

# Landmark Research Study

## ‘Accelerating the Transformation’

Towards a zero emissions, nature positive and inclusive society

November 2022

# Why this Research?

We are living in unprecedented times. A global nature and climate emergency, a societal crisis and an uncertain geopolitical and economic landscape faces business leaders every day. This "permacrisis" is evident in loss of trust, declining consumer sentiment and a general void in global leadership.

For business, there is a pressing need to adapt and change fast. How business responds to the current challenges will determine their viability for years to come.

"Accelerating the transformation" is more than a sustainability survey of Irish business. It is a framework for business to understand the fundamentals that need to be addressed, and the accelerators of change. Our landmark study defines the key areas where business must redefine ambition, radically change practices and engage differently across operations, supply chain and investments.

This study is a multi-stakeholder and multi-generational co-creation that will guide the work of Business in the Community Ireland as we continue to progress business towards a zero emissions, nature positive and inclusive Ireland.

There are key challenges that business must address but, there is also an opportunity for Ireland to take advantage of our resilience, openness and innovation to become a leader in truly sustainable and responsible practices.

"Accelerating the transformation" marks 20 years of Business in the Community Ireland. The pathways to change that we need can only be achieved through trust, transparency and collaboration across business and society.

Are you ready to join our journey of change and make it a key tenet of your future strategy?

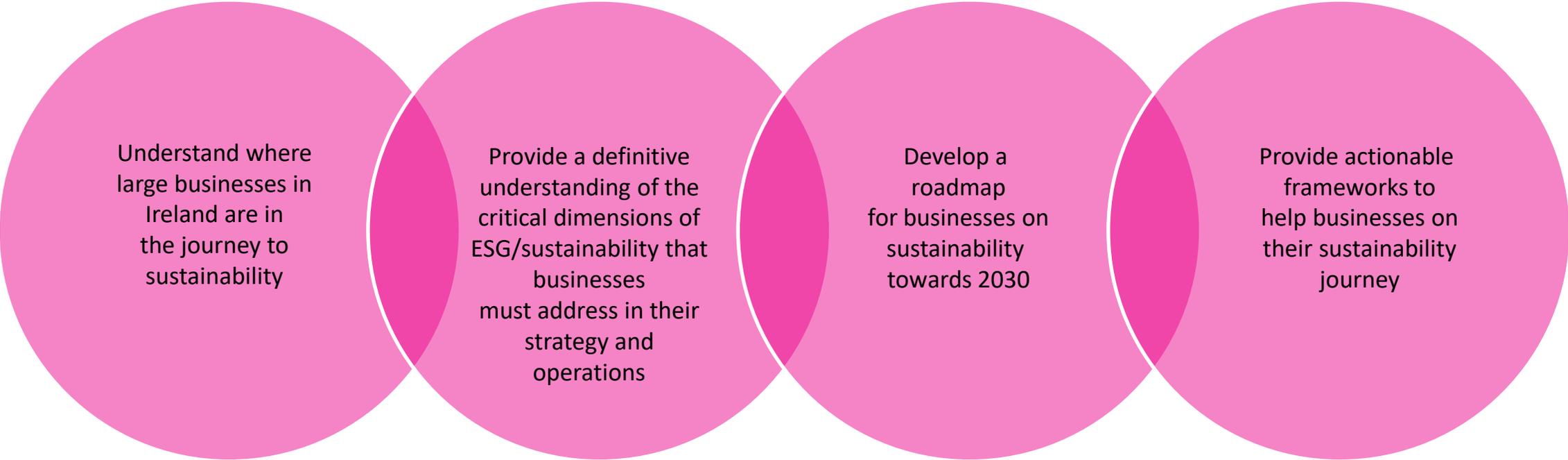
Tomás Sercovich, CEO, Business in the Community Ireland

**BUSINESS  
IN THE  
COMMUNITY  
IRELAND**

# Key Objectives

"Accelerating the Transformation" is a major research project undertaken by Business in the Community Ireland in 2022.

