

How to monitor new political priorities?

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Agenda

- What are considered „new“ political priorities?
- How are they measured, some examples
 - **SDGs**
 - **Sustainable Governance indicators**
 - **European Digital KPIs**
- What more could / should / will be done?

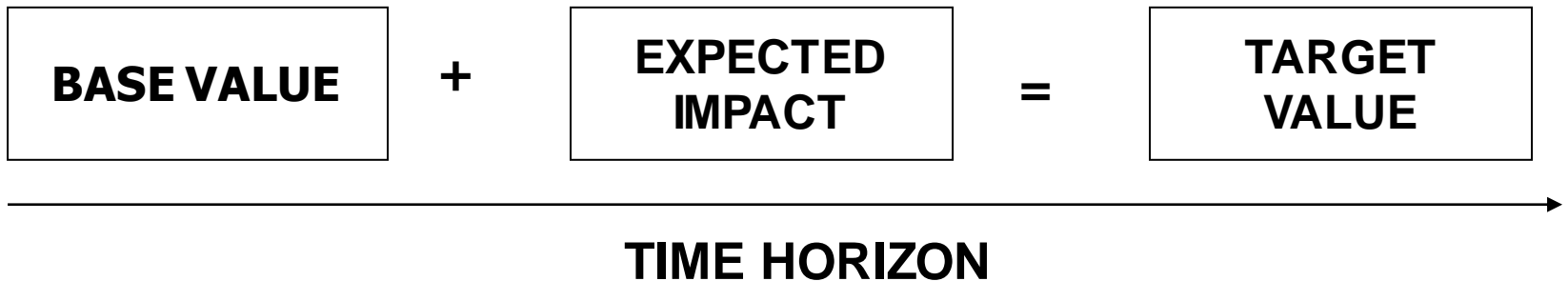
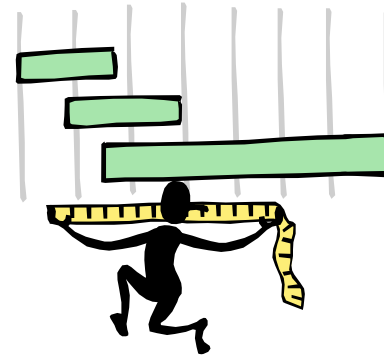
New political priorities

- **SDGs (sustainable development goals)**
- **ESG (Environmental / Social / Governance)**
- **European Commission:**
 - **Green Deal / green transition („Fit for 55“) – Just Transition Fund**
 - **European Health Union (fit for potential future pandemic)**
 - **Digital transformation (20% of RRF)**
- **Improved level of democratic dialogue & transparency**
- **Welfare vs GDP**



Setting the goals

- Base value
- Expected impact
- Target value
- Time horizon



1. UN Sustainable Development Agenda („Agenda 2030“)

THE 17 GOALS | Sustainable Development (un.org)

- No poverty (SDG1)
- Zero hunger (SDG2)
- Good health and well being (SDG3)

