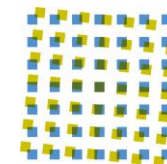




Assessment of Swiss Companies' Approaches to the Sustainable Development Goals (SDGs)

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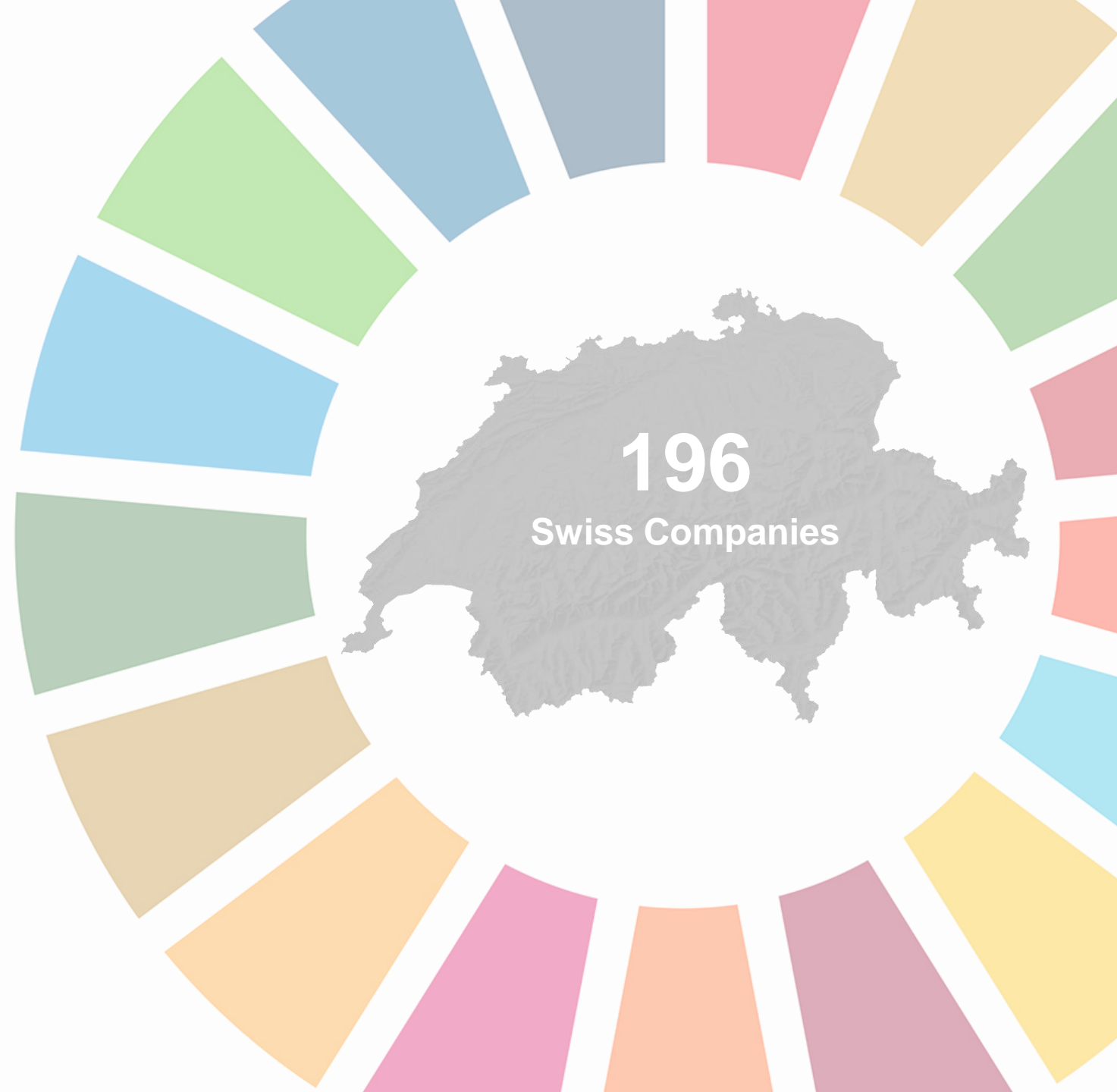
Introduction

Sustainserv's [SDG Survey in 2017](#) revealed that more than 70% of over 100 participating Swiss companies considered the Sustainable Development Goals (SDGs) relevant for their business. However, almost 50% indicated that they are unclear about how they will approach the SDGs.

