



## The Only Constant is Change

- Environment Global Trends
- Legislation Australia and International
- Community Expectations Protests
- Communications Instant, visual
- Conflict water, food, resources, minerals
- Economics world oil and gas, mineral prices
- Uncertainty in a changing world Ebola! Wars! Shootings! Civil unrest! Global warming! Droughts! Religious conflict! Computer models! bushfires, floods, cyclones, electrical storms
- Risk fundamental to everything e.g. mission critical equipment [IT, hospitals, emergency communications, oil well BOPs]

















## Trends and Expectations

- Gloom and doom
- Climate change
- Prof Jorgen Randers "2052" OK
- The Anthropocene (Age of Humans)

"We must use our scientific knowledge to forecast environmental change and develop more resilient societies and cultural institutions that can adapt to the changes we can no longer avoid."

Source: Smithsonian Institution





## **Corporate Sustainability**

**Environmental Aspects** 

**Social Aspects** 

**Economic Aspects** 

**Good Governance** 





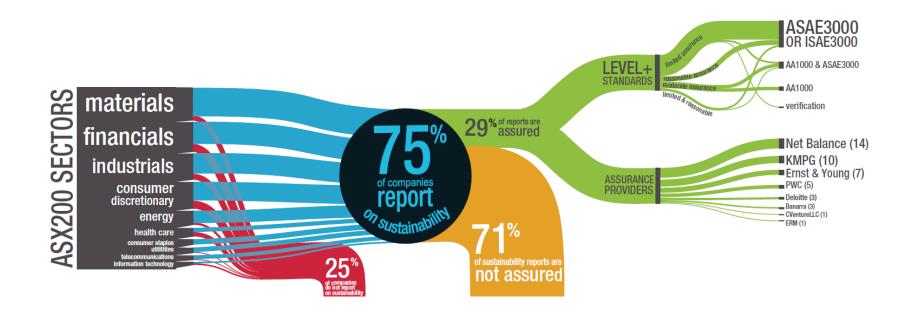
### Australian Business

In Australia, the ASX Corporate Governance Principles, Recommendation 7.4, requires from 1 July 2015 "a listed entity to disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks".





## Sustainability Reporting



Source: The state of sustainability assurance 2013 - Net Balance





## Singapore

- Singapore Exchange (SGX) will be making it mandatory for all listed companies to publish sustainability reports by 2017 or 2018.
- SGX launched voluntary guidelines for sustainability reporting in 2011, take-up by companies has been very slow.
- China, Taiwan, and Malaysia are among some countries in Asia where bourses already require listed companies to publish sustainability reports in some form.

[13 October 2014]





### European Business

- A directive requiring approx. 6,000 large companies to report environmental impacts as part of their mainstream annual financial reporting has been adopted in Europe (2014).
- Companies will be required to draw up a statement relating to matters including:
  - environmental
  - social
  - employee-related
  - respect for human rights, and
  - their stance on corruption and bribery.
- Must include a description of
  - policies
  - outcomes, and
  - risks





# International Finance Corporation (IFC)

Eight performance standards on environmental and social sustainability (1 January 2012):

- Assessment and Management of Environmental and Social Risks and Impacts
- 2. Labor and Working Conditions
- 3. Resource Efficiency and Pollution Prevention
- 4. Community Health, Safety, and Security
- 5. Land Acquisition and Involuntary Resettlement
- Biodiversity Conservation and Sustainable Management of Living Natural Resources
- 7. Indigenous Peoples
- 8. Cultural Heritage





## **Changing Roles**

- Brownfield land regeneration
- Environmental impact assessment
- Energy activity (wind farms, energy-from-waste)
- Oil and gas and minerals
- Infrastructure
- Contaminated land (remediation, site investigation)
- Water
- Waste management
- Drought management
- Flood risk
- Environmental security

- Nuclear
- Fracking
- Biogas
- Supply chain management
- Energy management
- Energy auditors
- Resource management
- Climate change
- Climate adaptation
- Compliance management
- Reputational risk
- Training





### **Changing Roles**

- Cross sectoral skills
- International opportunities (worldwide)
- Public
- Private
- Consultancies
- Contractors
- Self employment
- Not-for-profit





## **Changing Roles**

- Example is the trend in Australia, reflecting common practice overseas, to appoint not environmental but EHS personnel – environment, health and safety.
- Multinational companies will often not distinguish between the environmental and health and safety disciplines
- Some expand it to include health, safety, security and environment (HSSE) or safety, health, environment and community (SHEC) – both of these are used in Australia.