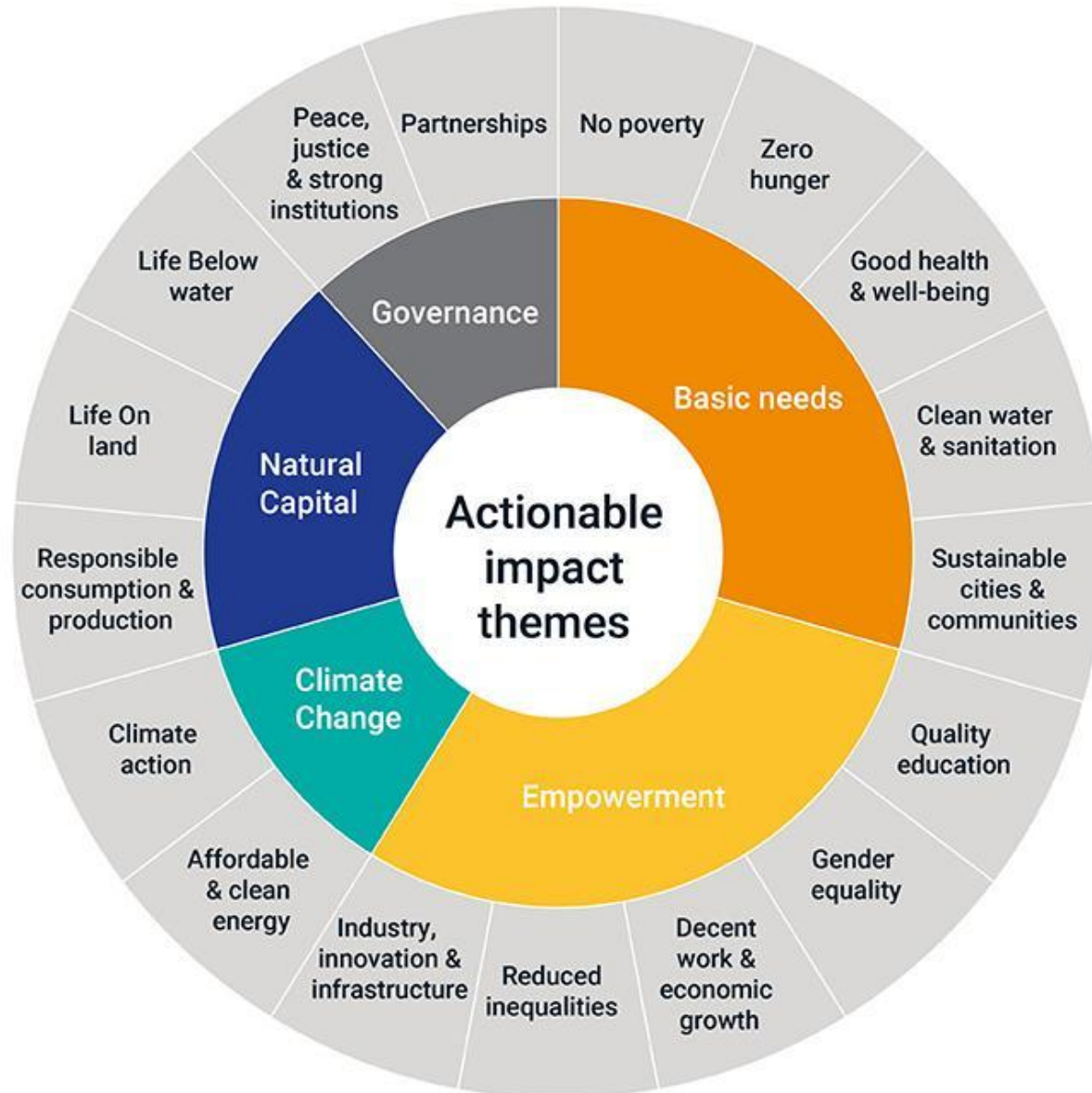


17 SDGs
applicable to a broad
set of stakeholders



5 Actionable impact themes
applicable to a broad
set of stakeholders

GS



2. Sustainable Governance Indicators (sgi-network.org)

SGI DATA

Survey Structure [↗](#)

Flip through SGI's three dimensions to get direct access to the underlying components. Pick your issue of interest to learn about countries' performances.

Sustainable Policies [↗](#)

- Economic Policies [↗](#)
- Social Policies [↗](#)
- Environmental Policies [↗](#)

Robust Democracy [↗](#)

- Quality of Democracy [↗](#)

Good Governance [↗](#)

- Executive Capacity [↗](#)
- Executive Accountability [↗](#)

Sustainable Policies Ranking [↗](#)

1	Sweden	8.01
2	Denmark	7.92
3	Norway	7.83
4	Switzerland	7.57
5	Finland	7.42
...	SGI average	6.17
37	Cyprus	4.88
38	USA	4.79
39	Greece	4.66
39	Mexico	4.66
41	Turkey	4.46

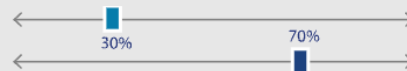
Robust Democracy Ranking [↗](#)

1	Sweden	9.29
2	Finland	9.15
3	Norway	8.99
4	Denmark	8.90
5	Germany	8.70
...	SGI average	6.99
37	Mexico	5.11
38	Romania	4.85
39	Poland	4.83
40	Hungary	3.37
41	Turkey	2.85

Good Governance Ranking [↗](#)

1	Sweden	8.63
2	Finland	8.49
3	Norway	8.47
4	Denmark	8.35
5	New Zealand	7.63
...	SGI average	6.44
37	Croatia	4.82
38	Cyprus	4.60
39	Hungary	4.54
40	Romania	4.51
41	Turkey	4.25

