

Roland Berger Trend Compendium 2030

Megatrend 7
Sustainability & global
responsibility



About the Roland Berger Trend Compendium 2030

What is it?

- > The Roland Berger Trend Compendium 2030 is a global trend study compiled by Roland Berger Institute (RBI), the think tank of Roland Berger
- > It describes the most important megatrends that will shape the world between now and 2030
- > The megatrends have a broad impact on the environment of companies, strongly influencing challenges and opportunities of their business

Our approach

- > We first screened relevant trend, scenario and future studies worldwide
- > Then we verified, analyzed and consolidated the results, using them to define the megatrends
- > Next, we broke down the megatrends into subtrends, looking at each from a global perspective and the viewpoints of industrialized and developing countries
- > Finally, we identified corporate actions that companies worldwide should consider taking today

Use it!

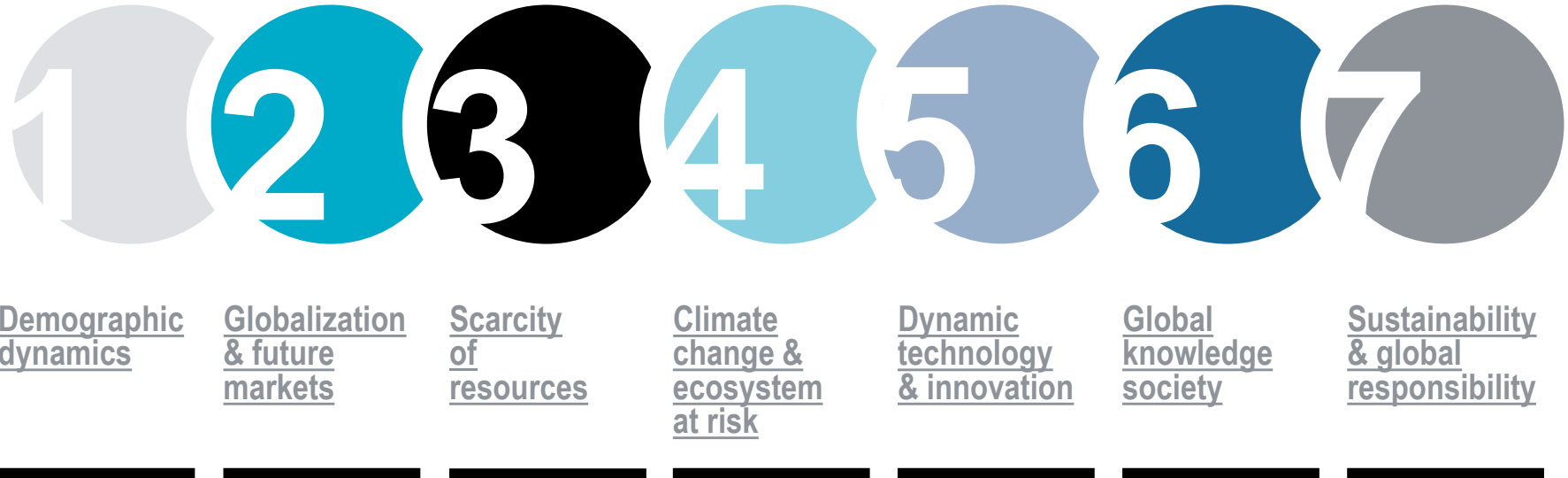
- > For your own presentations, for discussions with clients and business partners or as springboards for acquisition approaches
- > Following the description of the subtrends and the recommended corporate actions, you will find the most important sources to help you keep track of the changes in the world, as well as dig deeper into the trends presented

The Roland Berger Trend Compendium 2030 focuses on stable long term developments

- > The Roland Berger Trend Compendium covers megatrends – long-term developments with major impact (usually global) on companies, economies and the natural world
 - > The forecasts are based on estimates reflecting the "normal" case, i.e. a stable development of the global economy with no unexpected events ("black swans"). Major political or financial crises, large-scale natural disasters or similar far-reaching events are not integral to our assumptions
 - > To incorporate today's volatile, uncertain, complex and ambiguous (VUCA) environment into strategic planning we recommend to combine the megatrends of the Roland Berger Trend Compendium with the Roland Berger scenario planning approach
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Methodology

It covers seven megatrends that shape the future development of our world



Megatrends

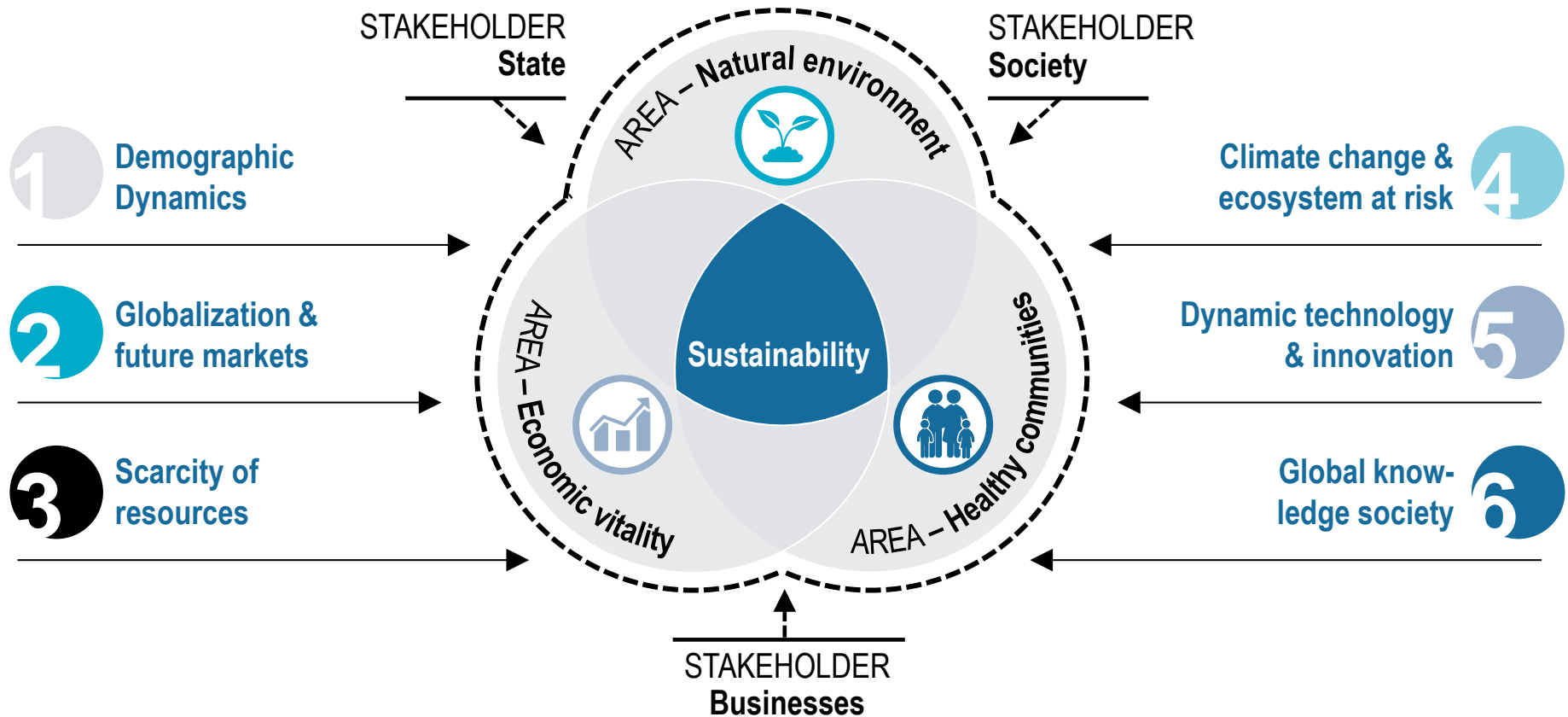
In order to achieve sustainable development various goals should be pursued

