

SDG INDUSTRY MATRIX

Food, Beverage and Consumer Goods

New Sustainable Development Goals to make our world more:
Prosperous • Inclusive • Sustainable • Resilient

Produced jointly by:



United Nations
Global Compact

and





NEW GLOBAL GOALS FOR SUSTAINABLE DEVELOPMENT



In September 2015, 193 member States of the United Nations met in New York to adopt 17 new Sustainable Development Goals ('SDGs') to make our world more prosperous, inclusive, sustainable and resilient.



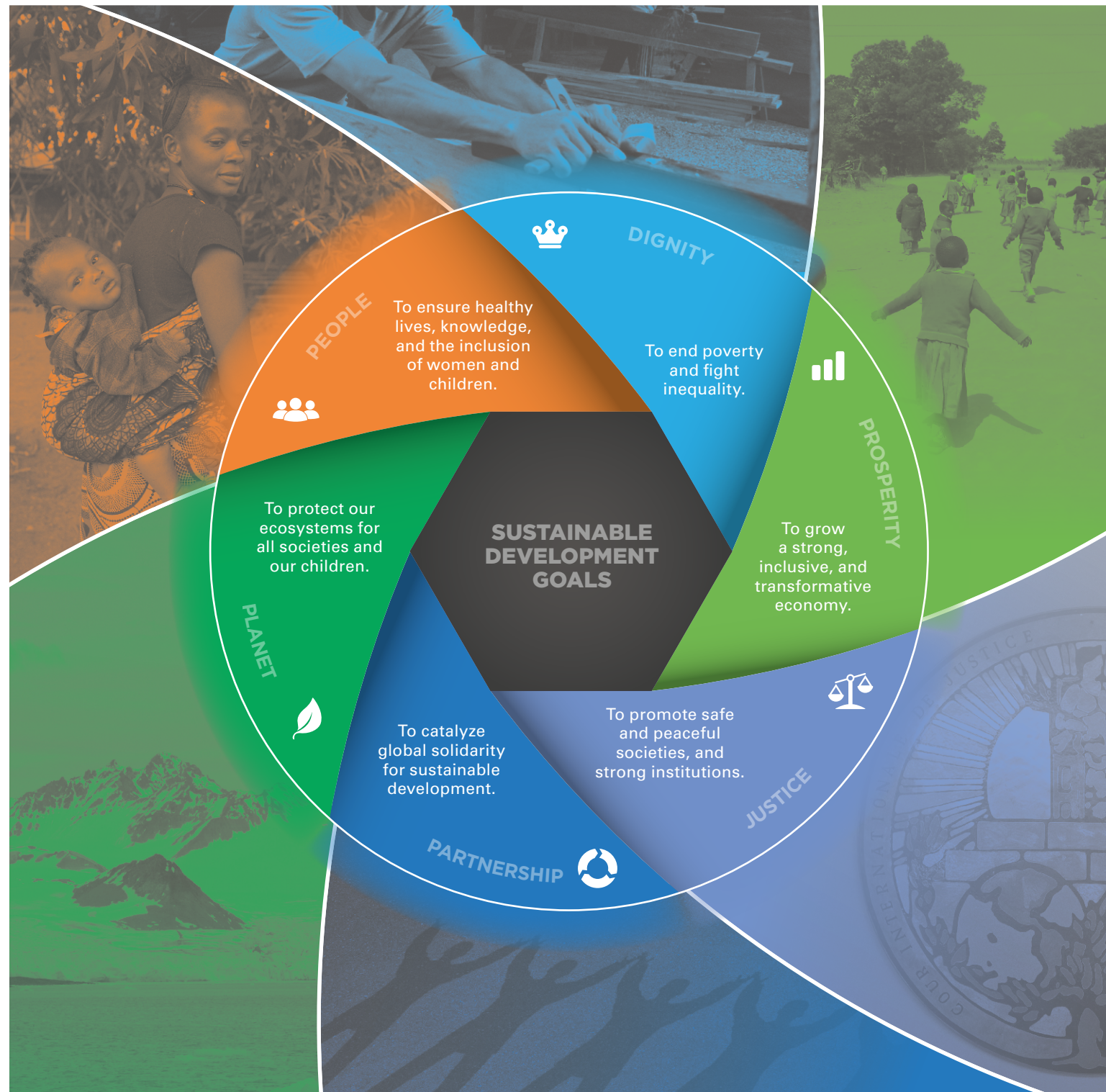
GLOBAL GOALS 2015 - 2030

The SDGs are an ambitious plan of action for people, planet and prosperity. They are universal, applying to all nations and people, seeking to tackle inequality and leave nobody behind. They are wide ranging including ending poverty and hunger, ensuring sustainable consumption and production, and promoting peaceful and inclusive societies.

The agreement on a new sustainable development agenda expresses a consensus by all Governments that the SDGs can only be achieved with involvement of the private sector working alongside Governments, Parliaments, the UN system and other international institutions, local authorities, civil society, the scientific and academic community – and all people. Hence, Governments in the Post-2015 declaration “...call on all businesses to apply their creativity and innovation to solving sustainable development challenges”.

Each and every SDG provides an opportunity for business and two are worth highlighting as cross-cutting themes:

- SDG 12 focuses on production and consumption and includes a specific target on “adopting sustainable business practices and reporting”;
- SDG 17 includes two targets on multi-stakeholder partnerships to ensure this attracts sufficient focus.





SUSTAINABLE DEVELOPMENT GOALS

1 NO POVERTY 	2 ZERO HUNGER 	3 GOOD HEALTH AND WELL-BEING 	4 QUALITY EDUCATION 	5 GENDER EQUALITY 	6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY 	8 DECENT WORK AND ECONOMIC GROWTH 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	10 REDUCED INEQUALITIES 	11 SUSTAINABLE CITIES AND COMMUNITIES 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION 	14 LIFE BELOW WATER 	15 LIFE ON LAND 	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	17 PARTNERSHIPS FOR THE GOALS 	 SUSTAINABLE DEVELOPMENT GOALS

CONTENTS

SDG INDUSTRY MATRIX	5
FOOD, BEVERAGE AND CONSUMER GOODS INDUSTRY HIGHLIGHTS	7
Opportunities for shared value	8
Good practice principles and initiatives	10
Multi-stakeholder partnerships and collaborations	14
SDG INDUSTRY MATRIX FOR FOOD, BEVERAGE & CONSUMER GOODS	17
SDG 1 End poverty in all its forms everywhere	18
SDG 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture	19
SDG 3 Ensure healthy lives and promote well-being for all at all ages	22
SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	24
SDG 5 Achieve gender equality and empower all women and girls	26
SDG 6 Ensure availability and sustainable management of water and sanitation for all	28
SDG 7 Ensure access to affordable, reliable, sustainable and modern energy for all	30
SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	31
SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	33
SDG 10 Reduce inequality within and among countries	34
SDG 11 Make cities and human settlements inclusive, safe, resilient and sustainable	35
SDG 12 Ensure sustainable consumption and production patterns	36
SDG 13 Take urgent action to combat climate change and its impacts	39
SDG 14 Conserve and sustainably use the oceans, seas and marine resources for sustainable development	40
SDG 15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	41
SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	42
SDG 17 Strengthen the means of implementation and revitalize the global partnership for sustainable development	44
KEY CONTRIBUTORS	45

SDG INDUSTRY MATRIX

A

PURPOSE

The SDG Industry Matrix aims to inspire and inform greater private sector action to drive inclusive, sustainable prosperity.

Recognising that the opportunities vary by industry, the Matrix provides industry specific ideas for action and industry specific practical examples for each relevant SDG. It profiles opportunities which companies expect to create value for shareholders as well as for society.

The SDG Industry Matrix has been jointly conceived and led by the United Nations Global Compact and KPMG International Cooperative ('KPMG') to convert the interest stimulated by the Sustainable Development Goals into strategic industry activities which grow in scale and impact. This could be through sparking new innovative approaches, prompting companies to replicate successful activities in new markets, catalysing new collaborations and increasing participation in existing collaborations.

B

OPPORTUNITY

Through the lens of "shared value" the private sector can identify opportunity in addressing social and environmental challenges.

In the context of the SDGs, "shared value" represents the coming together of market potential, societal demands and policy action to create a more sustainable and inclusive path to economic growth, prosperity, and well-being¹. The SDGs provide an opportunity for companies to create value for both their business and society through:

- Developing products, services, technologies and distribution channels to reach low-income consumers;
- Investing in supply chains which are ethical, inclusive, resource-efficient and resilient;

- Improving the skills, opportunities, well-being and hence productivity of employees, contractors and suppliers;
- Increasing investment in renewable energy and other infrastructure projects.

Several trends are making these opportunities more compelling:

- **Demographics:** The population in developing regions is projected to increase from 5.9 billion in 2013 to 8.2 billion in 2050 whilst the population of developed regions will remain around 1.3 billion people;
- **Income growth:** Between 2010 and 2020, the world's bottom 40% will nearly double their spending power from US\$3 trillion to US\$5.8 trillion;
- **Technology:** Rapid innovation is catalysing improved market analysis, knowledge sharing, product and service design, renewable energy sources, distribution models and operational efficiencies. Technology is also lowering market entry costs for non-traditional actors and start-ups with innovative 'disruptive' business models;
- **Collaborations:** Governments, businesses, international financial institutions, the United Nations, civil society and academia are developing new ways of working with each other in pursuit of compatible objectives.

1. 'Unlocking the Power of Partnership: A Framework for Effective Cross-Sector Collaboration', KPMG International

SDG INDUSTRY MATRIX (CONTINUED)



The SDG Industry Matrix has been compiled through a participatory three step process:

1. KPMG and the United Nations Global Compact drew on their respective industry insights to populate a preliminary draft with examples and ideas for action;
2. The United Nations Global Compact circulated the draft to its network of private sector participants, business associations and UN agencies requesting them to submit further examples and ideas for action;
3. KPMG and the United Nations Global Compact co-convened a multi-stakeholder working roundtable (one per industry, each in a different continent) to agree the final SDG Industry Matrix content, including the most significant opportunities to profile in the 'Industry Focus Highlights' section.



The SDG Industry Matrix draws on the commitment that companies have already expressed to the UN Global Compact's ten principles.

The SDG Industry Matrix builds on the recognition that all companies, regardless of their size, sector or geographic footprint, have a responsibility to comply with all relevant legislation, uphold internationally recognized minimum standards and to respect universal human rights. The UN Global Compact website includes key tools and resources which can help companies meet their minimum responsibilities and guide them to take supportive actions beyond these minimum responsibilities to advance social and environmental goals.

The SDG Industry Matrix is also complemented by the SDG Compass (produced by the Global Reporting Initiative, the United Nations Global Compact and the World Business Council for Sustainable Development), which guides companies on defining strategic priorities, setting goals, assessing impacts and reporting.



FOOD, BEVERAGE AND CONSUMER GOODS INDUSTRY FOCUS HIGHLIGHTS

This section profiles some of the most significant opportunities, principles-based initiatives and collaborations for the Food, Beverage & Consumer Goods industry. The supporting Matrix provides additional ideas and examples submitted by companies (it is not intended to be an exhaustive list).

