

Sustainable Business Trends: Business Sustainability Performance & Trends, 2023-2019

NEWSWEEK / STATISTA — Published its “America’s Most Responsible Companies 2024” list, ranking the 600 largest U.S. public companies based on their ESG performance (up from 500 in previous years). Noteworthy this year is that the company in the 600th spot received a higher score than last year’s 500th. And 243 companies have placed on the list for at least four consecutive years. **CEF members included in the top 50 include: HP (#3), Cisco Systems (#4), Hewlett Packard Enterprise (#5), Applied Materials (#7), Qualcomm (#13), Microsoft (#34), Ecolab (#37), Moody’s (#39), and Dell Technologies (#40).** (Dec 2023)

[PR »](#)

[State of the Transition 2023](#) (Breakthrough Energy) — **Maps out how to decarbonize five sectors that account for most GHG emissions (electricity, manufacturing, agriculture, transport, and buildings).** The report looks at the latest technologies, policies, and challenges, drawing examples from companies that Breakthrough Energy Ventures (the venture capital arm of Breakthrough Energy) has invested in. Specific topics include: renewable energy, steel and cement, livestock and sustainable crop production, electric vehicles, biofuels, air conditioning, and heat pumps. (Nov 2023)

[State of Climate Action 2023](#) (Systems Change Lab) — **Offers a comprehensive roadmap of how to close the global gap in climate action for sectors accounting for 85% of global GHG emissions.** The report assesses 42 indicators and finds **only one, the share of electric vehicles in passenger car sales, is on track to reach its 2030 target.** Of the other indicators, six are off track (moving in the right direction but not fast enough, 24 are well off track, six are headed in the wrong direction, and five lack data. The report also finds that: **solar and wind**, while growing at 14% per year in recent years, need to grow 24% per year to get on track for 2030; the phase out of **coal** needs to happen seven times faster; **deforestation** needs to be reduced four times faster; **rapid transit infrastructure coverage** needs to be expanded six times faster; and the shift to healthier, more **sustainable diets** needs to grow eight times faster. (Nov 2023)

[PR »](#)

In 2022, S&P 500 companies' median total GHG emissions increased by 3%, compared to the 32% increase seen in Russell 3000 companies, according to [a new report by The Conference Board](#). The report finds that large companies are leading in other areas as well, including disclosure of climate risk (74% of S&P 500 vs. 40% of Russell 3000) as well as the disclosure and use of renewable energy. (Nov 2023)

[PR »](#)

[Corporate Climate Stocktake 2023](#) (We Mean Business Coalition (WMBC)) — **Surveys business leaders across eight high-carbon, hard-to-abate sectors, and finds that more than 30% do not expect their companies to end fossil fuel use entirely before 2050, even though the majority**

of them have set net-zero targets for 2050 or sooner. Across the eight sectors (hydrogen, power, steel, aviation, road transport, cement, shipping, and agriculture), the rates of adoption of clean technologies are increasing, while costs are falling, leading to exponential growth in renewable power, electrification of transport, and hydrogen (with production costs falling 65% between 2010 and 2022 and expected to fall another 45% by 2030). However, the report notes several **system constraints creating transition barriers**, including: infrastructure, consumer behavior, market structure, technology, availability of inputs, business model, and workforce. The report also shares case studies on how companies are transcending these barriers, and highlights the importance of regulation in the transition, with **73% of companies surveyed identifying government regulation as the most important driver of accelerating the energy transition.** (Nov 2023)

[PR »](#) [EDIE »](#)

73% of companies say they are more optimistic about reaching their sustainability goals in 2030, up from 62% in 2022, according to Honeywell's quarterly [Environmental Sustainability Index 2023](#). Sustainability continues to be ranked as top most initiative (75%) and 92% of organizations have formal plans in place for reporting on progress toward environmental and social goals. However, 62% of organizations say wildfires, floods, and storms during 2023 will have a material impact on their environmental initiatives and 45% say that extreme heat will have or has already had a material effect on their near-term plans. (Nov 2023)

[PR »](#) [ESG TODAY »](#)

[Sustainable Business Survey Report 2023](#) (WSJ Pro Sustainable Business) — **Reviews sustainability functions' organizational structures and resourcing and executive perceptions of progress.** Findings include (Oct 2023):

- **Only 23% of respondents rated their companies' sustainability programs as "well developed" or "industry leader,"** though 35% expect to be in those two categories 12 months from now.
- **63% of companies disclosed ESG information in 2023, up from 56% in the prior year, according to a survey of 247 corporate sustainability officials.**
- 60% of respondents noted that their company's sustainability program is managed entirely in-house, while 39% used both in-house and third party support.
- **47% said they have sufficient resources to deliver their sustainability program,** while 9% say they are "severely under-resourced."
- **Dedicated sustainability staff time remained about the same for 53% of respondents while increasing for 32%.** 56% expect staff time to remain the same and 32% expect it to increase in the next 12 months.
- **There was a wide range of ESG frameworks being reported on** including: UN SDGs (27%); a self-developed framework (25%); GRI (22%); CDP (19%); ISSB (18%); and TCFD (17%).

[PR »](#)

[From Sustainability to Business Strategy](#) (Leonardo Centre on Business for Society) — Through a combination of interviews with sustainability executives and a database of more

than 900,000 corporate sustainability initiatives, the report **examines the maturation of sustainability strategy and practice**. Most notable, it finds that **high maturity companies outperformed the S&P 500 index by 92% over a 12-year period, while low maturity companies underperformed by 70%**. The report also finds that more mature companies were integrating the Chief Sustainability Officer beyond PR and compliance; innovating at a systems-level; partnering for impact; and more effectively engaging multiple classes of external stakeholders. (October 2023)

Almost 80% of companies disclosed that all of their ESG goals were on track, according to a Harvard Law School Forum on Corporate Governance assessment of 250 sustainability reports from S&P 500 companies published in 2023. The study also found that while single materiality assessments remain most common, almost 10% of companies conducted a double materiality assessment. **Of different disclosure frameworks used, over 90% of companies used SASB, 77% used TCFD, 69% GRI, and 68% used the UN Sustainable Development Goals.** (Oct 2023)

[PR »](#)

Only 25% of companies feel they have the ESG policies, skills, and systems in place to be ready for independent ESG data assurance, according to a new survey from KPMG. Those most ready for ESG assurance tend to have boards more engaged on ESG issues, conduct regular ESG training, and have controls in place for ESG data. **About half of respondents also said ESG assurance has the potential to increase market share, spur innovation, strengthen reputation, and reduce costs.**

[MORE »](#) [MORE 2 »](#)

44% of corporate executives believe it is likely they will reach their decarbonization targets for 2030, according to a new survey by Siemens of 1,400 senior executives in 22 countries. 40% said it was likely they would meet this year's targets and 46% said it was likely they would accelerate decarbonization targets in the year ahead. (Sept 2023)

[MORE »](#) [MORE 2 »](#)

[2022 Green Lodging Trends Report](#) (American Hotel and Lodging Association (AHLA)) — **Assesses best sustainability practices of more than 17,000 hotels in the U.S., dividing these into nine groupings, including waste management, single-use plastics, responsible consumption, water conservation, energy management, climate action, community impact, management system, and health and wellness. Key findings include** (Aug 2023):

- Over 99% of hotels source at least one type of product sustainably. **Over 46% purchase at least half their food and beverage items from fair trade sources.**
- Almost all hotels have implemented water conservation measures in the past three years, with 95% having linen and towel reuse programs, and **over 80% using native or drought-tolerant plants for landscaping.**
- Nearly 99% have implemented energy efficiency measures in the past three years, and **almost half have opted for LED lighting. Almost 30% maintain electric vehicle charging stations.**

- **Over 82% have implemented food waste prevention strategies in the last year**, such as community food donation programs. And **nearly 50% are choosing bulk toiletry dispensers over plastic bottles.**

[MORE »](#)

[7 Sustainability Trends 2023](#) (AccountAbility) — **Reviews seven sustainability trends that could shape business in 2023, including** (July 2023):

1. A growing number of **climate pledges, commitments, and net zero targets**, which may represent over \$1.2 trillion in market value over the next decade.
2. **Businesses face increasing pressure**, including a record number of shareholder votes, to demonstrate actionable progress on ESG issues.
3. **Geopolitical risk** is becoming a key consideration in decision-making.
4. **Boards evolving to be more diverse**, including in professional and socioeconomic backgrounds.
5. As mandatory reporting requirements increase worldwide, **ESG has become an imperative.**
6. Organizations taking a more **holistic approach to supply chain sustainability**, incorporating ESG principles that build suppliers' economic viability and resilience.
7. **Nature based assets** (in the form of raw material inputs vital to company products and ecosystem services that affect business operations) **will drive company valuations.**

[MORE »](#)

86% of 751 companies surveyed plan to increase their sustainability budgets (up from 83%), according to Honeywell's 3Q 2023 Environmental Sustainability Index. The survey also found (July 2023):

- **70% of companies said the political and regulatory environment has had a positive impact on their sustainability initiatives in the past 12 months.**
- 74% were optimistic about attaining their sustainability goals, 3% lower than last quarter.
- Improving energy evolution and efficiency was the top sustainability commitment across all geographies, with 87% of respondents citing it as a priority.
- **93% of companies reported having a sustainability reporting process in place, however, only 38% had a centralized person on staff to track sustainability efforts.**

[MORE »](#) [MORE 2 »](#)

[Four Keys to Successful Sustainability Transformation: Unleashing the Power of Digital](#) (Fujitsu) — **Explores the current status of "sustainability transformation," including how digital transformation contributes to the achievement of sustainability goals, based on survey results of 1,800 executives and key decision makers in nine countries.** The survey found that many organizations are not yet implementing sustainability transformation and only 8% of companies are "true sustainability leaders." It identified four key success factors for the sustainability transformation, including (July 2023):

1. **Driving leadership based on sustainability-oriented purpose**, including rebuilding portfolios around sustainability and consistently communicating with stakeholders;

2. **Fostering empathy with customers and employees**, including developing aligned skillsets for employees;
3. **Integrating sustainability into business**, including understanding the relationship between sustainability and key performance indicators;
4. **Using data and digital technologies** to transform the process of creating products and services and creating sustainable innovation.