Create your own rankings by changing component's relative weighting [↗](#)



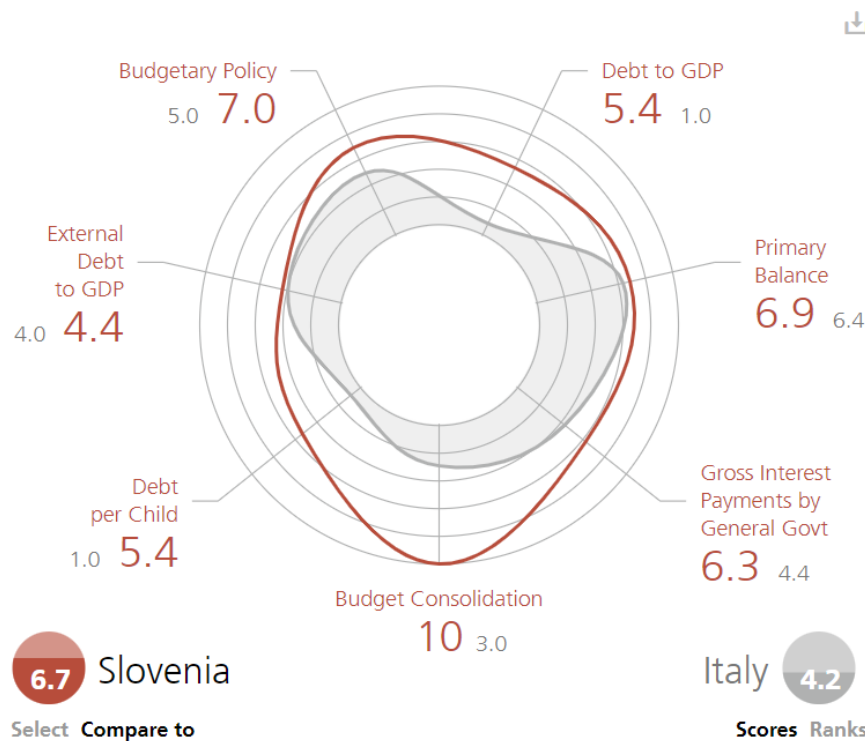
Track developments over time with our Time Series [↗](#)



Sustainable Governance Indicators (sginetwork.org)

Is budgetary policy fiscally sustainable? Is the budget consolidated and the national debt manageable?

Graph View | Table View | Time Series



Composition

50%	Budgetary Policy
8.33%	Debt to GDP
8.33%	Primary Balance
8.33%	Gross Interest Payments
8.33%	Budget Consolidation
8.33%	Debt per Child
8.33%	External Debt to GDP



Sustainable Governance Indicators (sginetwork.org)

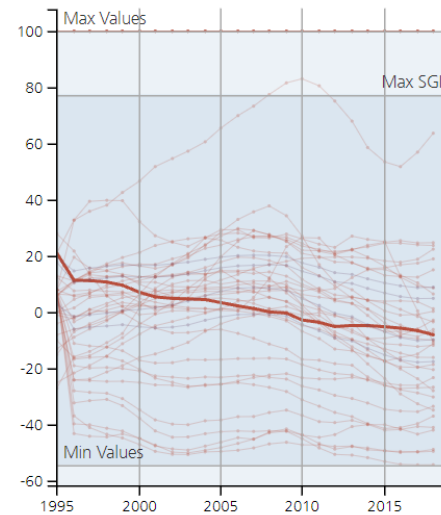
To what extent are the Kyoto emission reduction targets met?

€ EU OECD

Top group Score Kyoto Participation and Achievements

Rank	Country	Score	Kyoto Participation and Achievements
10	---	---	
9	Romania	9.0	-54.22
Upper middle group			
8	Lithuania	8.7	-49.44
	Latvia	8.6	-48.76
	Estonia	8.2	-41.90
	Bulgaria	8.2	-40.94
7	Hungary	7.9	-36.93
	Greece	7.8	-34.77
	Slovakia	7.7	-33.45
	Sweden	7.5	-30.12
	UK	7.4	-27.86
	Czechia	7.3	-26.65
	Poland	7.1	-23.23
6	Finland	6.9	-20.39

Time series



Select Compare to Y Axis (Max/Min): Values SGI

< > Values among 41 countries

SGI sample	Finland	Netherlands
OECD	France	New Zealand



3. ESG KPIs

ESG METRICS

The NASDAQ 2019 ESG Reporting Guide 2.0 lists 30 ESG metrics that can provide clarity and direction for internal audit departments getting involved with their organization's ESG reporting.



