100 FASTEST-GROWING COMPANIES 2015

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OUR FIRST EVER

CHANGE THE WORLD LIST

NIKE, CISCO, MASTERCARD, SABMILLER, VODAFONE, GOOGLE— AND 45 OTHER COMPANIES THAT ARE DOING WELL BY DOING GOOD.

By Erika Fry

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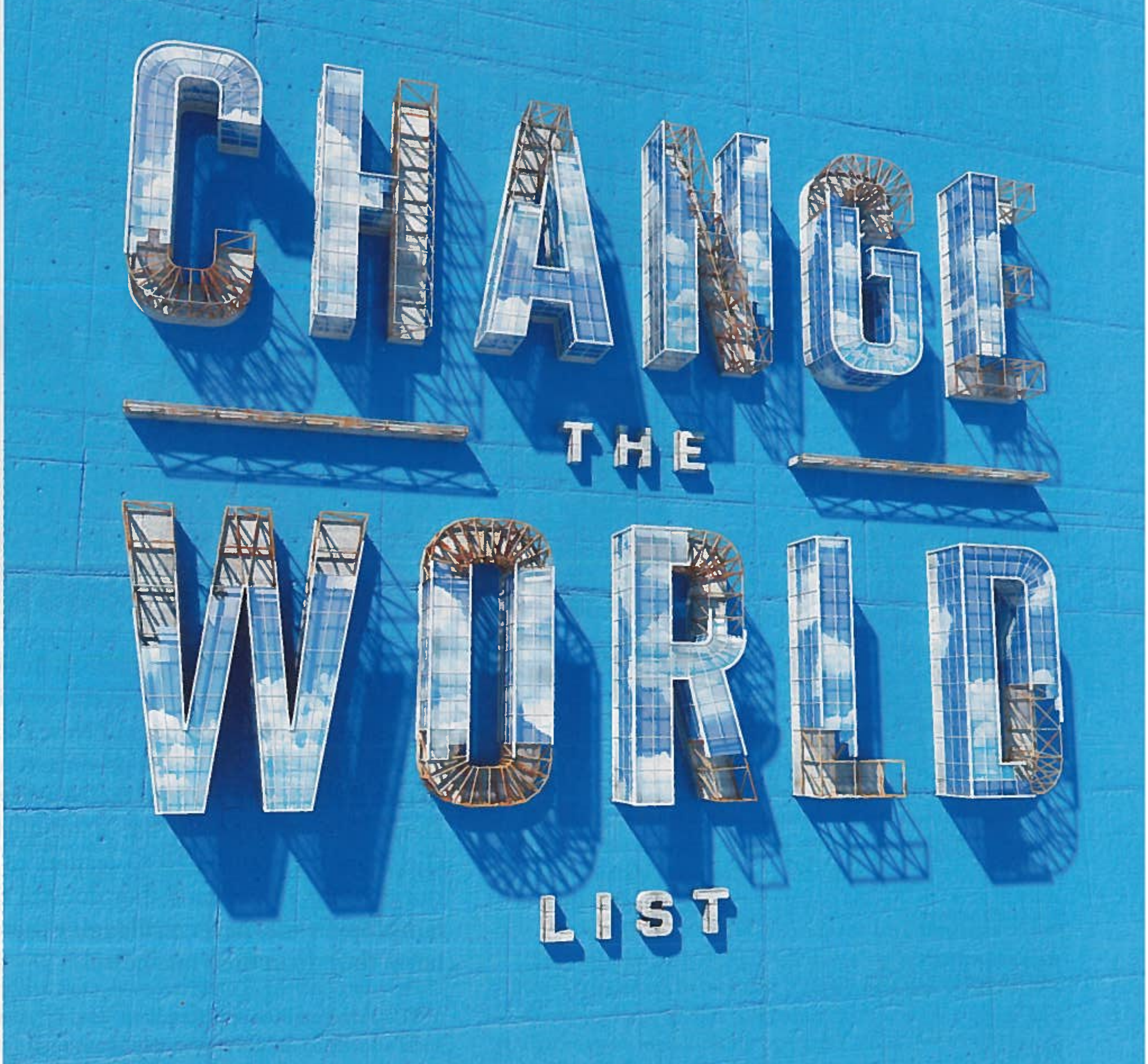

CHANGE THE WORLD LIST

BY ERIKA FRY

In a time when governments seem ineffectual and society is ever more divided, dozens of big companies are forging ahead to tackle the world's most intransigent problems. For anyone who's ever doubted the power of the profit motive—or thought business can't be an enduring force for good—witness the 51 companies on the pages that follow.

ADDITIONAL REPORTING BY SCOTT CENDROWSKI, JONATHAN CHEW, RYAN DALY, BRIAN DUMAINE, NINA EASTON, CLAIRE GRODEN, MATT HEIMER, KIA KOKALITCHEVA, BETH KOWITT, MICHAL LEV-RAM, LAURA LORENZETTI, BRIAN O'KEEFE, SCOTT OLSTER, ANNE VANDERMEY, PHIL WAHBA, VIVIENNE WALT, JEN WIECZNER, AND CLAIRE ZILLMAN

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Doing Well by Doing Good

To take on the world's toughest challenges in a sustainable way, companies are turning to something familiar: the profit motive. Here, the true and best meaning of return on investment.

BY ALAN MURRAY

Featuring nominations from a panel of expert advisers:

DOMINIC BARTON
McKinsey & Co.

MARC BENIOFF
Salesforce.com

BILL GEORGE
Harvard University

BOB HARRISON
Clinton Global Initiative

INGE KAUER
Access to Nutrition Index

KLAUS KLEINFELD
Alcoa

ALICE KORNGOLD
Korngold Consulting

MARK KRAMER
FSG / Shared Value Initiative

ELLEN MARTIN
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RITA GUNTHER McGRATH
Columbia Business School

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Clinton Global Initiative

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McDonough School of Business, Georgetown University

JEFFREY PFEFFER
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MICHAEL PORTER
Harvard Business School

TARA PRASAD
Access to Medicine Foundation

MARTIN REEVES
BCG

JUDITH RODIN
Rockefeller Foundation

JOHN STREUR
Calvert Investments

ERIC TOPOL
Scripps Translational Science Institute

MICHAEL USEEM
The Wharton School

RICK WARTZMAN
Drucker Institute

NOT FOR THE FIRST TIME, capitalism is under attack. ¶ The economic system that won the great ideological battle of the 20th century is facing a renewed challenge in the 21st. You can hear it in the passionate rhetoric of Pope Francis in Bolivia and see it in the crowds cheering socialist Bernie Sanders in New Hampshire. It even made its way to the privileged heights of Aspen this summer, where the *New York Times*' David Brooks reports that columnist Anand Giridharadas accused NGO leaders of praising the rich "for all the good they do with their philanthropy" while never challenging them "for the harm they do in their businesses."

The Friedmanites and Randians among us will dismiss such attacks as another misguided mutiny from the loopy left. The past two decades, they correctly point out, have delivered the greatest demonstration of capitalism's benefits in the history of man. A billion people were lifted from poverty, largely because Chinese leaders abandoned the straitjacket of equality and allowed free markets to bloom.

But many smart business leaders sense that something bigger is afoot, and recognize that they ignore such public currents at their peril. Technology and globalization, for all their benefits, have widened the wedge between rich and poor. The financial crisis of 2007–08 has underscored the system's roughest edges. The rising tide that once lifted all boats has caused a leak.

←

NO. 14
DANONE
Bangladeshi children eat 600,000 servings a week of its Shokti-Doi, a nutrient-rich yogurt.