[MORE »](#)

INDIGGO — Released its **Return on Leadership 100 (ROL100) list for 2023**, in partnership with **Fortune** magazine. The ROL list evaluates the top 100 of the Fortune 500 companies using four characteristics of leadership: Connection to Purpose, Strategic Clarity, Leadership Alignment, and Focused Action. Top ranked ROL100 companies outperformed others in terms of revenue, profit, and growth. **CEF members in the top 25 are: Microsoft (#1), Cisco (#3), UPS (#10), Procter & Gamble (#12), Qualcomm (#14), Dow (#16), Dell Technologies (#17), Delta Air Lines (#19), General Electric (#23), and General Motors (#25).** (June 2023)

[MORE »](#) [MORE 2 »](#)

The total number of potential cases of greenwashing across all sectors has grown significantly since 2012, according to three new reports from the European Supervisory Authorities.

However, it was not clear the extent to which these trends are primarily driven by companies engaging in more greenwashing or by the fact that “greenwashing gets more scrutiny” and is therefore more often identified and reported, according to the report from the [European Banking Authority](#) (EBA). The EBA report notes **rising “climate accountability,”** with increased public attention to climate change leading more companies to be held accountable for their environmental policies, climate impacts, and disclosures. The [European Securities and Markets Authority](#) (ESMA) also **assessed types of common greenwashing** and noted that “cherry-picking, omission, ambiguity, empty claims (including exaggeration), misleading use of ESG terminology...are seen as most widespread.” The report from the [European Insurance and Occupational Pensions Authority](#) (EIOPA) found that **“Greenwashing has a substantial impact on insurance and pension consumers.”** (June 2023)

[MORE »](#) [MORE 2 »](#)

FORBES — Released its first-ever **Net Zero Leaders list**, highlighting the **100 U.S. public companies (with at least \$1 billion evaluation) that are best positioning themselves “to reduce their greenhouse gas emissions and ultimately offset them by 2050.”** Forbes developed the list using data from research firms Sustainalytics and Morningstar, and all companies were considered in the context of their industry. **CEF members in the Top 100 include: Northrop Grumman (#3), Bank of America (#4), Procter & Gamble (#9), Wells Fargo (#11), JPMorgan Chase (#21), Microsoft (#30), Salesforce (#36), BlackRock (#37), The Walt Disney Company (#38), Alphabet (Google) (#45), Ecolab (#48), WM (#51), Oracle (#59), CBRE (#65), PepsiCo (#77), Morgan Stanley (#80), Honeywell International (#87), Lockheed Martin (#88), UPS (#96), and 3M (#100).** (June 2023)

[MORE »](#) [MORE 2 »](#)

[Deep Green: How Data, Technology, and Collaboration Will Drive the Next Phase of Sustainability in Business](#) (Cognizant) — **Explores how businesses are increasingly embedding sustainability into their core cultures (i.e. becoming “deeply green”).** This survey of 3,000 executives from a diverse set of markets and sectors finds (May 2023):

- **The number of respondents who expect their sustainability efforts to drive stronger financial performance more than doubles between now and 2025 (from 31% to 65%);**
- The most important drivers for sustainability are: doing the right thing for society and ensuring economic sustainability (59%); improving business performance (57%); and demonstrating action to the investment community (45%);
- 66% of respondents said their sustainability focus is on internal operations;
- **Between 2020 and 2025, the percentage of respondents increasing their sustainability spending by 10% or more nearly doubles (from 26% to 51%);**
- 62% say they are currently sourcing assets, products, components and raw materials that require less energy, and by 2025 42% aim to select suppliers that have “a net positive impact on the environment;”
- 62% believe that significant technological advancements are needed to achieve net-zero compliance; and
- **Only 32% reported incentivizing employees at all levels to improve sustainability in their workplace. However, 71% identified incentivization as the most effective method for promoting a cultural shift towards sustainable practices.**

[MORE »](#)

[The Effect of Multinational Enterprises on Climate Change](#) (World Bank) — **157 multinational enterprises (MNEs) jointly account for up to 60% of global industrial emissions, with 10% coming from MNEs’ direct activities and 50% from their supply chains.** The report finds that most of these 157 are insufficiently committed to decarbonizing production and supply chains. Only 25% have a Net Zero by 2050 commitment, 20% have a long-term strategy, 13% a medium term strategy, 5% a short term strategy, and none have a capital allocation strategy that aligned to Net Zero by 2050. **However, MNEs are shifting their new investments to green sectors and avoiding polluting sectors.** Foreign direct investment (FDI) in green sectors has increased 700% while FDI in polluting sectors declined 80% between 2003 and 2021. The report concludes with **5Ps to shape MNEs’ impact on climate change:** patrolling (monitoring emissions); prescription (regulate); penalties (taxes); payments (incentives); and persuasion (corporate commitments). (May 2023)

[MORE »](#)

[The MSCI Net-Zero Tracker](#) (MSCI) — **Assesses the climate change progress of companies within the MSCI All Country World Investable Market Index.** Key findings in this latest update (May 2023):

- **Listed companies are on a path to warm the planet by 2.7°C this century;**
- 51% of listed companies align with warming less than or equal to 2°C; 19% align with 1.5°C;
- **35% have disclosed at least some of their Scope 3 emissions, up 4% from the last assessment in November 2022;**

- 44% have set a decarbonization target, up 8% from November;
- Listed companies are projected to emit 11.2 gigatons of CO2 equivalent in 2023, unchanged from 2022;
- **Listed companies will use their share of the global carbon budget for keeping temperature rise below 1.5°C within 43 months (31 October 2026).**

[MORE »](#)

[Do ESG Efforts Create Value?](#) (Bain & Company and EcoVadis) — **Investigated how ESG activities (such as setting ESG targets, embedding sustainability into management processes, sustainable procurement) correlate with both ESG outcomes and financial performance.** The research found that along with environmental and social benefits, **ESG activities are associated with encouraging revenue growth and EBITDA margins.** Essentially, ESG activities affect ESG outcomes and improve financial and operational results, including profitability, and customer and employee satisfaction. Some examples (April 2023):

- Leaders in sustainable procurement have a median EBITDA margin of 14% while laggards have 11%;
- Those with the most women on executive teams have a median EBITDA margin of 12% vs. 9% for the least women;
- Companies where 81% of employees or more would recommend their workplace to a friend have a median EBITDA margin of 16%, vs. 10% where 60% or less would.

[MORE »](#)

Sustainability initiatives remain top priority in the next six months for 75% of business, technology, and sustainability professionals surveyed in Honeywell's Environmental Sustainability Index Q2 2023. However, economic or geopolitical issues and pandemic-related issues remain the top two barriers affecting environmental sustainability (ES) initiatives. 92% continue to see their prior 12-month ES goals as successful and 76% remain optimistic over the coming 12-month goals. 83% of organizations reported plans to increase investments in ES initiatives, down from 87% in Q1. Energy evolution and efficiency remains top priority for 64% of respondents. (April 2023)

[MORE »](#) [MORE 2 »](#)

[Show & Tell: An Analysis of Corporate Climate Messaging and its Financial Impacts Pilot](#) (Lazard) — **Finds that large-cap U.S. firms increased the frequency of all forms of climate communication from 2011-2020, particularly in emission-intensive sectors.** Firms increasingly disclose Scope 1 emissions (174% increase) and have pledged to decarbonize operations (105% increase in CDP commitments). However, 72% of firms are behind on their decarbonization commitments and will need to reduce emissions at a more aggressive yearly rate in order to meet their pledged targets. **The report found a significant negative relationship between Scope 1 emissions and price-to-earnings (P/E) ratios but also found that increased transparency from disclosure offsets 48% of the P/E valuation discount tied to emissions on average.** (April 2023)

[MORE »](#)

[Google Cloud Sustainability Survey 2023](#) (Google Cloud) — ESG efforts dropped from the #1 organizational priority in 2022 to #3 in 2023, according to this survey of 1,476 top-level executives in 16 countries. Executives cite macroeconomic issues and external pressure to cut sustainability initiatives and prioritize optimizing client relationships and driving revenues. Other key findings include (April 2023):

- The number of sustainability programs moving into the implementation phase was down 8% from 2022;
- 72% of respondents agreed that, "Everyone says they want to advance sustainability efforts, but no one knows how to actually do it," up 7% from last year;
- Corporate greenwashing remained pervasive concerns among this year's respondents, with 59% admitting to overstating or inaccurately representing their sustainability activities;
- 87% of respondents are looking to incorporate better measurement into their organizations to help make more accurate sustainability targets;
- 84% believe their sustainability initiatives would be more effective if they had a better structure with clear accountability;
- 96% of companies have at least one program in place to advance their sustainability initiatives, and participation in programs remains mostly unchanged from 2022.