Opportunities for shared value

The Food, Beverage & Consumer Goods industry is a vital enabler for the real economy. It supports improved economic well-being which then increases the ability of families and Governments to improve social outcomes. The biggest opportunities for shared value – i.e. where we see the coming together of market potential, societal demands and policy action - are grouped around the following themes:

ENTERPRISE DEVELOPMENT

Promote inclusive development by increasing the participation of small and medium size businesses in developing economies in value chains. This includes:

- Provide training and best practice guidance to small scale producers and retailers, including women-owned businesses, to improve the productivity, capacity, logistics and market efficiency of their operations
- Connect small businesses and entrepreneurs to capital to grow their business
- Create markets for local products through innovation and mobile technology
- Pursue investments and cross-sector partnerships to develop physical infrastructure that connects rural communities
- Enact a supplier diversity program

SUSTAINABLE SUPPLY

Reduce climate impacts by investing in sustainable sourcing, processes, materials, machinery and products across the value chain, ensuring fair labor practices and promoting traceability of inputs. This includes:

- Reduce natural resources and energy used in agriculture and raw material production, processing, packaging and distribution
- Reduce waste and emissions by reducing chemical byproducts
- Embed sustainability criteria in procurement processes and project evaluation
- Find alternatives to palm oil
- Increase the share of energy from renewable sources
- Take steps to measure, reduce and report climate exposure and set measures of accountability for all parties involved in supply chains
- Enhance climate resilience across the supply chain
- Understand end of product use and disposal impacts
- Monitor and reduce food loss and waste throughout the value chain

Opportunities for shared value

(CONTINUED)

HEALTHY, SUSTAINABLE LIVING

Engage with consumers, employees and partners to increase awareness and understanding of sustainable consumption and healthy living, including:

- Develop consumer knowledge around sustainable agriculture and consumer products, and encourage recycling and sustainable disposal of products
- Help consumers and employees adopt healthier lifestyles by raising consumer awareness of the importance of nutritious diets, physical activity, personal care and hygiene
- Support high level partnerships and industry associations advocating for responsible public policies on climate change
- Increase organizational awareness of the sustainability aspects of products, including product design, use and disposal

PRODUCT INNOVATION

Connect with local communities to develop products which align with the needs of developing economies, thereby opening up markets and increasing future demand, including:

- Offer products which are tailored to the requirements and preferences of consumers in developing economies, involving local producers where possible
- Increase the availability of low cost options accessible to low income consumers
- Develop innovative solutions to meet challenges faced by developing communities, including lack of potable water, nutritious food and energy

Multi-stakeholder partnerships and collaborations will become increasingly important in realising these shared value opportunities. There is critical momentum of activity and the opportunity for shared value has never been greater.

Good practice principles and initiatives

Certification schemes

In addition to the UN Global Compact's ten principles in the areas of human rights, labor, the environment and anti-corruption, there are a number of good practice principles and initiatives which align with the Food, Beverage and Consumer Goods industry's contribution to sustainable development. These include the following:

FOREST STEWARDSHIP COUNCIL (FSC)

This council serves to promote responsible forest management worldwide. The company enables businesses and consumers to make informed choices about the forest products they buy. Members include some of the world's leading environmental NGO's, such as the World Wide Fund for Nature and Greenpeace. Together, the members work to define best practices for forestry by setting the FSC Principles and Criteria- the highest standards of appropriate forest management. As the world's most respected forest certification scheme, FSC is a global system with certificates issued in all forest types around the world.

PROGRAMME FOR THE ENDORSEMENT OF FOREST CERTIFICATION (PEFC)

This is the world's largest forest certification system. Certification demonstrates that management practices meet requirements for best practice in sustainable forest management including biodiversity, ecosystem services, natural alternatives to chemicals, workers' rights, local employment, indigenous people's rights, and legal compliance. In addition to Forest Certification, PEFC offers Chain of Custody Certification and Project Certification.

MARINE STEWARDSHIP COUNCIL (MSC) ECOLABEL

The blue ecolabel indicates seafood has come from a sustainable fishery that has met the MSC Fisheries Standard. Businesses trading in these products have met the MSC's Chain of Custody Standard for traceability. In order to get certified, fishery clients will appoint an accredited certification body to assess their practices against the MSC standard which covers three principles: sustainable fish stocks, minimizing environmental impact, and effective management.

BONSUCRO

This global, non-profit, multi-stakeholder organisation fosters sustainability in the sugarcane sector through its leading metric-based certification scheme. Members have grown to over 400 members from 32 countries. The main aim of Bonsucro is to promote measurable standards in key environmental and social impacts of sugarcane production and primary processing, while recognizing the need for economic viability.

BASEL CRITERIA FOR RESPONSIBLE SOY PRODUCTION

These criteria provide a working definition of acceptable soy production that can be used by individual retailers or producers, and also work to enable businesses to source their soy from farms that are managed in a responsible way. The criteria address several issues such as legal compliance, environmental criteria, forest conversion and workers' rights. Verification of compliance with the criteria is to be carried out by independent bodies.

ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)

RSPO aims to transform markets to make sustainable palm oil the norm. The RSPO has over 2000 members globally that represent 40% of the palm oil industry. Palm oil producers are certified through strict verification of the production process with the stringent RSPO Principles & Criteria for Sustainable Palm Oil Production by accredited Certifying Bodies, and can be withdrawn at any time in case of infringement of the rules and standards. All organisations in the supply chain that use RSPO certified sustainable oil products are audited to prevent overselling and mixing palm oil with conventional (or non-sustainable) oil palm products. These organisations can claim the use of RSPO certified sustainable oil palm products "on pack" by using the RSPO Trademark.

ROUND TABLE ON RESPONSIBLE SOY (RTRS)

This civil organization promotes responsible production, processing, and trading of soy on a global level. Members include main representatives of the soy value chain, as well as members of civil society from around the world. The Round Table has resulted in the formation of the RTRS Standards for Responsible Soy Production, which assures that soy production is socially equitable, economically feasible and environmentally sound.

Good practice principles and initiatives (CONTINUED)

Certification schemes

FAIRTRADE

This movement for change works directly with businesses, consumers and campaigners to make trade deliver benefit for farmers and workers. The international Fairtrade system represents the world's largest and most recognized fair trade system. The FAIRTRADE Mark means that the ingredients in the product have been produced by small-scale farmer organisations or plantations that meet Fairtrade social, economic and environmental standards. The standards include protection of workers' rights and the environment, payment of the Fairtrade Minimum Price and an additional Fairtrade Premium to invest in business or community projects.

UTZ CERTIFIED TEA, COFFEE AND COCOA

This certification stands for sustainable farming and better opportunities for farmers, their families and our planet. It includes independent third party monitoring against strict requirements, including good agricultural practices and farming management, safe and healthy working conditions, abolition of child labor and protection of the environment.

ROUNDTABLE ON SUSTAINABLE BIOMATERIALS (RSB)

This independent, global, multi-stakeholder coalition works to promote the sustainability of biomaterials. RSB's user-friendly certification scheme verifies that biomaterials are ethical, sustainable and credibly-sourced.

SA8000 STANDARD

Social Accountability International established one of the world's first auditable social certification standards for decent workplaces, across all industrial sectors. It is based on the UN Declaration of Human Rights, conventions of the ILO, UN and national law, and spans industry and corporate codes to create a common language to measure social performance. It takes a management systems approach by setting out the structures and procedures that companies must adopt in order to ensure that compliance with the standard is continuously reviewed. Those seeking to comply with SA8000 have adopted policies and procedures that protect the basic human rights of workers.

PRO TERRA FOUNDATION

This foundation convenes conferences and seminars, both in production and consumption countries, to raise awareness of the need for more sustainable agricultural production systems. ProTerra has a strong focus on non-genetically modified organisms, but its standard for sustainable production includes all relevant environmental and social aspects.

RAINFOREST ALLIANCE

This international non-profit organization works to conserve biodiversity and ensure sustainable livelihoods. Products that bear the logo of the little green frog, which serves as the seal, represent items that originate in or contain ingredients sourced from Rainforest Alliance Certified farms or forests. These farms and forests are rigorously managed in order to conserve wildlife and increase livelihoods in order to achieve long-term sustainability.

Good practice principles and initiatives (CONTINUED)

Standards

FOOD LOSS & WASTE PROTOCOL

A multi-stakeholder effort, led by the World Resources Institute, is developing the global accounting and reporting standard for quantifying food and associated inedible parts removed from the food supply chain (referred to for simplicity as 'food loss and waste'). It is expected to be published in 2016, enabling a wide range of entities - countries, companies and other organizations - to account for and report in a credible, practical and internationally consistent manner how much food loss and waste is created and identify where it occurs, informing targeted efforts to reduce it. The Protocol's forthcoming Food Waste Standard is being produced in collaboration with the Consumer Goods Forum, the UN Food and Agricultural Organisation (FAO), FUSIONS¹, the UN Environment Programme (UNEP), the World Business Council for Sustainable Development (WBCSD) and WRAP² (a registered charity whose mission is to accelerate the move to a sustainable resource-efficient economy).

GLOBAL PROTOCOL ON PACKAGING SUSTAINABILITY 2.0

The Consumer Goods Forum created this protocol to provide the consumer goods and packaging industries with a common language with which to discuss and assess the relative sustainability of packaging. That common language consists of a framework and a measurement system. It takes into account social and economic metrics which are both flexible and modular. The Protocol can help answer a wide range of business questions, either within a business or between business partners.

BETTER COTTON STANDARD SYSTEM

This system provides a holistic approach to sustainable cotton production, covering environmental, social and economic sustainability. It is designed to ensure the exchange of good practices, and to encourage the scaling up of collective action to establish Better Cotton as a sustainable mainstream commodity. The system comprises six elements: 'Production Principles and Criteria, Capacity Building, Assurance Program, Chain of Custody, Claims framework, and Results and Impact.

¹FUSIONS (Food Use for Social Innovation by Optimising Waste Prevention Strategies) is a project working towards a more resource efficient Europe by significantly reducing food waste.

²WRAP is a registered charity whose mission is to accelerate the move to a sustainable resource-efficient economy.

Good practice principles and initiatives (CONTINUED)

Tools

HIGH CONSERVATION VALUE ('HCV') NETWORK

HCV is a practical tool created to identify, manage and monitor critically important environmental and social values in production landscapes. High Conservation Values are biological, ecological, social or cultural values which are considered outstandingly significant or critically important, at the national, regional or global level. More than 9 certification schemes, 56 private sector organisations and 12 financial institutions include HCV as a requirement in their global procurement and investment policies.

GLOBAL FOREST WATCH (GFW) COMMODITIES

This business tool addresses deforestation in commodity supply chains. It is a dynamic online forest monitoring and alert system that unites satellite technology and open data to guarantee access to timely and reliable information about forests. GFW Commodities draws on timely and reliable information to provide business-relevant analyses through several tools, including: the Forest Analyzer, Suitability Mapper, and RSPO assessment tools. GFW Commodities is committed to open and reliable analysis, and strives for transparency in the methods behind the data available through our tools. GFW is a multi-stakeholder partnership convened by the WRI.

NATURAL CAPITAL PROTOCOL

The Natural Capital Coalition is developing this protocol to enable businesses to assess and better manage their direct and indirect interactions with natural capital. It will provide clear guidance on qualitative, quantitative and monetary valuation of natural capital impacts and dependencies and when to apply each level of assessment. The Natural Capital Protocol will support companies in their decision-making and can be used for a range of applications including risk management, exploring new revenue streams, improving products and value chain innovation, as well as preparing for future reporting and disclosure.

SUSTAINABLE PROCUREMENT GUIDE FOR WOOD AND PAPER-BASED PRODUCTS

This guide is designed to help sustainability and procurement managers make informed choices on the forest products they buy. It identifies key issues that underpin responsible procurement of wood and paper-based products and provides resources and advice that address each issue. This toolbox helps to develop and implement procurement policies that reduce risk and create transparency throughout supply chains and ultimately support sustainable forest management.

PULP, PAPER & PACKAGING GUIDELINES

The Consumer Goods Forum developed these guidelines to assist companies in the development of their own policies for sourcing pulp, paper and packaging, and offer several recommendations on how to get there.

