BUSINESS LEADERSHIP BRIEF FOR HEALTHY PLANET, HEALTHY PEOPLE
ABOUT THE UNITED NATIONS
GLOBAL COMPACT

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universal principles in the areas of human rights, labour, environment and anti-corruption. Launched in 2000, the mandate of the UN Global Compact is to guide and support the global business community in advancing UN goals and values through responsible corporate practices. With more than 9,500 companies and 3,000 non-business signatories based in over 160 countries, and more than 60 Local Networks, it is the largest corporate sustainability initiative in the world.

For more information, follow @globalcompact on social media and visit our website at unglobalcompact.org.

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## CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INTRODUCTION</strong></td>
<td>4</td>
</tr>
<tr>
<td><strong>TACKLING CLIMATE CHANGE IS THE CENTURY’S GREATEST GLOBAL HEALTH OPPORTUNITY</strong></td>
<td>6</td>
</tr>
<tr>
<td><strong>WE NEED TO BECOME SYSTEMS CHANGE AGENTS</strong></td>
<td>14</td>
</tr>
<tr>
<td><strong>DOES IT PAY?</strong></td>
<td>20</td>
</tr>
<tr>
<td><strong>TAKING AN INTEGRATED BUSINESS APPROACH FOR HEALTHY PLANET, HEALTHY PEOPLE</strong></td>
<td>24</td>
</tr>
<tr>
<td><strong>IN PURSUIT OF BUSINESS ACTION FOR HEALTHY PLANET, HEALTHY PEOPLE</strong></td>
<td>36</td>
</tr>
<tr>
<td><strong>HEADLINES – TAKE HOME MESSAGES FOR ACTION ON HEALTHY PLANET, HEALTHY PEOPLE</strong></td>
<td>48</td>
</tr>
</tbody>
</table>
INTRODUCTION

Lise Kingo
CEO & Executive Director
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There is a growing understanding of the interconnections between climate change, the degradation of our natural support systems and human health among scientists, policymakers and the communities directly impacted by the changing climate and biodiversity emergencies. From a global health perspective, the evidence-based links between health and climate change are growing. Dots are being connected between dengue and warmer temperatures; lung disease and air pollution; obesity and urbanization; malnutrition and unsustainable agriculture.

The message is simple: human activity impacts the climate and nature's ability to regenerate, which in turn impacts human health and well-being, and as a consequence productivity and socio-economic development. Although the logic of this message is embedded in the 2030 Agenda and its Sustainable Development Goals (SDGs), silos within and across sectors of our economy separate global health and climate — and are limiting our pace and progress.

To create a future where everyone thrives, we need to do more than treat the symptoms of disease. We need to get ahead of the curve and take preventive action against the harmful impacts on the health of the planet and people, recognizing that business-as-usual approaches will not be enough.

This is the background for why in September 2017, together with a coalition of leading international businesses, academic thought leaders and civil society organizations, the United Nations Global Compact launched our “Health is Everyone’s Business” Action Platform. We recognized the urgent need for transforming the way we think and act on health and well-being as a systemic driver and leading indicator for our ability to deliver on the 2030 Agenda for Sustainable Development. Our motivation for taking action was based on a series of key insights: first, Goal 3 (Good Health and Well-Being) is among the most “popular” Global Goals. Sixty per cent of UN Global Compact participants state they act to advance health and well-being. Looking beyond the numbers, it is also clear that health is widely perceived as the main responsibility of the health care sector, not as a broader business responsibility.

While most businesses understand and recognize their responsibility for the health and safety of their employees, few have connected the dots between their business actions and health outcomes in the market place, in society more generally and in the supply chain. And even fewer are taking integrated health and climate action to generate accelerated impact. Finally, the public health community, civil society and policymakers are becoming increasingly concerned about the “commercial determinants for health,” calling for greater accountability among businesses to recognize their direct and indirect health impacts in society, as well as political and fiscal measures to incentivize change. These barriers to achieving solutions at the intersection of human health and the health of the planet require a mindset shift.

Our intent with this Brief is to inspire transformative action from companies that involves a shift in mindset and a willingness to take ambitious action that embraces changes in the way current markets operate. The case for becoming a planetary health leader is clear as day, but it also makes good business sense. Companies that place human health and well-being as a key outcome of their climate and environmental policies and practices outperform their peers, with the opportunity to:

- Rally their employees behind a meaningful and relevant social purpose.
- Build societal trust and the license to operate by taking a human-centered approach to business.
- Prioritize those catalytic actions that have multiple co-benefits for the health of the planet and people, thereby maximizing the resources, speed and impact within and outside the organization.
- Measure the social and economic health and well-being upsides from their climate and environmental investments.
As the world’s largest sustainable business initiative the UN Global Compact calls on companies to align their strategies and operations with our Ten Principles, each drawn from UN declarations and conventions, including the Declaration of Human Rights. Placing “the right to well-being” as a driver of necessary and urgent climate and environmental action is about taking a principles-based approach to business. It is about recognizing the harm business can have on people and planet, and mitigating those impacts. It is working through partnerships and innovative business models to make the world a better place to live for generations to come.

I would like to acknowledge our coalition of partners for their great contribution to the 2030 Agenda. Thank you for your leadership and for your bold vision of a world where every person’s right to live well and in good health is respected. Let’s take the necessary action — together — to get there.

To create a future where everyone thrives, we need to do more than treat the symptoms of disease.

Taking integrated action towards the health of people and planet not only provides many business opportunities, but is also imperative for protecting human rights, ensuring no one is left behind. A recent Lancet Commission called out the urgency of tackling the “Global Syndemic of Obesity, Malnutrition and Climate Change.” The Commission proposes that five interrelated human rights — recognized by international law—collectively constitute “the right to well-being”: The right to health, the right to food, cultural rights, the rights of the child and the implied right to a healthy environment.

At the UN Global Compact, we agree. When our children are robbed of the opportunity to live a life in good health and well-being — because of the air they breathe, the food they eat, the water they drink — then that is a grave violation of essential human rights, and a wrong we need to urgently remediate.
Presently, however, the world is on track for warming of approximately 3°C by the end of the century. By 2030, we have to reduce carbon emissions by at least 49 per cent from 2017 levels, and then achieve carbon neutrality by 2050 to meet the 2°C warming target of the Paris Agreement.

A healthy future also requires transitions that deliver improved air quality and give people access to clean water, sanitation and hygiene and access to healthy and nutritious diets.

The opportunities for taking actions that have simultaneous co-benefits for the climate and health are significant, as are the socioeconomic advantages from greater health and productivity. Such actions include:

- Ramping up renewable energy systems such as wind and solar power to lower carbon dioxide emissions and reduce respiratory diseases associated with urban air pollution
- Expanding forests to increase their capacity to pull carbon dioxide from the atmosphere
- Transitioning the global food system to steward human health and environmental sustainability, through sustainable agricultural practices and government incentives that promote healthy diets
- Taking a health-centric approach to urban planning, including active and green mobility
- Changing lifestyles, e.g., eating less meat, riding bicycles and reducing air travel

Meeting the goals of the Paris Agreement could save approximately 1 million lives a year worldwide by 2050 through reductions in air pollution alone. The global health benefits of reducing air pollution and reaching the climate targets of the 2015 landmark climate Paris Agreement could be as high as $54.1 trillion dollars, at a cost of only $22.1 trillion.

Planetary health is defined as “the health of human civilization and the state of the natural systems on which it depends.”

Rockefeller Foundation Economic Council on Planetary Health at the Oxford Martin School

6. Intergovernmental Panel on Climate Change (IPCC), Special report, Global warming of 1.5°C. 2018 (https://www.ipcc.ch/sr15/).
Business Action for Planetary Health

Zerho Waste Management’s waterless toilets protect water quality and provide fertilizer

Globally, at least 2 billion people use a drinking-water source contaminated with feces, most living in underdeveloped countries.¹ Farmers in these countries also spend a large percentage of their budget on fertilizer. Zerho Waste Management, a South African sanitation company, has tried to simultaneously address these challenges through their waterless toilets.² The small and low-cost toilets do not require plumbing or drilling and therefore remove the risk of contaminating water with human faeces. The toilet is designed to separate liquid and solid waste. It uses sunshine to dehumidify the waste and kill all harmful bacteria. The built-in basket helps collect dry waste that can be used to produce safe fertilizer for farmers. The waterless toilets provide environmental and health co-benefits by improving water quality, reducing human health risk from certain water-borne diseases, and recycling waste into fertilizer.

