



Media Release

World's 100 Most Sustainable Corporations delivering superior financial performance and leading the race to zero emissions economy

**Toronto, Canada, January 25, 2021** – *Corporate Knights* has released its 17<sup>th</sup> annual ranking of the world's 100 most sustainable corporations, following a rigorous assessment of 8,080 companies with more than US\$1 billion in revenues.

Analysis of financial performance and corporate longevity continues to demonstrate that the most sustainable companies tend to both outperform and outlast. From its inception on February 1, 2005, to December 31, 2020, the Global 100 Index<sup>1</sup> has generated a total investment return of 263% compared to 220% for the MSCI ACWI (see Appendix A below for long-term trend). The average age of a Global 100 company in 2021 is 74 years, while the average age of a company in the MSCI ACWI is 53 years.

"This year's analysis and results strongly suggest that the world's leading companies learned a lesson from the aftermath of the 2008/09 financial crisis," says Toby Heaps, CEO of *Corporate Knights*. "Rather than de-prioritizing sustainability when confronted with a major shock, they've recognized that it will drive the success of recovery strategies."

This year's ranking was based on several new performance indicators that reflect social concerns highlighted by both the pandemic and the Black Lives Matter movement. They include paid sick leave, executive and board racial diversity, and clean investments (capital expenditures, R&D and acquisitions). On average, one-third of investments on the part of Global 100 companies are clean, in contrast to less than one-quarter for their peers, while the percentage of Global 100 companies that offer at least 10 days of paid sick leave (86%) is more than double that of their peers on the MSCI ACWI (41%).

Global 100 companies earn 41% of their revenues from products or services aligned with the UN Sustainable Development Goals, compared to just 8% for their peers.

MSCI ACWI Metric Global 100 Clean revenues (from products or services with beneficial 41% 8% environmental or social impacts as % of total revenues) % of investment (Capex, R&D, acquisitions) with beneficial 22% 33% environmental or social impacts % of non-males on boards 32% 24% Executive pay linked to sustainability measures (% of companies 80% 25% having such a link) % offering at least 10 days of paid sick leave 86% 41%

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<sup>&</sup>lt;sup>1</sup> Calculated by Solactive and available via Bloomberg and Refinitiv, this index is composed of Global 100–ranked companies. It is equally weighted and mirrors the sector composition of the MSCI ACWI on a percentage basis.





The 20 American and 13 Canadian companies were the largest national contingents in the 2021 Global 100, although in regional terms Europe dominated, occupying 41 positions in this year's ranking. The Nordic countries in particular continued to punch notably above their weight. New entrants on the Global 100 from Turkey and India reflect a growing and potentially transformative Asian presence among the world's most sustainable companies.

Normally announced at an event concurrent with the World Economic Forum in Davos, this year's Global 100 launches today with a virtual CEO roundtable discussion, focusing on the imperative for businesses to speed up the race to a net-zero-emission economy. This event takes place 2–3PM Central European Time with a special video message from His Royal Highness The Prince of Wales, and the involvement of Sanda Ojiambo (head of the United Nations Global Compact) and the CEOs of four perennial Global 100 companies: McCormick & Co, Natura & Co, Ørsted and Schneider Electric. Free registration is available at tinyurl.com/2021G100.

Twenty-eight of the Global 100 companies have signed the <u>Business Ambition for 1.5°C commitment</u>, an initiative by a global coalition of UN agencies and business leaders to prevent the worst impacts of climate change.

For full Global 100 rankings and methodology details, please see <u>corporateknights.com/global100</u>

<u>About Corporate Knights:</u> Corporate Knights Inc. includes the sustainable-business magazine *Corporate Knights* and a research division that produces rankings and financial product ratings based on corporate sustainability performance.

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<u>Appendix I:</u> Net returns of the MSCI ACWI and the *Corporate Knights* Global 100 Index in USD as calculated respectively by Solactive and S&P Capital IQ (from February 1, 2005, to December 31, 2020)

## Total Return % (Feb 1, 2005 - Dec 31, 2020) Source: S&P Capital IQ, Solactive. Total Return Net USD. 200.00% 220% 263%

Global 100