## Sustainability Practitioner

- Integration of sustainability knowledge and commercial skills
- A mind-set rather than a skillset
- Ability to interpret and apply technical information to different parts of a company
- Facilitator and coordinator
- Ability to understand and engage with stakeholders
- Appreciation of the drivers, barriers and levers that such a role can face
- Change management business as usual will not work





### **EMS**

## Survey of 650 manufacturing companies across a range of sectors in Europe

- Nine in 10 firms have an EMS that is not fit for purpose
- 42% report that senior management have little or no involvement in their current EMS

### ISO 14001:2015 will require major changes

- 8 in 10 believe they will not have sufficient top-level support to meet the new requirements
- Only 1 in 10 reported that their EMS takes into account the complete lifecycle of their product or service





### **Different Generations**

### A poll of 750 UK graduate trainees, middle managers and MBA students:

- 96% plan on being involved in sustainability activities in their careers.
- more than one-third see creating social and environmental value as one of their ultimate career goals.
- 70% say sustainability offers new business opportunities.
- Just 3% agree that firms are successfully integrating sustainability into their organisations.
- >60% identify companies' unwillingness or inability to invest in sustainable products and services as the main barrier.
- Two-thirds argue that tough economic times should not be used as an excuse to avoid sustainability issues.





### **Different Generations**

## Coca-Cola Enterprises with Cranfield University's Doughty Centre for Corporate Responsibility and the Financial Times

#### Perception of barriers to sustainability:

- 66% of CEOs external factors, such as government policy and regulation
- 55% of future leaders internal factors, such as current management attitudes

#### Perception of social responsibility:

- 86% of CEOs believe that businesses already have a social purpose
- Only 20% of future leaders believe this to be true





### **Drivers for Investment**

#### PWC survey 2014

- 82% of respondents had considered climate change and/or resource scarcity in future investment decisions.
- 79% took into account social responsibility and/or good citizenship.
- 73% considered risk mitigation was the main reason investors are looking at sustainability.
- 52% considered enhancing performance returns.
- 55% avoided firms with unethical conduct.





## Sustainability priorities

## McKinsey survey 2014 – 3,300 executives worldwide

- Sustainability priorities:
  - cutting energy use (64%)
  - reducing waste (63%)
  - managing corporate sustainability reputation (59%)
- Too few people in company are accountable for sustainability (34%)





