



United Nations
Global Compact

EUROPEAN PRIVATE SECTOR SDG STOCKTAKE

A STUDY BY 10 EUROPEAN COUNTRY NETWORKS
OF THE UN GLOBAL COMPACT

2024





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Disclaimer : These results and reflexions are the ones of the the participating Networks, and not of the United Nations Global Compact (UNGC)

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FOREWORDS



SANDA OJIAMBO,
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It is clear not enough progress has been made on advancing the Sustainable Development Goals (SDGs). Only 17 percent of SDGs targets are on track to be achieved by 2030, according to the Sustainable Development Goals Report 2024. More importantly, there is an urgent need to close the SDG financing gap. Developing countries still need more than \$4 trillion of investments a year to ensure we can achieve Agenda 2030.

Partnerships and collaborations are essential. In this regard, I am pleased to see the efforts being made by the European Union and European Governments to generate ambitious action plans such as the Green Deal, and by European companies to accelerate their integration of sustainability principles.

The UN Global Compact has more than 9,000 participating companies headquartered in Europe; more than half are small and medium-sized enterprises (SMEs). With our 24 Country Networks across Europe, the UN Global Compact is helping to equip businesses in their shifts from policy to impact.

While SDGs and the UN Global Compact are often cited as reference frameworks for the EU's Corporate Sustainability Reporting Directive (CSRD) reporting, our new Communication on Progress (CoP) provides a comprehensive solution for European businesses by enabling them to adopt a global reporting approach. This encourages them to make annual progress and go further in their actions.

I would like to thank colleagues from across European Country Networks for taking this opportunity to measure progress towards the SDGs on the continent. Monitoring and evaluation will be key to ensure the success of Agenda 2030. On behalf of the UN Global Compact, I would also like to express my gratitude to all the companies who participated in this study.

With less than six years to meet Agenda 2030, it is paramount for more businesses to embrace the SDGs as a guiding framework for ambitious, credible actions.

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MESSAGE FROM UN GLOBAL COMPACT EUROPEAN NETWORKS EXECUTIVE DIRECTORS

As the deadline to achieve Agenda 2030 approaches, the need for action on the Sustainable Development Goals (SDGs) has never been more urgent. The SDG Summit last year underscored how much remains to be done, not only on a global scale but also in Europe. Despite Europe's relatively strong commitment to sustainability, and an increasing alignment between the European Union and the United Nations, the gap between where we are and where we need to be is evident.

Thus, European Networks of the UN Global Compact have gathered together to conduct the first study analysing the situation of the SDGs within companies in Europe, to better understand the improvements and challenges that businesses are encountering.

One of the key takeaways from this study is that European companies have achieved a considerable level of maturity in aligning with the SDGs. This progress is further reinforced by new regulations, which are expected to serve as catalysts for even deeper engagement with sustainable practices. However, despite these promising advancements, it is clear that businesses still need to take more concrete actions and improve their ability to measure their contributions effectively. Moving from ambition to tangible, measurable outcomes is critical in the coming years.

To accelerate progress, we must foster partnerships that unite all stakeholders—The European Union, national governments, local administrations, businesses, and NGOs. Collaboration will be key for achieving the goals that will benefit not just Europe, but the entire planet.

We would like to acknowledge all our participant companies that have taken the time to contribute to this study, as well as all those not yet part of the UN Global Compact, but whose perspectives are equally important for driving forward this mission. Our gratitude also extends to the United Nations Economic Commission for Europe (UNECE), whose expertise has been invaluable, and to PwC France & Maghreb for their continued support.

Now, more than ever, it is essential that we join forces to make the European continent a leader in sustainability. By working together, we can transform the ambitious targets of Agenda 2030 into lasting realities.



Cristina Sánchez,
Co-Chair, Global Network Council and
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About the UN Global Compact and the European Country Networks

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere to align their operations and strategies with Ten Principles in the areas of human rights, labour, environment and anti-corruption. Our ambition is to accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the Sustainable Development Goals through accountable companies and ecosystems that enable change. With more than 20,000 companies and 4,000 non-business signatories based in over 160 countries, and 62 Country Networks, the UN Global Compact is the world's largest corporate sustainability initiative — one Global Compact uniting business for a better world. For more information, follow @globalcompact on social media and visit our website at unglobalcompact.org.

With a presence in most of European countries, the UNGC European Country Networks support more than 9,000 local firms and subsidiaries of multinational corporations established in Europe in implementing the UN Global Compact Ten Principles and meeting the annual reporting requirement.



BACKGROUND, METHODOLOGY AND PARTICIPATING COMPANIES' PROFILES

The UN Global Compact Network France has been conducting an annual study on the appropriation of the SDGs by French companies since 2019, in partnership with PwC France & Maghreb. The UNGC Network Spain has also realised a similar study for several years at the Spanish level. After 5 editions, it seemed relevant to broaden the scope of this study to companies from other European national networks of the United Nations Global Compact, particularly considering regulatory developments at the European level.

For this first edition, the study brought together the Country Networks in Bulgaria, France, Greece, Ireland, Italy, Serbia, Spain, Switzerland and Liechtenstein, Türkiye and the United Kingdom.

The Networks collaborated to develop a joint survey for the ten participating Networks, with the possibility for each one to also add a few questions specific to its local context. Beyond knowledge or communication on the SDGs, the study focused on concrete actions and impact measurement, with reference to the Forward Faster initiative launched by the United Nations Global Compact in 2024.

The data collection period ran from March 15 to May 31, 2024. The survey was distributed via mailing lists, LinkedIn, but also through partner organizations that shared the survey to their stakeholders. Due to the particularly high number of Spanish companies that responded to the survey compared to other countries, it was decided to retain only a smaller representative sample of Spanish companies.

The responses of 1,422 companies, established in the 10 participating countries, were thus aggregated to carry out this analysis. To be as representative as possible of the European private sector, data collection was also realised on a sample comprising micro-enterprises, small and medium-sized enterprises (SMEs), mid-caps and large enterprises, as well as an equal share of companies that are participant and non-participant to the United Nations Global Compact.

These results and reflexions are the ones of the the participating Networks, and not of the United Nations Global Compact (UNGC).

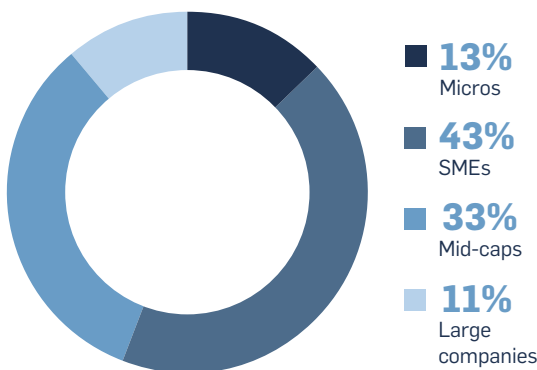
Companies' profiles

Most respondents are SMEs (43%), followed by mid-cap companies (33%). Micro-enterprises represent 13% of respondents, while large companies account for 11%.

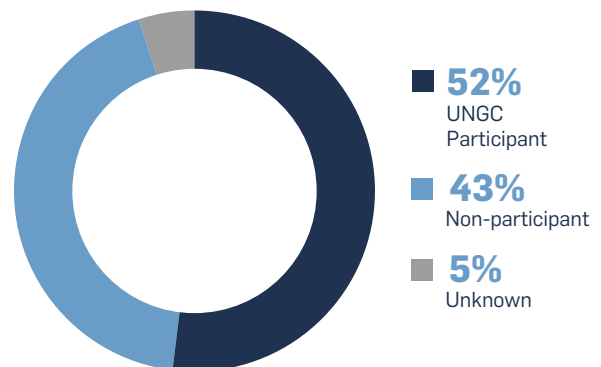
The share of companies that are participants and non-participants to the United Nations Global Compact is balanced, with 52% of responding companies being participants to the Global Compact, and 43% that are not (5% said they did not know whether they were participants or not).

Most of the respondents have declared reporting to the CSR or sustainable development department (38%), or to the general management (34%). The communication department (3%) and the human resources department (3%) are the least represented.

SIZE OF RESPONDING COMPANIES



PARTICIPATION TO THE UNGC





EXECUTIVE SUMMARY

With the international dynamics of corporate sustainability regulations challenging the business models of European companies, and with less than 6 years left for meeting the Sustainable Development Goals, the United Nations Global Compact European Networks have decided for the first time to conduct a joint study to measure the integration of SDGs by the European private sector. For this first edition, responses from 1,422 companies of all sizes established in Bulgaria, France, Greece, Ireland, Italy, Serbia, Spain, Switzerland & Liechtenstein, Türkiye and United Kingdom, have been aggregated and analysed.

European companies of all sizes now demonstrate a strong degree of understanding of the SDGs, with 69% of them considering having an in-depth knowledge of the Goals, and 27% a superficial knowledge. As nearly half of the responding companies are not UN Global Compact participants, this data shows that knowledge of the SDG is widespread. Moreover, a strong majority of European companies (59%) now have a sustainable development strategy that integrates the SDGs.

Engagement towards the SDGs is mostly associated with a wish to strengthen the corporate sustainability strategy (44% of companies), nevertheless data also suggests that European companies are now also integrating the SDGs to better face regulations (32% of respondents), which is consistent with the progressive implementation of the new European Union regulations on corporate sustainability such as the CSRD. Furthermore, among the responding companies that have declared being affected by a CSRD reporting, 87% of them will expressly refer to the SDGs in their report, demonstrating the importance of the Goals as a reporting framework.

The report suggests that European companies mainly take actions in favor of Gender equality (SDG 5 – 44%), Decent work & economic growth (SDG 8 – 44%) and Climate change (SDG 13 – 41%). However, only a minority of companies are taking actions for Ocean preservation (SDG 14 – 11%), Hunger (SDG 2 – 13%) and Sustainable cities (SDG 11 – 17%). It is also encouraging to note that 39% of responding companies act on the SDGs by directly integrating them into their processes and activities.

In general, integrating the SDGs has a positive impact on European companies, as 58% of them consider it has positively impacted their economic performance, among which 26% even consider this impact to be significant. Furthermore, a large majority (77%) estimates the SDGs have allowed them to gain a competitive advantage, 43% of them considering this advantage to be significant.

Nevertheless, the study shows that contribution to sustainable development and the SDGs is not systematically and efficiently measured by European companies, as only a third of respondents have set specific, measurable and time-bound objectives to measure their contribution and progress. In addition, only 21% of companies have identified their priority SDGs and assessed both the positive and negative impacts of their operations.

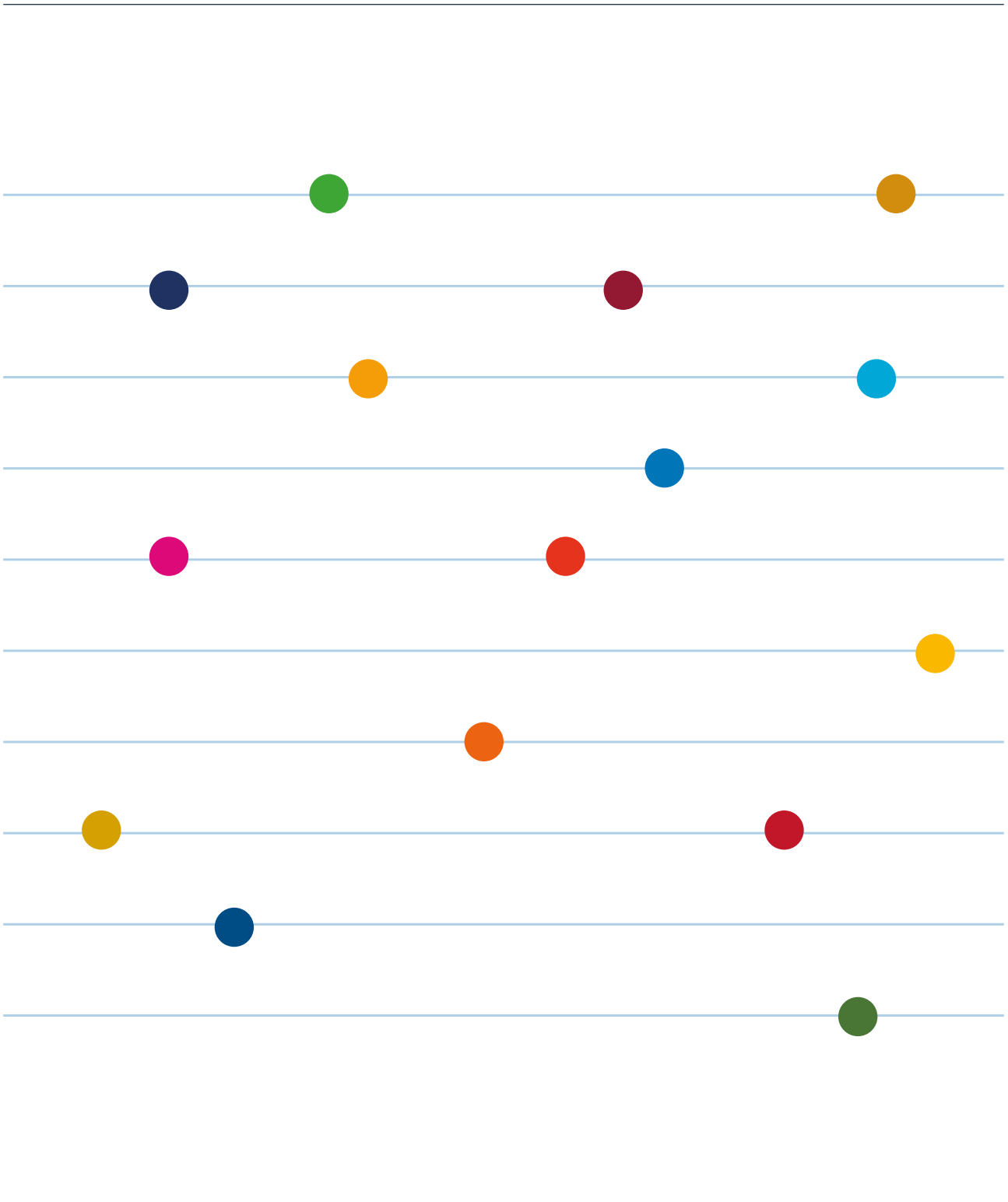
Based on these findings, the UN Global Compact European Networks formulate five recommendations for European companies:

- **European companies of all sizes should further integrate the SDGs into their activities and processes.**
- **European companies should enhance communication on SDGs and define progress measurement indicators.**
- **European companies should engage into more partnerships with diverse actors, as this will be key to achieve Agenda 2030.**
- **European companies should enhance training of their suppliers on sustainability issues and the SDGs.**
- **European companies should strengthen the articulation between the SDGs and their financial investments.**



1

KEY FINDINGS





I - AWARENESS AND INTEGRATION

The SDGs are well known and become more integrated by companies

The starting point of this study was to measure the degree of understanding of SDGs among European companies. In the continuity of previous studies conducted by UNGC Networks France and Spain, the knowledge of SDGs among companies continues to grow.

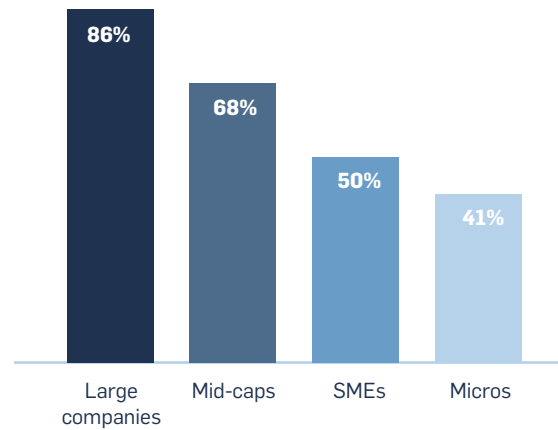
A significant majority of respondents were aware of the SDGs, either in depth (69%) or superficially (27%). Only 4% of respondents were not aware of the SDGs before receiving the questionnaire.

