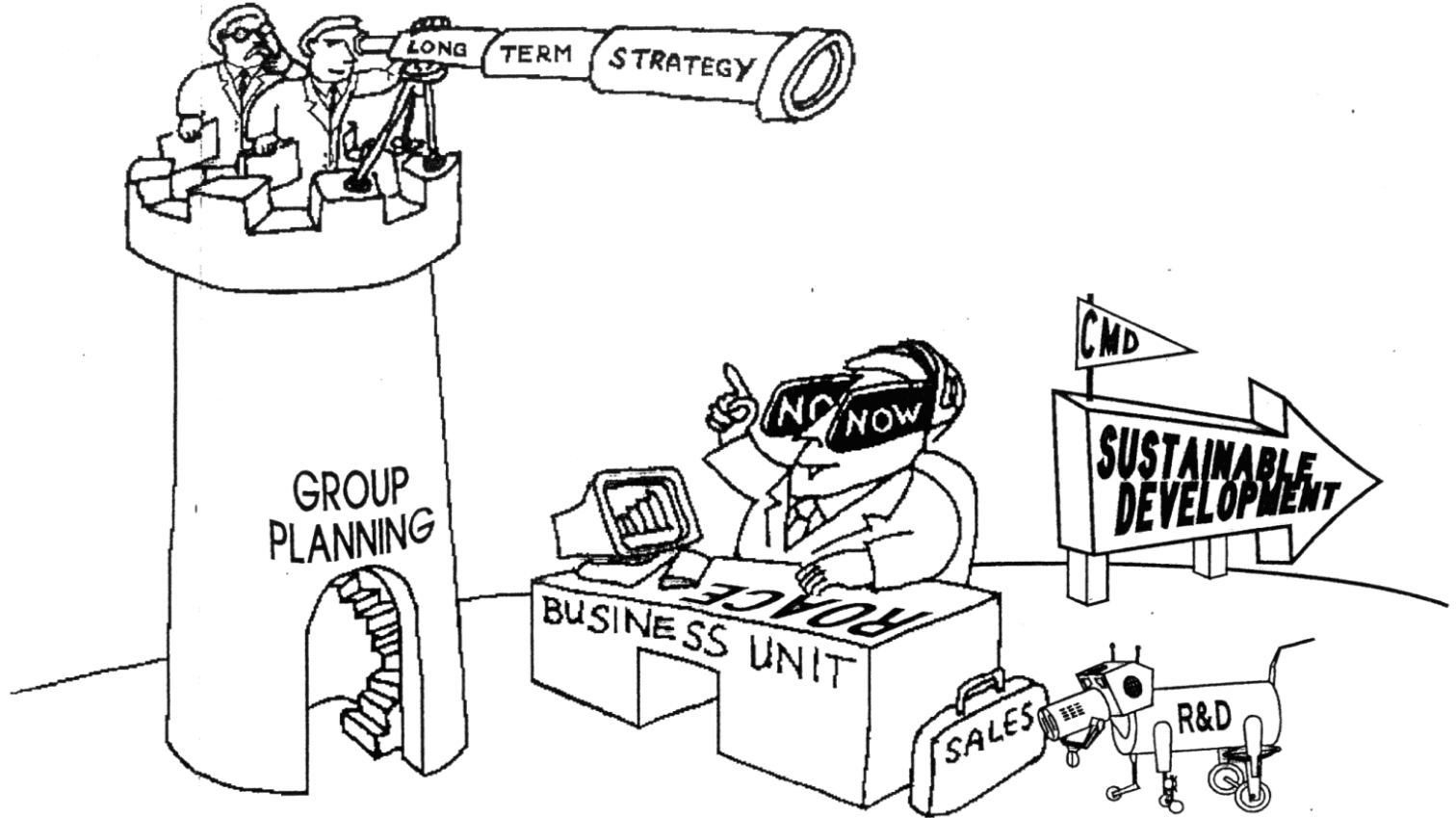




Sustainability in Business Challenges and Action





Challenges ...

- The prevailing mindset
 - Inertia of organizational arrangements
- WIIFM ...? (What's in it for me?)

“... the current system in government rewards caution, ... not boldness ...”

