Sector-Specific SDG-related Metrics for Corporate Reporting

October 2021

GISD Global Investors for Sustainable Development Alliance

EXECUTIVE SUMMARY

This report concludes several deep-dives convened by the Global Investors for Sustainable Development (GISD) Alliance to advance sector-specific, SDG-related metrics.

These metrics are key to enable a better measurement of contributions to the Sustainable Development Goals (SDGs) by companies active in a particular sector. Investors can subsequently rely on this disclosure to make capital allocation decisions between companies in a given sector.

The report first considers the main contribution channels of the eight sectors chosen for the deep dives – automobiles, consumer staples, financials, healthcare, IT, real estate, telecom, and utilities – to the achievement of the SDGs.

Under each of these contributions, the report recommends a set of five core metrics that it urges companies to adopt if they have yet to, complemented with expanded metrics that are considered voluntary. Most of these metrics already exist, either in existing standards or sustainable reports of companies, easing their adoption.

GISD members commit to adopting/testing these metrics in their own reporting and asking their portfolio companies to do the same. Other companies are urged to do so too. Doing so at scale will depend on their inclusion in sustainability standards, so GISD will work with a range of standard setters to facilitate their adoption.

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INTRODUCTION

1. Context

The Global Investors for Sustainable Development (GISD), an industry alliance convened by the UN Secretary-General, has sought to increase the development impact of private investment. Over its first year in existence, GISD produced a definition of Sustainable Development Investing (SDI).[1] The definition created, for the first time amongst a large group of business leaders, a common understanding of what aligning investment with sustainable development means in practice. Through this work, the GISD members recognized a need for standardized SDG-related metrics. Significant work has been undertaken to identify a set of core sector-agnostic metrics that applies to all companies. However, there is a lack of sector-specific metrics that more precisely measure the impact of companies on sustainable development outcomes.

Harmonized sector-specific metrics can provide a completer picture of a company's sustainable development impact. Existing reporting frameworks focus on measuring the impact of company operations (how they produce). Assessing company contributions to the SDGs also requires accounting for the impact of products and services (what they produce). For example, an information technology company may provide information on its energy consumption but not on the number of people granted internet access for the first time. This information is inherently specific to an industry and is not captured by general sector-agnostic metrics.

In this report, GISD recommends a common set of sector-specific, SDG-related metrics to standard setters and companies. The alliance has surveyed existing metrics used in standards, reporting frameworks, and corporate sustainability reports. Drawing from these, it makes initial recommendations for a set of key sector-specific metrics that can help measure the sector's contributions to the SDGs and can be used in a harmonized way alongside sector-agnostic metrics. This will increase the comparability and precision of sustainability reporting and in doing so help investors align their financing with sustainable development.

GISD initially covers eight different sectors and industry groups defined under MSCI's Global Industry Classification Standard. The selection was based on available resources and expertise within the GISD Alliance but could be extended over time to cover more sectors. Led by different GISD members, this report covered the following sectors:

1. *Automobiles & components* (UN/DESA)
2. *Consumer staples* (Les Eaux Minérales d'Oulmes)
3. *Financials* (UBS & UN/DESA)
4. *Healthcare* (Consejo Mexicano de Negocios)
5. *IT Software & services* (Infosys)
6. *Real estate* (Sintesa Group & Nuveen)
7. *Telecommunication services* (Safaricom/GSMA)

[1] GISD Alliance, Definition of Sustainable Development Investing (SDI), 2020.

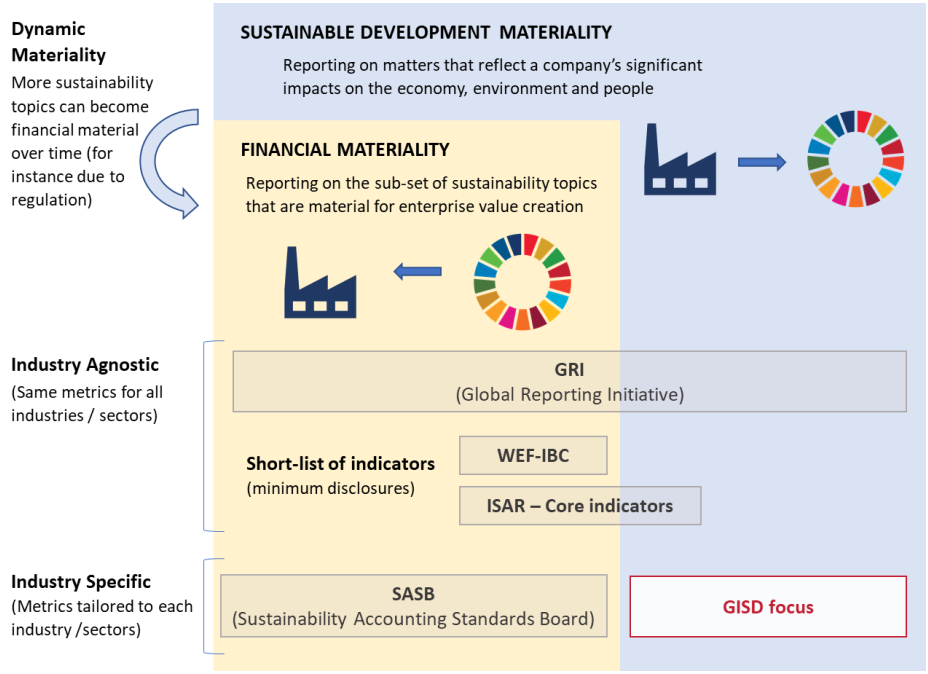
8. *Utilities* (Enel)

2. Scope

This subject of this report is sector-specific, SDG-related metrics. Sector-specific metrics are metrics that only apply to a specific sector or industry. This differentiates them from sector-agnostic metrics, such as those proposed by UNCTAD-ISAR[2], WEF-IBC[3], HIPSO-GIIN's Joint Impact Indicators[4], and GRI. For example, workforce gender balance is not sector specific as it applies to all types of companies unlike the safety of vehicles, which is only relevant for companies active in the transport industry. The sector-specific metrics are expected to be used in addition to core sector-agnostic metrics, which all companies should be reporting on. Sector-agnostic metrics are not included in this review to avoid repetition, but an overview of these metrics is included in Annex I.

Confusion still prevails over the framework companies should follow to provide sustainability-related information. Companies currently face fragmented reporting frameworks (see figure 1 below). GISD members do not want to add to this complexity but have identified a gap that is currently not fully covered by any standard-setting organizations. GISD thus advocates for filling this gap and invites these organizations to build on GISD's work to this end.

Figure 1: Scope of reporting frameworks



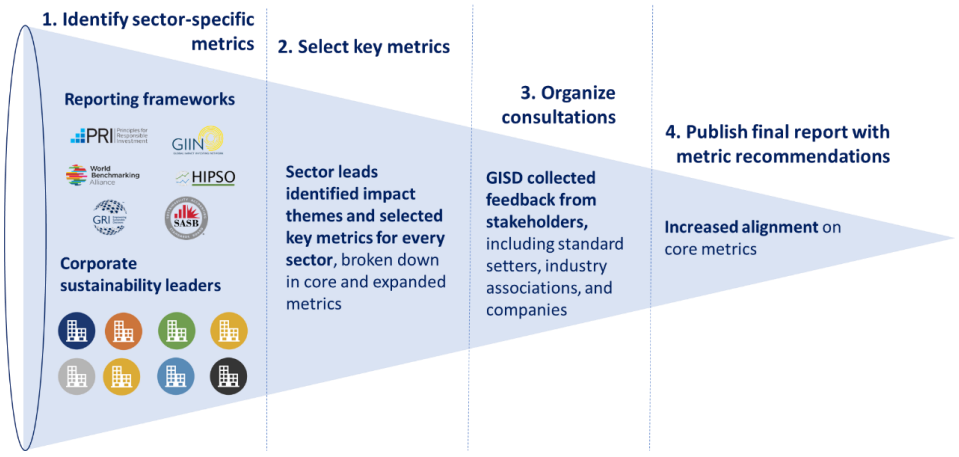
[2] UNCTAD, Guidance on core indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals, 2019.
[3] World Economic Forum, Measuring Stakeholder Capitalism Towards Common Metrics and Consistent Reporting of Sustainable Value Creation, 2020.
[4] Harmonized Indicators for Private Sector Operations (HIPSO) – Joint Impact Indicators (JII).

3. Methodology

GISD employed a filtering approach, whereby the universe of sector-specific metrics was reduced down to a set of key metrics over four steps:

1. **Initially, GISD sector leads (usually experts in their sector) collected sector-specific metrics** included in the reporting frameworks produced by existing standard setters and benchmarks. These include inter alia: Global Reporting Initiative (GRI); Value Reporting Foundation (VRF), formerly SASB and IIRC; Harmonized Indicators for Private Sector Operations (HIPSO); IRIS+ by the Global Impact Investing Network (GIIN); the World Benchmarking Alliance (WBA); and the Impact Investing Market Map by the Principles for Responsible Investment (PRI). In order to reflect market innovations, sector leads also included custom metrics used by corporates that are sustainability leaders in their respective sectors as evidenced by benchmarks, such as those produced by the WBA.
2. **GISD sector leads then identified key metrics for every sector.** By first selecting the relevant SDGs for the sector and distilling these into impact themes, they were able to select the relevant metrics for measuring company contributions to the SDGs. In order to scale usability, priority was given to several core metrics that collectively provide a succinct overview of contributions, which can be complemented by expanded metrics.
3. **GISD sector leads then organized public consultations.** This included collecting bilateral feedback from standard setters (including those that preside over the reporting frameworks mentioned above), industry associations that group companies in a sector, individual companies, data and index providers, and sustainability assurers. Other interested parties were given the opportunity to provide feedback through an online survey published on GISD's website. In total, the consultations saw 50+ different organizations and individuals provide feedback. Annex II provides an overview of participants in these consultations.
4. **The metric recommendations and impact themes were revised using this feedback and are summarized in this final report.** This report will be endorsed by GISD CEOs at the October 2021 meeting and subsequently shared, along with an accompanying statement of support, with standard setters and companies able to take up its recommendations.

