



FIRST MOVERS

Sustainability and climate change - what it means to PSF strategy

Prepared and presented by
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13 and 14 August 2008



GERRARD BOWN

BEATON CONSULTING





Session topics

Why?

- Why are sustainability and climate change important?
- Why are they relevant to Professional Service Firms (PSFs)?

How?

- How should PSFs design sustainability strategies and implementation processes?



Why?

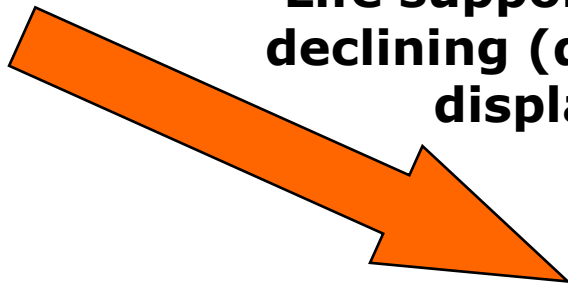
Why are sustainability and climate change important?

Why are they relevant to Professional Service Firms?

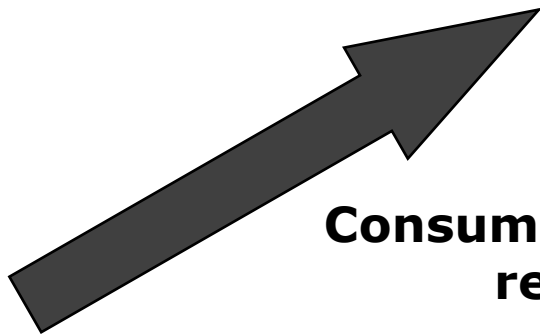


The way we do things now is not sustainable

Life supporting resources are declining (due to pollution and displacing nature)



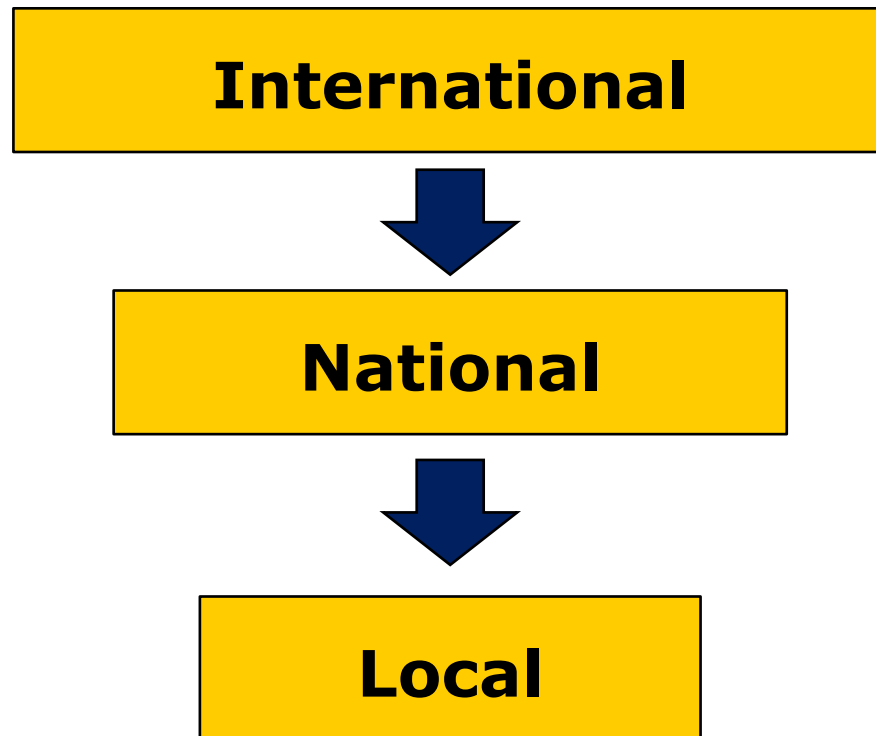
Consumption of life supporting resources is rising



- Species extinction
- Resource depletion
- Increasing pollution
- Climate change