Multi-stakeholder partnerships and collaborations

The SDG Industry Matrix includes several examples of collaborations which advance sustainable development. Of these, some of the largest global collaborations for Food, Beverage and Consumer Goods include:

EAT INITIATIVE

Together with the Stockholm Resilience Centre, the Norwegian-based Stordalen Foundation has initiated EAT – an international consortium of government, world leading universities and research institutions, philanthropic foundations, non-government actors and organisations, and companies, which all share the common understanding that it is essential to collectively address the issues of food, health and sustainability across the fields of academia, business, politics and civil society to ultimately be able to feed 9 billion healthy people within safe planetary boundaries.

SCALING UP NUTRITION MOVEMENT (SUN)

Founded on the principle that all people have a right to food and good nutrition, this movement unites governments, civil society, the UN, donors, businesses and researchers in a collective effort to improve nutrition. Within the SUN Movement, national leaders are prioritising efforts to address malnutrition. Countries are putting the right policies in place, collaborating with partners to implement programs with shared nutrition goals, and mobilising resources to effectively scale up nutrition, with a core focus on empowering women. All organizations in the SUN Movement abide by standard Principles of Engagement. These Principles ensure that the Movement is flexible and able to effectively scale up nutrition, while maintaining a common purpose and mutual accountability.

NEW VISION FOR AGRICULTURE

The World Economic Forum established this initiative which aims to achieve sustainable agricultural growth through an innovative partnership model involving public and private stakeholders. The three main objectives are to deliver food security, promote environmental sustainability and improve economic opportunity. The Vision sets a goal of 20% improvement in each area per decade until 2050.

SUN BUSINESS NETWORK (SBN)

This network mobilises and intensifies efforts from the business community in support of the SUN Movement. In 2015, the SBN supported 11 countries to build national business networks and as a result of growing its outreach, 29 additional countries requested further support in order to grow the role of business in scaling up nutrition. By 2015 the Scaling up Nutrition Movement expects to expand its Business Network to include 99 companies intensifying efforts to leverage their business to tackle malnutrition. Many companies also stepped up their commitment by signing the Zero Hunger Challenge led by UN FAO in 2014.

CONSUMER GOODS FORUM

This forum brings together consumer goods manufacturers and retailers in pursuit of business practices for efficiency and positive change across the industry, while benefiting shoppers, consumers and the world at large. The Forum has five focus areas: Sustainability, Food Safety, Health & Wellness, End-to-End Value Chain & Standards, and Knowledge and Best Practice Sharing. The Forum shares the knowledge created collectively with its members, strategic alliances and other key stakeholders. This inspires further collaborative actions and participation in industry multi-stakeholder platforms.

GLOBAL ALLIANCE FOR IMPROVED NUTRITION (GAIN)

In 2002 this international organization was launched at the UN to tackle the human suffering caused by malnutrition. The organization acts as a catalyst – building alliances between governments, business and civil society – to find and deliver solutions to the complex problem of malnutrition. This year, the Alliance is on track to reach over a billion people with improved nutrition. The Alliance focuses its efforts on children, girls, and women because they understand that helping them have sustainable, nutritious diets is crucial to ending the cycle of malnutrition and poverty. By building alliances that deliver impact at scale, GAIN aims to eliminate malnutrition.

NEW ALLIANCE FOR FOOD SECURITY AND NUTRITION

Launched in 2012, this shared commitment strives to achieve sustained inclusive agriculture-led growth in Africa. The New Alliance is a partnership in which stakeholders commit to specific policy reforms and investments that accelerate implementation of African country food security strategies. These commitments, along with a set of enabling actions, address key constraints to agriculture-led growth in Africa, including those that prevent smallholder farmers, particularly women, from increasing their productivity and accessing markets. Partners agree to hold themselves accountable to these commitments, reporting annually on progress.

Multi-stakeholder partnerships and collaborations (CONTINUED)

SUSTAIN

This alliance for better food and farming advocates for food and agriculture policies and practices that enhance the health and welfare of people and animals, improve the working and living environment, enrich society and culture and promote equity. The alliance operates in collaboration with its members to facilitate the exchange of information, strengthen the work of the membership and help promote their activities to the media and to policy makers. In addition it helps develop networks of members and allied organisations to devise and implement policies and practices on particular issues of common concern. The alliance advises and negotiates with governments and other regulatory agencies to ensure that legislation and policies on food and agriculture are publicly accountable and socially and environmentally responsible. Finally, it encourages businesses to produce, process and market foods which are good for health and the environment, and to devise, invest in and maintain policies and practices that make sustainable food choices the easy choice.

GLOBAL FOOD SAFETY INITIATIVE (GFSI)

This industry-driven initiative provides thought leadership and guidance on food safety management systems necessary for safety along the supply chain. This work is accomplished through collaboration between the world's leading food safety experts from retail, manufacturing and food service companies, as well as international organisations, governments, academia, and services providers to the global food industry. They meet together at technical working group and stakeholder meetings, conferences and regional events to share knowledge and promote a harmonized approach to managing food safety across the industry. GFSI is facilitated by the Consumer Goods Forum.

SUSTAINABLE APPAREL COALITION

This coalition is the apparel, footwear and home textile industry's foremost alliance for sustainable production. Its main focus is on building the Higg Index, a standardized supply chain measurement tool for all industry participants to understand the environmental, social and labor impacts of making and selling their products and services. By measuring sustainability performance, the industry can address inefficiencies, resolve damaging practices, and achieve the environmental and social transparency that consumers are starting to demand.

SUSTAINABILITY CONSORTIUM

This global organization is dedicated to improving the sustainability of consumer products. Its members and partners include manufacturers, retailers, suppliers, service providers, NGOs, civil society organizations, governmental agencies and academics. They work collaboratively to build science-based decision tools that address sustainability issues that are materially important throughout a product's supply chain and lifecycle. The Sustainability Consortium also offers a portfolio of services to help drive effective implementation. Its research database is one of the world's largest, housing scientific evidence on environmental and social hotspots and improvement opportunities within a product's life cycle, covering nearly 70% of the total impacts in all consumer product categories across eight consumer product sectors.

Multi-stakeholder partnerships and collaborations (CONTINUED)

BEER, WINE AND SPIRITS PRODUCERS' COMMITMENTS

In support of the World Health Organization's Global Strategy to Reduce Harmful Use of Alcohol, leading global producers make collective commitments. They embody an ambitious program of actions over a five-year period (2013-2017) to contribute towards the global target set by the world's governments of 'at least a 10% relative reduction in the harmful use of alcohol' by 2025. These actions aim to reduce underage drinking, reduce drinking and driving, strengthen and expand marketing codes to responsibly advertise, improve consumer information and create new products in a responsible way, and to enlist the support of retailers to reduce harmful drinking. Each year, achievements are independently audited and reported in public documents.

TROPICAL FOREST ALLIANCE 2020

This global umbrella partnership brings together governments, private sector, and civil society organisations to remove deforestation from palm oil, beef, soy, and pulp and paper production. Its first focus is the Africa Palm Oil initiative targeted at the development and implementation of regional principles for responsible palm oil development in West and Central Africa.

GLOBAL RESEARCH ALLIANCE ON AGRICULTURAL GREENHOUSE GASES

This collaboration of 46 countries is focused on research, development and extension of technologies and practices that will help deliver ways to grow more food (and more climate-resilient food systems) without growing greenhouse gas emissions. Members of the Alliance aim to deepen and broaden mitigation research efforts across the agricultural sub-sectors of paddy rice, cropping and livestock, and the cross-cutting themes of soil carbon and nitrogen cycling and inventories and measurement issues. Official partners linking with the private sector include the World Farmers Organisation and the World Agricultural Forum.

SUSTAINABLE COFFEE CHALLENGE

This Challenge aims to transform coffee production, moving both specialty and mainstream producers toward sustainability. It will convene industry, conservation and agricultural development partners to develop a common framework for sustainability in the coffee sector. Over 100 days, Conservation International will formalize engagement with partners for the Challenge, while developing a plan to drive the industry toward total sustainability. The initial plan of action will be unveiled to coincide with the 4th World Coffee Conference next March in Addis Ababa, Ethiopia.

NUTRITION FOR GROWTH COMPACT

Numerous companies have signed this compact committing to put good nutrition at the core of business practice by introducing a corporate nutrition policy for a healthy and productive workforce and improving support for breastfeeding mothers.

GLOBAL SALMON INITIATIVE (GSI)

Global farmed salmon producers established this leadership initiative to make significant progress towards fully realizing a shared goal of providing a highly sustainable source of healthy protein to feed a growing global population, whilst minimizing their environmental footprint, and continuing to improve their social contribution.



SDG INDUSTRY MATRIX FOR FOOD, BEVERAGE & CONSUMER GOODS

The following pages outline opportunities – under each of the 17 SDGs – for companies to create value for their business whilst creating a more sustainable and inclusive path to economic growth, prosperity, and well-being. It also profiles practical company examples submitted through the consultation process.

SDG 1

End poverty in all its forms everywhere



1 NO POVERTY

OPPORTUNITIES FOR SHARED VALUE

- Participate in multi-stakeholder partnerships created to drive inclusive prosperity whilst also opening **new business markets** that will drive future demand.
- Commission independent **assessments of the social, economic and environmental impacts** across the value chain to inform pursuit of 'shared value' (for example, using the KPMG True Value methodology which internalizes externalities so companies can identify opportunities and manage risks).
- Provide suppliers with **predictable procurement contracts** (including forward contracts) and when exiting markets collaborate with other stakeholders to help suppliers develop alternative markets / livelihoods.
- Build the **resilience of suppliers and retailers** in emerging economies to reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.

LEADING BY EXAMPLE

- **Unilever, Coca-Cola, SABMiller** and **IPL** commissioned independent research teams, supported by their companies and Oxfam (a not-for-profit organization), to conduct Poverty Footprint Studies which assess the impact of their operations on people living in poverty. These informed improved policies, practices and product design to enhance economic and social impact. The UN Global Compact and Oxfam, in close collaboration with a multi-stakeholder advisory group, have since partnered to launch the Poverty Footprint tool, which enables companies and partners to make a people-centered assessment of corporate impacts on poverty.
- **Gifts With a Cause** is a purpose driven company that provides families in developing countries a 'hand-up' out of poverty. The company provides retail stores and nonprofit organizations with a unique line of high-quality Fair Trade products, which have provided sustainable income for over 10,000 artisan families in Africa, Southeast Asia, Latin America and other developing areas. The company's goal is to provide sustainable jobs to 50,000 artisan families by 2020.
- [See other SDGs for additional examples relevant to ending poverty, particularly SDGs 2 and 8.]

