

● Low ● High

SDG	Initiative	Description	Resources required	Potential benefits
8 Decent work and economic growth	Ensure supply chain participants adhere to decent work principles	<ul style="list-style-type: none"> Monitor and enforce strict principles on decent work for supply chain participants, as a minimum to ensure no child/slave labor and decent salary 	<ul style="list-style-type: none"> Monitor and enforce principles 	<ul style="list-style-type: none"> Reputational risk management
	Source inputs directly from producers	<ul style="list-style-type: none"> Source inputs directly from primary producers to ensure transparency of working conditions and achieve lower prices by cutting intermediaries 	<ul style="list-style-type: none"> Identifying producers, monitoring working conditions 	<ul style="list-style-type: none"> Decreased costs through sourcing cheaper products
12 Responsible production and consumption	Improved supply chain and production	Use sustainable packaging materials	<ul style="list-style-type: none"> Investments into packaging 	<ul style="list-style-type: none"> Decreased costs from usage of less material
		Manufacture more durable products	<ul style="list-style-type: none"> Increase the lifetime of products by using more durable inputs – should be sold at a premium 	<ul style="list-style-type: none"> Higher material costs Increased profits from higher margins
		Increase recyclability/reusability of products	<ul style="list-style-type: none"> Substitute non-recyclable inputs for recyclable inputs, e.g., recyclable plastics 	<ul style="list-style-type: none"> Potentially higher material costs Improved green branding
		Use sustainable and healthy inputs	<ul style="list-style-type: none"> Use more sustainable and healthy materials in the production e.g., healthy coloring of fabrics; products can be sold at higher margins 	<ul style="list-style-type: none"> Higher material costs Increased profits from higher margins
		Minimize and postpone product customization	<ul style="list-style-type: none"> Identify how to postpone customization of products to as late as possible in the production process, to achieve maximum economies of scale and adapt number of units to match fluctuating demand 	<ul style="list-style-type: none"> Resources are required in the design of the production process Decreased costs through less capital tied in inventories



Retail/apparel and hospitality: SDG initiatives (2/2)

Low High

SDG	Initiative	Description	Resources required	Potential benefits	
12 Responsible production and consumption (continued)	Avoided or improved consumption	Implement innovative business models to enable sharing	Costs of marketing	"Sell" the same asset multiple times	
		Encourage customers to consider the environment	Resources to info-campaigns	Decreased costs and green branding	
		Develop products that use less resources during usage	Product research and development	Green branding and new market opportunities	
	Better end of life	Use advanced analytics to reduce food waste	Utilize advanced analytics and big data in predicting consumer demand to match supply and demand on a local level	Technology investments	Decreased costs from reduced waste
		Recycle materials	Urge consumers to return recyclable products (e.g., clothing) at the end of usage Design products so they are easier to recycle	Resources to info-campaigns; resources to product redesign	Decreased costs through recycling
		Sell nearly expired food at reduced prices	Reduce prices of nearly expired food to minimize food waste	In-store personnel can do this as part of the daily routine	Decreased costs from reduced waste
13 Climate action	Benchmark facilities to reduce energy consumption	Track and benchmark the energy consumption across locations to identify best practice and understand how to reduce energy consumption	Relatively limited resources required (but requires sufficient scale for meaningful benchmarking)	Decreased costs through reduced energy consumption	
	Reduced weight of packaging	Reduce weight and size of packaging to enable cheaper and more energy efficient transportation of products	Identifying producers, monitoring working conditions	Decreased transportation costs	



About Coop Denmark

Coop Denmark is one of Denmark's biggest retailer with 1,200 shops in Denmark and annual revenues of DKK ~50 bn

Sourcing food products through mutually beneficial partnerships

With the Savannah-label, Coop is gaining a commercial benefit while improving conditions for developing country producers through direct partnerships

Identifying the problem



Sourcing in African, Asian, and South/Middle-American countries normally means going through a number of intermediaries, resulting in increased costs and lack of direct control and collaboration with the suppliers



Finding the solution

With the Savannah-label, Coop has established direct contact to local producers and collaborates with NGOs and local public entities



Criteria for Savannah-labelled products include commercial benefits and ongoing business development for both the producer and Coop

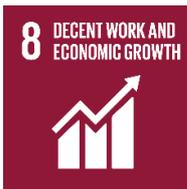
Realizing the benefits



Up to 25 intermediaries are removed resulting in reduced purchasing prices for Coop