[MORE »](#)

[EY Europe Long-Term Value and Corporate Governance Survey 2023](#) (EY) — Found a distinct difference between high-performing sustainability governance "experts" and "beginners" in corporations, according to this survey of 200 senior leaders. While 76% of experts are optimistic about revenue growth prospects, only 45% of beginners were. While 52% of experts were "very satisfied" with climate target progress, only 13% of beginners were. While 83% of experts were effective at managing the board agenda to ensure long-term ESG risks were discussed, only 52% of beginners felt they were. The report also explores themes on what separates experts from the rest to help support more effective sustainability governance. (March 2023)

[MORE »](#)

ETHISPHERE'S "2023 WORLD'S MOST ETHICAL COMPANIES" LIST — Ethisphere released its [17th annual list](#) honoring 135 companies from 19 countries and 46 industries that have "demonstrated a commitment to ethical business practices." Eighteen CEF member companies are included in this year's ranking, including Ecolab, International Paper, and PepsiCo, which have been recognized all 17 years of the award. (March 2023)

[MORE »](#)

Nearly 98% of organizations have been at least somewhat or extremely successful in achieving one or more sustainability goals over the past 12 months, according to Honeywell's 1Q 2023 [Environmental Sustainability Index](#), which surveys 753 business leaders quarterly. Other highlights include (Feb 2023):

- 71% of companies see sustainability goals as one of their top five priorities;

- 74% are optimistic about achieving both their upcoming 12-month goals and 2030 goals on emissions reduction, up from 66% and 63% respectively in the prior quarter's survey;
- **88% of companies expect to increase investments for energy efficiency and 85% for emissions reduction in the coming 12 months;**
- Economic concerns and their impacts are now cited as the top anticipated barrier to successfully achieving their sustainability goals over the next year.

[MORE »](#) [MORE 2 »](#)

[Global Impact at Scale: 2022 Edition](#) (Chief Executives for Corporate Purpose (CECP) in collaboration with CECP Global Exchange) — **Highlights international trends in corporate purpose strategies such as tracking progress on environmental, social, governance (ESG) factors; commitment to the U.N. Sustainable Development Goals (SDGs); community investment; and employee engagement.** Key findings include (Jan 2023):

- 98% of companies have some form of ESG board oversight but few link executive bonus to ESG performance;
- **76% of companies increased the amount of publicly reported ESG data in 2021 from the prior year;**
- 98% of companies used some form of voluntary standards for ESG reporting, with 63% using the Global Reporting Index (GRI);
- **50% of companies indicated that ESG data is helping attract ESG investors.**
- 54% of companies find measuring the social areas of ESG more challenging than others.
- 44% of survey respondents have set net-zero goals.

[MORE »](#)

[The Ongoing Evolution of Sustainable Business: 2023 Trends Report](#) (The SustainAbility Institute by ERM) — **Reviews ten sustainability highlights from 2022, including companies linking executive compensation to ESG factors; setting net zero and nature positive goals; pursuing circular solutions like reuse and repair business models; and increasing supplier diversity to strengthen inclusion and equity efforts.** The report also ventures into efforts to make supply chains more resilient; the use of AI to improve corporate sustainability initiatives; the growth of laws codifying human rights due diligence; and the growth of pay transparency, human capital development, and sustainability professionals within corporations. (Jan 2023)

[MORE »](#)

[State of Green Business 2023](#) (GreenBiz Group) — **Explores 10 sustainability trends worth watching in 2023, with topics ranging from expanding micromobility to increasing sustainability training for workers.** A few key trends include the shift of carbon disclosures from voluntary to mandatory; the incorporation of circularity principles into companies' business models; the rapid growth in alternative proteins (with \$5 billion in disclosed investments in companies in the industry in 2021); and in carbon capture technologies, with venture capital investments reaching \$10.7 billion in the first three-quarters of 2022. (Jan 2023)

[MORE »](#)

[2023 Edelman Trust Barometer](#) (Edelman) — **Business continues to be the most trusted**

institution globally, remaining at 62% from the previous year. NGOs were second most trusted at 59% (down from 60%), governments at 51%, and the media at 50% (down from 51%), according to this survey of 32,000+ respondents from 28 countries. Respondents also saw businesses as a leading source of trustworthy information (48%), second only to NGOs (51%) and above the media (42%) and government (39%). Other key findings include (Jan 2023):

- **Only business was seen as both competent and ethical, increasing 20 points in its ethics rating from 2020 to 2023.**
- **Half or more of respondents feel business isn't doing enough on climate change, economic inequality, and energy shortages (while 8% feel like they're overstepping);**
- Optimism that "my family and I will be better off in five years" declined globally 10 points to 40%;
- Respondents have both personal and societal fears, with 89% worried about job loss and 74% about inflation, and 76% about climate change and 72% about nuclear war;
- **65% agree that "the lack of civility and mutual respect today is the worst I have ever seen;"**
- And yet only 30% agreed they would help a person who strongly disagreed with them or their point of view, while only 20% would be willing to live in the same neighborhood or have them as a coworker.

[MORE »](#)

[Sustainable Business Now](#) (GlobeScan, Leaders on Purpose, and SAP) — **This new platform showcases how leading companies from around the world are tackling sustainability challenges, providing replicable, scalable best practices to users.** The platform provides case studies from a variety of industries, addressing issues such as decarbonization, inequality, and how to improve and scale social programs. (Jan 2023)

[MORE »](#)

CORPORATE KNIGHTS — Released its 2023 Global 100 List, ranking the world's most sustainable companies along 25 indicators, out of 6,000 public companies with revenues of over \$1 billion. The top list has outperformed the MSCI All Country World Index on an annual basis for seven of the past 11 years. **The top spot went to Schnitzer Steel Industries**, a steel recycler that increased energy productivity by 74%, water productivity by 69%, and carbon productivity by 55% in 2021. **CEF Members in the Global 100 include: Schneider Electric (#7), Alphabet (#26), Ecolab (#30), Unilever (#38), HP (#39), Cisco (#48), Hewlett Packard Enterprise (#67), and Apple (#73).** (Jan 2023)

[MORE »](#) [MORE 2 »](#)

[Corporate Minds on Climate Action](#) (Conservation International and We Mean Business Coalition) — **The vast majority of business leaders see long term-decarbonization as a priority (92%) and say the responsible use of carbon credits is important to reducing emissions (89%),** according to this new survey of business managers engaged in sustainability from over 500 global organizations in the U.S., UK, and Europe. 79% of respondents also agree that science-based targets are critical for keeping companies on track, and 100% have or are already working towards climate targets. However, respondents also reported that they face challenges

in meeting decarbonization goals, sharing that they see budget constraints (86%), a lack of consistency and collaboration across their organization (86%), and technological constraints (84%) as major barriers to reducing emissions and meeting targets. (Jan 2023)

[MORE »](#) [MORE 2 »](#)

JUST CAPITAL — Released its [JUST 100 list for 2023](#) in collaboration with CNBC. Of 951 large public companies, 100 were scored for their just business behaviors, such as paying a fair living wage, protecting workers' health, and minimizing pollution (based on the polling of 3,002 Americans). **Of the top 10, five were CEF members, including Bank of America (#1), Microsoft (#3), Hewlett Packard Enterprise (#7), Apple (#8), and JPMorgan Chase (#10).** In total, 23 CEF member companies were included in the 2023 JUST 100 list. (Jan 2023)

[MORE »](#)

CDP — Highlighted 330+ global companies worth \$11 trillion in market capitalization that have been named to CDP's [annual A List](#) (out of 15,000 companies scored) for their transparency and action on climate change, forests, and water security. Of those, just 12 companies (including CEF Member HP Inc.), out of 900+ companies, were awarded a Triple A (receiving top scores across all three categories), down from 14 last year. More than 29,500 companies, worth \$24.5 trillion, received an F for failing to respond to disclosure requests or providing insufficient information. (Dec 2022)

[MORE »](#) [MORE 2 »](#)

NEWSWEEK / STATISTA — Released its “America’s Most Responsible Companies 2023” list, which ranks 500 of the U.S. largest public companies based on their ESG performance. The top 50 include CEF members: HP (#1), Qualcomm (#13), Microsoft (#17), Cisco (#19), Hewlett Packard Enterprise (#34), Walt Disney (#39), Mastercard (#40), and Ecolab (#46). (Dec 2022)

[MORE »](#)

[A World in Balance](#) (Capgemini Research Institute) — Many executives continue to be unclear of the business case for sustainability, with around half believing sustainability is “a non-viable option” with the costs outweighing the benefits, according to a new survey of over 2,000 respondents from 668 organizations. However, **this research finds that sustainability frontrunners have witnessed 83% higher revenue per employee from 2020 to 2021 compared to the average, while sustainability beginners realized revenue per employee 13% below the average.** (Nov 2022)

[MORE »](#)

[2022 Sustainable Value Study](#) (EY) — **This new survey finds that 70% of more than 500 global companies report higher than expected financial returns on climate initiatives benefiting the planet.** Companies are also seeing other positive benefits like staff retention, recruitment, brand perception and customer purchasing behavior. This evidence counters the concerns that climate action may harm financial performance, which are among the greatest barriers to companies taking further climate action, with 36% of survey respondents being concerned

climate action will have an impact on both their financial performance and their competition in the market in the short term. (Nov 2022)