Sustainable Development Goals



- 1. No poverty
- 2. Zero hunger
- 3. Good health & well-being
- 4. Quality education
- 5. Gender equality
- 6. Clean water & sanitation
- 7. Affordable & clean energy
- 8. Decent work & growth
- 9. Industry, innovation, infrastructure
- 10. Reduced inequalities
- 11. Sustainable cities & communities
- 12. Responsible production & consumption
- 13. Climate action
- 14. Life below water
- 15. Life on land
- 16. Peace, justice, strong institutions
- 17. Partnerships for goals

Sustainability comprises three actionable areas of responsibility, influenced by six megatrends and shaped by three stakeholders



"Sustainability is the responsible development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

(World Commission on Environment and Development – Brundtland Commission)

We focus on what the three key stakeholders can do to foster a globally sustainable level of development

Subtrends of megatrend "Sustainability & global responsibility"



State – Cooperation or conflict

Society – Citizens and NGOs change the world

Businesses – Corporate citizens on duty

Good governance is the basis of strong and sustainable policy actions

Good Governance Indicator 2016¹⁾ (number of countries: 154)

Top 5			Others			Bottom 5		
Rank	Country	Score ²⁾	Rank	Country	Score ²⁾	Rank	Country	Score ²⁾
1.	 New Zealand	11.2	12.	 Germany	9.5	150.	 Sudan	-9.7
2.	 Finland	11.1	16.	 Unit. Kingdom	8.8	151.	 North Korea	-10.0
3.	 Switzerland	11.0	19.	 United States	7.3	152.	 Centr. Afr. Rep.	-10.2
4.	 Norway	10.6	22.	 France	6.8	153.	 Libya	-10.4
5.	 Sweden	10.4	91.	 China	-2.6	154.	 Syria	-10.6

1) Results are based on data of the year 2014 2) Scale: +15 to -15. The level of Good Governance is based on the assessment of six major issues: 1. Voice and Accountability, 2. Political Stability, 3. Government Effectiveness, 4. Regulatory Quality, 5. Rule of Law and 6. Control of Corruption. For the Sustainable Society Index all issues have been integrated into the Good Governance Indicator

With regard to sustainable development policies, governments are able to deploy various instruments across three actionable areas

Selected policy levers for sustainable development



Healthy communities

-
- > Education policy
 - > Health policy
 - > Infrastructure policy
 - > Social policy mitigating inequalities
 - > Social inclusion (of elderly people, disabled people, minorities)
 - > Immigration policy
 - > Internal security
 - > Foreign policy



Economic vitality

-
- > Budget policy
 - > International economic cooperation/free trade agreements
 - > Monetary and fiscal policy
 - > Structural and business cycle policy
 - > Competition and innovation policy
 - > Trade policy and development aid policy



Natural environment

-
- > Industry policy
 - > Energy policy
 - > Emission limiting/trading
 - > Taxation policy and subsidies
 - > Agricultural policy
 - > International agreements
 - > Nature conservation legislation
 - > Regulation of toxic substances
 - > Integration of NGOs into political process

When it comes to the implementation and execution of sustainable policy actions, there are promising examples ...

Recent selected examples of sustainable government actions



- > Global increase of **expenditure on education**
 - > "**Historic understanding**" (Obama) with Iran about its **nuclear program**
-



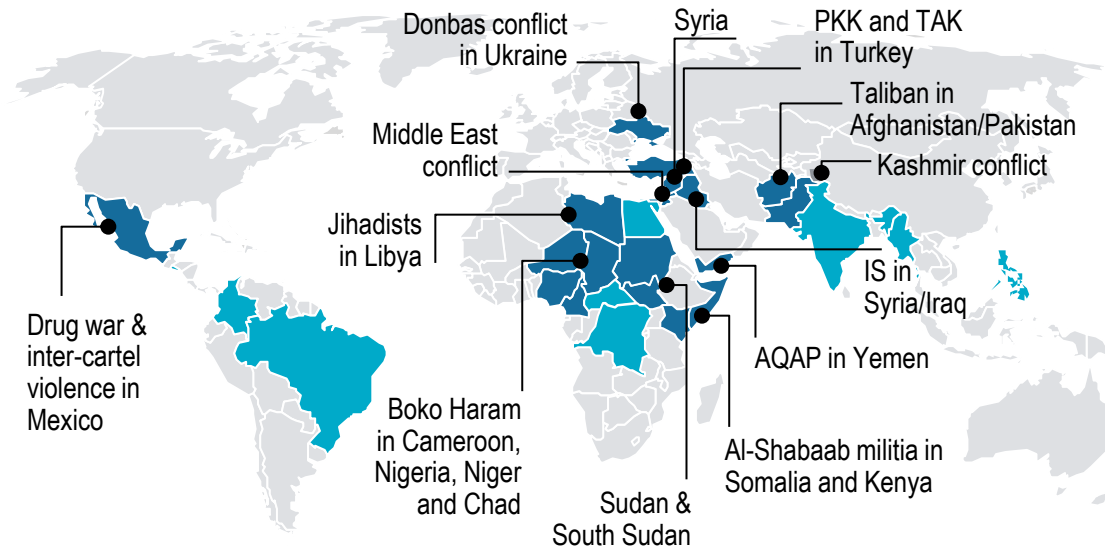
- > Strong efforts by many countries to **reduce** their **fiscal deficit** and **government debt**
 - > Intense **international cooperation** to manage the **Greek crisis**
 - > Several approaches to **create new free trade zones** (CETA, African Free Trade Zone)
-



- > Strong efforts in many countries to foster a "**green economy**"
- > Negotiation and signing of the **Paris Agreement** (2015), the first legally binding and universal agreement on climate in more than 20 years

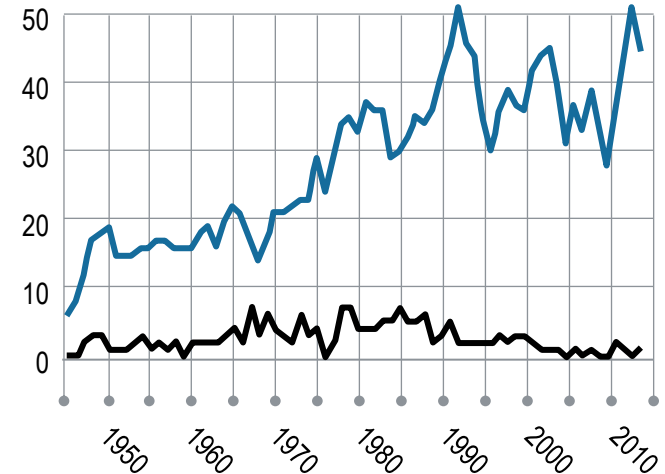
... while on the other hand various violent conflicts threaten, delay or completely block sustainable actions

The world map of highly violent conflicts 2016



■ Wars²⁾ ■ Limited wars²⁾

Intra- and interstate conflicts of high intensity¹⁾ 1945 to 2014



— Intrastate conflicts — Interstate conflicts

1) An interstate conflict is conducted between two or more states whereas intrastate conflicts are primarily conducted between non-state actors and national governments. Conflicts of high intensity are limited wars and wars 2) Categorization is based on a scale of 1-5 that represents the intensity level of the conflict with limited wars reaching 4 points and wars 5 points.