COURTESY OF DANONE

Prodded by socially conscious customers and idealistic employees, as well as a skeptical public, businesses are searching for new ways to prove capitalism's power to rectify social ills. Whether it is John Mackey's "conscious capitalism" (see our feature story on page 36), the "just capital" of Paul Tudor Jones (whom we profile on page 44), Michael Porter's "shared value capitalism" (page 22), Lynn Forester de Rothschild's "inclusive capitalism," or Marc Benioff's "compassionate capitalism," the collective message is unambiguous: Your father's capitalism needs some modification.

Fortune's new Change the World list is our contribution to this trend. It is meant to shine a spotlight on companies that have made significant progress in addressing major social problems as a part of their core business strategy. It is based on our belief that capitalism should be not just tolerated but celebrated for its power to do good. At a time when governments are flailing, its powers are needed more than ever.

In doing this, we have enlisted the help of a small army of *Fortune*'s friends and mentors. The list includes some of the most thoughtful leaders we know in the corporate and nonprofit realms, as well as a number of scholars who bring both perspective and insight to the public discourse on business.

We are particularly indebted to FSG, a nonprofit think tank led by Mark Kramer and guided by Harvard professor Michael Porter, for investing many hours of their valuable time collecting and vetting nominations for the list. They have been pioneers in this effort, and we are lucky to have their assistance. While the editors of *Fortune* are ultimately responsible for the final list, we couldn't have done it without their expertise and effort.

A couple of caveats: We have made no effort here to rate companies on their overall "goodness" or "social responsibility." That's a task beyond our competence. We recognize that these are large global companies with complex operations that may be ameliorating one great global problem even as they contribute to another (and we will continue to encourage our reporters to uncover the latter). Moreover, we acknowledge that some of these companies have undertaken the actions highlighted here in part to counter public criticism for past actions that are less than laudable.

Our point is simply this: Business in pursuit of profit still offers the best hope of addressing many of mankind's most deeply rooted problems. Companies that are making genuine efforts to change the world for the better should be encouraged. The future of capitalism—and the future of mankind—depends on it.

↑ Customers using M-Pesa's money transfer services at a store in Nairobi. The mobile-payment service now has 17 million users on three continents.

VODAFONE AND SAFARICOM

Connecting the unbanked masses to the global economy

UNITED KINGDOM / KENYA

NO. 1

"It has been revolutionary. It has changed lives [and] businesses, and brought substantial flows into the financial system that would have otherwise been lying literally under mattresses."
—WOLFGANG FENGLER, WORLD BANK

U.K.-based Vodafone and Kenyan telecom Safaricom had modest expectations for the mobile-money platform they created in 2007. Many thought M-Pesa—which lets people who lack bank accounts use their smartphones to save and transfer money, receive pensions, and pay bills—was a worthwhile idea but didn't imagine it would transform the regional economy. Within months, though, membership rocketed. Today 17 million people in East Africa, India, Romania, and Albania—many of whom are on the financial grid for the first time—use M-Pesa. "It has been revolutionary," says World Bank economist Wolfgang Fengler. "It has changed lives, businesses, and the perception of Africa, and brought substantial flows into the financial system that would have otherwise been lying literally under mattresses." A staggering 42% of Kenya's GDP is transacted through M-Pesa. And for Vodafone, brand loyalty has followed. Fewer than 0.1% of its customers in Kenya have dropped the company since 2010, says Vodafone's Michael Joseph, a former Safaricom CEO who oversees M-Pesa.

TREVOR SNAPP—GETTY IMAGES

TOYOTA JAPAN

Building powerful weapons in the fight to lower automobile emissions

CHANGE THE WORLD

NO. 2

Google (Alphabet)

Knocking down more barriers to knowledge

U.S.

Is there a greater force against ignorance than Google? The search giant's knowledge-bearing tentacles extend to every cranny of the globe, empowering its billion-plus users with information of all varieties—and in 159 languages. Processing over 100 billion queries a month, Google has so profoundly changed our world that it's hard to remember life before it. But Google is not just a tool for curious minds; it's a springboard for academic collaboration: Google Scholar has leveled ivory towers and become a spiritual guide for open science. Catriona MacCallum, senior advocacy manager at open-access pioneer PLOS, says the "discoverability" it provides researchers is invaluable. Then there's Google Translate, decoding 1 billion linguistic mysteries per day, which is closing cultural gaps in communication in stunning real time. With 25 million books scanned already, Google Books is fast becoming our most comprehensive archive of the written word. Meanwhile, Google Earth, a satellite-based mapping tool, is helping scientists track climate change as never before. "It makes it very simple to get our data out there," says Jane Beitler of the National Snow and Ice Data Center, which posts time-lapse images of declining sea ice. "Whether you're a scientist who wants to know how this affects polar bears or a citizen who wants the straight-up information on climate change, Google Earth provides that. A picture, after all, is worth a thousand words."

NO. 3

IT HAD LITTLE TRUNK SPACE and looked like a Corolla with chubbier cheeks. But in 1997, with plenty of head-scratching from the media and experts, the Prius became the first large-scale stab at solving the auto industry's massive emissions problem. The world's inaugural mass-market hybrid, the Toyota arrived as a half-gas-, half-battery-powered carriage that could reach a startling 40 miles per gallon, and promptly made everyone believe. Hybrids now account for about 3% of new car sales in the U.S.; in Japan that number is around 30%, with Toyota accounting for 40% of the world's hybrid market. And in September, Toyota speeds into the unknown once again as it launches the Toyota Mirai, the world's first mass-produced fuel-cell vehicle. Powered by hydrogen and emitting nothing but drops of water, it could be even more eco-friendly than its electric-vehicle peers. Those who have tested the technology vouch for its potential; less obvious is whether Toyota can build the infrastructure required to support the Mirai. But if fortune favors the brave, Toyota is set to profit from where no vehicle has gone before.

↓ The Toyota Mirai, whose hydrogen fuel cell makes it a true zero-emission vehicle

NO. 4

Walmart

Pushing an army of suppliers to eliminate waste

U.S.

Earlier this year, Walmart CEO Doug McMillon kicked off his company's biannual sustainability milestone meeting by showing off a new, improved bottle of detergent: the Purex PowerShot. Developed by Walmart with the manufacturer, Henkel, the product uses less water and is 30% more efficient and 50% more effective than the old version, but costs the same, McMillon said. Partnering to create a better product is a process Walmart can replicate "hundreds of thousands of times over again," he said. Indeed, the world's largest retailer does sustainability on a massive scale. It has been 10 years since former CEO Lee Scott kicked off a new era of corporate responsibility at Walmart by establishing three goals: to be 100% supplied by renewable energy, to eliminate waste from its massive system, and to create a more sustainable supply chain. Walmart today gets 26% of its electricity from renewable sources and operates with 9% less energy intensity than in 2010. Nearly 1,300 of its suppliers now use its Sustainability Index—and by the end of 2015 the company will have eliminated 20 million metric tons of greenhouse-gas emissions from its supply chain. The company estimates its suppliers will increase the recycled content in their packaging by 1 billion pounds by 2020. Walmart set another example in 2015 when it raised the minimum wage for all workers, spurring rivals like Target and TJX to boost pay as well.

GOOGLE: NSIDC; TOYOTA: TOMOHIRO OHSUMI—GETTY IMAGES

NO. 5
ENEL
Working on a turbine at Enel's wind-power farm in Frosolone, Italy. Enel generates 38% of its power from renewable sources.