Education on production methods and equal rights have resulted in increased quality and up to 4-fold increased quantity, which means increased revenues both for local producers and for Coop





Transportation and logistics: SDG initiatives

● Low ● High

SDG	Initiative	Description	Resources required	Potential benefits
13 Climate action	Update fleet	<ul style="list-style-type: none"> Update fleet to use less carbon-intensive fuels or renewables 	<ul style="list-style-type: none"> Significant investment costs in new fleet 	<ul style="list-style-type: none"> Decreased costs over time; Reputational risk management
	Improve energy performance through partnerships	<ul style="list-style-type: none"> Improve energy performance of vehicles, vessels, or aircrafts in partnership with manufacturers 	<ul style="list-style-type: none"> Research and development costs 	<ul style="list-style-type: none"> Decreased costs through higher energy efficiency
11 Sustainable cities and communities	Improve urban to non-urban transportation links	<ul style="list-style-type: none"> Collaborate with public planners to improve transportation links between urban and surrounding areas, enabling improved customer satisfaction and usage 	<ul style="list-style-type: none"> Investment costs 	<ul style="list-style-type: none"> Increased revenue from higher usage
	Develop mobility-as-a-service solutions	<ul style="list-style-type: none"> Research and develop technologies focused on mobility as a service, developing integrated origin-to-destination solutions 	<ul style="list-style-type: none"> Research and development costs 	<ul style="list-style-type: none"> Increased revenue from new transportation solutions
12 Responsible production and consumption	Use advanced analytics to optimize fleet efficiency	<ul style="list-style-type: none"> Implement advanced analytics to improve fleet operations and management (e.g., vehicle fleet or vessel fleet) to optimize the energy efficiency 	<ul style="list-style-type: none"> Technology investment costs 	<ul style="list-style-type: none"> Reduced costs from higher energy efficiency
	Use telematics to reduce fuel consumption	<ul style="list-style-type: none"> Invest in telematics for asset tracking and monitoring, to reduce fuel consumption via optimized routing and improved driver behavior 	<ul style="list-style-type: none"> Technology investment costs 	<ul style="list-style-type: none"> Reduced fuel costs
	Develop partnerships to optimize end-to-end efficiency	<ul style="list-style-type: none"> Develop close partnerships with other members of the freight ecosystem (e.g., partnership between shipping and truck companies) to optimize energy efficiency of the end-to-end transport 	<ul style="list-style-type: none"> Governance of partnership 	<ul style="list-style-type: none"> Reduced operating costs
	Replace hydro-fluorocarbons with natural refrigerants	<ul style="list-style-type: none"> Replace hydrofluorocarbons with natural refrigerants for refrigerated transportation, e.g., of food or medical products 	<ul style="list-style-type: none"> Costs of updating existing systems and equipment 	<ul style="list-style-type: none"> Reduced operating costs
	Invest in fleet-sharing technologies	<ul style="list-style-type: none"> Invest in technologies for coordinating truck or vessel sharing between companies to optimize utilization 	<ul style="list-style-type: none"> Technology investment costs 	<ul style="list-style-type: none"> Reduced operating costs through higher utilization
14 Life below water	Implement waste reduction technologies	<ul style="list-style-type: none"> Implement technologies and treatment systems to reduce waste released into oceans by ships (e.g., oil, garbage) 	<ul style="list-style-type: none"> Costs of investing in the technologies and systems 	<ul style="list-style-type: none"> Reputational risk management
	Increase port efficiency	<ul style="list-style-type: none"> Collaborate with authorities to increase port efficiency, e.g., to reduce idling time or risk of marine pollution 	<ul style="list-style-type: none"> Time spent on partnership/collaboration 	<ul style="list-style-type: none"> Reduced operating costs; Reputational risk management



Transportation and logistics: Case example – SAS

About SAS

Scandinavian Airlines, SAS, is a leading Nordic airline. In 2017, it carried ~30 million passengers, and had revenues of DKK 32.4 billion¹

Reducing operating costs through climate action

SAS reduces its operating costs and prepares its organization for future resource constraints, while reducing its negative environmental footprint

Identifying the problem



SAS has a significant environmental impact through the usage of non-renewable jet fuel in its aircraft operations



At the same time, the fuel usage is one of the primary cost drivers of SAS's operations



