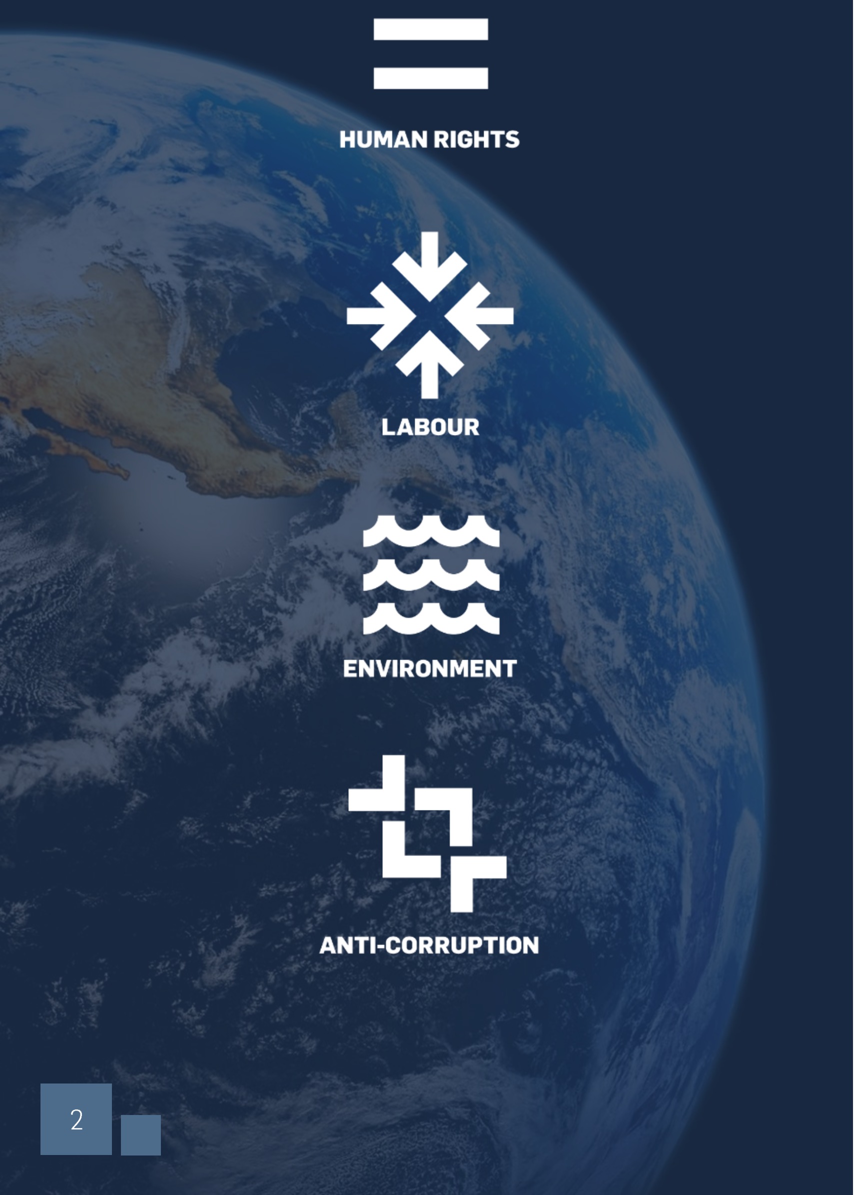
CFO COALITION FOR THE SDGs

Meeting w/ FCC Construccion

October 20th, 2022



AGENDA

1. AGGREGATE OVERVIEW OF CFO PRINCIPLES IMPLEMENTATION REPORT RESULTS
2. CONSTRUCTION, MATERIALS, AND REAL ESTATE MACRO-SECTOR FOCUS
3. NEXT STEPS

1 AGGREGATE OVERVIEW OF CFO PRINCIPLES IMPLEMENTATION REPORT RESULTS

CFO COALITION FOR THE SDGS

THE COALITION REPRESENTS 30 INDUSTRIES AND 6 FINANCIAL SERVICES SPANNING THE ENTIRE INVESTMENT VALUE CHAIN

Constructions, Materials, and Real Estate

- Building Materials
- Construction
- Real Estate Development

Most addressed SDGs

Consulting

- Management Consulting
- Technical Services

Most addressed SDGs

Consumer Products

- Agriculture
- Beverage
- Beverages
- Consumer Goods
- Cosmetics
- Food Processing
- Online Retail
- Physical Retail

Most addressed SDGs

Energy & Utilities

- Electric Utility
- Energy Infrastructure
- Multiutilities
- Nuclear
- Oil & Gas
- Renewables

Most addressed SDGs

Industrial Goods

- Aerospace, Defense, and Security
- Auto Parts
- Chemicals
- Electrical Equipment
- Industrial Free Zone
- Oilfield services and equipment
- Packaging & Containers
- Paper & Forest products
- Steel Manufacturing