THE AIR WE BREATHE

600,000 CHILDHOOD DEATHS FROM RESPIRATORY DISEASE EVERY YEAR

90% of children breathe toxic air every day.¹

AIR POLLUTION COSTS $225 BILLION ANNUALLY

40% of the world’s population — including 1 billion children are exposed to polluted household air.²

AIR POLLUTION CAUSES 1.1 MILLION DEATHS IN INDIA EVERY YEAR

2. Ibid.
3. Ibid.

Business Action for Planetary Health

AstraZeneca implements clean cooking fuel technology for healthier air quality in Kenya

AstraZeneca has launched a pilot project at Dunga Beach in Lake Victoria, western Kenya, to tackle the pressing issue of indoor air pollution. The project aims to prevent exposure to air pollutants by offering a clean substitute to wood-burning cookstoves. In partnership with a local firm, Biogas International Ltd., the project has introduced an innovative biogas technology to a peri-urban community in Dunga Beach. The technology involves mixing biodegradable waste materials with water hyacinth into digesters that produce biogas. Not only does the project aim to reduce the environmental determinants of pollution-related mortality and illness, it also has ecosystem benefits by using the invasive lake species, water hyacinth. The co-benefits of this project go beyond improving health, environmental, and ecosystem quality to creating social benefits. By providing a substitute for wood-burning cookstoves, the project reduces the time and effort spent by women and children in collecting firewood. The time saved can be invested in education and income-generating activities. Substituting the use of wood with solid fuel can also protect local forests from overexploitation.
THE WATER WE USE

WATERBORNE DIARRHEAL DISEASES CAUSE 2 MILLION DEATHS EACH YEAR

$4.3 RETURN ON EVERY DOLLAR INVESTED IN CLEAN WATER AND SANITATION

The economic benefits of investing in water and sanitation are considerable: an estimated gain of 1.5 per cent in global GDP.

Contaminated water and poor sanitation elevate the risk of transmitting diseases such as cholera, diarrhea, dysentery, hepatitis A, typhoid and polio.

2 BILLION PEOPLE USE CONTAMINATED DRINKING WATER

Globally, at least 2 billion people use a drinking-water source contaminated with feces.

Business Action for Planetary Health

Merck KGaA, Darmstadt Germany is fighting the environmental determinants of schistosomiasis

Merck KGaA is a leader in fighting schistosomiasis, a neglected tropical disease affecting 220 million people every year. In addition to a pediatric formula the company provides for individuals affected by the disease, Merck KGaA has also implemented preventative collaborative measures to tackle the environmental determinants of the disease. The common denominator for community exposure to schistosomiasis is lacking access to clean water, sanitation and hygiene. Communities highly affected by schistosomiasis are forced to use contaminated waterbodies for washing, bathing and drinking. Merck KGaA works with the Global Schistosomiasis Alliance to advocate for the control and prevention of the disease through a coordinated multi-stakeholder platform of public and private sector partners. The company is also starting a collaborative project in Senegal to support local water stations that provide access to safe water in many rural areas. Those stations will contribute to reducing the risk of waterborne diseases and diminish children’s vulnerability to these diseases.

Found in 2011, Impossible Foods set out with the mission to drastically reduce humanity’s impact on the global environment by decreasing reliance on animal farming. Impossible Foods’ business model provides plant-based meat alternatives to combat climate change and feed a population of 10 billion without compromising natural systems. It was founded with the intention of empowering consumers to help halt climate change, spare land for biodiversity, reduce net agricultural inputs and keep fresh water available for natural habitats to thrive while improving long-term food security.

Compared to beef, it requires 96 per cent less land, 87 per cent less fresh water, generates 89 per cent fewer GHG emissions, and results in 92 per cent less pollution to freshwater ecosystems.

By company commitment, all Impossible products also meet or exceed the nutritional profile of their animal-based counterpart. By providing meat-eaters with a plant-based alternative, the Impossible Burger provides an opportunity to free up land currently used for livestock feed like corn and soy to instead be used to directly feed people.

The cost of obesity in direct health care costs and lost productivity represents 2–8 per cent of global GDP, roughly the equivalent of smoking or armed violence and war. This makes obesity one of the top-three social burdens created by human beings.1–4

A planetary health diet is rich in plant-based foods with fewer animal-sourced foods, would also minimize severe environmental degradation.5

A serving of beef loses the vast majority of protein and calories that were contained in the plants consumed by the animal (about 97 per cent loss). Consuming meat made from plants is a more environmentally and nutritionally efficient way to meet planetary and health goals.

4. The Lancet Commission on Obesity.
A 1.5°C Warmer World

Heat stress can lead to increased deaths from heart and respiratory diseases, particularly in elderly or vulnerable populations.¹

Limiting Warming to 1.5°C Would Prevent 1.1 Million Deaths From Dengue Fever in South America

Compared to a 3.7°C scenario.²

Limiting Warming to 1.5°C Could Protect 10-40 Million People From Undernutrition

Compared to a 2°C scenario.³

An emerging governance framework for planetary health anchored in Human Rights

International human rights are a set of universal, indivisible, interdependent and interrelated freedoms and entitlements created by international treaties and customary international law. They are enforced through national and international legal systems.

The Global Syndemic of Obesity, Undernutrition and Climate Change: The Lancet Commission report proposes that five interrelated human rights collectively compose the framework for the right to well-being: the right to health; the right to food; cultural rights; the rights of the child; and the implied right to a healthy environment.

Regarding the latter, the Committee on Economic, Social and Cultural Rights (a UN body of 18 independent experts), has noted that "the right to health embraces a wide range of socioeconomic factors that promote conditions in which people can lead a healthy life, and extends to the underlying determinants of health, such as...a healthy environment."

The principles of human rights are at the heart of climate change-related litigation. Once mostly limited to the U.S., such lawsuits have now been filed in nearly 30 countries, targeting Governments and corporate polluters, according to the analysis conducted by the Grantham Research Institute on Climate Change and the Environment at the London School of Economics and Political Science. The report acknowledges that human rights are likely to be intrinsic to future litigation, given increasing acceptance of the impacts of climate change on health, livelihoods, shelter and other fundamental rights.

The UN Global Compact Ten Principles

The UN Global Compact is the largest corporate sustainability initiative in the world, with nearly 10,000 companies and 3,000 non-business signatories based in more than 160 countries, and more than 60 Local Networks. It is a call to companies everywhere to align their operations and strategies with ten universally accepted principles drawn from UN declarations and conventions in the areas of human rights, labour, environment and anti-corruption. The UN Global Compact urges businesses to take a principles-based approach to delivering on the 2030 Agenda for Sustainable Development. Health and well-being is embedded in the human rights principles. Companies should consider their health and well-being impacts — positive and negative — in the workplace, in the market place, and in the societies they rely upon, including their global supply chain.

¹ WHO Assembly. Health, environment and climate change.
² Colón-González, F. J. et al. (2018) Limiting global-mean temperature increase to 1.5–2°C could reduce the incidence and spatial spread of dengue fever in Latin America. PNAS.
I'm with her
WE NEED TO BECOME SYSTEMS CHANGE AGENTS

Dr. Sally Uren, Chief Executive, Forum for the Future

FORUM FOR THE FUTURE

Forum for the Future is a leading international sustainability non-profit with offices in London, New York, Singapore and Mumbai. Forum specialises in addressing critical global challenges by catalysing change in key systems, and equips global change makers through the School of System Change. For over 20 years, Forum has been working in partnership with business, Governments and civil society to accelerate the shift toward a sustainable future.

The climate, health and environmental challenges we currently face are now so urgent that we cannot afford to continue making the same mistakes and constantly introducing fixes that fail. Instead, we need to acknowledge the deeply interconnected nature of challenges we are facing, and accept that addressing them will require fundamental changes in the way we think and operate. This will mean new ways of doing business, new ways of investing, new ways of collaborating, and new ways of looking at the world and our role in it. In short, we need to become systems change agents.

Unpacking the jargon: What do we mean by systems, systems change and why is it unique?

A system is a configuration of parts joined together by a web of relationships towards a purpose. It is made up of elements, actors and interrelationships and is nested within other systems (e.g., the agriculture system fits within the food system). Systems operate at many levels: in cities, sectors, supply chains and organizations. They can also be natural systems, such as the ocean, or socially created systems, such as education and health care.

A systems approach shifts the focus from individual parts — such as a hospital or pharmaceutical manufacturer — to the organization of parts, including all actors, drivers, interactions and outcomes of health. A systems approach recognizes that interactions are not static and constant, but dynamic processes. Systems thinking identifies the interactions between different parts of a system and seeks to understand them to find solutions that go deeper to address the underlying causes of what is not working.

