

Deliver **PROFIT** for shareholders
by demonstrating **PURPOSE** for stakeholders.

5 Steps to Align Corporate Venturing with the SDGs

1

Integrate impact into investment management

Consider the SDGs at each step of the investment process, guided by the norms of the [Impact Management Project](#).

Follow the lead of ... [Project Snowball](#)

2

Measure what matters

Rate your impact and understand how to improve using impact measurement tools such as the [B Impact Assessment](#).

Follow the lead of ... [Patagonia](#)

3

Invest in new business models and technologies

Support disruptive entrepreneurial scientists working on the pressing challenges facing our world today.

Follow the lead of ... [Cyclotron Road](#)

4

Partner with others

Collaboration is key to finding innovative solutions to the complex challenges facing corporates and the global community.

Follow the lead of ... [dRx Capital](#)

5

Join a Coalition of the Willing

Add your name to a growing list of businesses investing 'Beyond The Binary' in SDG-related innovation for both profit and purpose.

TAKE ACTION - Commit at <http://heliotropy.com/>

It's not about trading off profit for purpose.

Embracing a 'Beyond The Binary' approach is an opportunity to achieve both **PROFIT** and **PURPOSE**.



“The purpose of business is *not simply to produce profits*, it's to produce **profitable solutions** to the problems of **people and the planet**.”

- Professor Colin Mayer CBE, Saïd Business School University of Oxford

If not us, who? If not now, when?

The Time To Act Is Now.

Acknowledgements

Steering Committee: *Charmian Love, Amanda Feldman*

Developed & Delivered by: *Stephanie Gnissios (design & development), David Sanders (data collection), Hao Wei (data collection)*

Market Trends

Innovate or Die 

13% of companies listed on the Fortune 500 maintained a position on the list over the past 50 years

You need to spend money to survive.

War Chests 

\$450B+ **\$800B**

paid in dividends *in share buybacks*

In 2018, companies on the S&P set new collective records for both share buybacks & dividend payments, raising concerns that investment for long-term growth is being traded for short-term gains.

Why hoard capital when you can spend it on future-proofing the business?

Investor Pressure 

"We advocate for practices that we believe will drive **sustainable, long-term growth and profitability**. As we enter 2019, commitment to a long-term approach is more important than ever..."

- Larry Fink, 2019 Letter to CEOs

Investors support strategic Corporate Impact Venturing.

Take Action

Corporate Balance Sheets Reveal Huge Potential

\$20.7 Trillion

cash, cash equivalents, and short-term investments
- Capital IQ, full methodology below

Time to Take Action

"We must inject a **sense of urgency**. Achieving the 2030 Agenda requires **immediate and accelerated actions** ... along with collaborative partnerships ... **at all levels.**"

- The Sustainable Development Report 2018

Market Opportunity

\$12 Trillion

in business savings & market revenue by 2030 in four key economic systems:

- 
Health & Wellbeing
- 
Cities
- 
Energy & Materials
- 
Food & Agriculture

where "First movers will have a

5 to 15 year advantage."

- Better Business Better World

The SDGs

Why are they important? 

"[The] SDGs can provide a framework for businesses to better handle unpredictable market changes in the future... by addressing some of the 17 goals, firms will have a framework to better understand the different business environments and markets they would have to adjust to in the future."
- Achim Steiner, United Nations Development Program Administrator

The Need 

\$2.5T/year

funding gap to achieve the SDGs
- World Economic Forum

Investment Opportunities

Achieving the twelve food-related SDGs will require investment of **\$320 billion per year.**

Estimated to be worth over **\$2.3 trillion annually** for the private sector by 2030.

That's a **619% ROI.** 

- AlphaBeta & Business Commission

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\$800B Source: <https://www.prnewswire.com/news-releases/sp-500-q4-2018-buybacks-set-4th-consecutive-quarterly-record-at-223-billion-2018-sets-record-806-billion-300817734.html>
\$450B Source: <https://www.barrons.com/articles/s-p-500-dividends-hit-a-record-amid-market-turmoil-51546616471>
\$12T, 5 to 15 Year Source: <http://report.businesscommission.org/report>
\$2.5T Source: <https://www.un.org/pga/72/wp-content/uploads/sites/51/2018/05/Financing-for-SDGs-29-May.pdf>
\$320B, \$2.3T Source: <http://businesscommission.org/our-work/valuing-the-sdg-prize-in-food-and-agriculture>

\$20.7T Methodology (Capital IQ): The cash exhibit draws financial data from the S&P Capital IQ screening tool as of April 2019. The analysis includes Cash, Cash Equivalents and Short-Term Investments from 10,000 companies that meet the following criteria: (1) generated more than USD\$100mm in revenues in 2018 or 2017; (2) trade as public companies or public investment firms; and (3) classify as "Operating" in S&P Capital IQ's Company Status field. S&P Capital IQ defines Operating companies as those that are not controlled, such as companies where no majority stake is held by any single company. This analysis excludes companies classified as "Operating Subsidiaries", which are defined by S&P Capital IQ as companies where a stake of 50% or more lies with any other company, and the stake is held for strategic reasons, as opposed to being held for investment purposes.

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