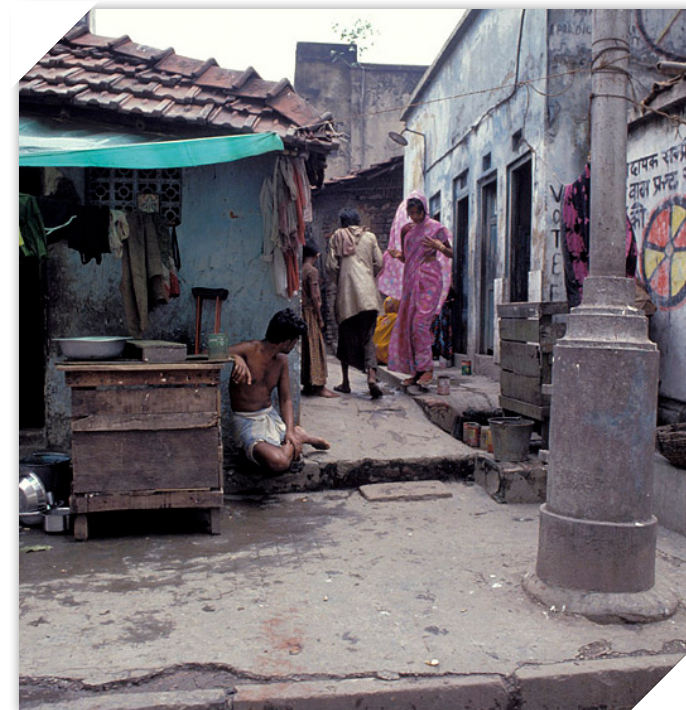


Photo: Curt Carnemark/World Bank

SDG 2

End hunger, achieve food security and improved nutrition and promote sustainable agriculture



2 ZERO HUNGER

OPPORTUNITIES FOR SHARED VALUE

- Collaborate with farmers, food processors and traders to increase **productivity, storage, logistics and market efficiency**, thereby empowering them to enter / remain in the company's value chain by producing high quality, safe and nutritious foods at competitive prices.
- Link agricultural communities, food processors and traders to **capital** for developing the capability of their farming platforms and markets.
- Leverage the power of **mobile networks** to provide farmers with real time access to markets and mobile payments (particularly in areas that lack a formal banking infrastructure).
- Develop local variations of **fortified food** products to address nutritional needs of developing communities.
- Support innovative solutions (e.g. using plant, aquaculture, insect-based, synthetic and other proteins) to address sustainable **food security** for a growing world population.
- Join (/continue commitment to) the **Scaling Up Nutrition Business Network** to collaborate with other companies, Governments and civil society to identify new, inclusive, and sustainable business opportunities (e.g. financing seed and micronutrient innovation and research).
- Implement **responsible agricultural business policies** in accordance with the Committee for World Food Security's Principles for Responsible Agricultural Investment and the UN Global Compact's Food and Agriculture Business Principles such that business practice and investments do not violate human or land rights.

LEADING BY EXAMPLE

- **Cargill's** "Nourishing India" platform has reached 25 million customers with its edible oil brands, fortified with essential vitamins A, D, & E. In India, cooking oil is widely used, and therefore Cargill saw it as an opportunity to positively impact all income

groups with minimal changes in eating habits. Through this change, Cargill was not only able to gain a competitive advantage, but also made an important contribution to tackling malnutrition.



Photo: Edwin Huffman/World Bank

- **Diageo** has worked with Farm Africa, a not-for-profit organization, in Ethiopia to initiate a smallholder barley sourcing initiative for the company's Meta Beer brewery. This increased incomes of local farmers, built national capacity on good barley agronomy (stimulating the broader brewing industry) and highlighted barriers to smallholder sourcing for agribusiness more generally. Diageo has since gone on to arrange its own smallholder sourcing scheme, building on lessons from the field. These lessons, captured by the Agricultural Transformation Agency, have informed the efforts of other companies attempting to work with smallholder farmers.
- In July 2014, the **Nestlé** Commitment on Land and Land Rights in Agricultural Supply Chains was released. In this, the company has adopted the Food and Agriculture Organization's Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security, and committed to both zero tolerance for land grabs, and to holding suppliers accountable for community land rights. Nestlé commits to source its raw materials from land that has not been illegally or unfairly taken and will advocate for others to do likewise, working with a range of stakeholders to help the landless gain access to land, with a focus on tenure for women.
- **Engro Foods Limited**, Pakistan's second-largest producer of processed milk, has brought 300,000 small scale farmers into its supply chain by creating a vast village-level direct procurement infrastructure. It aggregates 85% of its suppliers

through 1,800 milk collection centers which are situated within an average of 2 kilometers from farmers' homes, so that they can be reached by foot or by local transport.

- **Danone** developed an EcoSystem fund which has assisted, trained, and strengthened the skills of around 19,000 people, mainly local farmers, in 18 countries. For example, in Egypt, the company buys significant quantities of milk from local producers to make its fresh dairy products. The company launched "Milk Collection Communities Egypt" which supports small milk producers through training and enables them to improve the quality of their milk. The Milk Collection Communities program has so far been expanded into eight countries.
- **Charoen Pokphand Foods**, an agro-industrial and food conglomerate in Thailand, has undertaken research on cricket feed since 2012, aiming to increase productivity, cost efficiency and food hygiene of local farmers. Over 3,000 tons of cricket feed have now been produced and supplied to Thai farmers, making Charoen Pokphand Foods the first producer of innovative cricket feed in Thailand. This has increased productivity for farmers, allowing them to obtain higher incomes.
- **Bavaria S.A.**, a Colombian subsidiary of SABMiller, runs a Local Barley Program which seeks to achieve a positive social impact in Colombia's crop growing zones, increasing employment and economic activity in the Cundiboyacense Highlands, and supporting 330 farmers and 4 growers associations. The barley program is a viable alternative in the crop rotation

system, with low investment and high commercial security. Through forward contracts, Bavaria finances seed at a lower cost than the market and assures the purchase of planted barley. The project has activated the region's economy through the creation of more than 415 direct employments (71,820 wages) and increased its GDP.

- **Starbucks** will make a decade of agronomy research available for commercialization in collaboration with the Costa Rican Coffee Institute. This research, combined with the company's far-reaching blueprint for transparent and sustainable sourcing, benefits more than a million farmers and workers around the world. By sharing this work with the industry, the company will broaden its impact on the 25 million people across the globe who rely on coffee for their livelihoods.
- **Bidco** has committed itself to making African agribusiness world class. To achieve this transformation Bidco works with smallholder farmers to help them move from subsistence agriculture to commercially innovative agriculture by giving them an opportunity to participate in the



2 ZERO HUNGER

company's supply chain. Currently, Bidco works with 12,500 farmers in the oil seed value chain in Kenya and signs offtake contracts which guarantee a ready market for the farmer. The company is looking to add 30,000 additional farmers to the programs across multiple value chains.

- **Heineken** has set an ambitious target to source 60% of agricultural raw materials locally by 2020, to help financially empower farmers and their communities. 48% of this target was achieved in 2014. Heineken has 16 initiatives in 11 countries, involving 180,000 farmers and supporting more than 800,000 family members through increased yield and income. Successful examples have been seen in Burundi (sorghum), DRC (rice) and Nigeria (cassava), with Heineken working together with local Governments, NGOs and international development organizations.
- Over the last 16 years, the **Ajinomoto** International Cooperation Network for Nutrition and Health has been collaborating with NGOs to improve food security and nutrition in developing countries. Over 10 projects are ongoing, including the Ghana



2 ZERO HUNGER

Nutrition Improvement project. Launched in 2009, it aims to improve child malnutrition during the weaning period through development, production and sales of KOKO Plus, a supplement containing amino acids that fortify traditional complementary food. In addition, Ajinomoto has been collaborating with central and municipal Governments in Vietnam and the National Institute of Nutrition to provide nutritionally balanced school meals, nutrition education material and model kitchens.

- **Tetra Pak**, a Swedish food processing and packaging company, supports governments' implementation of school milk programs worldwide, promoting children's right to nutrition, health and education. School feeding programmes help grow the demand for locally produced and processed quality milk, in parallel with improving the health and learning capacities of school children. During 2014, more than 65 million children worldwide - whereof almost 44 million living in developing countries - were reached by milk or other nutritious drinks in Tetra Pak packages.
- **Unilever** wanted to make its tomato ketchup even more appealing to customers by demonstrating that it contains 100% real tomatoes, which

are sustainably grown by local suppliers. The company offered free tomato seeds and special tomato shaped caps on their bottles, which served as miniature pots to grow the tomatoes in. A competition found the best growers and their tomatoes were made into personalized bottles of the ketchup. The campaign reached 30 million people in 2014, and helped push the ketchup into market leadership.

- Project Laser Beam (PLB) was a five year (2009-2014), multi-million dollar public-private partnership that aimed to create a scalable, replicable and sustainable model to significantly reduce child under-nutrition. It was founded by the UN World Food Program, **Unilever**, **Mondeléz** International Foundation, **DSM** and the Global Alliance for Improved Nutrition and it brought together the expertise of the UN, Governments, Fortune 500 companies, local companies and not-for-profit organizations. Project Laser Beam implemented 18 interventions, attaining multiple successes and uncovering critical learnings to accelerate progress in tackling under-nutrition using a multi-sector approach.

- **Malawi Mangoes** Garden to Mouth initiative combines climate-smart agriculture, income generation and education to address Malawi's prevalence of 'hidden hunger'. Through the scheme's low-input vegetable gardens, Malawi Mangoes is working towards providing all farm workers with a meal containing 70% of the Recommended Daily Intake, as well as establishing self-sustaining plots

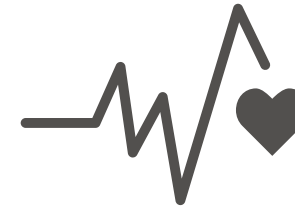
with its small-holders and employees, placing them in direct control of their and their families' well-being.



Photo: Sebastian Szyd/World Bank

SDG 3

Ensure healthy lives and promote well-being for all at all



3 GOOD HEALTH AND WELL-BEING

OPPORTUNITIES FOR SHARED VALUE

- Improve **working conditions** for employees across the value chain (including providing support for breastfeeding mothers) and provide employees and their families with healthcare services and insurance.
- In line with the World Health Organisation Global Strategy on Diet, Physical Activity and Health, **help consumers adopt healthier lifestyles** by offering a wide range of healthy food and beverage choices and raising consumer awareness of the importance of nutritious diets, physical activity, and personal care and hygiene.
- Utilize company expertise to inform **educational resources**, school curricula and school meals that promote healthy lifestyles.
- Increase investment in **nutraceuticals** including food to address anti-microbial resistance.
- Take collective action to quickly **eliminate antibiotics** for routine use in food production.
- Improve safety and resilience of staff – and other people in the value chain where feasible – in locations with high risk by developing robust **disaster risk mitigation** and preparedness plans (including emergency first aid and rescue skills) and providing them with physical and psychosocial support after disaster events.

LEADING BY EXAMPLE

- **Levi Strauss & Co** has established a requirement that its key vendors integrate worker well-being programs into their manufacturing operations. In addition to benefitting workers in areas such as health and financial literacy, this program generates a 3 to 1 return on investment for vendors through reduced worker turnover, absenteeism and tardiness.
- **Cargill** provides healthcare for employees at its palm oil plantations in Indonesia, including programs to improve maternal health. The programs provide information about pregnancy, breastfeeding and family planning, as well as reproductive health awareness activities. Each site offers special nursing areas for mothers, helping to create a breastfeeding-friendly workplace. Since 2010, healthcare standards have improved for 2,400 female employees, and Cargill's nutrition programs



Photo: Alfredo Srur/World Bank

- at the plantations have been extended to include the health and nutrition of their young children through distribution of nutritious infant foods, monthly child weight measurements for children, as well as a quarterly 'Nutrition for Kids' Program for elementary school children.
- **Arcor Group**, an Argentine manufacturer of foodstuff and confectionery, has set a specific

commitment on active life and healthy nutrition. It has established policies and targets on reduction of trans fats and the sodium content of its products, approved 221 gluten free products, and implemented 123 initiatives to promote healthy lifestyles. It has promoted certifications schemes recognized by the Global Food Safety Initiative throughout its supply chain, made progress in



3 GOOD HEALTH AND WELL-BEING

the incorporation of the Guide of Daily Amounts in the packaging of its products, and engaged in public-private partnerships to improve nutrition and wellbeing in society. Arcor has also developed programs (including a health website) to engage its employees in physical activity, prevent cardiovascular risks, promote healthy nutrition, and give up smoking.