[MORE »](#)

Philanthropic giving by foundations and individuals to climate change mitigation increased 25% in 2021, building on growth in 2019 and 2020, according to Climateworks Foundation's latest report on climate change funding trends. Total funding reached between \$7.5-12.5 billion in 2021 but was still less than 2% of global philanthropic giving. Foundation funding increased 40% over 2020 amounts, and tripled since 2015, growing from \$900 million that year to \$3 billion in 2021. **Clean electricity received the most funding at \$215 million, with public engagement a close second at \$210 million.** Forest conservation and carbon dioxide removal saw sizable funding increases in 2021. (Nov 2022)

[MORE »](#) [MORE 2 »](#)

[SystemsChangeLab.org](#) (Systems Change Lab) — **An open-source data platform to track global progress on key transformational changes across major systems, including power, industry, transport, finance, and carbon removal.** The platform identified more than 70 shifts within these five systems, and offers a data-rich “virtual situation room” that showcases research, analysis, interactive dashboards and data visualizations based on System Change Lab's State of Climate Action 2022 report. (Nov 2022)

[MORE »](#)

Honeywell launched a new [Environmental Sustainability Index](#), the first quarterly indicator of key trends pertaining to global efforts in climate change mitigation and other sustainability initiatives across sectors and regions. In its [first quarterly survey report](#), Honeywell found that over 90% of 653 business leaders surveyed were optimistic about overall success with prior twelve-month goals across the four sustainability categories of energy evolution and efficiency, emissions reduction, pollution prevention and circularity/recycling. 97% of organizations plan to increase current year budgets in at least one of these sustainability categories and nearly 75% plan to increase budgets in all four categories. 73% stated that Energy Evolution and Efficiency is their top sustainability priority. (Oct 2022)

[MORE »](#)

Three years after the Business Roundtable's (BRT) statement redefining the purpose of a corporation, **JUST Capital released two reports analyzing the performance of the 239 BRT members and how Americans view the performance of the nation's largest companies.** (Aug 2022)

[Performance highlights](#) of BRT signatories compared to non-BRT peers include:

- **Produce 66% less direct and indirect GHG emissions** per dollar of revenue.
- **Use 2.4 times more renewable energy** as a proportion of total energy use.
- **Are 3.2 times more likely to disclose measurable diversity and inclusion targets**, 2.9 times to disclose conducting a pay equity analysis, and 3.4 more likely to disclose providing a subsidy for child care services.
- **Are twice as likely to have a paid parental leave policy.**

- Are 1.7 times more likely to include ESG key performance indicators in executive compensation or remuneration metrics.

[Highlights of Americans' expectations and beliefs](#) include:

- 93% agree it's important for companies to promote an economy that serves all Americans, but only 48% agree they are.
- 37% feel companies are having a positive impact on the environment and 49% believe they're having a positive impact on society overall.

[MORE »](#) [MORE 2 »](#)

JUST CAPITAL — Released its 2022 Workforce Equity and Mobility Ranking. This listing identifies the Top 100 companies out of the Russell 1000, along 15 metrics that address equity, opportunity, and mobility. **CEF members in the top 100** include Mastercard (#2), Microsoft (#3), Wells Fargo (#4), Alphabet (#6), JPMorgan Chase (#9), Bank of America (#11), Cisco (#13), PepsiCo (#18), Visa (#26), GM (#28), Ford (#32), Boeing (#38), Ecolab (#41), Hewlett Packard Enterprise (#47), Lockheed Martin (#51), Dow (#59), Amazon (#78), BlackRock (#87), Chevron (#89), 3M (#92). **Compared to other companies in the Russell 1000, the top 100 performers** (Aug 2022):

- Were 4.6 times more likely to disclose a Diversity, Equity, and Inclusion target (62% compared to 13%)
- Were 8.2 times more likely to have conducted a race/ethnicity pay gap analysis (68% to 8%)
- Were 7.3 times more likely to disclose they had a “fair chance hiring” policy (post-incarceration re-entry program) (12% to 1.6%)
- Offered an average of 1.7 more weeks of parental leave for primary caregivers (12 weeks compared to 10.3 weeks).

[MORE »](#) [MORE 2 »](#)

JUST CAPITAL — Released its 2022 Top 100 U.S. Companies Supporting Healthy Families and Communities list. Companies were selected from the Russell 1000 Index of largest US companies by market capitalization. JUST Capital made its selections **based on companies' prioritization of environmental, community, and workplace issues** "at the intersection of [JUST Capital's] five key stakeholders—Workers, Customers, Communities, the environment, and Shareholders/Governance." Key findings **among the top 100** (Aug 2021):

- 46% committed to reaching Net-Zero by 2050, compared to 6% of the rest of the Russell 1000.
- They offer, on average, 2.7 more weeks of paid parental leave for primary caregivers and 3.4 more weeks of paid parental leave for secondary caregivers than the rest of the Russell 1000.
- 71% conduct a general pay gap analysis and 57% conduct a race/ethnicity pay gap analysis, compared to the rest of the Russell 1000 at 16% and 9.6%, respectively.
- 39% disclosed ties between executive compensation and meeting ESG KPIs, compared to 11% of the rest of Russell 1000.

CEF members in the top 100 include Microsoft (#6), Apple (#10), Cisco (#21), General Motors (#24), Bank of America (#25), BlackRock (#26), Wells Fargo (#29), Hewlett Packard Enterprise (#32), HP (#36), Johnson & Johnson (#39), Mastercard (#42), Chevron (#45), Dow (#53), Ford (#54), PepsiCo (#63), Visa (#64), Morgan Stanley (#65), Procter & Gamble (#76), CBRE (#82), and JPMorgan Chase (#96).

[MORE »](#)

[CSR Insights Survey](#) (Association of Corporate Citizenship Professionals (ACCP)) — Delivers **insights from CSR professionals** from more than 100 companies about **resources, expectations, focus areas, and support from leadership** related to their work. **Overall, the trend toward increasing demands on CSR staff continues to increase, but without commensurate support.** Specifically, of those surveyed (June 2022):

- With respect to **increased demands** from leadership, respondents singled out integration with ESG (44%), availability of impact data (39%), and integration with DEI (36%) as priorities.
- Only **20% feel that they have sufficient staff** to meet increased demands; **25% feel they have sufficient budget.**
- **Only 33% consider their leadership's understanding of CSR strategy to be high**, and 22% identified improvement in that area as having the greatest potential for increased CSR impact.
- **50% believe there's a need for greater integration of CSR strategy across the business**, and 30% identified improvement in that area as having the greatest potential for increased CSR impact.

The BoF Sustainability Index 2022 (The Business of Fashion) — **Assesses the progress of the world's 30 largest publicly traded apparel companies against their stated 2030 environmental and social commitments.** Each company is scored (methodology in the FAQ [here](#)) on a scale of 1–100 in the following “impact categories”: **Transparency, Emissions, Water & Chemicals, Waste, Materials and Workers' Rights.** The report finds that (June 2022):

- **All the companies have overall scores lower than 50** (highest (Puma)=49; avg.=28), indicating that the industry as a whole is **not on track to hit 2030 targets** in most impact categories.
- **Average scores in 5 of the 6 impact categories** (excepting Emissions) **decreased year-over-year**, owing in large part to the poor performance of 15 companies added to the index in 2022.
- The **best scores are in the Emissions impact category** (high=79; avg.=38); The **worst scores are in the Waste impact category** (high=38; avg.=19).
- Some of the largest companies, including URBN, Skechers, Fila Holdings, Anta and HLA Group had the lowest scores (<10) because they provided little or no public disclosure about specific environmental or social action plans.

GARTNER — Published its annual **Global Supply Chain Top 25**, a ranked list of companies that "demonstrate excellence in supply chain management amid high-risk supply chain disruption." The list includes CEF Members **Cisco Systems (#1), Schneider Electric (#2), Johnson & Johnson**

(#4), **PepsiCo** (#5), **Microsoft** (#10), **HP Inc.** (#15), **Dell Technologies** (#17), and **Siemens** (#21). An additional “**Masters**” category, for companies with top-five composite scores in 7 of the last 10 years, is comprised entirely of CEF members: **Amazon, Apple, McDonald’s, Procter & Gamble, and Unilever**. Gartner’s analysis of top-performing companies’ practices revealed the following trends (June 2022):

- **Dynamic Chief Supply Chain Officers** (CSCOs) who form alliances with other companies to solve specific supply chain challenges for the benefit of everyone involved.
- **Flexible staff responsibilities and budgets** that can be easily adapted to address market disruptions.
- **Ambitious goals for Scope 3 emissions reductions and improved circularity**
- **Data analytics training for key employees**, empowering them to make data-driven decisions related to supply chains.