Finding the solution

One of SAS's goals is to reduce flight CO₂ emissions per passenger km by 20% in 2020 compared with 2010. Actions taken by SAS include:

- Increasingly use biofuels in the aircrafts
- Reduce weight by installing light-weight seats
- Coordinate with stakeholders, e.g., airports, to optimize energy efficiency of air traffic



Moreover, SAS is signatory to the pledge "Nordic CEOs for a Sustainable Future", in which CEOs of 11 leading Nordic companies commit to integrating the SDGs into the core business strategy



Realizing the benefits

SAS is able to reduce its operating costs significantly while reducing its negative environmental footprint by optimizing fuel usage



Using more renewable energy also helps future-proof SAS's operations, as the supply of fossil alternatives is expected to diminish over time





Across industries: SDG initiatives

● Low ● High

SDG	Initiative	Description	Resources required	Potential benefits	
5 Gender equality	Ensure equal compensation for equal work	<ul style="list-style-type: none"> Provide equal compensation for work of equal value (including benefits) 	<ul style="list-style-type: none"> Increased compensation for females currently being underpaid 	<ul style="list-style-type: none"> Improved workforce by retaining best talent; Reputational risk management 	
	Introduce zero-tolerance policy towards abuse	<ul style="list-style-type: none"> Implement a zero-tolerance policy towards violence and abuse at the workplace, including verbal and physical abuse; ensures that incidents that may cause talent to leave are minimized 	<ul style="list-style-type: none"> Costs of monitoring workplace performance on this 	<ul style="list-style-type: none"> Improved workforce; Reputational risk management 	
	Use gender-neutral language in job postings	<ul style="list-style-type: none"> Use gender-neutral language and limit the number of mandatory qualifications to apply for the job; ensures that more females apply 	<ul style="list-style-type: none"> Training employees to write gender-neutral job postings 	<ul style="list-style-type: none"> Attracting most qualified applicants 	
	Implement standardized interview practices	<ul style="list-style-type: none"> Use highly standardized interview practices to limit bias and increase transparency in hiring processes; ensures that most qualified applicants are hired regardless of gender 	<ul style="list-style-type: none"> Costs of developing standardized practices and monitoring enforcement of these 	<ul style="list-style-type: none"> Improved future workforce by hiring most qualified applicants 	
	Offer flexible working models	<ul style="list-style-type: none"> Offer flexible working models for all employees, making it a norm (e.g. flexible hours, work from home) 	<ul style="list-style-type: none"> Costs of flexible work programs 	<ul style="list-style-type: none"> Improved workforce by retaining best talent 	
	Implement gender quotas on all levels	<ul style="list-style-type: none"> Implement quotas (such as 50/50 female/male representation) in decision-making and governance at all levels 	<ul style="list-style-type: none"> Building the necessary talent base, including identifying and mentoring the right talent 	<ul style="list-style-type: none"> Improved workforce and diversity in decision making 	
	Reserve training seats for females	<ul style="list-style-type: none"> Reserve fixed share of seats on general training and talent programs to female employees 	<ul style="list-style-type: none"> Promoting the programs among females 	<ul style="list-style-type: none"> Improved workforce through diversity in talent development 	
8 Decent work and economic growth	Drive growth through local sourcing	<ul style="list-style-type: none"> Drive economic growth through local sourcing and manufacturing, creating a more favorable local business environment 	<ul style="list-style-type: none"> Potential higher costs of local inputs 	<ul style="list-style-type: none"> Long-term growth in local market 	
	Promote skills training	<ul style="list-style-type: none"> Promote skills training of both own employees and throughout the value chain to increase innovation and talent availability 	<ul style="list-style-type: none"> Costs of training programs and of promoting these 	<ul style="list-style-type: none"> Improved workforce by developing talent 	
	Offer on-the-job training and scholarships	<ul style="list-style-type: none"> Offer apprenticeships, scholarships, and internships to promote development of talent 	<ul style="list-style-type: none"> Costs of scholarships and on-the-job training 	<ul style="list-style-type: none"> Increased talent development 	
	Combat child labor and forced labor	<ul style="list-style-type: none"> Implement strict policies and monitoring mechanisms to identify child labor and forced labor throughout the value chain, and take actions when violations are identified 	<ul style="list-style-type: none"> Costs of monitoring and enforcing policies 	<ul style="list-style-type: none"> Reputational risk management 	
	Set high standards for health and safety	<ul style="list-style-type: none"> Seek to automate dangerous work; while ensuring reskilling of people in automated roles 	<ul style="list-style-type: none"> Automation investment costs 	<ul style="list-style-type: none"> Decreased costs through automation 	
17 Partnerships for the goals	Develop multi-stakeholder partnerships	<ul style="list-style-type: none"> Develop multi-stakeholder partnerships to enable greater value creation, e.g., public-private partnerships to access funding or de-risk initiatives 	<ul style="list-style-type: none"> Costs of governing the partnership 	<ul style="list-style-type: none"> Depends on partnership structure 	

