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## **PRESS RELEASE**

### **19 years on, the Global 100 Index continues to track higher total returns**

*Corporate Knights' 19th annual ranking of the world's 100 most sustainable corporations shows a continued correlation between sustainable business and high returns.*

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From companies reporting unprecedented growth in sustainable revenue to an increase in diverse leadership among boards and executive teams, the Global 100 most sustainable corporations in the world continue to up their game in the transition to a sustainable economy.

The annual ranking devised by Corporate Knights quantitatively compares and ranks the world's largest publicly traded companies, equally emphasizing the impact of a company's operations along with its core products and services on people and the planet. The ranking is based on a rigorous assessment of 6,720 companies with more than US\$1 billion in revenues, among which U.S. metal recycler Schnitzer Steel emerged as 2023's most sustainable corporation.

"For 19 years, Global 100 companies have been at the forefront of the sustainability transition. Today, they continue to outperform the blue-chip benchmark, the MSCI ACWI, and other ESG indices," says Toby Heaps, Corporate Knights' CEO and co-founder. "If we let the numbers speak for themselves, it's clear that businesses taking sustainability seriously are ahead of the pack when it comes to reaping financial returns."



Global 100 companies direct nearly seven times (47% vs 7%) more capital into sustainable investments as a percent of total investments and generate 10 times (50% vs 5%) more sustainable revenue as a percent of total revenue compared to the MSCI All Country World Index (ACWI). The Global 100 Index has also continually tracked higher total returns (net US\$) since its inception in 2005. Even though the Global 100 does not take risk return into account, it also outperforms every other global sustainability index with at least a 10-year history, including through the turbulence of the last year. With the Russian attack on Ukraine, oil prices surged to over US\$110 per barrel by March 2022, sending oil and gas stocks climbing. Still, the Global 100, with only one oil and gas stock – Neste, the Finnish leader on sustainable aviation fuels – still managed to outperform the MSCI ACWI, which holds 6% in oil and gas. A dollar invested in an index composed of Global 100 companies on February 1, 2005, would have generated a return nearly 1.2 times larger than the same investment in the MSCI ACWI (total return 270.7% compared to 222.1%).

### Total Return Net - USD since Global 100 Index inception



*The Global 100 outperformance story has yet again proven that sustainable growth is here to stay and that focusing on people and the planet makes for better business.*

This year’s Global 100 companies are at the cross-section of a multi-dimensional sustainability transition and are collectively exploring overlapping themes, including grid innovation, circularity and land renewal. For instance, 2022’s top-ranked company, Schnitzer Steel, acquires, processes and recycles millions of tons of scrap metal each year. Similarly, third-ranked company Brambles Ltd. leverages a “share and reuse” model to manage a network of reusable pallets, crates and containers. With 30 new companies making the ranking, the Global 100 represents a broader shift among business communities worldwide.



"For more than a century, Schnitzer has been developing robust networks to collect, process, and deliver recycled metals to customers in North America and around the world," explains the company's CEO, Tamara Lundgren. "Our work and our purpose have never been more relevant than they are today. Global climate commitments are requiring companies and countries to better understand the environmental impacts of their supply chains and to seek out the most sustainable materials available to achieve their carbon reduction targets and advance the circular economy. Executing our Sustainability strategy by reducing our environmental impact and developing solutions for our customers and suppliers to do the same reinforces our role as a responsible neighbor and steward in the communities in which we operate."

Global 100 companies have a combined market value of US\$7.3 trillion, more valuable than the US\$6.8 trillion market value of the entire oil and gas sector (a number which is temporarily inflated due to the conflict in the Ukraine), positioning the Global 100 as a key driver in the global economy. And while Global 100 companies are positioning their businesses to serve the planet, they are reaping the rewards. Global 100 firms are 33 times more carbon efficient than their ACWI peers. Global 100 company leaders are further incentivized to do good for people and the planet, with 80 of them implementing CEO sustainability pay links. For the first time, Corporate Knights assessed the percent of CEO variable compensation tied to sustainable business decisions.

One area where Global 100 firms do not outperform the blue-chip benchmark is the ratio of taxes paid, where Global 100 and ACWI firms are neck and neck. Similarly, ACWI firms have a slightly lower CEO-to-average-worker pay ratio and are catching up in terms of gender diversity among executives and board members. But while the Global 100 ranking focuses on highlighting the world's most sustainable corporations, progress across the broader universe denotes undercurrents of change, as the transition to a sustainable economy accelerates.

"While a degree of competition incentivizes innovation among the Global 100, these companies ultimately exist within an ecosystem of businesses working to advance a shared vision," Heaps explains. "If anything, the Global 100 highlights the abundance of opportunity and reward that exists for corporations willing to authentically adopt sustainable business practices. There is room at the top for many more. In the meantime, Global 100 companies are paving the way for a new generation of sustainability leaders."

*A digital version of the ranking and further contextual and methodological information is available at [corporateknights.com/global100](https://corporateknights.com/global100).*



## **What is the Global 100?**

Since 2005, the Global 100 has been one of the world's most valued and transparent rules-based sustainability ratings that emphasizes the impact of a company's core products and services. It is the best-performing global sustainability index (ticker: CKG100), with more than 10 years of history. All publicly traded companies with more than US\$1 billion in revenue are assessed across 25 key performance indicators (KPIs) covering resource management, employee management, financial management, sustainable revenue and sustainable investment, and supplier performance. Companies engaging in "red flag" activities such as blocking climate policy and contributing to deforestation are disqualified. Our methodology illuminates the "say-do" gap. Only those companies making sustainable solutions a core part of their business offerings and allocating meaningful investments to reduce their carbon footprints make the grade.

## **About Corporate Knights**

Corporate Knights Inc. is an independent media and research B Corp. Its media division publishes the award-winning sustainable-economy magazine *Corporate Knights*, circulated in *The Globe and Mail*, *The Washington Post* and *The Wall Street Journal*. Its research division produces sustainability rankings, research reports and financial product ratings based on corporate sustainability performance. Learn more at [corporateknights.com](http://corporateknights.com).