ALESSIA PIERDOMENICO—GETTY IMAGES

NO. 7

Jain Irrigation Systems

Smarter water delivery becomes a cure for rural poverty

India

Jain has built its business by improving the livelihoods of 5 million small farmers in India. Based in the country's western Maharashtra state, Jain began selling micro-irrigation systems in 1986, when it recognized that the technology, commonly used in industrial agriculture, could be adapted for local growers, whose tiny landholdings were traditionally watered by rain or blunt flooding techniques. As Jain's "More crop per drop" slogan promised, yields increased dramatically—50% to 300%, depending on the plant—as did farmers' incomes.

And Jain continues to boost both in other ways as well: It has introduced more-viable crop varieties and trained farmers on more productive growing techniques, such as high-density planting for mangoes. The company also branched into solar water pumps (electricity is often scarce on the farm), financing, and food processing—for the likes of Coca-Cola and Unilever—so that there is a ready market for these farmers' wares. The company, the world's second-largest seller of drip-irrigation systems, now does business in 116 countries.

NO. 5

Enel

Cleaning up—as it cleans up the power grid

Italy

We expect revolutions to be led by tiny upstarts, not established giants. But Enel, Italy's $101 billion-in-revenues utility—No. 69 on the Global 500—is charging the barricades when it comes to clean power. Last year it generated 38% of its total output from renewable sources, including wind, solar, and geothermal energy. CEO Francesco Starace says that figure will be 48% in four years, and he has committed to making Enel—whose fastest-growing subsidiary is Green Power, which had $3.9 billion in revenues last year—carbon-neutral by 2050.

NO. 6

GSK

An innovative malaria vaccine brings knowledge and hope

United Kingdom

When Mosquirix, a vaccine developed over three decades by GSK (GlaxoSmithKline), was approved by the European Medicines Agency in July, it was a big deal. The first vaccine of its kind, it is a long-awaited weapon in the war against malaria, which strikes 200 million people a year and kills 600,000—the majority children. Mosquirix, which in clinical trials reduced malaria cases by 40% in children, is no magic bullet, but it represents significant progress against a disease that has gotten scant attention from drugmakers. It's priced 5% above the cost of manufacture, and the profit will be reinvested in tropical disease R&D. But the greater business and scientific potential comes from the insights GSK collected in the effort, which are now being applied to other projects, including a shingles vaccine. "The proof of concept has been made: It works," says Greg Poland, director of the Mayo Clinic's Vaccine Research Group. "The next stage will be to, in time, improve it and apply the technology to other complex diseases." Potential agents, he says, could target hepatitis C and HIV.

NO. 8

Cisco Systems

Training a tech workforce that could lift up the Middle East

U.S.

It will come as no surprise that the political and economic challenges in the Palestinian territories make it tough for the local economy to grow. Enter Cisco, which has pioneered an outsourcing collaboration between its Israel office and Palestinians with tech skills. The effort, now followed by companies like Microsoft and Google, has helped the area's IT outsourcing sector grow 64% from 2010 to 2014. (Such tech work currently accounts for about 10% of the West Bank's GDP.) Cisco, which provides much of the networking infrastructure in the Middle East, has also staked $15 million in local incubators and youth-training programs. Its West Bank investment is a mere glimpse into the broad reach of Cisco's Networking Academy program, which has trained 5.5 million students around the world since 1997—nearly all in places that didn't have endemic high-tech sectors. The ROI for Cisco? A broader, cheaper pool of technical workers—and a foothold in dozens of new markets.

CHANGE THE WORLD

NO. 9

Novartis
Bringing essential medicines to the poor
Switzerland

In 2006, Novartis set out on an ambitious plan to bring dozens of essential medicines—basic remedies to fight diarrhea, parasites, nutritional deficiencies, and respiratory ailments—to rural India. From a philanthropic standpoint, the goal was laudable, but Novartis wanted it to be sustainable: It had to stand on its own as a business. The challenge? Health education was low, doctors were scarce, and distribution channels were nonexistent. Novartis brought in physicians—who have treated nearly a million patients since 2010—and raised awareness of the critical need for hygiene in preventing infection. Just 31 months after the launch of Arogya Parivar ("healthy family" in Hindi), the venture broke even. It's now being rolled out in Kenya, Indonesia, and Vietnam.

NO. 10

Facebook
Philanthropy? It's the app for that
U.S.

Business gurus talk rhapsodically about the power of connectivity; social philosophers extol the value of community. Facebook brought these things together in the geologic blink of an eye. With 1.5 billion active monthly users, the social network has morphed from mere friend finder to global front porch, preserving cultural ties lost in the modern diaspora and facilitating communion around the globe. Though such fellowship can ever-so-rarely lead to an unsavory end (like ISIS recruitment), Facebook has mostly served the good. Witness the 2014 Ice Bucket Challenge—in which untold millions on the network helped raise $115 million for the ALS Association.

NO. 11

MasterCard
Waging "war on cash," and helping millions
U.S.

MasterCard is at war—with cash, says Mark Elliot, South Africa country manager for the credit card giant. The billions of people around the world (85% of the population) who still pay for goods with cash are vulnerable to everything from predatory interest rates (think: payday loans) to outright theft. The cash economy also costs governments billions of dollars in uncaptured tax revenue. In all, says Harvard Business School professor Sunil Gupta, the inefficiencies of cash can cost countries as much as 1.5% of GDP. MasterCard is operating on a mind-boggling number of fronts to fight that—working on over 500 financial inclusion projects. In one of the oldest, MasterCard has partnered with South Africa's government to distribute social benefits on debit cards to more than 10 million recipients. The previous system was leaky and inefficient, forcing people to travel to centers where they'd queue up for cash. The switch to electronic payments reduced fraud and has saved the South African government more than $250 million in the past two years. MasterCard declines to say how much revenue is generated by the partnership, but says that both this and its inclusion efforts overall are profitable. "The margin size is small, but the scale and mass is what's bringing sustainability," says Elliot. And when he says scale, he means it: MasterCard estimates that since 2013 it has brought more than 150 million people to the formal financial table.

BY MICHAEL E. PORTER & MARK R. KRAMER

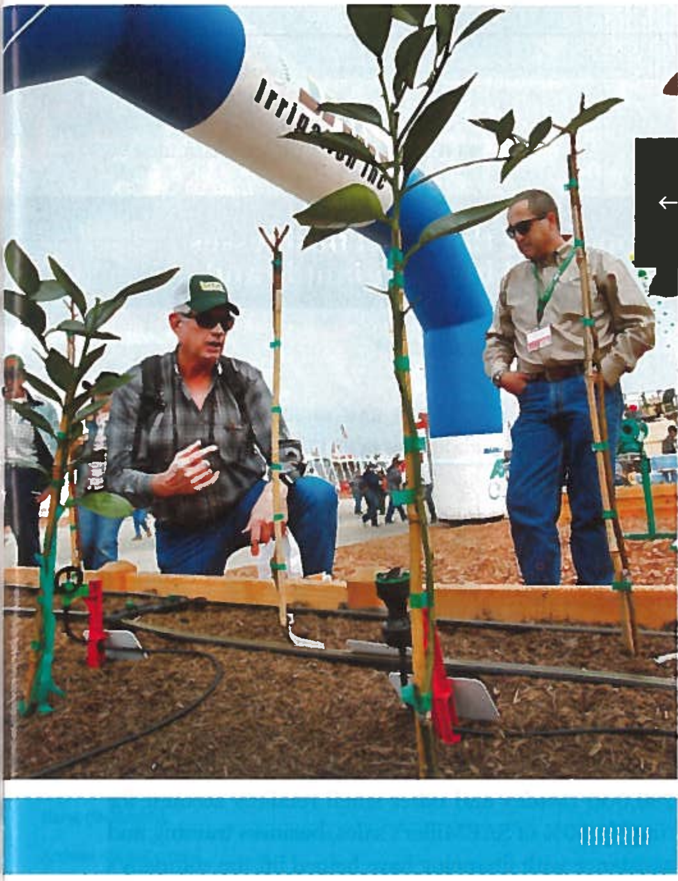
Profiting the Planet

A QUIET CORPORATE REVOLUTION is underway: Companies are beginning to compete to change the world for the better. The drive for profit, often criticized for coming at society's expense, is driving and enabling solutions to many of the world's most challenging problems.