ENVIRONMENTAL (E)

- E1. GHG Emissions
- E2. Emissions Intensity
- E3. Energy Usage
- E4. Energy Intensity
- E5. Energy Mix
- E6. Water Usage
- E7. Environmental Operations
- E8. Climate Oversight/Board
- E9. Climate Oversight/Management
- E10. Climate Risk Mitigation



SOCIAL (S)

- S1. CEO Pay Ratio
- S2. Gender Pay Ratio
- S3. Employee Turnover
- S4. Gender Diversity
- S5. Temporary Worker Ratio
- S6. Nondiscrimination
- S7. Injury Rate
- S8. Global Health & Safety
- S9. Child & Forced Labor
- S10. Human Rights



CORPORATE GOVERNANCE (G)

- G1. Board Diversity
- G2. Board Independence
- G3. Incentivized Pay
- G4. Collective Bargaining
- G5. Supplier Code of Conduct
- G6. Ethics & Anti-corruption
- G7. Data Privacy
- G8. ESG Reporting
- G9. Disclosure Practices
- G10. External Assurance

Source: ESG Reporting Guide 2.0. Reprinted with permission from Nasdaq Inc. The complete Reporting Guide is available at [Nasdaq.com/ESG-Guide](https://www.nasdaq.com/ESG-Guide).

ESG SCORECARD 2021 – 2023

ENVIRONMENT

Natural gas emissions

% Reduction of Total Natural Gas Emissions (vs 2015)



% Natural Gas Recovered from Maintenance Activities



Land Protection & Biodiversity

% of Vegetation Restoration of the Natural and Semi-Natural Areas Involved in the Construction of the Pipeline Routing



Energy Savings of Operational Management

MWh of Electricity Production by Photovoltaic Plants



% of Retrofit & Methane-Fuelled Cars out of Total Car Fleet

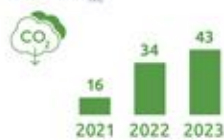


New Business – Green Innovation

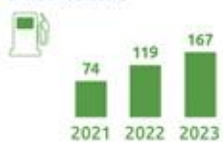
Production of Biomethane (in MScM)



Reduction of CO₂ emissions from Energy Efficiency Interventions (ktons of CO₂)



Cumulative Number of CNG and L-CNG Stations



Supply of LNG Volumes from sLNG Infrastructure by 2023



SOCIAL

Gender Diversity & Inclusion

% of Women in Executive and Middle-Management Roles



% of Women in Succession Planning



Welfare

% Participation in Welfare Initiatives



Safety

IPFG (Combined Frequency & Severity Index)



No. of HS Remarks / No. of Total Audits Conducted (External and Internal)



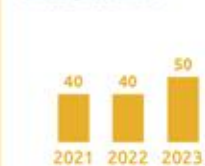
Employee Engagement

% Employee Engagement Index



Responsible supply

% spending to local suppliers on total procurement



Increase Third Sector Suppliers in Vendor List



Local Community Engagement

% Employees Hours devoted to SNAM Foundation's Initiatives Supporting Local Communities



GOVERNANCE

Governance Functioning and Structure

% of BoD Time Dedicated to ESG Matters in Strategy Meetings and Induction Sessions

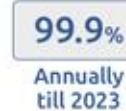


Infrastructure Reliability

Average Annual Customer Satisfaction Rate in Terms of Service Quality



% of Reliability Levels on Gas Supply



Anti – Corruption

% of Third Party Counterparts on which Reputational Due Diligence Checks have been Performed



4. European digital KPIs, examples

By 2025:

- 90% of people without formal education should be regular internet users (2019: 68%)
- European companies should provide ICT training for 70% of their employees (2019: 24%)
- 6% of employed women should be ICT professionals (2017: 1%)
- 200 million people should have access to 5G
- 70% of European households should have a broadband connection with a speed of 100 Mbps or more (2019: 33%)
- 15% of all material used in the economy should be recycled and reused (2019: 12%)
- 30% of EU citizens should be able and willing to make an appointment with a doctor online (2019: 17%)
- 50% of SMEs should use big data analytics (2020: 12%)
- **European countries should spend 3% of their GDP on research and innovation (currently 2%)**
- **10% of R&D expenditure should be ICT-oriented (currently 6.9%)**