Appendix overview

A DATA FROM THE WORKSHOPS

B DATA FROM THE SURVEYS

C TOOLS AND TEMPLATES

D CASES

E INDUSTRY OVERVIEWS

F SDG GOALS AND SUBGOALS

Tremendous achievements have been made in the last 2-3 decades, but still a huge effort needs to be made to reach the goals (1/2)

Goal **Status**

1 NO POVERTY Extreme poverty 1/3 of 1990 level in 2013




11% of the world population (783 million people) lived in extreme poverty in 2013

2 ZERO HUNGER 815 million people undernourished in 2016, up from 777 million in 2015




Aid to agriculture in developing countries down to 6% of all donors' sector-allocable aid from ~20% in the mid-1980s

3 GOOD HEALTH AND WELL-BEING Under-5 deaths down to 5.6 million in 2016 from 9.9 million in 2000




Malaria cases increased from 210 million in 2013 to 216 million in 2016

4 QUALITY EDUCATION Participation rate in early childhood and primary education improved to 70% in 2016 from 63% in 2010




58% of children and adolescents not achieving minimum proficiency in reading and mathematics

Goal **Status**

5 GENDER EQUALITY Child marriage in Southern Asia decreased by +40% between 2000 and 2017




On average, women spend ~3x as many hours on unpaid domestic work and care as men

6 CLEAN WATER AND SANITATION 3 in 10 people lack access to safely managed drinking water




59% of all wastewater is safely treated

7 AFFORDABLE AND CLEAN ENERGY 55% of renewable energy was derived from modern forms in 2015




4 in 10 people still lack access to clean cooking fuels and technologies

8 DECENT WORK AND ECONOMIC GROWTH Men earn 12.5% more than women in 40 of 45 countries with data




3x Young people 3 times more likely to be unemployed than adults

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE Global carbon intensity decreased by 19% between 2000 and 2015




61% of population in LDCs covered by a 3G mobile broadband network in 2016 vs. 84% globally

Tremendous achievements have been made in the last 2-3 decades, but still a huge effort needs to be made to reach the goals (2/2)

Goal	Status
	 <p>Incomes of the poorest 40% grew faster than those of the entire population between 2010 and 2016, in 60 out of 94 countries</p>
	 <p>Global urban population living in slums dropped from 28.4% to 22.8% between 2000 and 2014</p>
	 <p>By 2018, 108 countries had national policies on sustainable consumption and production</p>
	 <p>The majority of countries have ratified the Paris Agreement and provided nationally determined contributions (NDCs)</p>
	 <p>In 2016, 91% of the urban population worldwide was breathing air that did not meet the WHO Air Quality Guidelines</p>
	 <p>2017 was the most costly North Atlantic hurricane season on record</p>

Goal	Status
	 <p>Global share of marine fish stocks within biologically sustainable levels down from 90% in 1974 to 69% in 2013</p>
	 <p>Rate of forest loss cut by 25% since 2000-2005</p>
	 <p>Proportion of prisoners held in detention without being sentenced remained almost constant in the last decade (32% in 2003-05 to 31% in 2014-16)</p>
	 <p>In 2017, net ODA totaled \$146.6 bill, a decrease of 0.6% from 2016 in real terms</p>
	 <p>From 2010 to 2018, protected marine areas under national jurisdiction more than doubled</p>
	 <p>Global Red List Index of threatened species fell from 0.82 to 0.74 since 1993, indicating an alarming trend in the decline of mammals, birds, amphibians, corals and cycads</p>
	 <p>Almost 1 in 5 firms worldwide report receiving at least 1 bribery payment request when engaged in regulatory or utility transactions</p>
	 <p>LDC's share of world merchandise exports fell between 2013 and 2016, after a long period of increase</p>