Based on these results, we investigated further two questions in 2018:

- **How do Swiss companies currently approach the SDGs?**
- **What does a good approach look like?**

To answer these questions, we assessed the publicly reported SDG approaches of 196 Swiss companies. We analyzed the companies' commitment to the SDGs, how deeply they engaged with the SDGs, what kind of SDG-related company goals they set, and how well they reported their approach to the SDGs.



Overview

In order to assess the companies' approaches to the SDGs, we developed a scoring system that allowed us to benchmark between companies regardless of size and industry, as well as against what we have determined to be an ideal, best-practice approach.

Our assessment revealed that despite the fact that leading businesses are discussing SDGs, there seems to be a gap between good intentions and actually embedding SDGs into business practice. We discovered that there is a lot of work to be done if Swiss companies are to contribute to the achievement of the SDGs: For example: only 30% of all assessed Swiss companies and 37% of companies that report on sustainability address the SDGs. These 58 Swiss companies that address the SDGs achieve an average score of 9.2, which represents 40% of the maximum achievable score of 23.

In accordance with the results of SustainServ's [SDG Survey 2017](#), the 2018 assessment of the reported approaches showed that the most-typically prioritized SDGs are "Climate Action", "Industry Innovation and Infrastructure", "Good Health and Well-Being", "Decent Work and Economic Growth", and "Responsible Consumption and Production".

30%

of the assessed Swiss companies address the SDGs

9.2

is the average achieved score (out of 23) of Swiss companies addressing the SDGs

37%

of Swiss companies reporting on sustainability address the SDGs



are the five SDGs prioritized most often by Swiss companies

Methodology

We assessed the publicly reported SDG approaches of 196 Swiss companies, including the 100 largest trade, industry, and service companies, 10 largest banks, and 5 largest insurance companies¹, as well as 81 small- and medium-sized companies that published a sustainability report². Among the 115 largest Swiss companies, 76 published a sustainability report or included sustainability in their annual report.

23
Maximum achievable score

4 assessment categories with 12 corresponding criteria

1	Commitment	Leadership	Does the leadership message refer to the SDGs?
		Strategic Integration	How does the company integrate the SDGs in its sustainability approach?
2	Involvement	Prioritization	Does the company identify priority SDGs?
		Consideration	At which level does the company address the SDGs?
		Relevance	How well does the company outline the relationship between its business and the SDGs?
		Contribution	How substantial is the company's description of its contribution to the SDGs?
3	Goal Setting	Type of Goals	What kind of goals does the company have regarding sustainable development?
		Time-Bound	Does the company set SDG-related goals that are time-bound?
		Indicators	Does the company state how progress toward the SDG-related goals is measured?
		Measurement of Results	Does the company measure its output or its impact on the SDGs?
4	Reporting Quality	Balance	Does the company state shortcomings associated with its contribution to sustainable development?
		Accessibility	How easy is it to understand the company's contribution to the SDGs?