## **EIANZ Steps Map**

	Environment		EIANZ								
Institute of Australia and		Proficiency Matrix for Early Career Environmental Practitioners <b>Steps</b>									
	New Zealand		Environmenta	l Proficiencies	Enabling Proficiencies						
	Career Stages	**Understands the environmental, political, social, outlural and economic context of their work   **Understands and uses the right tools for effective environmental decision making   **Understands environmental legislation and compliance   **Ibes a environmental legislation and compliance   **Makes decisions and acts in a environmental legislation and compliance   **Ibes a pervisors and acts in a environmental legislation and compliance   **Ibes and environmental legislation and envir		Policy and Planning  - Uses appropriate environmental policies, systems and frameworks in decision making - Identifies, understands and uses the right tools for effective environmental decision making - Identifies and complies with regulatory and legislative obligations	Analysis and Risk Assessment  *Undertakes objective and systematic analysis and draws acourate conclusions based on evidence  *Understands and uses  environmental impact and risk assessment tools, techniques and methods  *Collects, analyses and interprets data effectively  *Evaluates data to inform decision making	Decision Making  *Analyses problems and finds effective and targeted solutions -Understands the strategic and organizational context of their work  *Can prioritise what is important -Applies sound reasoning and judgment to decision making *Can adapt to change and explore innovative solutions	Professional Practice Works in a professional way Works in a professional way Understands how to work in and be part of an organisation Plans and manages work and projects effectively and efficiently Understands what is expected and delivers what is required Reflects and learns from the experience of others and from their personal performance Has the appropriate technical skills to do their job	Communication  Identifies and uses effective and appropriate communication methods -Can identify and englage with stakeholders -Can write well in a range of formats -Understands how to communicate within the reporting and delegation requirements of their organisation			
0.1	Establish – Year 1 Graduate and early career entry. Translates theoretical knowledge into practical applications and seeks to rapidly fast-track technical knowledge. Requires varying levels of supervision depending on the task, but capable of rapidly learning new skills.	Las Capable of underfaking a needs and issues analysis in project planning and execution to Can identify and apply the correct environmental management tools for a limple environmental projects so Competent in applying routinely used legislation and compliance measures to Demonstrate a plan for addressing personal knowledge and skill general.	cs: Demonstrates undenstanding of the back principles of environmental ethics standards or Provides examples of routinely applying quality environmental ethics to daily activity ts: Capable of communicating to management where environmental ethics I standards are at rais or can be improved controlled to the controlled support or information.	rer Cen explain the correct environmental policy, planning and legislation for ample environmental management projects to Demokratical examples of Demokratical examples of Demokratical examples of and applying environmental management tools we know mayor bodies responsible for legislation or policy information and who to sail for technical associations.	An Can identify and plan the application of commonly used environmental impact and assessment tools, techniques and assessment tools, techniques and assessment tools, techniques and a Capable of supported execution of ample impact or assessment processes and Demonstrates shifty to collect, interpret and page of centific and etatotical data	om Provides advice on routine environmental decisions on Demonstrate etrong time management and project management advice properties and project management advice and Demonstrate a beat decision making and working style and how to manime that for workplace efficiency own Works to ensure output is etwisejically aligned to organisational goals.	nan Can explain the structure, vision and strategic goals of their organisation regarded to the configuration of t	c Capable of converting complex environmental information into any complex communication. Consider the control of the control			
Step	Perform 2-3 years  Competently producing quality work on simple to difficult projects and can readily access an established network of support. Increasingly manages projects with limited supervision and has developed storing understanding of self and modifies approach to situations.	cst. Can explain their personal processor from environmental, political, social, cultural or economic consists are routinely considered in the planning and execution of common environmental projects to date with industry trends to date with industry trends to complain approprie mental and complained and complained to compl	ezs Routinely applied quality environmental ethics to daily activity and decision making so Demonstrates examples or applying personal ethical values and to working with management to identify and improve ethical so the properties of the properties and the properties of reading and influencing change and demonstrated ability to work with managers to influence client environmental ethics.	re. Capable of independently applying appropriate environmental poice, planning, and legislation to common environmental lacuse. To Demonstrate examples of independently planning section, environmental imagegement tools reo Demonstrates a network of resources or relationships to access policy, regislation or technical information.	An Demonstrate ability to independently plan and apply commonly used environmental impact and assessment tools, and be constructed as to be constructed as to be constructed as to be constructed as to be a spike in the benefits and limitations of different environmental assessment processes.	ose independently advises un routine environmental decisions ose Applies a structured process to consider decisions from a range of points of view our Proficiently jains and manages projects, including self- management	Jan. Provides evidence of how they aligh their professional approach with the worspiece culture and extract Colon of their and extract Colon of their and extract Colon of their and their colon of their and executing projects to time, budget and resource requirements and executing processed for routinely processed for routinely many performance and self-improvement distablives	or Competently applies traditional communication mediums, particularly a high level of written or Competently completes high quality written reports, project planning, sessement and evaluation or independently manages a			
Step 2	Improve – 3-4 years Continuing to refine and enhance knowledge, but competently manages a variety of projects of varying environmental complexity. Entrusted to routinely represent the organisation with stakeholders or clients. Actively applies fresh insight to continuously improve outcomes. Actively seeks feedback for self-improvement.  accomplexity continuous improvement in continuous indicator in continuous improvement in continuous indicator in continuous in co		csi Can provide examples of where their ethical approach has provided a learning for others on the control of t		Arr Capable of planning and applying commonly used environmental impact and assessment processes including collecting and processes including collecting and an Demonstrate examples of an optimization of environmental impact and assessment tools, techniques and methods for techniques and methods for a continuous improvemental project and assessment processes environmental project and accommon and methods for a continuous improvement to a tool, technique or method	oxe Entrated to independently manage routine environmental decisions and contributes options to complies decisions. So the registration of the complies of the registration of the registr	nur Contributes to improved workplace culture processes to manage projects, time, resources and self rub Demonstrates processes for routinely evaluating work number of the processes for routinely evaluating work numbers of the processes for routinely evaluating work in the processes of the proc	Proficiently applies traditional communication mediums and communication mediums and programational communication (e.g. digital media) a Transister complex environmental or actentific information to a range of a library good self-wareness and knowledge of presonal communication stips independently manage important stakeholder and client relationships.			
St	Advance -4-5 years Proficient and trusted and applies acquired experience to independently insurage complex projects, relationships, or issues independently. Experienced in managing self or others and sought out for advice. Ready to advance to management or specialist role or a changed field or role.		cer. Can provide examples of influencing, persusating or challenging others to lead and promote sustainability car Supports or mestire others on environmental ethics. So Can demonstrate a personal framework for ethical decision making which aligne with accepted practice. In the a light homologies of eef to impartially explain own values.	Prio Translates and applies environmental policy, planning, and sglastion to a broad range of complex environmental source or highly speculiated issues or highly speculiated issues environmental seasons of the complex en	Ansi Demonstrates competence in independently applying on independently applying environmental impact and assessment tools, techniques and methods to complex environmental projects of conditions, interpreting advantages and conditions, interpreting advantages of conditions, interpreting advantages of the complex environmental environmental controlled environmental outcomes	owi Entrusted to independently manage complies decisions own-lopins as range of processes, trained on the control of the contr	nanic Contributes to the development and delivery of estrategy coals for their organisation many profits of their organisation manage projects, time, resources and people nania Actively applies processes to appraise own skills and performance, including routinely seeking feedback from peers, direct reports and management rule High level knowledge of earl and others and applies that to build and develop effective twame.	cei Proficiently applies traditional and digital communication mediume co Transistes complex environmental or accentific information to a range of sudiencee co. Displays a high level of self-awareness and refines personal approach to improve communication outcomes ch. Capable of managing complex or hootile stakeholder engagement.			