“... government's goal ... avoidance of defeat (e.g.; risk averse)”



“Shaping New Rules of Competition” UN Global Compact Participant Mirror, McKinsey

- “The complexity of implementing an ESG strategy is another important barrier. There are material practical challenges in translating good intentions into good deeds. While 72 percent of the CEOs we surveyed said that a corporate stance on ESG issues should be fully embedded into the strategy and operations, only 50 percent think their firms actually do so.”



“Sustainability ... all the worlds problems, and all of their solutions.”

CitiGroup, “Towards Sustainable Mining”

“... the concept is valid, but the phrase sustainability / SD may be overused. It’s too comfortable and deceptively simple. We have not looked hard enough at what it takes ... interdisciplinary, complexity, value judgments on equity, long-term, change attitudes ...”

Alcan's Interpretation of sustainability –

Addressing key Alcan business issues, linking global and local issues, trends and developments with business strategy and activities



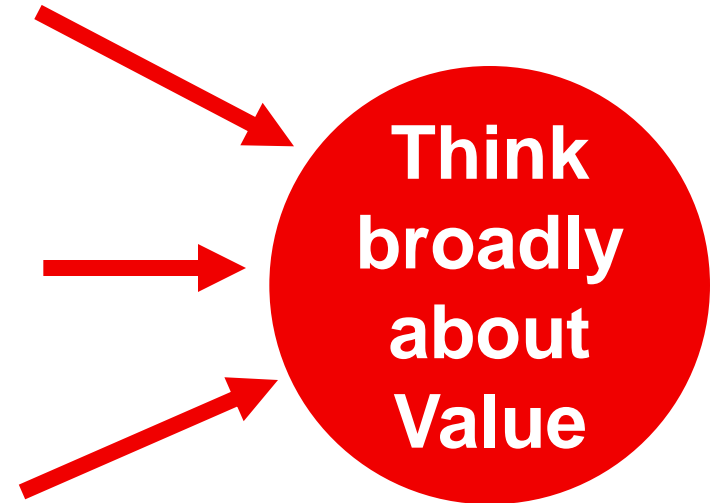
Think broadly **about issues and impacts**



Engage and partner **with stakeholders**



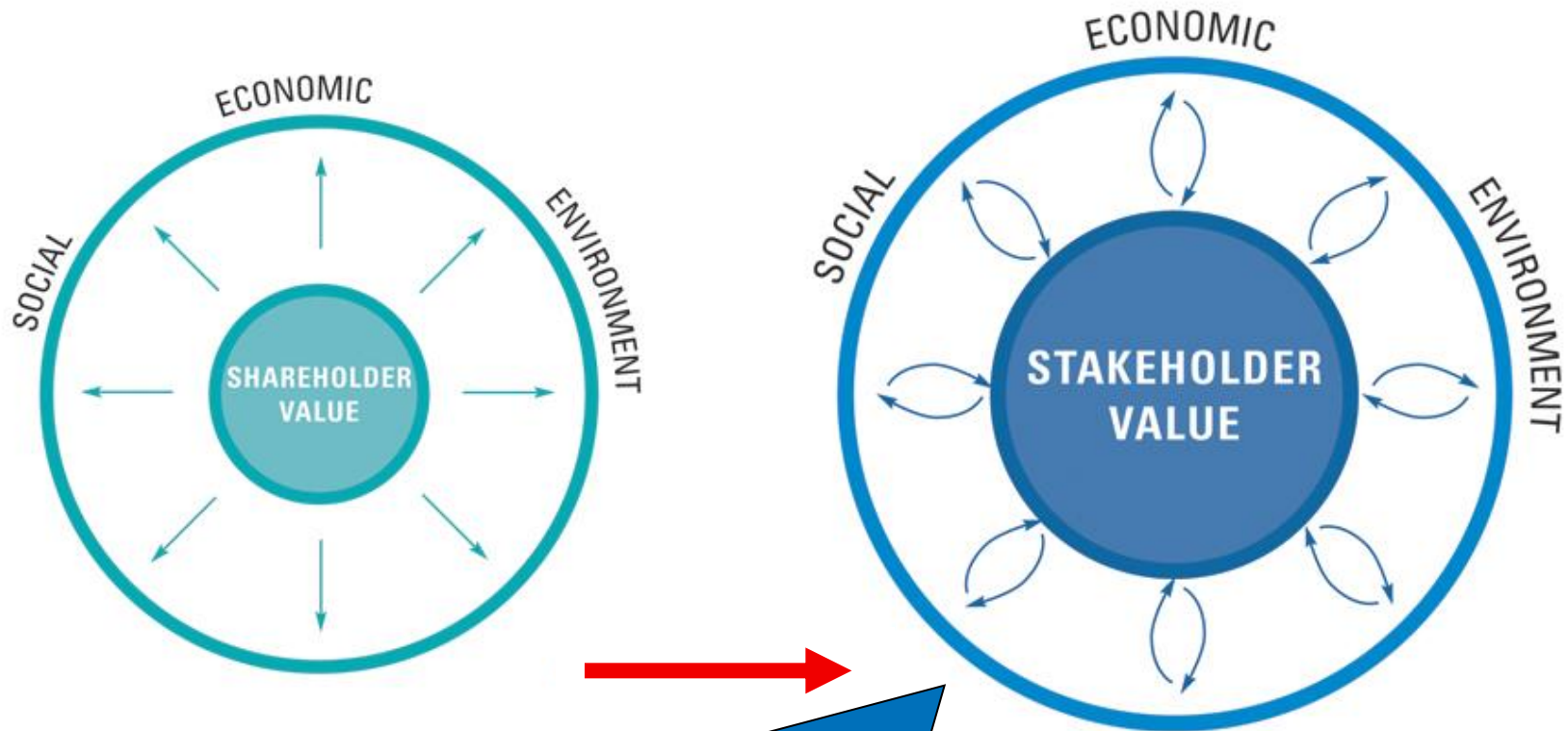
Make connections & integrate sustainability **within and across our business**