For decades many companies ignored the social and environmental consequences of their activities. They saw their main responsibility as delivering returns to shareholders and viewed their obligations to society narrowly, as "giving back" through philanthropy. After repeated corporate scandals, public pressure forced companies to accept a heightened level of "corporate social responsibility" as a cost of doing business and a way to improve their reputations. A growing number of investors also began to take note of companies' environmental, social, and governance indicators, raising the bar on corporate conduct. But still, the main focus was on avoiding harm.

What's emerging today is something more fundamental—something we call creating shared value. Large companies are addressing big social problems as a core part of their strategy. They are disproving the flawed and simplistic notion that business and society are implacable opponents locked in a zero-sum game. Instead, they are demonstrating the radical idea that companies that tackle social problems through a profitable business model offer new hope for innovative and scalable solutions.

Discovery Insurance, for example, has devised programs that extend the life expectancy of its customers, resulting in lower prices and higher profits. Novartis has found new revenues outside normal distribution channels by bringing medicines and health education to tens of millions of rural villagers in India. Walmart is saving billions in costs by reducing its environmental footprint



← Mark Clifton (left) of Jain Irrigation demonstrates a drip-watering system at a trade show in California, where drought has made conservation a critical issue.

AL SEIB—GETTY IMAGES

and encouraging its suppliers to do the same. And Jain Irrigation has taught 5 million smallholder farmers in India how to grow more and save water through drip irrigation.

Companies like these see societal problems as opportunities for business innovation and competitive advantage. They reveal important unmet needs that can be addressed through new or redesigned products. Societal deficits create internal costs that can be reduced by reinventing value chains and strengthening the business environment in the communities in which they operate. Companies are finding new opportunities to partner with nonprofits and governments to achieve these shared-value objectives. The ability to profit and sustain growth drives innovations that improve health outcomes, make progress on climate change, provide better access to education, and create new economic opportunities for those in poverty, all at massive scale.

Fortune's first Change the World list is an effort to acknowledge this shift. It is a ranking of companies that have made a sizable impact on major global social or environmental problems as part of their competitive strategy. This list is not meant to be a ranking of the overall "goodness" of companies or of their "social responsibility." Big corporations are complex operations that affect the world in myriad ways. The goal here is simply to shine a spotlight on instances where companies are doing good as part of their profit-making strategy, and to shed new light on the power of capitalism to improve the human condition.

In working on this project, we and the editors of *Fortune* reached out to dozens of business, academic, and nonprofit experts around the world, asking for their recommendations. More than 200 submissions were vetted by a joint team from the Shared Value Initiative and our nonprofit social-impact advisory firm, FSG. We considered four criteria: the degree of business innovation involved, the measurable impact at scale on an important social challenge, the contribution of the shared-value activities to the company's profitability and competitive advantage, and the significance of the shared value effort to the overall business. A team of journalists from *Fortune* then further vetted each of the nominees and reported on their impact. The final list of 51 was selected and ranked by the editors of *Fortune* based on the magazine's own reporting and by the analysis provided.

Shared value is only beginning to be measured comprehensively. Some companies remain reluctant to disclose the business impact of their social activities because they seek to appear altruistic and fear that the mere mention of profit will undermine that. Others on the list compete in controversial industries or have engaged in harmful practices in some areas even as they create social benefits in others. Shared value is not a one-dimensional filter that labels companies as either good or bad.

This first Change the World list is only a start. Many more companies that are transforming the planet will be recognized in future years, and we hope that still more will be inspired. Our goal here is to demonstrate the power of capitalism to solve social problems. Every company, large or small, should strive to be on this list. Business can—and must—compete to change the world.

Michael E. Porter, a professor at Harvard Business School, and Mark R. Kramer co-founded FSG, a nonprofit social-impact consulting firm. The Shared Value Initiative, launched by FSG, is a global platform for advancing the practice of shared value among companies and their partners.

NO. 12

Grameen Bank

Its tiny loans became a giant force for good

Bangladesh

Economist Muhammad Yunus had a theory: He believed that small, collateral-free loans could enable Bangladesh's unbanked poor to start businesses and lift themselves out of poverty. Grameen Bank, chartered in 1983, proved him right, demonstrating that "microcredit" could be self-sustaining and even profitable. Since then, Grameen has loaned $17.4 billion to 8.7 million borrowers, most of them impoverished women; it reports a 98.3% repayment rate and has had only three money-losing years since 1990. Just as important is the movement for which Grameen paved the way. Globally, microfinance accounts for at least $60 billion in loans annually and has reached 135 million people, according to the World Bank—one reason Yunus's accolades include the 2006 Nobel Peace Prize.

NO. 13

Alibaba

A tool for rural China to buy, sell, and thrive

China

Alibaba's original business was connecting wholesalers in China—making everything from blue jeans to mopeds in bulk—with large buyers around the world. It worked so well that Alibaba began running consumer-based marketplaces, the eBay-like Taobao and Amazon-like Tmall, which now drive the majority of the company's sales. The marketplaces are a boon, especially for China's rural sellers, of which more than 2 million are active. They include farmers selling fresh produce on Taobao and small manufacturers offering trinkets. Before, these sellers were closed off from most of China and the world. Rural buyers, too, have been transformed by the new products available to them. Alibaba has brought tens of millions of poor people online—and into a thriving economy.

SABMILLER UNITED KINGDOM

Supporting the small businesses that helped build a giant brand

NO. 19

READERS CAN ARGUE long and hard about the value of beer, but SABMiller has focused on improving the livelihoods of the people its products depend on. Supporting small business—from shareholder farmers who supply ingredients to mom-and-pop shop owners who sell their brews—is embedded in SABMiller's strategy. In Uganda there's Eagle, the brewer's locally developed sorghum beer that now provides a market for 20,000 community farmers (and an affordable—and now market-leading—product for the masses). In Latin America, where 780,000 *tiendas* and other small retailers account for roughly 40% of SABMiller's sales, business training and assistance with financing have helped lift the company's average sales in the region by 12.8% since 2013. That's a nice bump for SABMiller—but a meaningful income boost for shop owners who once barely got by.

NO. 14

Danone

Nutrition, tailored to those who need it most

France

Big Food may be baby-stepping toward healthier fare, but Danone (which exited the junk-food biz in 2007) has committed completely. *Le roi du lait* excels at tailoring products to vulnerable populations, says Inge Kauer, executive director of the Access to Nutrition Index. After studying the diets of Brazil's youth, Danone reformulated a bestselling cheese (reducing sugar and adding vitamins) without harming sales. In Bangladesh, children eat 600,000 servings a week of its Shokti-Doi, a nutrient-rich yogurt (made in collaboration with No. 12, Grameen Bank).