Beyond violent conflicts, there are further social developments and issues that make sustainable policy actions an ongoing necessity

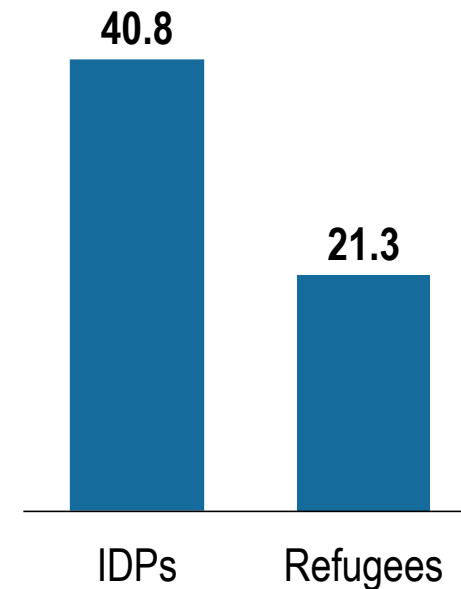
Selected examples of unresolved international social challenges



Healthy communities

- > **Poor health care** in many developing countries as well as slow and insufficient governmental responses to **deathly epidemics** e.g. Ebola virus crisis 2013-2016
- > Increasing waves of **refugees** seeking better economic conditions (especially to Europe)
- > Wealth and income **inequalities**, inequality of opportunity and gender inequality in many countries worldwide
- > High levels of **crime** in urban areas – Especially within the USA, South Africa and Latin America
- > **Separatist movements** in European regions (Catalonia, Scotland) dividing societies

Internally displaced people (IDPs) and refugees 2015¹⁾ [m]



1) An internally displaced person is someone who is forced to flee his or her home but who remains within his or her country's borders. A refugee is someone who has been forced to flee his or her country because of persecution, war, or violence.

With regard to the economy, weak international solidarity and protectionism pose a threat to sustainable development

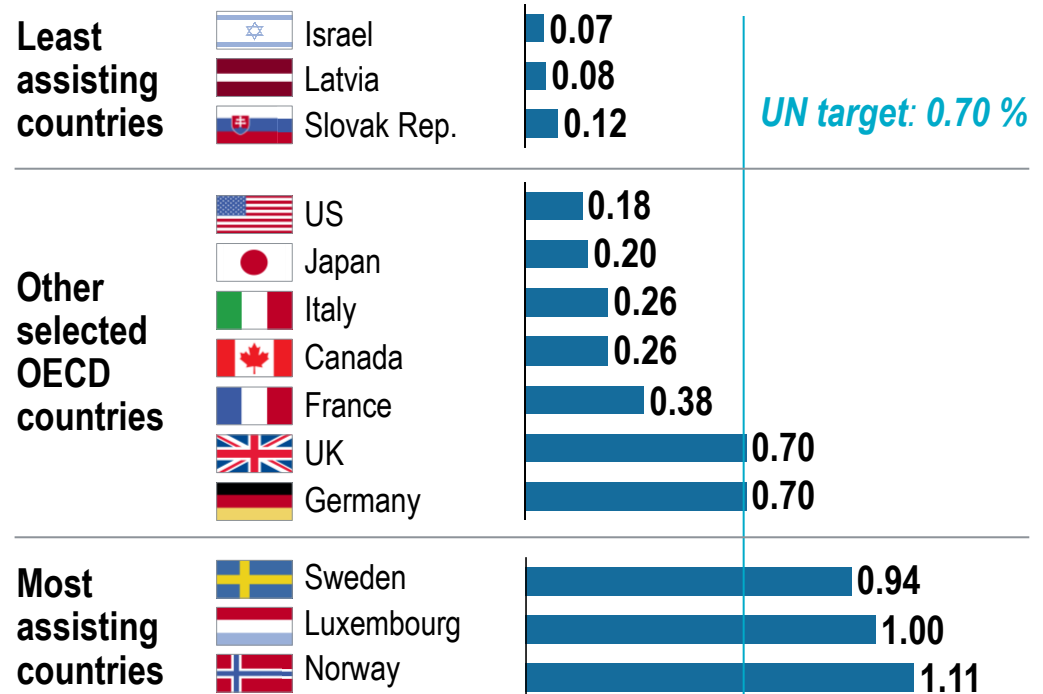
Selected challenges for sustainable economic development



Economic vitality

- > **Official development assistance** (ODA) levels do not reach the UN target in many countries, including some of the most developed ones
- > Lack of cohesive global coordination to **regulate financial markets** and to **prevent tax avoidance**
- > Threat of **US protectionism** and isolation from world trade, e.g. through tariffs and other trade barriers

ODA of selected OECD countries 2016 [% of national GNI]



Unsustainable policy actions concerning environmental issues can cause great damage and even deaths

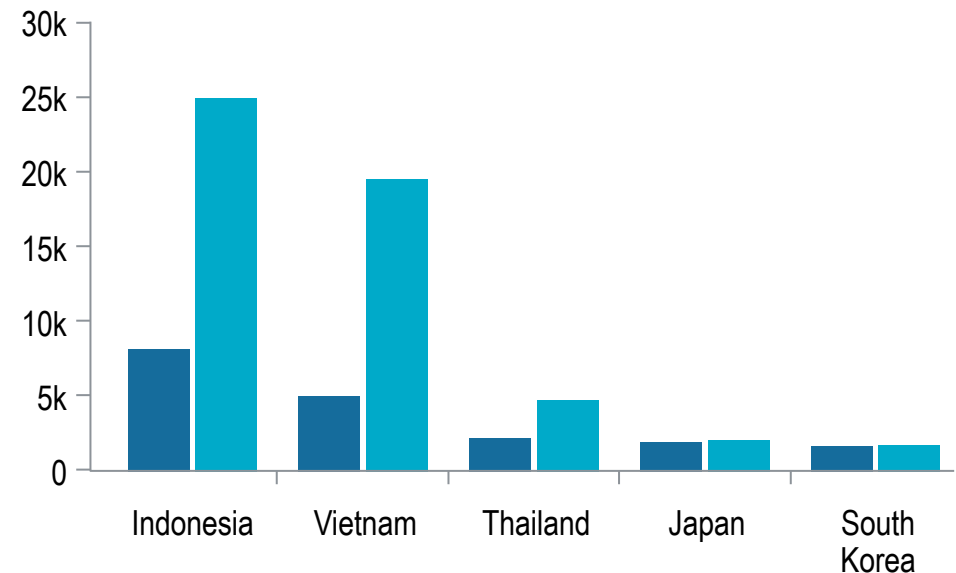
Selected examples of unresolved international challenges regarding the environment