In depth knowledge of the Goals is still fragmented by company size. While more than 8 out of 10 companies from mid-size (80%) to large (85%) have declared having an in-depth understanding of the SDGs, it is less common with SMEs (59%) and micro enterprises (60%).

Beyond the understanding of SDGs, **the majority of companies now also have a sustainability strategy that incorporates the SDGs (59%).** 18% integrate the SDGs without having a formal strategy, and 12% have a sustainability strategy that does not incorporate the SDGs. 11% of companies still do not have any form of strategy and do not integrate SDGs.

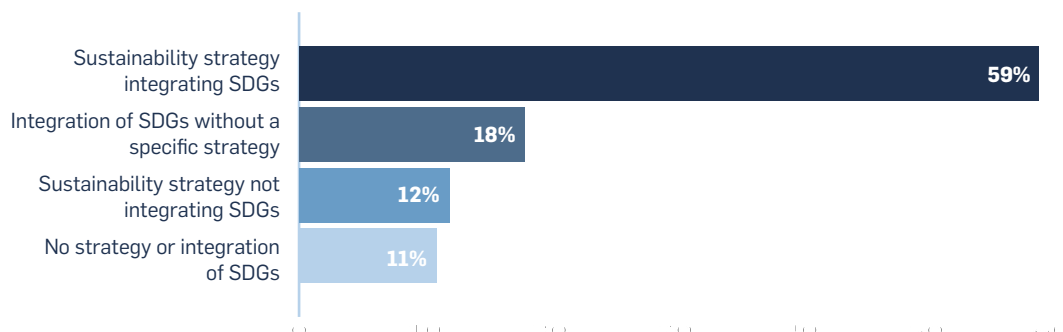
A clear trend emerges regarding the integration of sustainable development strategies aligned with the SDGs by company size. Large enterprises lead the way, with 86% having a

PROPORTION OF COMPANIES WITH A STRATEGY INTEGRATING THE SDGs, BY COMPANY SIZE



dedicated strategy that integrates the SDGs. Mid-cap companies follow, with 68% having integrated SDGs into their strategies and SMEs show a more moderate engagement, with 50% integrating SDGs into their strategies. Micro-enterprises are behind, with only 41% adopting SDG-integrated strategies and a significant 21% without any SDG alignment. This data suggests that larger companies still tend to be more proactive in adopting formal sustainability strategies, while smaller businesses remain more likely to either lack structured approaches or not integrate SDGs at all.

INTEGRATION OF SDGs INTO EUROPEAN COMPANIES STRATEGIES



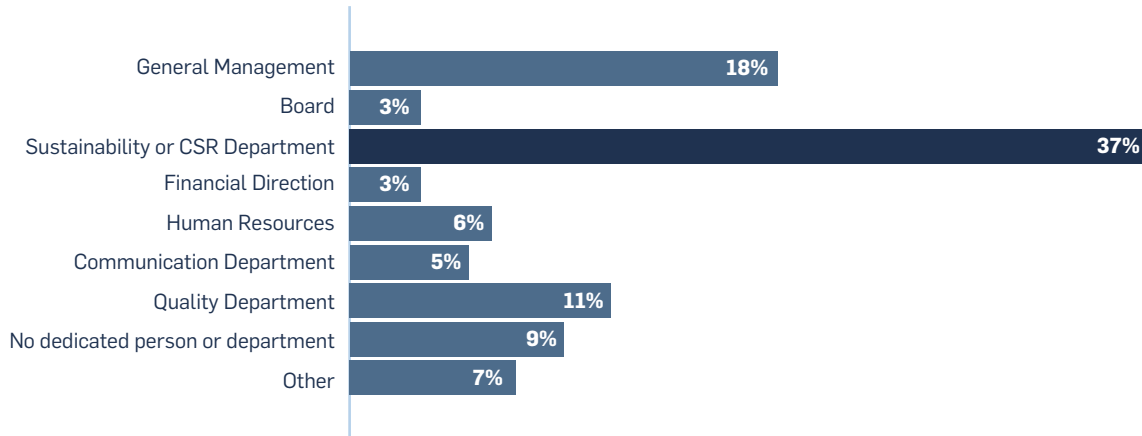


SDGs are mostly the responsibility of the sustainability departments and perceived as a way to reinvigorate their CSR approach and to meet the expectations of their clients

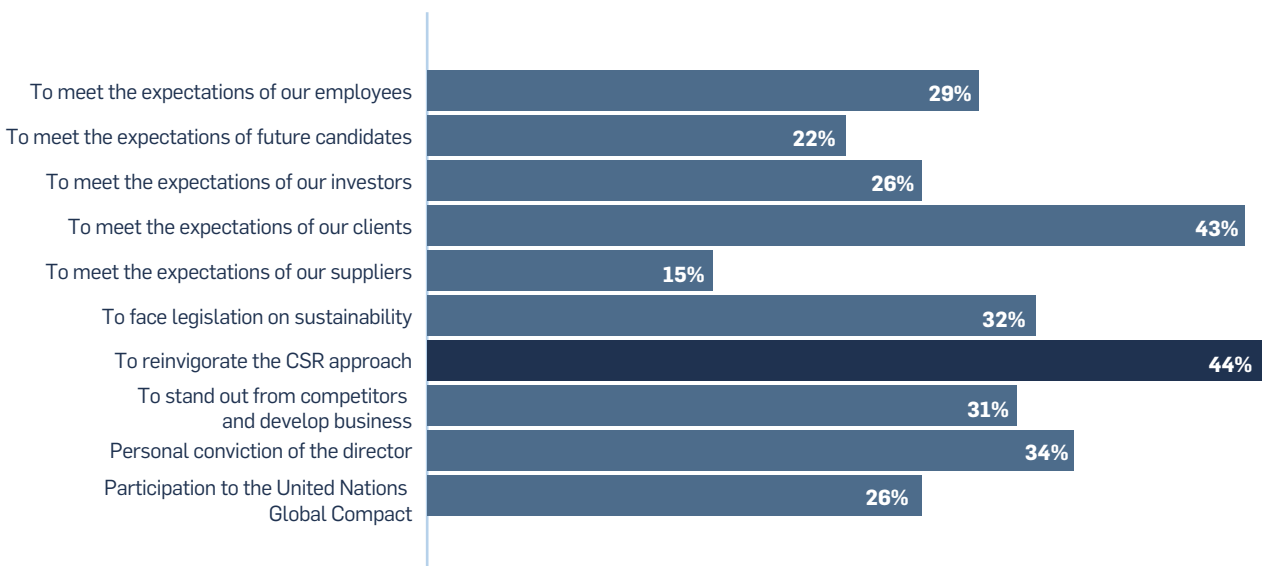
For 36% of companies, it is the sustainability/CSR department that is responsible for working on these issues, followed by General Management (18%) and the quality department (11%). Nevertheless, a significant share of companies (9%) still do not have a specific person or department for this role.

The main reasons for SDG integration include the desire to reinvigorate the CSR approach (44%), meet customer expectations (43%), personal conviction of the director (34%), and eventually to better comply with regulations (32%).

RESPONSIBILITY FOR SDGs ENGAGEMENT WITHIN EUROPEAN COMPANIES



MOTIVATIONS BEHIND THE SDGs ENGAGEMENT OF EUROPEAN COMPANIES





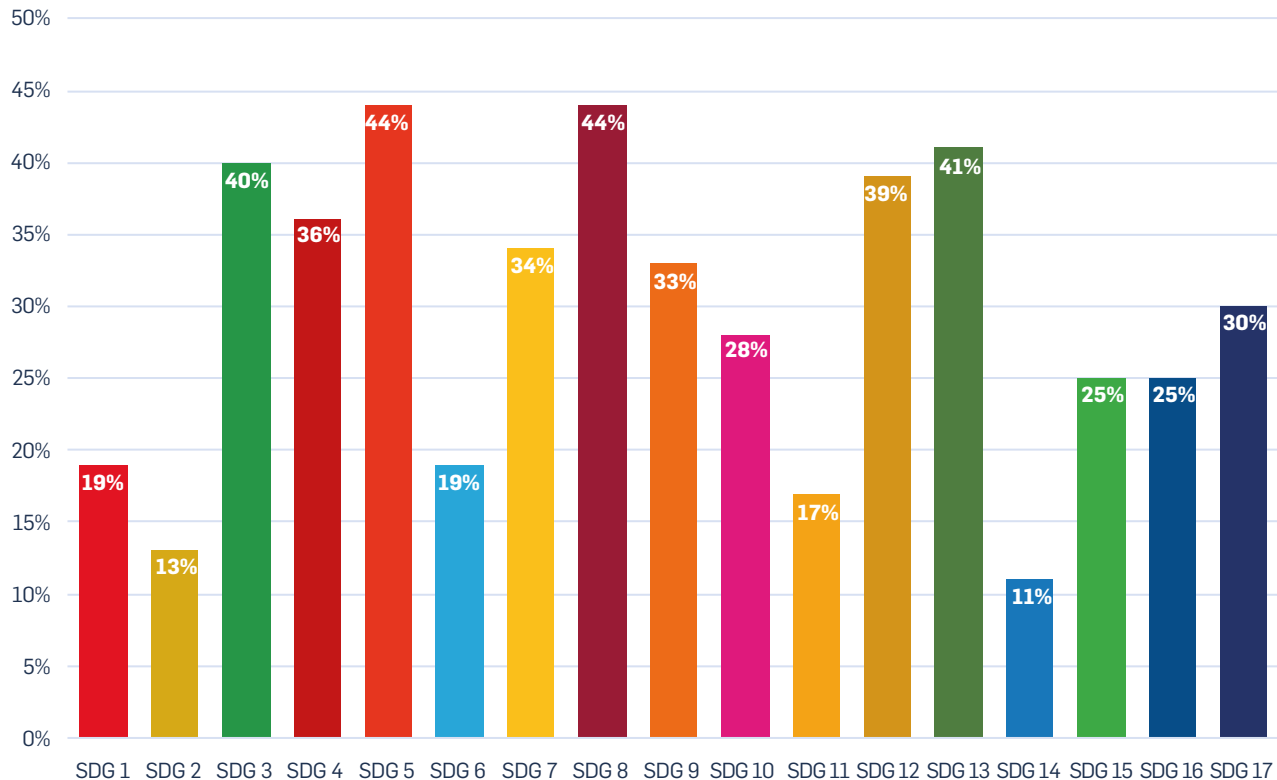
II - ACTIONS REGARDING SDGs

Gender equality, economic growth and climate action as the top 3 areas on which European companies act

Proportionally, actions are mainly carried out in gender equality (SDG 5 - 44% of companies), sustainable economic growth (SDG 8 - 44%), climate change mitigation (SDG 13 - 41%), health promotion (SDG 3 - 40%), sustainable consumption and production (SDG 12 - 39%), and quality education (SDG 4 - 36%). Actions in ocean preservation (SDG 14 - 11%) food security (SDG 2 - 13%) and sustainable cities (SDG 11 - 17%) are the least common.

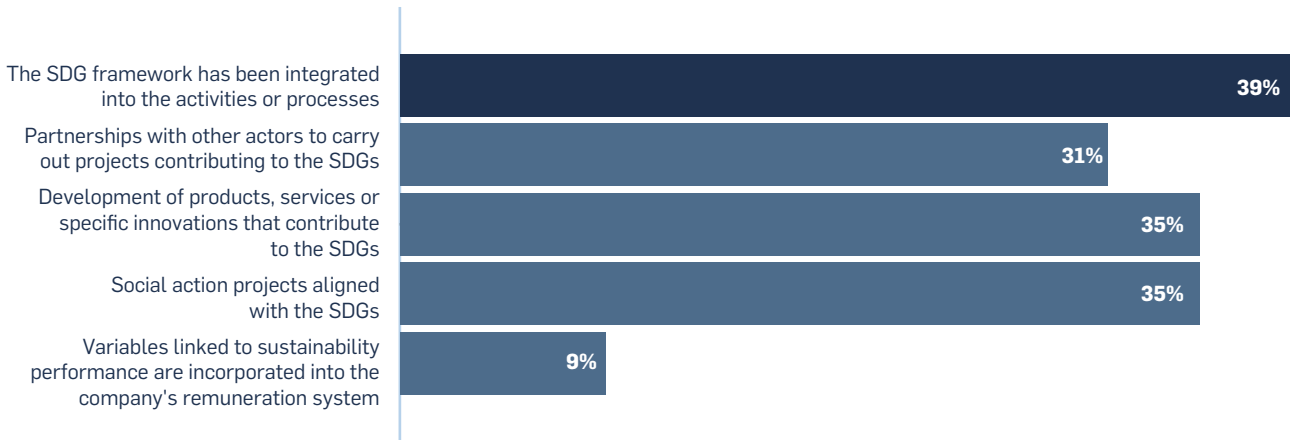


EUROPEAN COMPANIES TAKING ACTIONS ON SDGs





ACTIONS TAKEN BY EUROPEAN COMPANIES



Companies mostly act by integrating SDGs into their activities and processes, and by developing specific products

39% of companies have integrated the SDGs at the core of their activities and processes. 35% of companies have developed specific products, services, or innovations that contribute to achieving the SDGs, and 35% have undertaken social action projects aligned with the SDGs.

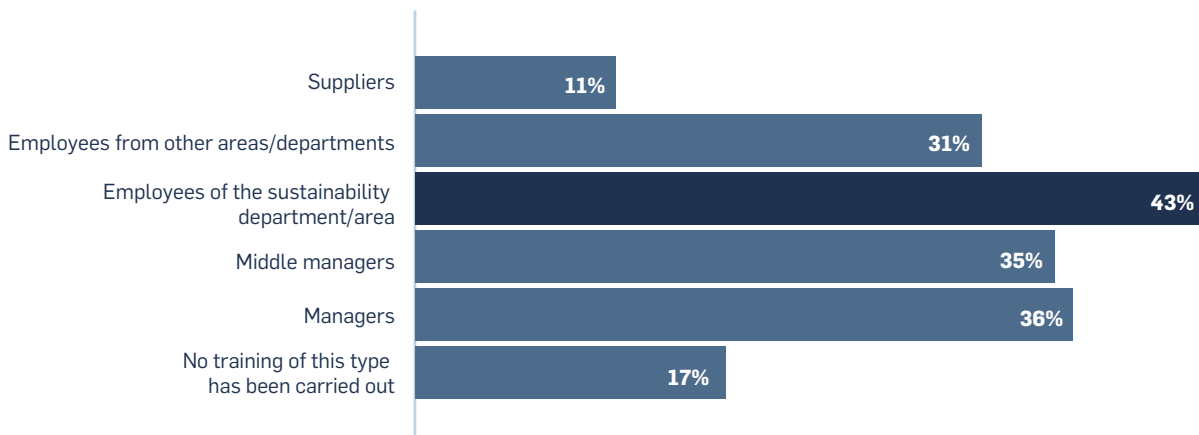
Regarding engagement by company size, the actions taken do not vary significantly in general, with the exception of the incorporation of variables linked to sustainability performance into the company's remuneration system. Without any surprise, more large companies (22%) are taking such measures, compared to Mid-caps (10%) or SMEs (6%).

Training on sustainability/SDGs is still primarily conducted within specialised departments and within management.

43% have trained employees in the sustainability/CSR department, 36% of companies have trained their management, and 35% have trained middle management.

Training of employees within other departments than sustainability is still less common, as only 31% of respondents declare having conducted such training. However, only 11% of companies have trained their suppliers on sustainability or SDGs, an issue that will become increasingly relevant as European regulations such as the CSRD give a particular importance to supply chains. 17% have still not implemented any form of sustainability training.