### **EIANZ Steps**

### Environmental Proficiencies

- Environmental Awareness,
- Environmental Ethics,
- Policy and Planning and Analysis
- Risk Assessment

### Enabling Proficiencies

- Decision Making,
- Professional Practice
- Communication





## EIANZ Steps – Career Stages

### Step 1

- Establish Year 1
- Perform Years 2 & 3

### Step 2

- Improve Years 3-4
- Advance Years 4-5

#### Become a CEnvP!





## IEMA Skills Map

### **IEMA** Environmental Skills Map

	Knowledge and understanding				Analytical thinking Comm		Commun	Communication Sust		Sustainable practice			Leadership for change	
Competency	Fundamental environmental and sustainability principles	Environmental policy issues	Environmental management and assessment tools	Environmental legislation	Business management	Analyse, interpret and report data and information	Develop sustainable solutions	Implement effective communication	Engage stakeholders (internal and external)	Implement sustainable thinking	Deliver environmental improvement	Managing business resilience	Lead change	Influence behaviour
Leadership	Understand environmental processes and limits and their impact on the sustainability of organisations	Understand environmental policy issues and their impact on strategic decision making	Understand how environmental management and assessment tools can be used to deliver improvement across the value chain	Understand policy instruments and the regulatory framework and their relationship to organisational strategy and operations	Understand business and commercial tools and the influence they have on organisational strategy and effectiveness	Specify data and information systems to support strategic decision making	Lead organisations to innovate, envision and develop sustainable solutions	Use communication to drive sustainable business practice	Champion effective stakeholder engagement	Embed sustainable thinking across organisational value chain	Ensure strategic policies and decisions	Identify and manage strategic opportunities and risks to improve business resilience	Create a vision for strategic change and innovation to transform organisations	Influence, persuade and challenge others to lead and promote sustainability
Managerial	Explain environmental and sustainability principles and their relationship with organisations	Explain environmental policy trends and developments	Explain environmental management and assessment tools and their application	Evaluate environmental legislative developments and the implications for an organisation	and commercial	Critically analyse, interpret and report data and information to inform decision making and provide advice	Identify and analyse problems and opportunities to develop and deliver sustainable solutions	Develop and lead the delivery of communication approaches	Identify, engage and respond to stakeholder needs	Develop and encourage innovative ideas that implement whole life-cycle thinking	Manage projects to deliver environmental performance improvement, making a business case	Identify strategic opportunities and risks to improve business resilience	Lead a process of change management, overcoming barriers	Educate, influence persuade and challenge others to lead and promote sustainability
Specialist	Explain environmental and sustainability principles as they interact with work or study area	Explain environmental policy issues and trends in work or study area	Describe environmental management and assessment tools and their application	Identify, critically review and interpret environmental legislation in work or study area	Explain key business and commercial tools	Collect, analyse, interpret and report information, and/or conduct research to develop sustainable solutions	Research developments in work or study area to develop and propose sustainable solutions	Advise and influence others using effective communication methods	Identify and engage in two-way communication with stakeholders	Use sustainable thinking to lead research, develop or promote new methodologies or policies	Lead projects to deliver environmental performance improvement, making a business case	Explain how a changing environment affects work or study area	Lead a process of change management, overcoming barriers	Demonstrate leadership in work or study area
Operational	Understand environmental and sustainability principles and their relationship with organisations	Explain environmental policy issues	Describe environmental management and assessment tools and their application	Explain key environmental legislation and compliance measures	Understand key business and commercial tools	Collect, analyse, and report information and data	Analyse problems and opportunities to deliver sustainable solutions	Implement effective communication methods	Identify and engage in two-way communication with stakeholders	Implement environmental management and/or assessment tools	Develop programmes to deliver environmental performance improvement	Understand how a changing environment creates opportunities and risks for organisations	Implement change to improve sustainability	Influence and persuade others to improve sustainability
Non-graduate/ Graduate entry	Understand environmental and sustainability principles	Understand environmental policy issues	Aware of environmental management and assessment tools	Aware of environmental legislation and know how to assess compliance	Aware of key business and commercial tools	Collect data and undertake analysis and evaluation	Research and plan sustainable solutions	Determine effective communication methods	Engage with stakeholders	Support the implementation of environmental management and/ or assessment tools	Propose ways to improve environmental performance	Aware of how a changing environment creates opportunities and risks for organisations	Support change in an organisation	Encourage others to improve sustainability