Key Findings

Company Commitment

Assessment category

Commitment

Assessment criteria

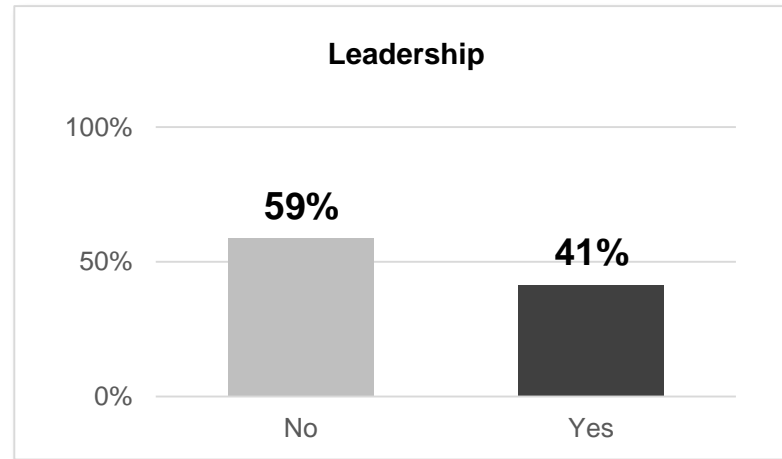
Leadership

Does the leadership message refer to the SDGs?

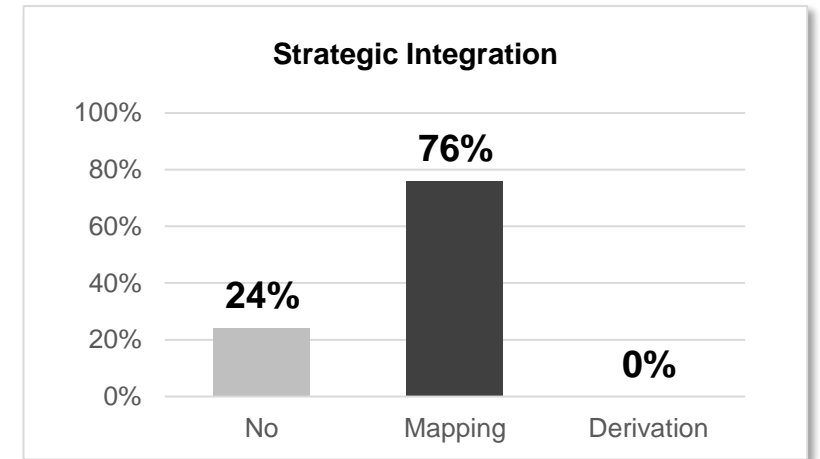
Strategic Integration

How does the company integrate the SDGs in its sustainability approach?

n= 58, all Swiss companies addressing the SDGs



41% of the leadership statements in the reports contained a reference to the SDGs.



We found that over three-fourths of the companies addressing the SDGs map their existing sustainability approach to the SDGs by mapping strategic priorities, focus areas, material topics, or GRI disclosures.

None of the companies took an “outside-in” approach deriving its sustainability strategy or management from the SDGs.

Key Findings

Company Involvement (1/2)

Assessment category

Involvement

Assessment criteria

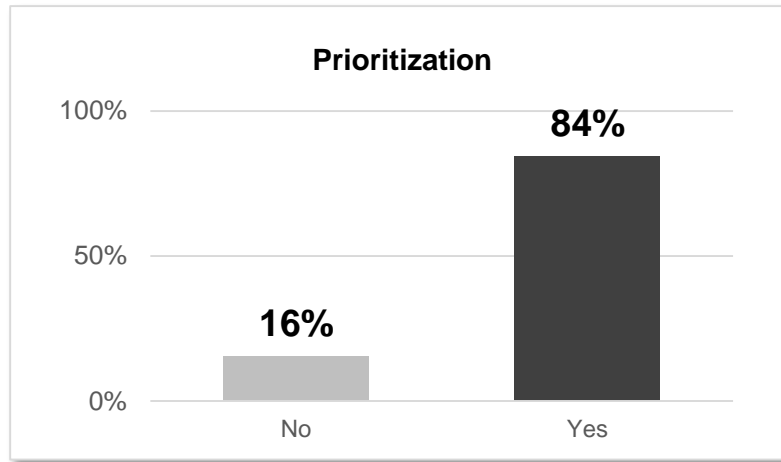
Prioritization
Does the company identify priority SDGs?

Consideration
At which level does the company address the SDGs?

Relevance
How well does the company outline the relationship between its business and the SDGs?