STAKEHOLDERS TRAINED ON SDGs





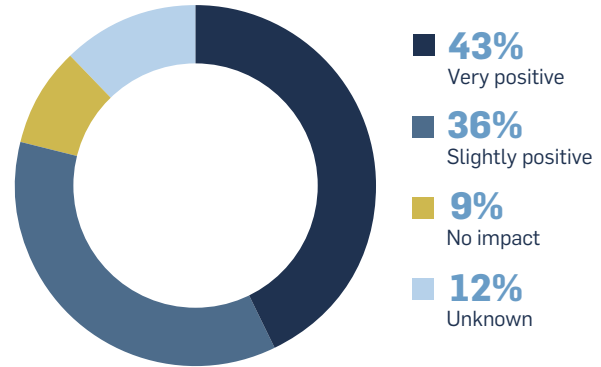
III - IMPACT ON SDGs MONITORING AND EVALUATION

Integrating sustainability principles and the SDGs positively impact companies' economic performance

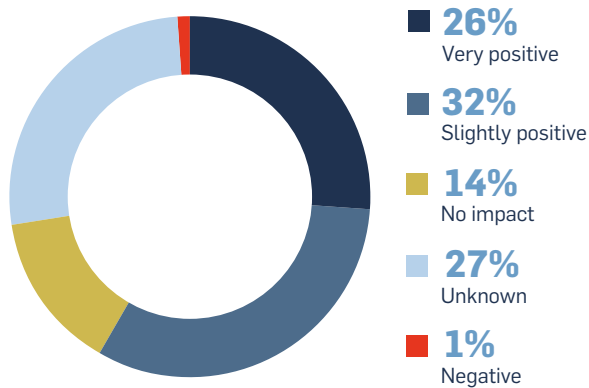
Among the companies that have integrated the SDGs or sustainability principles, 32% believe that there has been a slightly positive impact on their economic performance, and 26% estimate the impact is significant. Only a very small percentage (1%) believe it has had a negative impact, while 14% consider it had no effect and 27% are unsure if there has been an impact.

43% of companies believe they have developed a considerable competitive advantage, and 35% believe it is a slight advantage. Only 9% think it has had no impact.

IMPACT OF SDGs INTEGRATION ON EUROPEAN COMPANIES COMPETITIVE ADVANTAGE



IMPACT OF SDGs INTEGRATION ON EUROPEAN COMPANIES ECONOMIC PERFORMANCES

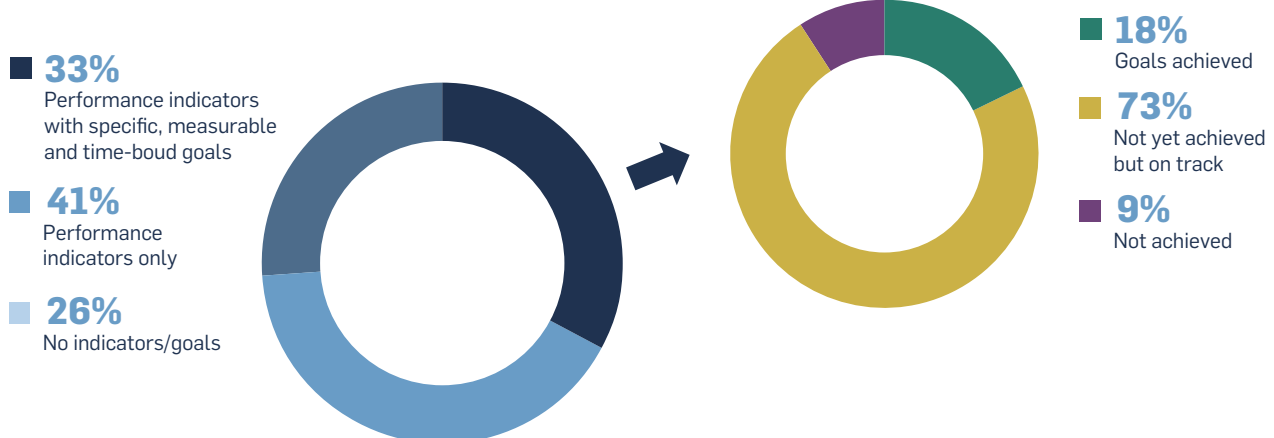


Contribution to sustainability and the SDGs is still not efficiently measured by European companies

A significant share of European companies (26%) is still not measuring and evaluating its contribution to sustainability and the SDGs in any way. The majority of respondents (41%) have set performance indicators, but without setting public, measurable, time-bound objectives, while only a third of companies (33%) have established such objectives.

Unsurprisingly, large companies lead the way regarding specific and measurable goals, with 66% of them having defined some. On the other hand, only 25% of SMEs have set measurable goals, while micro-enterprises struggle to measure their impact as 49% of them are not tracking their contribution at all.

EUROPEAN COMPANIES AND SDG PROGRESS MONITORING

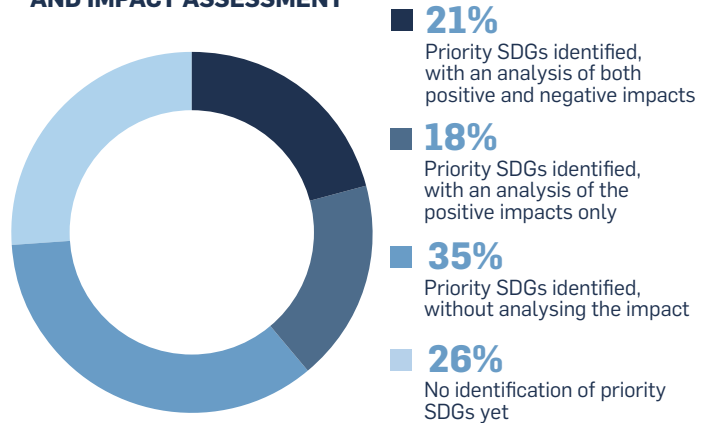




Among the companies that have set such objectives, only 18% have already achieved them, and 73% of companies are on track. Only 9% have declared not having met them.

Moreover, while 74% of participating companies have identified the priority SDGs for their companies, 35% have identified priority SDGs without analysing their positive or negative impact, and 18% have analysed only their positive impact. Only 20% have done so with assessing both the positive and negative impact of their business on the SDGs.

IDENTIFICATION OF PRIORITY SDGs AND IMPACT ASSESSMENT



Measurable goals are mostly set for actions in favour of gender equality, followed by climate

FORWARD FASTER

In 2023, halfway through Agenda 2030, the United Nations Global Compact launched the Forward Faster initiative, calling on companies to strengthen their commitment by taking concrete, responsible action in five priority areas: living wage, gender equality, climate, water resilience and sustainable finance.

Among European companies having declared setting specific, measurable and time-bound goals, around half of them (47%) have set goals for gender equality in terms of representation and leadership, and 41% for equal pay. 42% of companies have established measurable goals for science-based climate action (SBT) aimed at achieving net-zero emissions and aligned with the 1.5°C trajectory, and 31% for actions in favour of a just transition.

3 out of 10 companies have established living wage goals for their own employees, nevertheless a lot of progress is required for living wage action through their supply chain, as only 1 out of 10 have declared having a common action plan based on measurable goals with their suppliers on that regard.

Regarding the other priority areas defined by Forward Faster, Water Resilience and Finance & Investments are still less prioritised, with 15% of companies having set measurable goals for Water Resilience, and around 2 out of 10 companies having done so for Finance and Investments.

COMPANIES TAKING ACTIONS IN THE PRIORITY AREAS





IV - COMMUNICATION

Most of companies now communicate about SDGs in their general communication, but sustainability reporting on SDGs can still improve

53% of companies use the SDGs in both internal and external communications. 27% do not use them at all. 8% use the SDGs only for external communication, and 11% use them only for internal communication.

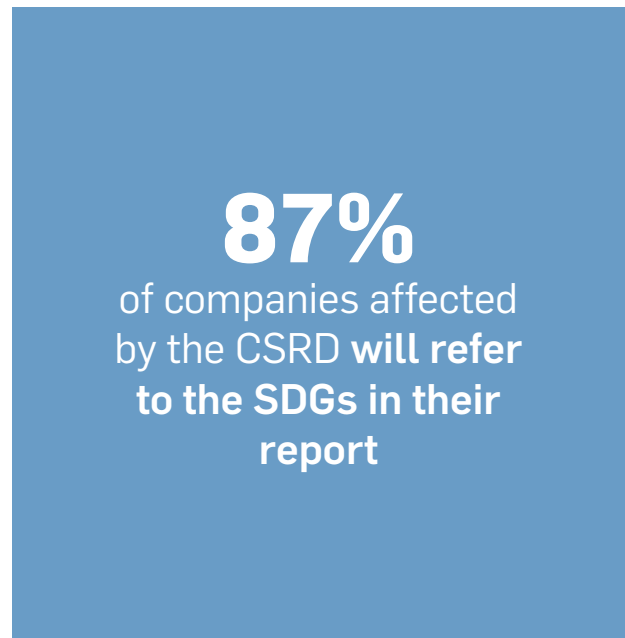
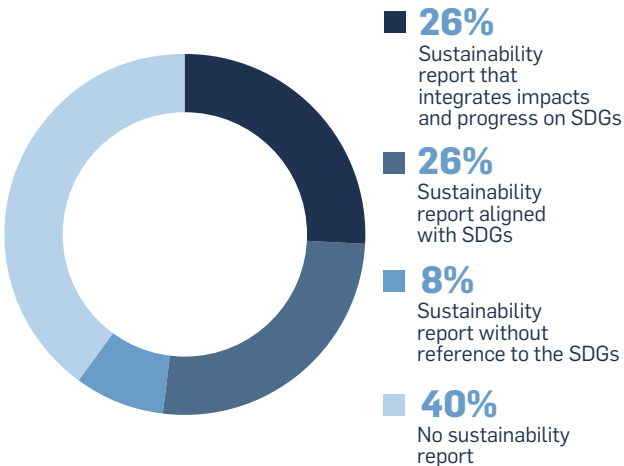
40% of companies do not produce a sustainability report, while 26% have a sustainability report that includes the SDGs. 26% of companies have aligned the various sections of their report with the SDGs, and only 8% do not incorporate the SDGs into their report.

Companies that are affected by a CSRD reporting will largely refer to the SDGs

Entered into force in January 2024, the Corporate Reporting Sustainability Directive modernises and strengthens the rules concerning the social and environmental information that companies have to report.

Among responding European companies, 39% of them will not have to conduct a CSRD report (non-listed SMEs), while 13% of companies have also declared still not being familiar with the CSRD, demonstrating that awareness still needs to be raised about the new European regulations. Regarding the companies that have declared being affected by a CSRD reporting, 87% of them will expressly refer to the SDGs in their report.

EUROPEAN COMPANIES AND SUSTAINABILITY REPORTING



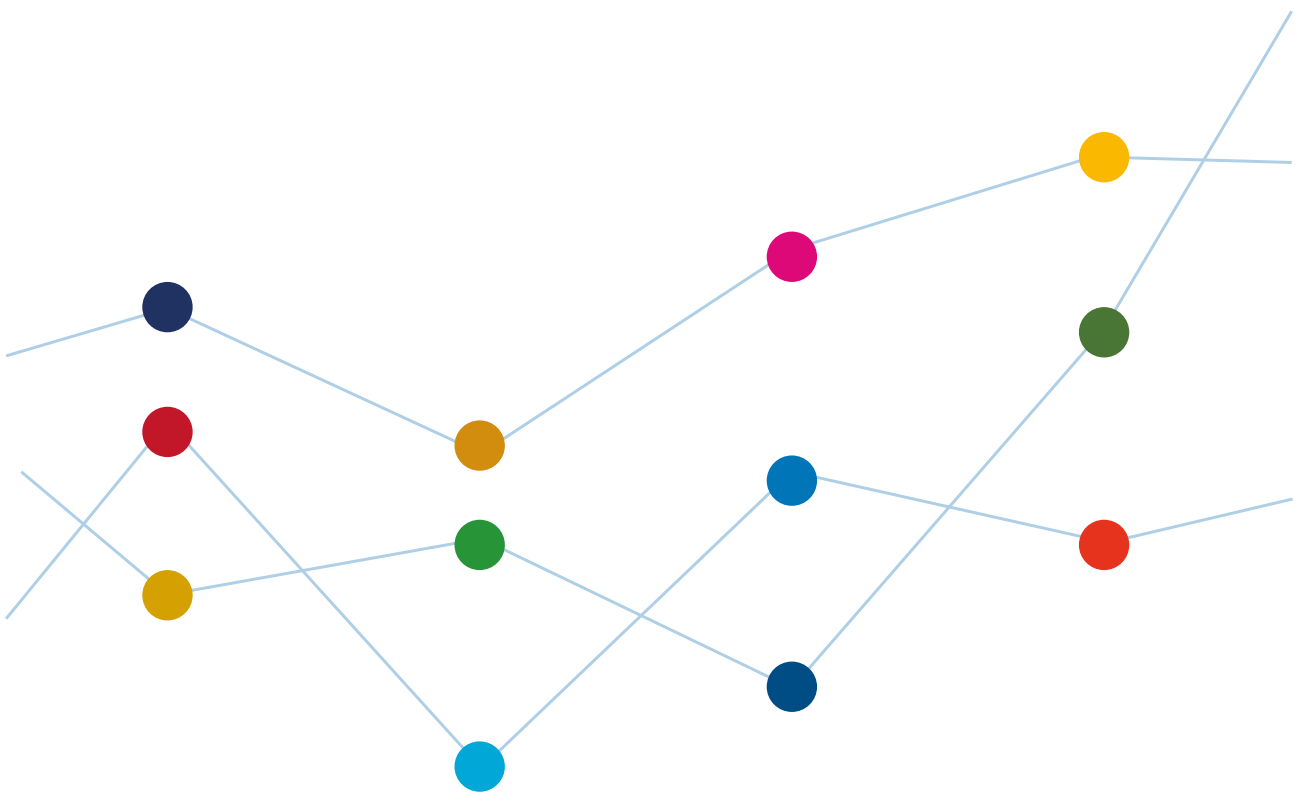
Overall, larger enterprises are more likely to integrate SDGs into their sustainability reporting. Micro-enterprises generally lag in sustainability reporting, with only 11% producing a report integrating the SDGs and 70% not reporting at all. SMEs show moderate engagement, with 19% of them incorporating the SDGs and 52% not producing reports. Mid-caps have a higher commitment, with 34% integrating the SDGs into their report and only 21% not reporting at all, while large companies lead, with 51% integrating SDGs and only 7% not producing reports.



2

COMPANIES IN A FAST- CHANGING SUSTAINABILITY FRAMEWORK IN EUROPE:

ANALYSIS AND OPPORTUNITIES AHEAD





A STRONGER REGULATORY FRAMEWORK AT THE EUROPEAN UNION LEVEL, WITH SDGs AT ITS CORE

In 2019, the European Commission had set its priorities for the 2019-2024 mandate, focusing on its citizens, a prosperous European economy and building a climate neutral, green, fair and social Europe. Based on this agenda, the Commission notably launched the European Green Deal in December 2019, a set of policies to set the EU on the path of climate neutrality by 2050.

These priorities are aligned with the 2030 Agenda and the SDGs. In July 2023, the European Union notably published its own Voluntary National Review (VNR) on the SDGs, presenting the various key figures relating to the state of progress of the SDGs in Europe, as well as the strategic orientations of the 27 Member States.

However, our study shows that European companies actions are not fully aligned with the European Commission's priorities set in the Green Deal, which is structured around SDGs 2, 3, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15. For instance, SDG 14 - Life below water is the least prioritised goal by companies, with only 11% reporting actions in this area. Similarly, only 13% of companies are taking actions against hunger (SDG2), 17% for sustainable cities (SDG 11), and 19% are acting in favour of clean water (SDG 6).

On the other hand, four priority SDGs are more positively implemented by companies, with SDG 5 - Gender equality and SDG 8 - Decent work and economic growth being the most prioritised, with nearly half of companies (44%) taking actions in these areas. These are followed by SDG 13 - Climate action (41%) and SDG 3 - Good health and well-being (40%).

As part of the Green Deal policies, the EU has implemented the Corporate Sustainability Reporting Directive (CSRD), aiming to improve the transparency of corporate social and environmental information to make them more consistent with the European legal framework for sustainable finance, and more comparable. The CSRD will apply to more than 50,000 European and extra-European companies from large companies to larger SMEs. The SDGs are directly integrated into the CSRD, being cited as one of the reference frameworks for reporting, which is also the case of the UNGC Ten principles. Companies who already integrate the SDGs into their activities and their sustainability reporting are therefore better prepared to face their CSRD obligations.