SDG 1: Poverty – Targets

1.1 Extreme poverty

By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day

1.2 National poverty

By 2030, reduce at least by half the proportion of men, women, and children of all ages living in poverty in all its dimensions according to national definitions

1.3 Social protection

Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable community

1.4 Equal rights to resources

By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance

1.5 Vulnerability to shocks

By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social, and environmental shocks and disasters

1.a Resources for development

Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular LDCs, to implement programmes and policies to end poverty in all its dimensions

1.b Policy making

Create sound policy frameworks at the national, regional, and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions

SDG 2: Food – Targets

2.1 Hunger

By 2030, end hunger and ensure access for all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious, and sufficient food all year round

2.2 Malnutrition

By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons

2.3 Agricultural productivity

By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment

2.4 Sustainability

By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and which progressively improve land and soil quality

2.5 Genetic diversity

By 2030, maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species, including through soundly managed and diversified seed and plant banks at the national, regional and international levels, and promote access to and fair and equitable sharing of benefits arising from the utilization of genetic resources and associated traditional knowledge, as internationally agreed

2.6 Investment

Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular LDCs

2.7 Trade

Correct and prevent trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round

2.8 Markets

Adopt measures to ensure the proper functioning of food commodity markets and their derivatives and facilitate timely access to market information, including on food reserves, in order to help limit extreme food price volatility

SDG 3: Health – Targets

3.1 Maternal mortality	By 2030, reduce global maternal mortality to less than 70 per 100,000 live births
3.2 Child mortality	By 2030, reduce neonatal mortality to less than 12 per 1,000 live births and under-5 mortality less than 25 per 1,000
3.3 Infectious disease	By 2030, end AIDS, TB, malaria, NTDs; combat hepatitis, water-borne and other communicable diseases
3.4 NCDs	By 2030, reduce by one-third premature mortality from NCDs and promote mental health and well-being
3.5 Substance abuse	Strengthen prevention and treatment of substance abuse, including narcotic abuse and harmful use of alcohol
3.6 Road traffic accidents	By 2020, halve the number of global deaths and injuries from road traffic accidents
3.7 Reproductive health access	By 2030, ensure universal access to sexual and reproductive health-care services
3.8 Universal health coverage	Achieve universal health coverage, including access to essential health services and medicine
3.9 Environmental health	By 2030, reduce deaths and illnesses from hazardous chemicals and air, water, and soil pollution
3.a Tobacco control	Strengthen implementation of WHO framework convention on Tobacco Control in all countries
3.b R&D and drug access	Support R&D and access to vaccines and medicines for diseases that primarily affect developing countries
3.c Health finance and workforce	Substantially increase health financing and strengthen health workforce in developing countries
3.d Surveillance and risk management	Strengthen capacity for early warning, risk reduction, and management of national and global health risks

SDG 4: Education – Targets

4.1 K-12/basic education

By 2030, ensure that all girls and boys complete free, equitable, and quality primary and secondary education leading to relevant and effective learning outcomes

4.2 Early childhood development

By 2030, ensure that all girls and boys have access to quality early childhood development, care, and pre-primary education so that they are ready for primary education

4.3 Higher education

By 2030, ensure equal access for all women and men to affordable and quality technical, vocational, and tertiary education, including university

4.4 Technical and vocational skills

By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship

4.5 Inclusive and equal access

By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous people and children in vulnerable situations

4.6 Literacy and numeracy

By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy

4.7 Skills for sustainable development

By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development

4.a Learning environment

Build and upgrade education facilities that are child, disability and gender-sensitive and provide safe, non-violent, inclusive and effective learning environments for all

4.b Scholarships

By 2020, substantially expand globally the number of scholarships available to developing countries, in particular LCDs, small island developing States and African countries

4.c Qualified teachers

By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially LDCs and small island developing States

SDG 5: Gender – Targets

5.1 Discrimination

End all forms of discrimination against all women and girls everywhere

5.2 Gender-based violence

Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation

5.3 Harmful practices

Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation

5.4 Unpaid domestic work

Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate

5.5 Leadership

Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life

5.6 Sexual and reproductive health

Ensure universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Programme of Action of the International Conference on Population and Development, the Beijing Platform for Action, and the outcome documents of their conferences