Natural environment

- > **Air pollution** in Southeast Asia is expected to cause 70,000 **deaths** by 2030
- > **Climate change** – global climate conferences often yield no consensus or decisive results
- > US president **Trump's missing commitment** to fight climate change
- > **Declining** worldwide potential of **biodiversity** and heavy **land and forest degradation** in many countries

Estimated annual coal-related deaths in selected East-Asian countries 2011 and 2030



 Premature mortality per year in 2011

 Premature mortality per year in 2030












Despite states having multiple sustainability policy options many unresolved issues remain – Action by other stakeholders is required

- > There are various **instruments** available for politicians to foster a sustainable development – many of them are already in the use. On a global level for example, geo-political relations are becoming ever more **inter-dependent**: 193 countries now belong to the United Nations. **Political-economic unions** (e.g. the EU, the Union of South American Nations, the African Union) have bundled their interests and sought cooperation, while numerous regional **free trade agreements** further facilitate and strengthen exchange of goods and services. In addition, the signing of the **Paris Agreement** in 2015 as the first legally binding and universal agreement on climate in more than 20 years has been celebrated as one of the world's **greatest diplomatic successes**
- > Besides such promising signs there are still many challenges and unresolved issues ahead. On the one hand, the number of **intrastate conflicts** where at least one non-governmental aggressor is involved (e.g. IS, Boko Haram etc.) is rising. These groups are highly mobile, well-funded and trained in conflict situations, and have proven to be able to challenge entire states. Here, local violent conflicts arise due to **political and religious disputes** being reinforced by weak economic systems, food shortages, water stress, land-use change, and energy instability
- > On the other hand, many unresolved issues can be attributed to unsustainable policy actions. Levels of **official development assistance** (ODA) of many developed countries for example are **below the UN target** of 0.7% (as share of the national GNI), while environmental issues alongside rising **inequalities** and recent tendencies of **protectionism** continue to pose a threat to economic growth and human well-being. Mass migration of climate and economic refugees (along with resulting anti-migrant violence) and the breakdown of social order or the collapse of states are additional unresolved issues
- > These developments not only show the world's vulnerable state but also underline the **relevance of sustainability**, finding the balance between local interests and a regional and/or far-reaching global responsibility

As governmental means of support for sustainable development remain limited, NGO engagement comes to the fore

Engagement of NGOs for sustainable development

Selected worldwide NGOs













Organization	Country	Focus	Revenues in 2016 [USD m]
	Switzerland	 Emergency medical aid	1,595.5 ¹⁾
	UK	 Human rights	293.6 ¹⁾
	UK	  Global poverty	1,127.6 ¹⁾²⁾
	Switzerland	 Environmentalism, conservation, ecology	305.2
	Netherlands	 Environmentalism	395.9 ¹⁾

1) Exchange rates as of December 31, 2016 2) Reporting period: April 1, 2015 - March 31, 2016

Wealthy charitable foundations also play an important role in the fight for equal opportunities, improving health and ending poverty ...

Engagement of foundations for sustainable development

Top 5 wealthiest foundations in 2016

Organization	Country	Focus	Endowment in 2016 [USD bn]
	USA	  Development, education, healthcare, ending poverty	40.3
	UK	 Biomedical research	25.6 ¹⁾
	USA	 Biological and medical research & science education	17.8
	UK	  Education, youth, arts, culture, healthcare, environment	15.7 ¹⁾
	Netherlands	 Helping children and families in the developing world	12.7 ¹⁾

1) Exchange rates as of December 31, 2016

... as do citizens – Donations by wealthy philanthropists account for almost one third of total development assistance

Engagement of citizens for sustainable development

Top 3 single donations 2016

Person	Country	Donation [USD m]	Recipient
Philip H. & Penny Knight	USA	500	University of Oregon
Nicolas Berggruen	USA, Germany	500	Berggruen Institute
Howard & Lottie Marcus	USA	400	Ben-Gurion University of the Negev

"The Giving Pledge"

- > A campaign for the commitment by the world's wealthiest individuals and families to dedicate the majority of their wealth to philanthropy
- > Founded in 2010 by Bill Gates and Warren Buffett, currently¹⁾ there are 171 international pledgers including: Paul Allen, Michael Bloomberg, Samuel Yin, Carl Icahn, Nicolas Berggruen, Mohammed Dewji, Mark Zuckerberg

Private philanthropy to developing countries in comparison to ODA 2015

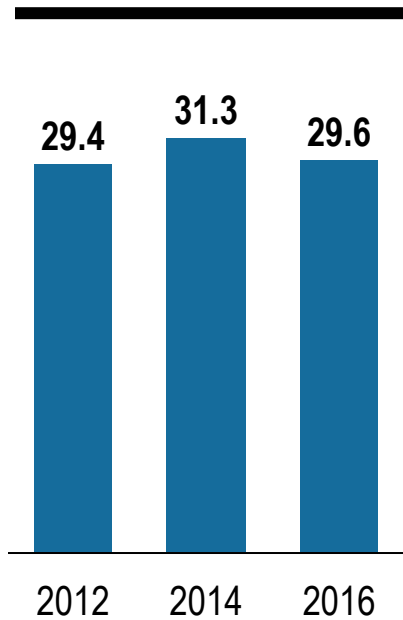


1) As of December 2017

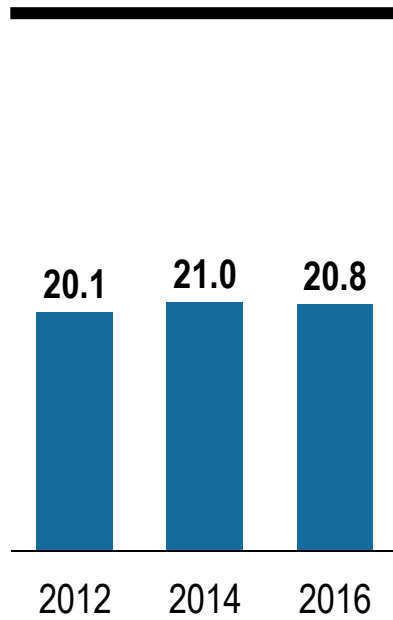
Public engagement in giving and volunteering remains at substantial and stable levels – The Myanmar people lead the charitable index

Global participation in donating money and volunteering time 2012 to 2016 in age group 15+ and CAF World Giving Index 2016

Donors [% of 15+]



Volunteers [% of 15+]