The main objectives of the project and key deliverables are:



Understand where large businesses in Ireland are in the journey to sustainability

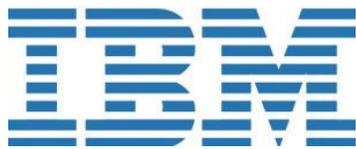
Provide a definitive understanding of the critical dimensions of ESG/sustainability that businesses must address in their strategy and operations

Develop a roadmap for businesses on sustainability towards 2030

Provide actionable frameworks to help businesses on their sustainability journey

# Thank You!

"Accelerating the transformation" is a collaborative project that was developed with nine Business in the Community Ireland member companies that provided funding and leadership.



# Methodology

"Accelerating the Transformation" is a research and co-creation project, carried out in conjunction with Empathy Research and Futavista, that included the following activities:



# Who we spoke to: Expert Interview Panel



Debbie Byrne  
Managing Director  
Retail, An Post



Kathrina Mannion  
Vice President, Environmental  
and Social Sustainability  
bp



Marie Donnelly  
Chairperson  
Climate Change Advisory Council



Danny McCoy  
CEO  
Ibec



Mike Jacobs  
Sustainability & Social  
Innovation Leader  
IBM



Carmel McQuaid  
Head of Sustainable Business  
Marks & Spencer



Chris Martin  
Former Group CEO  
Musgrave



Rachel McEwen  
Chief Sustainability Officer  
SSE plc



Halla Tómasdóttir  
CEO  
The B Team



Frank Murphy  
Head of Technical - Water  
Veolia



Rodney Irwin, COO,  
World Business Council for  
Sustainable Development

# 3x Co-Creation Sessions

## 18 CEOs



## 12 Sustainability Experts



## 22 Future Leaders



# State of the Nation – Quantitative Survey

The online survey was conducted by Empathy Research from the 19th of July to 22nd August 2022, among a sample of large business contacts in Ireland, including member companies of Business in the Community Ireland as well as non-members.

The total sample size for this survey is n=185, this results in a margin of error of +/- 7.2% at a total level. In total n=128 organisations were included as part of this research.

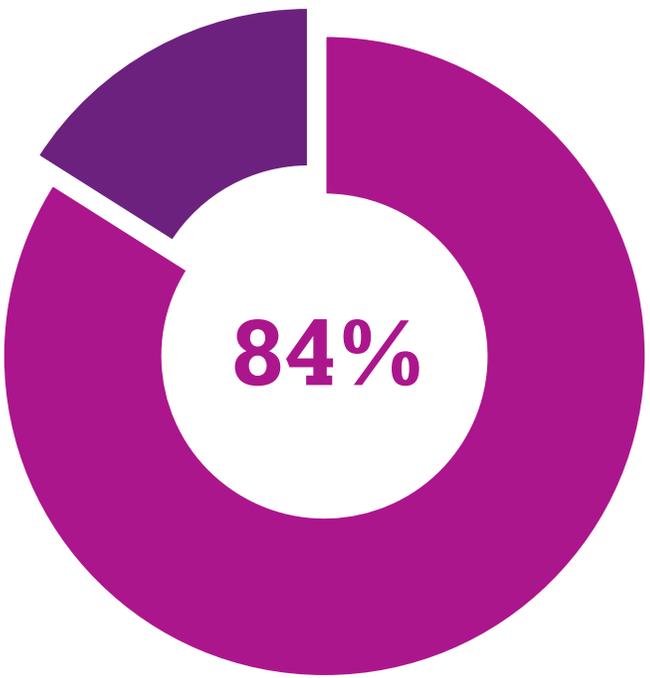
20% of respondents identified as CEO/MD; 40% as CSR/sustainability lead/manager; 23% across other functional roles such as operations and HR and 17% identified as "Other".

The most represented sectors are manufacturing, professional services, finance/insurance, utilities, transport, agribusiness/food & drink, communications, construction and retail.