Figure 2: Filtering process



4. Way forward

Standard setters, especially those with a double materiality lens, are encouraged to adopt these metrics in their sector-specific standards. This facilitates the standardized adoption of sector-specific metrics at scale, which in turn increases the value of this data to investors. The majority of these metrics were adopted from existing standards, in which case the more defined methodological notes on measurement already exist. Where this was not possible, as an appropriate metric could not be found, they were taken from existing company reports or created by a GISD working group. Standard setters are in this case encouraged to take on the methodological definition in partnership with the GISD leads that led the work on a sector. It should lastly be noted that these metric recommendations are recommendations that attempt to balance ambition with realism at a particular point in time. As targets and impact themes become more ambitious, and measurement techniques allow collection of more impact data versus output and outcome data, the key metric recommendations would evolve with them. The metrics are expected to be refined and consolidated over time as reporters adopt and test them.

Companies are urged to follow GISD members in pledging to adopt and test them in their reporting, especially once adopted in standards. Metrics with existing methodological notes can already be adopted, while those without can be adopted once their measurement has been standardized to ensure consistency of measurement and reporting. Usage should be within sustainability and/or integrated reports, where the quantitative nature of most of these metrics can be contextualized vis-à-vis target, population, geographies, and other qualitative elements. It should also be noted that these metrics, which mainly measure positive contributions, should be used alongside a do-no-harm test. In this way, users can evidence to investors and other stakeholders that the positive contributions of their products and services to one SDG are not outweighed by negative impact on other SDGs.

SECTOR 1 – AUTOMOBILES & COMPONENTS

The remit of this section is the automobile and components industry group. As defined by MSCI's Global Industry Classification Standard (GICS), this industry group is part of the consumer discretionary sector and is sub-divided into two industries: automobiles and auto components.[5] It includes manufacturers of passenger cars, motorcycles, and light trucks, as well as manufacturers of parts and equipment for automobiles, for instance tires and rubber.

Related SDGs

The automobile industry is well-placed to help achieve the SDGs. It has a pivotal role to play in decarbonizing the economy.[6] Companies in this sector can contribute by producing low emission vehicles, such as electric and low carbon powered vehicles.[7] More broadly, the automobile industry impacts many SDGs**.** In particular, its contributions are towards *SDG 3: Ensure healthy lives and promote wellbeing*, *SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all*, *SDG 11: Make cities inclusive, safe, resilient and sustainable*, *SDG 12: Ensure sustainable consumption and production patterns*, and *SDG 13: Take urgent action to combat climate change and its impact*.[8]

Impact themes

Companies in this sector impact these SDGs through three main contribution channels:

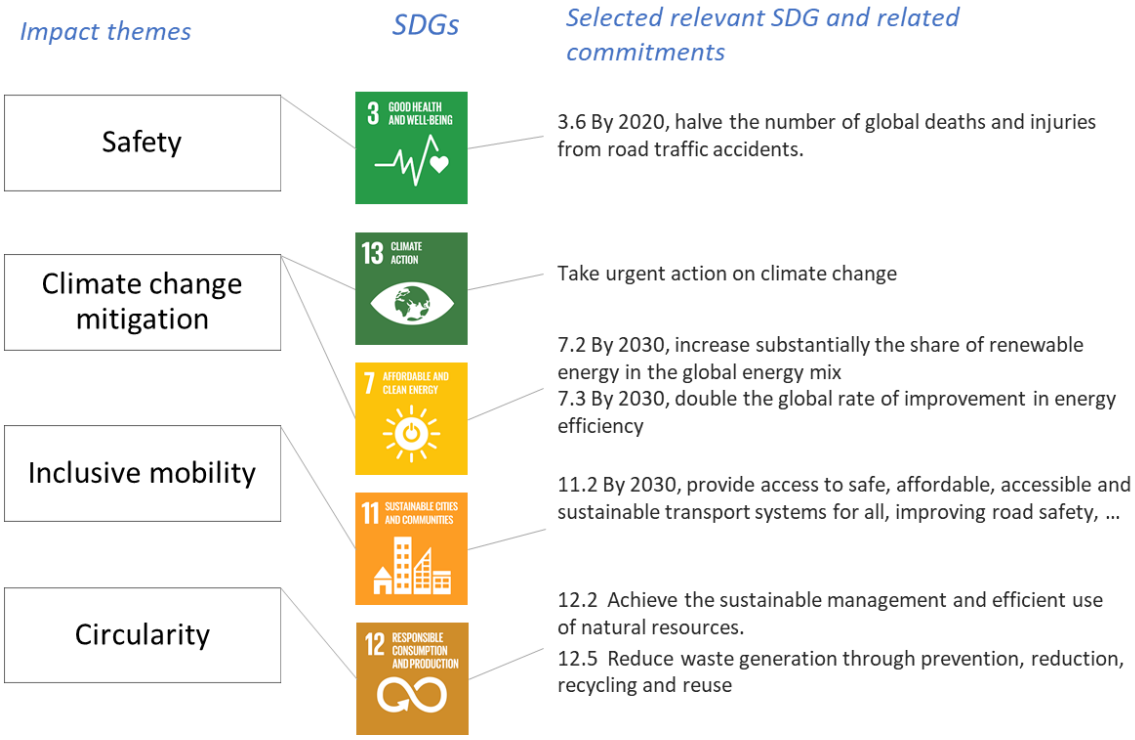
- **Safety.** 1.35 million people die each year as a result of road traffic crashes.[9] Developing countries in particular bear the brunt of fatalities: 93% of worldwide road fatalities occur in low- and middle-income countries, even though these countries have approximately 60% of the world's vehicles. The sector must thus improve its safety performance for passengers and other road users.
- **Climate change mitigation.** A vast majority of large automotive companies still realize over 90% of their sales from high emission vehicles, with low carbon vehicles representing on average less than 1% of sales.[10] Electric vehicles by themselves are not a complete solution. While the shift towards electric vehicles will decrease emissions during use substantially, in the short term, it will also increase manufacturing emissions because of the large carbon footprint of batteries and usage emissions if electricity production is carbon intensive.[11] Decreasing both production and lifetime use emissions should be a key priority for the sector.
- **Inclusive mobility.** Car ownership per household has historically increased along with economic growth. While car ownership is out of reach of the poorest in developing countries, they are still affected by the resulting urban congestion and increased pollution, which is exacerbated by the

[5] MSCI, Global Industry Classification Standard (GICS) – Definition of GICS sectors, 2018.
[6] WBA, Measuring what matters most, 2019.
[7] UN Global Compact and KPMG, SDG Industry Matrix, 2017.
[8] WBA, Measuring what matters most, 2019.
[9] WHO, Road traffic injuries, 2021.
[10] WBA, Key findings: automotive, 2021.
[11] WEF, The Circulars Cars Initiative, 2021.

predominance of secondhand vehicles that are more polluting.[12] Integrated or multimodal mobility offers a solution that relies on connecting existing means of mobility (which may include shared automobile usage), rather than relying on private automobiles to bridge all mobility gaps.[13]

- **Circularity.** Adopting principles of the circular economy is a key part of achieving the SDGs. However, the automobile industry is one of a handful of sectors that struggles because of its dependency on raw materials with a large environmental footprint in the production process.[14] The industry still relies on non-circular design practices and there is a lack of circularity-focused business models. This presents a clear opportunity to increase the degree of circularity in the sector.

Figure 3: Automobiles and components impact themes and the related SDGs



Core set of automobile-specific metrics

To identify sector-specific metrics, a review of authoritative sources of metrics was conducted, including reporting standards, such as GRI and SASB, and their sector-specific supplements, as well as other frameworks, such as IRIS+. Reports from sustainability leaders were also reviewed, using the top ten performers in WBA's Automotive Benchmark as a proxy.[15] As of October 2020, these were from highest

[12] UNEP, Global Trade in Used Vehicles Report, 2020.
[13] Automotive World, Integrated mobility can fast-track cities to cleaner, safer streets, 2021.
[14] WBA, Measuring what matters most, 2019.
[15] WBA, Rankings: automotive, 2020.

to lowest: Groupe PSA, BMW AG, Renault, Volkswagen AG, Daimler AG, Nissan Motor Co., Mazda Power Corporation, Toyota Motor Corporation, Ford Motor Company, and Honda Motor Company.

The tables below provide an overview of recommendations of metrics for the automobile and components industry group. These metrics drive a deeper understanding of the sustainability of business practices in this industry group.

