

Advancing Corporate Sustainability: Guidance on How to Get to the Next Level July 15, 2020 - Webinar Summary

WHAT:

While the world's best known brands have been exposed to expectations from customers, investors, and regulators to reduce environmental and social risk for more than two decades, many less exposed brands haven't acted as seriously on sustainability. This situation is changing rapidly as information technology provides data throughout global value chains and science is clearly showing the urgency of action on climate change, water, waste, labor conditions, and other topics.

The webinar shared practical learnings and insights from four leading companies. It served as the starting point of the World Environment Center's (WEC) new initiative to support less exposed brands, often those in B-2-B customer relationships or in less regulated markets. WEC's Next-Tier-program is designed to gather managers of these companies to exchange their practices with each other and also connect them with WEC's group of leading global companies.

SPEAKERS



Mary Draves
Chief Sustainability Officer

Dow



Dr. Stephan Krinke
Gen. Secretariat | Sustainability
Head Strategy and Programs

Volkswagen



Emilio Tenuta
Chief Sustainability Officer

Ecolab



Cristina Gil
Vice President Sustainability

Orbia



Moderator: Glenn Prickett
President & CEO

World Environment Center

KEY INSIGHTS AND MAJOR POINTS OF DISCUSSION:

- Making sustainability goals relevant and ambitious** is a process that requires a clear understanding of company data (broken down by factories), the company's market situation, challenges, risks & opportunities assessment, and a vision. A strong commitment of the top management to sustainability cannot be underestimated. Practical advices include that observing peers and customers, listening to challenging stakeholders and setting goals that reduce the footprint is a good start. It is not enough to comply with regulations and customer requirements as both are constantly evolving. Instead, global challenges must be anticipated along with the company's role in the market.
- Making sustainability systemic in the organization** can be a logical next step. It means that managers throughout the organization should understand how the relationship with customers is affected by sustainability and how its products are contributing to the customers' success. If the company can help solving some of the world's challenges, experience shows that attracting talents will be easier. A practical way of understanding impacts and clearly communicate company solutions is by mapping company goals with the UN Sustainability Goals (SDGs).
- Top Management of companies have changed their mindset** when their companies have been affected by major losses of confidence. These leaders increasingly understand that a massive, significant, and complete change of the entire strategy is sometimes needed to save the company and thus it is favourable over little modifications of the strategy. They also understand that absolute numbers matter in global systems and that merely improving efficiencies is not the solution to help suffering ecosystems. Tying managers' variable pay with achievements of ambitious sustainability goals is common practice among many companies already.
- Global challenges such as climate change and water stewardship** can only be addressed if entire life cycles from raw material extraction until the end of the product's life are considered. As global companies have made commitments to reduce their carbon and water footprints, they are increasingly taking responsibility for the entire value chain – and watching out for suppliers and customers who help them reach their goals. International agreements (e.g. the Paris agreement) and scientific facts such as the watershed concept, help to reduce friction when discussing goals internally, since science is backing them and others are committing to them, too.

FURTHER RESOURCES:

[Alliance for Water Stewardship](#) (standard for industrial and commercial sites), [Water Resilience Coalition](#) (launched 03/2020).
A webinar recording and slides are available at WEC and may be provided to companies interested in WEC's Next Tier program.
Please contact fwerner@wec.org. Please also visit: <http://www.wec.org>