Top 5 countries CAF World Giving Index¹⁾

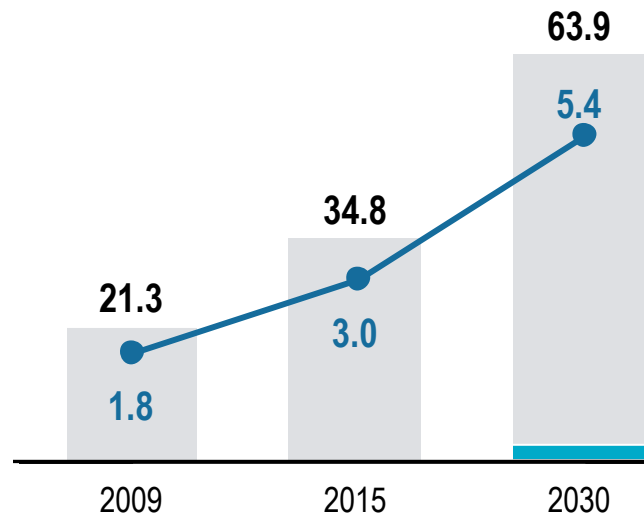
Rank	Country	Score ²⁾
1.	Myanmar	65
2.	Indonesia	60
3.	Kenya	60
4.	New Zealand	57
5.	USA	56

1) Scores include only countries surveyed during 2016 2) Scores are calculated as a combined average of the proportion of people who reported one or more of the following in the month prior to interview: helping a stranger, donating money and volunteering time

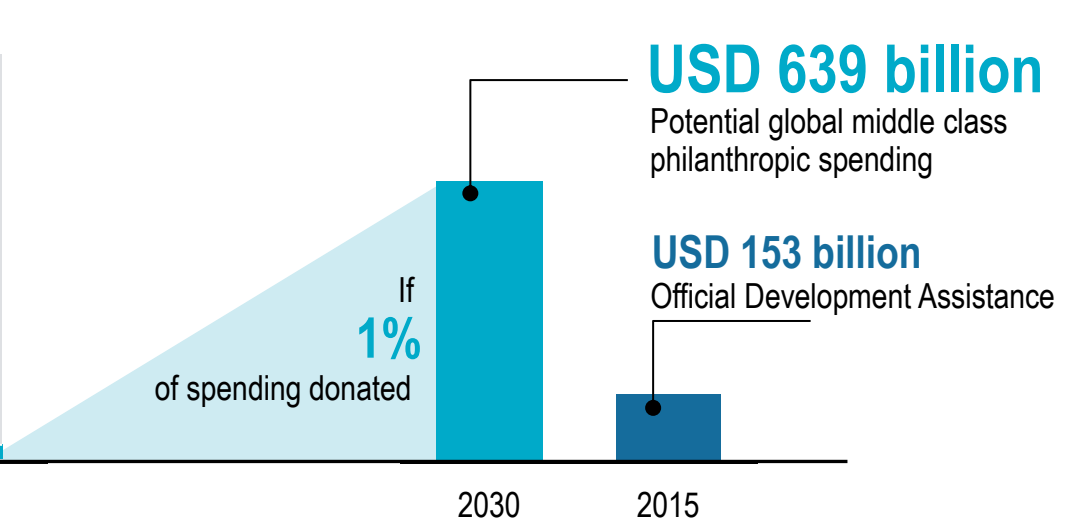
In the future, high expectations for sustainable development rest with the private engagement of the growing global middle class ...

Global middle class¹⁾ 2009, 2015 and 2030 and potential philanthropic spending by the global middle class in 2030 compared to ODA 2015

Global middle class: size [bn] & consumption expenditure [USD 2011 PPP tr]²



Potential middle class philanthropic spending 2030 compared to ODA 2015



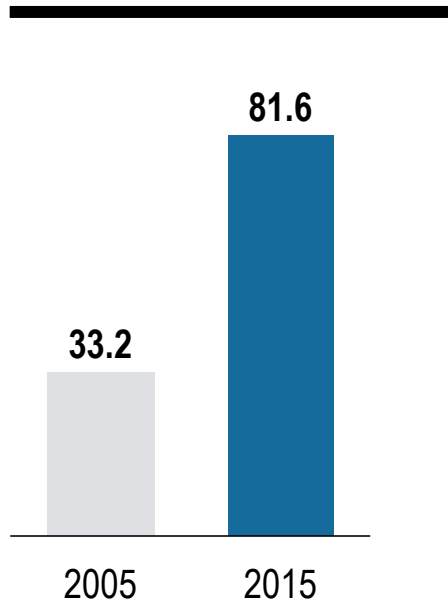
— Size of global middle class ■ Consumption expenditure

1) Middle class: People spending USD 10 -100 (PPP) per day 2) Figure for 2009 is based on USD 2005 PPP

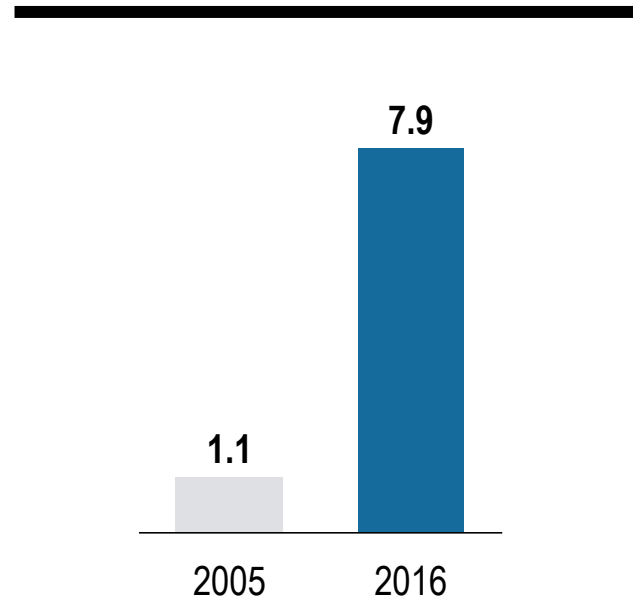
... as well as an increasing consumer demand for sustainably, fair-traded products and CSR-aligned behavior of companies

Worldwide sales of organic food 2005 and 2015 and of Fair Trade International products 2005 and 2016, influence of CSR on US consumers' buying decisions 2016

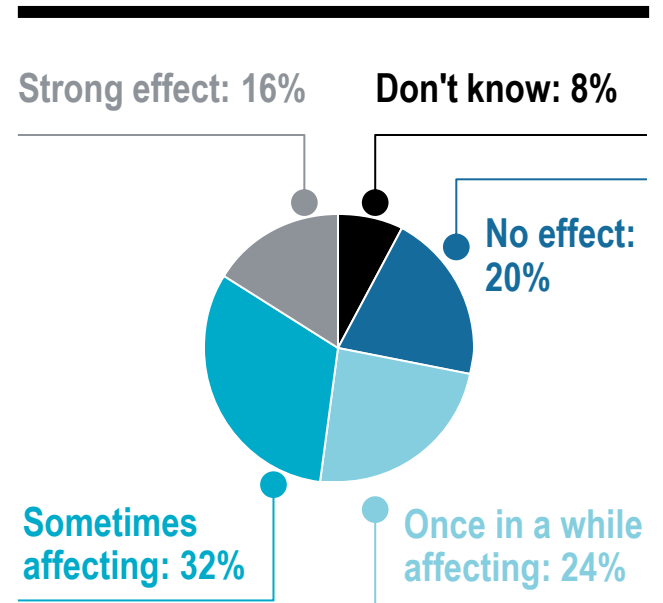
Worldwide sales of organic food [USD bn]



Worldwide sales of Fair Trade International products [USD bn]