Strong scientific evidence to support action to address climate change



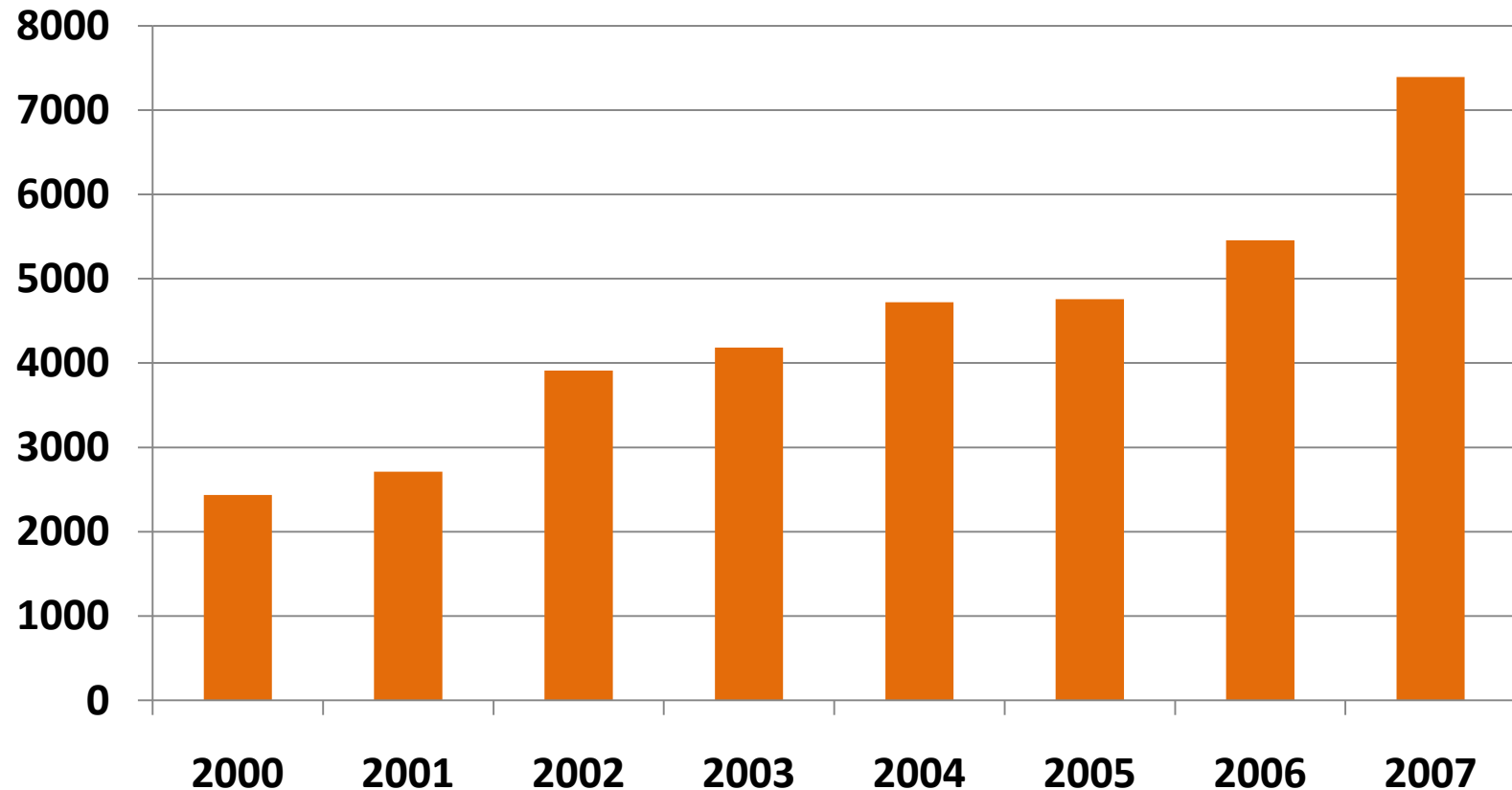
- IPCC Report
- Stern Review

- Garnaut Report
- The Business Case for Early Action

- Sustainable Sydney 2030
- FutureMap: Melbourne 2030



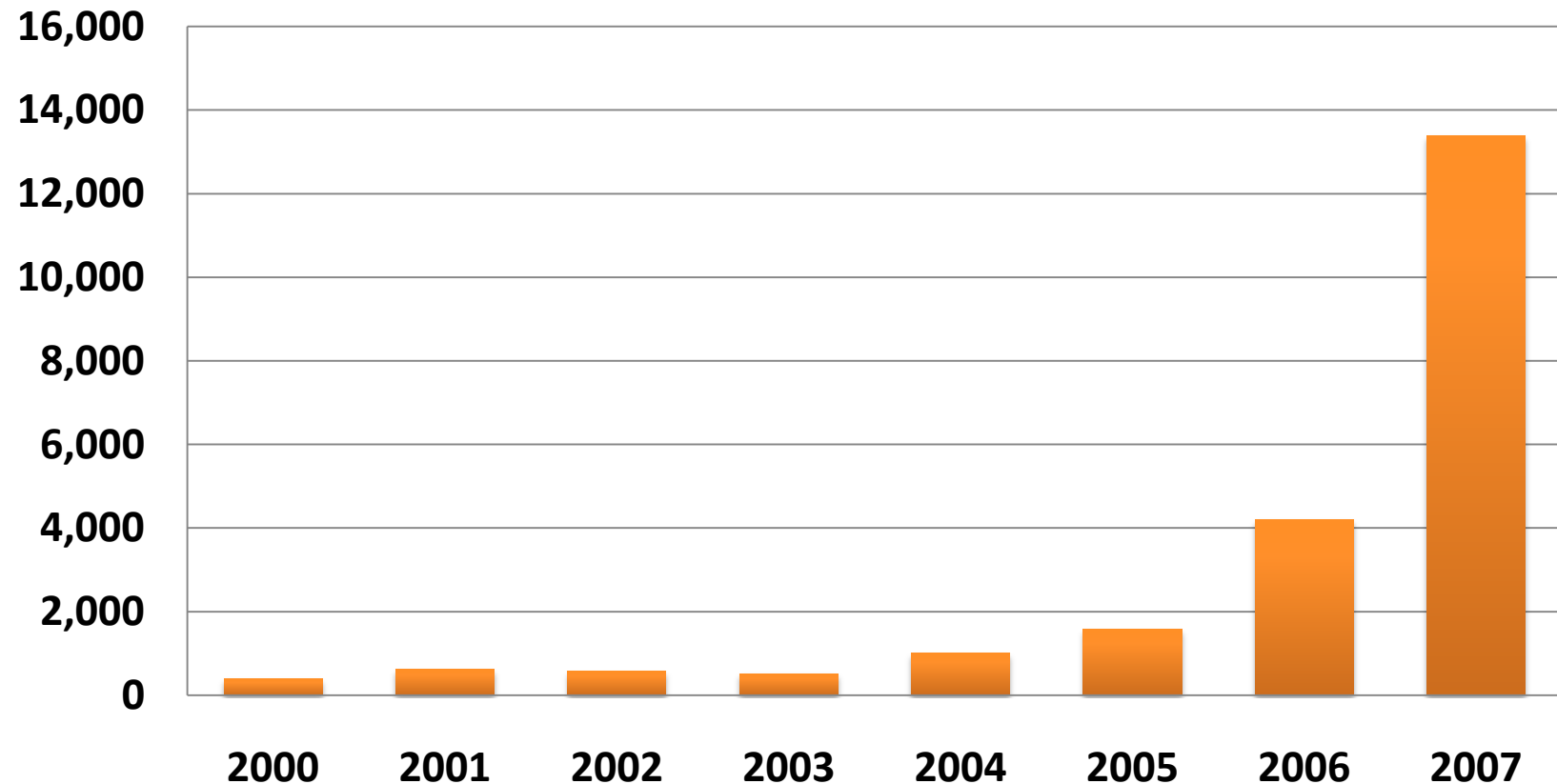
Occurrence of 'sustainability' or 'sustainable' in Australian newspapers



Source: Factiva database search May 2008 (Australian Newspapers)



Occurrence of 'climate change' in Australian newspapers



Source: Factiva database search May 2008 (Australian Newspapers)



Relevance to PSFs

- Labour market
 - Many of your staff are concerned about climate change
 - Opportunity for greater staff engagement
 - Can be a 'critical difference' issue to many future employees
 - A point of difference in your employer brand
 - Case study: Fordham Wealth Advisors
- Understand your clients
 - Many of your clients are investing heavily and making substantial changes in this area
- New service lines
 - Advisory
 - Regulation/compliance
 - Products



- Markets >
- About Us >
- Knowledge & Insights >
- Careers >

Signature Projects



Signature SKM Projects

News Flash

- ✦ Keeping a Lid on Geothermal Development Costs
- ✦ SKM anthony hunts celebrates as York College is shortlisted for the Concrete Awards 2008
- ✦ SKM appoints Mining & Metals General Manager

SKM and Sustainability

SUSTAINABILITY

our people, our clients, our planet

Our purpose

Our purpose is to deliver a positive and enduring impact on the world.