Table 1. *Set of core automobile-specific metrics*

Industry	Metrics	SDGs	Theme	Source
Automobile	Fatalities and injuries per 10,000 vehicles	3	Safety	Corporate sustainability reports
Automobile	Greenhouse gas emissions intensity by vehicle distance traveled	7, 13	Climate change mitigation	GIIN/IRIS+
Automobile	Share of recycled content per vehicle	12	Circularity	GISD (new)
Automobile	Number of integrated mobility partnerships	11	Inclusive mobility	GISD (new)
Auto Components	Revenue from products designed to increase fuel efficiency and/or reduce emissions	7, 13	Climate change mitigation	SASB

Table 2. *Set of expanded automobile-specific metrics*

Industry	Metrics	SDGs	Theme	Source
Automobile	Number of (1) zero emission vehicles (ZEV), (2) hybrid vehicles, and (3) plug-in hybrid vehicles sold	7, 13	Climate change mitigation	SASB
Automobile	Conventional vehicle efficiency performance	7, 13	Climate change mitigation	WBA/ACT
Automobile	Number of safety-related defect complaints, percentage investigated	3	Safety	SASB
Automobile	Vehicle models rated with an overall 5-star safety rating	3	Safety	SASB
Automobile	Average recyclability of vehicles sold	12	Circularity	SASB
Automobile	Number of cars used in car sharing services	11	Inclusive mobility	Corporate sustainability reports

SECTOR 2 – CONSUMER STAPLES

The remit of this section is the consumer staples sector. As defined by the GICS classification, this sector comprises companies manufacturing and distributing food, beverages and tobacco and producing non-durable household goods and personal products.[16] It also includes food & drug retailing companies as well as hypermarkets and consumer centers. However, tobacco is not covered in this section given its negative contribution to many SDGs.

Related SDGs

The consumer staples sector impacts several SDGs. It can help achieve *SDG 2* by ending hunger, achieving food security, improving nutrition, and promoting sustainable agriculture. The consumer staples sector also contributes to *SDG 3* by ensuring healthy lives and promoting well-being at all ages, *SDG 5* by furthering gender equality, and *SDG 6* by ensuring availability and sustainable management of water and sanitation for all. The consumer staples sector is lastly well-positioned to support the realization of *SDG 12* by ensuring responsible consumption and production patterns, *SDG 14* by safeguarding life under water, and *SDG 15* by promoting the sustainable use of terrestrial ecosystems.

Impact themes

In this sector, companies impact the SDGs through five main contribution channels:

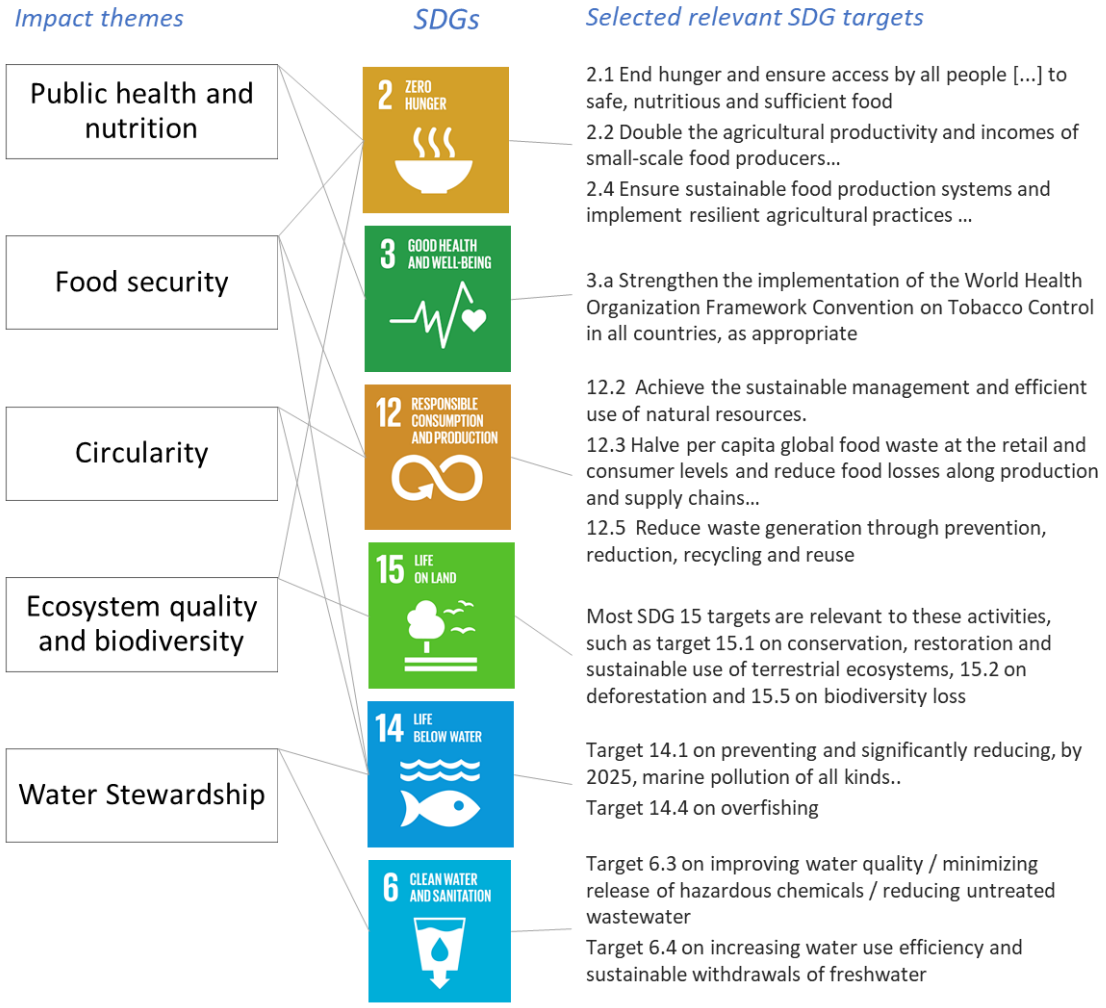
- **Public health and nutrition.** Producing more safe and high-quality food in a sustainable way to meet the global demand growth is a great challenge, and companies in this sector have an important role to play in providing healthy products.
- **Food security.** While 811 million people were undernourished in 2020, about 1.3 billion tons – a third of all the food produced in the world for human consumption – is lost or wasted each year.[17] This also has environmental implications as waste incineration impacts air pollution. Companies in this sector have a duty to better manage resources. In developing countries, food waste and losses occur mainly at the early stages of the food value chain; in medium and high-income countries, losses occur mainly at later stages.
- **Circularity**. Every year, millions of tons of plastic are incinerated, dumped in landfills, or leaked in the environment, including the oceans, in part due to plastic packaging from companies in this sector. Companies can reduce waste production through increased recycling and more circular approaches. Companies are likely to be held in the future more accountable for the waste they generate, strengthening the business case for moving towards circular economy business models (e.g., the New Plastics Economy Global Commitment).[18] By setting targets on these issues, companies can drive innovation and protect brand value.
- **Ecosystem quality and biodiversity.** Agricultural and aquacultural business activities, as well as natural ecosystem conversions such as deforestation to make it possible, impact the quality of soil,

[16] MSCI, Global Industry Classification Standard (GICS) – Definition of GICS sectors, 2018.
[17] FAO, Food Loss and Food Waste, 2021; FAO, The State of Food Security and Nutrition in the World, 2021.
[18] Ellen MacArthur Foundation, The Global Commitment, 2018.

sea, and biodiversity. For instance, fishing activities cause the depletion of fish stocks and impact marine ecosystems. This impact largely depends on their business practices, such as the use of chemicals. Food retailers also have responsibility as they purchasing decisions influence the business practices of producers.

- **Water stewardship.** WEF's Global Risk Report (GRR) has listed water crises among the top-five risks in terms of impact for eight consecutive years.[19] Companies in the food and beverage have a significant role in managing this resource, often referred to as water stewardship. As companies from other sectors also have an impact on water resources, metrics related to water management have been included in the core sector-agnostic metrics. Therefore, they do not need to be extensively covered in this note despite their critical importance for the sector sustainability.

Figure 4: Impact themes and the SDGs



[19] WEF, Water is a growing source of global conflict. Here's what we need to do, 2019.

Core set of consumer staple-specific metrics

The following metrics may help better understand a company's performance in this area:

Table 3. *Set of core consumer staple-specific metrics*

Industry	Metrics	SDGs	Theme	Source
Consumer Staples	Reusable, recyclable or compostable plastic packaging (%)	12	Circularity	Ellen MacArthur Foundation
Beverages	Revenue from (1) zero- and low-calorie, (2) no-added-sugar, and (3) artificially sweetened beverages	2, 3	Public health & nutrition	SASB
Food products / Food & Staples retailing	Total volume and percentage of food loss and waste along the relevant stages of the value chain in which the entity is involved	2, 12	Food security	FAO
Food, Beverage & Tobacco	Revenues from organic products and percentage of sales from nutritious foods	2, 3	Public health & nutrition	GISD (new)/FAO
Food, Beverage & Tobacco	Area owned, controlled, or managed by the entity that underwent natural ecosystem conversion, including land-based deforestation, reforestation and afforestation, and loss of non-forest land with high-ecological value, as well as sea-based equivalents[20]	2, 14, 15	Ecosystem quality and biodiversity	GISD/FAO

Table 4. *Set of expanded consumer staple-specific metrics*

Industry	Metrics	SDGs	Theme	Source
Food, Beverage & Tobacco	Proportion of land assessed as facing soil erosion, reduction in soil fertility, salinization of irrigated lands, or waterlogging in the total agriculture land as well as sea-based equivalent[21]	2, 14, 15	Ecosystem quality and biodiversity	GISD/FAO

[20] Includes Scope 3 upstream impact (i.e. in the supply chain).
[21] *Ibid.*

Food & Staples retailing	Donations to food banks (millions of meal equivalent)	2, 12	Food security	Corporate sustainability reports
Food & Staples retailing	Percentage of agricultural products sourced from suppliers certified regarding food safety	2, 3	Public health & nutrition	Corporate sustainability reports
Food products	Non-compliance in food safety and food quality (number of documented incidents)	2, 3	Public health & nutrition	Corporate sustainability reports
Food products	Percentage of advertising impressions (1) made on children and (2) made on children promoting products that meet dietary guidelines	2, 3	Public health & nutrition	Corporate sustainability reports
Consumer Staples	Post-consumer recycled content (%)	12	Circularity	Ellen MacArthur Foundation
Consumer Staples	Plastic packaging volume (metric tons)	12	Circularity	Ellen MacArthur Foundation
Food, Beverage & Tobacco	Volume and intensity (as a proportion of the total cropland area owned, leased and managed by the entity) of fertilizers used by the entity during the reporting period, by fertilizer nutrients [22]	2, 14, 15	Ecosystem quality and biodiversity	FAO
Food, Beverage & Tobacco	Volume and intensity (as a proportion of the total cropland area owned, leased and managed by the entity) of pesticides used by the entity during the reporting period, by hazard level[23]	2, 14, 15	Ecosystem quality and biodiversity	FAO
Food, Beverage & Tobacco	Volume of agricultural run-off contributing to freshwater pollution	6	Water stewardship	WBCSD – Wastewater Zero
Food Products	Number of farmers employed	2, 12	Food security	GISD (new)

[22] *Ibid.*
[23] *Ibid.*

SECTION 3 - FINANCIALS

The remit of this section is the financial sector. As defined by the GICS classification, this sector contains companies such as those involved in banking, asset management and insurance.[24]

Related SDGs

The financial sector has a broad impact on all SDGs, with financing to governments, companies, and people supporting a wide range of sustainable development impacts. In particular, the sector contributes to *SDG 8: Decent work and economic growth, SDG 5: Achieve gender equality and empower all women, SDG 9: Industry, innovation and infrastructure*, *SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable* (e.g., *SDG 11:1: safe and affordable housing),* and *SDG 13: Take urgent action to combat climate change and its impacts.*

Figure 5: Impact themes and the SDGs

Impact themes

The following contribution channels to these SDGs can broadly be distinguished:

[24] MSCI, Global Industry Classification Standard (GICS) – Definition of GICS sectors, 2018.

- **Financial inclusion:** Companies in this sector can provide individuals and businesses access to useful and affordable financial products and services to meet their needs – including transactions, payments, savings, credit, and insurance – in a responsible and sustainable way.[25]
- **Lending to, and insuring of, sustainable activities:** Financials can increase their lending to, and insuring of, sustainable companies and projects (e.g., renewable energy projects) and promote more sustainable activities.
- **Sustainable development investing (SDI):** Financials can increase their allocation of capital to investments aligned with sustainability goals. Investors can move from screening out negative impact to generating positive impact.
- **Economic resilience:** The insurance industry has an important role to play in safeguarding sustainable development progress. Through risk prevention and risk reduction and by sharing risks over many shoulders, the insurance industry helps protect society, fosters innovation, and underpins economic development.[26] Expanding informed access to insurance products is a therefore contribution of the wider industry to the SDGs.

Sector-specific metrics

The tables below provide an overview of possible core and expanded metrics for the financial sector.

Table 5. *Set of core financials-specific metrics*

GICS Industry	Metrics	SDGs	Theme	Source
All Financials	GHG emissions associated with financed companies and projects, using defined methodologies[27]	13	Lending to, and insuring of, sustainable activities	GISD (new)
All Financials	Percentage of investment portfolios aligned with the Sustainable Development Investing (SDI) definition	Diverse	Sustainable Development Investing (SDI)	GISD (new)
Banks, Diversified Financials	Number of loans outstanding, value of loans outstanding (disaggregated by SME and microfinance borrowers)	8, 9	Financial inclusion	HIPSO – FI-01/02
Insurance	Average Insurance Premium	1, 2, 3	Economic resilience	IRIS+ (PI1934)
Banks	Number and value of no-cost checking accounts to previously unbanked or under-banked customers	8, 9	Financial inclusion	Corporate sustainability reports

[25] World Bank, Financial Inclusion At-A-Glance, 2021.
[26] UNEP, UNEP FI Principles for Sustainable Insurance, 2012.
[27] For example, using those developed by the Net-Zero Banking Alliance / Partnership for Carbon Accounting Financials (PCAF).

Table 6. *Set of expanded financials-specific metrics*

GICS Industry	Metrics	SDGs	Contribution	Source
All Financials	New and existing business activities (loans, investments, insurance) to thermal coal mining and oil and gas exploration companies	Diverse	Sustainable Development Investing (SDI)	Corporate sustainability reports
Banks, Diversified Financials	Number and value of green and sustainability-linked loans	9	Lending to sustainable activities	GISD (new)
All Financials	Number of m^2 of pristine natural ecosystem lost per $1,000 invested or other indicators identified by the Taskforce on Nature-related Financial Disclosures	9	Lending to, and insuring of, sustainable activities	Biodiversity Impact Analytics Database
All Financials	Portfolio impact analysis undertaken to inform business strategy, process and outcomes assured and disclosed, following established guidance[28]	Diverse	Sustainable Development Investing (SDI)	UNEP FI
All Financials	Existence and implementation of systems of impact analysis and engagement of clients/investee companies	Diverse	Sustainable Development Investing (SDI)	UNEP FI
Banks	Number of transactions and active users of checking accounts	8, 9	Financial inclusion	IRIS+
Banks	Number of incentives offered to establish savings accounts	8, 9	Financial inclusion	IRIS+
Banks	Number and amount of ESG-linked lines of credit, where terms are influenced by sustainability performance	9	Financial inclusion	Corporate sustainability reports
Banks	Number of women-owned accounts in countries with large financial inclusion gender gaps	8, 9	Financial inclusion	GISD (new)
Diversified Financials	Percentage of green and social bonds out of total bonds placed as issuer or underwriter	9	Lending to, and insuring of, sustainable activities	GISD (new)
Insurance	Number or % of low-cost access to private health insurance (protection gap)	1, 2, 3	Economic resilience	GISD (new)

[28] For example, that of UNEP-Finance Initiative.

SECTION 4 - HEALTHCARE

This section covers companies active in the healthcare sector. According to the GICS classification, the sector includes health care providers & services, companies that manufacture and distribute health care equipment & supplies, and health care technology companies. It also includes companies involved in the research, development, production and marketing of pharmaceuticals and biotechnology products.[29]

Related SDGs

The health care sector is well placed to help achieve the SDGs, in particular *SDG 3: Ensure healthy lives and promote well-being for all at all ages.* However, it must be recognized that health threatens the rights of children to education, limits economic opportunities for people, and increases poverty. Health is impacted by poverty and strongly connected to other factors such as hunger, water and sanitation, and gender equality. It thus also contributes indirectly to *SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all, SDG 6: Ensure availability and sustainable management of water and sanitation for all, and SDG 10: Reduce inequality within and among countries.* The figure below lays out ways through which companies in this sector directly affect SDG 3.

Impact themes

Companies in this sector impact the SDGs (in particular SDG 3) through three main contribution channels:

- **Equitable access to health treatment**. It encompasses the quality and efficiency of accessible care across the continuum of services, including primary care with essential hospital services. Hospitals and other health services providers could plan for varied levels of services, expand these services to underserved areas, and provide financial protection to access care.[30]
- **Equitable access to health goods.** The private sector is a major provider of health products – medicines, vaccines, and supplies – in most countries,[31] directly or through third parties, and to private and public healthcare systems. Those goods should be made affordable and accessible, including to poor or marginalized population. Global pharmaceutical firms are well positioned to support access to medicines, vaccines, supplies and other health goods worldwide, through local partnerships.
- **Improving health outcomes.** Health sector companies, particularly pharmaceuticals, have the research and development capabilities and expertise to address unmet and new public health needs, particularly in low- and middle-income countries, and to bring health goods into the market and provide access to them to needed population.[32]

[29] MSCI, Global Industry Classification Standard (GICS) – Definition of GICS sectors, 2018.
[30] Arina Hatefi et al., The MDG To SDG Transition: Implications For Health Care Systems, Health Affairs, 2016.
[31] Akinola et al., 7 ways the private sector can contribute to universal health coverage, 2019.
[32] Access to Medicine Foundation, Access to Medicine Index 2021 Methodology, 2021.

Figure 6: Impact themes and SDG 3

Sector-specific metrics

To identify sector-specific metrics, a review of authoritative sources of metrics was conducted, including reporting frameworks, such as United Nations Global Compact and KPMG[33], SDG Compass[34] and IRIS+.[35] Reports on the contribution to the SDGs by some of the largest pharmaceutical companies to the SDGs were also reviewed.[36]

The tables below provide an overview of possible core metrics to recommend for the healthcare sector to report on its contribution to the SDGs. Based on sector-specific metrics and corporate sustainability reports, five core indicators were identified as well as five expanded ones. Given the differences in the type of contributions between firms, the metrics selected are general enough as to facilitate reporting by different private firms.

[33] United Nations Global Compact and KPMG, SDG Industry Matrix. Healthcare and Life Sciences, 2016.
[34] SDG Compass, 2015, Inventory of Business Indicators.
[35] IRIS+. Available at: https://iris.thegiin.org/
[36] Pfizer, Our Business. Sustainable Development Goals, 2016; Sanofi, 2020, Sanofi's Contribution to the Sustainable Development Goals (SDGs), 2021; Johnson& Johnson, 2019, Our SDG Commitment. Progress Dashboard 2020; and United Nations Global Compact and KPMG, 2016.

Table 7. *Set of core health care-specific metrics*

Sector	Metrics	SDGs	Theme	Source
Healthcare Providers & Services	Number and percentage of patients with low-cost access to screening for medical conditions, illnesses, or risk factors	3	Equitable access to health treatment	IRIS+, Global Compact-KPMG, and company reports
Healthcare Providers & Services	Number and percentage of the organization's clients, or patients, who successfully completed the course of a health intervention	3	Equitable access to health treatment	IRIS+
Pharmaceuticals, biotechnology and life sciences	Number and percentage of patients with low-cost access to the organization's products or services to address diseases/conditions	3	Equitable access to health goods	IRIS+, SDG Compass, Global Compact-KPMG, and company
Pharmaceuticals, biotechnology and life sciences	Number of products that address the WHO's Neglected Tropical Diseases and Priority Pathogens lists	3	Equitable access to health goods	Access to Medicine Index
Healthcare technology	Value of investment in the development of products that target priority product gaps identified by global health research organizations and other needs of people living in low- and middle-income countries	3	Improving health outcomes	Access to Medicine Index, SDG Compass, and company reports

Table 8. *Set of expanded health care-specific metrics*

Sector	Metrics	SDGs	Theme	Source
Healthcare Providers & Services	Number and percentage of patients with low-cost access to health services who successfully completed the clinically recommended course of a health intervention during the reporting period	3	Equitable access to health goods	IRIS+, SDG Compass, Global Compact-KPMG, and company reports
Pharmaceuticals, biotechnology and life sciences	Ratio of the price savings obtained by the client from purchasing a product/service from the organization compared to the average price that would be otherwise paid	3	Equitable access to health goods	IRIS+
Pharmaceuticals, biotechnology and life sciences	Presence of a policy for reporting confirmed cases of substandard and falsified medicines	3	Equitable access to health goods	Access to Medicine Index
Pharmaceuticals, biotechnology and life sciences	Countries with which the producer of health goods has agreed to voluntary licensing deals	3	Equitable access to health goods	Access to Medicine Index
Pharmaceuticals, biotechnology and life sciences	Number of R&D capacity building initiatives in partnership with local organizations	3	Improving health outcomes	Access to Medicine Index, SDG Compass, and company reports

SECTOR 5 - IT SOFTWARE & SERVICES

The section covers one of the three industry groups included in the GICS Information Technology (IT) sector. This industry group comprises companies that offer software and information technology services.

> *"The internet's first 50 years have been tech-driven, as a host of technological innovations have become integrated into nearly every aspect of everyday life. The next 50 years will be knowledge-driven, as our understandings 'catch up' with the technology. Both technology and knowledge will continue to advance, of course, but it is a deeper engagement with the internet's most critical qualities and impacts – understandings that can only come with time, experience and reflection – that will truly come to characterize the next 50 years. We will become a 'smarter' populace in all kinds of ways."*
>
> - ***Mary Chayko**, author of "Superconnected: The Internet, Digital Media, and Techno-Social Life"*

Technology is fast becoming ubiquitous with every human endeavor. From smart agriculture, to education, to healthcare, research and even space exploration, there is hardly a field of human activity that is untouched by information technology. Technology that is responsibly created and used can help accelerate the world towards accomplishing the SDGs. In particular, the industry has the potential to contribute to *SDG 13: Take urgent action to combat climate change and its impacts, SDG 7: Affordable and clean energy, SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all,* and *SDG 5: Achieve gender equality and empower all women and girls.* It also supports the achievement of *SDG 8: Promote inclusive and sustainable economic growth, employment and decent work for all* and *SDG 10: Reduce inequality within and among countries.*

Impact themes

Five different contribution channels can broadly be distinguished:

- **Climate change mitigation.** Digital technologies could have a transformational impact on the world's ability to meet the 2030 Agenda. This, however, requires both the IT sector and the key sectors (or 'partner sectors') who deploy these technologies to put the 2030 Agenda more intentionally at the center of who they are and what they do. In particular, data centers are significant primary energy users and now consume in the order of 3% of worldwide electricity, and are responsible for 2% of global greenhouse gas emissions – the same as the airline industry. It should thus be a priority to increase resource efficiency and reduce energy consumption in data centers.

- **Education.** Technology has become ubiquitous to every human endeavor. Enabling students and communities with digital skills will provide them access to quality education.

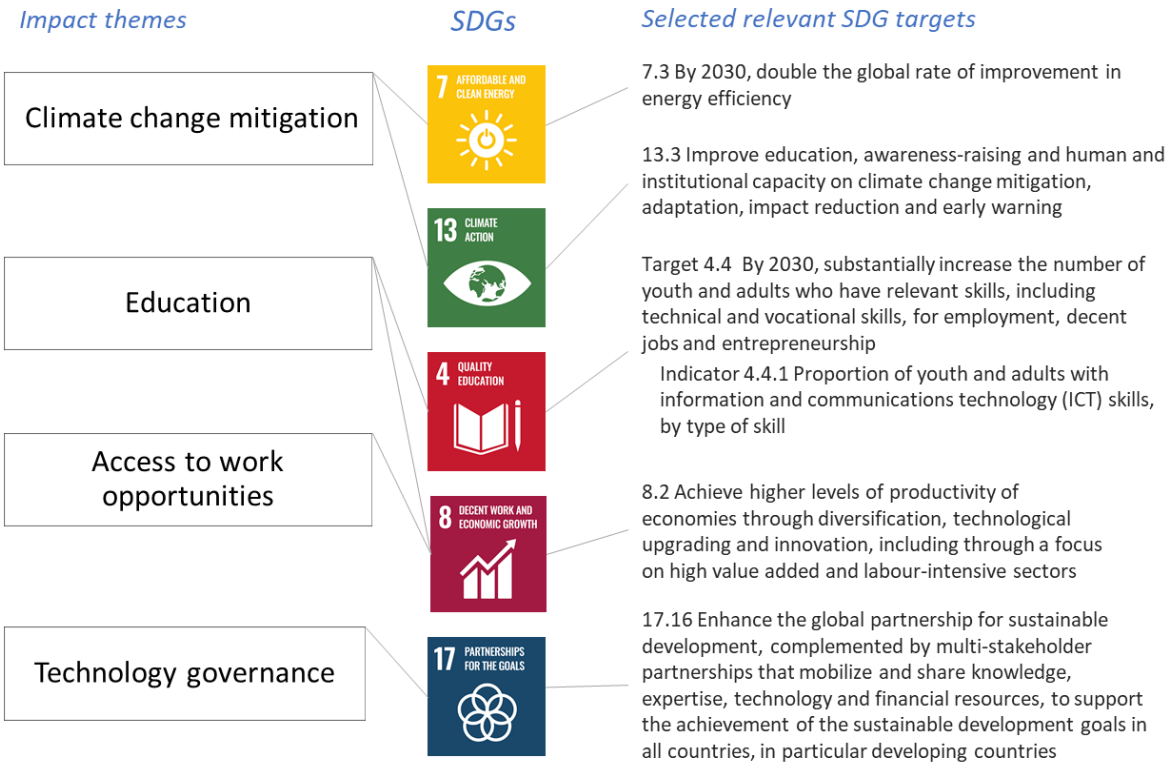
- **Access to work opportunities.** The industry has an opportunity to spread growth beyond urban centers and tap into talent pools from semi-urban and rural centers, enabling decent work and economic growth and well-being. Remote work options also allow the industry to tap into diverse talent pools that have been left out of opportunities for development and advancement.

- **Technology governance.** With IT becoming synonymous with everyday living, it is important for organizations to have a concrete technology governance strategy to deliver 'value' to stakeholders. As machines replace a number of jobs performed by humans, it is even more important for AI to be

aligned with values and ethics. The question of data privacy and protection is also key in a context where technology is omnipresent.[37]

Women in IT is also a key theme within the industry, but it is adequately covered by sector-agnostic metrics. For instance, companies can use '% of women employees' and '% women employees in management positions' to track internal progress.

Figure 7: Impact themes and the SDGs



Sector-specific metrics

The tables below provide an overview of possible core and expanded metrics to recommend for the IT services and software sector. It is based on a review of metrics included in reporting frameworks, such as SASB and GRI, as well as those used by corporate sustainability leaders, including: Atos SE, Wipro Ltd., NTT Data, Tech Mahindra, Infosys Ltd., Accenture, Microsoft, SAP, Deloitte, and Salesforce. IRIS+ was also used for the SDG mapping.

[37] UN Development Group, Data privacy, ethics and protection guidance note on big data for achievement of the 2030 agenda.

Table 9. *Set of core IT-specific metrics*

Industry	Metrics	SDGs	Theme	Source[38]
Software & Services	Total energy consumed by data centers (kWh per GB*)	7	Climate change mitigation	Corporate sustainability report
Software & Services	Number of users of cleantech solutions	13	Climate change mitigation	Corporate sustainability report
Software & Services	Number of learners on digital or edtech platforms	4, 8	Education	Corporate sustainability report
Software & Services	Frequency of data privacy incidents	17	Technology governance	Corporate sustainability report
Software & Services	Number of technology solutions for social good	17	Technology governance	Corporate sustainability report

Table 10. *Set of expanded IT-specific metrics*

Industry	Metrics	SDGs	Theme	Source[39]
Software & Services	Efficiency of data center energy consumption (energy consumed/$s revenue)	7	Climate change mitigation	Corporate sustainability report
Software & Services	Revenues from digital technologies that tackle climate change	13	Climate change mitigation	Corporate sustainability report
Software & Services	Number of learners from underserved communities	4, 8	Education	Corporate sustainability report
Software & Services	Number of digital accessibility solutions created	8	Access to work opportunities	Corporate sustainability report
Software & Services	Number of learners under reskilling programs	8	Access to work opportunities	Corporate sustainability report

[38] *Source: Infosys materiality exercise through stakeholder consultations as part of the exercise to create Infosys' ESG Vision 2030,* https://www.infosys.com/content/dam/infosys-web/en/about/corporate-responsibility/esg-vision-2030/esg-priorities.html

[39] *Ibid.*

Software & Services	Number of workers facilitated through digital platforms	8	Access to work opportunities	Corporate sustainability report
Software & Services	Number of current cyber security 'vulnerabilities' and their severity	17	Technology governance	Corporate sustainability report
Software & Services	Amount of fines/penalties for data privacy-related incidents	17	Technology governance	Corporate sustainability report
Software & Services	Amount of fines/penalties paid for violating responsible technology development & use principles	17	Technology governance	Corporate sustainability report

SECTOR 6 - REAL ESTATE

The section targets companies engaged in real estate development and operation as well as those offering real estate related services and Equity Real Estate Investment Trusts (REITs).[40] The real estate sector has a significant role to play in the achievement of the Sustainable Development Goals, specifically SDG 11: *Make cities and human settlements inclusive, safe, resilient and sustainable, SDG 1: No poverty*, *SDG 6: Clean water & sanitation*, and *SDG 7: Affordable & clean energy*.

Impact themes

Across these four Global Goals, we have identified four themes that are important to consider and measure as one seeks alignment and contribution to the SDGs. The themes are affordability, access, climate change mitigation, and resource efficiency. Each of these themes are outlined below.

- **Affordable housing stock.** Access to decent, affordable housing is fundamental to the health and wellbeing of individuals and a necessity for growing, functioning economies. However, advanced and developing economies alike continue to struggle to provide housing at a reasonable cost, particularly for low and middle-income populations.[41] The problem is particularly acute in rapidly developing urban areas. To achieve the SDGs, the real estate sector must include affordable housing stock, alongside market-rate opportunities. This will help progress toward *SDG 11.1: Proportion of urban population living in slums, informal settlements or inadequate housing*.

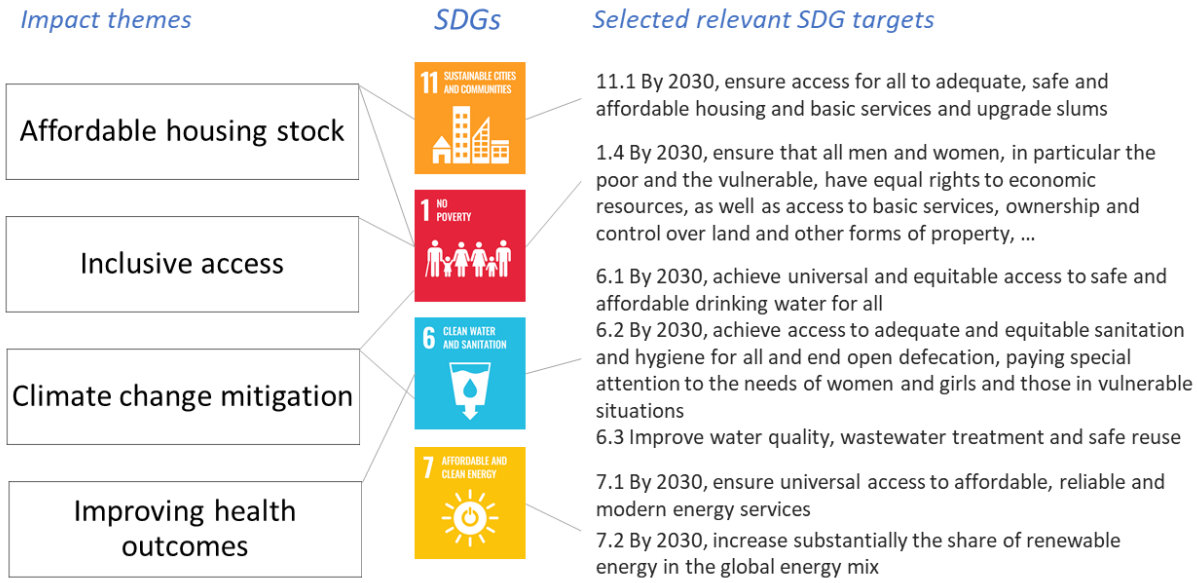
- **Inclusive access.** The housing system has historically excluded the poor and other marginalized communities. The real estate sector has a role to play in addressing disparities in terms of access, as the sector is critical to where and what function buildings serve. The real estate sector can measure the impact on this issue tracking demographic information of communities where facilities are built and/or information on the population served in the building. This will help tracking progress related to *SDG 1.4: Equal rights to economic resources*.

- **Climate change mitigation.** The real estate sector has a clear and obvious impact on the environmental goals outlined in the SDGs. Many of the sector-agnostic impact frameworks include environmental metrics that can and should be applied in the real estate sector context. In an effort to not duplicate those efforts, this report focuses on measures that are relevant to investors and operators in the real estate sector, specifically those working to expand access to affordable housing in developed and emerging economies. These efforts support the achievement of *SDG 7.1: Universal access to energy services* and *SDG 7.2: Increasing the share of renewable energy*.

- **Improving health outcomes.** Residential real estate providers in emerging markets measure the number of individuals who may have access to clean water and sanitation services through their buildings. These measures are related to *SDG 6.1: Universal access to drinking water* and *SDG 6.2: Access to sanitation and hygiene*.

[40] MSCI, Global Industry Classification Standard (GICS) – Definition of GICS sectors, 2018.
[41] McKinsey, Affordable Housing Executive Summary, 2014.

Figure 8: Impact themes and the SDGs



Sector-specific metrics

To determine the recommended core set of impact metrics, common frameworks and taxonomies were reviewed, including the Principle of Responsible Investment (PRI), GRESB Real Estate Investment (*Global ESG Benchmark for Real Assets*), World Green Building Council: for Health and Wellbeing Framework, Sustainability Accounting Standards Board (SASB), IRIS+, and the SDGs Scorecard.

We also reviewed reports published by leading real estate investors and companies, as ranked by third-party researchers and indices, including Sustainalytics (Real Estate), Dow Jones Green Index (Real Estate), and MSCI ACWI Sustainable Impact Index Methodology (Affordable Housing section). Our initial research revealed that many real estate companies ranked as high-performers on ESG indices do not publicly report on the issues outlined in this report.

Next, we cross-referenced these reports with the frameworks and taxonomies created by standard setters and industry leaders, which resulted in our set of recommended metrics, listed in tables 11 and 12. These metrics are organized by relevant industry within the real estate sector, with a particular focus on metrics for the residential related sub-industries. Our intention was to keep the list of core metrics short and actionable, and they reflect measures we believe are already being implementing by leading investors and corporations in the sector.

Table 11. *Set of core real estate-specific metrics*

Industry	Metrics	SDGs	Theme	Source
All Real Estate	Describes the demographic groups of stakeholders targeted by the organization.	1	Inclusive access	IRIS+

Residential	Percentage of housing units projected to be constructed or preserved as a result of expenditures made by the organization during the reporting period that will be considered to be affordable housing[42]	1, 11	Affordable housing stock	IRIS+
Residential	Number and percentage of housing units improved or refurbished by the organization during the reporting period	1, 11	Affordable housing stock	IRIS+
Residential	Energy efficiency measures	7	Climate change mitigation	GRESB
Residential	Number of clean water and sanitation connections installed	3	Improving health outcomes	GISD (new)

Table 12. *Set of expanded real estate-specific metrics*

Industry	Metrics	SDGs	Theme	Source
Residential	Number of years for which housing is expected to remain affordable	1, 11	Affordable housing stock	GISD (new)
Residential	Tenant turnover rate (%)	1	Inclusive access	IRIS+
Residential	Indicate whether the building has achieved sustainable or green building certifications, such as LEED Certification Additional condition: compliance with national regulation and/or national certification bodies	7	Climate change mitigation	IRIS+ and PRI Impact Investing Market Map
Residential	Description of the quality of connection to public mobility and walkability	7	Climate change mitigation	GISD (new)
Residential	Eviction rate (%)	1	Inclusive access	IRIS+

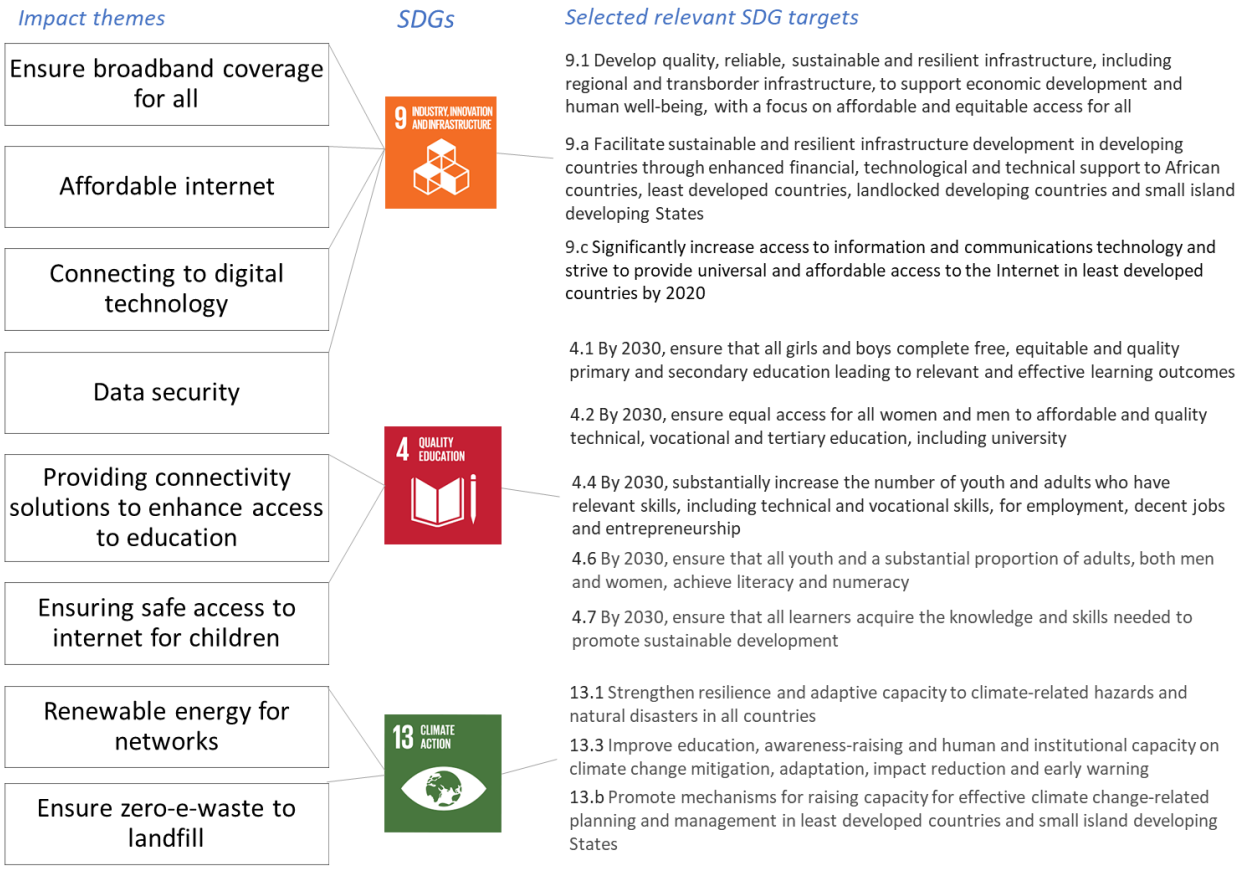
[42] Organizations should footnote assumptions for defining affordable housing. In the U.S., the U.S. Department of Housing and Urban Development defines this as housing for which the occupant(s) is/are paying no more than 30% of his or her income for gross housing costs including utilities. More information can be found here: http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/

SECTOR 7 - TELECOMMUNICATIONS

The telecommunications services industry plays a key role in supporting the SDGs. The sector impacts all 17 SDGs, reflecting the influence of an industry that connects almost two-thirds of the world's population trough mobile technology. The impact of the industry is primarily driven through connectivity to voice services and the internet and through access to specific services and content provided by mobile network operators.

The primary impact is on *SDG 9: Industry, Innovations and Infrastructure* through providing connectivity through the networks and devices that connect people to people, people to knowledge, and people to opportunities. The impact on the other SDGs is primarily driven by innovations on solutions based on connectivity through Global System for Mobile Communication (GSM), broadband and fiber optics.

Figure 9: Impact themes and the SDGs



Impact themes

Below are some of the examples of the metrics used by industry members to report on their impacts on the SDGs:

Table 13: *Measurement practices*

SDGs and Target Impacted	Sectoral Contributions	Indicators Used
SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation **Targets 9.1, 9.a, 9.c**	**Ensure broadband coverage for all** **Affordable internet** **Connecting to digital technology** **Data security** *through* • Development and upgrade of infrastructure	• Mobile infrastructure – 2G, 3G, 4G and 5G network coverage; • % of the population covered by the mobile network; • Number of machine-to-machine (M2M) connections; • Quality of service (including average download speed and average latency).
SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all **Targets 4.1, 4.3, 4.4, 4.6, 4.7**	**Providing connectivity solutions to enhance access to education** **Ensuring safe access to internet for children** *through* • Provision of suitable connectivity infrastructure; • Affordable connectivity; • Creation and of mobile content and platforms for e-learning**.**	• Affordability of Basic Services (including average costs for Pre-paid data, Mobile bundles, Voice minutes and Handset price); • Mobile in schools (including Internet penetration in Schools and Impact of ICTs on access to basic services); • Availability of local content (including social media penetration, websites accessible and Wikipedia articles in local language).
SDG 13: Take urgent action to combat climate change and its impacts **Targets 13.1, 13.3, 13.b**	**Renewable energy for networks** **Ensure zero-e-waste to landfill** *through* • Increasing landmass coverage; Provision of robust and secure infrastructure; • Enabling access to government services; • Enabling technologies for environmental monitoring, based on IoT/M2M or other solutions.	• Mobile Infrastructure; • Number of M2M Connections; • Government use of ICT to provide services and access to services (including the UN Online Service Index, ICT use & government efficiency and the Impact of ICTs on access to basic services).

Sector-specific metrics

GSMA, the telecommunications industry convening body, convened different members of the industry to form the working group on developing sector-specific indicators to ensure more consistent disclosures from members in their reporting. Safaricom is one of the members of the working group. The working group started off with research and consultation to identify with most widely used sustainability reporting frameworks and classified the frameworks into four categories:

a. Frameworks with metrics – GRI, SASB, IRIS+, CDP, S&P DJSI
b. Frameworks with indexed indicators – SDGs, WEF, WBA Digital inclusion etc.
c. Frameworks without indicators – UNPRI, IIRC, Capitals Coalition
d. Data analytics (Score Cards) – Sustainalytics, MSCI and ISS Oekom

The tables below include the recommendations of the working group on sector-specific indicators.

Table 14. *Set of core telecom-specific metrics*

GICS Industry	Metrics	SDGs	Theme	Source
Telecommunications Services	Proportion of population covered by a mobile network, by technology	9	Ensure broadband coverage for all	AIEG- SDGs
Telecommunications Services	Average rate of change per MB (cost YoY)	9	Affordable internet	GSMA Sustainability
Telecommunications Services	Number of people supported in accessing digital technology, disaggregated by gender	9	Connecting to digital technology	WBA Digital Inclusion
Telecommunications Services	Number of substantiated complaints on customer data breaches or loss of data	9	Data security	GRI 418-1
Telecommunications Services	• Operations with controls applied in line with minimum age policy (%) • Children reached by child online safety education and awareness raising programmes (number) • Operations blocking child sexual abuse content (%)	4	Ensuring safe access to internet for children	GSMA Sustainability

Table 15. *Set of expanded telecom-specific metrics*

GICS Industry	Metrics	SDGs	Theme	Source
Telecommunications Services	Number of users of internet	9	Ensure broadband coverage for all	ITU
Telecommunications Services	Cost of a medium basket of mobile broadband in % of average monthly income	9	Affordable internet	ITU
Telecommunications Services	Amount of e-waste collected and recycled	13	Ensure zero-e-waste to landfill	GRI 306
Telecommunications Services	Amount of energy consumed per MB of data transmitted	13	Renewable energy for networks	GISD/GSMA
Telecommunications Services	Number of learners accessing education through connectivity	4	Providing connectivity solutions to enhance access to education	WBA Digital Inclusion

SECTOR 8 - UTILITIES

According to the GICS classification, the Utilities Sector comprises utility companies such as electric, gas and water utilities. It also includes independent power producers & energy traders and companies that engage in generation and distribution of electricity using renewable sources.[43]

The utilities sector is well-placed to help achieve the SDGs. The sector's main contribution is towards *SDG 13: Take urgent action to combat climate change and its impacts* but to reach this final goal, utilities need to contribute to other SDGs, such as *SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation* and *SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable*. Moreover, the sector is the primary focus of *SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all* and *SDG 6: Ensure availability and sustainable management of water and sanitation for all.*

Impact themes

Three different contribution channels can broadly be distinguished:

- **Access to quality energy.** Access to energy services – through extending electricity grids or implementing mini-grid and off-grid solutions – is key to achieving *SDG 7.1 (Ensuring universal access to affordable, reliable and modern energy services)*. Access is an important contribution but one that can be undermined by outages and other delivery electricity failures. In the absence of reliable energy, only some people and companies can resort to expensive and dirty back-up generators. Improving the quality of electricity provision is thus important to *SDG 7.1.*

- **Access to quality water and sanitation.** Increasing access to drinking water and wastewater services is key to *SDG 6.1 (Achieving universal and equitable access to safe and affordable drinking water)* and *SDG 6.2 (Achieving universal access to adequate and equitable sanitation and hygiene).* In the absence of dependable water and wastewater services, people revert to less safe alternatives with lesser health outcomes as a result. Improving the quality of water provision is key to *SDGs 6.1, 6.2,* as well as *SDG 6.3 (Improving water quality by reducing pollution, eliminating dumping, and minimizing hazardous release).*

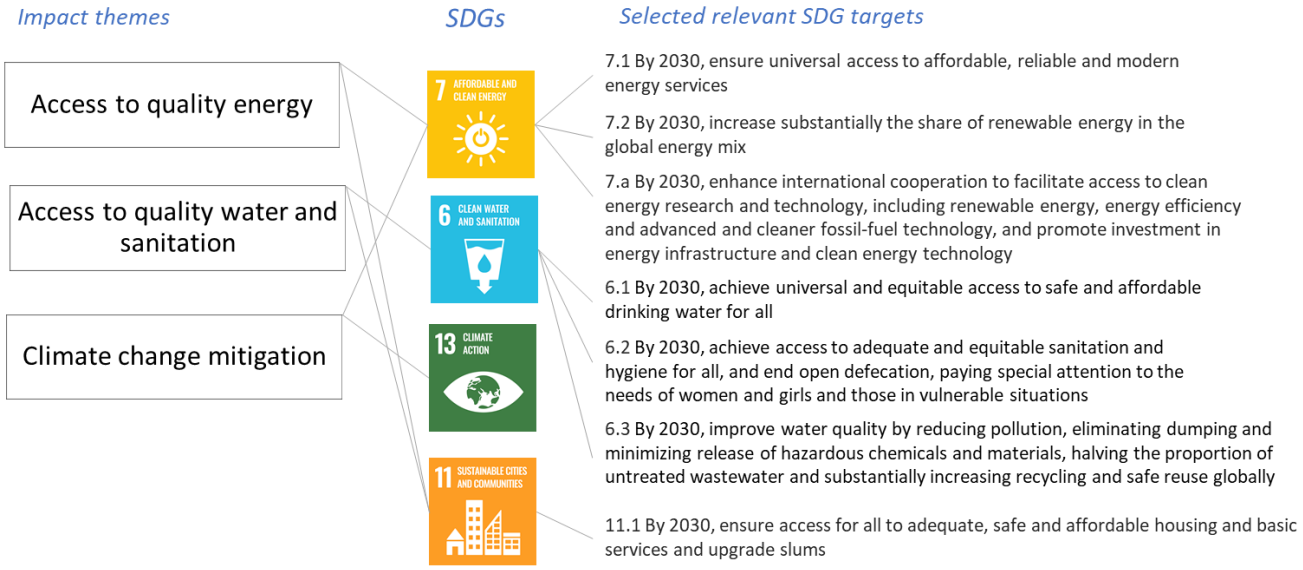
- **Climate change mitigation.** Increasing renewable energy production and sales is key to achieving *SDG 7.2 (Increasing the share of renewable energy).* The benefits from the development and deployment of new clean energy technologies. Increased investment by utility companies in their development and deployment is thus critical to *SDG 7.a (Cooperating on clean energy research and technology).*

The lack of harmonization across this reporting landscape inhibits third parties from distinguishing "leaders from laggards".[44] The next section sifts through reporting practices to arrive at a set of core and expanded metrics that can improve the understanding of the utility sector's main contributions to the

[43] MSCI, Global Industry Classification Standard (GICS) – Definition of GICS sectors, 2018.
[44] Perrine Toledano et al., Electric utility alignment with the SDGs & the Paris climate agreement, 2020.

SDGs. Combined with core sector-agnostic metrics, these metrics will help third parties (such as investors and financial institutions) create the right incentives and realize the sector's potential.

Figure 10: Impact themes and the SDGs



Sector-specific metrics

We started with the identification of authoritative sources of sector-specific metrics. We looked at metrics included in reporting standards, such as GRI and SASB, and their sector-specific supplements (i.e., GRI G4 Electric Utilities Sector Disclosures). Moreover, we looked at metrics included in other frameworks, such as IRIS+ and HIPSO, as well as those used by corporate sustainability leaders. As a proxy for the latter, we used the top ten performers in WBA's Electric Utilities Benchmark.[45] As of October 2020, these were: Ørsted, ENGIE, EDP, Iberdrola, EDF, SSE, Vattenfall, Xcel Energy, E.ON, and Enel. Most of these companies are diversified multi-utilities that cover the GICS industries apart from water and to a lesser degree gas. We therefore added three water utilities rated highest by Sustainalytics (Severn Trent, United Utilities, and Pennon Group) and one gas utility company (Enagas).

The table below provides an overview of possible core and expanded metrics to recommend for the utilities sector. Applying several criteria to the long list of sector-specific metrics, we identified metrics that cover the utility sector's three main contributions.

Table 16. *Set of core utilities-specific metrics*

Industry	Metrics	SDGs	Theme	Source
Electric Utilities/Independent	Renewable energy share	13	Climate change mitigation	Corporate sustainability report

[45] https://www.worldbenchmarkingalliance.org/publication/electric-utilities/rankings/

Power and Renewable Energy Producers				
All Utilities	Number of end users	6, 7, 11	Access to quality energy/water and sanitation	IRIS+
Electric Utilities	Renewable generation capacity	7, 13	Climate change mitigation	Corporate sustainability report
Gas Utilities	Methane emissions across the entire natural gas supply chain	13	Climate change mitigation	Corporate sustainability report
Water Utilities	Per capita consumption of raw and potable water	6, 11	Access to quality water and sanitation	Corporate sustainability report

Table 17. *Set of expanded utilities-specific metrics*

Industry	Metrics	SDGs	Theme	Source
All Utilities	Beneficiaries in terms of access to affordable, reliable, sustainable and modern energy	6, 7, 11	Access to quality energy/water and sanitation	Corporate sustainability report
All Utilities	Investments in adaptation measures (reduce business/ assets vulnerabilities)	6, 7, 11	Access to quality energy/water and sanitation	Corporate sustainability report
All Utilities	Investment in developing countries to increase RES deploy and grid quality	7, 11	Access to quality energy	Corporate sustainability report
All Utilities	Number of end users with new services such as charging point and smart meters	6, 7, 11	Access to quality energy/water and sanitation	Corporate sustainability report
Electric Utilities	Investment in technologies to support RES hybridization of renewables such as battery storage and hydrogen	13	Climate change mitigation	Corporate sustainability report
Gas Utilities	Share of renewable gases (e.g. biomethane, hydrogen) in the energy mix	13	Climate change mitigation	Corporate sustainability report

Water Utilities	Volume of potable water provided	6, 11	Access to quality water and sanitation	IRIS+
Water Utilities	Availability of drinking water supply (hours per day)	6, 11	Access to quality water and sanitation	Corporate sustainability report
Water Utilities	Number of new connections to water and wastewater services	6, 11	Access to quality water and sanitation	HIPSO WA-02
Electric Utilities/Independent Power and Renewable Energy Producers	Innovation (discovery, incubation and acceleration) expenditure for climate change mitigation technologies related to energy generation, transmission, or distribution	13	Climate change mitigation	GISD (new)

Annex I: Overview of core sector-agnostic metrics

Theme	Metrics	UNCTAD-ISAR	WEF-IBC
Water	Water recycling and reuse	X	
	Water use efficiency	X	
	Water stress	X	
	Fresh water availability		X
Waste	Reduction of waste generation	X	
	Waste reused, re-manufactured and recycled	X	
	Hazardous waste	X	
Climate change	Scope 1, 2, and 3 emissions	X	X
Air pollution	Ozone-depleting substances and chemicals	X	
Energy consumption	Renewable energy consumption as percentage of total energy consumption	X	
	Energy consumption per net value added	X	
Nature loss	Land use and ecological sensitivity		X
Employment	Net number of jobs created		X
	Diversity and inclusion (%)		X
	Wage level (%)		X
	Risk for incidents of child, forced or compulsory labor (#, %)		X
Gender equality	Proportion of women in managerial positions	X	
	Gender pay equality (%)		X
Human capital	Average hours of training per year per employee	X	X
	Expenditure on employee training per year per employee	X	X
	Employee wages and benefits as a proportion of revenue	X	
Employee health & safety	Expenditures on employee health and safety as a proportion of revenue	X	
	Frequency/incident rates of occupational injuries	X	
	Health and safety (%)		X
	Alignment with the UN Guiding Principles for Business and Human Rights	*Proposed new metric*	
Collective agreement	Percentage of employees covered by collective agreements	X	
Net economic contribution	Revenue and/or (net) value added	X	
	Direct economic value generated and distributed		X
Tax	Payments to the Government	X	
	Country by country tax reporting		X
Investment	Net investment		X
	Green investment	X	
	Community investment	X	X
	Total amount of expenditures on research and development (R&D)	X	
	R&D spend ratio (%)		X

	SDG-aligned investments	*Proposed new metric*	
Anti-corruption	Amount of fines paid or payable due to settlements	X	
	Average number of hours of training on anti-corruption issues, per year per employee	X	
	Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region		X
	Total number and nature of incidents of corruption confirmed during the current year but related to previous years		X
	Total number and nature of incidents of corruption confirmed during the current year, related to this year		X
Governance	Number of board meetings and attendance rate	X	
	Number and percentage of female board members	X	
	Board members by age range	X	
	Number of meetings of audit committee and attendance rate	X	
	Total compensation per board member	X	

Annex II: Overview of consultation participants

GISD members thank the contributions and feedback received from the following organizations during the consultation:

Standard setters and conveners

- Global Reporting Initiative (GRI)-HQ
- Global Reporting Initiative (GRI)-ASEAN
- Value Reporting Foundation (formerly SASB and IIRC)
- Global Impact Investing Network (GIIN)/IRIS+
- World Benchmarking Alliance
- UN Global Compact/CFO Taskforce members
- Global Impact Initiative Australia

Multilateral organizations and non-profits

- Harmonized Indicators for Private Sector Operations (HIPSO) members, including but not limited to:
  - World Bank Group/International Finance Corporation (IFC)
  - African Development Bank Group (AfDB)
  - European Bank for Reconstruction and Development (EBRD)
  - ILX Fund
- UNEP/Finance Initiative
- FAO
- Fundación Mexicana para la Salud, A.C

Private sector companies and networks

- World Business Council for Sustainable Development (WBCSD)
- Renault
- BlackRock
- Tobacco Free Portfolios
- Unilever
- Tokio Marine
- Bradesco Seguros

Data and index providers

- MSCI
- S&P Global
- ISS
- Solactive
- Morningstar
- FTSE Russel
- Refinitiv
- Sustainalytics

Sustainability assurers

- KPMG
- Ernst & Young (EY)

The Global Investors for Sustainable Development (GISD) is an alliance of 30 business leaders convened by the United Nations Secretary-General to provide decisive leadership in mobilizing resources for sustainable development.

GISD Global Investors for Sustainable Development Alliance