Influence of CSR on buying decision of US consumers 2016



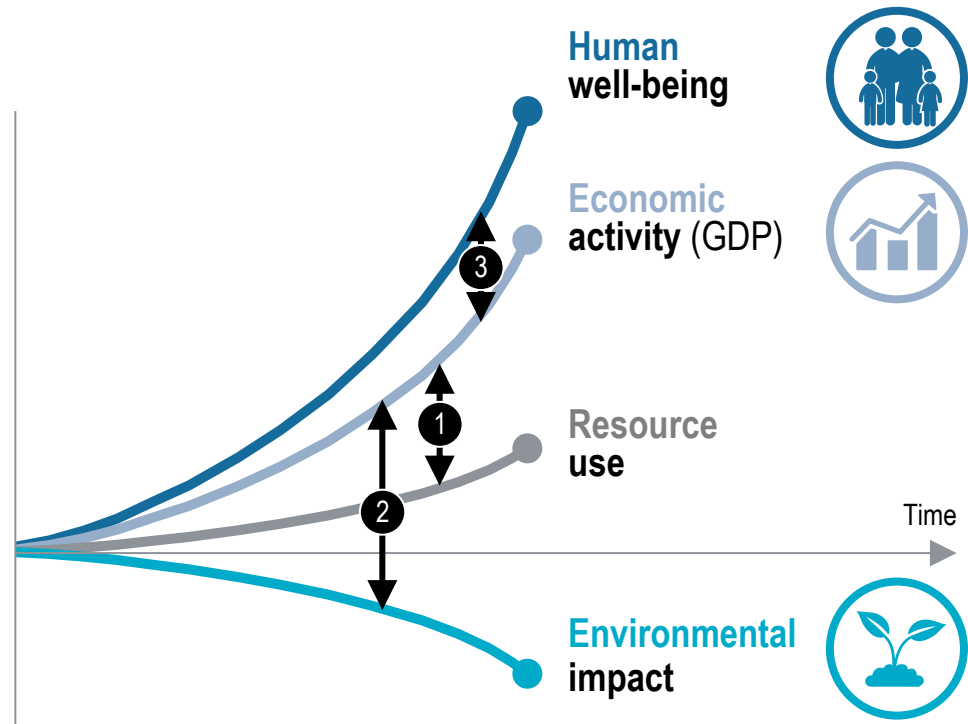
Private efforts for sustainability become increasingly important and comprise a broad range of engagement

- > Since governments alone are not capable of achieving sustainable development, **additional stakeholders** need to step in. In this context, **private philanthropy** is evolving further, in turn changing and shaping the landscape of foreign development assistance. Financially powerful **donors** are playing an increasingly important role, working on international development issues as direct operators, in partnership with governments, or with international **NGOs and civil society organizations** as grant-givers and partners. With notable developments of recent years (initiatives such as "The Giving Pledge" and strong engagement of foundations backed by financially powerful founders such as The Bill & Melinda Gates Foundation) plus the emerging generation of "**global citizens**" and the growing share of people studying and working abroad, the assumption is that this trend is set to expand
- > Generally speaking, this supplementary role of private philanthropy bolstering governmental action is a positive development. But some aspects of this trend need to be scrutinized. **Private donations are fundamental** to NGOs such as the WHO (World Health Organization) whose budget stems to 80% from private and voluntary donations. For example, in the case of Bill Gates' fund, WHO donations surpass those of the entire US government. Such payments are earmarked for purpose chosen by the respective donor. This makes **unbiased foreign aid difficult**
- > Additionally to that, "**normal**" **citizens play an important role** in the fight for equal opportunities and ending poverty. Around one third of the world's population **donates money** to charity while around 20 percent **volunteers time** to an organisation. The most common way to engage charitably is by **helping a stranger** which is true for half of the world's population. Such civic engagement is an important way of committing to improve the lives of others and help shape the collective **future of communities**

For sustainable development, companies face a challenging decoupling of their economic growth objectives

Decoupling challenges for sustainable development

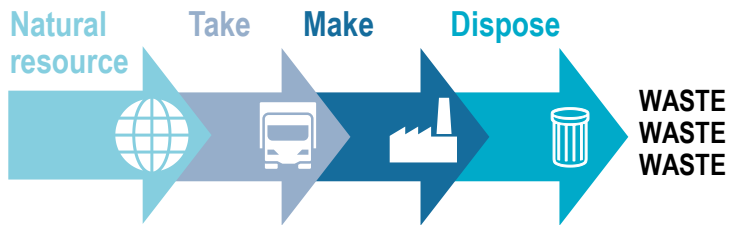
- 1. Economic growth and resource use**
 Scarcity of resources calls for a **decoupling of economic growth and resource use** e.g. via recycling efforts and collaborative consumption
- 2. Economic growth and environmental impact**
 Since environmental impacts that can be safely absorbed by Earth's ecosystems are limited – **Economic growth needs to be decoupled from environmental impact**
- 3. Economic growth and human well-being**
 Compared to pre-crisis levels economic growth declined and there is a constant risk of future economic crises. It is therefore important to find ways to achieve **well-being independent of economic growth**



A circular economy could significantly contribute to resource as well as environmental impact decoupling

The concept of circular economy and business models that contribute to this approach

From chain to circular economy



Business models

- 1. Products as services:**
Leasing access instead of selling ownership
- 2. Next life sales:**
Recovery & recondition of products after use
- 3. Product transformation:**
Reutilize certain high value components to form new products
- 4. Innovation in recycling:**
Enables the production of products with high sustainability performance
- 5. Collaborative consumption:**
Social media exchange platforms are rapidly transforming industries

Examples

- | | |
|---|--|
| Vodafone's Red Hot | |
| Tata Motors Assured | |
| BMW's remanufactured parts | |
| Starbucks's recycling of waste coffee grounds | |
| Airbnb & ThredUP | |

The European Commission has ambitious plans to build a circular economy in Europe – Estimates promise significant benefits

Key targets and benefits of EC by 2030

Key targets in the proposal

70% Recycling target of municipal solid waste

80% Recycling target of packaging waste



Phase out landfilling of compostable & recyclable material



Harmonized methodology for calculating targets & statistics

Estimated benefits by 2030

180,000 Extra jobs in the European economy

146-244m Tonnes of GHG emissions avoided

Euro 72bn Savings per year in waste management costs

Euro 42bn Increase in annual turnover of the EU waste management and recycling sector

Customer demands and pressure from other stakeholder groups drive companies to act as good corporate citizens