- **AB InBev** recently launched Global Smart Drinking Goals, deepening its commitment to implement collaborative solutions to reduce the harmful use of alcohol by investing in longer-term, evidenced-based approaches. The first Goal aims to reduce the harmful use of alcohol by at least 10% in six pilot cities by 2020, and in all of their markets by the end of 2025, by working with Governments, civil society and public health experts to change social norms and behaviors, testing new technologies and innovations, and supporting general practitioners in screening to prevent harmful alcohol use. The second Goal is to influence social norms and individual behaviors across all markets by investing at least US\$1 billion in social marketing campaigns and related programs. The third goal aims to place

a Health Guidance Label on the company's beer products by 2020 and to increase alcohol health literacy by 2025 to positively shift consumption patterns. The final goal is to expand offerings of no- and lower-alcohol beer products to at least 20% of global volume by 2025.

- **Pernod Ricard** created "Responsible Party" in 2010, a pan-European program in partnership with the Erasmus Student Network to help student associations organize safe and responsible parties. The program, which has reached 250,000 students in more than 27 countries, includes a toolkit containing prevention and information tools (breathalyzers, BAC estimators, information flyers) so that students can make informed decision when they drink alcohol. Pernod Ricard is also prioritizing a reduction in Fetal Alcohol Syndrome. The company adds a symbol warning against drinking during pregnancy on the labels of its products globally, it supports the advice of doctors and public health authorities for pregnant women to avoid alcohol totally and it has launched or supported awareness campaigns in many countries.



Photo: Eric Miller/World Bank

SDG 4

Ensure inclusive and equitable quality education and lifelong learning



4 QUALITY EDUCATION

OPPORTUNITIES FOR SHARED VALUE

- Promote and invest in **STEM education** (i.e. Science, Technology, Engineering and Mathematics) to secure access to employees with skillsets which meet future business needs in countries of operation (e.g. food technologists, product designers, systems analysts, etc.).
- Educate consumers and communities on **sustainable lifestyles**, in collaboration with governments, civil society, the media and other stakeholders.
- *Collaborate with other businesses, NGOs and governments to improve learning in countries within the company's value chain (thereby making a long term investment in a diverse talent pipeline and improved economy).*

LEADING BY EXAMPLE

- **LEGO** has developed a number of products and educational programs focused on STEM learning. Elementary STEM Programs seek to create environments where learning happens in a hands-on and motivational way, helping students discover their talents and cement learning using solutions such as LEGO's Simple Machines and WeDo. Middle School STEM programs aim to bring STEM concepts to life, using more advanced LEGO Education solutions as tools for engaging and motivating STEM learners and boosting student performance.
- **Walmart** recognizes the importance of STEM education for the creation of a robust talent pipeline for the company in the future. In 2015, the Walmart Innovation Lab sponsored more than 300 students for group lab tours. This outreach also included several tech talks and innovation roadshows for students majoring in computer science and various engineering disciplines at major universities across the country. Walmart continues to support organizations like the STEM Education Coalition, which works to inform federal and state policymakers on the critical role that STEM education plays in U.S. competitiveness.



Photo: Eric Miller/World Bank



4 QUALITY EDUCATION

- **Arcor Group** promotes learning among its employees, across its value chain, in surrounding communities, and through partnerships. Internally, the company has provided over 57,000 hours of training on sustainability issues since 2005. Furthermore, it contributes to quality education and training of technical schools in areas surrounding its industrial facilities. In 2015, 140 teachers were trained in 28 schools and 60 students did internships in the company. Externally, Arcor has provided over 46,000 hours of sustainability training across its value chain to create awareness among suppliers, clients and consumers.
- **Fazer Group** has supported Biéby, a small cocoa-farming village in the Ivory Coast, since 2007 through the ECHOES (Empowering Cocoa Households with Educational Solutions) program established by the World Cocoa Foundation. The program aims to provide youth in the farming community with vocational training on cocoa cultivation in connection with other school education. (Traditionally, the skills of cocoa farming are passed from generation to generation while working and many children of farming communities who have grown up on cocoa farms become cocoa farmers as adults.)



Photo: Eric Miller/World Bank

SDG 5

Achieve gender equality and empower all women and girls



5 GENDER
EQUALITY

OPPORTUNITIES FOR SHARED VALUE

- Provide female entrepreneurs and small business owners with **training, support** and **access** to markets and supply chains.
- Collaborate with financial services companies to increase women's **access to finance** for improved seeds, tools and fertilizers. As women comprise 43% of the agricultural labor force in developing countries and yields are 20-30% lower than men, this will benefit both the women farmers and the food companies they supply.
- Collaborate with civil society organizations to promote public policies which address inequality of **land tenure** between men and women due to inheritance laws and property rights, thereby supporting more efficient land utilization and women farmer incomes.
- Invest in the integration of **technology into farming systems** as a key enabler for creating opportunities for women to participate in farming whilst also fulfilling family responsibilities.
- Adapt advertising campaigns to promote a **healthy body image** and empowerment of women and girls, while strengthening connections with consumers.
- *Establish peer and **mentor networks** through which female entrepreneurs can advise and empower each other.*
- *Increase the share of women on **company Boards and in senior roles**, and invest in policies and programs which support women in the workforce and encourage organizations in the value chain to do the same.*

LEADING BY EXAMPLE

- In 2010, The **Coca-Cola Company** announced 5by20, a commitment to enable the economic empowerment of five million women entrepreneurs across the company's global value chain by 2020. Coca-Cola does this by working with partners to

develop and implement business skills training, providing access to funding and increasing opportunities for mentoring. At year-end 2014, the 5by20 initiative had reached more than 865,000 women in 52 countries since it began in 2010.



Photo: Scott Wallace/World Bank



5 GENDER EQUALITY

- **Cargill, Kellogg Company and ASDA** have launched a series of projects to understand and help overcome the barriers (including limits to accessing skills, information and inputs) for women in cocoa farming communities in Côte d'Ivoire. The projects include gender sensitization training, situational analysis, and training for up to 1,000 women farmers to help them improve their agricultural and business skills, supported by the African Cocoa Initiative.
- **Walmart** launched a dedicated online space to give shoppers the opportunity to buy unique products while supporting small women-owned business around the world. It also launched a global women's economic empowerment initiative to harness the company's size and scale to empower women across the supply chain. By 2016 it aims to source \$20 billion from women-owned businesses in the US and double international sourcing.
- **Unilever** Bangladesh and local companies **BATA** and **Square** are partnering with JITA Bangladesh on 'Aparajita', a project to empower women by helping them become financially independent. Aparajitas are rural women who sell baskets of health, hygiene and nutritional products, door to door, creating access to markets in remote villages. The project provides women with training to enhance their ability to increase their household

income, and gives them a strengthened voice in the household as well as social standing in the community.

- **Nestlé's** Action Plan on Women in the Cocoa Supply Chain in Cote d'Ivoire empowers women by creating equal opportunities, giving women a voice and increasing women's income. It promotes local women's associations linked to the company's supply chain and delivers high-yielding, disease-tolerant cocoa seedlings and technical assistance to increase productivity and income. Nestlé also organizes trainings on gender issues for cooperatives, field staff and suppliers to open up more roles to women as lead farmers and nursery managers, thereby challenging people's perceptions of women's role in the cocoa supply chain. These concerted efforts have helped to demonstrate how the inclusion of women in cocoa farming leads to positive impacts on their families, their communities and the country as a whole.
- A number of multinational consumer goods companies, including **Unilever**, are developing advertising campaigns and content strategies which promote healthy body image and empowerment of women and girls. A number of other companies are also announcing that they will stop using airbrushing in print campaigns to fight the distortion of women's body image.



Photo: Gennadiy Ratushenko/World Bank

SDG 6

Ensure availability and sustainable management of water and sanitation for all



6 CLEAN WATER AND SANITATION

OPPORTUNITIES FOR SHARED VALUE

- Pursue **precision agriculture** technologies that maximize productivity whilst minimizing the use of water. Opportunities include drip irrigation systems, crop rotation and efficient field application methods. (Agriculture accounts for 70% of global accessible freshwater consumption, and about 15-35% of this use is estimated to be unsustainable and wasted.)
- Integrate **water recycling** and grey water utilization into production systems.
- Where communities surrounding a production facility have limited access to water, integrate **community access to water** within production facility design.
- Develop and market low cost **water filtration/purifier** solutions for people on low incomes lacking access to safe drinking water.
- Develop innovative **solutions and products** to address the specific sanitation and hygiene needs of developing markets.
- Engage in **collective action** approaches to water stewardship and disclosure, such as the CEO Water Mandate and the Water Action Hub, which are platforms to unite companies, Governments, NGOs, and other stakeholders on a range of critical water projects in specific river basins around the planet.
- Sign the WASH pledge of the World Business Council for Sustainable Development which calls on companies to **implement access to safe water, sanitation and hygiene at the workplace**.



Photo: Eric Miller/World Bank

LEADING BY EXAMPLE

- **Unilever** has developed a new soap that offers better germ fighting efficacy. In addition to providing better protection against bacteria that cause stomach infections, typhoid and cholera, it also combats skin and eye infections. As a result, this

innovation has created an affordable product that addresses serious health risks, while also helping grow the company's overall brand, with sales up 15% in 2014.

- **Nestlé** has introduced “Water Stewardship Master Plans” in key markets, with clear responsibilities, targets, and deadlines. The company has achieved a 37% reduction in water withdrawals per tonne of product since 2005 and it is implementing over 376 water saving projects in its factories. These projects

will deliver 1.84 million cubic metres of water, with special focus on 31 ‘High Priority Manufacturing Facilities’ (located in areas of severe water stress and/or representing a significant portion of the company's annual water withdrawals).

- The **Coca-Cola Company** has set an ambitious target to safely return to communities and nature an amount of water equal to what the company uses in its finished beverages and their production, by 2020. Based on the Coca-Cola system's global water replenishment projects through to December 2014, the system is balancing the equivalent of an estimated 94% of the water used in its finished beverages, based on 2014 sales volume. Between 2004 -2014, Coca-Cola replenished an estimated 153.6 billion liters of water back to communities and nature through 209 community water projects in 61 countries. In addition, in 2014 the Coca-Cola system returned approximately 126.7 billion liters of water used in its manufacturing processes back to communities and nature through treated wastewater.
- **Anheuser-Busch InBev** is a signatory to the UN CEO Water Mandate and it partners with local stakeholders to conserve water. The company performs annual water risk assessments and determines whether any of its facilities are high risk. As a result, there has been a 3.6% annual water reduction, equivalent to 4 billion cans of product. This has resulted in more than \$5 million in savings in 2014, and more than \$12 million in savings since 2012.
- **The Toilet Board Coalition** is a global, business-led coalition of leading companies, investors, sanitation experts and non-profit organisations who have come together to accelerate innovative market-based solutions that deliver sanitation at scale, to those who need it most. Founding corporate members include Unilever, Kimberley-

Clark, Firmenich, and LIXIL Corporation. Each year, 4-6 initiatives will be selected for a 6-12 month programme of access to world class mentors from across the Toilet Board Coalition member organisations, dedicated to accelerating business models, co-innovating solutions, and providing access to the investment and partnerships that will enable scale. Through the accelerator, the Coalition seeks to catalyse a robust business sector to deliver universal access to sanitation.

- **SABMiller** has undertaken a water management project in Rajasthan, India, to secure water supplies for local farmers, industry (including brewing) and the wider community. The project focuses on recharge technologies, irrigation techniques and the benefits of Integrated Water Resources Management practices. Six recharge structures have been built to capture monsoon rains and allow them to filter down into the aquifer, having the potential to recharge more than 300,000 cubic meters of ground water per annum. In addition, over three years the project has supported 4,000 farmers to improve their water efficiency by 36.5%, crop productivity by 23.5%, and average farmer net income by 21%. Each participating farm is converted into a learning center for neighboring farmers so that 20 farmers are positively impacted for every farmer who is directly engaged.
- **Heineken** has made several investments around the world as part of its "Water Stewardship" Program. For example, Multi Bintang (an Indonesian subsidiary) has run projects since 2012 to install biopori holes, which are narrow, meter-deep pits dug into the soil and filled with vegetable scraps

and compost material. By slowing rainwater runoff, they preserve water and prevent flooding. Heineken has also established a Public Private Partnership with UNIDO, creating Water Stewardship programs to help communities local to Heineken breweries, increase local sourcing and find ways of using renewable energy sources at breweries. Key targets to 2020 include reducing water consumption by 30% in the company's breweries, local sourcing of 60% of raw materials in Africa and lowering carbon dioxide emissions by 40%.