[MORE »](#)

[Costs and Benefits of Climate-Related Disclosure Activities by Corporate Issuers and Institutional Investors](#)

(The SustainAbility Institute by ERM) — Presents survey results from corporate issuers and institutional investors to **determine how much US organizations spend on climate-related disclosure activities**. The findings are intended to **inform discussions related to proposed SEC rules on climate-related disclosures** and provide a comparison to the SEC’s cost estimates included in its draft rules. Key findings include (May 2022):

- **Average corporate issuers spend \$533,000 annually on climate-related disclosure** (SEC estimate \$530,000), with the largest portion of spending going to GHG analysis and/or disclosures (\$237,000 average annual cost).
- Issuer **average annual cost rises to \$677,000** when survey categories not covered by the proposed SEC rule are included.
- **Institutional investors spend an average of \$1,372,000 annually** to collect, analyze, and report climate data to inform their investment decisions.
- Institutional investors **spend the most on external ESG ratings, data providers, and consultants** (\$487,000 average annual cost) and **in-house, outside counsel, and proxy solicitor analysis** of shareholder voting for ballot items related to gathering climate risk management information (\$405,000 average annual cost).

The 2022 edition of the annual Axios Harris Poll 100 indicates a slow or inconsistent response to political crises can damage consumer’s trust in a company. Findings of the annual survey, which appraises the reputations of the 100 most visible brands in the country, suggest that companies are increasingly having to balance the expectations of their employees, consumers, and politicians. **When polled on whose views a company should prioritize, 31% of respondents said their customers, 28% said employees, and just 16% said shareholders.** Brands with clear, partisan political affiliations mostly saw their reputation rankings decline. (May 2022)

[MORE »](#) [MORE 2 »](#)

The 2022 Edelman Trust Barometer Special Report: The Geopolitical Business provides insights from the firm's recent survey of 14,000 people in 14 countries and includes these key takeaways (May 2022):

- **Businesses are expected to be active and ethical participants in society.** A majority of respondents believe businesses have economic (85%), societal (77%), and geopolitical (59%) responsibilities.
- **CEOs are expected to be publicly visible leaders** and primary communicators for their companies' responses to pressing social and environmental issues.
- **Russia's invasion of Ukraine has created a new test for business.** 47% of respondents have either bought from or boycotted brands/companies based on their response to the crisis, and trust in companies continuing to operate in Russia fell 38 percentage points.
- **Expected geopolitical action goes beyond active conflicts:** The majority of respondents expect a response from business when countries in which they operate have abusive labor practices (97%), repressive governments (95%), and inadequate environmental protections (94%).

[MORE »](#) [MORE 2 »](#)

3BL MEDIA — Released its **100 Best Corporate Citizens List, an annual ranking of ESG transparency and performance** (methodology [here](#)) among the **1,000 largest US public companies**. **Owens Corning earned the top spot** for the fourth consecutive year. **The ranking** includes CEF members **PepsiCo (#2), Apple (#3), HP (#4), Cisco (#5), Microsoft (#7), Ford (#9), Johnson & Johnson (#12), Ecolab (#15), General Motors (#19), Trane Technologies (#24), Kimberly-Clark (#29), HPE (#43), Mastercard (#48), International Paper (#63), 3M (#69), Dell Technologies (#72), Wells Fargo (#74), CBRE (#76), ADM (#79), Procter & Gamble (#82), WM (#91), and Marriott International (#99).** (May 2022)

[MORE »](#) [MORE 2 »](#)

[Science Based Targets Initiative Annual Progress Report, 2021](#) (SBTi) — Breaks down last year's statistics, current trends, and ongoing challenges with respect to the adoption of—and performance against—science-based emission-reduction targets. Highlights from the report include (May 2022):

- At the end of 2021, **2,253 companies** across 70 countries and 15 industries, representing more than one third (\$38 trillion USD) of global market capitalization, had either SBTi-approved emissions reduction targets or had commitments in process.
- Almost 80% of targets approved in 2021 (and almost 66% of all approved targets) were aligned with 1.5°C. Between 2015-2020, and **most companies with 1.5°C targets cut emissions twice as fast as required.**
- **As of July 15, 2022, SBTi will *only* accept target submissions aligned with its 1.5°C standard.** This supersedes the previous “well below 2°C” threshold.
- Science-based targets are associated with a **12% emissions reduction across scope 1 and 2 emissions in 2020 and a longer-term reduction of 29% since 2015.** About 96% of companies with SBTi-approved targets include Scope 3 emissions in those targets.
- Geographic and sectoral adoption of science-based targets remain uneven. **Adoption in developing countries and among heavy-emitting industries continues to lag, but all**

regions and sectors of concern are believed to have crossed a tipping point, calculated at 20% participation, indicating that adoption within them is now likely to accelerate.

- SBTi announced that it will be **launching its new measurement, reporting, and verification framework in 2023**. This “Project Framework” will deliver increased transparency and accountability of companies’ progress against their science-based targets.

[Investing in Society: 2022 Edition](#) (CECP) — Provides quantitative and qualitative analyses of the “current state of corporate purpose” among the Fortune 500. The newly released edition examines trends related to ESG metrics and disclosure, and summarizes corporate performance in the CECP ESG Scorecard, which breaks down 22 Key Performance Indicators; and CECP’s ESG Factor Analysis, which offers a way to determine positive or negative ESG performance. The analysis folds in CECP’s thought leadership and a review of current opinion research spanning sectors. For the period between 2018 to 2020, **CECP reported several significant findings**, including (May 2022):

- Fortune 500 companies with net-zero emissions targets rose from 2.9% to 31.6%
- The percentage of company boards with a dedicated Sustainability Committee increased from 41% to 59%.
- Community investment nearly doubled from a median total community investment of \$27B in to \$45B.
- The number of companies actively managing social supply chain issues—such as supporting human rights or eliminating the use of child labor—increased from 71.3% to 82%.
- Women’s representation in management barely increased from 29% to 30%, and representation in the workforce overall increased less than 1%.
- Despite high numbers of companies having diversity and inclusion initiatives, the percentage of minorities in management positions across all sectors increased only 1%, to 26%.

ETHISPHERE’S “WORLD’S MOST ETHICAL COMPANIES®” LIST — Ethisphere released its **list of the [World’s Most Ethical Companies®](#) in 2022**, recognizing 136 companies that “demonstrated a commitment to ethical business practices.” **Fourteen companies** (including CEF member **Apple**) **are first-time honorees, and six companies** (including CEF members **Ecolab, International Paper, and PepsiCo**) **have been recognized all 16 years** since the awards’ inception. (March 2022)

[MORE »](#)

[Now For Nature: The Decade of Delivery](#) (CDP, in partnership with Oliver Wyman) — **Examines the data related to climate, forests, and water security that 1,228 European companies disclosed to CDP in 2021** and identifies **priorities for action**. Eighty-five percent more companies have approved science-based targets than in 2020, but only 16% of companies have 1.5°C-aligned targets. **Only 5% of companies disclosing on all three topics have a “robust” emissions target, a target to reduce water withdrawals, and a “best-practice forests commitment”** that includes zero deforestation. (March 2022)

[MORE »](#)

[2021 Climate Transition Plan Disclosure: Are Companies Being Transparent in Their Transition?](#) (CDP) — Analyzes the data related to climate transition plans that over 13,000 companies disclosed to CDP in 2021, including industry and geographic trends. It finds that only a third of companies are developing climate transition plans, and only 1% of companies disclosed against all 24 indicators “associated with a credible plan.” The financial services, power, and fossil fuel sectors have the highest rates of plan disclosure, while transportation and apparel have the worst rates. (March 2022)

[MORE »](#)

Shareholder advocacy group [As You Sow](#) released a [report](#) ranking 55 of the largest US companies’ progress in aligning their GHG emission reductions with 1.5°C of warming. Only three companies—CEF members Ecolab, Microsoft, and PepsiCo—received an overall “A” grade, and two—CEF members Alphabet and Apple—received an overall “B” grade, with 84% of companies receiving an overall “D” or “F.” Zero companies received an “A” for GHG target setting. (March 2022)

[MORE »](#)

AS YOU SOW / CORPORATE KNIGHTS “CLEAN200” LIST — Shareholder advocacy group [As You Sow](#) and Corporate Knights released their annual list of the 200 largest public companies “ranked by green energy revenues.” On average, it found 58% of revenues earned by Clean200 companies to be “clean,” up from 39% in 2021 and significantly above the 20% average for their MSCI ACWI peers. The top 10 includes CEF members Apple (#1), Alphabet (#2), Cisco Systems (#7), HP (#8), Schneider Electric (#9), and Siemens (#10). (Feb 2022)

[MORE »](#)

[Key Trends That Will Drive the ESG Agenda in 2022](#) (S&P Global) — Outlines nine trends that S&P Global expects will drive the 2022 ESG agenda, which include the growth in sustainable debt issuance, scrutiny of corporate sustainability efforts, and pressure on business and government leaders. **Key findings** (Feb 2022):

- New regulations and reporting standards will demand more credible corporate disclosures backed by better data.
- Corporate boards and government leaders will be more pressured to enhance their ESG skills.
- Climate transition strategies will increasingly integrate social issues.
- Climate stress testing will become prominent in the financial services industry.
- Assessing natural capital and biodiversity risks will become even more important.