Systemic change comes about when relationships between different aspects of the system change so as to move towards new outcomes and goals. For example, this Leadership Brief is designed to play a role in driving systemic change in our health and environment systems by highlighting how change interventions can be designed to drive simultaneous benefits for human health and the health of the planet.

Systemic change is driven by transformational, not incremental change. By understanding the dynamism in any given system — and the way in which the parts of a system are constantly changing — we can harness this energy through targeted interventions and shift systems to shift their purpose. The challenge in front of us is to harness the current dynamics in the climate, health and environment systems to drive systems change that delivers multiple simultaneous co-benefits through a few targeted actions.
What are the moving parts in the system that can promote planetary health?

The multi-level perspective model (shown above) allows us to understand how systems can change. The multi-level perspective describes a system as being made up of three levels: landscape, regime and niche.

**The regime:** On a day-to-day basis, we operate within the regime. The regime includes the rules and regulations, technology, culture and economics that make our food, energy, financial or any other system function. The details of a regime generally change and adjust incrementally over time within the boundaries of the existing system. Our current regime favors multiple, unsustainable practices that harm the health of the planet and people. For example, the food industry receives more than $500 billion in annual agricultural subsidies from Governments. Jobs and livelihoods hinge upon them, but such subsidies also contribute to hardwiring unsustainable business practices that carry negative impacts on the health of the planet and people. Governments and business must work together to redirect these subsidies into more sustainable energy, agricultural and food system practices; financially rewarding the change we want to see, so new economic opportunities and jobs can open up.

**The landscape:** The regime is shaped by the landscape — the operating context that informs how things work in the regime. This includes long-term megatrends, physical limits and established cultural norms. Meat consumption, for example, is an indicator of economic development. Today, China is the largest consumer of meat in the world, set to account for 35 per cent of the protein market by 2025. Added to this is the pervasive Chinese “banquet culture,” which encourages lavish dining, and is responsible for 30–40 per cent of China’s food waste. How do we make a planet-friendly diet the attractive hallmark of economic development in countries like China? Can the lavish banquet model be reimagined to stop food waste?

**The niche:** Systems change is also influenced by what is happening outside and on the fringes of the system — the niche. This is where new innovations often emerge. The answer to China’s meat cravings could, for example, be plant-based meat (the business model of Impossible Foods, described on page 11 of this Brief), prepared in the Chinese tradition. Sometimes, such alternative solutions may have to be sneaked in. For example, at the Shanghai “Meat Fest” food festival in April 2019, where unsuspecting Chinese carnivores were presented with plant-based meat.

A big shift happens when pressures from the landscape (such as political transformations, macro trends such as climate change or rapid changes in societal expectations) and/or the development of strong alternative solutions in the niche combine to disrupt business as usual. If supported by people willing and able to push things further, these isolated instances of pioneering practices can tip into mainstream practice, which eventually creates a sustainable “new normal.” For example, a big shift towards a zero carbon economy is happening right now as landscape pressures
(actual climate change, mega trends of resource scarcity) are impacting awareness and behaviors in the regime where leading businesses and Governments are now willing to act and are looking for new solutions from the niche, such as renewable technologies, to scale and bring into the regime. Our economy is shifting right now due to this combination of landscape pressures, leaders willing to act, plus activists and innovations scaling.

### The three phases of change

Systems change usually has three phases, start-up, acceleration and stabilization. **Start-up**, where the landscape pressures begin to build. Take for example, climate change and food. Over the last several decades the science has become more and more definitive. The publication of The Intergovernmental Panel on Climate Change (IPCC) report in October 2018 played an important role in accelerating shifts in the system when it went mainstream. Add to that The EAT-Lancet Commission on Food, Planet, Health, which called out the food system’s impact on climate, environment and health. These important publications gained traction because of what people were beginning to experience in real life – hotter temperatures, more extreme weather events, disruptions in supply chains. What we are also seeing are a number of positive alternatives to our current high-carbon economy emerging from the niche, not least in new plant-based food choices. At the same time, climate activists are making their views known, especially the younger generation, who are willing to “walk the talk” in their consumer behaviors, enabling companies like MAX Burgers grow, and creating new markets for companies like Impossible Foods.

**Acceleration** happens when leaders from across multiple sectors in the regime are simultaneously willing to create a new way of operating, as the system is shifting. Olam International, a leading global food and agribusiness company, for example, is “reimagining sustainable agriculture” so that it is better for the 4.8 million farmers in their extended supply chain, the farmers’ communities and our planet. Danone, among the world’s largest food producers, in 2017 unveiled a signature vision coined, “One Planet. One Health.” with an ambitious growth strategy based on plant-based foods. Both companies are helped by retailers that follow consumer demand and shift their range of products to more plant-based foods. In the U.S. for example, in 2018, retail sales of plant-based foods grew 11.3 per cent, compared to a 2 per cent increase in overall food sales.

**Stabilization** — the big question is whether this acceleration phase will be fast enough to deliver a stable new system in which the new goal is carbon neutrality, better health and sustainable development by 2030. This will require concerted ambition loops in which policy development, regulation, financial incentives, product innovation and consumer demand create multiple simultaneous co-benefits. The only way this can be achieved is through multi-sector collaboration and partnerships.
The Nine Strategies for Change

When designing and delivering collaborative solutions at a sector level, Forum for the Future has identified nine strategies that can be used to drive systems change (Figure 2).

1. Create a robust case for change
   This is where change starts. When it comes to the intersections of health, climate and environment, a robust case for change has already been made. Now we need to make sure that the case for change reaches decision makers in ways they can absorb and understand, and helping to make it relevant to their businesses and their lives.

2. Provide equitable information flows and feedback loops
   Giving people new information in new ways, enabling better decision-making and creating new flows and feedback loops that reinforce change. For example, providing greater supply chain transparency, including to the consumer, to clarify where and how food is sourced; providing more information on the links between improved soil health and its impact on the nutritional quality of crops as well as soil's ability act as a carbon sink.

3. Create collaborations
   This is an essential part of tackling systemic challenges. It is also essential that collaborations focus on practical interventions, not just diagnosis, and include the actors in the system with the power and influence to change it. For interlinked climate, health and environmental challenges, it is critical to have business in the same room as academics and policy makers. The aim should be to move beyond single-sector and single-issue silos, and understand the necessity of shifting partners towards approaches which put more back into society and the environment than they take out.

4. Create new and disruptive innovation
   Use digital tools, for example, that allow citizens to understand the nutritional and environmental attributes of the food they buy. Designed to accelerate the systems change (Acceleration Phase).

5. Shift culture, behaviors and mindsets
   By, for example, making the climate, health and environment story a human one and appealing to both the rational and emotional case for change. Enlisting chefs and other influencers to drive a consumer movement towards tasty and affordable plant-based food.

6. Create the right incentives, business models and financing
   For example, reallocating subsidies towards regenerative agriculture practices and low-carbon diets, through payment for ecosystem services.

7. Enable routes for new innovations to scale
   By, for example, using the lever of public sector procurement policies, specifying the requirement for low/no carbon food and health outcomes.

8. Design to stabilize the systems change (stabilization phase)
   To stabilize shifts in systems and allow the change to be self-sustaining, policy changes are usually needed to create a level playing field. This brings up the laggards and creates a context in which leaders can continue to lead.

9. Develop rules, measures and standards
   By changing the measures that are used and setting better standards so that the criteria by which the system’s success is evaluated is changed and supported with new incentives or constraints. These can be social, market-based or regulatory.
Shifting mindsets

Changing behaviors and norms is difficult. In global health, we know this well. Enabling people to change their lifestyles — to quit smoking, exercise regularly and administer strict treatment regimes — is difficult, even when such behavior could add years to life. The first step to behavior change is mind-set shift. Our mindset must shift to one where we are willing to tackle, head on, the complexity and urgency of the challenges we face. Mindsets, including our cultures and values are often overlooked as barriers to change. For example, our current mindset around improving health focuses on medicine and not enough on prevention. Shifting our mindset towards a focus on health prevention could significantly lower costs of healthcare around the world. Most of all, shifting our mindset to be open to new solutions for old problems, will be critical in shifting the systems we fundamentally rely on.