5. European Green KPIs






- climate goals → legal obligations
- cut CO₂ emissions by 55% by 2030 (baseline: 1990)
- **From farm to fork initiative**
 - By 2030, halve the amount of food waste p.c. globally at retail and consumer levels and reduce food losses along the production and supply chain, together with post-harvest loss
- SURS: 118k tons of waste food (2013) – 143k tons (2020), +19% (retail)
- Same period +19 % in households
- 68 kg of wasted food p.c. (Slovenia, 2020)
- 173 kg p.c. (EU-28, 2012)



6. European better society

- European Pillar of social rights
- fairer taxing of international firms
- ALMA program – for the young to find work experience abroad
- 2022: Year of the European Youth
- Inclusion of the young into Conference on the Future of Europe
- European Defence Union (hybrid, cyber security, space)

EU 2019 budget with results

Natural resources	Cohesion	Research, industry, space, energy and transport	External relations	Other internal policies	Other services and administration EUR 7 billion (5%)
EUR 59 billion (40%)	EUR 47 billion (32%)	EUR 15 billion (10%)	EUR 12 billion (8%)	EUR 7 billion (5%)	
					
6.2 million farms supported out of 10.5 million	Regions and cities Almost 500 000 enterprises supported since 2014	More than 12 000 small and medium-sized enterprises supported, as well as researchers, laboratories and large organisations	90 non-EU countries and territories receiving direct support, as well as numerous international and non-governmental organisations	Erasmus+: almost 360 000 students supported in 2019 (more than 4.6 million participants since 2014)	

Relevant expenditure of the EU budget implemented by the Commission in 2019, per policy area, in % and billion EUR

Source: European Commission annual activity reports.

Source: Annual Management and Performance Report for the EU Budget



EU 2019 budget with SDGs



In 2018 the **Asylum, Migration and Integration Fund** awarded over EUR 194 million for a cash assistance and accommodation scheme in Greece, providing approximately 25 000 places in apartments and suitable shelters to the most vulnerable migrants.



The **Spotlight Initiative's** 'safe and fair' programme (EUR 25 million), aims at ensuring that labour migration is safe and fair for all women in the region covered by the Association of Southeast Asian Nations.



Food assistance reached 12.6 million people in 2018 through the **Fund for European Aid to the Most Deprived**.



By the end of 2018, the **European Regional Development Fund and Cohesion Fund** financing had resulted in an increase in waste-recycling capacity to 765 000 tonnes per year, compared to 48 000 tonnes per year at the end of 2017.



27.5 million people had benefited from improved health services financed by the **European Regional Development Fund** by the end of 2018.



With financing from the **Development Cooperation Instrument**, Switch Africa Green provides funding to green business projects in Africa. In its first phase, it supported 3 000 micro, small and medium-sized enterprises and contributed to creating or securing 10 000 green jobs.



In 2019, under the Africa-Europe Alliance, over 8 000 African students and staff were granted scholarships in EU universities by **Erasmus+**, bringing the total to over 26 000 since 2014.



Humanitarian aid provided financing to 24 countries and for six regional interventions in 2019 to strengthen the disaster preparedness of national response systems and mitigate the impact of climate-induced disasters on humanitarian needs.

Source: Annual Management and Performance Report for the EU Budget



7. Level of democratic dialogue

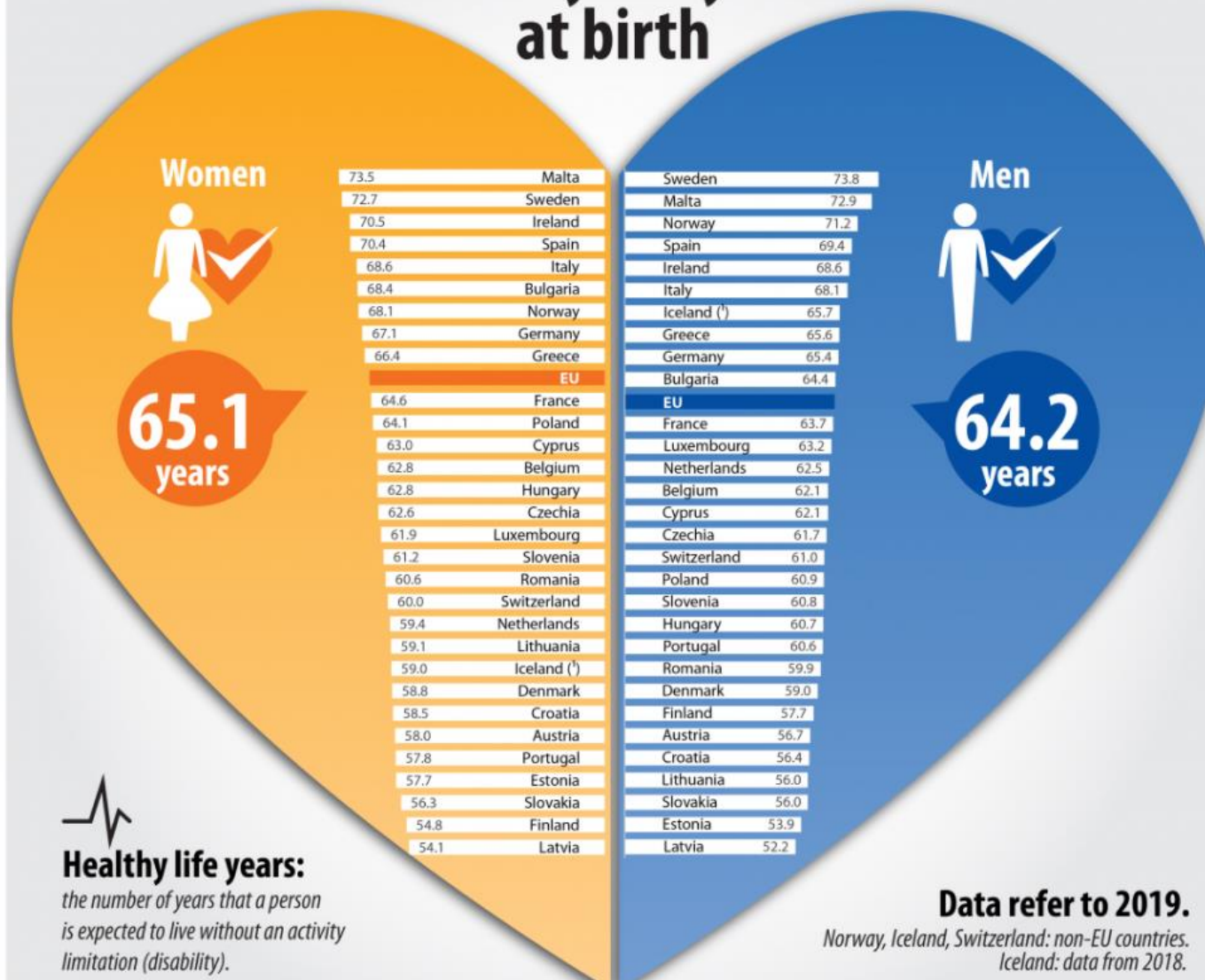
- % of hate speech on social media
- % of fake news in social media

8. Health
























- Not anymore only # of expected years of birth (**Life expectancy at birth** for the world increased from **64.2** years in 1990 to **72.6** years in 2019, expected to increase to **77.1** years in 2050).
- In 2019, **number of healthy life years** at birth was estimated at **65.1** years for women and **64.2** years for men in EU (78 % and 82 % of total life expectancy for women and men).

8. Health

Healthy life years at birth

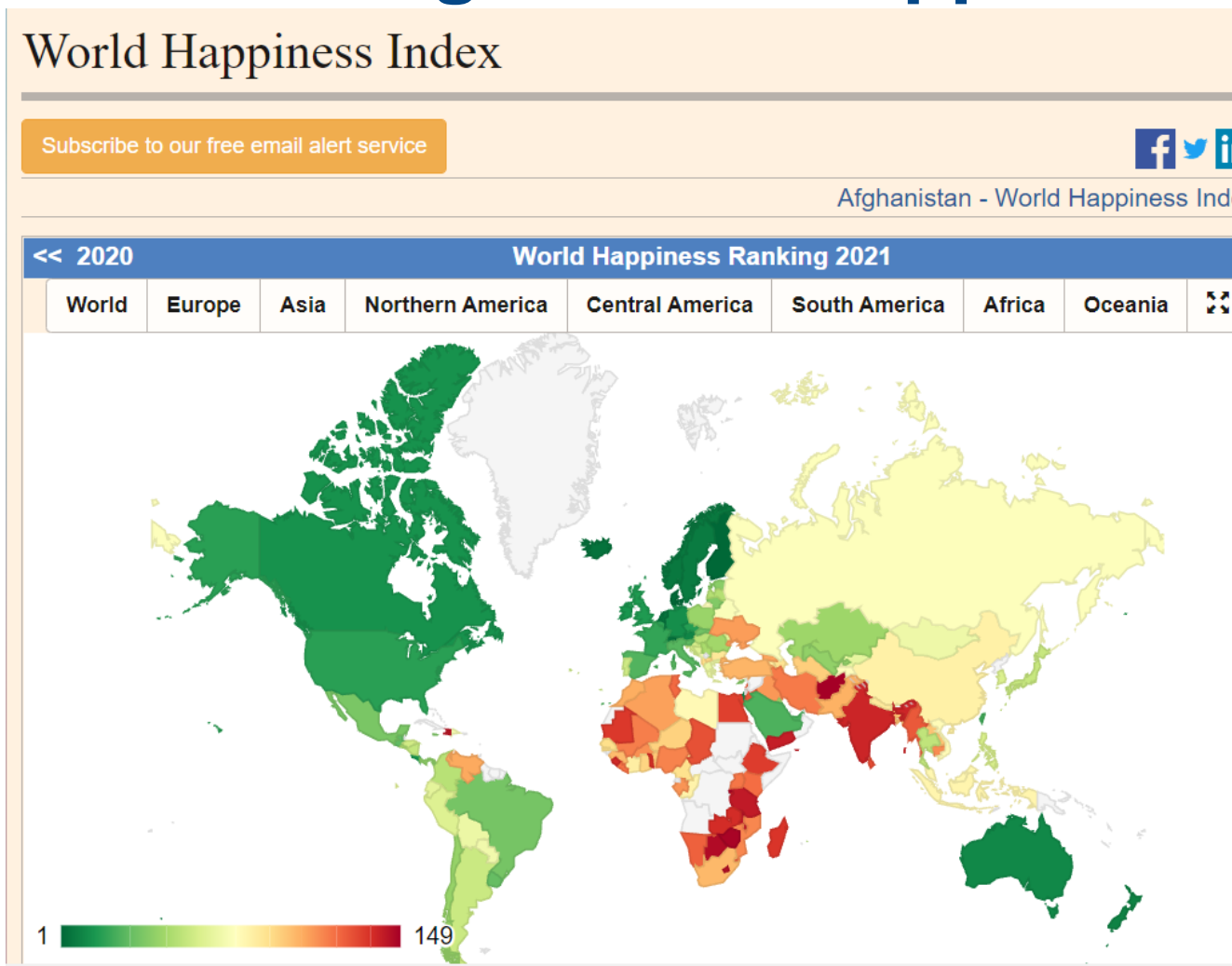


9. Well-being - Prosperity Index 2020

RANK	COUNTRY													
ADJUST	PILLAR WEIGHTING ?	x1	x1	x1	x1	x1	x1	x1	x1	x1	x1	x1	x1	
1	 Denmark	+	10	2	3	1	6	6	8	8	1	6	3	8
2	 Norway	+	2	1	2	2	2	11	25	9	8	7	8	9
3	 Switzerland	+	1	12	7	9	15	3	11	1	5	4	12	6
4	 Sweden	+	14	3	6	7	8	16	6	7	3	9	16	1
5	 Finland	+	16	4	1	3	5	14	9	20	9	21	5	2
6	 Netherlands	+	13	5	4	8	9	8	2	5	2	15	7	44
7	 New Zealand	+	25	10	5	5	4	15	23	24	26	23	15	4
8	 Germany	+	22	11	9	15	17	5	5	4	4	17	27	19
9	 Luxembourg	+	3	6	8	28	24	7	10	3	7	8	36	11
10	 Austria	+	4	14	15	10	11	19	16	18	11	26	22	5
11	 Iceland	+	5	9	12	4	22	28	22	19	22	5	14	20



9. Well-being - World Happiness Index



GDP
Life expectancy
Generosity
Social support
Freedom
Corruption

as compared to an imaginary country DYSTOPIA



To sum up

- **Many political priorities**
- **A lot of measuring of „new political priorities“
KPIs in place**
- **More to be developed**

FOOD FOR THOUGHT

What is your priority

—

and how would you measure its progress?