[MORE »](#)

SPG GLOBAL’S “2022 SUSTAINABILITY YEARBOOK” — Over 700 companies made SPG Global’s 2022 Yearbook, an annual assessment to distinguish the top-performing companies in corporate sustainability. CEF members Cisco Systems, General Motors, Siemens,

Unilever, and Waste Management earned the highest “Gold Class” status, achieving an S&P Global ESG Score within 1% of their industry's top-performing company's score. (Feb 2022)

[MORE »](#)

[Global Impact at Scale: 2021 Edition](#) ([Chief Executives for Corporate Purpose](#), CECF, in collaboration with the [CECF Global Exchange](#)) — **Provides a global snapshot of corporate ESG action, social investment, and volunteerism in 2020, including progress toward the UN SDGs and diversity, equity, and inclusion (DEI).** 75% of companies predicted that ESG would be integrated across their company within five years; 70% allocated more resources to DEI; and 69% said ESG data helps them attract “a new generation of empowered employees.” (Jan 2022)

[MORE »](#)

[State of Green Business 2022](#) (GreenBiz Group, in collaboration with LinkedIn and S&P Global Sustainable1) — **Explores the top 10 sustainable business trends of 2022, the state of green jobs and skills, and the state of net zero. Key findings** (Jan 2022):

- 80% of companies disclose carbon emissions, up 22% since 2016, yet companies are 65% short on emission reductions needed to align with a 1.5°C pathway
- 78% of companies are expected to face moderate to high physical climate risk by 2050
- Supply chain data is expected to “get granular” and change approaches to investing, product marketing, and how employees demand change
- Power companies will work toward ways to match energy use with a real-time clean energy supply
- Logistics decarbonization efforts are expected to grow across sectors
- Biodiversity standards could become more common
- Circular mining initiatives are expected to rise alongside demand for metals and raw materials for the clean economy transition
- “Circular economy leads/executives” are being hired across industries

[MORE »](#)

CORPORATE KNIGHTS “GLOBAL 100” LIST — Corporate Knights released the annual [2022 Global 100 list](#), which ranks the world’s most sustainable companies out of nearly 7,000 companies with over \$1 billion in revenue. Notably, **the top 100 companies put an average of 48% of investments into clean activities** and have **generated a total investment return of 331%** since 2005 (compared with 279% for MSCI All Country World Index). **The top 10 include:** (Jan 2022)

1. Vestas Wind Systems
2. Chr. Hansen
3. Autodesk
4. Schneider Electric (CEF member)
5. City Developments
6. American Water Works Company
7. Ørsted
8. Atlantica Sustainable Infrastructure
9. Dassault Systemes

10. Brambles

[MORE »](#)

[Winning the Race to Net Zero: The CEO Guide to Climate Advantage](#) (World Economic Forum, in collaboration with Boston Consulting Group) — Outlines **how companies can “close the emissions gap, translate targets into concrete roadmaps,”** and adapt their business in an evolving economic landscape. It concludes that **early movers in the net-zero transition are likely to see “higher shareholder returns and a sustainable source of competitive advantage.”**

Key findings:

- Nearly all companies can cut their emissions by 30% at net-zero cost to their business.
- Companies that “decarbonize early” are likely to see EBIT (earnings before interest and taxes) margins of 2 to 12 percentage points higher than those that decarbonize later.
- Across 10 sectors, sustainability leaders secured capital that cost an average of 100 basis points less than what “sector laggards” secured.
- Corporate climate leaders “play in higher-growth segments.”
- Nearly half of job seekers see sustainability as a reason to change or not choose a job.

[MORE »](#) (Jan 2022)

[Sustainability Disclosure Practices in the Russell 3000, S&P 500, and S&P MidCap 400: 2022 Edition](#) (The Conference Board, Heidrick & Struggles, ESGAUGE) — **Analyzes US publicly traded companies’ climate disclosure and performance data in key areas:** climate, water, biodiversity, use of external assurance, and gender diversity. It recommends ways for companies to “take a fresh look” at their disclosures and “provide greater information.” **Key findings:**

- Larger US firms disclose their GHG emissions at 2.5 times the rate of smaller US firms and obtain external assurance for their sustainability information at 6 times the rate.
- Across all three indexes, fewer than 12% of companies disclose the amount of water taken from water-stressed areas and fewer than 15% have biodiversity policies.
- Three times as many shareholder proposals on board and workplace diversity were voted on last year (2020 baseline).

[MORE »](#) (Jan 2022)

JUST CAPITAL 2022 “JUST 100 LIST” — 100 companies out of 954 public companies scored by JUST Capital, in collaboration with CNBC, made the 2022 “JUST 100” list, which recognizes companies that perform the best against 20 “priorities for just business behavior” (e.g., accountability to all stakeholders, paying a fair, living wage) that are identified based on polling of the American public. The top 10 includes CEF members Alphabet (#1), Microsoft (#3), Bank of America (#5), Apple (#7), and Cisco Systems (#10). (Jan 2022)

[MORE »](#)

[2022 ESG Trends to Watch](#) (MSCI) — **Highlights 10 ESG trends for companies and investors, including: supplier emissions, corporate disclosure, divestment, and a just transition. Key findings** (Dec 2021):

- As companies work to reach net zero, “downward emissions pressure may become as familiar to suppliers as downward price pressure.”
- "Critics argue that privately held companies are becoming an opaque refuge for carbon-intensive fossil-fuel assets. The jury is out, because the private-equity funds that own these companies aren't saying much."
- Only one of the largest private equity funds has disclosed the emissions footprint of its portfolios.
- Divestment from fossil fuels “may hardly move the needle on achieving a net-zero economy. ... [I]nvestors will likely look to expand their toolbox: engage where they can exert leverage, divest where they can't, plus insert themselves collectively into policy discussions to change the context.”
- A disproportionate amount of assets are invested in companies operating in developed economies. Developing and frontier markets need more investor financing to enable a just transition.

[MORE »](#) [MORE 2 »](#)

CDP “A LIST” — 272 out of nearly 12,000 companies scored by CDP made CDP’s [2021 “A List,”](#) which includes a climate change A List (200 companies), a water security A List (118 companies), and a forests A List (24 companies). The lists recognize companies for their “environmental leadership,” all of which are reducing their value chain emissions and have verified Scope 1 and 2 emissions, SBTi-approved emission-reduction targets, evidence of targets that cover their Scope 3 emissions, “robust governance and oversight of climate issues,” and “rigorous risk management processes.” **A record 14 companies received Triple A scores for their work across all three themes, including:** Danone, Firmenich, Fuji Oil Holdings, CEF member **HP**, International Flavors & Fragrances, KAO Corporation, Klabin, Lenzing, L’Oréal, Metsä Board Corporation, Mondi, Philip Morris International, Syrmise, and CEF member **Unilever**. **Additional CEF members on the A Lists include:** Ecolab (water security), **Ford** (climate change, water security), **General Motors** (water security), **HPE** (water security), **Microsoft** (climate change, water security), **PepsiCo** (forests), **Samsung** (water security), **Schneider Electric** (climate change), **Visa** (climate change). (Dec 2021)

[MORE »](#)

[Collective Action Today, Impact at Scale Tomorrow — 2021 Review](#) ([Consumer Goods Forum](#), KPMG) — The Consumer Goods Forum’s first annual report **reviews the commitments, activities, and achievements of the Forum’s 400 members and eight Coalitions of Action over the last 12 months.** (Dec 2021)

[MORE »](#)

[Emission reductions influencing equity value](#) (Lazard Climate Center) — **Analyzes data from 16,000 global companies from 2016-2020 and finds that “the more greenhouse gases a company emits, the lower its stock price relative to its earnings,”** according to Lazard's Peter Orszag and Zachery Halem. The effect is more pronounced with large companies, and European industrial companies with a market cap over \$50 billion see the price-earnings multiple fall 18% for every 10% increase in carbon emissions. (Dec 2021)

[MORE »](#)

NEWSWEEK / STATISTA — Released its “America's Most Responsible Companies 2022” list, which ranks 500 public companies based on their ESG performance (up from 400 companies previously). **The top 20 includes** CEF members **HP (#1), HPE (#7), Cisco (#13), and Ecolab (#18).** (Dec 2021)

[MORE »](#)

Reuters announced its 2021 Responsible Business Awards winners, recognizing companies that are truly having an impact on business, society and the environment, and delivering a new blueprint for business in the 21st Century. The following CEF members were classified as winners in the following categories (Oct 2021):

- **Samsung** earned the Circular Transition Award
- **Trane Technologies** earned the Business Transformation Award
- **Morgan Stanley** earned the Sustainability Trailblazer Award
- **PepsiCo** was highly commended for the Diversity, Equity & Inclusion Award

[MORE »](#)

Key findings of JUST Capital’s sixth annual “Americans’ Views on Business Survey” (Nov 2021):

- 49% believe companies have a positive impact on society, down from 58% in 2018
- 63% believe CEOs of large companies are responsible for taking a stand on important societal issues, with income inequality, racial equity, and climate change ranked as the top three issues
- 84% say that companies “often hide behind public declarations of support for stakeholders but don’t walk the walk”
- 58% said capitalism “is not working for the average American”
- 36% believe companies are positively impacting the financial well-being of their lowest-paid workers

[MORE »](#)

TERRA CARTA SEAL RECIPIENTS — HRH The Prince of Wales’ initiative and Corporate Knights awarded their inaugural “[Terra Carta Seal](#)” to 45 companies that are **putting “Nature, People and Planet at the heart of” economic value creation.** All recipients have aligned with the [Terra Carta charter](#), committed to achieving net zero by 2050 or halving GHG emissions by 2035, and committed to standardizing their reporting metrics. Recipients include CEF members **Amazon, Bank of America, Hewlett Packard Enterprise, HP Inc., PepsiCo, Trane Technologies, and Unilever.** (Nov 2021)