Acknowledging our role

The first step in becoming systems change agents is to understand our own role in the system. Are our belief systems, our habits, our behaviors and practices — sector-wise, organizationally, professionally and privately — contributing to locking the system in unsustainable practices? What are the first steps we — as individuals, business leaders, policy makers, regulators — can take to start a chain of mutually reinforcing actions that can drive changes in the systems we currently rely on that will allow those same systems to support the health of the planet and people? Only by rethinking and reimagining our own roles can we change the whole.
**DOES IT PAY?**

**Steve Rochlin, CEO and Founder, Impact ROI**

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**IMPACT ROI**

Impact ROI helps organizations to deliver superior results against a scorecard of financial, social and environmental key performance indicators. As the lead author of the Project ROI research series, acclaimed by Forbes magazine as a game-changer for the field, Impact ROI has developed a pathway for companies, civil society organizations and Government agencies to deliver sustainable impact for people, planet and profit.

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**The historical corporate approach to health**

More than a century ago, the initial pioneers of responsible and sustainable business embraced a philosophy to make their workers and customers healthier through their association with the products and services companies they made, sold and bought. Despite the successful track record of early pioneers, it has taken years for industry to learn that a safe workplace is a more productive and profitable workplace. Many industries have only recently begun to take the same view towards product safety. Where, for example, automakers used to fight required safety measures, they now understand that well-marketed safety features drive sales. Today, automakers aggressively compete to innovate new and improved features that improve the well-being of drivers and passengers.

The current trend is for business to emphasize workplace well-being. In aggregate, global brands are investing billions to create workplaces that cater to employees' mental and physical wellness. Programmes typically have grown in industrial and post-industrial economies. Yet they have been slow to make their way across global supply chains in developing nations, where the drive to cut costs tends to win over the argument to support worker well-being.

**Reframing the corporate approach to health**

A recent report, supported by the Robert Wood Johnson Foundation in Princeton, N.J. argues that the time is overdue to reframe how businesses approach health. The report, “Driving Corporate Involvement in Community Health and Well-being,” assesses the implications of the social determinants of health for corporate competitiveness, financial growth and sustainability. The Centers for Disease Control and Prevention (CDC), part of the U.S. Department of Health and Human Services, defines the social determinants of health as “life-enhancing resources, such as food supply, housing, economic and social relationships, transportation, education and health care, whose distribution across populations effectively determines length and quality of life. These include access to care and resources such as food, insurance coverage, income, housing and transportation. Social determinants of health influence health-promoting behaviors, and health equity among the population is not possible without equitable distribution of social determinants among groups.” These social determinants are a central variable in predicting ongoing health and well-being, the prevalence of illness and mortality rates. Civil society leaders, health care professionals, thought leaders and policy makers increasingly expect business both to lead, and to partner, in advancing the social determinants of health.

At the same time, the distinction between the social determinants of health and the elements of the Sustainable Development Goals (SDGs) are becoming increasingly blurry. One cannot speak of sustainability without discussing health, and vice versa.

Corporate policies, processes, and practices impact the health of individuals and communities, often by affecting the natural environment. The growing climate
crisis, challenges to biodiversity, stresses on water and the presence of toxic pollutants affect the health of all. Impacts are seen globally, and a company’s office walls provide little protection. A strategy to address climate and environment is fundamentally a strategy to address health and well-being. Conversely, no strategy to advance health and well-being is complete without addressing climate and environmental issues.

The business case to taking an integrated approach to climate, environment and health

Mounting evidence finds that companies which take an integrated approach to climate and the environment outperform their competitors across a range of vital key performance indicators (KPIs). Our report finds, for example, that such companies have the potential to:

- Increase their share price by as much as 6%
- Increase sales by as much as 20%
- Increase employee productivity by as much as 13%
- Decrease employee turnover by as much as 50%
- Cut operating costs by the billions

Mobilizing greater business action on climate, environment and health

The business case listed here provides a powerful argument for businesses to advance an integrated approach to climate, environment and health. Yet, companies, both large and small, quickly become complex bureaucracies. Functions measured according to their profit and loss (P&L) live in silos, separate from the teams responsible for climate and environment. These silos must be broken to deliver integrated solutions to health, environment and climate.

It is imperative for Executive Leadership Teams to become aware and conversant with the business case outlined here. However, building their knowledge is only the first step. To operationalize the business case for climate, environment, and health, leaders and their direct reports must build the capability to translate the potential financial results into action plans that generate measurable progress on the KPIs used to track financial performance. These KPIs should:

- **Have a scientific basis.** Science-based targets used for the climate crisis can serve as a useful framework. Metrics should assess the potential negative and positive impacts associated with the company’s operations, supply chains and products/services. Companies should set targets to reduce negative impacts and increase positive benefits, according to the size of their relative contribution.

- **Use health as a leading indicator of environmental progress.** Since the social determinants of health drive well-being, companies should be able to use progress in health metrics to help indicate progress on environmental impacts.

- **Assess the business case.** Metrics should identify how improved health and well-being support financial and wider business KPIs, such as share price, sales, productivity, employee retention, etc.

The benefits of incentivizing more intentional and systemic business strategies to address an integrated approach to climate, environment and health are growing increasingly clear. The companies that advance this integrative approach will set in motion a powerful engine for future prosperity and enhanced quality of life for the people in the communities that they serve.
The journey towards greater health and environmental strategy integration

The guidance presented here provides a straightforward roadmap, the health and environment integration matrix, shown here in Figure 3. The matrix describes how companies can engage in leadership behavior on planetary health. The model draws on research related to creating strategic advantage through corporate social responsibility. It highlights how companies may gain strategic advantage through work with external stakeholders on issues of societal value, and the nature and necessity of integrated action. This emphasizes the value of designing initiatives to leverage cross-disciplinary competencies. The roadmap is informed by data from interviews with representatives from leading companies who participate in the UN Global Compact “Health Is Everyone’s Business” Action Platform.


Findings: Our research found that a business must take ambitious actions that have measurable health and environmental co-benefits, and offer long-term strategic advantage to the organization and all of its stakeholders, in order to be a leader in planetary health.
Navigating the health and environment integration matrix

Companies will find themselves operating in one of the four categories included within the Health and Environment Strategy Integration Matrix, found in Figure 3 above. Often, at the beginning of the journey, companies may not have intentionally enacted positive health or environmental initiatives (quadrant A). However, as businesses learn about the strategic value of these initiatives, they may begin to design and implement a number of solutions in each of these spaces that offer strategic value (quadrant B). For example, companies might implement employee preventative health programmes, or a renewable energy strategy. Companies might also implement initiatives that are integrated across health and environment, but are not necessarily strategic in design (quadrant C). This occurs when companies design actions that, by chance, have health and environmental co-benefits, without a defined strategy for targeting these co-benefits. For example, a company may implement a programme to improve climate change preparedness, without explicitly targeting the plan’s positive impact on employee or community mental health. The overall goal is for companies to strategically and intentionally integrate design and implementation of health and environmental goals and actions (quadrant D). For example, in designing a plan to protect water resources for production purposes, a company would conjointly examine the impacts on community health to target co-benefits.

Business guidance for health and environmental strategy integration

The publication, Blueprint for Business Leadership on the SDGs created by the UN Global Compact, presents a practical model for businesses seeking to make progress towards achieving the Global Goals. The Blueprint challenges companies to consider how five leadership qualities — intentionality, ambitiousness, consistency, collaboration and accountability — may be applied to create strategies and actions. The framework, which is based on the Blueprint, describes how the iterative application of these leadership qualities strengthens strategic integration of health and the environment to maximize co-benefits.
## Intentional
Integration of health and environmental initiatives is an intentional, core component of the company's strategy.

- Is your company committed to supporting the achievement of health and environmental co-benefits?
- Have you developed a holistic strategy that reflects this commitment covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve accordingly?
- Is your strategy supported by the highest levels of management including the Board of Directors?

## Ambitious
Integrated action delivers multiple co-benefits for health and the environment, exceeding that of the outcomes of stand-alone practices.

- Do your integrated actions achieve to sustainable outcomes that greatly exceed those resulting from current industry practice in which health and environmental outcomes are not linked?
- Are your actions aligned with what is needed to provide health and environmental co-benefits (Goal 3 along with Goals 6, 7, 13, 14 and 15)?

## Consistent
All organizational functions are aligned on the delivering positive outcomes for Goal 3 as a measurable sustainable development output.

- Is support for health and environmental strategy integration embedded across all organizational functions?
- Are staff and board incentives aligned with actions necessary to achieve health and environmental integration?

## Collaborative
Health and environmental integration initiatives embrace partnerships with businesses, government, and civil society.

