

The SDG Impact Analysis of Portfolios

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The Sustainable Development Goals (SDGs)

The 2030 Agenda and its Sustainable Development Goals (SDGs), endorsed by all 193 UN member states in September 2015, reflect global priorities to address the world's most pressing environmental, social and economic challenges. The 17 SDGs and the 169 targets strive for eradicating extreme poverty, achieving gender equality, ensuring access to water, making cities sustainable, or combating climate change and its impacts.

The Private Sector's Engagement with the SDGs

The goals and targets of the SDGs have been developed through a broad process including representatives from governments, the private sector and civil society. While the formulation of the goals is targeted towards countries, actions and financial investments from the private sector are crucial to achieving the SDGs. The targets thereby provide an indication which issues the private sector needs to address to provide an added value to a specific SDG.

The World Investment Report published by the UN in 2014 highlighted an estimated investment gap in key SDG sectors of around 2.5 trillion USD annually, between 2015 and 2030¹. The private sector therefore inevitably needs to take measures to contribute to solving the sustainability challenges. In doing so, profitable new business opportunities are likely to emerge. As SDGs act as a list of globally agreed goals, they are increasingly gaining importance for investors. Thus, investments in companies which contribute to the SDGs with their business activities may guide investors towards stable returns, assist them in representing the values of their clients and offer indications for sustainable and differentiated financial products.

Inrate's SDG Impact Analysis

Inrate has long-standing experience with assessing the impacts of products and services on environment and society along their value chain. To allow our clients to access

¹ UNCTAD (2014), World Investment Report 2014: Investing in the SDGs

information on the impact of products and services of a company or a portfolio on the SDGs, we will be launching the “Inrate SDG Impact Analysis” by the end of the year. It will allow to measure companies’ positive and negative impacts on individual SDGs based on their revenues from specific products and services categories. Inrate thereby aims to provide a flexible and effective tool for reporting on a company’s or a portfolios’ performance regarding the SDGs.

Inrate

Inrate is an independent sustainability ratings provider based in Switzerland. Since 1990, we have been linking our in-depth sustainability analysis with innovative solutions for the financial markets. Inrate sustainability ratings provide a measure of the impacts that a corporation has on society and the environment with its conduct and its products.

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