Our own commitment

Walking the talk on sustainability, Sinclair Knight Merz Chief Executive Officer & Managing Director Paul Douglas made a significant announcement at the firm's Annual General Meeting in Kuala Lumpur, committing the company to a 30% reduction per capita in carbon emissions over the next three years. **More...**

Additionally, SKM joined the Corporate Leaders Group on Climate Change and become a signatory to a communiqué from international business leaders in advance of the UN Climate Change Conference 2007 in Bali, Indonesia. The communiqué was signed by 150 global companies who share the belief that there is an urgent need to develop new and longer-term policies for tackling climate change. **More...**

Our thinking on sustainability, as leaders in engineering, sciences and project delivery

A number of articles are now available as a means of sharing the thinking of many of our leaders in particular fields.

Right now our people are working with clients on issues associated with climate change and social and environmental sustainability. SKM's people really want to make a difference, and they have the will and skills to do that.

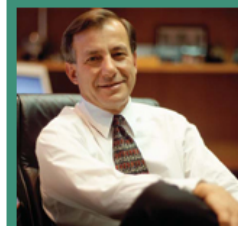
Click on the links below to view **Articles** and other search results for a number of key words.

- Sustainability
- Climate Change
- Sustainable Buildings
- International Aid & Development
- Sustainable Cities
- Sustainable Transport
- Sustainable Mining
- Sustainable Resource Use



Dr Nick Fleming, SKM's Chief Sustainability Officer

Sending yet another signal regarding its commitment to sustainability, SKM has announced the appointment of a Chief Sustainability Officer. **More...**



SKM CEO & MD Paul Douglas speaks out on SKM's Greenhouse Challenge. **More...**



Legal Affairs

Edited by: jeyers@afr.com.au

Law firms reap climate change windfall

James Evers and Alex Boxsell

The release of Ross Garnaut's report on an emissions trading scheme and the recent introduction of mandatory reporting on emissions for Australian companies have sent law firms scurrying to assuage their carbon-emitting clients' concerns and to identify opportunities for them to share in the scheme's spoils.

Lawyers said the National Greenhouse and Energy Reporting Act, which came into effect on July 1, was a more immediate issue than the Garnaut report, given its criminal sanctions for non-compliance, but that the two were interrelated.

Deacons partner Elisa de Wit said it was essential that the Garnaut report was viewed in the context of the NGER. "If you assume companies are going to have to purchase permits equivalent to their emissions, they really need to get a handle on what their emissions profile is," she said.

"If they don't, it is very hard for



Firms are advising on legislative interpretation, reporting obligations, directors' duties and compliance.

Photo: JESSICA PROMAS

Quartet to advise on emissions legislation

Four law firms have been hand-picked by the Department of Climate Change to provide advice on the legislation to

carbon market, doing "hundreds" of clean development mechanism transactions and learning the ins and

in a "cross disciplinary approach" with one or two working exclusively in the area, according to co-chair of the

team, Louis Chiam, said many of the firm's clients were a "long way up the curve" in terms of preparation for an ETS, but that many were delaying investment in carbon offset projects until details of the scheme were finalised.

The federal government is expected to release a green paper next Wednesday indicating its preferred direction on an ETS.

Baker & McKenzie partner Paul Curnow warned that Australian companies were lagging behind in their knowledge of the broader global market and their ability to access cheaper offshore emissions abatement opportunities, particularly through the clean development mechanism (CDM), established under the Kyoto Protocol to encourage emissions-reducing projects in developing countries.

Mr Curnow said the Garnaut report failed to properly address the CDM and importing carbon credits.

"We are hoping the green paper takes a more balanced approach on that, and allows for a good level of



Global home

Country/territory

▶ Industry sectors

▶ Today's challenges

▼ Our services

Creating a sustainable business

Services ▶

Case studies

Industry issues

Sustainability partners

Publications

Country/territory links

Sustainability services

Delivering real value to your organisation

When it comes to matters of corporate responsibility, organisations have very specific concerns. Likewise, the needs of organizations vary widely, depending on their particular location, business, and industry. To help us respond to our clients requirements effectively and efficiently, PwC's Sustainable Business Solutions practice offers a range of solutions that are clustered around five major service areas:

- ▶ CSR strategy design and deployment
- ▶ Reporting and assurance of non-financial information
- ▶ Climate change and emissions trading
- ▶ Transaction support for environmental health and safety and reputation issues
- ▶ Supply chain risk management

Recently visited pages

- ▶ The sustainability agenda: Industry perspectives
- ▶ PricewaterhouseCoopers



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Delivering increased profit and sustained growth through improved social and environmental performance

Home

Our Business

Our People

> Experience

> Biographies

Our Services

> Methodology

GerrardBown develops business strategies that improve performance, enhance resource productivity, reduce risk and increase shareholder and community endorsement.



Our Business

Our solutions are based on rigorous analysis and economic, environmental and social expertise.

[> More](#)



Our People

Our consultants have extensive experience working with senior management in business and government.

[> More](#)



Our Services

Our solutions build on the trust established through close collaboration. We provide consulting services in four areas...

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Legals

Site design |  splash creative



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FIRST MOVERS



Align with broader trends

In the past...

- Closed systems (Web 1.0)
- Scarcity mindset
- Value independence
- Protect

In the future...

- Open systems and social networks (Web 2.0)
- Abundance mindset
- Value community
- Share and collaborate



[Home](#) » [About Us](#) » [Overview](#)

About Us: Overview

The Green Grid is a global consortium dedicated to advancing energy efficiency in data centers and business computing ecosystems. In furtherance of its mission, The Green Grid is focused on the following: defining meaningful, user-centric models and metrics; developing standards, measurement methods, processes and new technologies to improve data center performance against the defined metrics; and promoting the adoption of energy efficient standards, processes, measurements and technologies.

Comprised of an interactive body of members who share and improve current best practices around data center efficiency, The Green Grid's scope includes collaboration with end users and government organizations worldwide to ensure that each organizational goal is aligned with both developers and users of data center technology. All interested parties are encouraged to join and become active participants.

The Green Grid Board of Directors is comprised of the following member companies: AMD, APC, Dell, HP, IBM, Intel, Microsoft, Rackable Systems, Sun Microsystems and VMware.