Most addressed SDGs

Telecom, Media, and Tech

- Telecom
- Software & Computer Services

Most addressed SDGs

Advisors

- Banking
- Development Bank
- Insurance, Investment Management
- Investment Management
- Legal
- Rating Agency

USD 1.3 T

MARKET CAP

Please note the displayed most addressed SDGs are the top 5 resulting from the analysis of the SDG targets submitted by companies in each macro-sector

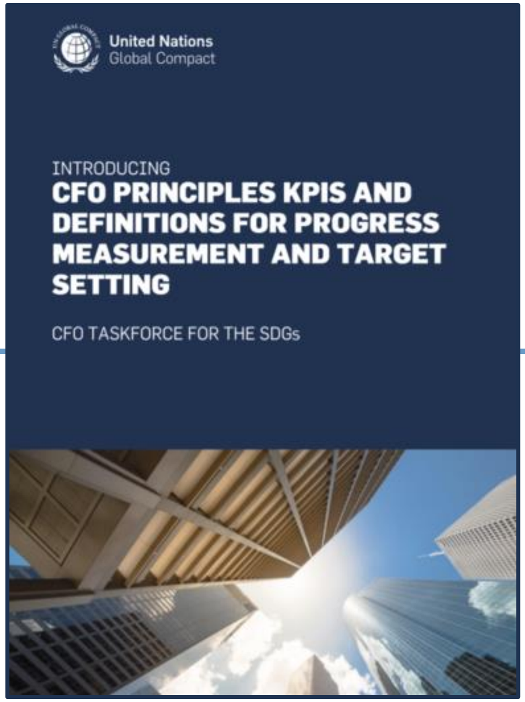
***Source** UN Global Compact CFO Coalition for the SDGs*

CFO COALITION FOR THE SDGS

CFOs REPORTED ON SDG STRATEGY, INVESTMENTS, FINANCE, AND COMMUNICATION

2020

2021



2021

2022

80%

response rate

Source *UN Global Compact CFO Coalition for the SDGs*

CFOs ARE INCREASINGLY SETTING TARGETS TO QUANTIFY THE IMPACT OF SUSTAINABILITY STRATEGIES

Reported targets	465 ***36*** ***# OF COMPANIES***
KPIs used in SLBs/SLLs	90 ***19%*** ***OF REPORTED TARGETS***
Targets benchmarked	240 ***52%*** ***OF REPORTED TARGETS***
Performance on target independently verified	306 ***66%*** ***OF REPORTED TARGETS***
Most addressed SDGs (aggregate for all Coalition)	13 CLIMATE ACTION — 1 12 RESPONSIBLE CONSUMPTION AND PRODUCTION — 2 7 AFFORDABLE AND CLEAN ENERGY — 3 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE — 4 8 DECENT WORK AND ECONOMIC GROWTH — 5

Source UN Global Compact CFO Coalition for the SDGs

CFO COALITION FOR THE SDGS
CURRENT MEMBERS OF THE COALITION INVESTED $ 110B TOWARD THE SDGs

Strategy | Investments | Finance | Investor Relations

ALL INVESTMENTS	2020 ACTUAL	2021 ACTUAL	AGGREGATE 2022 to 2025 PROJECTION
SDG-aligned investments*	$ 53,6B** 41% OF ALL INVESTMENTS	$ 54,5B 45% OF ALL INVESTMENTS	$ 332B 66% OF ALL INVESTMENTS
CAPEX		$ 24B 26 # OF COMPANIES	
OPEX		$ 16B 21 # OF COMPANIES	
M&A + Other		$ 3B 8 # OF COMPANIES	

** Total actual and projected investments were reduced from the $ 500B (2021 to 2025) as a result of macroeconomic factors and excluding certain underwriting activities for banks as SDG investments.*
*** Based on answers from 29 companies.*
Source UN Global Compact CFO Coalition for the SDGs

CFO COALITION FOR THE SDGS

COMPANIES IN THE COALITION HAVE REPORTED 127 EXAMPLES OF SDG-ALIGNED INVESTMENTS

	2021 ACTUAL
Reported investments	127 27 # OF COMPANIES
Investments linked to SDG targets	98 77% OF REPORTED INVESTMENTS
# of CAPEX	56 44% OF REPORTED INVESTMENTS
# of OPEX*	44 35% OF REPORTED INVESTMENTS

** As per the CFO Principles KPIs and Definitions for Progress Measurement and Target Setting OPEX expenses can be considered as SDG-aligned investments when they are directed toward human capital (e.g., training of workforce, [...])*