- Does your company proactively seek opportunities to partner with governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to advance health and environmental integration?
- Do you mitigate risks associated with your actions?
- Do you engage stakeholders in a meaningful way?
- Do you remediate negative impacts associated with these actions?

## Accountable
Outcomes of integrated health and environmental initiatives are measurable, accountable, and transparent, while minimizing risk and engaging meaningfully with stakeholders.

- Does your company publicly express your commitment to health and environmental integration?
- Do you identify, monitor and report on impacts, including potentially adverse impacts of health and environmental integration?
- Do you engage stakeholders in a meaningful way?
- Do you remediate negative impacts associated with these actions?

---

## Key considerations for health and environmental integration

| Commitment and intentionality throughout the company to engage in actions which promote planetary health. |
| A robust, observable strategy throughout the company, which leverages high level of support from the C-Suite. |
| Ambitious actions which align with science, engage communities, and inspire others to take bold action. |
| Actions which cross organizational boundaries to consider employee, community, and consumer health, supply chain, product life cycle, and resource use impacts, and promote resilience. |
| Organizational functions intentionally aligned to advance progress on integrating health and environmental initiatives. |
| External communications consistently share messages of strategically integrated efforts on health and the environment. |
| Collaborative work on integrating health and environment occurs throughout the organization. |
| Long-term adequately resources, and sustainable partnerships with relevant stakeholders focus on addressing planetary health. |
| Commitments to integrating health and environmental initiatives are communicated to internal and external stakeholders. Progress on integrated initiatives is carefully monitored and publicly shared. |
Establish a business strategy that recognizes the interconnectedness of health and environmental risks

AstraZeneca’s integrated sustainability strategy for “Healthy Planet, Healthier People”

In 2019, AstraZeneca launched its new sustainability strategy, “Healthy Planet, Healthier People,” with a goal of linking the company’s environmental ambitions to its core business of health. AstraZeneca aims to promote human health by targeting environmental determinants such as the built environment, air and water pollution and climate effects on changing disease patterns, allergens and heat-related illness and deaths.

AstraZeneca’s strategy will focus on improving human health by addressing its environmental determinants throughout the value chain, including:

- **Pipeline**: understanding the environmental impacts on key therapy areas
- **Production**: improving environmental performance to protect human health
- **Products**: taking lifecycle considerations of products
- **Programmes**: taking targeted approaches to improving health through healthy environments
- **Partnerships**: participating in cross-sector work to develop environmental health indicators.

The company will take action on the environmental determinants of health: directly through its operations and through key partnerships throughout the healthcare sector. The company aims to raise awareness and contribute to advocacy across the public and private sectors by highlighting the connection between environment and health, especially around preventive solutions.

“In a complex world, a siloed approach to sustainability is not an option. We manage our value chain across the many facets, with the intention of promoting human health and wellbeing, encouraging inclusive working environments, creating growth and development opportunities, managing our environmental impacts and developing a wide range of programmes for our patients and communities.”

AstraZeneca Sustainability Report 2018
LEADERSHIP ACTION

Identify product opportunities that target health and environmental co-benefits for consumers

ROCKWOOL's products create healthier indoor environments

ROCKWOOL’s products play an integral role in ensuring a sustainable future, which has led to the company’s commitment to 10 of the Sustainable Development Goals (SDGs). ROCKWOOL focuses on three core elements in which its products can have the most positive impact: combatting climate change, growing the circular economy and safeguarding citizens’ well-being.

ROCKWOOL Group’s brands all contribute to various Global Goals, but focus on different applications of the stone wool materials. For example, ROCKWOOL insulation contributes to Goal 13 (Climate Action) while Rockfon acoustic applications enable Goal 3 (Good Health and Well-Being). Rockfon products include acoustic ceiling tiles, baffles and clouds, wall applications, and suspension grids. These products hold four attributes that increase the health of indoor spaces: acoustic control, light reflectance, humidity resistance, and fire resistance. In order to support healthier indoor environments, Rockfon also supports the implementation of the WELL Building Standard, a global rating system meant to transform buildings and communities and help people thrive.

“The SDGs steer our ambitions as a company and each year, we continue to increase the positive impacts of our products. We do so by not only focusing at our product use in new buildings, but as importantly in renovating existing buildings as it is estimated that more than 50% of buildings today will still be in use by 2050.”

Jens Birgersson
President and CEO
ROCKWOOL Group
Merck & Co. incentivizes better nutrition through its partnership with food provider FLIK

Merck & Co., Kenilworth, New Jersey, USA (known as MSD outside of the USA and Canada), a multinational pharmaceutical company, prides itself on its focus towards constant invention. As a healthcare company, Merck is especially sensitive to the health concerns of climate change and other environmental impacts on health.

In 2011, Merck launched a new health and well-being programme called LIVE IT. The LIVE IT approach takes a holistic view of employee health by considering the physical, emotional, financial and safety aspects of employee health.

Merck’s progress has been achieved through a strong relationship with its on-site food provider, FLIK Hospitality Group. Merck and FLIK entered into a three-year plan to integrate the FUEL IT, a pillar of the LIVE IT approach that focuses on healthy nutrition.

The company has used price incentives to drive more nutritious dietary behaviors by employees. At the company’s Boston location, Merck implemented a pricing variant that reduced the price of FUEL IT options (healthy food options that fit under specific criteria) by 5 per cent and increased the price of non-FUEL IT options by 5 per cent. This price change affected between 15 and 30 per cent of sales at the Boston location.

Merck & Co. has also increased its nutrition ambition by striving to meet the WELL Building Standards (set by the International Well Building Institute) in its new Merck Research Laboratory in South San Francisco. One of the main concepts of the WELL Building Standard is Nourishment. Within the Nourishment concept, WELL supports healthy and sustainable eating patterns by increasing access to healthier food and beverage options, limiting access to highly-processed foods and ingredients and designing environments that nudge individuals toward healthier choices. Some of the guidelines FLIK will put into place to meet the WELL Nourishment criteria include:

- **50 per cent** of available options in the café will be fruits or vegetables
- **50 per cent** of all grain-based products will be primarily whole grains
- Foods and beverages with **25 g** of sugar or more will be labeled on nearby signage with a high sugar icon.
- **Advertising** will promote drinking water and the consumption of whole foods

By setting a new standard of nutrition within its building in South San Francisco, Merck & Co. and FLIK are now striving to implement these guidelines in other offices across the United States.
Essity has set targets for environmental and social innovation

Essity is a leading global hygiene-and-health company with a mission to sustainably develop, produce, market and sell value-added products and services within hygiene and health. By 2030, the company aims to improve the well-being of two billion people every day. What makes Essity successful is having the knowledge and insight about the needs of customers and consumers and the ability to transform this into innovative offerings that increase the quality of life and make every day easier for people. The company embeds health directly into its strategic framework and sets health and environmental improvements as essential components of its strategy. The company emphasizes the need to sustainably develop, produce and market products and services for hygiene and health. Such an approach promotes health through both addressing environmental impacts of the products throughout their entire life cycle as well as through the health benefits of the products themselves.

In addition to establishing the importance of improving health through hygiene products and product circularity, Essity has set a target for its innovations. The company has set out for at least 33 percent of its innovations to yield social and/or environmental improvements. Essity achieved its goal in 2018, with 59 per cent of its innovations delivering social and/or environmental improvements.

Essity also addresses its objectives in the community. To “enable more people every day to enjoy a fuller life,” Essity works with its partners, for example the Water Supply & Sanitation Collaborative Council (WSSCC) to raise awareness and develop solutions for water, sanitation and hygiene (WASH) issues. Since 2014, Essity has partnered with WSSCC to deliver annual hygiene and health reports presenting essential societal topics, challenges, and opportunities for action.
Tie executive compensation to the success of social initiatives

L’Oréal’s CEO executive compensation is linked to the performance of its social commitments

Launched in 2013, L’Oréal’s Sharing Beauty with All programme fits in a long tradition of corporate responsibility and aims to transform the company to make it more respectful of the environment and ensure it contributes positively to societal well-being.

L’Oréal has established a set of 2020 company commitments through its Sharing Beauty with All program. These commitments strive for environmental and social improvements across its whole value chain that involve all four pillars as shown below:

**Innovate sustainably:** By the end of 2020, 100% of L’Oréal products will have an improved environmental or social profile.

**Producing sustainably:** By the end of 2020, L’Oréal will have reduced its environmental footprint by 60%.

**Living sustainably:** By the end of 2020, 100% of L’Oréal brands will report on their progress and raise consumer awareness of their commitments.