Contribution
How substantial is the company's description of its contribution to the SDGs?

n= 58, all Swiss companies addressing the SDGs



We found that 84% of the companies identified priority SDGs that are particularly relevant to their business.

SDGs prioritized by Swiss companies

The 2018 assessment of the reported approaches revealed that companies did indeed prioritize the SDGs that they had flagged as relevant in the SDG survey conducted in 2017.

Priority SDGs Assessment 2018

Priority SDGs Survey 2017



Key Findings

Company Involvement (2/2)

Assessment category

Involvement

Assessment criteria

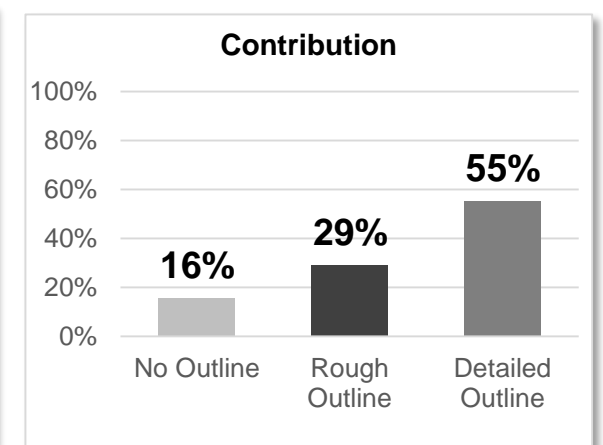
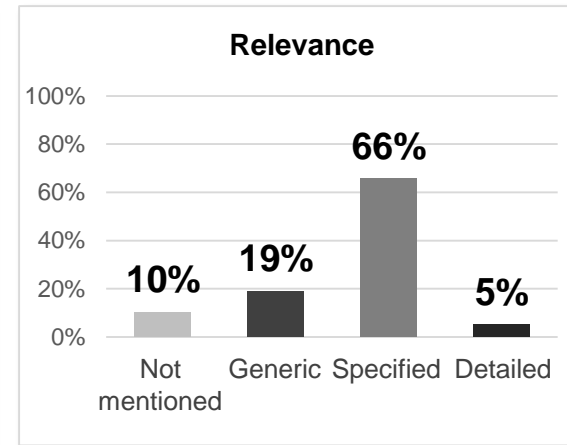
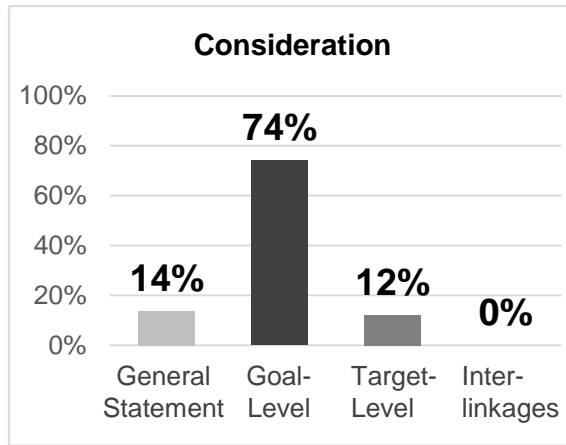
Prioritization
Does the company identify priority SDGs?

Consideration
At which level does the company address the SDGs?

Relevance
How well does the company outline the relationship between its business and the SDGs?

Contribution
How substantial is the company's description of its contribution to the SDGs?

n= 58, all Swiss companies addressing the SDGs



Almost three fourth of the 58 Swiss companies consider the SDGs at goal-level; only 12% evaluate at target-level. We found no company taking into account the interlinkages and trade-offs between the goals and targets.

While 90% of the companies mention the SDGs in a connection with their business, only 5% clearly demonstrate how they contribute to particular SDGs. Two-thirds outline the connection by mentioning specific business lines, products or services.

However, the vast majority of companies outline their contribution to the SDGs in more or less detail. More than half describe their contribution quite substantial.