NO. 15

BYD

Their better bus could solve a smog crisis

China

Half the world's air pollutants derive from transportation sources, and diesel buses are especially harmful. Chinese automaker BYD is tackling that problem with its battery-powered bus, which can go a full day without charging—a first. And it costs less to maintain over a lifetime than diesel equivalents. That's good for China's smog-choked cities—and the U.S., where half the population lives in areas that don't meet federal air standards. BYD expects to sell 6,000 of the models in China this year—and is expanding in the U.S. with a new California factory.

NO. 16

Cemex

DIY homes for a price even the poor can afford

Mexico

Until the mid-1990s, Mexican cement company Cemex mostly sold building materials to big contractors. When an economic crisis decimated sales, it overhauled that business model—finding a new market in Mexico's urban working class. In exchange for fixed, regular payments, Cemex began sending building materials and technical support to do-it-yourselfers, enabling many to own their own homes for the first time. Today nearly a half-million families across Latin America have built Cemex-supplied homes at one-third the time and cost.

NO. 17

Discovery Insurance

Making healthy habits pay off for patients

South Africa

South Africa's Discovery has a hit with Vitality, a behavior-tracking program that rewards clients' healthy habits, even paying their gym memberships. Independent studies show that Vitality members are more likely to take up and stick with physical activity; engaged members also go to the hospital 7.5% less often, and for markedly shorter periods too. This is also good business: Discovery's annual operating profits have reached $500 million, and new Vitality insurance partners include John Hancock, Generali in Europe, and Ping An in China.

← **NO. 19**
SABMILLER
A *tendera*, or shopkeeper, arranges bottles in her shop in Colombia. SABMiller Latin America has provided training and facilitated financing for thousands of store owners.

NO. 18
NOVO NORDISK
World Diabetes Day, Beijing

NO. 21

Roshan

Courage under fire: bringing phone service to Afghanistan

Afghanistan

During the 2009 elections in Afghanistan, Taliban insurgents trained their weapons on a new target: cellphone towers belonging to Roshan, the country's largest telecommunications provider. Eighteen towers worth $14 million were bombed—and still Roshan refused to pay the extortion money that would have protected them from such acts. Perhaps no other company on this list operates under such stress, and yet Roshan has become a foundational cornerstone for a new, developing Afghanistan. Founded by the Aga Khan Development Network in 2003, Roshan has given 6 million Afghans cellular service; previously many had to cross the Pakistani border for phone access. The company has plowed more than $600 million back into the country's infrastructure, with telemedicine projects, schools, and soup kitchens a part of Roshan's network of compassion.

NO. 18

Novo Nordisk

As diabetes spreads, a mission expands

Denmark

In 1994, few of China's legions of diabetics—the nation has 96.3 million today compared with 26 million in the U.S.—received regular insulin treatments. That's when Danish drugmaker Novo Nordisk committed to tackling diabetes in China—an effort that involved training tens of thousands of physicians, educating patients, and investing in local manufacturing and R&D. The results? A 2011 research paper estimated that the efforts had saved 140,000 life-years from diabetes-related complications. Novo, meanwhile, has a 63% market share in China.

NO. 20

IBM

A genius supercomputer goes to work in medicine

U.S.

IBM's Watson has graduated from competing on *Jeopardy!* to treating cancers. Memorial Sloan Kettering Cancer Center is using the AI system to analyze medical articles, patient records, and clinical-trial results—helping physicians make treatment decisions. In a recent study with Baylor College of Medicine, Watson sifted through 23 million scientific abstracts to identify, in weeks, six cancer-related proteins worth targeting. (Typically, researchers have one such find a year.) On deck: a $100 million project to develop health applications in Africa.

NO. 22

Vanguard

Protecting the increasingly endangered American retirement

U.S.

For America's middle class, many of retirement's financial building blocks have crumbled. Social Security and home equity look unreliable; pensions have nearly vanished. In their stead, 52 million savers rely on "self-directed" pension plans like 401(k)s, where expenses can siphon away tens of thousands of dollars over a lifetime. No institution has done more to combat those costs than Vanguard, the champion of index investing. By matching rather than trying to beat the market, index funds keep expenses low (Vanguard's average 0.18% annually). That in turn pressures competitors to lower their costs or justify high expenses with stellar returns (a bar that few clear). U.S. investors now hold roughly $4 trillion in index and exchange-traded funds. Not coincidentally, average stock-fund expenses have declined 29% since 2004.

CHANGE THE WORLD

NO. 23

Starbucks

Offering security for growers of a volatile crop

U.S.

Starbucks' enormous reach—21,000 stores in 65 countries—hasn't stopped the coffee giant from being intimately connected to its supply chain. Of the hundreds of millions of pounds of coffee Starbucks will buy this year, 99% will be verified as ethically sourced. The company has invested $20 million in coffee farms, a commitment that has touched 40,000 growers of the fickle crop. By 2020 it will invest $30 million more. The company is also funding research into new varieties of plants that are resistant to coffee rust—the industry's biggest nemesis.

NO. 24

Patagonia

A shrinking "footprint" leads to growing sales

U.S.

In 1996, Patagonia staked its reputation as a green retailer by removing all conventional cotton from its apparel to end its reliance on pesticides. Since then the company made public the environmental footprint of its garments and produced items made from recycled materials. Patagonia's "Don't buy this jacket" campaign, launched in 2011, urged customers to purchase less stuff and reuse what they already owned, enshrining the company as a sustainability stalwart. Despite the slogan, over the next two years annual sales grew almost 40%.

NO. 25

Cargill

Fighting malnutrition with a household staple

U.S.

In India, a country where 194 million people—and 40% of children—are malnourished, cooking oil matters. The staple product is found in 99% of Indian homes, making it one of the most surefire weapons to fight the country's scourge of malnutrition and fend off the host of issues—from blindness to vulnerability to infection—that come with it. That's why it was meaningful when Cargill, which sells more than a half-million ton of edible oils in India each year, began fortifying its products with vitamins A and D in 2008. Siraj Chaudhry, CEO of Cargill Foods India, saw nutrient enrichment—a $1 million annual investment—as a competitive advantage. Consumers and, more significantly, competitors were swayed—most cooking oil in India is now fortified. "It has been a catalyst for the whole industry," says Global Alliance for Improved Nutrition's Greg Garrett.

NO. 26

BD

Protecting the health workers who protect us

U.S.

For decades, BD [Becton Dickinson], the world's largest medical needle manufacturer, has made work safer for the globe's health care workers. Its quest began in the '80s—at the height of the AIDS epidemic—when industry data revealed how often those workers were injured and infected in needlestick accidents. BD quickly developed safety-engineered syringes and "needleless" IV access systems, funded a free-of-charge injury surveillance network [now used around the world], and created a training program with a large nursing organization. Thanks to the concerted lobbying efforts of BD and others, there is now federal legislation [passed in 2000] mandating the use of safe devices in the U.S. Sharps injuries have dropped substantially, and BD's safety-engineered products now generate more than $2 billion in annual sales.

NO. 27

M-Kopa

Electricity on demand in a land where it's scarce

Kenya

In Kenya, where around 77% of the population has no access to electricity, M-Kopa's pay-as-you-go solar-power machines require no installation and not even a bank account. Since M-Kopa launched in 2013, about 200,000 households in East Africa have leased its devices, paying minimal amounts daily for power [often via smartphone through M-Pesa] and junking other, more toxic power sources like kerosene burners. The model is "eminently scalable," co-founder Jesse Moore said recently. "We're really just getting started."

President Obama, with M-Kopa's June Muli, sees a machine in action.