“... a huge challenge – policy integration and intergenerational equity ...”

“... if a policy concept is so general that it means everything, then it means nothing ...”

Creating Value – a new perspective



“... it's not about avoiding of bankruptcy ...”

“The Link Between Competitive Advantage and CSR”

Michael E. Porter and Mark R. Kramer, Harvard Business Review

- **“Addressing social issues by creating shared value will lead to self-sustaining solutions that do not depend on private or government subsidies. When a well-run business applies its vast resources, expertise, and management talent to problems that it understands and in which it has a stake, it can have a greater impact on social good than any other institution or philanthropic organization.”**



Business and Sustainability

Enhancing Stakeholder Capabilities
 Requirements for embedding sustainability ..
 Developing People

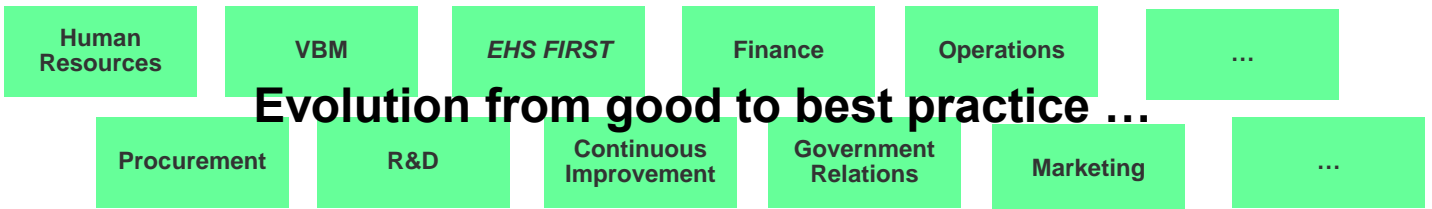
- Developing People**
- Recruitment and retention strategies
 - Leadership and individual development
 - Training
 - Competencies based on sustainability
 - Annual objectives
 - Compensation

- Evolving Business Systems & Valuation Approach**
- 5 year plan,
 - Annual plan
 - Capital Allocation
 - Quarterly Business Performance Review
 - Intangible value determined and included in business decisions

- Enhancing Stakeholder Capabilities**
- Company-wide guidance
 - Indigenous Policy
 - Human Rights aspects integrated in current practices

