ADVANCING INNOVATION THROUGH SUSTAINABILITY

The accelerating rate of change creates an even greater imperative to strengthen core capabilities, while responding to important new opportunities. Whereas 2015 yielded agreements on important new commitments—a global climate accord, UN Sustainable Development Goals—this year began the important work of implementation for these and other important initiatives. WEC has mounted a major effort to assist companies to carry out their sustainability goals in harmony with the UN SDGs, explored the next generation of sustainability reporting, and begun an examination of disruptions and opportunities in business planning for the future. Our initiative examining the impact of sustainability in the C-suite continued with publication of a major new study on the transformation of the Chief Marketing Officer’s role and responsibilities. And, with an eye on the future, WEC’s Board of Directors is embarked on rethinking our strategic plan. All exciting, all consequential.

Terry F. Yosie, WEC President & CEO
THOUGHT LEADERSHIP

WEC continues to emphasize the value of thought leadership initiatives as a primary membership benefit. During 2016, WEC created roundtables, webinars and publications designed to provide practical business applications for sustainability leadership.

The Future of Responsible Business


♦ “Science Based Targets: How Do Companies Respond?” Moderated by Frank Werner of WEC, the webinar included speakers from BASF, Coca-Cola Hellenic Bottling Company, World Resources Institute and our partner DFGE. Science Based Targets is a joint initiative by CDP, the UN Global Compact (UNGC), the World Resources Institute (WRI) and WWF that raises corporate mitigation efforts to ensure that greenhouse gas reduction targets are set at a rate consistent with the pace recommended by climate scientists. Webinar, July 27, 2016.

♦ “Environmental Management: Strategies to Improve Business Competitiveness.” Local stakeholders representing Guatemalan government, private sector and academia shared their views in an open discussion to analyze gaps and opportunities to promote alliances between those sectors, in particular to foster student trainings that build the talent required by top companies. Guatemala, September 27, 2016.

♦ “The Next Generation of Sustainability Reporting.” This roundtable examined 1) Materiality in sustainability reporting; 2) Current and emerging reporting frameworks and how to best address material issues in practice; and 3) Integrated reporting and the role of technology. Hosted by Boehringer-Ingelheim, Ingelheim, Germany. November 8-9, 2016.
Supporting Companies to Work with the UN SDGs

- “Integrating the UN SDGs with Company Goal-Setting,” Webinar with UNEP, Dow and DFGE, February 17, 2016.
- “Aligning UN Sustainable Development Goals with Corporate Goal Setting,” Hosted by Coca-Cola FEMSA, Mexico City, April 6, 2016. Also participating were UNEP, PwC and Walmart along with 25 Mexican companies.
- “WEC Case Studies of UN SDGs and Supply Chain Management,” hosted by Coca-Cola FEMSA & CESPEDES, Mexico City, November 3, 2016.

Speeches, Presentations, and Publications

- “Sustainability’s Role in Big Business Supply Chain Perspectives,” WEC Europe Director Frank Werner, Abu Dhabi Sustainability Week, Abu Dhabi, January 18-21, 2016.
- “From the Me Economy to the We Economy,” Mike Barry and Terry F. Yosie, www.greenbiz.com, November 15, 2016.
- “Green Economy and Climate Change,” Francisco Suarez interview, Mundo Ejecutivo, December 8, 2016.

Preparing Business Leaders for a Sustainable Future

In the program’s two-year existence, 29 universities, 34 companies and 529 students (254 women) have participated. Presentations have been delivered at four major conferences and six articles have been published. The program has created a best practices manual based on company operations, a software system for environmental data management (used by students in evaluating company facilities), two human rights assessment tools, and a number of company case studies.

SUSTAINABILITY AND THE MODERN CMO:
A New Ball to Juggle—or a Key to Juggling Smarter?
La Red de Pathways

Funded by United States Department of State, La Red de Pathways www.lareddepathways.com is a collection of the most innovative local solutions supporting the sustainable growth of SMEs in Latin America. The 30 members of La Red were selected through an International Innovation Challenge in 2014 that sought out those solutions to support the regional, multi-governmental initiative, Pathways to Prosperity in the Americas (http://pathways-caminos.org/es/home.html).

Since selecting these 30 companies and organizations to make up La Red, WEC has:

- Designed and built the network infrastructure
- Strengthened the capacity of these members through trainings and workshops
- Launched an internal online platform for the network members
- Fostered mutually beneficial relationships among members
- Provided monitoring & evaluation for each member as well as La Red as an entity

La Red is now looking outward toward institutional support and to those who can bring our network members to the next level through partnerships, funding, and investing. A large step toward this goal was accomplished on July 18-19 with the 2016 International Summit de La Red. Network members travelled from across the western hemisphere to Washington, D.C., for additional training from WEC and our partners, to continue developing partnerships with each other, and to meet in a highly curated forum with external stakeholders including accelerators, government agencies, other social entrepreneur networks in the region, impact investors, and private foundations.
CAPACITY BUILDING


As a result of WEC’s continued successful and visible partnership with the U.S. Department of State, the Bureau of Oceans Environment and Science (OES) invited WEC to participate in high-level international meetings recognizing the environmental successes achieved under the Central American Free Trade Agreement (CAFTA-DR). The environmental agreement under CAFTA has propelled WEC’s work in the region to implement results-oriented cleaner production and energy efficiency activities with the public and private sector and universities.