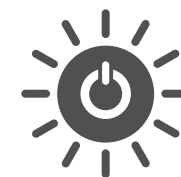
- **H&M Hennes & Mauritz** found that many workers at supplier factories in India lived in areas where clean water and safe sanitation were not always available. They teamed up with 15 supplier factories in this area and WaterAid to change this for the workers, their families and the surrounding community, promoting access to clean water and sanitation as well as health education. This has a positive effect on the wellbeing of workers, absence rates and their productivity. Globally, H&M and the H&M Foundation have set a goal to provide at least 500,000 people with safe water by 2016.



6 CLEAN WATER AND SANITATION

SDG 7

Ensure access to affordable, reliable, sustainable and modern energy for all



7 AFFORDABLE AND CLEAN ENERGY

OPPORTUNITIES FOR SHARED VALUE

- Generate **energy from food** no longer fit for consumption.
- Increase the proportion of **energy consumed from renewable sources** through the company's direct operations and encourage suppliers to do the same. For instance, join the RE 100 (<http://there100.org/>) and pledge to move towards 100% renewable power.
- Promote **innovation** in product development that reduces energy consumption and improves energy efficiency in product use.

LEADING BY EXAMPLE

- **PepsiCo** owns one of the largest fleets of all electric delivery trucks, with 280 vehicles. The company also has over 200 compressed natural gas (CNG) vehicles, representing over 20% of their fleet. The company saved over US\$3 million in 2014, while also reducing emissions by more than 20% as compared to conventional diesel engines. The company has also purchased new vehicles that double the fuel economy as compared to traditional delivery trucks. Since 2010, the company's fleet programs have delivered a combined greenhouse gas reduction of 55,000 metric tonnes, while reducing fuel use by nearly 24%.
- **Arcor Group** bought a boiler for its sugar mill in the Province of Tucuman, Argentina, that uses an alternative available fuel, sugar cane bagasse, to improve energy efficiency and minimize its environmental impact. In 2007 the boiler generated 58% of the steam needed in the sugar mill, significantly reducing gas consumption, which was further reduced by 80% in the following year through more efficient operation. In 2014, an energy generation plant was set up with the aim of achieving energy efficiency through a process of energy co-generation. This way, 100% of the steam generated by the sugar mill is used for the turbine of the new plant. The sugar mill not only self-sources its own energy but now generates a surplus which contributes to satisfy the energy demands of the Province of Tucuman.



Photo: Curt Carnemark/World Bank

SDG 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



8 DECENT WORK AND ECONOMIC GROWTH

OPPORTUNITIES FOR SHARED VALUE

- Develop the capacity of small scale **entrepreneurs** to participate in value chains.
- Prioritize eradication of modern day **slavery and child labor** in agricultural and production supply chains.
- **Promote agricultural careers** as aspirational and requiring people with a wide range of technical skills, and invest in scholarships and internships.
- Develop **national products/brands** which can be produced locally to create a market for local farmers, processors and suppliers.
- Provide targeted **internships** for young people from disadvantaged backgrounds in order to promote social mobility whilst also enhancing company performance through increased workforce diversity.

LEADING BY EXAMPLE

- The **Coca-Cola Company** created Micro Distribution Centers (MDCs) to solve the problem of access to its product for countries such as Ethiopia. Narrow roads meant that big delivery trucks could not reach the tiny local shops and a lack of storage facilities meant that stores could not stock large amounts of the drinks. MDCs are local depots in hard to reach areas that delivery trucks cannot travel through. The people who set up these MDCs employ others to sell and distribute the drinks, often by bicycle or pushcart. These MDCs are fully owned by African entrepreneurs, and work with local bottlers. There are now more than 3000 MDCs in Africa. As the program expands, the company hopes for 50% or more of these MDCs to be owned by women.
- In 2002, **SABMiller's** Ugandan subsidiary, **Nile Breweries (NBL)**, developed an initiative that was designed to improve business performance whilst at the same time stimulating agricultural development and raising subsistence farmers out of poverty. The initiative was based on using locally-sourced sorghum to brew a new category of high quality, affordable beer. The company undertook extensive engagement with local smallholder farmers to build a sustainable local value chain, helping them evolve from subsistence farming to generating a regular income. The resulting beer, Eagle Lager, now makes up more than a third of the entire Ugandan beer market and 20,000 smallholder farmers' lives have been measurably enhanced.



Photo: Alan Gignoux/World Bank

- **General Mills** launched a program in the village of Belambo, located in the northern part of Madagascar's Sava region, to train 325 farming families about vanilla production practices. Training includes teaching farmers how to cure the vanilla they grow – expertise that significantly increases their earnings. In its second year, the company began investing in communities in the southern section of the Sava region, including the village of Antananambo. By the third year, farmer associations in Belambo and Antananambo represented 660 co-operative members and their 2,640 family members.
- The **Coca-Cola Company** created an initiative called Coletivo ('collective') in 2009 to help strengthen communities through life-skills education and access to economic opportunity. There are seven Coletivo models across the system's value chain, tackling some of society's greatest challenges. For example, Coletivo Forest is a holistic approach to livelihood and community development in the Amazon Rainforest; it connects superfruit harvesters to the Coca-Cola system's value chain, provides a range of training to all community members and promotes environmental conservation. While each model includes distinct employment-based training, all Coletivo programs emphasize life skills and self-confidence to equip participants to build their own futures. Coletivo models lead nearly 500 programs across Brazil, directly impacting more than 150,000 people. All Coletivo models contribute to the Company's 5by20 commitment, and women comprise 70% of Coletivo participants.
- In Latin America, **SABMiller** is partnering with the Multilateral Investment Fund (MIF) of the Inter-American Development Bank (IDB) and FUNDES, to launch 4e "Path to Progress," which aims to leverage economically viable and inclusive corporate value chains to empower 190,000 small neighborhood shop owners ("tenderos"), their families and communities by 2020. Working closely with SABMiller's commercial function, 4e provides tenderos with classroom training and in store mentoring to improve business skills and store performance, enhancing incomes and encouraging responsible retailing practices. Equally important, life and community leadership skills are integrated into training to encourage tenderos to become agents of social transformation in their communities. Tenderos are critical to local communities and represent a key distribution channel for SABMiller, accounting for approximately 40% of total regional sales volume.
- **Tetra Pak** developed the Dairy Hub concept to help its customers - local dairy processors - to access more locally produced, better quality milk. The overall aim of running a Dairy Hub project is to secure a long term supply of locally produced quality milk and at the same time help small holder milk farmers to move from subsistence farming to running milk production as a profitable business. In Bangladesh, for example, average milk yield per cow and day has increased by 110% and average income for the small holder has increased 145%. During 2014, there were also ongoing dairy farming development projects in Kenya, Sri Lanka, Nicaragua and Senegal.



8 DECENT WORK AND ECONOMIC GROWTH



Photo: Anvar Ilyasov/World Bank

SDG 9

Build resilient infrastructure, promote sustainable industrialization



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE

OPPORTUNITIES FOR SHARED VALUE

- Build **cross-sector partnerships** to unlock complementary investments in agriculture, infrastructure and technology.
- Pursue investment in all aspects of **physical infrastructure** required to support the development of agriculture and markets including water, technology/connectivity, roads, storage logistics, etc.
- Invest in **social infrastructure** (such as schools and healthcare facilities) which will give educated people the confidence to relocate from urban areas in order to work in rural agri-business.

LEADING BY EXAMPLE

- **The Southern Agricultural Growth Corridor of Tanzania (SAGCOT)** is an inclusive, multi-stakeholder partnership consisting of farmers, agri-business, the Government of the United Republic of Tanzania and companies from across the private sector. The objective of the partnership is to rapidly develop the region's agricultural potential through inclusive commercially successful agribusinesses that will benefit the region's small-scale farmers, and in so doing, improve food security, reduce rural poverty and ensure environmental sustainability. SAGCOT envisions that US\$2.1 billion of private investment can be mobilized over a twenty-year period, alongside public sector grants and loans of US\$1.3 billion. It envisages the impact would be a

tripling of the area's agricultural output and income improvement for millions of Tanzanians. As part of this partnership, in 2015 Yara International ASA announced a US\$ 25 million investment in a fertilizer terminal in Tanzania.

- **Method** opened the industry's first LEED platinum-certified soap factory in Chicago, powered in part by wind turbines and solar installations. The building also contains the world's largest urban greenhouse on its roof, expected to produce a million pounds of pesticide-free produce such as bok choy and arugula annually.



Photo: Jim Pickerell/World Bank

SDG 10

Reduce inequality within and among countries

**10** REDUCED INEQUALITIES**OPPORTUNITIES FOR SHARED VALUE**

- Adapt business strategy in production, distribution, and marketing to make products more **affordable** and accessible for consumers on low incomes.
- Create opportunities for lower paid workers to develop their **skills** and gain access to improved professional opportunities, both within and outside of the food, beverage and consumer goods sectors.
- Pay staff a **living wage** and encourage other companies within value chain to also pay living wages.
- Adopt **equal opportunity** policies prohibiting discrimination in all forms and encourage others in the value chain to do the same.

LEADING BY EXAMPLE

- **Colgate-Palmolive** has adopted measures to increase access to its products in less developed areas. The company has made products more affordable with smaller sizes, refill packs and various value options. The company takes the purchasing power of low-income consumers into account to ensure affordability of their products and also strategically balances its offerings of base and premier products depending on the region. The company has developed innovative models of distribution to reach more consumers in rural areas. For example, the company utilizes branded motorcycles to distribute large quantities of products into retail environments in Cameroon. This has led to an increase of 500% in deliveries per week and a 43% increase in sales. The company has

also engaged rural shoppers by participating in the village haat, an outdoor weekly market, where many people from rural areas congregate. The company sells its personal care products here in small, affordable packages, increasing levels of personal hygiene among the thousands of residents who visit the haat regularly.

- Several food, beverage and consumer goods companies, including **Burberri** and **Unilever**, have become accredited Living Wage Employers for paying their UK employees a minimum of the Living Wage, an hourly rate which is set independently by the Living Wage Foundation according to the cost of living in the UK. This has been shown to improve employee productivity and retention and reduce absenteeism



Photo: Alan Gignoux/World Bank

SDG 11

Make cities and human settlements inclusive, safe, resilient and sustainable



11 SUSTAINABLE CITIES AND COMMUNITIES

OPPORTUNITIES FOR SHARED VALUE

- Embed **fresh food production into urban areas** at commercial scale by applying advanced LED technology and irrigation to create continuous cropping systems, thereby delivering more sustainable sources of food for urban communities by disconnecting food production from weather.
- Conduct regular **risk assessments** for all suppliers, manufacturers and retailers in the supply chain.
- Pursue cross **sector partnerships** to build sustainable infrastructure and transportation systems in cities within the supply chain, thereby increasing the availability and productivity of employees.
- Partner with **retailers in urban 'food deserts'** to provide healthy groceries and fresh produce to underserved areas.

LEADING BY EXAMPLE

- The **Coca-Cola Company** has invested over US\$500m in cities in Vietnam, developing local manufacturing and distribution capacity, developing new filling lines and installing new cold-drink coolers with local customers, helping local businesses boost beverage sales. This investment has created 500 new jobs locally in Vietnam, with 99% of its total labor force filled by local Vietnamese employees. These direct jobs then generated an estimated additional 5,000 job opportunities in supporting industries. It has also continued to invest heavily in building sustainable communities in Vietnam with approximately US\$1.5 million dedicated to local projects since 2010.
- **Nike** has implemented a global property protection program to reduce the impact of weather-related events on physical assets. The program covers facility location and designing and building key facilities to a very high level of property protection.