Overview

[Mission Statement](#)

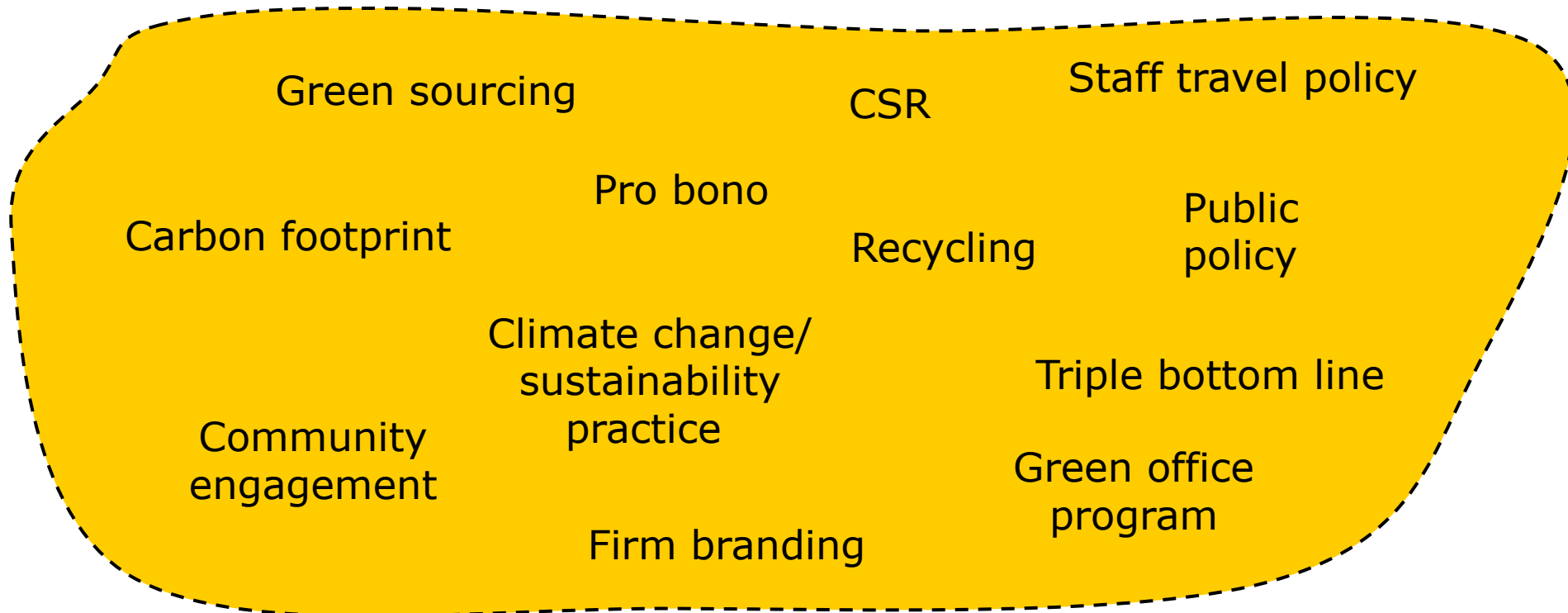
[Board of Directors](#)

[Members Spotlight](#)



Sustainability in PSFs

Need for a holistic approach to a variety of related ideas and initiatives...





How?

How should PSFs design sustainability and climate change strategies and implementation processes?



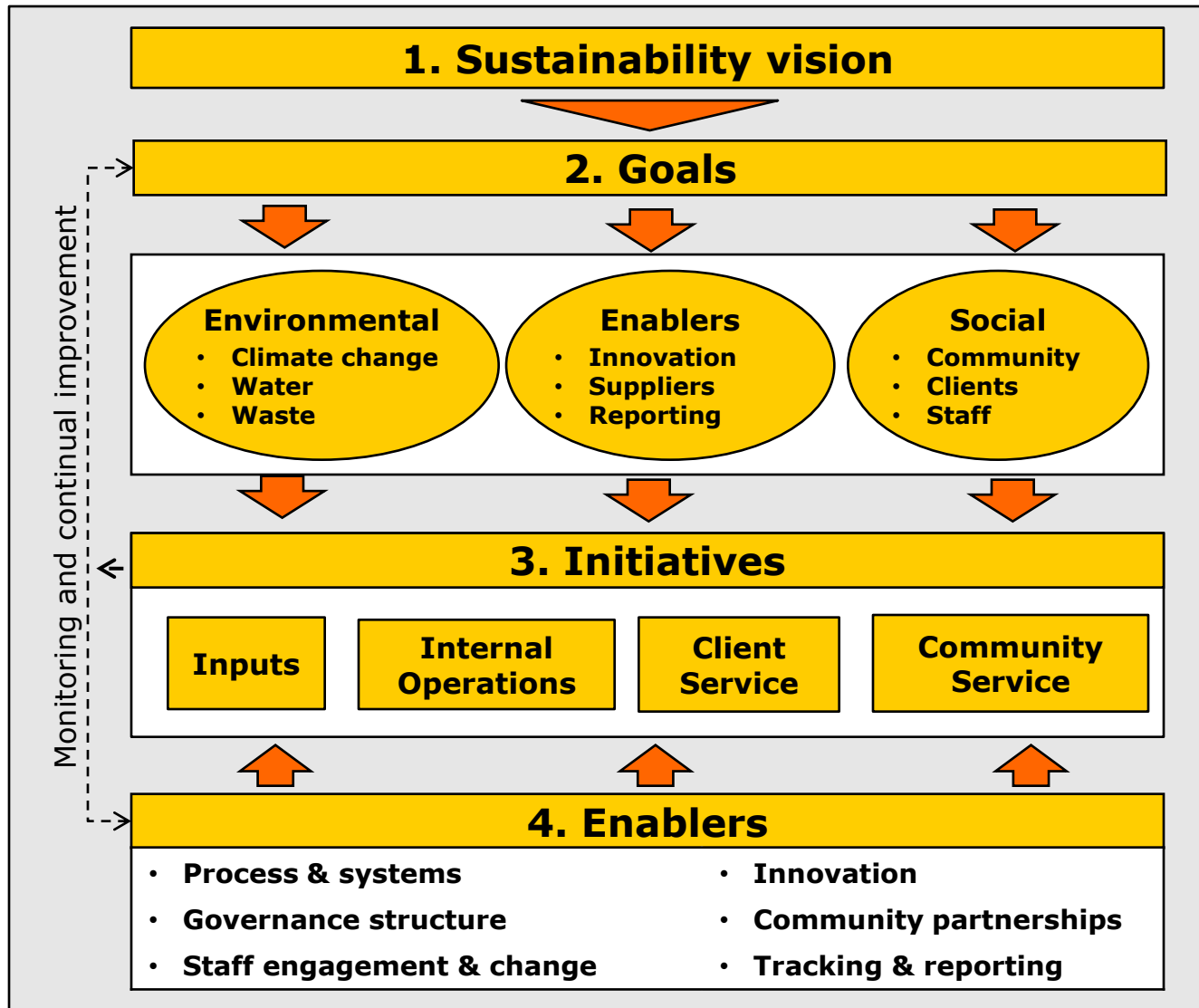
Definition of sustainability

***"To meet the needs of the present
without compromising the ability of
the future generations to meet their
own needs"***