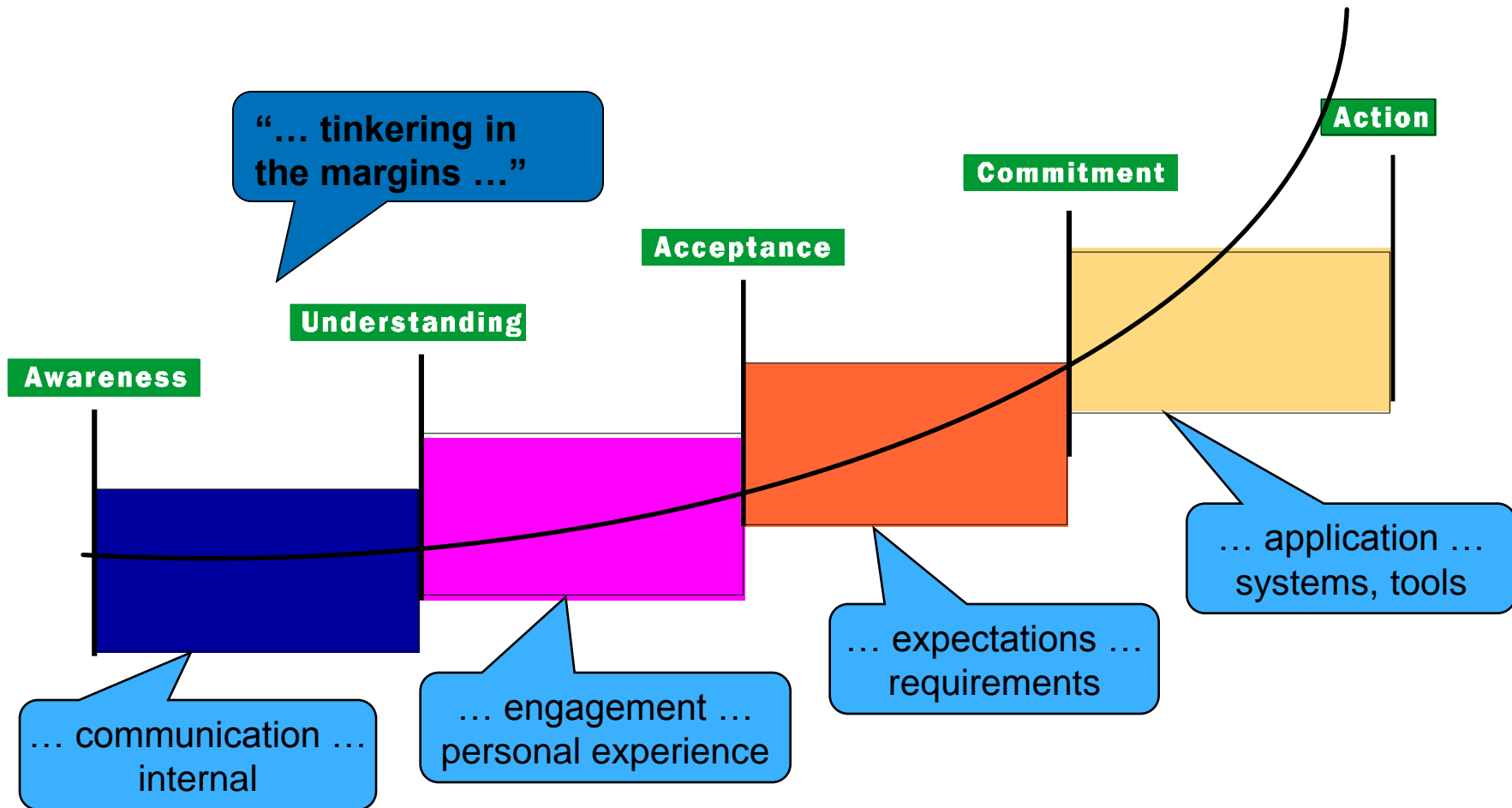


“... it’s not about managing issues. Rather it’s about being equipped to succeed in a more complex setting ...”




Operationalizing Sustainability:

development and training for key internal personnel



... and Action?

- Cultivate the courage to lead on this topic with senior managers
- Recruit and work with new, younger employees and business leaders
- Support, encourage and catalyze integration and embedding of sustainability considerations in mainstream business activities, particularly strategy and decision-making aspects
- Develop capability to identify, target and capture broader value
- Question the current approach, and be prepared to re-examine the business model
- ...



“... the status quo has enormous momentum, and the key players have enormous power and influence to press for more of the same, ever faster ...

The world wants business to act. THERE HAS BEEN A CHANGE. Governments and NGOs told us they urgently want business to play a role in solving global challenges; Governments and society say they want to work with business on solutions to global issues; and Some leading companies are profitably pursuing such opportunities and enhancing brand value delivering sustainability.

Contact us for more information

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