5.a Economic rights

Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws

5.b Empowerment through technology

Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women

5.c Policy and legislation

Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels

SDG 6: Health – Targets

6.1 Access to safe water

By 2030, achieve universal and equitable access to safe and affordable drinking water for all

6.2 Access to sanitation

By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations

6.3 Improve water quality

By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater, and substantially increasing recycling and safe reuse globally

6.4 Water-use efficiency

By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity, and substantially reduce the number of people suffering from water scarcity

6.5 Water resource management

By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate

6.6 Ecosystems

By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes

6.a International cooperation

By 2030, expand international cooperation and capacity-building support to developing countries in water- and sanitation-related activities and programmes, including water harvesting, desalination, water efficiency, wastewater treatment, recycling, and reuse technologies

6.b Local communities

Support and strengthen the participation of local communities in improving water and sanitation management

SDG 7: Energy – Targets

7.1 Access to energy

By 2030, ensure universal access to affordable, reliable, and modern energy services

7.2 Increase renewables

By 2030, increase substantially the share of renewable energy in the global energy mix

7.3 Improve energy efficiency

By 2030, double the global rate of improvement in energy efficiency

7.4 Enhance international cooperation

By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency, and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology

7.5 Expand infrastructure and upgrade technology

By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular LCDs, small island developing States, and land-locked developing countries, in accordance with their respective programmes of support

SDG 8: Economy – Targets

8.1 Economic growth

Sustain per capita economic growth and at least 7% gross domestic product growth per annum in the LCDs

8.2 Economic productivity

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation

8.3 Policies and financial support to ecoddev

Promote policies and financial support to productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage SME

8.4 Global resource efficiency

Improve progressively, through 2030, global resource efficiency in consumption and production and decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production

8.5 Full employment and decent work

By 2030, achieve full and productive employment and decent work for all women and men

8.6 Youth employment

By 2020, substantially reduce the proportion of youth not in employment, education or training

8.8 Eradication of forced and child labour

Eradicate forced labour, end modern slavery and human trafficking and child labour

8.9 Labour rights and working conditions

Protect labour rights and promote safe and secure working environments for all workers, including migrant workers

8.10 Sustainable tourism policies

By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products

8.a Domestic financial institution

Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all

8.b Trade support to developing countries

Increase Aid for Trade support for developing countries, in particular LDCs, including through the Enhanced Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries

SDG 9: Infrastructure – Targets

9.1 Sustainable infrastructure

Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all

9.2 Inclusive industrialization

Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in LDCs

9.3 Small-scale industry access

Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets

9.4 Retrofit industries

By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

9.5 Technical capabilities for industry

Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending

9.a Support for infrastructure development

Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, LDCs, landlocked developing countries and small island developing States

9.b Domestic technology development

Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities

9.c Access to ICT and the Internet

Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in LDCs by 2020

SDG 10: Inequality – Targets

10.1 Income growth

By 2030, progressively achieve and sustain income growth of the bottom 40% of the population at a rate higher than the national average

10.2 Inclusion

By 2030, empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

10.3 Equal opportunity

Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies and action in this regard

10.4 Fiscal, wage, social policies

Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality

10.5 Regulation of global financial markets

Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations

10.6 Representation of developing countries

Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions in order to deliver more effective, credible, accountable, and legitimate institutions

10.7 Migration

Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies

10.a Special and differential treatment

Implement the principle of special and differential treatment for developing countries, in particular LDCs, in accordance with World Trade Organization agreements

10.b Financial flows to greatest need

Encourage official development assistance and financial flows, including foreign direct investment, to States where the need is greatest, in particular LDCs, African countries, small island developing States and landlocked developing countries, in accordance with their national plans and programmes

10.c Remittances

By 2030, reduce to less than 3% the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5%

SDG 11: Sustainable Cities and Communities – Targets

11.1 Housing and basic services	By 2030, ensure access for all to adequate, safe and affordable housing and basic services; upgrade slums
11.2 Transport systems	By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all
11.3 Sustainable urbanization	By 2030, enhance inclusive and sustainable urbanization and capacity for human settlement planning
11.4 Cultural and natural heritage	Strengthen efforts to protect and safeguard the world’s cultural and natural heritage
11.5 Disaster management	By 2030, significantly reduce damage – human and material – caused by disasters
11.6 Environmental impact	By 2030, reduce adverse environmental impact of cities; emphasis on air quality and waste management
11.7 Green and public spaces	By 2030, provide universal access to safe, inclusive and accessible, green and public spaces
11.a Urban-rural linkages	Support positive economic, social, and environmental links between urban, peri-urban and rural areas
11.b Urban climate change policies	By 2020, substantially increase # of cities with policies addressing climate change and disaster resilience
11.c Sustainable buildings in LDCs	Support LCDs in building sustainable and resilient buildings utilizing local materials