**Developing sustainably:**

*For communities with which the Group interacts:* By the end of 2020, L’Oréal will enable 100,000 people from underprivileged communities to gain access to employment through L’Oréal’s social inclusion programme.

*For suppliers:* By the end of 2020, 100% of L’Oréal’s strategic suppliers will take part in L’Oréal’s sustainable policy.

*For employees:* By the end of 2020, L’Oréal employees will have access to health coverage, financial protection and training, no matter where they are in the world.

L’Oréal takes its approach and commitments to the highest level of the company in order to generate ambitious action. Since introducing Sharing Beauty With All, L’Oréal’s CEO, its group brands managers, and its country general managers have had part of their salary bonuses linked with the performance of the company’s social and environmental commitments. This progress has been accompanied by a change of structure, so that the initiatives undertaken within the scope of the Sharing Beauty With All programme and those of the Fondation L’Oréal are overseen by one leadership, which is directly linked to CEO Jean-Paul Agon. These synergies guarantee consistency between exemplary business activities and an exemplary positive contribution to society. One cannot proceed without the other within L’Oréal’s vision of global corporate responsibility. And from September 2019, this strategic function will be represented within L’Oréal Executive Committee. This decision reinforces the Group’s ambition to be both a business and environmental societal leader.
IN PURSUIT OF BUSINESS ACTION FOR HEALTHY PLANET, HEALTHY PEOPLE

Taking an integrated approach to tackle environmentally and climate-related health challenges involves a targeted process for understanding company impacts and associated solutions. The purpose of this section is not to provide a detailed toolkit on how to assess priorities, set targets and deliver action, as such tools already exist. These existing tools include the SDG Compass produced by the UN Global Compact; the Natural Capital Protocol produced by the Natural Capital Coalition; and the Urban Climate Action Impact Framework, produced by Danish engineering firm Ramboll and C40 Cities. Rather, this section aims to provide general guidance — based on these tools — in the context of co-benefits for the health of the planet and people.

Examples of co-benefits for integrated environment, climate and health action

A company’s positive and negative impacts on environmental conditions often lead to human health and well-being outcomes. For example, the release of air pollutants such as black carbon and ozone increases the risk of respiratory and cardiovascular diseases. Co-benefits for a healthy planet and healthy people can be achieved across many topics, including climate change, air pollution, water, sanitation and hygiene, food production, and indoor working environments. Therefore, taking actions that target simultaneous co-benefits to the environment and health can be achieved by understanding the natural links between environmental issues and health risks. Table 1 shows a sample of benefits that can be achieved through an integrated approach to a healthy planet for healthy people.

**Table 1: Example Environmental and Health Co-benefits**

<table>
<thead>
<tr>
<th>Environmental Benefit</th>
<th>Health Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate change mitigation</td>
<td>Reduced risk of:</td>
</tr>
<tr>
<td></td>
<td>· Heat-related mortality</td>
</tr>
<tr>
<td></td>
<td>· Vector-borne diseases</td>
</tr>
<tr>
<td></td>
<td>· Undernutrition</td>
</tr>
<tr>
<td>Reduced GHG emissions and air pollution</td>
<td>Reduced risk of:</td>
</tr>
<tr>
<td></td>
<td>· respiratory diseases</td>
</tr>
<tr>
<td></td>
<td>· cardiovascular diseases</td>
</tr>
<tr>
<td></td>
<td>· certain cancers</td>
</tr>
<tr>
<td>Improved water quality, sanitation and hygiene</td>
<td>Reduced risk of:</td>
</tr>
<tr>
<td></td>
<td>· diarrhea</td>
</tr>
<tr>
<td></td>
<td>· Ringworm</td>
</tr>
<tr>
<td></td>
<td>· Schistosomiasis</td>
</tr>
<tr>
<td></td>
<td>· Cholera</td>
</tr>
<tr>
<td>Improved biodiversity from sustainable agriculture and reforestation</td>
<td>Reduced risk of:</td>
</tr>
<tr>
<td></td>
<td>· Malnutrition</td>
</tr>
<tr>
<td></td>
<td>· Respiratory diseases</td>
</tr>
<tr>
<td>Improved working environments (e.g., light, sound, safety)</td>
<td>Improved productivity</td>
</tr>
<tr>
<td></td>
<td>Reduced risk of:</td>
</tr>
<tr>
<td></td>
<td>· Injuries</td>
</tr>
<tr>
<td></td>
<td>· Mental health issues</td>
</tr>
</tbody>
</table>
Mapping areas of environment, climate, and health co-benefits

To deliver the health and environmental co-benefits presented in Table 1, a company must first understand the leverage points lodged within its value chain, where health and environmental connections are most influential. Oftentimes, the greatest health impacts companies can have through environmental determinants lie outside their own assets: in the supply chain, communities and through products sold downstream (see Figure 5). Companies are therefore encouraged to look across their value chains to determine the most effective leverage points.

To outline the most important leverage points for health and environmental co-benefits, companies should start by conducting a high-level impact mapping exercise to highlight why, where and how the company is facing environmentally mediated health challenges. Figure 6 shows an example map of a food company’s value chain leverage points for environmental impacts and associated health risks. By expanding the mapping outside the company’s production processes, the company may find that the issues of highest concern occur in communities, in the supply chain, or in product waste produced downstream. In the food company example below, mapping across the value chain shows that some of the greatest health challenges occur from respiratory diseases caused by pesticide applications.

Assessing ways to take action

After targeting the most influential, integrated and environmentally mediated health challenges facing the company, companies now can use logic models to determine the drivers, causes, outcomes and impacts involved in a specific challenge. It is important to assess the positive and negative trade-offs of different actions when prioritizing actions. Figure 7 uses Nestlé’s Farmer Family Nutrition programme as an example of a logic model. The example shows how Nestlé is addressing the dietary health challenges facing their suppliers. The steps in the logic model here were implemented after the company conducted a Rural Development Framework questionnaire. The results identified poor farmer diets as a primary health concern within the company’s value chain (see Case Study).
### Figure 6: Example mapping of linked environmental and health impact in a food value chain

<table>
<thead>
<tr>
<th>VALUE CHAIN</th>
<th>Environmental Impact</th>
<th>Health Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>RAW MATERIALS</td>
<td>Fertilizer production - water contamination</td>
<td>Endocrine and nervous system disruption</td>
</tr>
<tr>
<td>SUPPLIERS</td>
<td>Chemical pollution - pesticide application</td>
<td>Respiratory disease, kidney and liver damage</td>
</tr>
<tr>
<td>INBOUND LOGISTICS</td>
<td>GHG emissions</td>
<td>Respiratory disease</td>
</tr>
<tr>
<td>COMPANY OPERATIONS</td>
<td>Water pollution from high nutrient loads</td>
<td>Childhood diarrhea</td>
</tr>
<tr>
<td>DISTRIBUTION</td>
<td>GHG emissions</td>
<td>Respiratory diseases</td>
</tr>
<tr>
<td>PRODUCT USE</td>
<td>N/A</td>
<td>Diet-related diseases</td>
</tr>
<tr>
<td>PRODUCT END LIFE</td>
<td>Food waste</td>
<td>Foregone edible food</td>
</tr>
</tbody>
</table>

### Figure 7: Logic model for Nestlé Farmer Family Nutrition

<table>
<thead>
<tr>
<th>INPUTS</th>
<th>Description</th>
<th>What resources go into positively or negatively affecting health?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example</td>
<td>Local nutritionist and implementing team, education, food and kitchen garden materials.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ACTIVITIES</th>
<th>Description</th>
<th>What activities are undertaken?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example</td>
<td>Educating farming families on their nutrition and dietary health, how to set up a kitchen garden.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OUTPUTS</th>
<th>Description</th>
<th>What is generated from these activities?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example</td>
<td>Planting kitchen gardens with nutritious crops that deliver throughout the year.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OUTCOMES</th>
<th>Description</th>
<th>What changes occurred in the target population?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example</td>
<td>Increased availability of nutritious foods for farming families.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IMPACTS</th>
<th>Description</th>
<th>What is the change as a result of these outputs?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example</td>
<td>Increased consumption of nutritious foods throughout the year, potentially leading to improved health outcomes/reduced risk related to diet.</td>
<td></td>
</tr>
</tbody>
</table>
Gathering Baseline Data and Selecting Indicators

After creating a logic model to properly understand the challenges and potential actions, companies should determine indicators that can be used to monitor progress for each step of the logic model. Although a strong set of business indicators for environment and health co-benefits has not yet been developed. Table 2 shows some example indicators outlined by the World Health Organization (WHO). More work and piloting must be undertaken in order to build an effective set of indicators.