While the CSRD does not directly apply to companies in the United Kingdom, Turkey, Serbia and Switzerland, it was still decided to integrate the CSRD to this study, as subsidiaries established in the EU of non-European multinationals fall within

the scope of the CSRD. Companies affected by the CSRD are also required to disclose information regarding their subcontractors and suppliers, meaning it may also indirectly apply to companies established outside the EU.

Among the European companies who declared being affected by this directive, a very high proportion will refer to the SDGs in their report (87%). Similarly, 32% of European companies that are engaged in favour of SDGs do so to be better prepared to face new regulations, demonstrating the significance of the SDGs as a benchmark for the private sector.

In addition to the SDGs, the United Nations Global Compact's Ten Principles, and its enhanced Communication on Progress provide another guiding framework for companies subject to reporting obligations. By enabling companies to communicate on their progress, the CoP prepares them for the data collection and disclosure processes, thus conferring an advantage in the context of the implementation of the CSRD. To guide companies, the UNGC European Country Networks have developed a mapping to highlight the links between the European Sustainability Reporting Standards (ESRS) and the enhanced CoP.

The CSRD has also introduced the concept of double materiality, which means that a company identifies its major ESG challenges through the impacts, risks and opportunities that these may represent, but also the impacts on society and the environment.

In other words, the aim is to examine the impact of the deterioration in social and environmental conditions on the company's activities (financial materiality) and to measure the impact of the company's activity on its environment (impact materiality).

DOUBLE MATERIALITY



A specific analysis conducted on French respondent companies shows that 46% of companies have still not conducted a double materiality analysis, with 7% not understanding what it is. Of the 47% of companies that have conducted a double materiality analysis, only half have integrated the SDGs into their analysis.



THE PACT FOR THE FUTURE: GLOBAL OPPORTUNITIES OF ACTION FOR EUROPEAN COMPANIES

Following the publication of the report “Our Common Agenda” presented by the United Nations Secretary General Antonio Guterres in 2021, the UN General Assembly voted in favour of the organisation of a Summit for the Future, that would adopt a concise, action-oriented outcome document entitled “A Pact for the Future”.

The preparation of the Pact for the Future relied on a multi-stakeholder approach, with the private sector as well as other civil society entities being fully integrated in the process through consultations.

The Pact for the Future is articulated on 5 core pillars, on which the private sector has a strong role to play:

1. Sustainable development and financing for development

With between \$ 3 trillion and 5 trillion of annual investment required to achieve the SDGs by 2030, the private sector has a considerable potential for action in terms of closing the SDG financing gap. Yet only 22% of companies have declared having established targets to align corporate investment with SDG policies and strategies, and 18% have set objectives related to establishing a corporate financing strategy that is linked to SDG investments and performance.

2. International Peace and Security:

Contributing to international peace and security is often not associated with the private sector, however companies still have a role to play in that regard, and hence on SDG 16. Companies can act by implementing efficient anti-corruption policies, avoiding the use of resources that generate armed conflicts, or innovating to offer a better access to justice and legal guidance. With only 25% of responding European companies having declared taking actions on SDG 16, it will be essential to accelerate progress, as building stable and peaceful societies is crucial for sustainable development.

3. Science, technology and innovation and digital cooperation

This is the pillar for which the private sector undoubtedly has the largest role to play. Innovation and the use of technology and science is key to advance all of SDGs, and a global access is key to ensure to leave no one behind.

Building a Europe fit for the digital era has been one of the priorities of the European Commission since 2019, specifically focusing on SDG 4 - Quality Education and SDG 9 - Industry, Innovation and Infrastructure. European companies taking actions on these SDGs may therefore benefit from market opportunities generated by this urgent need to strengthen innovation, foster digital cooperation and develop new technologies. Among the responding companies, 36% have declared taking actions on SDG 4 - Quality Education, and 34% on SDG 9 - Industry, Innovation and Infrastructure.

4. Youth and Future Generations

As the Pact aims to guarantee the social and economic development of all children and young people, companies have a significant role to play in accelerating efforts for universal health coverage (40% of responding European companies are already acting on SDG 3 – Health and Well-being), as well as for universal access to education. The private sector can also contribute by offering training and employment opportunities for younger generations.

5. Transforming global governance

This last section of the Pact is designed to accelerate the reform of the global financial architecture and strengthen partnerships. European companies have the opportunity to be fully integrated into this reformed global governance and financial architecture by enhancing cooperation with governments, the EU and other financial institutions.



MEASURING THE CONTRIBUTION TO SDGs, AND THE ROLE OF VOLUNTARY NATIONAL REVIEWS

Achieving the Sustainable Development Goals (SDGs) requires a collective effort from different actors, including non-governmental organisations (NGOs), companies, unions, and government bodies. Each of these institutions plays a unique role in contributing to the SDGs, and measuring their contributions is crucial.

Regular reporting ensures that companies are held accountable for their commitments to the SDGs and provides transparency to their actions. Additionally, by measuring their contributions, they can benchmark their progress enabling continuous improvement and the identification of best practices that can be shared and replicated.

In this way, it helps in identifying areas where resources are most needed and where they can be most effective. Data-driven insights into the contributions towards the SDGs empower businesses to make informed decisions. In terms of collaboration, measuring the contribution to the SDGs by different institutions facilitates finding areas for joint action to establish more effective and intentional partnerships.

The United Nations Global Compact plays a key role in guiding and measuring the contribution of companies to the SDGs. As the world's largest corporate sustainability initiative, the UN Global Compact provides a framework for businesses to align their strategies and operations with the Ten Principles and the SDGs.

The UN Global Compact and its Country Networks provide companies with a comprehensive support and training on the best practices and policies to be followed in order to integrate sustainability in their culture. Furthermore, they create networking opportunities for businesses within the initiative so that they can share lessons learned and be inspired by each other.

Hence, it is particularly important that the UNGC can contribute to global reporting efforts by providing standardised guidelines which allows for comparability across industries and geographies. In this manner, it helps measure companies' sustainability performance through its new Communication on Progress (CoP) for companies participating in the initiative and in parallel, through surveys that enable analysis of the business sector as a whole.

Additionally, the data collected by the UN Global Compact can be used to support Voluntary National Reviews (VNRs) of different countries, as well as to the VNR of the European Union, since corporate contributions are a significant part of these assessments. At the same time, these national reviews are expected to serve as a basis for the regular reviews by the High-Level Political Forum (HLPF), meeting under the auspices of ECOSOC.

Voluntary National Reviews are a crucial mechanism for countries to report on their progress towards the SDGs. They provide a platform for countries to share their experiences, including successes, challenges, and lessons learned, in implementing the SDGs.

VNRs offer a comprehensive assessment of a country's progress across all 17 SDGs. This includes input from a variety of stakeholders, such as government agencies, NGOs, the private sector, and civil society, making the reviews holistic and inclusive. Therefore, the insights gained from VNRs help governments and policymakers adjust and refine their strategies for achieving the SDGs. They highlight areas where more effort is needed and where policies may need to be revisited.

Moreover, VNRs facilitate international cooperation by allowing countries to learn from each other's experiences. They also help align national policies with global priorities, ensuring that efforts are coordinated and effective.

For the European Union, VNRs play a role not only in assessing individual member states but also in evaluating the collective progress of the Union towards the SDGs. It provides a comprehensive overview of both internal and external actions, promotes policy coherence, enhances transparency, and contributes to global sustainable development efforts. This is crucial for ensuring that the EU as a whole is on track to meet its commitments.

Looking at the United Nations, measuring the contribution of various actors to the SDGs is also crucial for them to compile reports on global progress towards each of the 17 SDGs. UN reports rely on all these measurements to identify where accelerated action is needed and direct attention and resources to the most pressing issues, providing evidence-based recommendations for policy and action.

One of the key initiatives of the United Nations is the Summit of the Future, which depends on these measurements to shape its agenda. By understanding the current state of SDG progress, the Summit of the Future can prioritise areas that require urgent action ensuring that global efforts remain aligned with the most critical challenges.

The data gathered not only informs immediate action but also contributes to long-term strategies for sustainable development. The Summit of the Future is preparing for the next phase of global development, and understanding current contributions is key to ensuring that future goals are met. Additionally, reporting helps highlight successful partnerships and collaborative efforts that can be scaled or replicated. It also reveals where new alliances are needed to tackle persistent or emerging issues.

In summary, the measurement of contributions to the SDGs by various institutions is vital for ensuring accountability, guiding policy, and enhancing global cooperation.



RECOMMENDATIONS FOR EUROPEAN COMPANIES

European companies of all sizes should further integrate the SDGs into their activities and processes

The SDGs were designed as a common framework, hence meant to be integrated by the private sector as well.

They can be declined in several specific targets specifically for business. As only 17% of SDG targets are on track to be achieved by 2030, the private sector can play a considerable role to help accelerate progress, as it still has a large room for progress. Indeed, the study shows that 25% of respondent companies have declared having neither implemented a sustainable development strategy nor integrated SDGs into their strategy. Furthermore, 61% of companies have yet to identify priority SDGs or to analyse their positive or negative impacts on SDGs.

Companies who fully integrate the SDGs into their activities will be better prepared to face their reporting obligations and other sustainability regulations, as most of the EU level core policies rely on SDGs. Moreover, the SDGs represent tangible business opportunities, as 58% of responding European companies consider that integrating principles of sustainable development and/or the SDGs in their operations have positively impacted their economic performance (26% high positive impact, 32% moderate positive impact).

The impact is even greater in terms of competitive advantage gained over other industry companies, as 77% of respondents consider it helped gain more competitiveness (42% highly helped, 35% moderately helped). Only 0,3% say it has decreased their competitiveness.

European companies should enhance communication on SDGs and define progress measurement indicators

If the integration of SDGs and sustainability principles into business activities appear to be increasing for companies, sustainability and SDG reporting remains low, with nearly half of companies (47%) either conducting no sustainability reporting at all (39%) or publishing one with no reference to SDGs (8%). Currently, only 33% of companies that integrate SDG have set performance indicators to measure their contribution to sustainable development and SDGs, with time-bound and measurable targets. 41% have KPIs but no specific time-bound targets yet. On the other hand, 26% still do not measure their contribution to SDGs at all.

Having an efficient monitoring framework is essential to improve performance over the years, identify gaps and also to avoid greenwashing or SDG-washing communications. Reporting on SDGs progress is also key to build credibility and brand value and to meet the expectations of various stakeholders such as investors or clients. Indeed, nearly half of participating companies engaged in supporting the SDGs (43%) have declared doing so to meet the expectations of their clients.

In this regard, the Forward Faster Initiative launched by the United Nations Global Compact provides companies with a global platform for credible, ambitious and measurable corporate action, aimed at guiding them on where they can make the greatest impact towards 2030.

European companies should engage into more partnerships with diverse actors, as this will be key to achieve Agenda 2030

As described in its preamble, Agenda 2030 is a plan articulated around people, planet, prosperity, peace and partnerships. Yet only 30% of respondent companies have declared to take actions in favour of SDG 17 - Partnership for the Goals, which is still insufficient. Data collected from French companies also reveal that 44% of respondents have not engaged in any form of partnership for SDGs. Out of the companies that have declared having engaged in partnerships, only a third (32%) have done so with civil society organisations, the high majority favouring partnerships with other companies from either their industry or others. Among Italian companies, only 9% of respondents believe that companies can contribute meaningfully to Partnerships, as one of the 5 priority areas identified by the Italian National Action Plan for Policy Coherence for Sustainable Development.

Companies can contribute by forging multi-stakeholder or public-private partnerships to help achieve the various SDGs. They can notably benefit from partnerships developed with specialist NGOs and the academic world, who can help them develop their business strategies in specific areas such as biodiversity, climate issues or human rights. Cooperation can also be established with Governments or local actors, to advance policymaking and contribute to local development while ensuring that access to common goods is not undermined.



European companies should enhance training of their suppliers on sustainability issues and the SDGs

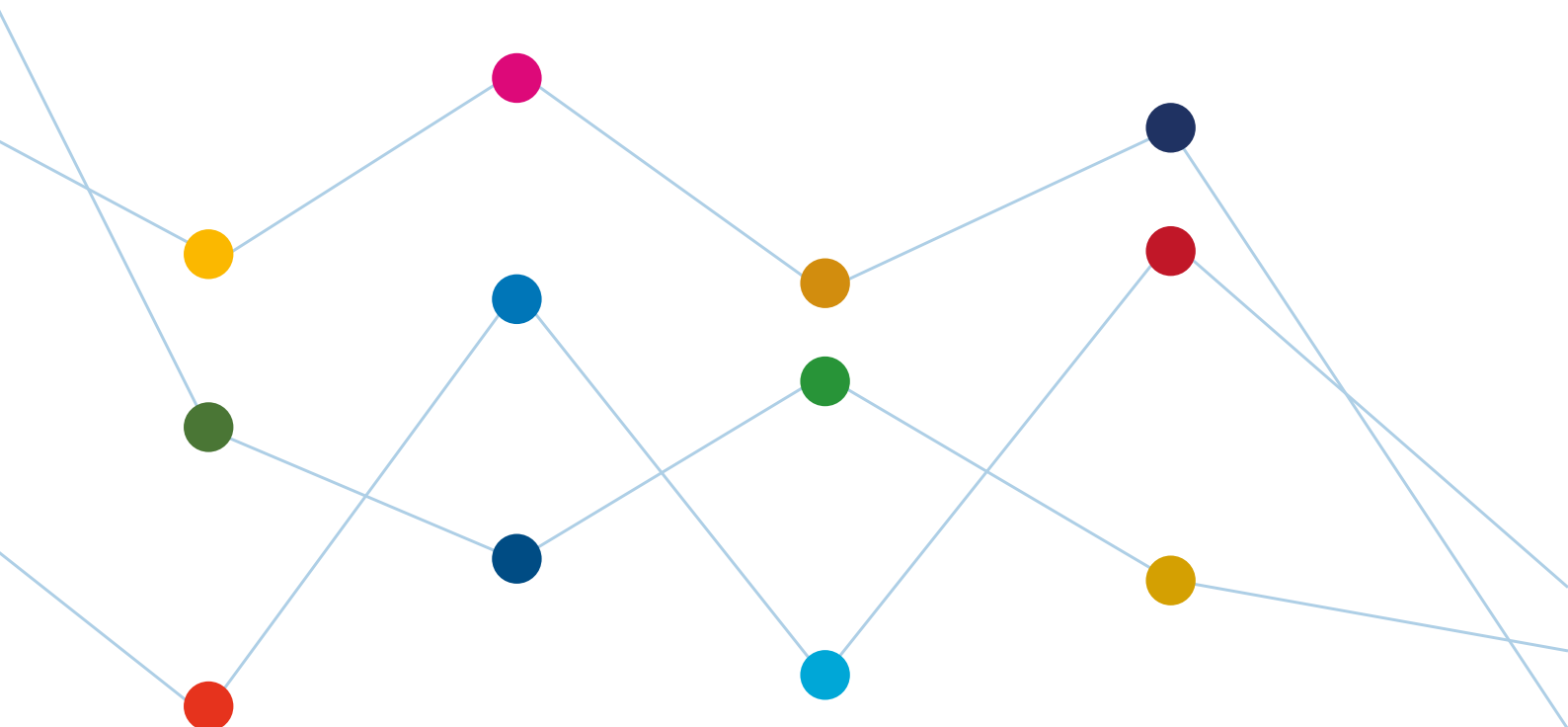
Among the responding European companies, only 11% of them have declared having trained their suppliers on sustainability issues and the SDGs. However, European companies would highly benefit from raising a greater degree of awareness among their value and supply chains, for two main reasons.

Firstly, the new set of European regulations will not only apply to companies, but also to their supply chains, as companies subject to a CSRD reporting will also have to disclose transparent information regarding their suppliers. Secondly, beyond regulations, companies that are more cautious with the environmental and social impacts of their suppliers will also improve the impacts of their economic operations on the SDGs by minimising the risks of spillover effects.