SDG 12: Consumption – Targets

12.1 Implement 10-year programme	Implement the 10-year framework of programmes on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries
12.2 Management/use of natural resources	By 2030, achieve the sustainable management and efficient use of natural resources
12.3: Reduction of food waste/losses	By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses
12.4: Chemical management	By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment
12.5: Reduction of waste generation	By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse
12.6: Company practices/reporting	Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle
12.7: Public procurement	Promote public procurement practices that are sustainable, in accordance with national policies and priorities
12.8: Public information and awareness	By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature
12.a: Developing countries support	Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production
12.b: Impact monitoring tools	Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products
12.c: Rationalize fossil-fuel subsidies	Rationalize inefficient fossil-fuel subsidies that encourage wasteful consumption by removing market distortions, in accordance with national circumstances, including by restructuring taxation and phasing out those harmful subsidies, where they exist, to reflect their environmental impacts, taking fully into account the specific needs and conditions of developing countries and minimizing the possible adverse impacts on their development in a manner that protects the poor and the affected communities

SDG 13: Climate – Targets

13.1 Resilience and adaptive capacity

Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

13.2 National policies, strategies, and planning

Integrate climate change measures into national policies, strategies, and planning

13.3 Education and awareness

Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning

13.a Financial support

Implement the commitment undertaken by developed-country parties to the United Nations Framework Convention on Climate Change to a goal of mobilizing jointly \$100 billion annually by 2020 from all sources to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation and fully operationalize the Green Climate Fund through its capitalization as soon as possible

13.b LDCs and SIDS

Promote mechanisms for raising capacity for effective climate change-related planning and management in LDCs developed countries and small island developing states, including focusing on women, youth, local and marginalized communities

SDG 14: Oceans – Targets

14.1 Marine pollution

By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution

14.2 Coastal ecosystem

By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including strengthening their resilience and taking action for their restoration in order to achieve healthy and productive oceans

14.3 Ocean acidification

Minimize and address the impacts of ocean acidification, including enhanced scientific cooperation at all levels

14.4 Regulate fishing, end overfishing, IUU

By 2020, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices and implement science-based management plans, in order to restore fish stocks in the shortest time feasible, at least to levels that can produce maximum sustainable yield as determined by their biological characteristics

14.5 Coastal areas

By 2020, conserve at least 10% of coastal and marine areas, consistent with national and international law and based on the best available scientific information

14.6 Prohibit fishing subsidies

By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment for developing and LDCs should be an integral part of the World Trade Organization fisheries subsidies negotiation

14.7 SIDS

By 2030, increase the economic benefits to Small Island developing States and LDCs from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism

14.a Increase scientific knowledge

Increase scientific knowledge, develop research capacity and transfer marine technology, taking into account the Intergovernmental Oceanographic Commission Criteria and Guidelines on the Transfer of Marine Technology, in order to improve ocean health and to enhance the contribution of marine biodiversity to the development of developing countries, in particular small island developing States and LDCs

14.b Access to artisanal fishers

Provide access for small-scale artisanal fishers

14.C Conservation of ocean resources

Enhance the conservation and sustainable use of oceans and their resources by implementing international law as reflected in UNCLOS, which provides the legal framework for the conservation and sustainable use of oceans and their resources, as recalled in paragraph 158 of The Future We Want