When developing new indicators it is essential that they be specific, measurable, achievable, relevant, and time-bound (SMART). If possible, a set of integrated indicators should be selected to monitor the relationship between environmental determinants and their health effects. Sets of four indicators — a state indicator, an environmental determinant indicator, a health effect indicator and an action indicator — can help a company monitor its impacts and improvements in an integrated way. The state indicator defines the state or stock condition. The environmental determinant indicator describes the environmental cause or effect of the state indicator. The health effect indicator shows the health risk tied to the environmental determinant and the action indicator defines the process taken to the change the first three indicators.

While determining indicators, the company must also consider the types of data that can be gathered for each indicator. It is recommended to combine qualitative and quantitative data. Qualitative data helps provide narrative while quantitative data helps directly measure progress. Companies are encouraged to use existing data if possible. Yet in some instances, direct data cannot be collected. In this case, proxy data can be gathered instead. It may also be useful for the company to gather and present data in aggregate, and by region, in order to identify regional trends. Upon determining the most effective indicators and data-collection methods, the company must gather baseline data to understand the current state and for use in setting targets. The Nestlé case study on page 41 demonstrates how baseline data can be effectively used to understand the prevailing issue and set priorities.

Setting Targets

Once the company has chosen indicators and gathered baseline data, it can set targets for ambitious action. Targets can be set in two different ways. Historically, the most common method of setting targets has been to take an inside-out approach by assessing historical trends, projecting future trends, assessing scenarios, and using industry benchmarks. An emerging trend is to set targets based on the ambitious and necessary levels of action determined by scientific assessments. These are considered “science-based targets.” The field of evidence necessary to take these ambitious actions is growing. For example, companies can be approved by the Science Based Targets Initiative to follow a 1.5°C carbon emissions reduction plan for 2050 (exemplified by companies signing UN Global Compact “Business Ambition for 1.5°C — Our Only Future” pledge). Other evidences-based standards include The Future-Fit Business Benchmark; the EAT-Lancet Commission on Food, Planet Health targets for a sustainable food system promoting healthy diets; and the WELL Building Standard, developed by the International WELL Building Institute, to promote healthy indoor working environments.

Once targets have been set and the actions have been implemented, the company must continue to monitor its progress through mapping, logic models, data and targets generated through the project-creation process presented in this section. By continuing to return to these exercises over time, the company can continually learn from its process and adjust its challenges, priorities, and data collection procedures, based on the evolution of the project. The company must also update its targets to grow its ambition over time. Overall, achieving health and environmental co-benefits takes a deliberate approach for action that involves continuous adjustment and improvement.

2. Ibid.
Table 2: Environmental health indicators
(altered from the 1999 WHO publication, Environmental Health Indicators: Framework and Methodologies)

<table>
<thead>
<tr>
<th>Issue</th>
<th>Category</th>
<th>Indicators</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Pollution</td>
<td>Environmental determinant</td>
<td>Ambient concentrations of air pollutants</td>
<td>Mean annual concentration of ozone, CO2, particulates (PM10, PM2.5, SPM), SO2, NO2, O3 and lead</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sources of indoor air pollution</td>
<td>Percentage of households using coal, wood or kerosene as the main source of heating and cooking fuel</td>
</tr>
<tr>
<td>Health effect</td>
<td></td>
<td>Childhood morbidity due to acute respiratory illness</td>
<td>Incidence of morbidity due to acute respiratory infections in children under five years of age</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Childhood mortality due to acute respiratory illness</td>
<td>Annual mortality rate due to acute respiratory infections in children under five years of age</td>
</tr>
<tr>
<td>Sanitation</td>
<td>Environmental determinant</td>
<td>Access to basic sanitation</td>
<td>Proportion of the population with access to adequate excreta disposal facilities</td>
</tr>
<tr>
<td>Health effect</td>
<td></td>
<td>Diarrhea morbidity in children</td>
<td>Incidence of diarrhea morbidity in children under five years of age</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Diarrhea mortality in children</td>
<td>Diarrhea mortality rate in children under five years of age</td>
</tr>
<tr>
<td>Access to safe drinking water</td>
<td>Environmental determinant</td>
<td>Access to safe and reliable supplies of drinking water</td>
<td>Percentage of the population with access to an adequate amount of safe drinking water in the dwelling or within a convenient distance from the dwelling</td>
</tr>
<tr>
<td>Health effect</td>
<td></td>
<td>Diarrhea morbidity in children</td>
<td>Incidence of diarrhea morbidity in children under five years of age</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Diarrhea mortality in children</td>
<td>Diarrhea mortality rate in children under five years of age</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Incidence of outbreaks of water-borne diseases</td>
<td>Incidence of outbreaks of water-borne diseases</td>
</tr>
<tr>
<td>Occupational health risks</td>
<td>Environmental determinant</td>
<td>Exposure to unsafe workplaces</td>
<td>Percentage of workers exposed to unsafe, unhealthy or hazardous working conditions</td>
</tr>
<tr>
<td>Health effect</td>
<td></td>
<td>Morbidity due to occupational health hazards</td>
<td>Incidence of occupational injury</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mortality due to occupational health hazards</td>
<td>Incidence of occupational mortality</td>
</tr>
</tbody>
</table>
Some situations call for community-level exposure and health studies to characterise and estimate exposures to environmental stressors. In these cases, Ramboll’s epidemiologists work closely with our other health scientists, including experts in toxicology and risk assessment, exposure science and chronic and infectious diseases, to offer:

- Baseline community health assessments
- Scenario analysis to compare health improvement impact and cost of competing initiatives
- Monitoring of impacts of implemented measures

Whether assessments are focused on a community or a population, Ramboll is adept at communicating the approach and results to relevant audiences understand that safeguarding the health and well-being of affected communities or populations is of paramount importance.
Data was collected across the eight topic areas shown below:
- Farm economics
- Farmer knowledge and skills
- Farm workers
- Women’s empowerment
- Water and sanitation
- Nutrition
- Land and land tenure
- Natural resource stewardship

The findings of the 2015 baseline evaluation clearly showed that farmer undernutrition was a dominant challenge. The evaluation found that 30-70 per cent of farmers are short of food for three months each year. It also found that dietary diversity was very low. These troubling findings led Nestlé to pinpoint “no regret” interventions, including training farmers about nutrition; promoting intercropping and the building of kitchen gardens; providing improved vegetable planting materials; extending the Nestlé for Healthier Kids initiative in rural areas; and providing education on the importance of sanitation and hygiene.

AstraZeneca sets science-based emissions targets for a 1.5 degree warming trajectory

AstraZeneca, a global pharmaceutical company, is a leader in setting science-based carbon emissions targets. The company states that “Addressing [climate change] is a business imperative, as climate-change is projected to have detrimental impacts on workforce health and productivity.” The company therefore aims to minimize its greenhouse gas emissions throughout the value chain.

In 2010, AstraZeneca launched its first set of carbon emissions targets. The company set a 2015 target to reduce its operational greenhouse gas footprint by 20 per cent from 2010 baseline levels. Originally, the main reasons for setting these emissions targets were environmental. After setting this initial target, the company took greater initiative on climate action by contributing to the working groups convened to create the Science Based Targets Initiative. Through their collaborations on these efforts as well as the company’s progress towards meeting their 2015 emission targets, the company began to realize that addressing climate change was more than just to protect the environment, but also to protect human health. At the time, evidence was beginning to surface about the health impacts of climate change including respiratory risks of air pollution due to fossil fuels presented in the Lancet Commission on Climate and Health.

As a corporate leader on climate action, and being on track to achieve its 2010–15 strategy, AstraZeneca raised its ambition to prepare for the Paris Climate Conference in 2015 by setting company emissions targets for 2025. The company set out to reduce scope 1 emissions by 20 per cent; scope 2 emissions by 95 per cent; and total scope 3 emissions intensity by 25 per cent: over 2015 to 2025. They were one of the first companies to have its targets verified by the Science Based targets initiative in 2016. The company has recently raised its ambition again by joining the Business Ambition for 1.5 °C campaign, led by the UN Global Compact, by pledging to set science-based targets consistent with the reductions necessary to keep warming to 1.5 °C. This new pledge is the most ambitious goal of the Paris Agreement and what the most recent climate science says is needed to prevent the most damaging effects of climate change.
Health as a leading indicator for climate and environmental action

Twenty three percent or 12.6 million deaths globally are attributed to environmental risk.