Relevant stakeholders of companies acting as corporate citizens

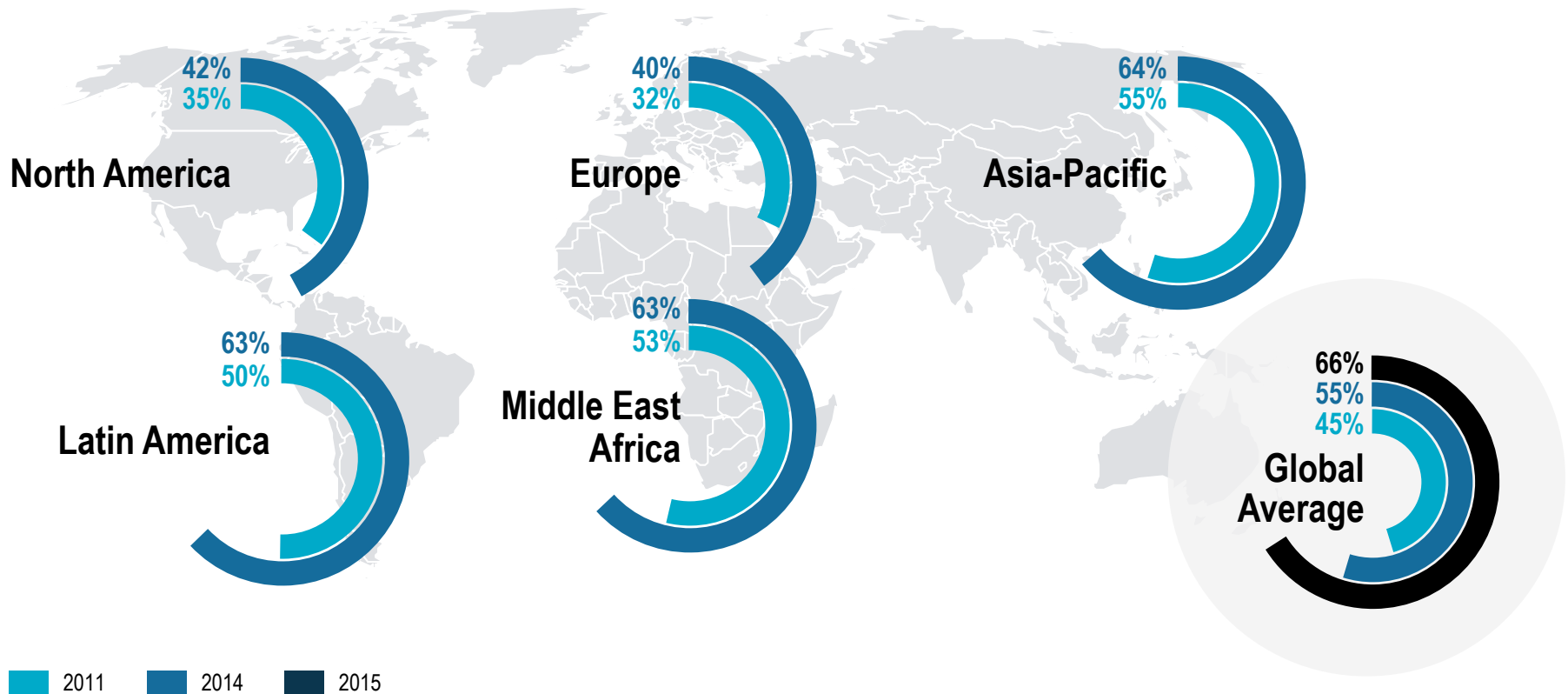


Corporate citizens ...

- > ... focus on respectful relationships with their employees, train talent and foster diversity
- > ... establish trustful and sustainable cooperation with their supplier and understand a 'green' supply chain as a strategic advantage
- > ... enhance corporate value due to sustainable growth for their shareholders
- > ... take environmental preservation and social contribution as a matter of course
- > ... base their customer strategy on "client first, quality first" principles

Consumers are willing to pay more when buying from companies acting according to socially responsible principles











Consumers willing to pay more for goods and services from socially responsible companies 2011, 2014 and 2015¹⁾ [%]



1) Data of 2015 only available for global average

Some companies are particularly successful in conveying their CSR credentials to consumers

The 10 multinational companies with the best CSR reputation – International consumer survey 2017

- | | | | |
|----------------|---|-----------------------|---|
| 1. LEGO |  | 6. Intel |  |
| 2. Microsoft |  | 7. Robert Bosch |  |
| 3. Google |  | 8. Cisco Systems |  |
| 4. Walt Disney |  | 9. Rolls-Royce |  |
| 5. BMW |  | 10. Colgate-Palmolive |  |

These best perceived companies in terms of CSR develop and initiate future-orientated measures in a wide range of fields

Selected examples of social corporate responsibility measures by international companies with best reputation in different countries (Denmark, USA, Germany)



- > In 2014, the Local Community Engagement Programme was established, working in partnership with the LEGO Foundation to build and **support local communities** through voluntary engagement of LEGO's employees
- > LEGO made a commitment of **100% renewable energy usage** by 2020 and therefore invested in its own wind farm



- > Through its program YouthSpark, Microsoft cooperates with non-profit-organizations in more than 50 countries to **improve computer science education**
- > In 2016, Microsoft developed a roadmap encompassing 78 specific policy recommendations to create a **trusted, responsible, and inclusive cloud**



- > BMW supports **more than 200 nature and social projects** in 42 countries
- > Together with the UN initiative Alliance of Civilizations, BMW entered into a close partnership and launched the **Intercultural Innovation Award** to strengthen efforts in bridging cultural and religious gaps and fostering social peace in multicultural societies

The future of CSR lies in the creation of public value and the contribution to long-lasting relationships with recipient organizations

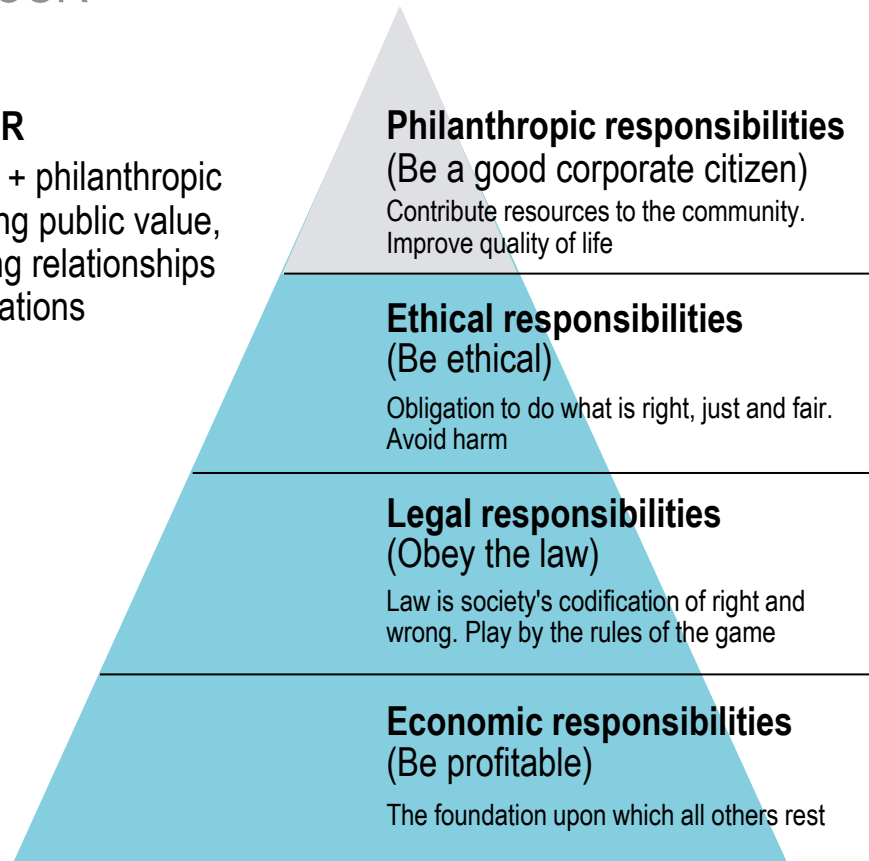
The pyramid of CSR

The **future** of CSR

Economic/legal/ethical + philanthropic responsibilities. Creating public value, establishing long-lasting relationships with benefiting organizations