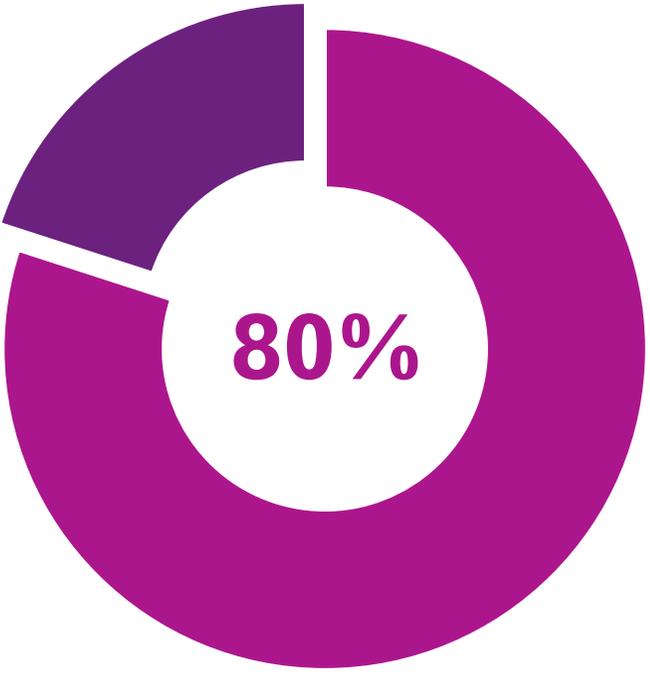
# Associations with Sustainability are primarily about it being 'the right thing to do' and having an environmental focus, but few see the opportunity

## What do you associate with Sustainability?

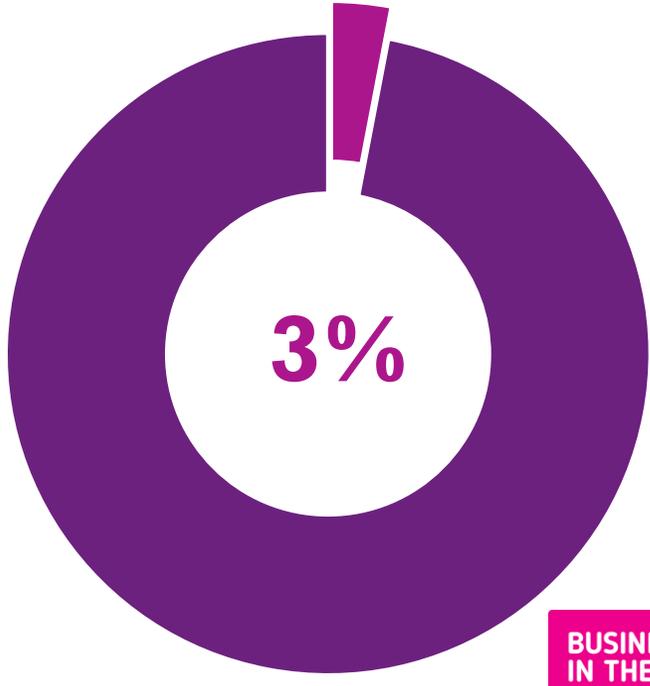
It's about doing the right thing



It's about the environment

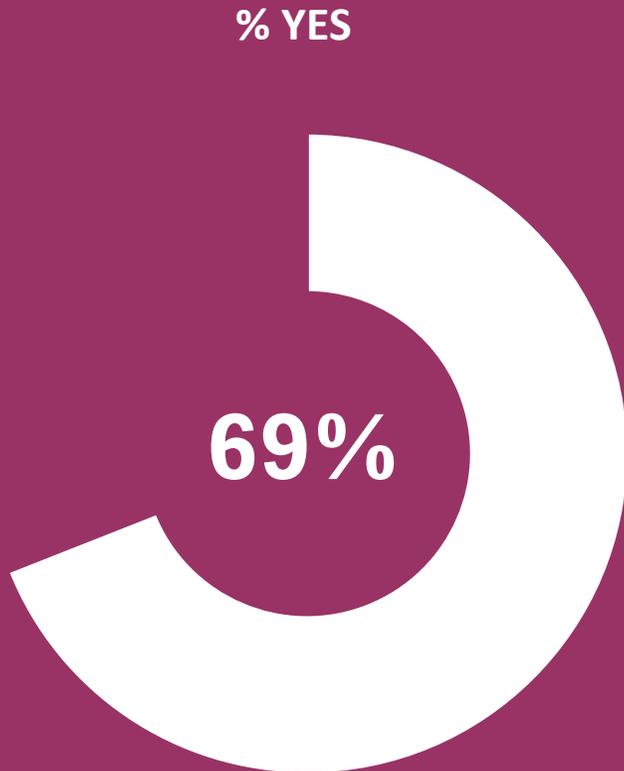


It's a potential opportunity



(Base: All survey participants n=185)

# Is sustainability/ESG integrated into the core of business?



7 in 10 have either a full-time/dedicated senior person or a full-time sustainability professional who reports into the C-Suite