European companies should strengthen the articulation between the SDGs and their financial investments.

Thanks to their 169 targets, the SDGs constitute a strong framework for ESG investments. Beyond the new market opportunities they represent, they also provide for businesses and investors a tool for measuring the impact of their investments, such as green bonds, or investments made within the Pact for the Future, and therefore contribute to build more credibility.

With the implementation of the CSRD, sustainability and financial directions will also need to work more closely, as investments and notably their impact will have to be disclosed more precisely, and the SDGs offer a harmonised framework for enhancing collaboration in this regard.





POINT OF VIEW

MR. MICHAEL J. KUNZ

UN Economic Commission for Europe (UNECE), Sustainable Development Unit, Economic Affairs Officer and Coordinator of the Regional Forum on Sustainable Development

Part of the UNECE's mission is to support the implementation of the SDGs on the continent. How do you perceive the prioritised SDGs and actions taken by responding companies, in light of the UNECE priorities?

First of all, the role of the private sector in achieving the ambitious SDGs formulated by UN Member States cannot be overestimated. The contribution of businesses is crucial across the entire sustainability agenda. Progress in many areas is driven by companies, for instance with regard to innovation and technology, job creation, or the provision of sustainable infrastructure.

The responses from hundreds of companies from across the pan-European region are therefore very encouraging. They clearly reflect an advanced level of awareness and knowledge of the SDGs among the participating companies. SDG-related monitoring and reporting by businesses are picking up as well, in line with enhanced corporate social responsibility, regulatory compliance and, more broadly, the spread of more sustainable business models.

The focus of companies' actions and internal policies on issues such as gender equality, including women's representation, sustainable economic growth and climate change mitigation crucially supports progress in these areas. Critically, this focus is being accompanied by an increased interest on developing and applying relevant metrics.

At the same time, the private sector has a large potential to help accelerate SDG implementation almost wherever you look. Just considering some of the key policy areas that UNECE is examining in its annual review of SDG progress at the [Regional Forum on Sustainable Development](#) or in its [SDG progress report](#), it is clear that transformation towards sustainable development requires initiatives, investment and innovation by companies. Decarbonizing energy and transport systems, strengthening sustainable water management, reaping the benefits of

digitalization and connectivity, creating green jobs or providing climate-resilient infrastructure are just a few examples.

This also extends to SDGs that have not yet been in the focus of the survey. Creating more sustainable food systems will require the engagement of agrifood companies. Businesses also play an essential role in making cities greener and more economically vibrant.

Last but not least, one of the reasons why SDG progress is lagging behind is the lack of sustainable financing at scale. Private financial institutions can have a significant impact on SDG implementation if resources are increasingly directed to sustainable projects, which requires a mix of incentives, regulation and cooperation.

Multilevel partnerships and cooperation with all stakeholders is indeed critical, yet European companies still have progresses to make in this regard. How can this be efficiently enhanced by 2030?

In our experience, functioning partnerships are a feature of successful SDG implementation. Different partners can leverage each other's expertise and skills and coordinate plans and actions. For example, institutionalised collaboration between industry, regulators, policy-makers, civil society, researchers and consumers is important in energy, environmental policy or transport.

Advancing the SDGs also has a strong local dimension. Cities and municipalities are a microcosm of sustainable development, and Mayors, administrations, local businesses, community groups and citizens need to partner up on local action. UNECE provides a platform for such exchanges between Mayors on local plans and initiatives, the [Forum of Mayors](#).



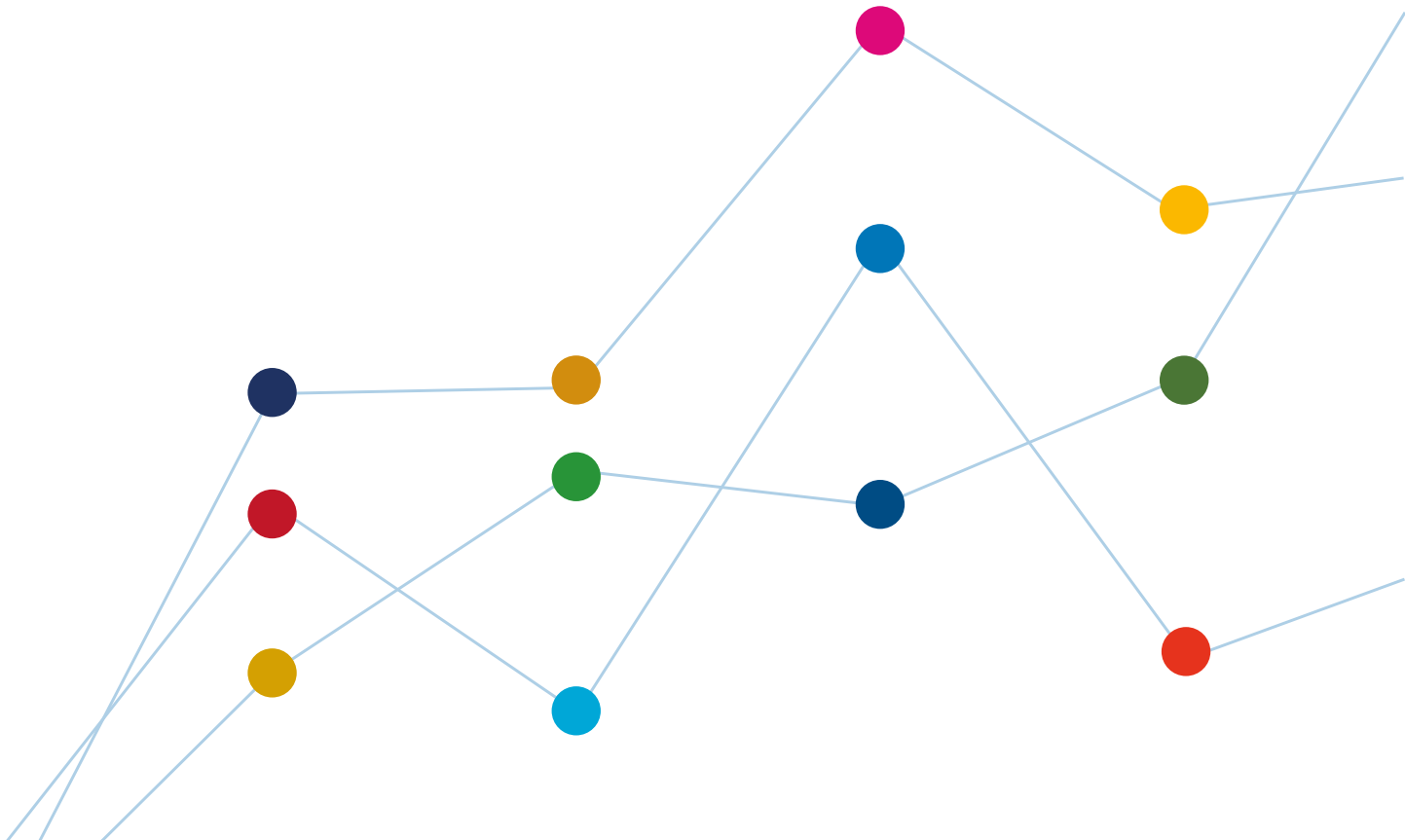
Going forward, this is precisely the element that needs to be further strengthened: inclusive and well-established platforms at international, national or local levels that bring together policy-makers, private sector and other stakeholders to discuss and agree on policy options, to scale up commitment, and also to better understand each other's perspectives and limitations.

Partnerships can take very different shapes and forms, depending on the purpose. Two particular examples from a UNECE context are the following:

- The Sustainability Pledge, a series of policy recommendations, guidelines and standards that support industry actors towards greater traceability, transparency and circularity in the garment and footwear sector;
- Cooperation of experts from public and private sectors on Public-Private Partnerships (PPPs) to develop standards and practices for successful PPPs projects, which are in itself a powerful collaborative tool.

Looking ahead towards 2030 and beyond, such partnerships and cooperation will be crucial to accelerate progress in a complex policy environment that engages private sector companies.

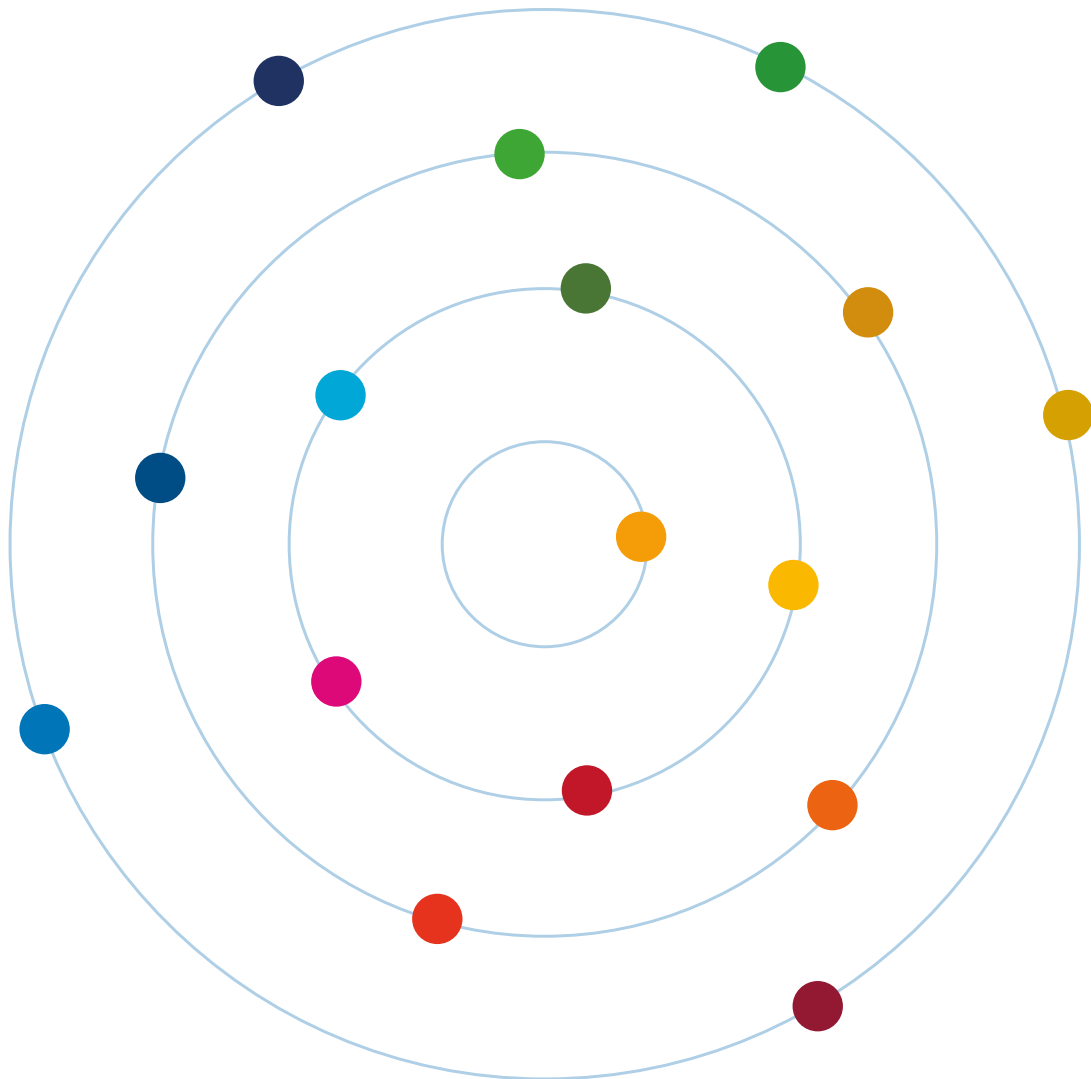
“In our experience, functioning partnerships are a feature of successful SDG implementation. Different partners can leverage each other's expertise and skills and coordinate plans and actions. For example, institutionalised collaboration between industry, regulators, policy-makers, civil society, researchers and consumers is important in energy, environmental policy or transport.”





3

COUNTRY SPECIFIC RESULTS AND CASE STUDIES



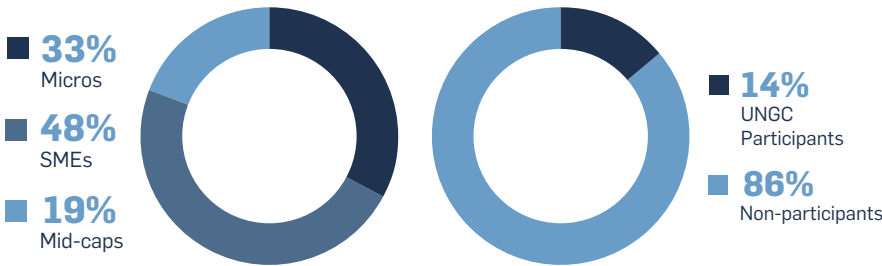


BULGARIA



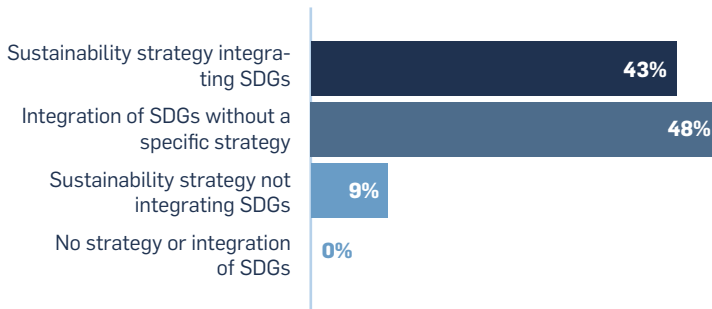
Global Compact
Network Bulgaria

BULGARIAN COMPANIES PROFILES



52%
of Bulgarian companies
have an in-depth
understanding of the
SDGs

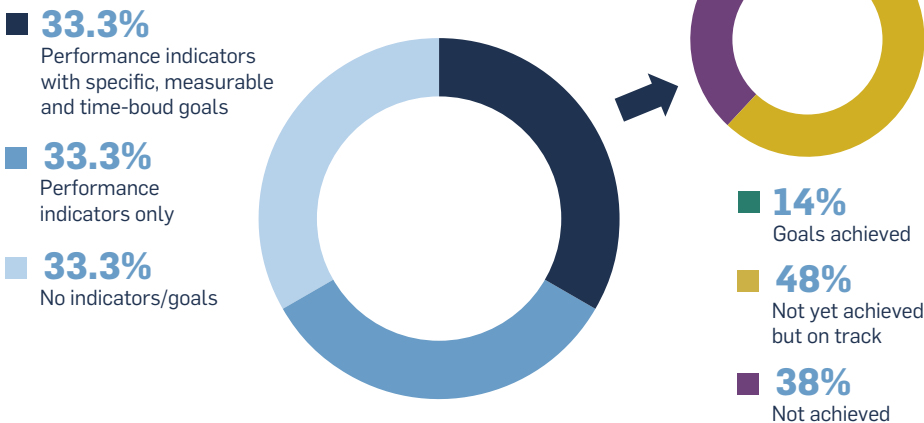
INTEGRATION OF SDGs INTO BULGARIAN COMPANIES STRATEGIES



TOP 3 SDGs ON WHICH BULGARIAN COMPANIES ACT



BULGARIAN COMPANIES MEASURING THEIR CONTRIBUTION TO THE SDGs



14%
of Bulgarian companies
integrate the
SDGs to better
face legislation on
sustainability

72%
of the Bulgarian
companies affected
by the CSRD will
refer to the SDGs in
their report

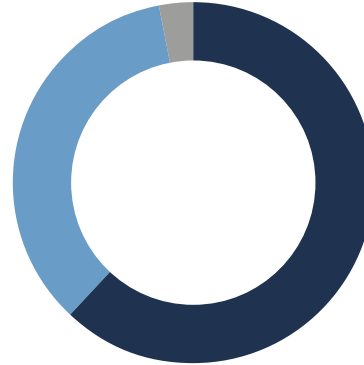
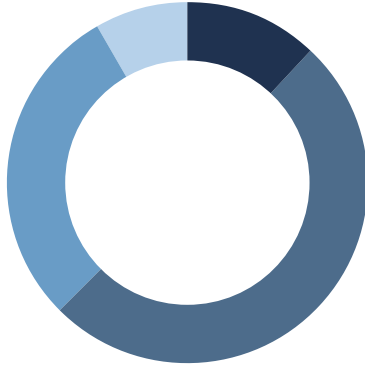