SAUL LOEB—GETTY IMAGES

NO. 28

Unilever

Training the world to farm for the long haul

United Kingdom/Netherlands

As the globe's third-largest consumer-goods company, Unilever has a reach few corporations can match. More than half of the agricultural materials Unilever uses now come from sustainable sources and it has helped train 800,000 farmers to grow crops responsibly. In 2009 the company stopped issuing earnings guidance to keep short-term profits from driving strategy. While some shareholders have fretted about the bottom line, Unilever says its most sustainable products [including Dove and Lifebuoy soaps and Ben & Jerry's ice cream] are now its biggest growth drivers.

The End of 'Short-Termism'

For generations, shareholders have warned corporate managers not to let social responsibility eat into their profits. But a growing cohort of investors is sending a new message: Do good, or we'll walk.

BY JUDITH RODIN

MIGHT WE BE SEEING the sun setting on short-termism—the practice among analysts and investors of measuring success only by quarterly earnings? The numbers suggest the answer is yes. Almost half of all high-net-worth investors say they are interested in aligning more of their investments with their values. The assets managed under socially responsible principles—that is, guided by environmental, social, and corporate-governance criteria—doubled to more than $6 trillion between 2012 and 2014. And among millennials, a demographic group that will inherit more than $30 trillion over the next few decades, 92% believe that a business's purpose extends beyond profit.

Given these trends, the arrival of *Fortune*'s first Change the World list—a roster of companies whose management conforms to similar principles—was only a matter of time.

The groundwork for this evolution in investor behavior has included the accelerating growth of impact investing—that which is intended to generate both financial return and social or environmental impact. Based on surveys by the J.P. Morgan/Global Impact Investing Network and others, more than $60 billion is under impact-investment management today. Historically such investors have accepted lower financial returns to achieve measurable change, and that fact has kept many investors and asset managers away from the practice. But that may be changing. We're seeing the emergence of a broader cohort of investors who will accept more risk to bring their investments in line with their beliefs (and their clients'). At the behest of such investors, BlackRock, the world's largest asset-management firm, launched an impact-investing portfolio earlier this year. And the Norwegian Global Pension Fund, the world's largest sovereign wealth fund, recently made the values-driven decision to no longer invest in companies that depend on coal for more than 30% of their energy needs.

As the behavior of investors changes, so too does behavior among companies competing for those investments. Businesses may find that they must "do good or lose out" to more-conscientious rivals. Indeed, companies that continue with business as usual are missing the competitive advantage that companies on this list have embraced.

Of course, corporate leadership is not just about attracting investors; it's also about doing what's right for business. Current trends go beyond previous models of corporate social responsibility precisely because more companies see that a focus on social and environmental impact affects the bottom line. As a result, companies are reimagining how they source, operate, and innovate to advance a healthier planet and create more inclusive economies—those with more opportunities for more people—as part of a virtuous business cycle.

For executives looking to take this approach, there's good news: You don't have to go it alone. There are models to learn from and emulate (just look at this list), partners waiting to lend expertise, and more sophisticated systems for measuring and proving impact beyond financials. Socially responsible management is no longer the Wild West but the new normal. And in the near future, when you do what's right for your long-term success by doing more good for the world, investors won't just give you permission—they'll reward you.

↑ **Judith Rodin** is the president of the Rockefeller Foundation and a co-author of *The Power of Impact Investing: Putting Markets to Work for Profit and Global Good*.

CHANGE THE WORLD

NO. 29

Ayala

Millions can thank it for potable water

Philippines

Metro Manila's densely packed East Zone was a farrago of problems in the mid-'90s. Only a quarter of its 6 million homes had reliable access to round-the-clock potable tap water, and just 3% had access to a sewer system; disease and the illegal trading of bottled water were rampant. Such was the gravity of the issue that the Water Crisis Act was drafted in 1995, transferring the responsibility of access to water from the government to Ayala's Manila Water Co. Many now see the latter as the savior of a city: In the 18 years since its entry in 1997, the utility has provided a 24-hour supply to 99% of residents and replaced almost all the local pipes. Its Tubig Para Sa Barangay ("Water for the Poor") program makes sure the area's 1.8 million low-income households can afford clean and potable water.

NO. 30

Whole Foods Market

Raising the bar for every American grocer

U.S.

Whole Foods (see story on page 36) helped create the market for natural, healthy food—and in doing so "set a standard for grocery stores," says New York University food studies, nutrition, and public health professor Marion Nestle. The Austin-based grocer prompted giants from Walmart to Kroger to up their organic game. Whole Foods continues to push for change through initiatives like its animal-welfare standards, its refusal to sell overfished seafood, and its requirement that all products it sells containing genetically modified ingredients be labeled as such by 2018.

NO. 31

CVS Health

Another coffin nail for the cigarette industry

U.S.

When the cities of San Francisco and Boston banned the sale of tobacco in retail pharmacies, the number of cigarette buyers fell by 13%. Indeed, making cigarettes even slightly less accessible can push down childhood smoking rates. Which is why CVS Health's decision, in early 2014, to stop selling tobacco products in its 7,600 stores was so momentous, and praised by public health officials. Investors have joined the chorus of hosannas, pushing CVS stock up 66% since the bold move—three times the return of the S&P 500 over the same period.

NO. 32

Equity Bank

Finance for 10 million of Africa's poorest

Kenya

Only 34% of sub-Saharan Africans have a bank account, according to the World Bank—but that's up from 24% in 2011, thanks in part to Equity Bank. The Kenyan lender has pioneered the expansion of financial services across the continent, including mobile banking (see also our No. 1 pick). Once a struggling mortgage financier, Equity pivoted to microfinance, bringing branches to the countryside and offering small loans to Africa's unbanked. It's now one of the continent's largest financial institutions in terms of customers—with more than 10 million.

INTERCORP | PERU

Building a network of schools to sustain an emerging nation

NO. 33

INTERCORP CHAIRMAN Carlos Rodriguez-Pastor's conglomerate, which had $16 billion in assets as of March, operates with a single ambitious goal: to create a strong economic backbone to sustain Peru's burgeoning middle class. The organization has pursued this aim on several fronts: banking, retail, and real estate development, to name a few. In 2010, Rodriguez-Pastor tackled Peru's ailing education system, investing in a small group of private schools founded by educational leader Jorge Yzusqui Chessman. Rodriguez-Pastor hired Chessman and design firm IDEO and gave them an ambitious mandate: to build a network of a hundred schools throughout Peru and beyond. The result? Innova Schools, a low-cost (tuition is $130 per month) for-profit education system of 29 schools and counting, with 19,000 students. Innova, which opens an average of six schools a year, uses a so-called blended learning model that allows students to learn on their own and via teacher-assisted group work. The results so far have been impressive: In 2014, 71% of Innova second-graders tested proficient in math (compared with 26% nationally), and 85% met thresholds in literacy (compared with 44%).

↓ At one of Intercorp's Innova schools, a teacher helps a student during "solo learning" time.

COURTESY OF INTERCORP

CHALLENGE

Coke vs. Pepsi

Neither of the longtime beverage rivals made our list. But both have serious ambitions when it comes to conserving water. Which one does it better?

THE GOALS

Coca-Cola uses some 40 billion gallons of water each year in its Coke, Sprite, and other sugary drinks, plus its Dasani bottled water. In 2007 the $46-billion-in-sales company set a goal to return to nature 100% of the H_2O it consumes by 2020.

PepsiCo today gets 53% of its $66.7 billion in sales from snack food—so much of its water demand comes from agriculture, not just Mountain Dew or Aquafina. It has formed partnerships to support water-efficient farming practices globally.

THE REALITY

Coke has taken on more than 200 water protection and replenishment projects around the world. In 2014 the beverage giant "balanced" the equivalent of 94% of the water it used in its drinks, and says it is on track to reach 100% by the end of 2015.

Pepsi met, ahead of schedule, a goal to improve water-use efficiency in its operations by 20% per unit of production compared with 2006 levels. In 2013 alone that reduced water flow at PepsiCo by 3.7 billion gallons and saved the company $15 million.

THE WINNER

Coca-Cola: The sodamaker is under fire after reports that it has funded research to blur the link between its product and obesity. But in water replenishment, at least, Coke is the real thing.

NO. 34

Philips

To expand health care, start by turning on lights

Netherlands

Philips has spent years extolling LED lighting, which is long lasting and consumes far less energy than other lighting. But over the past year the company has been building solar-powered LED complexes throughout Africa—transforming 87 underused health clinics and giving kids the ability to read and play after dark. The initial outlay for the project is donated. But there's an upside for Philips in the lighting project, which has given it a foothold in numerous new markets and boosted orders for its tablet-size ultrasound machine, Visiq—a lifesaving device for doctors in remote villages.

NO. 35

Ikea

Lowering prices and cutting waste

Sweden

Ikea dropped its prices by an average of 1% last year. The more the Swedish furniture giant sells, the better prices it can secure from suppliers and the more savings it can pass along to customers. But importantly, Ikea links that effort with the impact its products have on the planet. Designers aim to minimize environmentally unfriendly materials like foam in sofas and flat-pack furniture to reduce the energy needed to ship it. Sales from green products topped $1 billion in its latest fiscal year, and on Sept. 1, Ikea will become the first major retailer to sell only LED bulbs and lighting.

NO. 36

SpaceX

Stepping up to sustain the exploration era

U.S.

Let us stipulate that discovery is a public good—that exploring new worlds is akin to changing the one we live in. After NASA put an end to its space-shuttle program in 2011, many thought it marked the end of the exploration of our galaxy. SpaceX seeks to make that fear unwarranted. Led by Tesla founder Elon Musk—whose batteries and electric vehicles are also world changers—SpaceX has become the first private company to send a spacecraft into orbit and has earned contracts worth $4.2 billion for hauling supplies to the International Space Station. Its cost-saving vertical integration and reusable rockets could facilitate sending astronauts to space affordably and frequently. The final frontier? To colonize Mars.

NO. 37

Nike

A former labor laggard now sets strict standards

U.S.

In the 1990s an exposé about labor conditions in Nike's overseas factories prompted crippling protests against the global brand. Today the company has regained its customers several times over—in the most recent fiscal year revenues rose 10%, to $30.6 billion—but the company hasn't let up on its response to the scandal. In an apparel industry where production standards are often fuzzy, Nike zealously audits factories' ability to meet the company's labor, health, safety, and environmental targets. In its 2013 fiscal year, 94% of its 785 factories were assessed for compliance; investigators found violations at 16%, down from 29% the previous year. There's room for improvement, but great strides have been made.

CANS: ISTOCK; IKEA: COURTESY OF IKEA

NO. 38

Maersk

Setting a new course in a fuel-guzzling industry

Denmark

Consider this: Since 2007, Maersk has cut its emissions by 39% even as cargo grew by 27%. That's had a substantial impact on the environment—the Danish shipping giant is king of a global industry that releases about the same amount of carbon as the entire nation of Indonesia each year—but it has also been a financial boon. Maersk saves more than $100 million in fuel each year by *slowing* its ship speeds, closely monitoring their paths, and sending out to sea the Maersk Triple E, the most energy-efficient container ships in the industry.

NO. 39

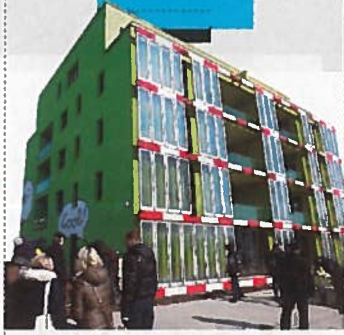
Intel

Freeing technology from the stain of conflict

U.S.

For the past two decades our electronics industry has contributed to one of the most violent, protracted conflicts on the planet. Microprocessors are made with tantalum, tungsten, tin, and gold—all minerals largely sourced from the Democratic Republic of Congo, where mining activities often fund armed groups. Since 2009, Intel, the $56 billion chip-industry giant, has led the charge to reverse that. Determined to rid its products of such grim associations, the company—with an auditor's touch—dug deep into its supply chain. The effort worked: In 2014 Intel announced that its microprocessors were conflict-mineral free, an achievement many had thought impossible. Since then, much of the tech industry, from HP to Apple to Dell, has been working to achieve the same goal.

CHANGE THE WORLD



NO. 40

Arup

Building the icons of green architecture

United Kingdom

On July 9, 1970, renowned engineer Ove Arup stood before his partners in Winchester, England, and made what became known as the Key Speech: a path for the future of his practice. "We shape a better world" would be his mantra and the cornerstone of Arup, a London-based collective of 11,000 designers, planners, and engineering consultants who bend steel and concrete to their risk-taking, green-minded will. The Sydney Opera House, Beijing National Stadium, and Heathrow Terminal 5 are icons shaped by Arup's ethos of "total architecture," a democratic approach that unites employees from different disciplines and imbues them with a social purpose. (Arup himself died in 1988.) The firm has worked on 20 zero-net energy-efficiency projects and is responsible for the California Academy of Sciences, the largest LEED-platinum-certified public building in the world. This year the company opened the BIQ House in Hamburg, the world's first building powered by algae. If there is a structure that marries sustainability with a sense of the impossible, chances are it is the work of Arup's hands.

TWITTER U.S.

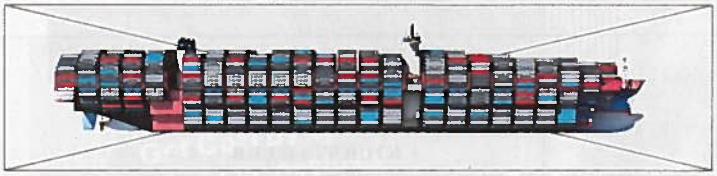
Helping social activists reach one another and the wider world

NO. 41

THEY WERE JUST three telegraphic, panicked sentences amid the mayhem in Cairo's Tahrir Square on Feb. 2, 2011. "Very tense near museum now. We're still blocking them but fatigue & injuries slowly catching up with us," Mosa'ab Elshamy tweeted at 10:31 p.m. "More people needed." Hundreds following Twitter ran to help. Watching the lethal battle unfold from my hotel above, I tweeted at 11:22 p.m., "Listening to gunfire and Molotov cocktails exploding outside my window. A violent chaotic day bodes ill." Twitter, now a $23 billion company that hosts 500 million tweets a day, did not create the Arab Spring; exasperated youth did that. But the torrent of raw, enraged tweets rendered government media toothless, instead directing mass action by the minute, and helping to topple a 30-year dictatorship in just 18 days. After Twitter, no revolution will be the same again. Its epic drama is written on the fly, in tweets like this from Feb. 2 at 3:01 p.m.: "Plainclothes thugs (police) are on horses now, trying to storm Tahrir Square, with whips!" In the stunned aftermath, we were left with tweets like this from one Cairo woman: "My dad hugged me after the news and said 'Ur generation did what ours could only dream of. i'm sorry we didn't try hard enough.'" Sadly, her dad's generation did not have Twitter. —*Vivienne Walt*

Activists on the barricades at Cairo's Tahrir Square, Feb. 4, 2011

ARUP: BODO MARKS—PICTURE-ALLIANCE/DPA/AP IMAGES; TWITTER: VIVIENNE WALT



NO. 38
MAERSK
Left, workers load cargo onto a Maersk vessel; top, a drawing of the hyper-efficient, fuel-saving Triple-E.

NO. 44
ECOLAB

NO. 43

Fitbit

Boosting heart rates for 20 million people and counting

U.S.

Many of the digital devices in our lives encourage couch-potatoism. But Fitbit's wearable activity trackers challenge our modern-day inertia, lacing into our La-Z-Boy ways with every counted step. Studies show the wristbands boost the physical activity of just about anyone they're slapped on—including recess-going children, post-menopausal women, and sedentary adults. That makes them a promising intervention to fight obesity and increase basic fitness—and explains why companies like Diageo and BP give them to employees, and some insurers (see No. 17 on our list) are using them in health plans. Fitbit data have also proved to be a strong predictor of which patients, after their hospital discharge, are likely to have complications and be readmitted.

NO. 42

Ford Motor

Redesigning a bestseller to make it eco-friendly

U.S.

Bill Ford, Ford Motor's executive chairman, declared a "clean revolution" back in 1999. His great-grandfather's company was the first American carmaker to bring a hybrid to market—a version of the Ford Escape, in 2004. Now Ford is experimenting with an industry first: changing the body of its monumentally popular F-150 pickup (the bestselling vehicle in the U.S. for more than three decades and counting) to aluminum from steel. The change shaves 700 pounds off the weight of each truck and gives it the lowest environmental impact of any pickup, after considering energy spent in manufacturing and the lifetime use of the vehicle, reports the Automotive Science Group. When compared with the 2014 model, says ASG, the new F-150s—which can be outfitted with a remarkably efficient engine—should save more than 30 billion pounds of greenhouse-gas emissions over their lifetimes, based on sales to date. And drivers seem to be falling in love with the truck too. In July alone, 66,300 F-series trucks flew off the lot. Industry experts say that other truckmakers, including GM, are weighing a similar move to aluminum alloys. But for now Ford is out front and alone. Marvels one official at the U.S. EPA: The F-150 is already close to meeting the nation's newly strict mileage standards... for 2025.

NO. 44

Ecolab

Tightening the corporate spigot to prepare for a scarce-water world

U.S.

When big companies like Kraft Heinz, Unilever, and ArcelorMittal need to reduce their water usage, they call on Ecolab, the Minnesota-based firm that has become a global environmental trouble shooter. Once a carpet-cleaning business, Ecolab has evolved to focus on water management, hygiene, and food safety, with over 6,800 patents designed to help corporations reach sustainability-minded goals. Ecolab says its proprietary technology helped customers save around 2.5 billion gallons of H_2O worldwide last year. Its services as water guardian are likely to be ever more in demand, since researchers believe there will be a 40% global shortfall between the demand and available supply of water by 2030.

MAERSK: COURTESY OF MAERSK; ECOLAB: COURTESY OF ECOLAB

NO. 45

Opower

A little peer pressure to reduce wasted energy

U.S.

Smile, you're saving the planet. Energy management company Opower has fused insights about behavioral change—that people are more influenced by peer pressure than by any other incentive—with a unique way of making you use less electricity. Smiley faces are stamped on specially delivered energy reports, and data from neighbors are pooled together for comparison, adding an element of pride (or shame) to your power usage. Evidently it works: A family of four saves about 2.5% more energy on average once its utility teams with Opower. More than 90 utilities are working with the Virginia-based company to reach around 62 million customers. Opower, which went public only last year, had $128 million in revenues in 2014.

NO. 46

Waste Management

Rethinking recycling to make it actually work

U.S.

In 2001, Waste Management revolutionized its industry as the first major player to introduce single-stream recycling, which allows customers to skip the sorting and throw all recyclables in one bin. But Americans have become increasingly lazy about throwing all sorts of things in their blue recycling bins, running up the cost of processing. The company is now investing in educational campaigns to end the complacency and get trash out of the recycling stream, while renegotiating contracts so that it can still make a profit in the new era. "Waste Management is going to recycle forever," says CEO David Steiner.

KICKSTARTER U.S.

Turning everyday people into patrons of the arts

NO. 48

IN 2014, the National Endowment for the Arts had a budget of $146 million. That same year the crowdfunding platform Kickstarter raised $264 million for art-related projects, like Ai Weiwei's installation in Alcatraz, the revival of *Reading Rainbow*, and singer-songwriter Steve Grand's first recorded album. "The way that art has been funded has shifted from the church to the aristocracy to the state ... toward audience support," says Brian Newman, a consultant for arts-related business development and the former CEO of the Tribeca Film Institute. Through Kickstarter, more than 9 million people have directly supported a total of almost 100,000 projects—an innovation that Newman calls the "democratization of the field."

NO. 47

Costco

Where retail workers get better-than-retail wages

U.S.

There may be no more discussed problem these days than income inequality. But one big-box retailer has long shown that the wage gap doesn't have to be so wide. In an industry where shelf stockers and cashiers are typically meagerly paid, Costco compensates its workers well above national norms—and still records eye-popping profits. The average U.S. Costco worker earns $21.50 per hour, and 90% of its 134,000 U.S. employees qualify for benefits. The average cashier, by contrast, earns $9.12 per hour nationally, and warehouse workers, $11.04. Costco had $2.06 billion in profit in 2014, up from $1.3 billion in 2010.

ONES TO WATCH

On the Cusp

Three companies attacking familiar problems in new ways

ECOVATIVE

To replace Styrofoam and similar landfill-clogging blights, this New York company relies on mushrooms, using mycelium roots from fungi to make biodegradable packaging for Dell and Steelcase.

NARAYANA HEALTH

The Indian hospital franchise has a policy of turning no one away for lack of funds. It offers cardiac surgeries at 2% of the cost in the U.S., along with similarly low-cost cancer care and marrow transplants.

NATURA

This Brazilian cosmetics company sources materials sustainably from the Amazon region. With $2.1 billion in sales in 2014, it's the biggest company to earn "B Corp." certification for its conscious capitalism from nonprofit B Labs.

NO. 49

Marks & Spencer

Carbon-neutral, zero-waste, and profitable

United Kingdom

When Marks & Spencer announced its ambitious 100-point sustainability plan in 2007, it was widely lauded as the most progressive shift in business practices by a mainstream British retailer. Five years later, Marks & Spencer had achieved a majority of the goals listed in its strategy, called Plan A. In 2012, the company announced that in the U.K. and Ireland, it had become carbon-neutral (thanks in part to improved refrigeration efficiency) and that it was sending zero waste to landfills. (One tactic? Reducing the price of perishables as the shopping day wore on.) The progress hasn't let up: Marks & Spencer has continued to set new sustainability goals and meet them. The thriftiness, in turn, has generated nearly $1 billion for the retailer since Plan A's creation.

NO. 50

Essilor

Seeing a public health crisis through a new lens

France

An estimated 2.5 billion people around the world, the majority in developing countries, have poor vision but no corrective tools. For Essilor, a French eyeglasses company, that's an opportunity. Through its 2.5 New Vision Generation division, launched in 2013, Essilor has expanded eye-care access to underserved populations in 22 countries, including India and China. By offering no-frills glasses that sell for as little as $6 and finding ways to bring opticians directly to rural populations, Essilor aims to make a small margin on millions of sales. Chief corporate mission officer Jayanth Bhuvaraghan describes 2.5NVG as a startup that is in its investing phase. By 2018 he expects the division to break even; by 2020 he aims to be helping 20 million people a year see the world clearly.