Photo: Julio Etchart/World Bank

SDG 12

Ensure sustainable consumption and production patterns



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

OPPORTUNITIES FOR SHARED VALUE

- Strive for **sustainably sourced** key **commodities** including palm oil, soy, paper and pulp and beef.
- Phase out hydrofluorocarbons (HFCs) and derivative chemical refrigerants, replacing them with **natural refrigerants**.
- Institute an **Internal Carbon Price** to use in making capital project decisions, to include consideration for the related greenhouse gas emissions.
- Increase **energy efficiency** across the value chain including sourcing, manufacturing, packaging and logistics.
- Increase the proportion of **irregular sized and shaped fruit and vegetables** which are sold as fresh food for human consumption (instead of being used for processing or stock feed).
- **Reduce food and solid waste** along production and supply chains, in collaboration with other stakeholders including suppliers, consumers, retailers and Governments.
- **Reduce packaging** and increase recycling of end products and by-products of the production process.
- **Reduce water consumption** in the production process (especially for beverages).
- Design consumer products which **lower consumer energy use**, including hygiene and cleaning products which can lower water consumption.
- Raise **consumer awareness** of the importance of sustainable consumption and practical steps they can take to live more sustainably.
- Develop and apply common **standards and methodologies** for sustainability across the life cycle of a product

LEADING BY EXAMPLE

- **LEGO Group** announced a significant investment of DKK 1 billion dedicated to research, development and implementation of new, sustainable, raw materials to manufacture LEGO elements and packaging materials. The company has already taken important steps to reduce their carbon



Photo: Bill Lyons/World Bank

footprint by reducing the packaging size, by introducing FSC certified packaging and through investment in an offshore wind farm.

- In 2010 the **Consumer Goods Forum** agreed a resolution on refrigeration, with the aim of starting to phase out HFC refrigerants in member companies as of 2015, replacing them with non-HFC refrigerants (natural refrigerant alternatives) where these are legally allowed and available. For manufacturers, the main focus is on small scale plug-in refrigeration units. For retailers, the focus is on freezers used in their supermarkets.
- Some companies, such as **Coca-Cola HBC AG**, **Nestlé**, and **Unilever**, are Carbon Pricing Champions, and have aligned with the Business Leadership Criteria on Carbon Pricing. This includes setting an internal carbon price high enough to materially affect investment decisions to drive down greenhouse gas emissions.
- **PepsiCo** has partnered with one of its regional coconut suppliers in Brazil to send processed effluent from the company's wastewater treatment plant to a neighboring farm. The farm then utilizes this effluent for irrigation and as a fertilizer. The treated wastewater contains many important nutrients essential for coconut farming including Potassium. To ensure the quality of this wastewater, both the company and the supplier monitor the effluent of the farm's soil through a specialized laboratory. The farm also uses crushed coconut as ground cover on the farms; in addition to providing nutrients, this reduces weeds and prevents excessive water evaporation.
- **PepsiCo** has researched ways in which to package and deliver products to minimize its environmental impact and reduce costs. Through these initiatives, the company has eliminated nearly 110 million pounds of packaging material since 2013, which has reduced its packaging costs by more than \$55 million. The company is the only major consumer packaged goods company to incorporate post-consumer recycled content into its plastic, which it has been doing since 2004. The company has also extensively researched ways in which to reduce packaging size and has reduced the seal size on many of its products, resulting in the elimination of over 11 million pounds of flexible film packaging in 2013, equivalent to 6.5 billion 1-ounce-single-serve bags.
- **Anheuser-Busch InBev's** energy reduction policies have saved the company more than US\$ 55 million since 2012, including more than \$24 million in 2014. The company challenged itself to meet four goals by 2017: reduce global energy use per hectolitre by 20%, reduce global greenhouse gas emissions per hectolitre of production by 10% (including a 15% reduction in China), reach a 70% global average of eco-friendly cooler purchases annually, and reduce GHG emissions in logistics by 15%. The company has already achieved its emissions goals three years ahead of schedule and hopes to continue increasing efficient operations.
- **Nike** has developed a Considered Design line which aims to minimize waste through the design process and uses environmentally preferred materials for its shoes (e.g. knit shoe design).



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

- **Levi Strauss & Co.** developed a comprehensive Life Cycle Assessment (LCA) on a pair of its jeans, which allowed it to examine the entire production cycle from start to finish, in order to identify where they could change behaviors, engage with consumers, save resources, and streamline processes. Levi Strauss & Co. has also introduced a 'Care Tag for Our Planet Program' which puts concise instructions on all products so that consumers can learn sustainable ways to launder and care for their clothing. Through consumer-facing education programs the company has found it is able to connect more deeply with customers and encourage them to alter their behaviors in sustainable ways.
- **Walmart** has introduced the Sustainability Leaders shop which identifies products made by companies that have scored as best in class in Walmart's Sustainability Index. The Sustainability Index is a supplier scorecard program that is the result of years of work with The Sustainability Consortium, an independent, nonprofit organization that collaborates with more than 100 product manufacturers, nonprofits, and academic researchers to create science-based measurement tools.
- **Arcor Group** has integrated sustainability into its business governance and strategy, creating a Sustainability Committee and Scorecard, linking employee performance evaluation and remuneration to sustainability objectives, and systematically including sustainability variables in all business plans. In 2015 the company successfully completed its third cycle of strategic sustainability planning, resulting in an increased focus on Arcor's identity as a sustainable company, operational efficiency, and growth.
- **Industrias La Constancia** (a subsidiary of **SABMiller** in El Salvador) has developed a beer label recycling project to reduce the amount of waste reaching the sanitary landfill. Labels from the bottle washing process are sent to a cardboard recycling company to be used as secondary paper fiber to produce notebook covers, binders and other products. This project has an annual quantifiable benefit greater than \$10,000 from waste material not sent to the sanitary landfill, while reducing waste and CO2 emissions and preventing the cutting of 3,200 trees per year.
- **The REFLEX Project** is a collaborative Research and Development project which aims to create a circular economy for flexible packaging (-currently

comprising over 560,000 tonnes of UK landfill each year). The Project is exploring ways of increasing the recyclability of flexible packaging by targeting each step in the supply chain – pack design, manufacture, sorting and reprocessing. It aims to develop: new innovative packaging designs; techniques to make blended polymers from flexible packaging which perform in new uses; and improved identification and sorting of recyclable flexible packages from the waste stream. The Project is an example of the whole supply chain working together: leading brands, polymers producers, packaging converters, recycling companies and technology suppliers. It is co-funded by Innovate UK, an executive non-departmental public body. Project partners include Amcor Ltd, Dow Chemical Company Ltd, Interflex Group, Nestlé UK Ltd, SUEZ environnement (former SITA UK), TOMRA Sorting Ltd and Unilever UK Central Resources Ltd. [Dear CREATE designer, please embolden the company names ie from Amcor to Unilever UK Central Resources Ltd.

- **Heineken** has set a number of targets to reduce CO2 emissions across the value chain, including: 40% lower emissions in production, 50% lower emissions of fridges and 20% lower emissions from distribution in Europe and the Americas. One example is the Göss Brewery in Austria, which is fully carbon-neutral. Energy supply is now 100% based on renewable energy and CO2 emissions from fossil fuels will be zero. This goal has been achieved thanks to electricity from hydropower, biomass district heating, solar thermal energy and renewable energy from the newly built beer grain fermentation plant by BDI – BioEnergy International.

- In April 2012, **Molson Coors Brewing Company's** brewery in Patna, India completed a project to replace the use of furnace oil with locally-sourced rice husk biomass. The project was undertaken as a Clean Development Mechanism activity with the aim of reducing 4,500 tonnes of GHG emissions annually and contributing to the sustainable development of the local community.
- **Fazer Group** is aiming to have the origin of the cocoa used by Fazer be traceable and all cocoa meet the criteria of responsibility (Cocoa Vision) by 2017. Fazer is committed to increasing the amounts of raw material purchased that meet the criteria for responsible cocoa sourcing by 10% to 15% on an annual basis. In 2014, the company's target of 70% compliance of cocoa products with responsibility programs was reached. Fazer supports certified cocoa production by purchasing cocoa through certification systems and advocating responsible sourcing in its dealings with the vast majority of cocoa farmers who are outside of these systems, through direct sourcing programs.



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Photo: Anvar Ilyasov/World Bank

SDG 13

Take urgent action to combat climate change and its impacts



13 CLIMATE ACTION

OPPORTUNITIES FOR SHARED VALUE

- Together with Governments, **address greenhouse gas emissions arising from agriculture**. Importantly, re-evaluate the proportion of diets coming from animal sources, given the high levels of methane production from ruminant animals.
- Support farmers to develop more **climate resilient agriculture**.
- Design and implement natural **disaster risk mitigation, preparedness, response and recovery** plans across value chains in high risk locations.
- *Take steps to **measure, reduce and report climate exposure** and progress on actions to confront climate change, continuing to increase the level of transparency and consistency of reporting across the industry sector.*
- *Support high level partnerships and industry associations **advocating** for responsible public policies on climate.*

LEADING BY EXAMPLE

- **Ajinomoto Animal Nutrition Group**, Inc., a leading amino acids manufacturer, is promoting the benefits of feed-use amino acids through the development of new environment-friendly products and collaboration with international and local organizations. The use of feed-use amino acids can substantially reduce nitrogen excretion from animals and save natural protein resources, thereby contributing to soil and water quality preservation, reductions in greenhouse gas emissions, and efficient use of limited arable land.
- **AB InBev** works directly with more than 20,000 barley growers around the world, representing more than 1 million hectares of cultivated area across four continents and nine countries. In 2013, the company created a technology platform called SmartBarley™ that brings together growers and creates value for their farms and the company's supply chain. More than 2,400 growers have participated in SmartBarley™, which provides an interactive dashboard that allows growers to anonymously compare their crop practice and outcomes across other growers around the world. Leveraging benchmarking insights to assess



UN Photo Library

regional gaps and opportunities, the SmartBarley™ platform incorporates a portfolio of technology and management programs aimed at improving soil health, yield and input efficiency, and therefore strengthens farmers' capacity for adaptation to climate change.

- The Board of the **Consumer Goods Forum** called on Heads of State to set an ambitious and legally binding global climate deal, thereby using its influence to express views on public policy which would have a positive impact on society and the industry.

SDG 14

Conserve and sustainably use the oceans, seas and marine resources



14 LIFE BELOW WATER

OPPORTUNITIES FOR SHARED VALUE

- Operate **fisheries** in accordance with **stewardship standards** for marine sustainability, ensuring that increased demand for fish is managed in accordance with global protocols, slavery in fisheries is abolished, and the sovereign rights of smaller, poorer countries is respected.
- Ensure supplier companies shipping goods by sea adhere to **environmental standards on marine shipping**.
- Develop innovative solutions to preserve marine resources and **share expertise** with Governments and other stakeholders to better mitigate and manage risks arising from fishing and aquaculture.
- Further research and quantify the **value of ecosystem services** (such as storm surge regulating services of mangrove swamps) to send an economic signal for increased investment in the protection and restoration of natural habitats.