Global Compact
Network France

FRANCE

FRENCH COMPANIES' PROFILES

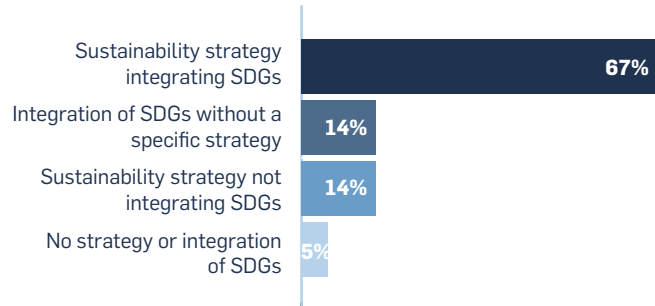
- 12% Micros
- 50% SMEs
- 30% Mid-caps
- 8% Large companies



- 62% UNGC Participants
- 35% Non-participants
- 3% Unknown

68%
of French companies have a **In-depth understanding of SDGs**

INTEGRATION OF SDGs INTO FRENCH COMPANIES STRATEGIES



TOP 3 SDGs ON WHICH FRENCH COMPANIES ACT



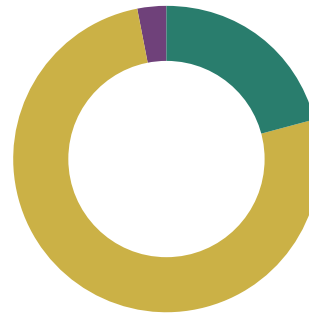
81%
of French companies **will refer to the SDGs in their CSRD report**

47%
of French companies **integrate the SDGs to better face legislation on sustainability**



FRENCH COMPANIES MEASURING THEIR CONTRIBUTION TO THE SDGs

- **37%**
Performance indicators with specific, measurable and time-bound goals
- **40%**
Performance indicators only
- **23%**
No indicators/goals



- **21%**
Goals achieved
- **76%**
Not yet achieved but on track
- **3%**
Not achieved

CASE STUDY



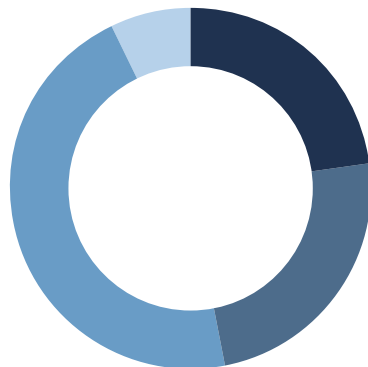
Sfil's SGD aligned loans

Sfil is a French public development bank founded in 2013, whose business focuses on public-interest missions: financing the local public sector (local authorities and hospitals) and public export support. Participant to the United Nations Global Compact since 2018, Sfil launched a range of green loans in 2019 to support local authorities in meeting the challenges of ecological transformation and thus finance their progress on SDGs 6, 7, 11, 12 and 13. The portfolio was then expanded on the social dimension with a range of healthcare loans designed to finance investments by public hospitals,

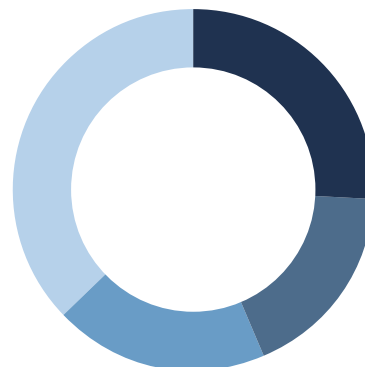
thereby contributing to SDG 3, and a range of social loans to finance local authorities' investments in social infrastructure (urban policy, education, culture, sport, civil security, etc.) in line with SDGs 1, 4, 10 and 11. All these "thematic" loans are refinanced by green, social and sustainable bond issues, subject to qualitative and quantitative impact reporting for investors. With this product offering, Sfil creates a bridge and a convergence of interests between the French local public sector and global players in sustainable finance.

FRENCH COMPANIES AND MATERIALITY ANALYSIS

- **23%**
Materiality analysis
- **24%**
Materiality analysis without incorporating the SDGs
- **46%**
No materiality analysis
- **7%**
Do not know what a materiality analysis is



- **31%**
With civil society organisation
- **21%**
With companies in the same sector
- **23%**
With companies from other sectors
- **44%**
No established partnerships





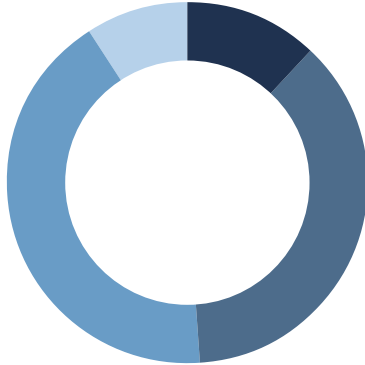
GREECE



Global Compact
Network Greece

GREEK COMPANIES' PROFILES

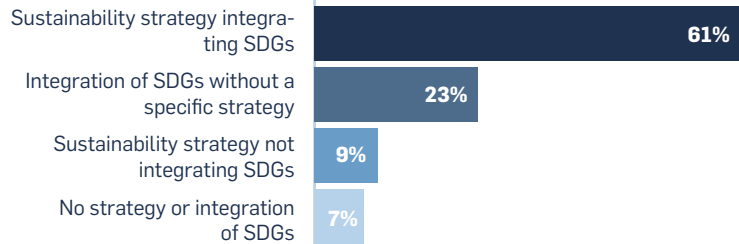
- 12% Micros
- 37% SMEs
- 42% Mid-caps
- 9% Large companies



- 62% UNGC Participants
- 38% Non-participants

69%
of Greek companies have a **In-depth understanding of SDGs**

INTEGRATION OF SDGs INTO GREEK COMPANIES STRATEGIES



TOP 3 SDGs ON WHICH GREEK COMPANIES ACT



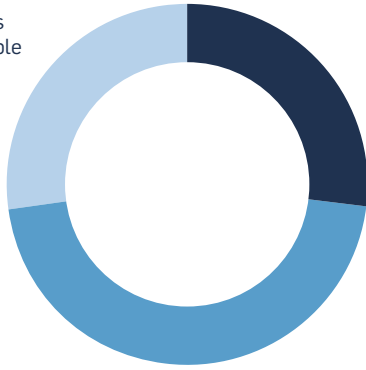
6%
of Greek companies integrate the SDGs to better face legislation on sustainability

94%
of Greek companies that are affected by the CSRD will refer to the SDGs in their report



GREEK COMPANIES MEASURING THEIR CONTRIBUTION TO THE SDGs

- **27%**
Performance indicators with specific, measurable and time-bound goals
- **46%**
Performance indicators only
- **27%**
No indicators/goals



- **45%**
Goals achieved
- **42%**
Not yet achieved but on track
- **13%**
Not achieved

CASE STUDY



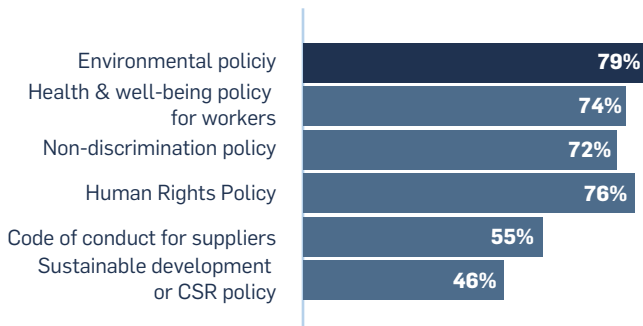
Titan Cement IFESTOS pioneering carbon capture project towards zero carbon cement and concrete

IFESTOS, TITAN's pioneering carbon capture project and the largest of its kind in Europe, is poised to revolutionize the production of zero-carbon cement and concrete while fostering decarbonization synergies with regional industries. IFESTOS not only seeks to propel TITAN's decarbonization journey but also plays a pivotal role in expediting the sector's green transition, while substantially contributing to promoting carbon capture technology throughout the continent. The project involves the

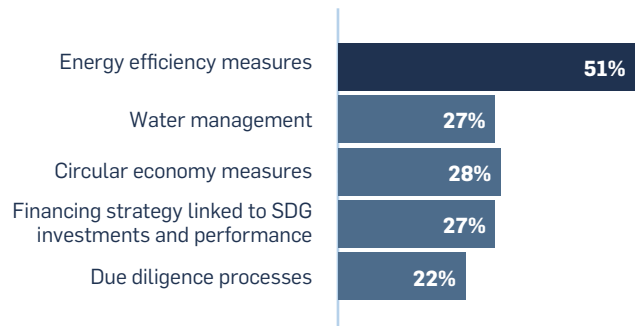
construction of a cutting-edge carbon capture facility that will capture approximately 1.9 million tons of CO2 per year, at TITAN's Kamari plant in Athens, Greece. The captured CO2 will be shipped to and sequestered in a permanent geological storage site in the Mediterranean. As a result, TITAN will produce about 3 million t/year of zero-carbon cement to serve the growing needs for green construction in the metropolitan area of Athens and beyond. IFESTOS has received support from the EU Innovation Fund with a grant of €234 million.

GREECE SPECIFIC QUESTION

POLICIES IMPLEMENTED BY GREEK COMPANIES



SPECIFIC MEASURES TAKEN BY GREEK COMPANIES





Global Compact
Network Italy

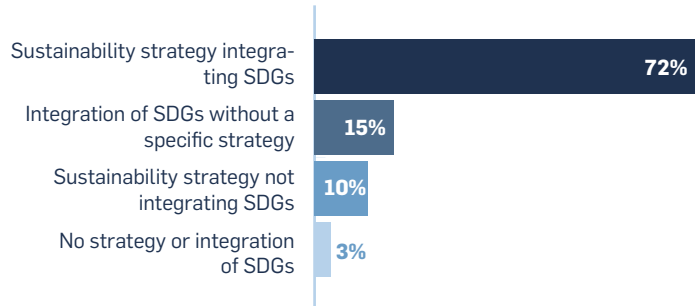
ITALY

ITALIAN COMPANIES' PROFILES



88%
of Italian companies
have a **In-depth**
understanding of
SDGs

INTEGRATION OF SDGs INTO ITALIAN COMPANIES STRATEGIES



TOP 3 SDGs ON WHICH ITALIAN COMPANIES ACT



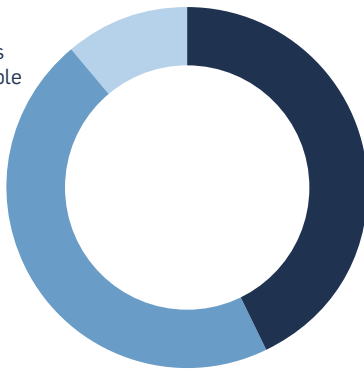
3%
of Italian companies
integrate the
SDGs to better
face legislation on
sustainability

83%
of Italian companies
that are affected by
the CSRD will refer
to the SDGs in their
report



ITALIAN COMPANIES MEASURING THEIR CONTRIBUTION TO THE SDGs

- 43%** Performance indicators with specific, measurable and time-bound goals
- 46%** Performance indicators only
- 11%** No indicators/goals



- 22%** Goals achieved
- 70%** Not yet achieved but on track
- 8%** Not achieved

CASE STUDY

Enel's energy transition training courses

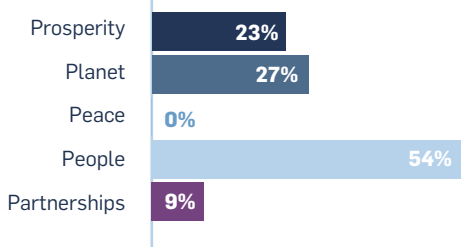


The energy transition requires new skills, and to reduce the gap between the needs of utility companies and the skills offered by the workforce : the so-called skills mismatch. The challenge is to support the process of achieving net zero emissions, leaving no one behind, and to meet the need for new skills required by the energy transition.

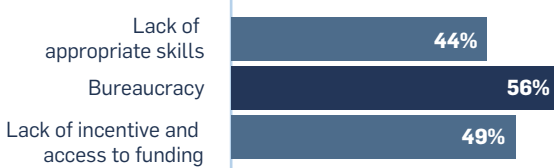
Enel contributes to post-graduate training courses in renewable energy and energy efficiency, in collaboration with two Italian Higher Technical Institutes (ITS

Academy, the first Italian experience of tertiary vocational training offers, in line with a system consolidated some years ago in other European Countries). Spread over two years and totaling around 1,800 hours, these courses have been specifically designed to provide advanced and highly specialised technical training. Half of the hours are taught by professionals and about 800 hours are dedicated to traineeship. More than 87% of graduates from Italian ITS Academies find stable jobs within one year of graduation, demonstrating the effectiveness of ITS in ensuring high employment prospects.

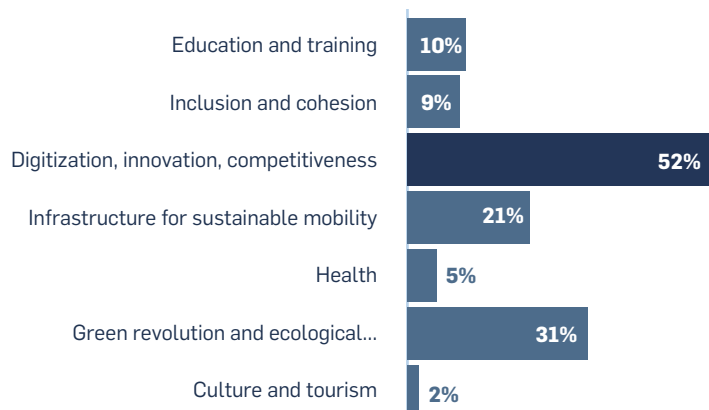
PERCEPTION OF ITALIAN COMPANIES ON THE AREAS ON WHICH THE PRIVATE SECTOR CAN CONTRIBUTE THE MOST



MAJOR CHALLENGES FACED BY ITALIAN COMPANIES IN ADVANCING THE SDGs



NATIONAL RECOVERY AND RESILIENCE PLAN AREAS ON WHICH THE PRIVATE SECTOR CAN CONTRIBUTE THE MOST ACCORDING TO ITALIAN COMPANIES



