

STUDY HIGHLIGHTS

# Business Sustainability Risk and Performance Index 2021

The fifth edition of our [Business Sustainability Risk and Performance Index](#) Insights from Global Supply Chain Ratings covers the period 2016–2020 and is based on data derived from over 72,000 ratings conducted on more than 46,000 companies. It provides comprehensive snapshots of the performance of companies of varying sizes across nine sectors and global regions. Here are some of its key findings.

KEY FINDINGS\*

## ↑ 1.1 Points

In 2020, global sustainability performance across rated companies reached an average score of 47.7, up from 46.6 in 2019.

## 53.9 Points

With an overall score of 53.9, companies with multiple EcoVadis assessments outperform the global average of 47.7.

## 50.7 Points

The Labor and Human Rights theme saw the strongest growth in 2020 and is leading with an average of 50.7 score points.

## 3 Assessments

Companies that have been assessed by EcoVadis at least three times display a steady increase in overall scoring and, significantly, improvements are reflected across all four sustainability themes.

\*Scores are based on a scale of 0 to 100. Just over 7% of organizations score above 64 which represents “advanced” to “outstanding” performance, while companies with scores above 45 are considered “good.” Scores of 25 to 44 represent medium risk, and scores below 25 are considered “high risk”.

## Performance Comparison by Sustainability Theme

The Index includes an analysis of sustainability performance across EcoVadis' four assessment themes: Environment, Labor and Human Rights, Ethics and Sustainable Procurement. Combined, companies' sustainability management across the Labor and Human Rights, Environment, and Ethics themes is responsible for the strong global performance improvement manifest in the 2020 data.

**0.5** Points ↑  
**Environment**

With an average score of 48.2, sustainability performance in the Environment theme continued the steady upward trajectory observable over the past several years; however, it continues to trail Labor & Human rights as the best performing theme.

**50** Points ≥  
**Labor and Human Rights**

Scoring average in the Labor & Human Rights theme exceeded 50 for the first time ever in 2020. The same theme has also seen the greatest score increase in recent years, up from 45.6 in 2016.

**0.3** Points ↑  
**Ethics**

The average score for the Ethics theme has increased slowly but steadily during the five years since the first Index was published in 2016.

**0.4** Points ↓  
**Sustainable Procurement**

Scoring in Sustainable Procurement fell by 0.4 points on the 2019 average to 37.6 in 2020. It is the only theme that saw its average score decrease in 2020.

**6.7** Points

The scoring gap between Sustainable Procurement and Ethics, the next lowest-performing theme.

# Sustainability Performance Across Regions

**43.0** ▲  
**North America**  
is rapidly gaining ground on Europe and achieved a record high average score of 46.5 in 2020.

**52.1** ▲  
**Europe**  
Europe remains the global leader in sustainability performance, with an average score of 52.1.

**36.9** ▲  
**Greater China**  
Although average scores increased to 36.9 in 2020, Greater China remains the lowest-scoring region.

**43.7** ▲  
**Latin America/ Caribbean**  
continue making strides in sustainability and are leaving behind both AMEA and Greater China, while slowly catching up to the global average.

**42.7** ▲  
**Asia, Middle East and Africa (AMEA)**  
the AMEA region continues to build its scoring lead over Greater China.

# Sector Snapshots

Despite shared improvement trends, sustainability performance still varies significantly across industries.

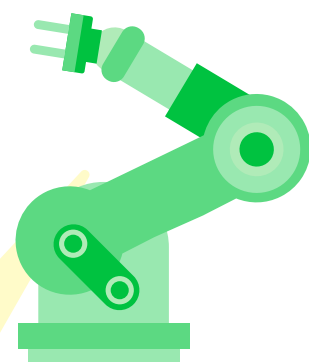
Each sector also has its strengths and weaknesses – the profiles below highlight where they excel and the areas in which they can improve.



## Food and Beverage

Steady overall score increases in recent years have made the sector one of the top performers on the EcoVadis rating scale.

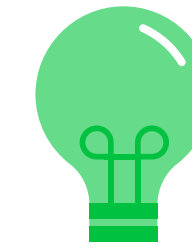
Scoring in the Sustainable Procurement theme continues to lag behind its performance in other areas.



## Advanced Manufacturing

Emphasis on Labor and Human Rights management has translated to significant performance improvements and a new high score of 49.9 in 2020.

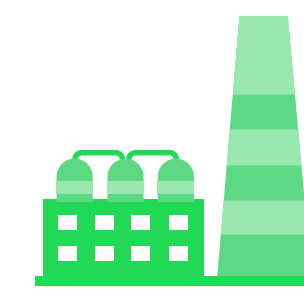
Increased transparency around sustainable procurement practices is needed to develop innovative solutions (e.g. carbon-neutral manufacturing processes) for sector-wide sustainability.



## Light Manufacturing

Improved significantly in the Environment and Labor and Human Rights themes in 2020, with scores rising to an average of 48.9 and 50.1, respectively.

Particular focus is needed on the Ethics and Sustainable Procurement themes as the COVID-19 pandemic has fueled adverse labor and human rights practices in the sector.



## Heavy Manufacturing

Performed strongest in the Environment and Labor and Human Rights themes (51.7 and 50.9 points, respectively) – driven by a commitment to safety, minimizing spills and pollution, and the use of innovative technology

Fell short of the cross-industry average of 44.3 in the Ethics theme, registering a score of 43.5. Improvements in ethics management systems are needed.



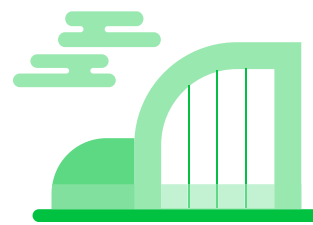




## Construction

Achieved the second-highest overall score in 2020 at 49.4 – second only to Finance, Legal, and Professionals at 51.0.

Supply chain management continues to pose sustainability challenges for the sector, resulting in a weak Sustainable Procurement score of 38.0.



## Wholesale, Services and Professionals

Outperformed the global average in the Ethics theme in 2020, registering a score of 45.3.

Fell short of the cross-industry average in Sustainable Procurement with a score of 36.4 – a 0.3 decrease from 2019.

Read the full Index report for more insight into what these scores mean for each sector.



## Transport

Strong performance in Labor and Human Rights ensured that the industry's overall average held steady at 44.9.

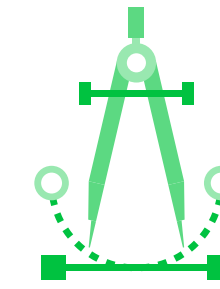
Scoring declined moderately across the Environment, Ethics and Sustainable Procurement themes, indicating that the sector may struggle to meet certain sustainable mobility targets.



## Information and Communication Technology

Outperformed all other industries in the Ethics theme in 2020, registering an average score of 50.6

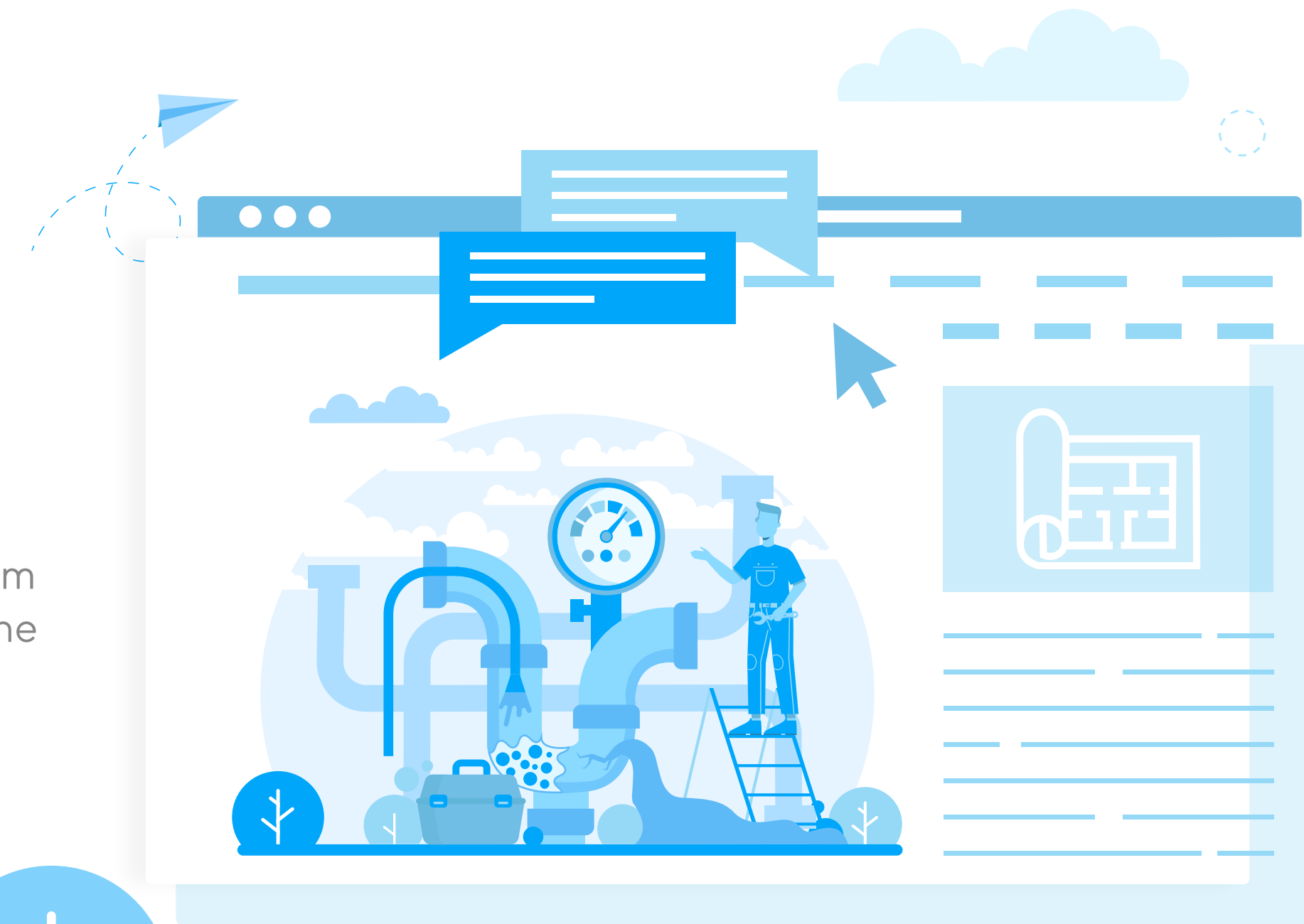
Significant drop in Sustainable Procurement scoring – from 39.8 in 2016 to 36.5 in 2020 – is a serious concern given the sector's use of conflict minerals.



## Finance, Legal and Consulting

Solid Environment score of 48.1 driven by a proliferation in environmental services.

Though it exceeds the cross-sectoral average in the Ethics and Sustainable Procurement themes – with scores of 42.7 and 37.7, respectively – there is significant room for improvement.



# Spotlight on Sustainable Procurement

An analysis of data collected on the Sustainable Procurement theme has identified three key trends in 2020:

1. While EU and OECD companies display a stable performance trajectory, global practices in sustainable procurement are lacking and a majority of businesses are unprepared to meet upcoming supply chain due diligence requirements and legal obligations.
2. The use of sustainable procurement tools, including supplier code of conducts and supplier assessments, has grown tremendously, to 26% and 33% of companies respectively in 2020, but key measures such as supply chain risk analysis remain underused.
3. Across industries, rated companies' performance in the Sustainable Procurement theme is trending downward, which raises concerns in light of supply chain risks exacerbated by the COVID-19 pandemic.

Head to the full Index report  
for a deeper dive into the latest  
sustainable procurement trends.