**Dr Gro Harlem Bruntland
Bruntland Commission
Our Common Future, 1987**



Key elements of a sustainability strategy



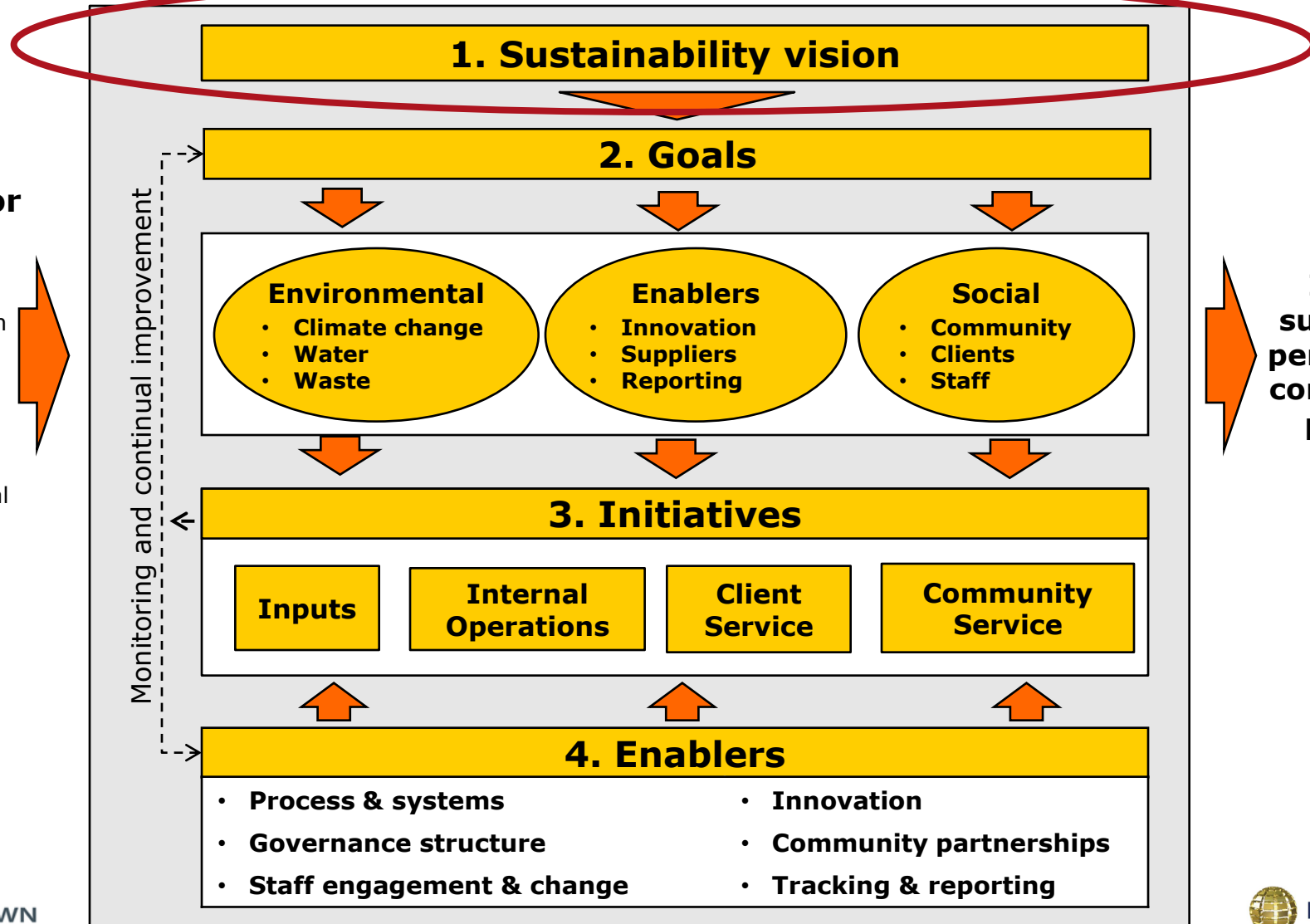
Impetus for strategy

- Client demand
- Staff perception
- Competitor pressure
- Legislative changes
- Broader societal trends

Improved sustainability performance & continued firm prosperity



Key elements of a sustainability strategy





Clarifying your sustainability vision or intent

Sustaining organisation

Sustainability is embedded in firm's strategy and is actively considered in making all decisions. Firm takes on leadership role in driving societal/environmental change

Opportunity

Firm invests in sustainability-related revenue raising and brand building initiatives

Efficiency

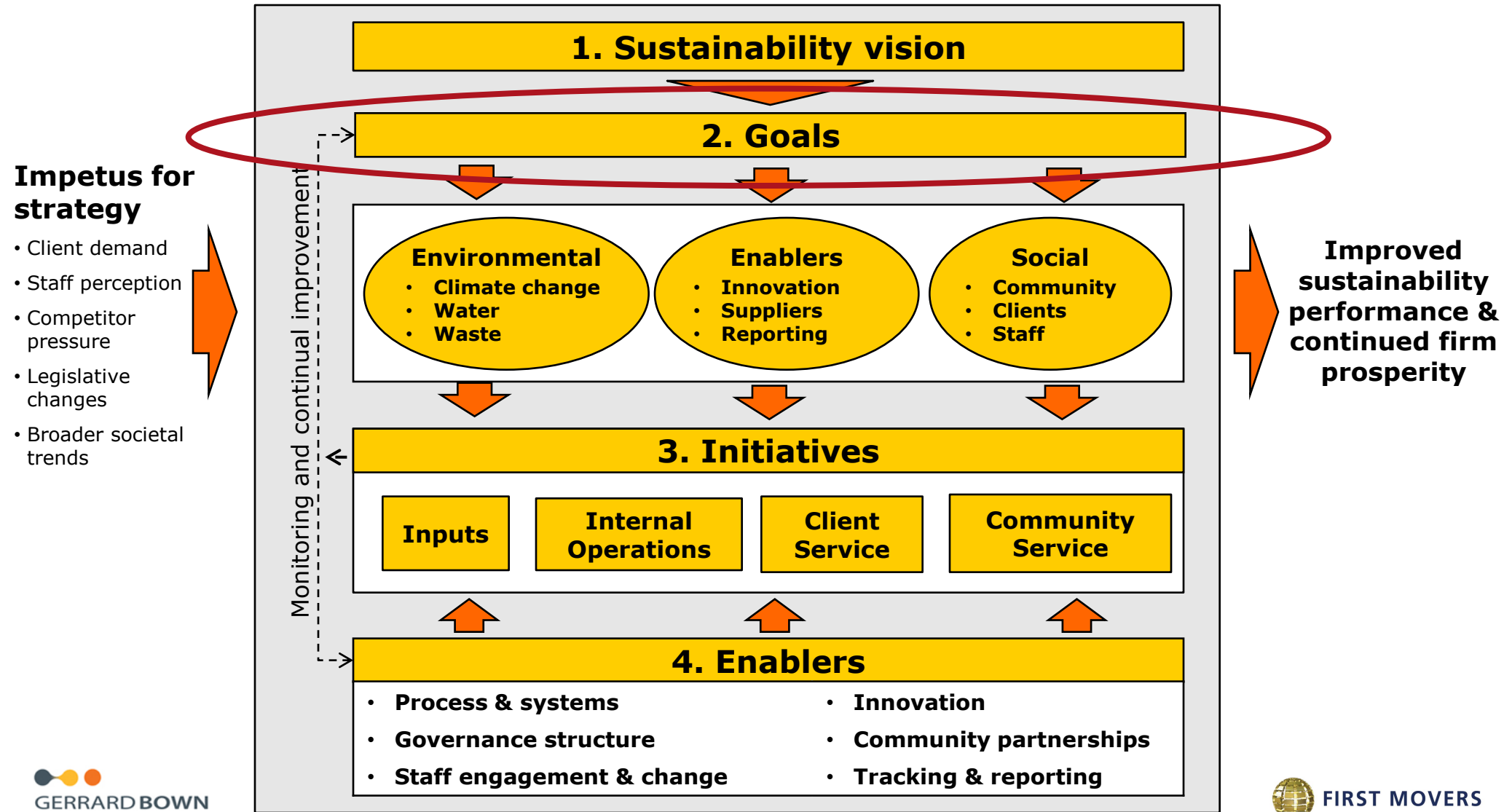
Firm pursues initiatives that increase resource productivity and / or minimise cost