***Source** UN Global Compact CFO Coalition for the SDGs*

Strategy | Investments | Finance | Investor Relations

CFO COALITION FOR THE SDGS
SDG FINANCE HAS INCREASED 55% YoY

	2020 ACTUAL	2021 ACTUAL	AGGREGATE 2022 PROJECTION
SDG finance	$ 87B* 27% OF ALL DEBT	$ 135B 34% OF ALL DEBT	$ 91B
Sustainability-Linked Bonds		$ 33B 10 # OF COMPANIES	$ 11B 8 # OF COMPANIES
Sustainability-Linked Loans/Revolving Credit Facilities		$ 58B 21 # OF COMPANIES	$ 57,6B 18 # OF COMPANIES
Use-of-proceeds instruments		$ 36,8B 14 # OF COMPANIES	$ 25,7B 11 # OF COMPANIES

** Based on answers from 26 companies.*
***Source** UN Global Compact CFO Coalition for the SDGs*

2 CONSTRUCTION, MATERIALS, AND REAL ESTATE MACRO-SECTOR FOCUS

CONSTRUCTION, MATERIALS, AND REAL ESTATE MACRO-SECTOR FOCUS
MORE THAN 60% OF TARGETS HAVE BEEN BENCHMARKED

Reported targets	67 ***6*** ***# OF COMPANIES***
KPIs used in SLBs/SLLs	8 ***12%*** ***OF REPORTED TARGETS***
Targets benchmarked	42 ***63%*** ***OF REPORTED TARGETS***
Performance on target independently verified	45 ***67%*** ***OF REPORTED TARGETS***
Most addressed SDGs (aggregate for all Macro-sector)	

Source UN Global Compact CFO Coalition for the SDGs

CONSTRUCTION, MATERIALS, AND REAL ESTATE MACRO-SECTOR FOCUS

6% OF ALL INVESTMENTS WERE SDG-ALIGNED IN 2021 FOR THE CONSULTING MACRO-SECTOR

ALL INVESTMENTS	2021 ACTUAL
SDG-aligned investments*	$ 645M 6% OF ALL INVESTMENTS
CAPEX	$ 437M 4 # OF COMPANIES
OPEX	$ 113M 3 # OF COMPANIES
M&A + Other	$ 44M 3 # OF COMPANIES

Source UN Global Compact CFO Coalition for the SDGs

CONSTRUCTION, MATERIALS, AND REAL ESTATE MACRO-SECTOR FOCUS

11 INVESTMENT EXAMPLES WILL BE REPORTED BY THE COALITION

	2021 ACTUAL
Reported investments	19 *3* # OF COMPANIES
Investments linked to SDG targets	11 *58%* OF REPORTED INVESTMENTS
# of CAPEX	11 *58%* OF REPORTED INVESTMENTS
# of OPEX*	2 *10%* OF REPORTED INVESTMENTS
# of M&A and Other	3 *16%* OF REPORTED INVESTMENTS

** As per the CFO Principles KPIs and Definitions for Progress Measurement and Target Setting OPEX expenses can be considered as SDG-aligned investments when they are directed toward human capital (e.g., training of workforce, […])*

Source UN Global Compact CFO Coalition for the SDGs

CONSTRUCTION, MATERIALS, AND REAL ESTATE MACRO-SECTOR FOCUS

SDG FINANCE REPRESENTS, ON AVERAGE, 22% OF ALL CORPORATE DEBT

	2021 ACTUAL	2022 PROJECTION
SDG finance	$ 10B 22% OF ALL DEBT	$ 13B
Sustainability-Linked Bonds	$ 1B 1 # OF COMPANIES	$ 3B 1 # OF COMPANIES
Sustainability-Linked Loans/Revolving Credit Facilities	$ 9B 3 # OF COMPANIES	$ 10B 3 # OF COMPANIES
Use-of-proceeds instruments	$ 280M 1 # OF COMPANIES	$ 561M 1 # OF COMPANIES

Source *UN Global Compact CFO Coalition for the SDGs*

3 NEXT STEPS

NEXT STEPS
UPCOMING EVENTS

SDG INVESTMENT FORUM

Malaysia

November 23rd, 2022

Kuala Lumpur – EQ Hotel

Agenda

- Welcome remarks
- Keynote Global South as the hub for Sustainable Finance
- Panel 1 The central rôle of CFOs: boosting an efficient transition
- Panel 2 The Role of Financial Institutions in Fostering Sustainable Finance
- Presentation 1 SDG-aligned Investments from the CFO Coalition Construction, Materials, and Real Estate macro-sector
- Presentation 2 SDG-aligned Investments from the CFO Coalition Industrial Goods macro-sector
- Panel 3 The Investors' view: encompassing sustainability into companies evaluation
- Presentation 3 SDG-aligned Investments from the CFO Coalition Energy and Utilities macro-sector
- Panel 4 Islamic Finance and the SDGs
- Closing remarks

Participation

CFOs

Community of Experts

Investors

Intermediaries

UN agencies

Partners

Media

Source UN Global Compact CFO Coalition for the SDGs

United Nations
Global Compact

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