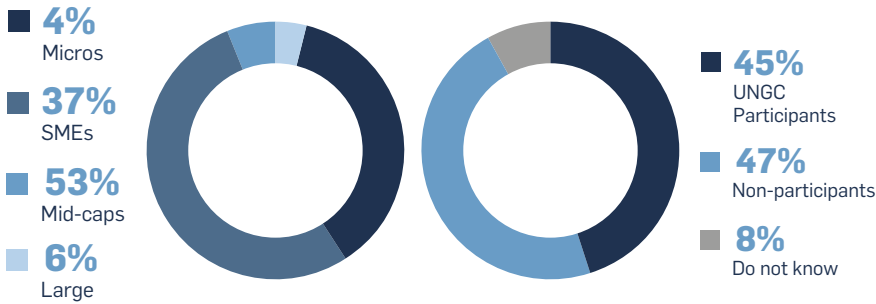


SERBIA



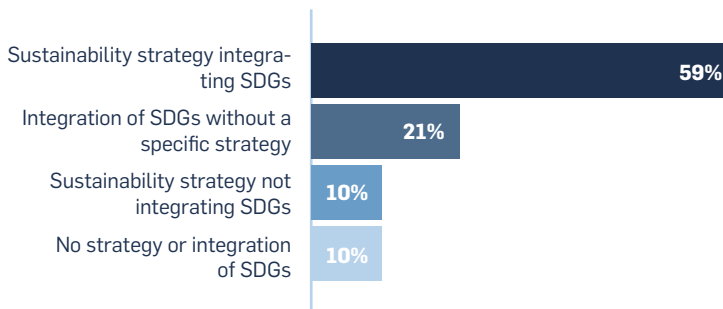
Global Compact
Network Serbia

SERBIAN COMPANIES' PROFILES



55%
of Serbian companies
have an in-depth
understanding of the
SDGs

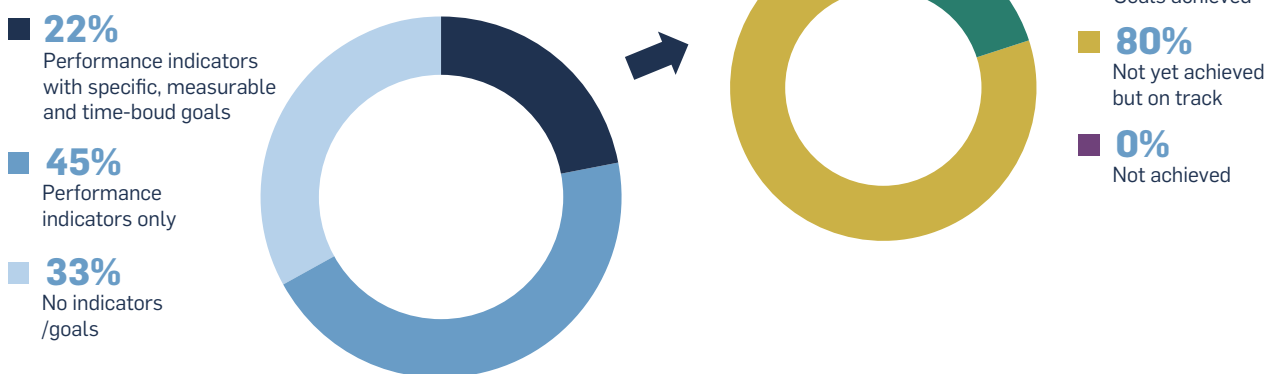
INTEGRATION OF SDGs INTO SERBIAN COMPANIES STRATEGIES



TOP 3 SDGs ON WHICH SERBIAN COMPANIES ACT



SERBIAN COMPANIES MEASURING THEIR CONTRIBUTION TO THE SDGs





CASE STUDY



Delta Holding's Contribution to Goals 1 and 2 through the 'Our Village' Project

The 'Our Village' project, initiated in 2018, aims to support individual agricultural producers in developing sustainable production practices to enhance agriculture and revitalize villages in Serbia. To date, more than 120 producers from four villages have participated in the project.

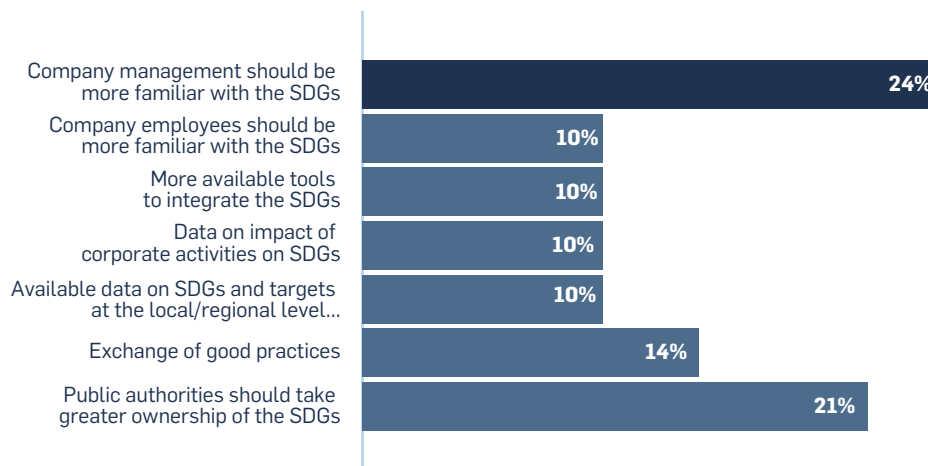
Through numerous lectures and practical training sessions provided by experts, local farmers have modernized their production methods. They have also made improvements by securing loans from Erste Bank, with Delta covering the interest rates.

As a result, orchards are now fenced and equipped with irrigation systems, and crops are cultivated following expert recommendations. Livestock are housed in renovated facilities, ensuring healthier environmental conditions for both animals and farmers. Yields have increased by up to 20%, and tasks are performed with greater efficiency.

An important aspect of the project is the enhancement of social life in these villages. The initiative also focuses on improving healthcare and education while supporting cultural and recreational events, which are crucial for the survival and growth of rural communities.

SERBIA SPECIFIC QUESTIONS

SERBIAN COMPANY NEEDS TO BETTER INTEGRATE THE SDGs INTO THEIR CSR APPROACH





SPAIN



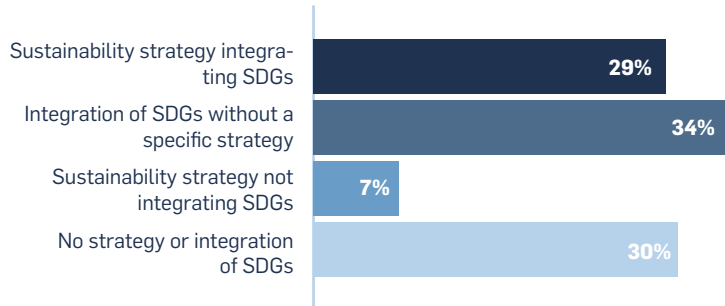
Global Compact
Network Spain

SPANISH COMPANIES' PROFILES



50%
of Spanish companies have a **In-depth understanding of SDGs**

INTEGRATION OF SDGs INTO SPANISH COMPANIES STRATEGIES



TOP 3 SDGs ON WHICH SPANISH COMPANIES ACT



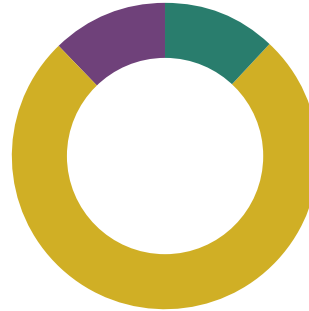
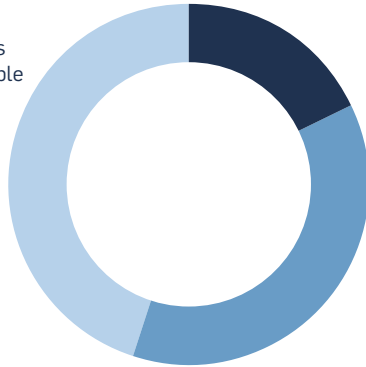
51%
of Spanish companies **integrate the SDGs to better face legislation on sustainability**

95%
of Spanish companies **affected by the CSRD will refer to the SDGs in their report**



SPANISH COMPANIES MEASURING THEIR CONTRIBUTION TO THE SDGs

- **18%**
Performance indicators with specific, measurable and time-bound goals
- **37%**
Performance indicators only
- **45%**
No indicators/goals



- **12%**
Goals achieved
- **76%**
Not yet achieved but on track
- **12%**
Not achieved

CASE STUDY

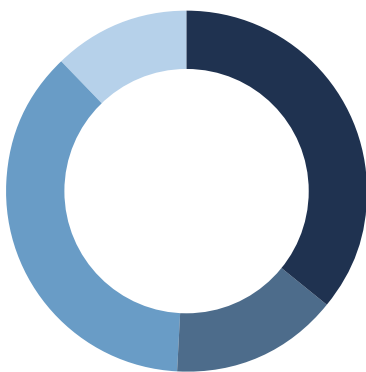
Sacyr's methodology for natural capital

In 2021, Sacyr defined its own methodology for assessing natural capital, applicable to all construction works at any stage of their execution, and designed a platform to calculate the natural capital balance automatically using satellite images. To reinforce their commitment with nature, in 2022 they created a Biodiversity and Natural Capital Committee. The main purpose of this body is to establish initiatives and review results related to biodiversity projects. In parallel and with the aim of further improving their risk and opportunity analysis,

they aligned themselves with the recommendations of the Taskforce for Nature Financial Disclosure (TNFD) following the guidelines set out in the LEAP methodology.

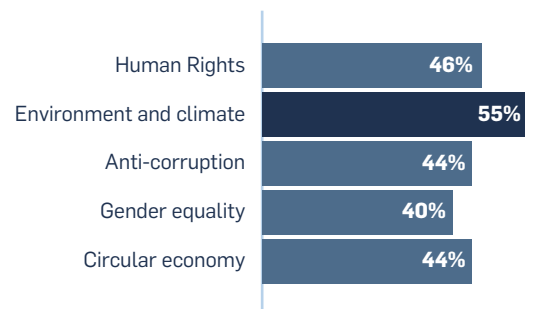
Sacyr's latest milestone in this area is the launch of its Natural Capital Report 2021-2023, where they sought to reflect all the commitment, effort and know-how behind the projects they develop. Its team in each country is responsible for protecting the areas and ensuring that its activity is carried out in harmony with nature, respecting the value and beauty of the ecosystems.

SPANISH COMPANIES' BOARD OF DIRECTORS MONITORING SUSTAINABILITY PERFORMANCES



- **36%**
We do not have a Board of Directors
- **15%**
We have a monitoring commission within the Board of Directors but it is not specific to sustainability
- **37%**
We have a Board of Directors but no monitoring commission
- **12%**
We have a sustainable development commission within the Board of Directors

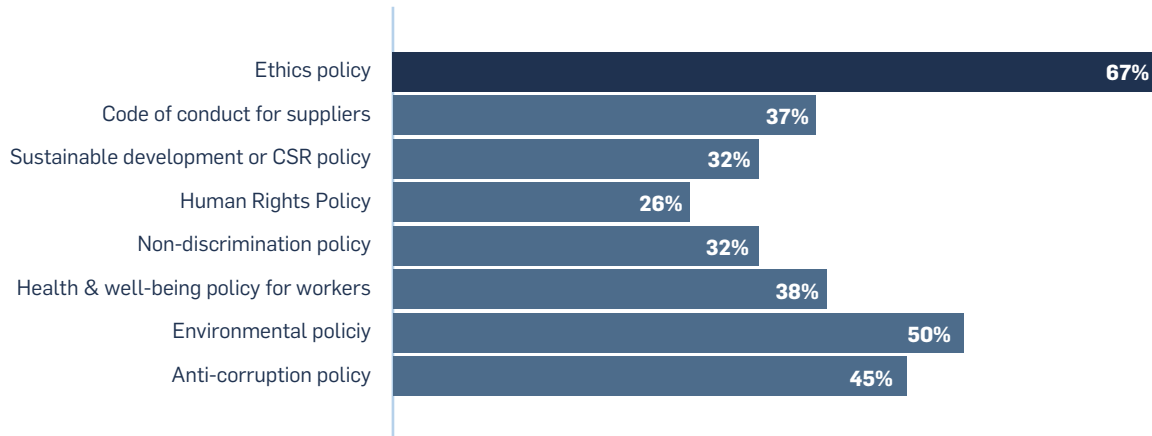
AREAS THAT SHOULD BE MORE REGULATED ACCORDING TO SPANISH COMPANIES



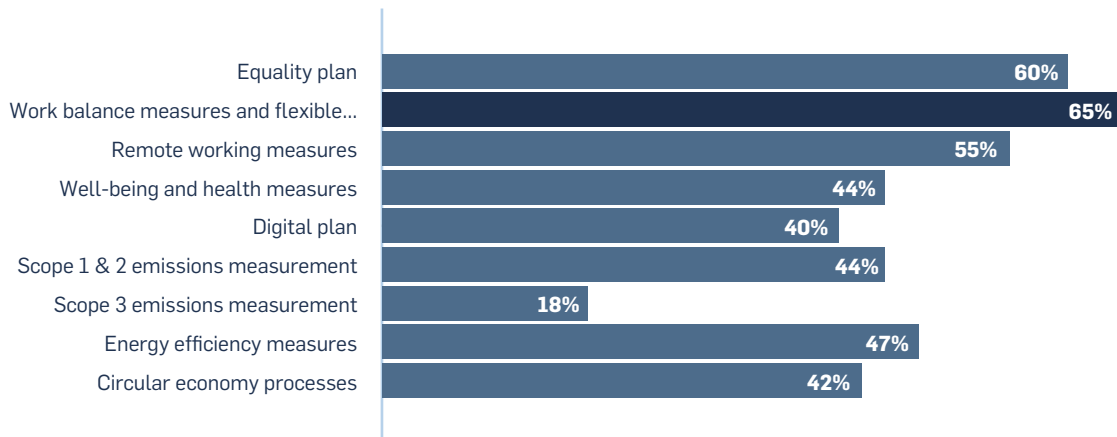


POLICIES IMPLEMENTED BY SPANISH COMPANIES

67% of companies have a code of conduct, 50% have an environmental policy, 45% have an anti-corruption policy, 38% have a CSR policy, 38% have a health and well-being policy for employees, and 37% have an ethical code for their suppliers. Biodiversity and mobility policies are the least common, with 7% and 9% respectively.



SPECIFIC MEASURES TAKEN BY SPANISH COMPANIES



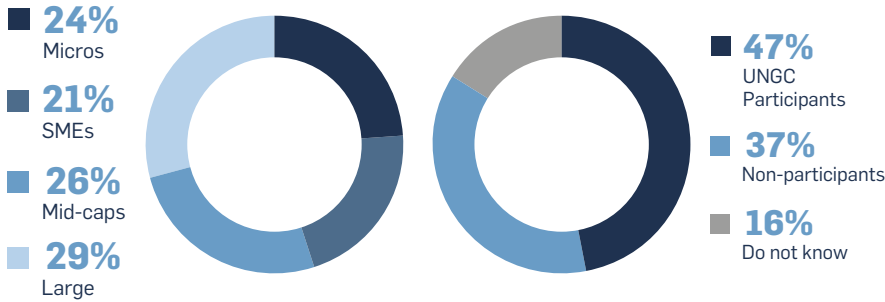


SWITZERLAND AND LIECHTENSTEIN



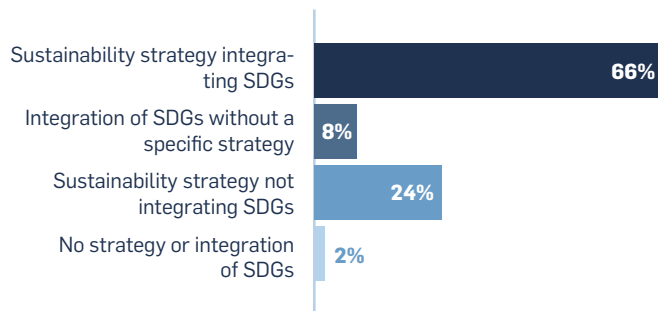
Global Compact
Network
Switzerland & Liechtenstein

SWITZERLAND & LIECHTENSTEIN COMPANIES' PROFILES



84%
of companies in Switzerland & Liechtenstein have an in-depth understanding of the SDGs

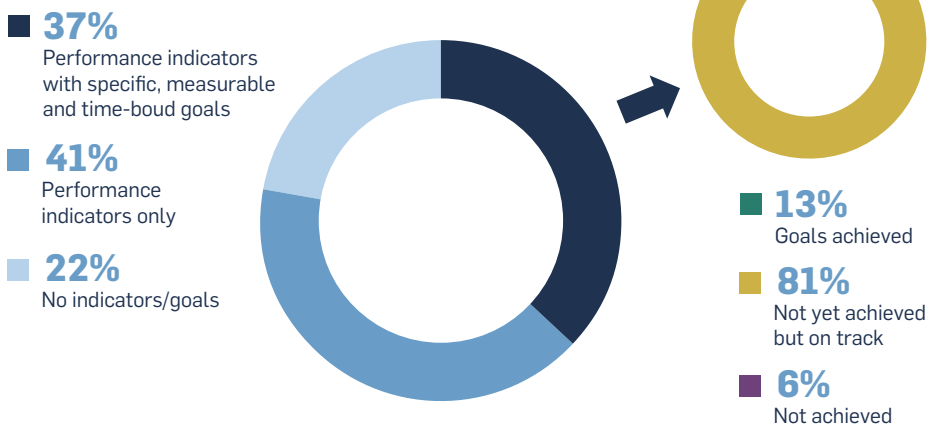
INTEGRATION OF SDGs INTO SWITZERLAND AND LIECHTENSTEIN COMPANIES' STRATEGIES



TOP 3 SDGs ON WHICH SWITZERLAND AND LIECHTENSTEIN COMPANIES ACT



SWITZERLAND AND LIECHTENSTEIN COMPANIES MEASURING THEIR CONTRIBUTION TO THE SDGs



37%
of companies in Switzerland and Liechtenstein integrate the SDGs to better face legislation on sustainability