Compliance

Firm meets obligations relating to environmental, OH&S and human rights legislation



Key elements of a sustainability strategy





Setting goals is both an art and a science

1. Determine focus areas

- Which areas are of greatest concern?
- Where do the biggest wins reside?
- Is continuous improvement possible?

2. Setting goals

- Benchmark according to where your organisation wishes to sit
- Be realistic about what can be achieved
- Are static or phased goals more appropriate?

Environmental (example)

Climate change – News Ltd

5% CO₂ reduction pa & carbon neutral by 2010

Waste – Finsbury Green

Reduce dry waste to landfill to zero by 2015

Social (example)

Staff - ANZ

Have 24% female executives; Employ 100 indigenous Australians

Community engagement – ANZ

Enable 1,500 people to participate in Saver Plus; Launch successful *My Mool* program

Enabler (example)

Supply chain - Finsbury Green

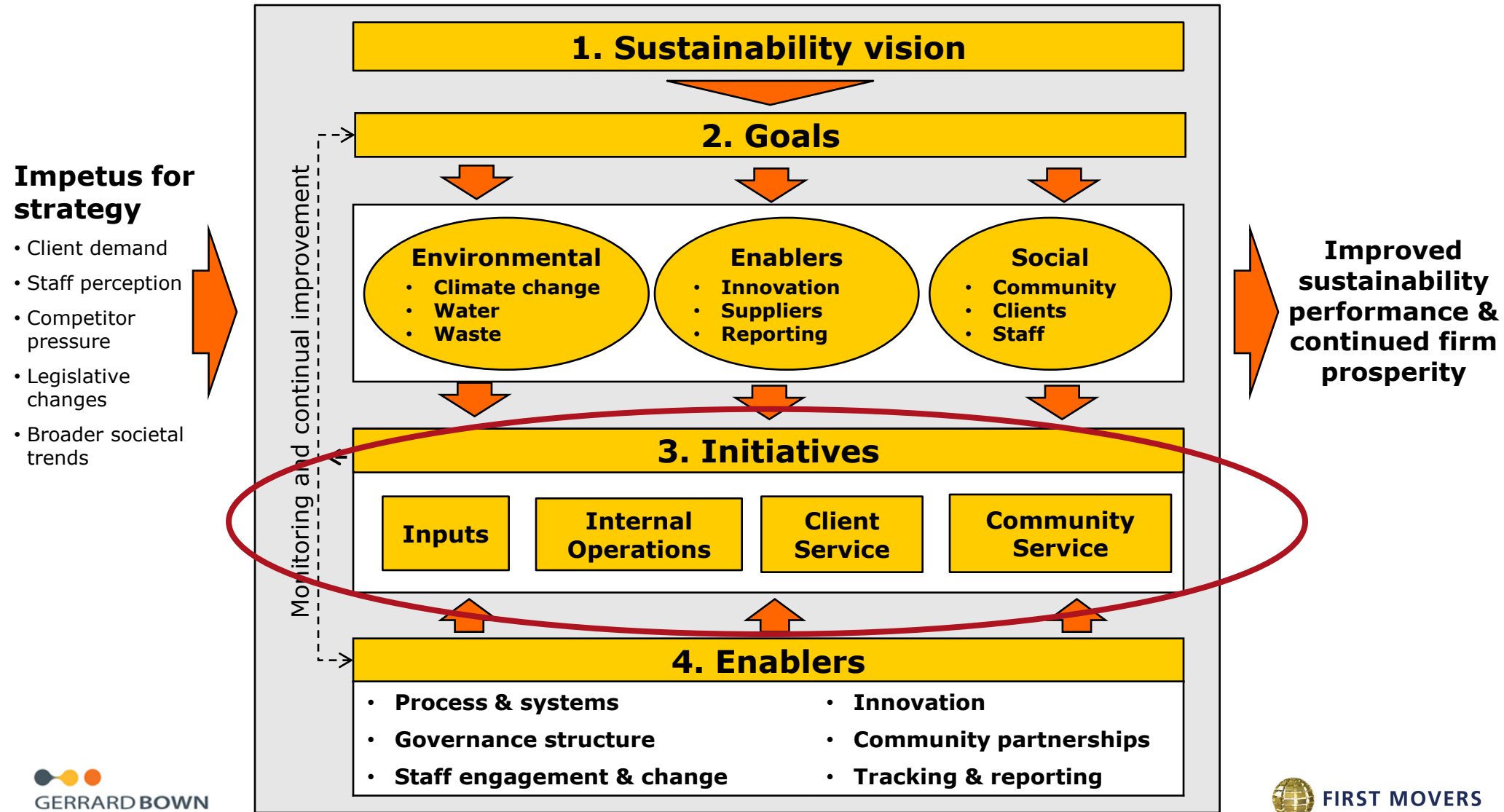
50% increase in number of suppliers undergoing detailed sustainability screening

Innovation – Orica

Launch at least one sustainability business by 2010



Key elements of a sustainability strategy





Common initiatives

- 5 star building
- Green computers
- Recycled paper
- Green procurement
- Employer brand

- Minimise flights/ videoconferencing
- Incentives for public transport
- Flexible work practices
- Green office program
- EOL asset disposal