[MORE »](#)

[Business Sustainability Risk and Performance Index 2021: Insights from Global Supply Chain Ratings](#) (Ecovadis) — Analyzes the **sustainability performance of 46,000 businesses** of all sizes **across 9 industries** and **5 global regions from 2016-2020**, focusing on **4 key themes**: environment, sustainable procurement, ethics, and labor and human rights. **Highly regulated sectors showed better sustainability performance and year-over-year improvements**, with **finance, legal, and consulting** performing the best. (Oct 2021)
[MORE »](#)

[Business Model Transformation Databook](#) (Schneider Electric) — Analyzes **how organizations are transforming their business model to combat the threat of climate change**. Reports that **64% have developed and published a climate-action plan or are developing** such a plan. **21% have significantly advanced** their business model, and **7% have completely transformed** their business model. (Oct 2021)
[MORE »](#)

32 companies that have prioritized their workers during the COVID-19 pandemic (e.g., by establishing safety practices, disclosing demographic details to drive racial equity, worker benefits) **have outperformed companies on the Russell 1000 by 8.6%**, according to a JUST Capital [ranking](#) of companies “leading for their workers” by industry. CEF members **BlackRock, Chevron, Comcast, Dow, Ford, JPMorgan Chase & Co., Lockheed Martin, McKesson, and Procter & Gamble** are among the 32 companies featured. (Sept 2021)
[MORE »](#)

Key findings from the KPMG 2021 CEO Outlook survey of 1,325 CEOs across 11 major markets include (Sept 2021):

- 30% plan to invest over 10% of revenue in becoming more sustainable
- 87% say purpose and long-term value for all stakeholders are central to building their company’s brand reputation
- 71% believe CEOs “will be increasingly held personally responsible for driving progress in addressing social issues”

[MORE »](#)

US companies that signed the 2019 Business Roundtable (BRT) “[Statement on the Purpose of a Corporation](#)” have seen **41% of financial returns**, whereas companies on the **Russell 1000 Index** have seen **31% of returns**, according to JUST Capital. **BRT signatories also have 22.3% less GHG emissions**, are twice as likely to tie ESG performance to executive compensation, are 3x more likely to report having DEI targets, pay their workers 5.3% more, and give 370% more in charitable contributions. (Aug 2021)
[MORE »](#)

[2021 Sustainability Leaders](#) (GlobeScan, the SustainAbility Institute by ERM) — A **survey of nearly 700 sustainability experts in over 70 countries on how the pandemic will affect the global sustainable development agenda**. The experts rank the **top 15 companies** displaying

corporate sustainability leadership, including **Unilever** as #1 and **Microsoft, Danone, Google,** and **Walmart**. (Aug 2021)

Sustainability Trends Report 2021 (Generation Investment Management) — **The fifth annual assessment of the global state of sustainability draws on over 200 sources and highlights how sustainability manifests across various sectors**, including finance, diversity, equity, and inclusion, natural solutions, the mainstreaming of net zero, clean technologies, and more. Warns of mounting greenwashing as a significant risk to sustainable economic transitions. (July 2021)

Corporate Sustainability Goal Setting and Measurement (Black & Veatch and GreenBiz) — **Reviews corporate sustainability goals and the strategies companies are taking to achieve them**. Based on 490 survey responses (85% from the U.S.), representing 14 industry sectors. **Key findings** (May 2021):

- Over 80% of companies with revenues greater than \$250 million have set GHG reduction goals, but 25% are unsure how they'll meet them
- EVs are being piloted by more than half of companies with revenues greater than \$1 billion as a strategic component to achieve sustainability goals
- More than three-quarters of companies with revenues of at least \$10 billion are using analytics to reduce energy and water usage, as are over half of all other companies
- 67% of companies with revenues exceeding \$10 billion have set Scope 3 emissions targets
- Companies are using a combo of capital expenditures and operating expenses to fund sustainability projects
- Corporate management and investors are the top stakeholders driving sustainability commitments

Investing in Society (CECP) — Based on CECP's engagements with over 200 large companies, **it assesses the corporate sector's progress towards being increasingly purposeful and stakeholder-driven. Insights organized in five priority areas** (April 2021):

- **Priorities:** Corporate purpose leadership priorities in 2021 involve CEO advocacy, bridging divides across opposing groups, updating their purpose statements, rethinking work/life balance, and focusing on the health, well-being, and skills of their employees
- **Performance:** Companies are increasingly integrating ESG metrics throughout the business, showing evidence of a shift towards long term, sustainable value
- **People:** 45% showed improvements in diversifying their employees and management teams, and 73% predicted their 2021 DEI budget would increase
- **Planet:** 69% had a positive impact on the environment by reducing their GHG emissions, total electricity consumption, and the amount of energy used
- **Policies:** 56% made progress in their efforts to improve compensation transparency and accountability. Companies also improved acting on the idea of integrated corporate governance as the number of companies with a CSR/Sustainability (or related terms) committee on their Board rose 14% between 2017 and 2019

[Now or Never: A New Bar for Sustainability](#) (ING) — Surveys 450 companies in 7 sectors and 100 institutional investors about their **ESG priorities, how they are embedding accountability, and the evolving influence of capital markets on sustainable transition**. Key findings (April 2021):

- 57% are accelerating green transformation plans
- 33% put the health and wellbeing of their employees as the most urgent ESG priority before emissions reduction (30%)
- 72% of investors are increasing their ambitions when it comes to ESG outcomes in their portfolios
- 61% of companies in the energy sector expect new government policy action, like carbon taxes
- 73% say sustainable finance instruments, such as green bonds or sustainability-linked loans, have improved their ability to put in place robust internal accountability metrics
- 48% of investors think sustainable finance will be more effective in driving the transition of carbon-intensive companies, and only 26% disagree

Only 14% (16 out of 111) of **large publicly listed heavy industrial companies** have decarbonization strategies aligned **with the Paris Agreement**, according to a recent report by the **Transition Pathway Initiative**. The heavy industry sectors covered in the report—**diversified mining, steel, cement, paper, aluminum, and chemicals**—generate over nine gigatons of annual CO2 emissions, **roughly 25% of total global energy emissions**. (February 2021)

[MORE »](#)

Only a third of global family-owned businesses have **set sustainability strategies**, according to a [PwC survey](#) that interviewed over 2,800 family owners. Respondents in **mainland China (79%)** and **Japan (78%)** reported **putting sustainability at the heart of everything they do** compared to **23% in the U.S.** and **39% in the U.K.**, who put greater emphasis on direct philanthropic contributions (U.S. 76% and U.K. 60%). (February 2021)

[MORE »](#)

Formal ESG programs and initiatives have **strongly been adopted across public and private companies in the U.S., U.K., France, and Germany**, according to a new analysis from **NAVEX Global** that surveyed senior executives and managers. Key findings include (February 2021):

- **88% of publicly traded companies have ESG initiatives**, followed by **79% of venture and private equity-backed companies**, and **67% of privately-owned companies**
- **U.S. respondents** rank the **environment (43%)** as the **top ESG factor to business reputation**, followed by **social issues (34%)**, and **governance (14%)**
- Respondents have **low confidence in the effectiveness of their company's ESG performance**: **50%** believe performance on **environment metrics is very effective**; **39%** for **governance metrics**; and **37%** on **social issues**
- **64%** of respondents said their **company increased its focus on ESG in 2020**, and **63%** said their companies were **planning to increase spending on ESG in 2021**

[MORE »](#)

S&P Global released their [2021 Sustainability Yearbook](#), an annual assessment to **distinguish the top-performing companies in corporate sustainability**. The Yearbook covers a **record 7,032 companies** across 40 countries and 61 industries. CEF members **Cisco, Hewlett Packard Enterprise, Unilever, and Waste Management** earned the highest **“Gold Class” status** by achieving an S&P Global ESG Score within 1% of their industry's top-performing company's score. (February 2021)

[MORE »](#)

"[The State of Green Business, 2021](#)" (GreenBiz Group, January 2021) reviews **trends in sustainability performance** for the **500 largest publicly-traded companies in the United States**, as well as the **largest 1,200 companies globally**. The report also **identifies the top 10 sustainable business trends for 2021**, which include the following:

1. Ocean-based sequestration heats up
2. The “S” in ESG Gains Currency
3. Community Investments Pay Dividends
4. Aquaculture Becomes a Net-Positive
5. Industrial Decarbonization Picks Up Steam
6. Nature Takes Root on the Balance Sheet
7. Sustainable Mobility Drives the Newest Perk
8. Aviation Plots a Sustainable Course
9. The Circular Economy Shows Its Human Side
10. Corporate Advocacy Gets Louder

[MORE »](#)

"[2020 Global Impact at Scale Report](#)" (Chief Executives for Corporate Purpose (CECP) and Global Exchange Country Partners) (January 2021) offers insight into how companies around the world **engage and report on ESG issues** and **how certain factors influence corporate strategies of social responsibility**. Findings include:

- **81% of companies act on the U.N. Sustainable Development Goals (SDGs)**, including using them as a framework for reporting and integrating them into strategy
- **59% of companies consider private-sector partnerships sufficiently important** to report to their CEO/senior executives
- Companies that **prioritize the use of SDGs increased** by more than **20%** compared to last year
- **Community investments increased for 58%** of companies over the last 3 years

[MORE »](#)

"[Corporate Attitudes Towards Sustainability 2020](#)" (Carbon Trust, October 2020) analyzes survey responses from sustainability and corporate responsibility professionals to better

understand **how COVID-19 has impacted sustainability efforts within their organization**. Select key findings included the following:

- A majority of respondents (**51%**) said that their **environmental management and/or sustainability efforts are ‘somewhat more important’** as a result of COVID-19; 23% said that they are ‘significantly more important.’
- **47%** said that **sustainability will be ‘somewhat more important’ to their customers** as a result of COVID-19; 27% said that sustainability will be ‘significantly more important’ to customers.
- **45%** said that their organization’s **total budget for sustainability will likely be ‘somewhat bigger’** as a result of COVID-19, while 20% expect their budget to ‘remain the same.’