(Base: All survey participants n=185)

# The majority have targets which are publicly reported

74%

have publicly reported  
sustainability targets

85%

have sustainability targets  
which are reported on  
annually

However, 43% state that executive remuneration is not at all linked to the organisation's sustainability performance

# Planning for Net Zero is cited by 3 in 4 respondents as a top priority heading towards 2025 – significantly ahead of all other aspects

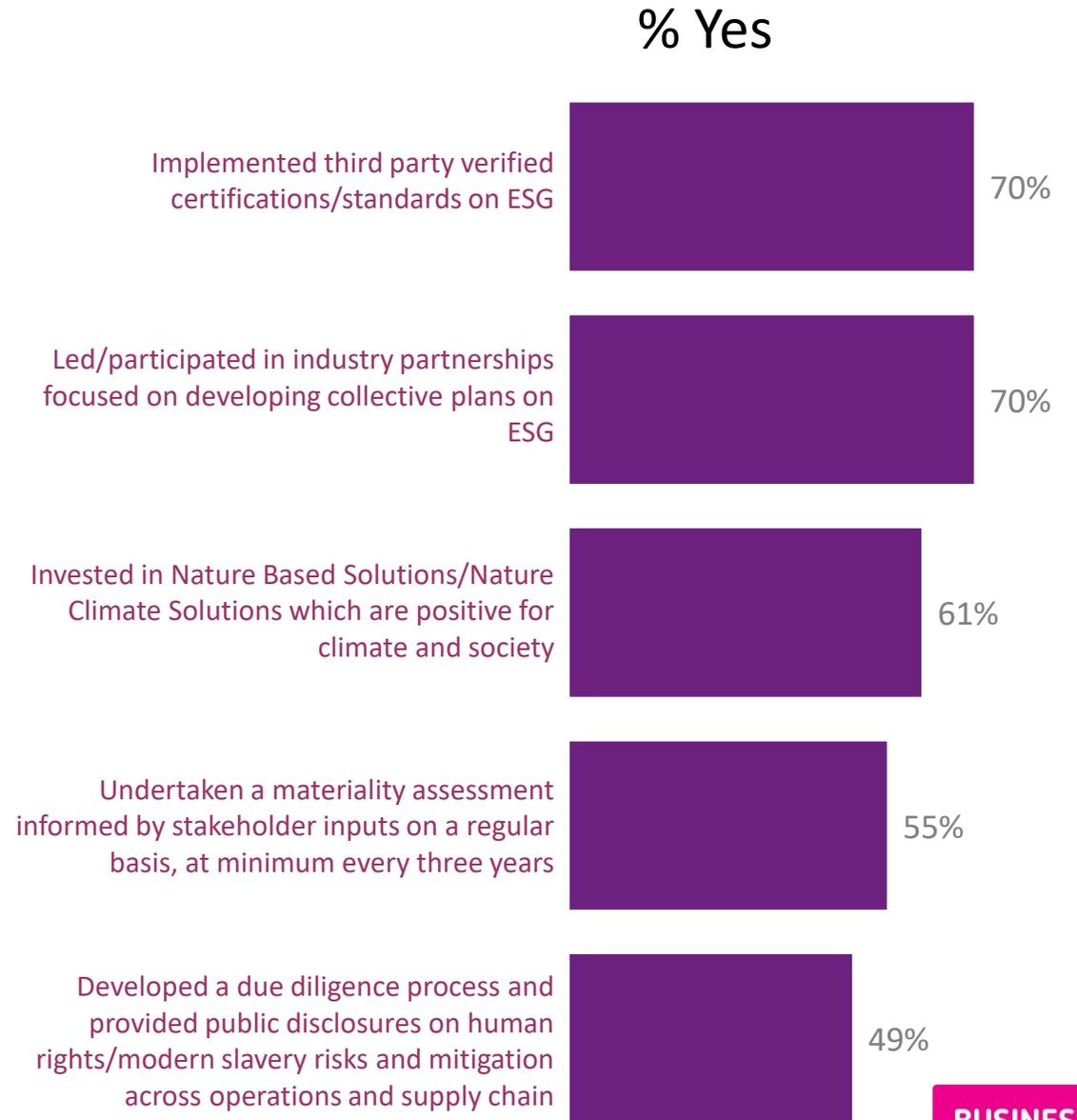
## Top Priorities for 2025



7 in 10 participants have implemented 3rd party verified certifications/standards

But just over half have undertaken a materiality assessment every three years

(Base: All survey participants n=185)



Two thirds have weighting  
for environmentally sustainable  
procurement practices within their  
business.