Air pollution causes $5.11 trillion in welfare losses every year. Given that health risks are such a large piece of environmental and climate impacts, it is essential that health outcomes be used as a key indicator for environmental and climate action. By using health as a leading indicator of progress for environmental and climate action, companies may find the business case for action much more compelling, by uncovering cost savings and risk reductions that would otherwise go unseen.

Climate change may cause significant health costs to your company

Direct health effects and precautionary health effects of climate change will impact all industries by reducing workplace health and productivity. A study in India found that temperature rise above average temperature causes significant declines in workforce productivity. A 1°C increase above a ten-day average increases the likelihood of absenteeism by 5 per cent. The study also found that if the average temperature for the year is 1°C above normal temperatures, productivity decreases by 3 per cent.

Air pollution also causes significant health-related productivity losses. A study estimated that air pollution causes 696,900 sick days per year in Central London.

Poor air quality in cities also affects executive recruitment. A survey by Bain & Company, a global management consultancy headquartered in Boston, and The American Chamber of Commerce in the People’s Republic of China (also known as AmCham China) found that 48 per cent of surveyed American companies in China stated difficulties in recruiting executives due to polluted air. Although the health impacts of climate change on business presented here are not exhaustive, they demonstrate that these health costs are significant.

The purpose of this section is to provide take-home headlines that emphasize important considerations for companies ready to take ambitious action for the health of the planet and the health of people. Four headlines are presented below with a short description of their implications for the planet, human health, and business action.

HEADLINES

TAKE HOME MESSAGES FOR ACTION ON HEALTHY PLANET, HEALTHY PEOPLE

“Climate change may cause significant health costs to your company”

Direct health effects and precautionary health effects of climate change will impact all industries by reducing workplace health and productivity. A study in India found that temperature rise above average temperature causes significant declines in workforce productivity. A 1°C increase above a ten-day average increases the likelihood of absenteeism by 5 per cent. The study also found that if the average temperature for the year is 1°C above normal temperatures, productivity decreases by 3 per cent.

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“Health as a leading indicator for climate and environmental action”

Twenty three percent or 12.6 million deaths globally are attributed to environmental risk. Furthermore, the cost of pollution in low- and middle-income countries is 2 per cent of GDP. Air pollution causes $5.11 trillion in welfare losses every year. Given that health risks are such a large piece of environmental and climate impacts, it is essential that health outcomes be used as a key indicator for environmental and climate action. By using health as a leading indicator of progress for environmental and climate action, companies may find the business case for action much more compelling, by uncovering cost savings and risk reductions that would otherwise go unseen. Furthermore, tying progress with the human and emotional case of human health improvement can elevate the attractiveness of solutions to business leaders, employees and consumers.

Increasingly, industry sectors and clusters of businesses are realising that they cannot transform their business models to become more sustainable in isolation. Given the shared nature of the planetary health challenges, and the complexity of the underlying economic drivers, policy instruments, market forces and supply chains in which they exist, businesses need to come together to take joint action.

Data – a necessary driver for joint action and impact. In order to take comprehensive climate change action in the future, Cape Town, South Africa, realized that it must understand where its energy use and emissions stands today. The city developed a yearly State of Energy Report that provides data and analysis on which the city can model alternative energy plans. For instance, Cape Town officials learned from the report that the transport sector is responsible for 64% of the city’s energy consumption, followed by commerce at 13%, the residential sector at 12%, and industry and municipal consumption at 8% and 1%, respectively. Based on these insights, the City of Cape Town has been able to pursue the co-benefits for climate action in collaboration with businesses and other stakeholders. For example, by upgrading all streetlights to LED, the $21 million in investment has already yielded savings of $4 million. And understanding how households are heated, has enabled the city to promote the use of electricity and reduce the use of paraffin, particularly in low-income households, resulting in healthier indoor environments.

Joint advocacy makes a strong voice. At a time where the image of dry season fires in the Brazilian Amazon haunts us, there is a growing consciousness about the existential challenges we face if rainforests continue to perish. They are vital to life on earth cleaning the air, circulating freshwater, storing carbon and providing livelihoods for more than a billion people. The latest reports from the Intergovernmental Panel on Climate Change (IPCC) emphasize that there is no pathway to keep temperature under 1.5 degrees Celsius without halting deforestation. More than 40% of deforestation globally is the result of expanding agriculture, and while many of the world’s largest companies have set long-term goals to eliminate deforestation, there is a growing understanding that only through collective action can businesses deliver real and sustainable transformational impact. As a result the Consumer Goods Forum, the Tropical Forest Alliance, World Business Council for Sustainable Development, We Mean Business and the B-Team recently joined forces to support the Brazilian Coalition for Climate, Forests & Agriculture and the Brazilian Business Council for Sustainable Development. Among other things, on behalf of their businesses, the committed to working with responsible Brazilian companies to grow production without deforestation and to stamp out illegality, stating that “No multinational business can risk having illegal products in their supply chains. We would also encourage Brazil to not cede its position as both a leading agricultural exporter and a great environmental steward”.

“The potential for real transformational change comes through collaboration”

A concerned sector can mobilize community action. The health care sector has great influence on protecting human health against climate change. If the U.S. health care system were a country, it would be the seventh greatest CO2 emitter. In the U.S. the significant climate impact of the health care sector contributes to about 10 per cent of the 200,000 premature deaths caused by air pollution. In addition, climate risks’ impact on the health care sector’s performance is significant. During severe weather events, health care facilities face challenges, such as the barriers staff face in reaching facilities, disruptions in health supply delivery and the disruption of utility services. For example, power disruptions forced Bellevue Hospital Center in New York City to close and move patients during Hurricane Sandy in 2012. Health care facilities must invest in resilient upgrades to protect against future climate risks. However, the health care system cannot protect human lives alone. The health care community must advocate for climate policies that will protect human health. In June 2019, 74 medical and public health groups presented a call to action to combat climate change. Called The Medical Society Consortium on Climate and Health, the consortium has presented 10 priority actions for the health care system to take, including mitigation and adaptation measures. Such actions are essential for health care groups to lead the discussion on climate-mediated health risks and promote a more resilient health care system.
Drive ambition loops for change. Up until now, most business action on climate change has focused on mitigating emissions. Yet companies have been mostly silent on developing a public climate policy. When it comes to issues regarding the nexus of environment, climate and health, companies must implement a greater public policy strategy. The human aspect of these health challenges are legitimate grounds for advocacy. The challenges impact employee health, the local communities upon which companies rely, and the health of its customers and stakeholders. Participating in public policy on planetary health issues involves identifying your company’s risk, influences and areas of opportunity in this area. It also involves aligning company communications and policies across all departments and with associated trade groups. Lastly, it involves making the company’s climate policy stance public and influencing policy makers to create ‘ambition loops’ for change – i.e. the positive feedback loops in which private sector leadership and Government policies reinforce each other.

Deliver on multilateral commitments. Business has an opportunity to align their efforts with multilateral policy frameworks that can be activated to drive policy change and ambition loops for change. Besides the 2030 Agenda for Sustainable Development, and the Paris Climate Agreement, it is also worth taking note of the “Clean Air Initiative” launched by the United Nations, the World Health Organization (WHO), the United Nations Environment Programme (UN Environment) and Climate and Clean Air Coalition. Announced by the Secretary-General’s Special Envoy for the Climate Action Summit, Ambassador Luis Alfonso de Alba, in New Delhi, India, the initiative calls on national and subnational governments to commit to achieving air quality that is safe for citizens, and to align climate change and air pollution policies by 2030. Specifically, private sector actors and philanthropic organizations are encouraged to committing to significantly scaling up their investment in proven interventions for climate resilient health systems, and in air quality monitoring and policy implementation.

The UN Global Compact provides a platform for multi-stakeholder collaboration. With UN Global Compact’s more than 70 Local Networks, we have the opportunity to convene businesses, policy makers, civil society organizations and UN agencies on the ground to set the agenda for the future of planetary health. Next step for the Health is Everyone’s Business Action Platform is to develop a planetary health advocacy toolbox that can be activated on the ground.

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About the United Nations Global Compact

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universal principles in the areas of human rights, labour, environment and anti-corruption. Launched in 2000, the mandate of the UN Global Compact is to guide and support the global business community in advancing UN goals and values through responsible corporate practices. With more than 9,500 companies and 3,000 non-business signatories based in over 160 countries, and more than 60 Local Networks, it is the largest corporate sustainability initiative in the world.

For more information, follow @globalcompact on social media and visit our website at unglobalcompact.org.

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The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.