The **past** of CSR

Economic/legal/ethical responsibilities. Avoiding harm, donating to benefiting organizations



Millennials (born 1980-2000) are shaping the future of CSR

- > 7 in 10 young US adults consider themselves to be social activists
- > 3 in 4 believe that corporations should create economic value for society by addressing needs
- > "CSR is millennials' new religion"¹⁾

1) Quote by Andrew Swinand, co-founder and managing director of Chicago-based Frequency540, a digital creative agency, and a co-founder of Abundant Venture Partners, an early stage business accelerator

Companies acting as corporate citizens are no altruists, but add economic value and bring sustainability to their business models

- > Companies need to **decouple** their economic activities from **resource use** and environmental impact. A promising way to do so is to follow the approach of a **circular economy**. Prominent examples of companies contributing to a circular economy prove that the approach works. They invest in **innovation** and implement **sustainable business models**
- > Companies acting as **corporate citizens** embrace responsibility for corporate actions by encouraging a **positive impact** on the environment and on stakeholders including consumers, employees, investors, communities, and others. The demand for reporting in areas of **corporate social responsibility** has risen, influencing stock markets and overhauling international reporting standards. After several sustainability indices had been established, among others the Dow Jones Sustainability Index in 1999, the International Accounting Standards Board included reporting on sustainability in its International Financial Reporting Standards framework
- > The global **increase in corporate activities** regarding **sustainability and social responsibility** is demand-driven. From 2011 to 2015 the share of **customers willing to pay more** for goods and services from companies that act sustainably and along socially responsible guidelines increased by 21 percentage points from 45% to 66% on a global average
- > The value of businesses is increasingly tied to a closer **integration of stakeholders**. Demand-driven CSR management of firms allows for a more **customer-driven growth** in which companies aim to maximize customer satisfaction instead of shareholder value. This shift can be seen e.g. in investment funds actively seeking green investment opportunities and also in customers asking for **more sustainable products**. Moreover, as certain stakeholders formally reject non-sustainable business models, an additional impact on future investment strategies on capital markets is to be expected. For instance, the Rockefeller Foundation, whose fortune originates from the oil business, is now turning away from fossil fuel investments

Challenges in foreign markets force companies to make their global value chains more resilient and consider more varied options

- > **Going international** offers a broad range of **opportunities** for companies, such as tapping into growing markets and accessing new innovation potential, or taking advantage of lower cost production. But with internationalization also come a number of **challenges**
- > Such challenges often stem – as we described in subtrend 1 – from the **political sphere**, e.g. inter- and intrastate conflicts that undermine political stability and protectionism negatively influencing business conditions for foreign companies. There are **further wide ranging risks** such as volatile currencies or threats to proprietary know-how, which often requires more complex protection in foreign markets. With these facts in mind, companies need to make their global value chain **more resilient to internal uncertainties and external shocks**
- > In order to increase resilience, international companies should consider **spreading their business risks by widening their geographical footprint**. Companies in the **early stages of internationalization** should particularly seek to factor in exposure to global risks vis-à-vis careful considerations of cost advantage or growth potential, and – if in doubt – **start with the "safest" location**



Companies should seek cooperation with NGOs to mutually benefit from know-how and reputational standing

- > **NGOs** are an increasingly **important stakeholder** for companies. Working together can improve companies' value chains in terms of sustainability and improve **reputation**. Additionally, companies can benefit from NGOs' **expertise** in dealing with complex stakeholder relations, particularly in developing countries. As governmental resources to fight challenges such as climate change, water scarcity and epidemics are finite, the importance of NGOs is set to grow and, in turn, this will also extend to **cooperation projects**
- > A close relationship between a company and a NGO can lead to a **strategic partnership**. For example, the German retail group Edeka is in **partnership with the WWF** (World Wide Fund for Nature). WWF supports Edeka to help lower its global carbon footprint by reducing CO₂ emissions, by improving its use of agricultural resources and saving water. Edeka can make use of the logo of WWF on selected products and thereby profits from the NGO's excellent reputation
- > A **caveat** remains: Many NGOs have evolved into large, corporate-style businesses. They have built up overheads and **professionalized their fundraising** (partly by outsourcing to professional service companies) due to strong inter-NGO competition for funds, clouding or side-stepping the original charitable goal. And – like any other organization – NGOs are **not immune to scandal** or corruption. If the reputation of an NGO is under scrutiny, knock-on effects on cooperation partners are likely



Acting as a good corporate citizen and actively promoting such values can increase market share and economic returns

- > In order to foster a sustainable development, companies should try to **decouple** their growth from their **resource use** (both on consumer and producer side) which can be obtained for example by innovation, raising efficiency or the production of more durable products. Instead of single use products, these can be **reused** by others or companies could offer the possibility to **remanufacture** an outdated product to get a new, up-to-date version of that product. If none of those options are possible, the materials should at least be **recycled**
- > The majority of **customers** already expects a certain level of socially **responsible behavior** of companies. This attitude is particularly strong amongst **millennials**, the generation that will influence the future of our society and economy. Companies should act as **good corporate citizens**, i.e. thoroughly consider the needs and objectives of their **stakeholders**, and use this approach to pursue market share. Active promotion is key to make this approach **successful** amongst current and potential customers, investors and other stakeholders
- > When it comes to **investment** decisions, sustainability aspects are increasingly factored in. As a result companies that are paying close attention to stakeholder values find it easier to **raise capital** as well as conquer markets. In this respect, **stakeholder and shareholder value approaches** are merging
- > Considering all stakeholder groups can be hard work. To **optimize efforts**, companies should **monitor** the various groups' actions, understand interdependencies and aim to **balance out efforts**. To control cost, synergies across diverse stakeholder groups should be identified



Most important sources and material for further reading

Most important data sources

- > Sustainable Society Index 2016
<http://www.ssindex.com/data-all-countries/>
- > Heidelberg Institute for International Conflict Research, Conflict Barometer 2016
https://www.hiik.de/en/konfliktbarometer/pdf/ConflictBarometer_2016.pdf
- > OECD, Official Development Assistance 2016
<http://www.compareyourcountry.org/oda?page=0&cr=oeed&lg=en>
- > Charities Aid Foundation, World Giving Index 2017
<https://www.cafonline.org/about-us/publications/2017-publications/caf-world-giving-index-2017>
- > Archie B. Carroll, The Pyramid of Corporate Social Responsibility
<http://faculty.wvu.edu/dunnc3/rprnts.pyramidofcsr.pdf>



Further reading

- > United Nations, The Sustainable Development Goals Report 2017
<https://unstats.un.org/sdgs/files/report/2017/TheSustainableDevelopmentGoalsReport2017.pdf>
- > OECD, Green Growth Indicators 2017
<http://www.oecd.org/environment/green-growth-indicators-2017-9789264268586-en.htm>

Please contact us if you have any questions or comments –
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Trend Compendium

<https://www.rolandberger.com/en/Dossiers/Trend-Compendium.html>

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