Pathways to Cleaner Production in the Americas

With a focus on Cleaner Production education and capacity building, WEC assists in forming academic and private sector partnerships, and provides technical assistance to SMEs. This collaborative effort is being developed with WEC’s local partners, the Cleaner Production Centers, and the universities Rafael Landivar (URL) and Escuela Superior de Economía y Negocios (ESEN) from Guatemala and El Salvador, respectively.

Integrating Cleaner Production practices for the competitiveness of the private sector. San Salvador, July 8th, 2016.

Under the framework of the 10th Anniversary of the CAFTA-DR free trade agreement, WEC held a roundtable to discuss the environmental successes achieved at local companies, with universities, financial sector, among others. The event fostered the creation of strategic partnerships to increase the talent of future professionals and competitiveness of local SMEs.

WEC and CESPEDES concluded a Memorandum of Understanding (MOU) on November 3 to advance sustainable business strategies and practices in Mexico. CESPEDES represents a variety of extraction, manufacturing and consumer businesses that have a common interest in managing scarce natural resources and promoting economic development. The MOU commits both organizations to establish sustainability goals and analyze global megatrends to benefit business planning and supply chain management, among other initiatives.

WEC CEO Terry F. Yosie, WEC Chair Francisco Suárez, and CESPEDES Executive Director José Ramón Ardavín Ituarte
GOLD MEDAL AWARD

The 2016 Gold Medal Award for International Corporate Achievement in Sustainable Development was awarded to CH2M and presented to its Chairman and Chief Executive Officer Jacqueline Hinman on May 19, 2016 at the 32nd Annual WEC Gold Medal Gala in Washington, D.C. CH2M was recognized for its deep commitment to sustainability and social responsibility, including partnering with public- and private-sector clients in government and industry, as well as leading environmental non-profit organizations.

GOLD MEDAL COLLOQUIUM

The focus of this year’s Colloquium was “Sustainability as a Platform for Business Transformation: Customer Expectations, Market Drivers and Public Policy.” Participants included Coca-Cola FEMSA, IBM, US Environmental Protection Agency, BASF, CH2M, IBM, Ecolab, Ricoh, SC Johnson and Royal/Dutch Shell. Special thanks goes to Ingersoll Rand for its generous sponsorship.

GOLD MEDAL JURY WELCOMES THREE NEW JURORS

WEC is pleased to welcome three new jurors to its Gold Medal Award Jury. The WEC Gold Medal Award for International Corporate Achievement in Sustainable Development, now in its 33rd year, is a prestigious global accolade that recognizes sustainability excellence in an international company. Companies must apply for the award as part of a global competition, which culminates in the Gold Medal jury’s rigorous selection process to select a recipient. The new jurors, all sustainability leaders, are Dick Bartelse of the Netherlands, Alice Korngold of the United States, and Clarissa Lins of Brazil. Mr. Bartelse is the recently retired Director of Procurement at AkzoNobel, Ms. Korngold is a respected business author, entrepreneur and governance analyst, and Ms. Lins, an economist and management analyst, is the Founding Partner of Catavento, an international consultancy.
## WEC BOARD

**Executive Committee:** Francisco Suárez (Chair), Corporate Affairs Officer, Coca-Cola FEMSA; Linda J. Fisher, Vice President, Safety, Health & Environment and Chief Sustainability Officer (retired), DuPont; C. Scott Fulton, President, Environmental Law Institute; Terry F. Yosie (Ex Officio), World Environment Center

**Board Members:** Wayne Balta, Vice President, Corporate Environmental Affairs and Product Safety, IBM; Aileen Ionescu-Somers, CSL Learning Platform Director, IMD International; Sergio Kato, Corporate Vice President, Sustainable Management, Ricoh; Liz Maw, Chief Executive Officer, Net Impact; Jeff Seabright, Chief Sustainability Officer, Unilever; Kelly M. Semrau, Senior Vice President, Global Corporate Affairs, Communication & Sustainability, SC Johnson; Scott Tew, Executive Director, Center for Energy Efficiency & Sustainability, Ingersoll Rand; Rupert Thomas, Vice President for Environment, Royal Dutch Shell

## WEC EUROPE SUPERVISORY BOARD

Dr. Martin Hostalek (Chair), Senior Vice President EHSQ, Merck Group; Dr. Dieter Hiller, Partner, ERM; Mr. Yasunori Naito, Environmental Group Manager, CSR Division, Ricoh Europe; Dr. Peter Schnurrenberger, Roche Group SHE Officer, F. Hoffman-La Roche; Rupert Thomas, Vice President for Environment, Royal Dutch Shell; Terry F. Yosie, President & CEO, World Environment Center

## BUDGET

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