SDG 15: Ecosystems – Targets

15.1 International agreements	By 2020, ensure ecosystem efforts are in line with obligations under international agreements
15.2 Forest management	By 2020, promote the implementation of sustainable management of all types of forests
15.3 Land degradation	By 2030, combat desertification, restore degraded land/ soil and strive for a land degradation-neutral world
15.4 Mountain ecosystems	By 2030, ensure the conservation of mountain ecosystems, to support sustainable development
15.5 Habitats, biodiversity, and extinction	Reduce habitats degradation, halt biodiversity loss and, by 2020, protect and prevent extinction of species
15.6 Genetic resources	Promote fair/equitable sharing of the benefits and access from utilization of genetic resources
15.7 Illegal wildlife and protected species	End poaching/trafficking of protected species (flora and fauna) and address demand and supply of illegal wildlife products
15.8 Invasive alien species	By 2020, introduce measures to manage introduction/ impact of invasive alien species on ecosystems
15.9 Ecosystem and biodiversity values	By 2020, integrate ecosystem and biodiversity values into planning, processes, strategies and accounts
15.a Financial resources	Mobilize and increase financial resources to conserve and sustainably use biodiversity/ ecosystems
15.b Forest management resources/incentive	Mobilize resources to finance sustainable forest management and provide country incentives to advance
15.c Support protected species efforts	Enhance global support for efforts to combat poaching and trafficking of protected species

SDG 16: Institutions – Targets

16.1 All violence	Significantly reduce all forms of violence and related death rates everywhere
16.2 Violence and torture of children	End abuse, exploitation, trafficking, and all forms of violence against and torture of children
16.3 Justice	Promote the rule of law at the national and international levels and ensure equal access to justice for all
16.4 Organized crime	By 2030, combat all forms of organized crime, including illicit financial/arms flows and stolen assets
16.5 Corruption and bribery	Substantially reduce corruption and bribery in all their forms
16.6 Institutions	Develop effective, accountable and transparent institutions at all levels
16.7 Inclusive decision-making	Ensure responsive, inclusive, participatory, and representative decision-making at all levels
16.8 Global governance	Broaden and strengthen the participation of developing countries in the institutions of global governance
16.9 Legal identity	By 2030, provide legal identity for all, including birth registration
16.10 Information access and freedom	Ensure public access to information and protect fundamental freedoms
16.a National institutions	Strengthen relevant national institutions to prevent violence and combat terrorism and crime
16.b Non-discriminatory laws/policies	Promote and enforce non-discriminatory laws and policies for sustainable development

SDG 17: Partnerships – Targets (1/2)

Finance

17.1 Domestic resource mobilization

Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection

17.2 Assistance commitments

Developed countries to fully implement their official development assistance commitments, including the commitment by many developed countries to achieve the target of 0.7% of ODA/GNI to developing countries and 0.15-0.20% of ODA/GNI to LDCs

17.3 Broad resource mobilization

Mobilize additional financial resources for developing countries from multiple sources

17.4 Debt sustainability

Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring and address the external debt of highly indebted poor countries to reduce debt distress

17.5 Investment promotion regimes

Adopt and implement investment promotion regimes for LDCs

Technology

17.6 International technology sharing

Enhance North-South, South-South, and triangular regional and international cooperation on and access to science, technology, and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism

17.7 Technology to developing countries

Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favorable terms, including on concessional and preferential terms, as mutually agreed

17.8 Technology to LDCs

Fully operationalize the technology bank and science, technology and innovation capacity-building mechanism for LDCs by 2017 and enhance the use of enabling technology, in particular information and communications technology

Capacity building

17.9: Capacity building

Enhance international support for implementing effective and targeted capacity building in developing countries to support national plans to implement all the sustainable development goals, including through North-South, South-South, and triangular cooperation

SDG 17: Partnerships – Targets (2/2)

Trade

17.10 Multilateral trading system	Promote a universal, rules-based, open, non-discriminatory, and equitable multilateral trading system under the World Trade Organization, including through the conclusion of negotiations under its Doha Development Agenda
17.11 Developing countries' exports	Significantly increase the exports of developing countries, in particular with a view to doubling the LDCs' share of global exports by 2020
17.12 LDCs' market access	Realize timely implementation of duty-free and quota-free market access on a lasting basis for all LDCs, consistent with World Trade Organization decisions, including by ensuring that preferential rules of origin applicable to imports from LDCs are transparent and simple, and contribute to facilitating market access

Systemic issues

17.13 Macroeconomic stability	Enhance global macroeconomic stability, including through policy coordination and policy coherence
17.14 Sustainable development policy	Enhance policy coherence for sustainable development
17.15 Individual country's policy	Respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development
17.16 Global partnership	Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology, and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries
17.17 Public/private/civil partnerships	Encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships

Systemic issues

17.18 Data availability	By 2020, enhance capacity-building support to developing countries, including for LDCs and small island developing states, to significantly increase the availability of high-quality, timely, and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location, and other characteristics relevant in national contexts
17.19 Tracking of SDGs	By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries