World Environment Center's Annual Membership Meeting Take-Aways

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Each year, WEC member companies identify several important topics where peer-to-peer discussion can advance mutual learning and value creation. This year's topics and major take-aways included:

Managing multiple requests from sustainability ratings initiatives.

- Mainstream investors are becoming interested in a more complete understanding of the company. Increasingly, they're seeking access to CDP, Bloomberg and other data bases—they're less interested in sustainability rankings.
- We're entering an era where companies have begun pushing back against ratings agencies and focusing more on value creation.
- Ratings agencies often don't rank companies on issues that matter most, and they change their evaluation methods very frequently.
- Companies need to be more selective in their engagement with ratings agencies. Even more importantly, they need to construct a narrative that unifies shareholder and social responsibility interests and performance.

Engaging employees and communities in sustainability initiatives.

- Initiatives that work well are: acknowledging employees and their importance; measuring employee impacts; and adapting materiality measures to employees (e.g., defining the need for design engineers, focusing on procurement specialists).
- A major new opportunity is to make sustainability personal in both the workplace and in lifestyles.
- It's important to build sustainability initiatives into an employee's personal development goals and to more fully engage Human Resources teams into sustainability work.
- Global/local (Glo-cal) initiatives can be designed into site-specific initiatives that involve both employees and communities that support broader business objectives.

Role of business in UN Sustainable Development Goals setting process.

- Decline of nation-state legitimacy and the globalization of business are redefining what business is expected to do. Poverty, inequality and hunger are becoming bigger issues for business to address.

- While the Sustainable Development Goal-setting process is unwieldy, companies can utilize risk, materiality, market development and other indices to design their individual road maps for engagement.
- Financing remains a key issue, and ways must be found to de-risk private capital in LDC markets.
- Above all, the private sector must view the SDG process as an opportunity to engage with governments and civil society.

Company plans for participating in the climate negotiating process (COP21).

- Compared to the Kyoto Protocol, the business community has been invited to participate in the conversation for COP21.
- Companies should be providing direct input to national climate negotiators to advance a market-friendly outcome to the COP21 meeting in Paris.
- Individual companies need to decide how to engage in 6 essential issues (as defined by the We Mean Business coalition): 1) connecting to the target of preventing a rise in global temperature beyond 2°C; 2) deciding on a carbon pricing mechanism(s); 3) engaging in responsible advocacy; 4) participating in the 100% renewables debate; 5) stopping deforestation; and 6) integrating carbon dioxide/climate change with core financial reporting.
- A major issue is how companies in individual business sectors can transact transformational change through pre-competitive collaboration.