Key Findings

Company Goal Setting

Assessment category

Goal Setting

Assessment criteria

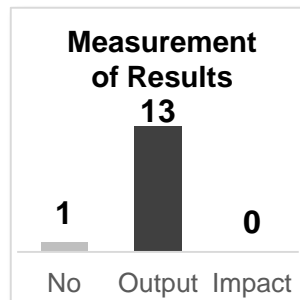
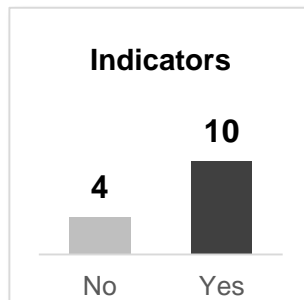
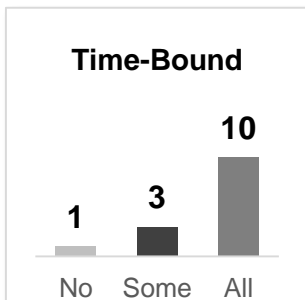
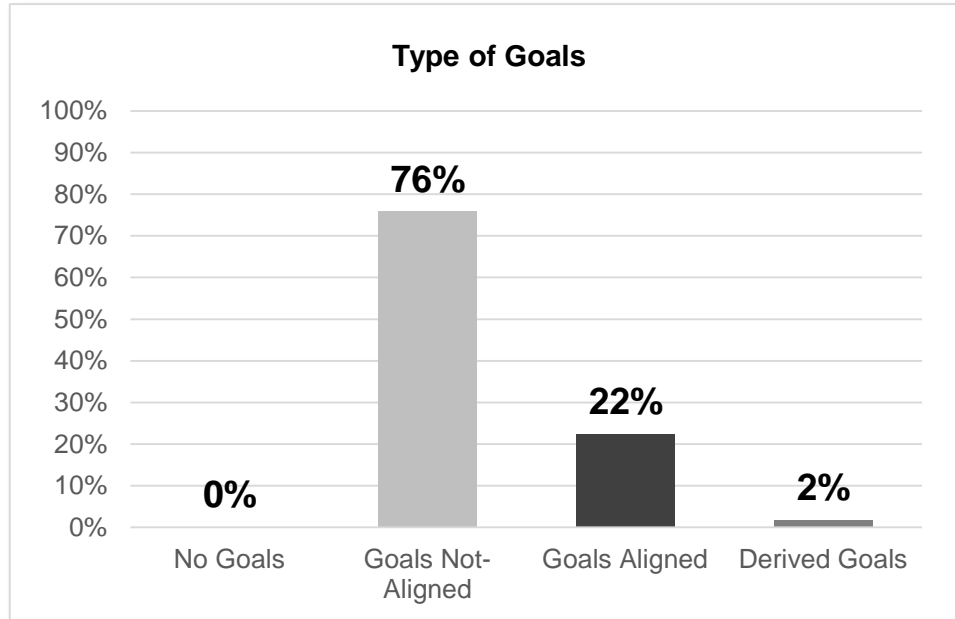
Type of Goals
What kind of goals does the company have regarding sustainable development?

Time-Bound
Does the company set SDG-related goals that are time-bound?

Indicators
Does the company state how progress toward the SDG-related goals is measured

Measurement of Results
Does the company measure its output or its impact on the SDGs?

n= 58, all Swiss companies addressing the SDGs



While all Swiss companies that address the SDGs set some kind of sustainability goals, only 22% – representing 14 companies – aligned their goals with the SDGs. Only one company set sustainability goals that were derived from the SDGs.

Of these 14 companies, most SDG-related goals are time-bound and underpinned with indicators measuring the company's outputs.

Although some companies attempted to measure their impact on particular SDGs, we did not consider their overall approach as measuring impact since these impact assessments were limited to only a few SDGs.

Key Findings

Company Reporting Quality

Assessment category

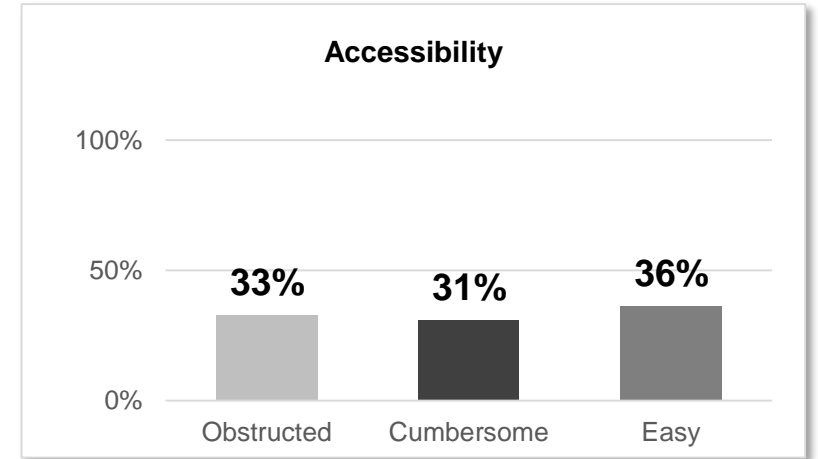
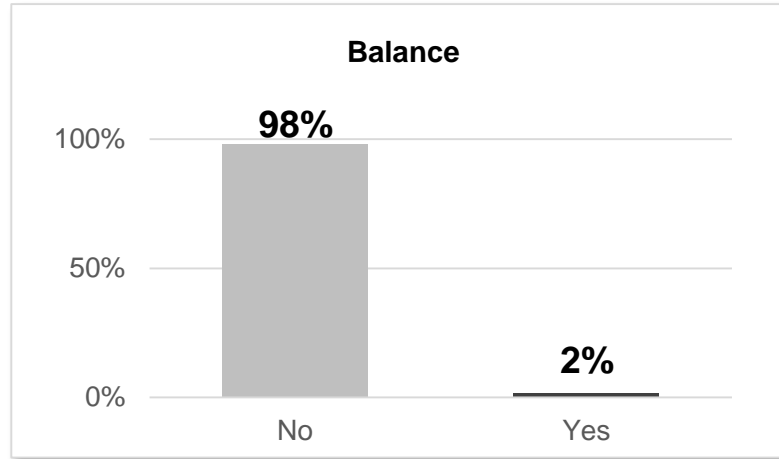
Reporting Quality

Assessment criteria

Balance
Does the company state shortcomings or challenges associated with its contribution to sustainable development?

Accessibility
How easy is it to understand the company's contribution to the SDGs?

n= 58, all Swiss companies addressing the SDGs



When looking at reporting quality, we found a mixed picture. Roughly one-third of the reports clearly presented the company's contribution to the SDGs. In two-thirds, understand the respective contribution was difficult or impossible.

With one exception, all companies only report their efforts and positive achievements regarding sustainable development and leave out shortcomings associated with their contribution to the SDGs.

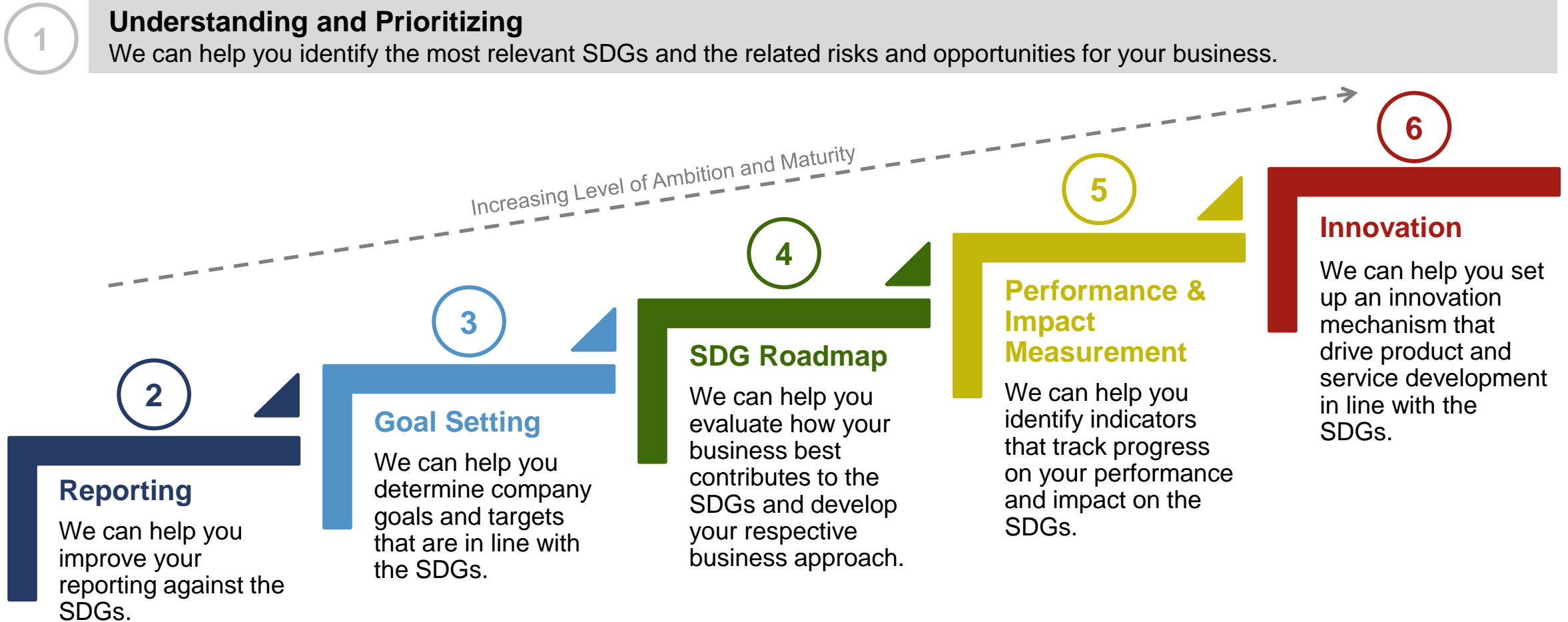
Top third scored Swiss companies addressing the SDGs

23
Maximum achievable score

Respective company scores

17	16	15	14	13	12	11
Barry Callebaut	Coop	Bühler	Firmenich	Swiss Re	ABB	Credit Suisse
ST Microelectronics	Syngenta	Franke Schweiz	Givaudan			CRH Gétaz Holding
		IWC				Geberit
		Nestlé				Philip Morris International
		Swisscom				SGS
		Tetra Pak				Swiss Prime Site
						Zurich Insurance

How we can help



If you would like to know more about the assessment, your company performance, or how we can support you on your sustainability journey, please get in touch.



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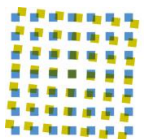


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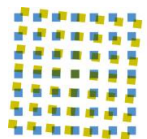
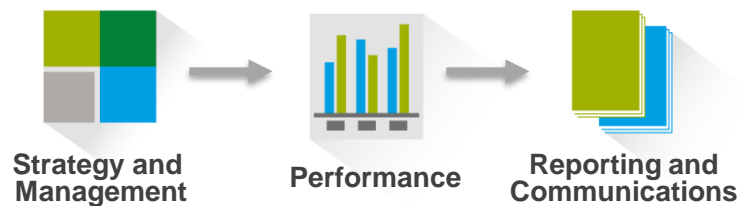


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About Sustainerv

Sustainerv helps companies drive long-term value creation by connecting robust strategies and integrated management processes, rigorous performance metrics and analytics, and effective communication to internal and external stakeholders.

The international management consultancy was founded in 2001 in Zurich, Switzerland, and Boston, USA, and inspires clients to create long-term and meaningful value for themselves and for society.



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