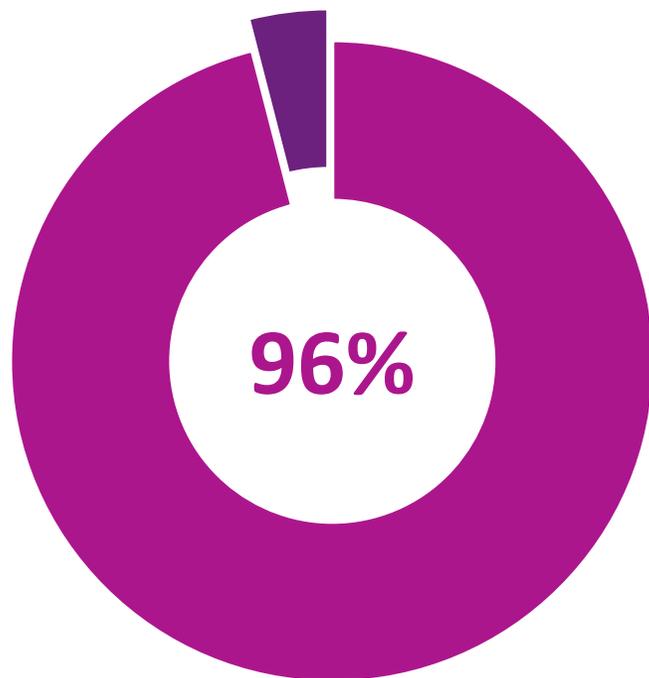
**65%**

**35%**

However, just a third have had at  
least once case of a supplier being  
selected on social and  
environmental sustainability  
criteria

Almost 9 in 10 strongly agree that there needs to be collective, multi-stakeholder action to progress on targets, with a similar proportion agreeing that we need to be proactive

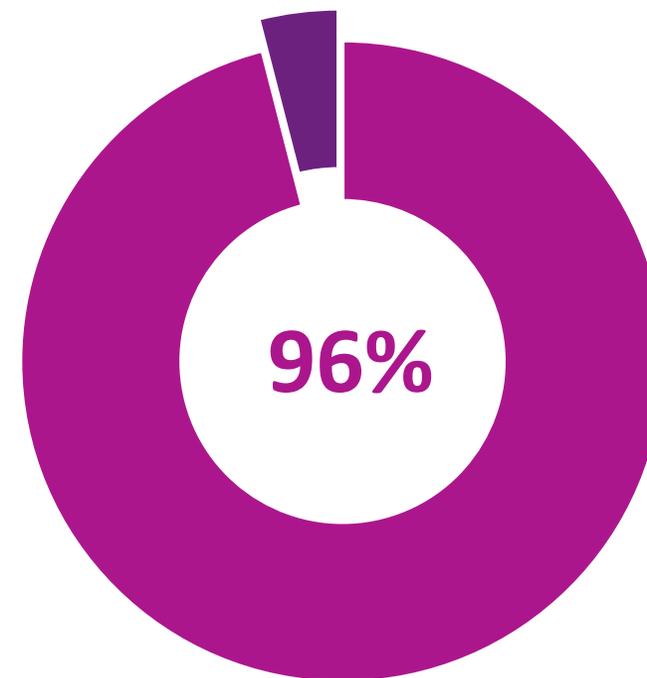
**% AGREE**



It's important that business in Ireland is proactive in meeting the nation's climate targets

Collective multi-stakeholder action is required to progress targets on climate change, biodiversity and equality

**% AGREE**



# There is a strong realisation that Ireland has the opportunity to be an international leader in sustainable business practices



(Base: All survey participants n=185)

However, some say they may be forced to make stark choices

**BUSINESS  
IN THE  
COMMUNITY  
IRELAND**

**61%**

Agree that without proper support organisations will be forced to prioritise survival over meeting sustainability goals

# Global Overview & Our Call to Action

# There is agreement on the destination ...

Experts and commentators are aligning around the view that ...