LEADING BY EXAMPLE

- To address the sustainability challenges faced by the fast growing aquaculture sector, **Cermaq** engages in R&D activities (both internally and in collaboration with industry peers and research institutions) to enhance the industry's technological capabilities and foster innovation. Cermaq's R&D organization works across the Cermaq group, and is organized in four competence areas: Fish Health and Welfare, Technology, Breeding and Genetics, and Feed and Nutrition. Cermaq's overall goal is to be an active initiator and contributor to R&D projects to enhance industry sustainability.
- Employees at a **Keurig Green Mountain** found a new use for burlap bags in which green coffee beans are transported. These bags used to go to landfill and now they are used as groundcover to reduce runoff into the nearby coastal inlet. The bags are also used in community gardens for sheet mulching and erosion control. In a nearby wetland restoration project, the sturdy bags were spread around to stop the growth of invasive species



Photo: Arne Hoel/World Bank

SDG 15

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



15 LIFE ON LAND

OPPORTUNITIES FOR SHARED VALUE

- Apply the Sustainable Forestry Policy Sector Standard and RSPO Principles and Criteria to business relationships and investments in the forestry and palm oil sectors, striving to eliminate agriculture driven **deforestation** and implement **sustainable land-use** commitments.
- Evaluate **sourcing and packaging** practices and determine ways to mitigate ecosystem degradation and biodiversity loss.
- Consider the **Natural Capital Protocol** in making assessments and better manage direct and indirect interactions with natural capital.

LEADING BY EXAMPLE

- The **Consumer Goods Forum** has resolved to help achieve zero net deforestation in supply chains for all 400 member companies by 2020. Many members are now coordinating their work to bring more sustainable sources of key commodities such as palm oil, soy and beef into their supply chains.
- **Unilever** and the World Wildlife Fund have announced a one-year, international partnership to engage consumers in the fight against deforestation. As part of the partnership, Unilever and the World Wildlife Fund will help protect a million trees by supporting forest protection programs in Brazil and Indonesia. The company believes that this partnership is an opportunity to engage consumers on sustainability issues and give them practical ways to make a difference.
- **Campbell Soup Company** has announced a collaboration with the EDF to improve water quality and reduce greenhouse gas emissions by optimizing fertilizer use and improving soil conservation in the company's wheat sourcing areas. To achieve these goals, the company will partner with United Suppliers, a cooperative of locally owned and controlled agricultural retailers, to help deploy the SUSTAIN platform in target areas in 2015, including Nebraska and Ohio.
- **Fazer Group** uses 100% RSPO verified sustainable palm oil production by using different supply chain



Photo: Jim Pickerell/World Bank

options. In 2012 and 2013, a full 100% of Fazer's palm oil was covered by GreenPalm certificates. In 2014, the first share of the palm oil sourced fell under the mass balance supply chain system, while Green Palm certificates covered the remaining portion. Since 2015, segregated palm oil options have also been used.

- **Malawi Mangoes** involved the Rain Forest Alliance from conception through to launch of its farms. Farms are planned and managed according to rigorous environmental, social and economic criteria

designed to conserve wildlife, safeguard soils and waterways, protect workers, their families and local communities, and increase livelihoods in order to achieve genuine long-term sustainability. With the exception of its pilot farm and nursery, all of Malawi Mangoes' farms are under a usage agreement that allocates Malawi Mangoes the use of the land for a defined amount of time and for a predetermined purpose. Malawi Mangoes's role is to develop the land with ownership remaining with the people of Malawi.

SDG 16

Promote peaceful and inclusive societies, access to justice and build effective and accountable institutions



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS

OPPORTUNITIES FOR SHARED VALUE

- Collaborate with Governments to enhance **food security** in order to mitigate risk of social unrest and conflict caused or exacerbated by lack of access to sufficient affordable food, water and/or land.
- Demonstrate ethical leadership by publishing a **statement on human rights** consistent with the UN Guiding Principles on Business and Human Rights, sign up to the ten principles of the UN Global Compact including human rights, and adopt the UNGC 'Food and Agricultural Business Principles'.
- Apply the UNGC 'A Guide to Traceability: A Practical Approach to Advance Sustainability in Global Supply Chains' as a basis for improving **traceability** of products, parts and materials in the supply chain to ensure reliability of sustainability claims covering human rights, labor, anti-corruption and the environment.
- Consider opportunities for **social enterprise** and impact investment ventures particularly in post conflict countries where SMEs and micro-enterprises play a critical role in providing jobs.
- Avoid transactions which would displace **indigenous people** unless they have provided free, prior, informed consent.

LEADING BY EXAMPLE

- **Nestlé** has included the UN Global Compact Principle 10 on corruption in their Corporate Business Principles and Code of Business Conduct since 2004, and it has provided online and in-class training to employees since 2008. In 2014, Nestlé signed the UN Call to Action against corruption and in that year over 9,000 people completed training

on bribery and corruption. The CARE audit program enables Nestlé to monitor anti-corruption processes, allowing for the identification of improvement areas or opportunities for additional training. Employees are encouraged to report misconduct through the company's Integrity Reporting System.



Photo: Curt Carnemark/World Bank



16 PEACE, JUSTICE AND STRONG INSTITUTIONS

- **Nestlé** has set action plans to reduce child labor in its cocoa, hazelnut, and vanilla supply chains with the goal of training 60,000 farmers on child labor practices, and renovating or building 60 schools worldwide. Since 2009, the company has been implementing the Nestlé Cocoa Plan, a comprehensive initiative that addresses key economic, social and environmental issues affecting the cocoa farming communities it works with. Nestlé collaborates with the Fair Labour Association to investigate whether children are working on cocoa farms supplying its factories and it set up the Child Labor Remediation and Monitoring System (CLMRS) in Côte d'Ivoire in 2014. This comprehensive mechanism helps to identify children at risk in each cocoa community so that Nestlé and its partners can work with individual households and the community to raise awareness, address and prevent the problem. CLMRS has been introduced in 22 farmer co-operatives and will be rolled out to all 70 Nestlé Cocoa Plan co-operatives by the end of 2016.
- In order to power sustainability and transparency in its supply chain, **Mahou San Miguel**, a Spanish food and beverage company, developed a Supplier Portal to collect information about suppliers, including their alignment with the company's corporate responsibility policies. This open channel offers useful information to suppliers and allows the company to carry out an objective selection. Mahou San Miguel also developed a training program to help suppliers build their awareness about corporate responsibility, adding value to the business.



Photo: Julio Etchart/World Bank

SDG 17

Strengthen the means of implementation and revitalize the global partnership for sustainable development



17 PARTNERSHIPS FOR THE GOALS

OPPORTUNITIES FOR SHARED VALUE

- *Strengthen the link between corporate and societal value creation and align the organization's value creation strategy to the Sustainable Development Goals.*
- *Adopt good practice principles and guidelines which better align business practices with sustainable development.*
- *Engage in multi-stakeholder initiatives advancing sustainable development.*
- *Establish a robust impact measurement framework for corporate, multi-stakeholder partnership and industry level contributions to sustainable development including regular monitoring and transparent evaluation and reporting.*
- *Collaborate with other food, beverage and consumer goods companies and stakeholders to provide industry perspectives to Governments, policymakers, legislators and regulators on the sustainable development impact of legislative, regulatory and tax frameworks including recommendations for improvement.*

LEADING BY EXAMPLE

- Several food, beverage and consumer goods companies constructively engage in international led processes including the four intergovernmental negotiations which took place in 2015 (i.e. the World Conference on Disaster Risk Reduction, the World Financing for Development Conference, the Summit to Adopt the Sustainable Development Goals, and the United Nations Climate Change Conference).
- Companies within the Food, Beverage and Consumer Goods industry have collaborated with each other and with additional stakeholders to develop a vast array of good practice principles, initiatives, certification schemes and partnerships. These, together with membership organizations such as the Consumer Goods Forum, are demonstrating significant leadership in aligning the industry with the pursuit of the Sustainable Development Goals.



UN Photo Library

KEY CONTRIBUTORS

The UN Global Compact and KPMG International would like to thank the many individuals, companies and organizations that contributed to this publication with inspiration, ideas, company examples and feedback through both the call for company submissions and the multi-stakeholder roundtable consultation (see list to the right).

The SDG Industry Matrix for Food, Beverage & Consumer Goods is the result of a collective effort involving many colleagues from the UN Global Compact and KPMG International including:

UN Global Compact Project Team:

Lise Kingo
Executive Director

Ole Lund Hansen
Chief, Leadership Programmes

Parham Gerami
Manager, Global Compact LEAD
Project Lead: gerami@unglobalcompact.org

KPMG International Project Team:

Lord Dr Hastings of Scarisbrick CBE
Global Head of Corporate Citizenship

Willy Kruh
Global Head of Consumer Markets

Ian Proudfoot
Global Head of Agribusiness

Serena Brown
Senior Manager, Global Development Initiative
Project Lead: serena.brown@kpmg.co.uk

Lauren Densham
Manager, Global Strategy

The UN Global Compact and KPMG International would like to convey their special appreciation to the U.S Chamber of Commerce Foundation for their assistance in convening the multi-stakeholder roundtable, as well as to the roundtable participants which included the following individuals:

- Lawrence Bowdish, Research Consultant, U.S. Chamber of Commerce Foundation
- David Browning, Senior Vice President for Strategic Initiatives, TechnoServe
- Kate Debold, Vice President and Charitable Giving Manager, Corporate Affairs and Board Secretary, Bank of NY Mellon Foundation
- Marc DeCoursey, Vice President, U.S. Chamber of Commerce Foundation
- Kaitlin Flynn, Executive Director, Mary's Meals
- Mark Fitzgerald, UN Global Lead Partner, KPMG LLP
- Kim Fortunato, Director of Campbell Healthy Communities, Campbell Soup
- Jim Gordon, Vice President, Corporate Brand and Reputation, Time Warner Cable
- Lord Dr Hastings of Scarisbrick CBE, Global Head of Corporate Citizenship, KPMG International
- Dr. Jeff Lundy, Director, Health and Wellness Program, U.S. Chamber of Commerce Foundation
- Abby Davidson Maffei, Senior Director, Strategic Partnerships and Alliances, CARE
- Kate Maloney, Senior Manager, UN Account Team, KPMG LLP
- Suki McClatchy, Global Citizenship and Policy, Abbott
- Darren McGann, Associate Director of Sustainability, KPMG LLP
- Tejal Mody, Managing Director, Rabobank
- Shamarukh Mohiuddin, Director, Economic Empowerment Program, U.S. Chamber of Commerce Foundation
- Deborah Patterson, President, Monsanto Fund
- Phil Polakoff, Senior Managing Director, FTI Consulting
- Beth Sauerhaft, former Senior Director of Corporate Sustainability, PepsiCo
- Sue Stephenson, Vice President of Community Footprints, Ritz-Carlton Hotel
- Suzanne Townsen, National Managing Partner, HR Diversity and Corporate Responsibility, KPMG LLP
- Hugh Welsh, President, DSM America
- Julia Wilson, Manager, Corporate Social Responsibility, Nielsen Cares



Produced jointly by:



United Nations
Global Compact

and



DISCLAIMER: The views expressed in the publication do not necessarily represent the views of the United Nations Global Compact Office and KPMG International Cooperative (KPMG International), a Swiss entity. The United Nations Global Compact Office and KPMG International make no representation concerning, and do not guarantee, the source, originality, accuracy, completeness or reliability of any statement, information, data, finding, interpretation, advice or opinion contained within the publication. The examples have been developed strictly as learning resources. The inclusion of examples in this publication does not in any way constitute an endorsement of the individual companies nor their sustainable development policies by the United Nations Global Compact Office and/or KPMG International.

COPYRIGHT: This document is copy-right protected by the United Nations. The reproduction and distribution of this document for information purposes and/or use in participating in the UN Global Compact is permitted without prior permission from the Global Compact Office. However, neither this document nor any extract from it may be reproduced, stored, translated, or transferred in any form or by any means (electronic, mechanical, photocopied, recorded, or otherwise) for any other purpose without prior written permission from the Global Compact Office.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.