- Client choice
- Integrated into services
- New service lines
- Market branding

- Lobbying – take leadership position
- Professional body involvement
- Pro bono

Inputs

Internal
Operations

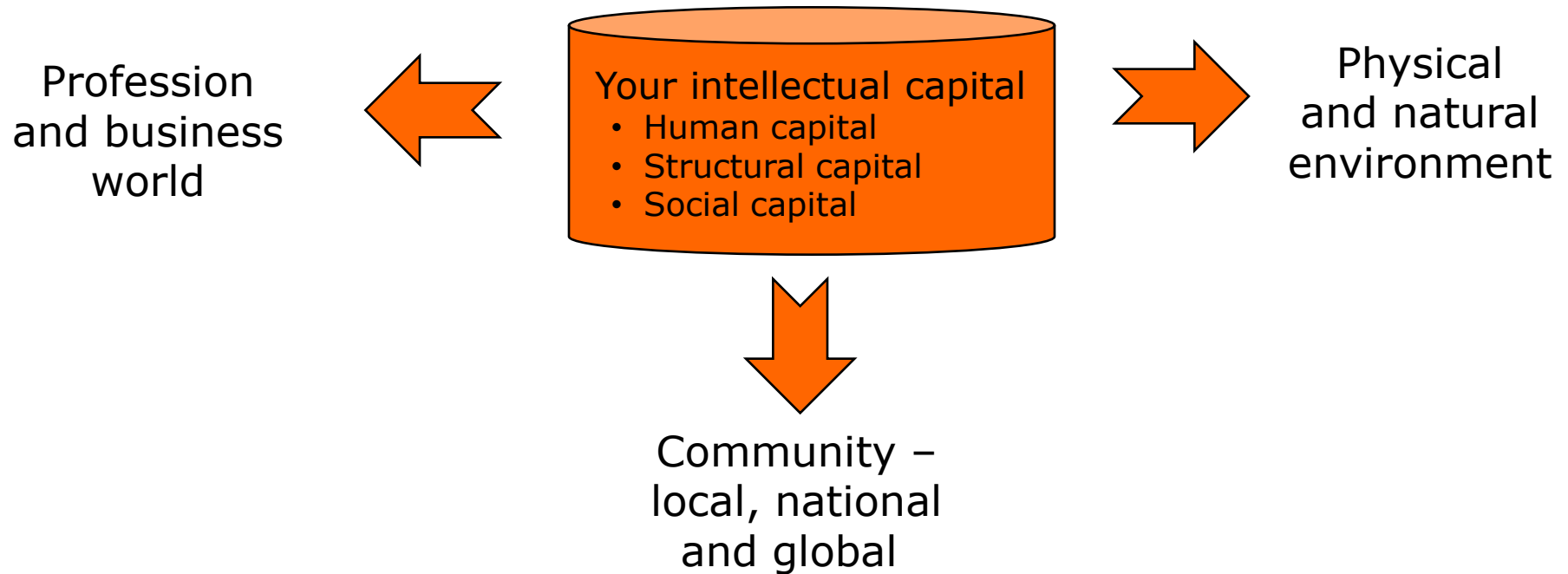
Client
Service

Community
Service

Impact areas



Contributing/sharing your intellectual capital (IC) towards sustainability goals





World Business Council for Sustainable Development

DEDICATED TO MAKING A DIFFERENCE



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- Regional Network** ▶
- Focus Areas** ▶
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 - Energy Eff. In Buildings
 - Water
 - Sustainable Value Chain
 - Capacity Building
 - Eco-Patent Commons
 - Overview
 - Q & A
 - Patents
- Sector Projects** ▶

Eco-Patent Commons

search



Corporations Go Public with Eco-Friendly Patents

Geneva, Switzerland & Armonk, N.Y., 14 January 2008 - Leading members of the corporate community have banded together in a first-of-its-kind effort to help the environment, unleashing dozens of innovative, environmentally-responsible patents to the public domain.

The Eco-Patent Commons is an initiative to create a collection of patents on technology that directly or indirectly protects the environment. The patents will be pledged by companies and other intellectual property rights holders and made available to anyone free of charge.

HOW TO: Eco-Patent Commons Q & A

The Commons is a resource for connecting those who have had success with a particular challenge in a way that benefits the environment and those who are facing similar challenges.

Search the list of patents that have been pledged to date. You can either search through the list using various criteria or [access the complete list](#).

Keywords:	<input type="text"/>
Country:	(All) ▼
Assignee:	(All) ▼

Search

- News**
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- Publications & Reports**
- Case Studies**
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Member access

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Eco-Patent Publications Brochure



- Eco-Patent Documentation**
- Ground Rules
 - Structure & Governance
 - Non Assert Pledge
 - IPC Codes