[MORE »](#)

“Powering Sustainability” (Capgemini Research Institute, October 2020) assesses the **state of sustainability progress in the energy and utilities sector**. Select key findings included the following:

- **More than six in ten organizations** have driven an **increase in revenues from sustainable operations**.
- **37%** of energy and utilities companies have **slowed down the pace of investments in sustainability considerably due to COVID-19**.
- Only **3%** are actively **scaling some initiatives** across regions or have comprehensive initiatives in place globally to **reduce emissions from the use of their products (Scope 3 emissions)**.
- Only **6%** said that they are **on track to meet Paris Agreement targets**.
- **93%** of organizations **do not have validated science-based targets**.

[MORE »](#)

“2020 Sustainability Leaders Survey” (GlobeScan and SustainAbility) asked more than 700 sustainability experts to list **companies who are leaders in integrating sustainability into their business strategy**. The **top five most frequently cited companies** included the following:

- Unilever
- Patagonia
- IKEA
- Interface
- Natura & Co.

[MORE »](#)

[Read Detailed CEF Summary](#)

[“Business Sustainability Risk and Performance Index 2020”](#) (EcoVadis, August 2020) assesses the **sustainability performance of more than 40,000 companies** (on a scale of zero to 100 points) based on criteria **across four themes**: environment, labor practices and human rights, business ethics, and sustainable procurement. Key findings included the following:

- Overall **average sustainability performance** across the more than 40,000 companies analyzed has **increased by nearly 4 points since 2015**.
- Companies continue to **perform best in the Labor & Human Rights theme**, reaching an average score of 49.1 in 2019.
- Companies **scored the lowest in the Sustainable Procurement theme**, reaching an average score of 37.9 in 2019.
- **Eighty percent of suppliers lack supply chain due diligence measures, 57% aren’t monitoring working conditions, 44% lack health and safety preparedness**
- **18% of businesses in North America reported their CO2 emissions in 2019**, compared to **15% of organizations in Europe and AMEA**. However, **Europe continues to outperform other regions on sustainability year-over-year**.

[MORE »](#)

90% of S&P 500 companies published a corporate sustainability report in 2019—up from **20%** in 2011, according to the [latest data](#) from the **G&A Institute**. (July 2020)

[MORE »](#)

[“Uniting Business in the Decade of Action”](#) (UN Global Compact and DNV GL, June 2020) assesses the **progress businesses have made in embedding the Ten Principles of the UN Global Compact into their strategies and operations**. Key findings included the following:

- **More than 90% of companies** participating in the UN Global Compact **have embedded the Ten Principles** and have policies and practices in place. **73% of companies state that upholding the Ten Principles is how they take action to deliver the SDGs**.
- **84% report taking specific action to advance the SDGs** and **61% are developing products and services that contribute to them**.
- **46% are embedding the SDGs into their core business** and **37% are designing business models that contribute to the SDGs**.
- **45% are tracking progress on SDG actions**—up from **40%** in 2019.
- **62% say they conduct environmental impact assessments**. However, only **18%** conduct impact assessments for **human rights**, **25%** conduct them for **anti-corruption**, and **29%** conduct them for **labor rights**.
- **39% say they have targets they believe are sufficiently ambitious, science-based and/or align with societal needs**.
- **35% say they publicly advocate the importance of action on the SDGs**.

[MORE »](#)

Nearly all (97%) business professionals say their long-term sustainability strategy remains unchanged despite the COVID-19 pandemic, according to [new data](#) from **The Climate Group**. Additional findings included the following:

- **80%** of respondents say their **company has been able to maintain its current climate actions during the crisis.**
- **47%** say they still **need more supportive government policies** to be able to achieve their sustainability goals.
- **85%** list at least one area where government recovery packages should include strong climate measures
- **63% say that governments' economic stimulus packages must invest first in measures that accelerate the decarbonization of the economy.**
- **58%** believe **green strings should be attached to any financial support**, prioritizing industries that cut greenhouse gas emissions and create green jobs
- **52%** want to be **more ambitious on tackling big societal issues.**
- **49%** believe that **key stakeholders will want companies to do more and act faster on climate.**
- **55%** believe that **climate action might be at risk of falling down the corporate priority ladder** if job creation and economic growth do take precedence. (June 2020)

[MORE »](#)

[“Responsible Business Tracker 2019/20 Insights Report”](#) (The Prince’s Responsible Business Network, June 2020) provides insight into **how 94 businesses across 24 sectors are supporting their employees, supply chains, and the communities where they operate.** Select key findings included the following:

- **59%** of participants **identify risks and opportunities related to their carbon reduction strategy** and **47% set objectives, targets and KPIs to monitor and evaluate the effectiveness of their strategy.** However, **only 41% of respondents govern the issue at the highest level of the organization** and **32% consider their entire value chain** when identifying risks and opportunities.
- **29%** have developed **science-based, net zero or carbon restorative targets.**
- While **44%** of respondents **identify risks and opportunities related to circular economy**, **only 19% include the full value chain in this exercise.**
- **77%** of respondents say they **understand their dependency on natural resources and are taking action to sustain these for the future.** However, **only 18% set objectives, targets and KPIs to monitor and evaluate the effectiveness of their strategy, actions and investments** on healthy ecosystems.
- **38%** of businesses **define the direct business impact of their health and well-being strategy** and **only 13% define societal impact.**

[Read Detailed CEF Summary](#)

[“State of Green Business 2020”](#) (GreenBiz Group and Trucost) reviews **trends in sustainability performance** for the **500 largest publicly-traded companies in the United States**, as well as the largest 1,200 companies globally. The report also identifies the **top 10 sustainable business trends for 2020**, which include the following:

1. The shipping industry sails toward decarbonization
2. Companies look to nature-based solutions
3. Last-mile transportation inches closer to home

4. Carbon markets get real on removal
5. Corporate reporting gets physical
6. Employee activism on sustainability marches on
7. Commercial buildings go all-electric
8. Circularity becomes measurable
9. Nutrient diversity goes beyond meatless meat
10. The bots are coming (to ratings and reporting)

[MORE »](#)

["The Biggest Sustainability Stories of 2019 \(and what to watch for in 2020\)"](#) (Andrew Winston, Jan 2020)

1. The climate protest movement explodes
2. Awareness of the seriousness of the climate crisis rises
3. Government and corporate ambitions on climate and sustainability grow
4. Business leaders question shareholder primacy and capitalism
5. Sustainable investing advances
6. More companies take a stand
7. Plant-based burgers take center stage in a new food system
8. Clean tech grows even more, especially electric vehicles

What to look for in 2020

- Pressure is rising on companies to use their political influence to demand aggressive climate policy
- Some regions, especially India, are on the verge of severe water shortages, impacting people and business.
- Data-driven, supply chain tracking (and use of blockchain) rapidly rising
- A real movement to rethink consumption could be coming
- The 2020 presidential election in the U.S. will be critical

["What's Next for Sustainable Business?"](#) (SustainAbility, Jan 2020) identifies **10 global issues** that are expected to **shape the sustainable business agenda in 2020** and highlights some of the **most effective emerging solutions**.

1. Climate Mitigation
2. A Changed Climate
3. Circular Solutions
4. Plastics
5. Sustainable Consumption
6. Supply Chain
7. Protecting Biodiversity
8. Tech for the SDGs
9. Human Capital
10. Sustainable Finance

[MORE »](#)

[“Investing in Society”](#) (The CEO Force for Good, 2019) finds that "a stakeholder sea change in 2019 has redefined corporate purpose....Business strategy is being reshaped to address the needs of more stakeholders, including employees, communities, customers, governments, and investors." The report explores how leading companies are aligning their corporate social investment strategies to solve the world's most pressing issues, and highlights company examples across five focus areas: priorities, performance, people, planet, and policies. Case studies highlighted:

1. [CVS](#): CVS Health's evolving role in the health care marketplace demonstrates its purpose of helping people on their path to better health. Its experience shows how putting purpose at the center of strategies can help companies increase customer loyalty and broaden their customer base, enhance employees' engagement, and drive greater interest by shareholders.
2. [Google](#): Google [pledged to invest \\$1 BN](#) to redevelop some of its commercial-use land to address the housing crisis in the Bay Area. Google also plans to donate additional funds to nonprofits that address homelessness and displacement.
3. [3M](#): As part of its purpose to "use science to improve lives and help solve the world's toughest challenges," 3M encourages employees to dedicate 15% of their time to pursue their own ideas and concepts. In the seventy years since the company began this program, it has delivered countless innovative technologies, including Post-It Brand notes. Today, 3M is considered one of the most innovative companies in the world, demonstrating how a commitment to purpose can encourage new ideas and advance transformation.