TÜRKIYE



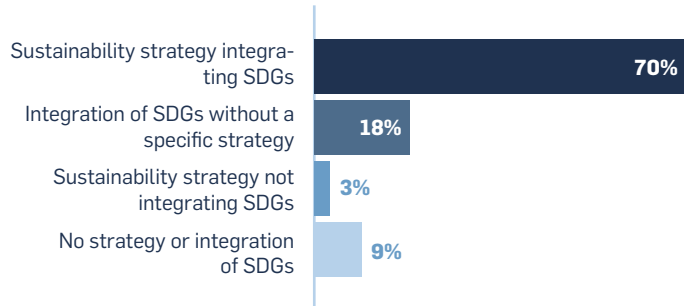
Global Compact
Network Türkiye

TURKISH COMPANIES' PROFILES



72%
of Turkish companies
have a **In-depth**
understanding of
SDGs

INTEGRATION OF SDGs INTO TURKISH COMPANIES STRATEGIES



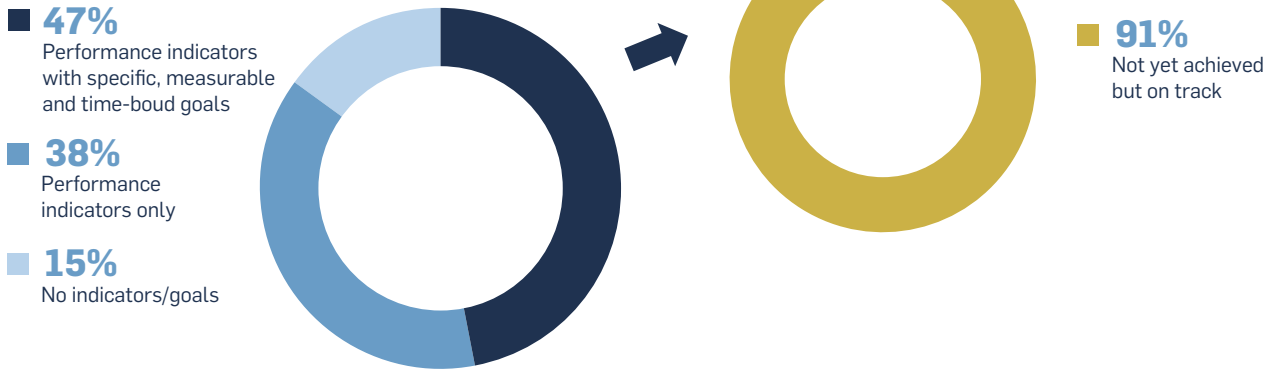
TOP 3 SDGs ON WHICH TURKISH COMPANIES ACT



41%
of Turkish companies
integrate the
SDGs to better
face legislation on
sustainability



TURKISH COMPANIES MEASURING THEIR CONTRIBUTION TO THE SDGs



CASE STUDY



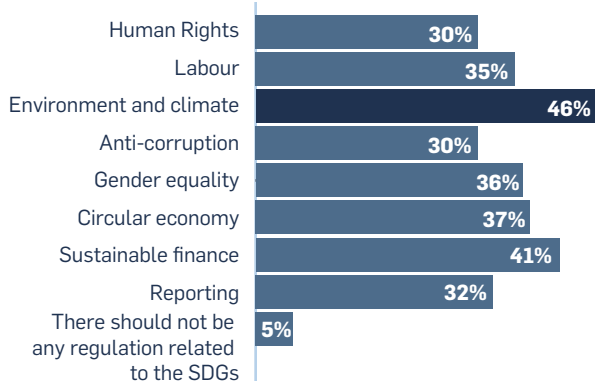
Sabancı Holding's SDG investments strategy

At Sabancı Holding, we integrate the Sustainable Development Goals (SDGs) into the core of our value creation. We leverage them as a guide for our business and investment strategy. Our business development initiatives, ranging from M&As to start-up and innovation programs, are closely aligned with SDG themes, ensuring that our growth contributes positively to solving global challenges. To reinforce this strategic approach, we have an ambitious target to achieve 5 billion USD in

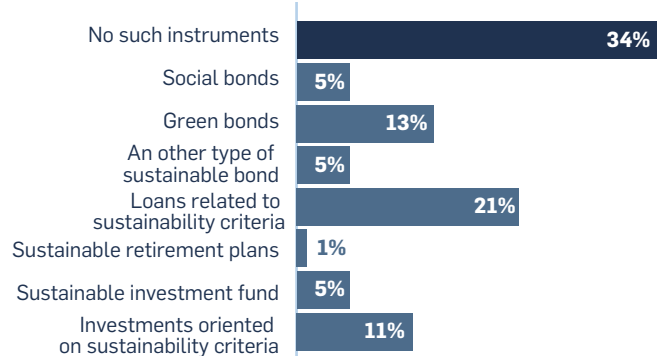
SDG-linked investments by 2027. Additionally, we continue to broaden the scope of our SDG-linked products and services. With investee companies spanning various sectors such as energy, material technologies, mobility solutions and financial services, the number of our SDG-linked products and services exceeded 1,100 in 2023, marking a 23% increase compared to the previous year. Finally, we have reduced our Scope 1&2 emissions by 20% and our water consumption by 24% in 2023 compared to 2021 baseline, and aim to drive further reductions across our portfolio

TÜRKIYE SPECIFIC QUESTION

AREAS THAT SHOULD BE MORE REGULATED ACCORDING TO TURKISH COMPANIES



SUSTAINABILITY RELATED FINANCIAL INSTRUMENTS USED BY TURKISH COMPANIES





UNITED KINGDOM & IRELAND



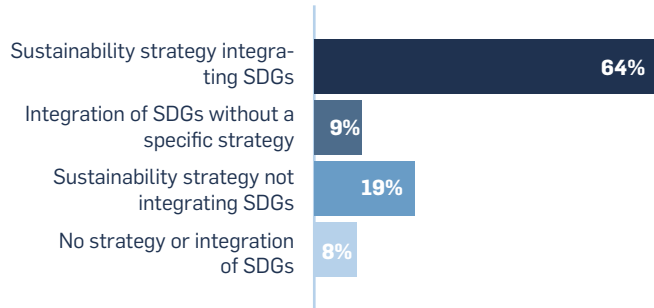
Global Compact Network UK

BRITISH AND IRISH COMPANIES' PROFILES



80%
of British and Irish companies have a **In-depth understanding of SDGs**

INTEGRATION OF SDGs INTO BRITISH AND IRISH COMPANIES STRATEGIES



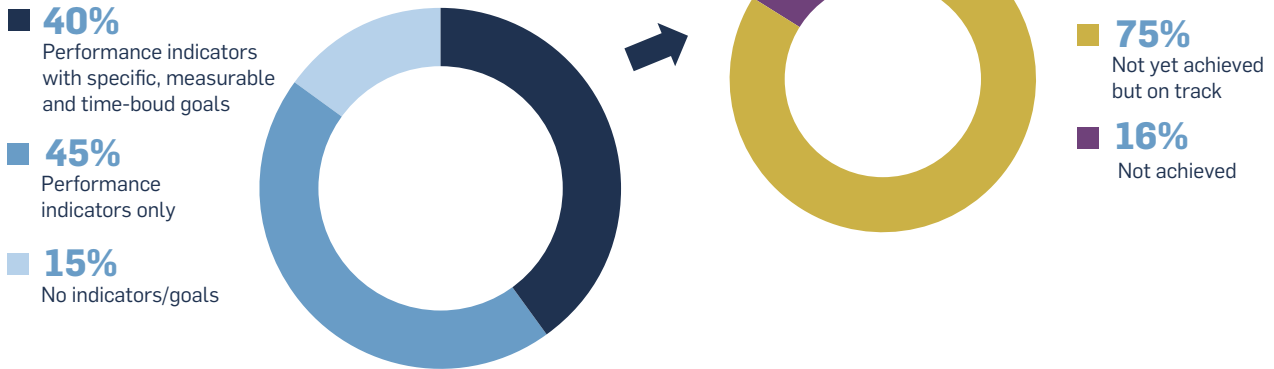
TOP 3 SDGs ON WHICH BRITISH AND IRISH COMPANIES ACT



26%
of British and Irish companies **integrate the SDGs to better face legislation on sustainability**



BRITISH AND IRISH COMPANIES MEASURING THEIR CONTRIBUTION TO THE SDGs



CASE STUDY



Victory Hill Capital Partners' SDG Analysis

As a global specialist investment firm, Victory Hill Capital Partners targets energy infrastructure and other companies contributing to the SDGs. To realise the energy transition, the company supports energy diversification as well as the development of renewable energy infrastructure and low carbon and clean energy technologies.

Before any investment is made, the company conducts an SDG analysis with regard to certain sustainability eligibility criteria in line with the Goals. The company

adopts a context-specific approach to better understand the positive and negative impacts of their investments. It is thus built into the business strategy that if an investment does not have a positive sustainability impact, it will not be pursued.

Victory Hill Capital Partners recognises the importance of creating long term sustainability together with financial value. Robust ESG practices enable companies to manage risks, increase operational efficiency, tap into new market opportunities, address changing investor demands, and adapt to regulatory changes, all while contributing to long-term financial performance.



PARTNER ORGANISATIONS

MAIN PARTNER

PwC France & Maghreb



DISSEMINATION PARTNERS

Bulgaria: Bulgarian Industrial Association, Confindustria Bulgaria, National Contact Points for Responsible Business Conduct (of OECD), Confederation of Employers and Industrialists in Bulgaria (KRIB).

France: Commissariat général au développement durable (CGDD), MEDEF, AFNOR, Collège des directeurs du développement durable (C3D).

Greece: Athens Chamber of Commerce & Industry, CEO CLUBS Greece, Greek Tourism Confederation, Hellenic-German Chamber of Commerce and Industry of Athens, Thessaloniki Chamber of Commerce & Industry.

Serbia: Chamber of Commerce and Industry of Serbia, German-Serbian Chamber of Commerce.

Spain: Acció, AEBALL (Asociación Empresarial de Hospitalet y Bajo Llobregat), AECA (Asociación Española de Contabilidad y Administración de Empresas), AEFA (Asociación Empresa Familiar Alicante), AIMPLAS (Instituto Tecnológico del Plástico), ALA (Asociación Líneas Aéreas), AMETIC, ASCRI (Spanish Venture Capital & Private Equity Association), ASINCA (Asociación Industrial de Canarias), Asociación Clúster Alimentación Euskadi, BBK Kuna, CADS (Consell Assessor per al Desenvolupament Sostenible), CAEB (Confederación Empresarios Baleares), Cámara de Comercio de Alicante, Cámara de Comercio de Almería, Cámara de Comercio de Cantabria, Cámara de Comercio de Castellón, Cámara de Comercio de Lorca, Cámara de Comercio de Oviedo, Cámara de Comercio de Santa Cruz de Tenerife, Cámara de Comercio de Valladolid, Cátedra Empresa y Humanismo de la Universidad de Valencia, CE/R+S (Club Empresas Responsables y Sostenibles), CEDE (Confederación Española Directivos y Ejecutivos), CEIM (Confederación Empresarial de Madrid-CEOE), CEOE (Confederación Española de Organizaciones Empresariales), CEOE Aragón (Confederación Española de Organizaciones Empresariales de Aragón), CEOE Zaragoza (Confederación Española de Organizaciones Empresariales de Zaragoza), CEPES (Confederación Empresarial Española de la Economía Social), CIAC (Clúster de la Industria d'Automoció de Catalunya), Círculo de Directivos de Alicante, Club de Calidad, Consejo General de Economistas de España, Corporate Excellence, Dirección General de Economía de la Generalitat Valenciana, DIRSE (Asociación Española de Directivos de Sostenibilidad), ESADE (Cátedra Liderazgo y Sostenibilidad), Euskalit, FEDA (Confederación de Empresarios de Albacete), Federación de Empresas de la Rioja, Federación de Organizaciones Profesionales de Corredores y Corredurías de Seguros de España,

FETICO (Confederación Sindical Independiente), Forética, Gobierno de Canarias, Gobierno Vasco, Hilo Sostenibilidad, IAF (Instituto Aragonés de Fomento), ICEX España Exportación e Inversiones, ICO (Instituto de Crédito Oficial), INFO Murcia (Instituto de Fomento de la Región de Murcia), Irizar, IVACE (Instituto Valenciano de Competitividad Empresarial), LKS Next, MWCC (Asociación Madrid Capital Mundial de la Ingeniería, Construcción y Arquitectura), Nechi Group, Plan B Group, PRISA, RED CEEI CV, Solunion, UNEF (Unión Española Fotovoltaica), UNICEF, VITARTIS (Asociación de la Industria Alimentaria de Castilla y León).

Türkiye: Aegean Exporters' Associations, Aegean Industry and Business Association (ESIAD), Aegean Young, Businessmen Association (EGIAD), Antalya Industrialists and Business People Association, Association of Business Women in İzmir- Izikad, Association of Turkish Construction Material Producers, Bursa Business Women and Executive Association (Bursa Is Kadınları ve Yöneticileri Derneği), Business Council for Sustainable Development (İş Dünyası ve Sürdürülebilir Kalkınma Derneği), Cement Industry Employers Association, Corporate Governance Association of Turkey, Entrepreneurial Business Women Federation - Girişimci İş Kadınları Federasyonu (GİFED), Federation of Industrial Associations (SEDEFED), Health Industry Employers' Association of Turkey, İstanbul Textile and Raw Materials Exporters Associations, Machinery Exporters' Association (Turkish Machinery), Manisa Industrial Park (Manisa Organize Sanayi Bölgesi), Mediterranean Exporter Associations (AKİB), Pharmaceutical Manufacturers Association of Turkey, Professional Women's Network, South Aegean Industry and Business Federation (GESIFED), TAIDER Family Businesses Association, Textile Exporters and Employees Association, The Turkish Chemical, Petroleum, Rubber and Plastics Industry Employers' Association -Türkiye Kimya Petrol Lastik ve Plastik Sanayi İşverenleri Sendikası (KIPLAS), The Union of Chambers and Commodity Exchanges of Turkey, The Women Entrepreneurs Association of Turkey (KAGİDER), Turkish Confederation of Employer Associations (TİSK), Turkish Enterprise and Business Confederation, Turkish Exporters' Assembly (TIM), Turkish Forwarding and Logistics Association (Utikad Uluslararası Tasimacılık ve Lojistik Hizmet Üretenleri Derneği), Turkish Industry and Business Association (TUSIAD), Turkish Public Relations Association, Turkish Society for Quality, TUYİD Turkish Investor Relations Society (Yeni Yatirimci Iliskileri Derneği), Union of Dairy, Beef, Food Industrialists and Producers of Turkey (SETBİR), Women on Board Türkiye (YÖNETİM KURULUNDA KADIN DERNEĞİ).

United Kingdom: British Chambers of Commerce.

THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT

HUMAN RIGHTS

- 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2 make sure that they are not complicit in human rights abuses.

LABOUR

- 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4 the elimination of all forms of forced and compulsory labour
- 5 the effective abolition of child labour; and
- 6 the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

- 7 Businesses should support a precautionary approach to environmental challenges;
- 8 undertake initiatives to promote greater environmental responsibility; and
- 9 encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

- 10 Businesses should work against corruption in all its forms, including extortion and bribery.

The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.