www.iema.net/skills

© IEMA, 2011







## **IEMA Skills Map**

### **Competencies:**

- Entry
- Operational
- Specialist
- Managerial
- Leadership and include

### **Categories**

- Knowledge and Understanding
- Analytical Thinking
- Communication
- Sustainable Practice
- Leadership for Change





## IEMA Skills Map

Fundamental environmental and sustainability principles	Knowledge a
Environmental policy issues	nd understan
Environmental management and assessment tools	ding
Environmental legislation	
Business management	

Analyse, interpret and report data and information	Analytical thinl
Develop sustainable solutions	king
Implement effective communication	Communi
Engage stakeholders (internal and external)	cation

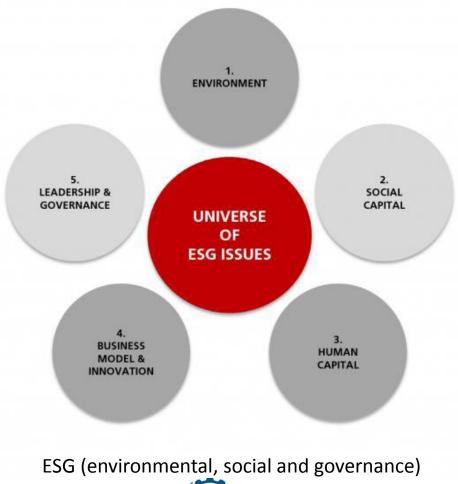
Implement sustainable thinking	Sustainable
Deliver environmental improvement	practice
Managing business resilience	
Lead change	Leadership
Influence behaviour	for change





# SUSTAINABILITY ACCOUNTING STANDARDS BOARD (USA)

- Climate change risks
  - Environmental accidents and remediation
  - · Water use and management
  - · Energy management
  - Fuel management and transportation
  - GHG emissions and air pollution
  - Waste management and effluents
  - · Biodiversity impacts
- Communications and engagement
  - · Community development
  - · Impact from facilities
  - Customer satisfaction
  - Customer health and safety
  - Disclosure and labeling
  - Marketing and ethical advertising
  - Access to services
  - Customer privacy
  - New markets
- Diversity and equal opportunity
  - · Training and development
  - · Recruitment and retention
  - Compensation and benefits
  - Labor relations and union practices
  - Employee health, safety and wellness
  - · Child and forced labor





4

- Long term viability of core business
- · Accounting for externalities
- Research, development and innovation
- Product societal value
- Product life cycle use impact
- · Packaging
- Product pricing
- · Product quality and safety

5

- Regulatory and legal challenges
- Policies, standards, codes of conduct
- Business ethics and competitive behavior
- Shareholder engagement
- Board structure and independence
- Executive compensation
- Lobbying and political contributions
- · Raw material demand
- Supply chain standards and selection
- Supply chain engagement & transparency









# Introduction – Preparing for the Perfect Storm

Organisations need to recognise and prepare for these changes, to turn the challenges into opportunities. To do so they have to put environmental management and sustainability at their heart. In the new business world, sustainability will no longer be a "bolt-on" to the way organisations work; it must be in their DNA.





## How confident are organisations that employee groups have the skills to address the environment and sustainability agenda?







## Skills gaps most commonly reported by organisations with recruitment problems







## Investing in the skills to transition to a sustainable economy

- skills for leaders to integrate sustainability into long-term decision making.
- enhanced skills and capability for environment and sustainability professionals so they can integrate sustainability throughout their organisations and value chains.
- increased environment and sustainability knowledge and understanding for all other workers, so they can play their full roles.





### Conclusion

- A changing world presents many opportunities for environmental professionals
- Need to be flexible and adapt to change
- Sustainability professionals lead change
- Multiskilled will be the way of the future
- Your first degree may not be the profession you follow