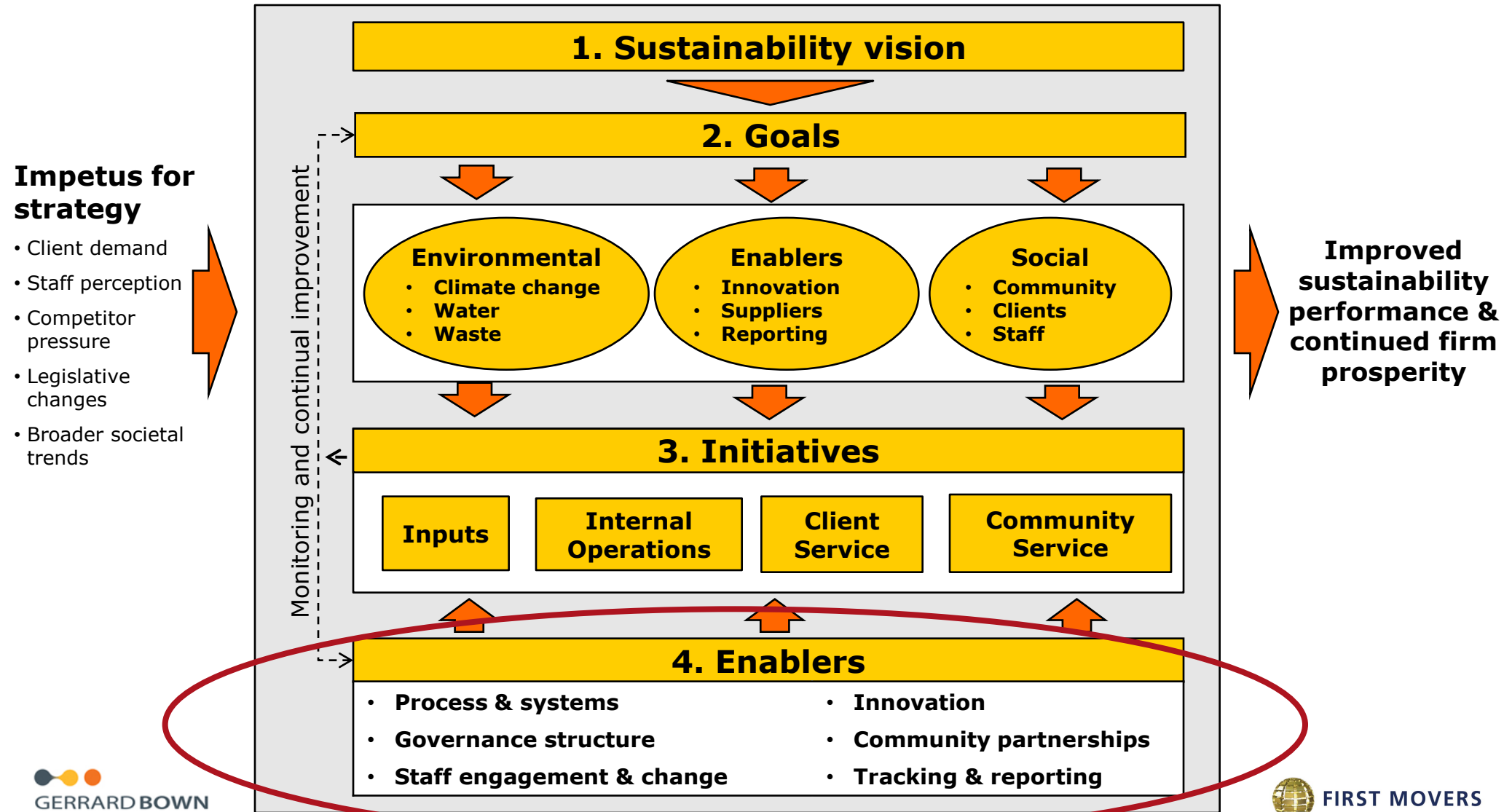
E-Newsletters



Business & SD

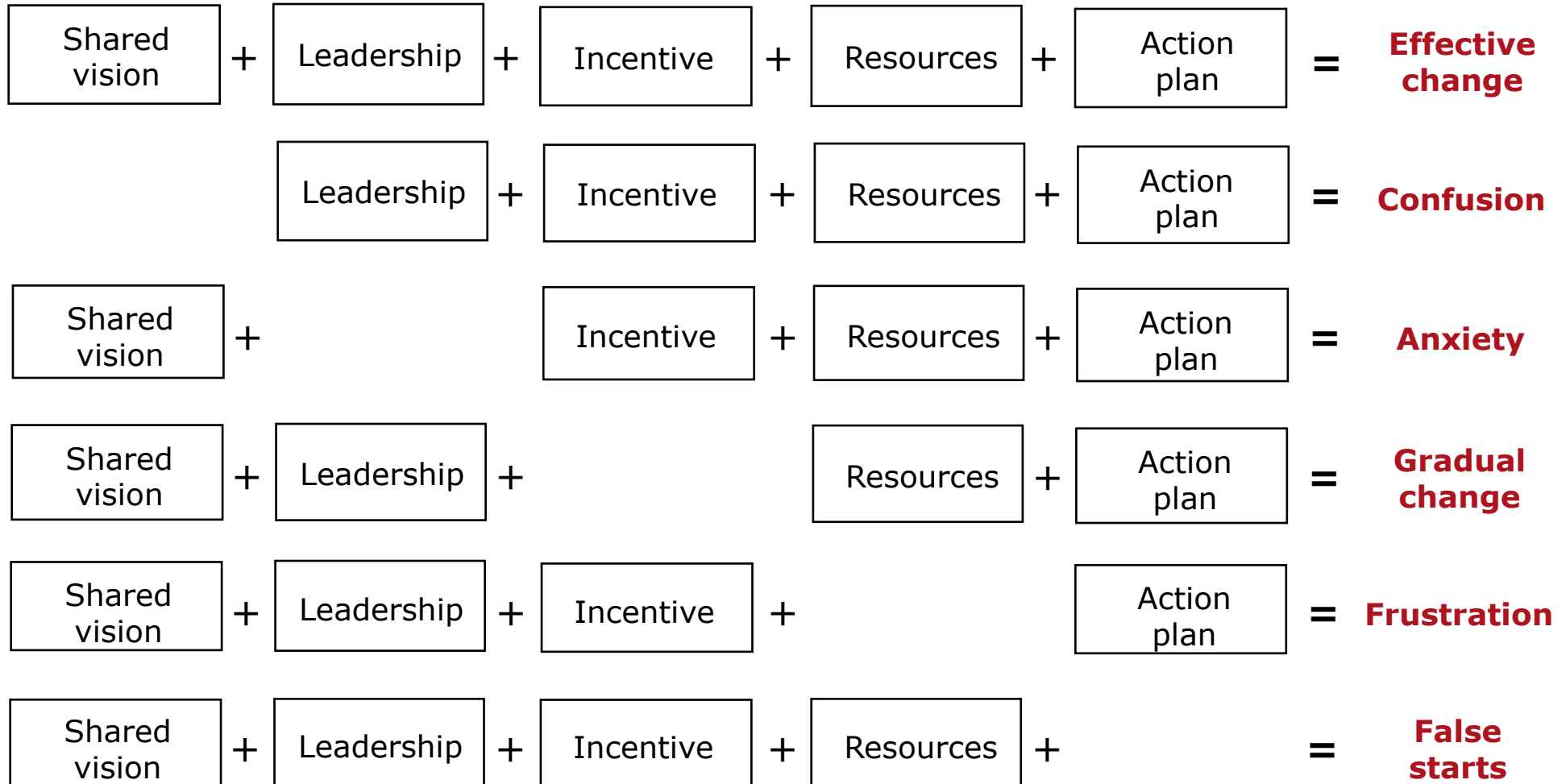


Key elements of a sustainability strategy





Key enablers in creating sustainability culture





Four stage process



Description

- Gather information on existing sustainability efforts
- Develop picture of what is possible
- Engage executive team to shape sustainability vision and objectives
- Conduct research / analysis
- Identify sustainability initiatives
- Engage cross-section of staff to input into vision, objectives and feasibility of initiatives
- Communicate strategy
- Develop sustainability implementation plan
- Conduct further market research if necessary
- Develop comprehensive business plans for any proposed product / service innovations
- Initiate cultural transformation
- Progress new services
- Efficiency programs
- Measurement, tracking and reporting systems



In conclusion



Back at the office

- Make a deliberate choice as to your firm's response to sustainability
- Formulate appropriate goals, initiatives, enablers and plans – a holistic approach
- Challenge your thinking as to what aspects of your intellectual capital could be applied to sustainability outcomes