- ❑ A lot has been done over the last few years to integrate sustainability into core business
- ❑ There is alignment, intent, pledges, some action and structural changes
- ❑ We know what is required by 2030 and have a clear vision of the radical change needed to deliver to 2050 commitments

ALIGNMENT  
& INTENT

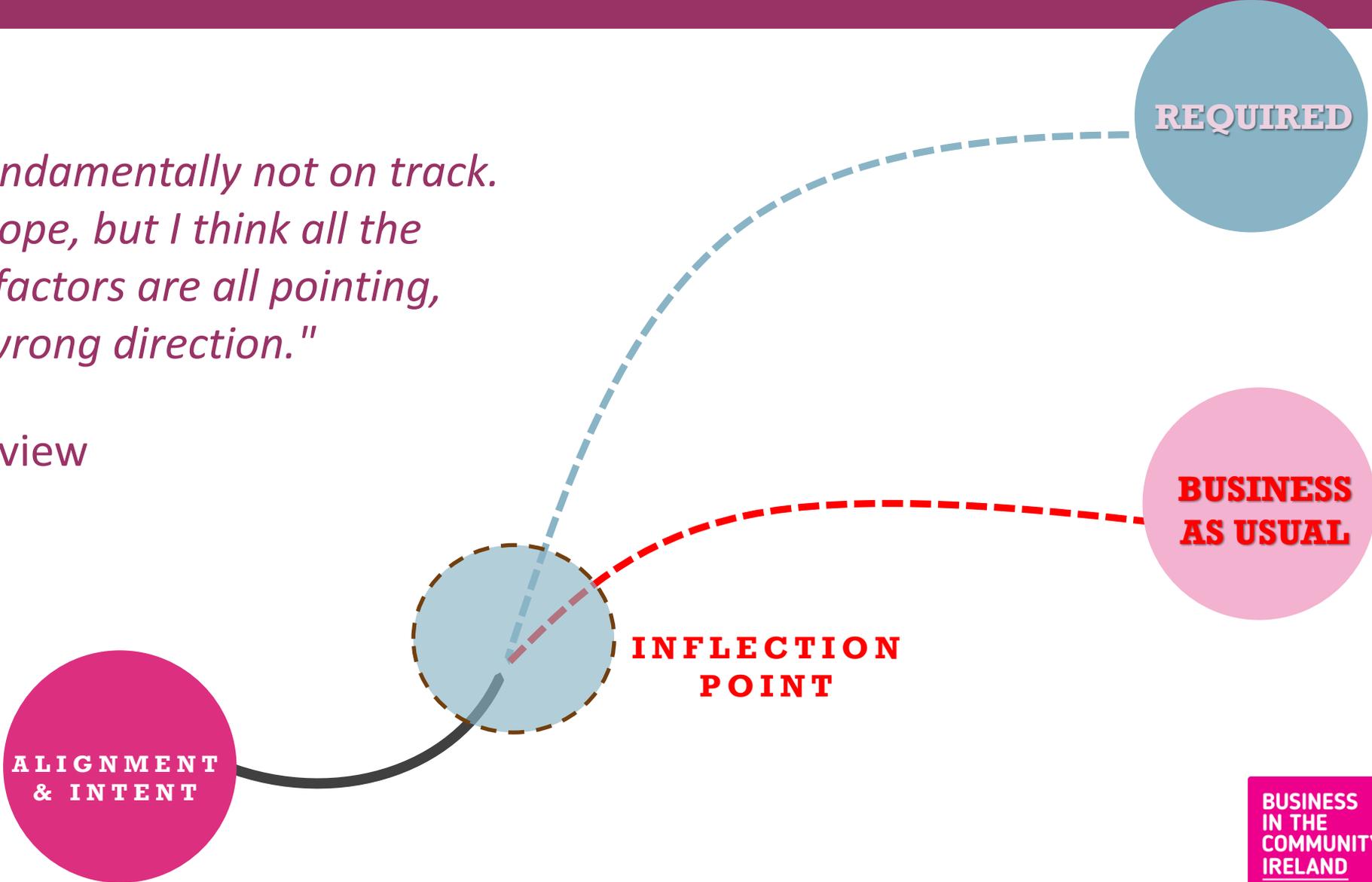
TODAY

REQUIRED

# But we are NOT on track

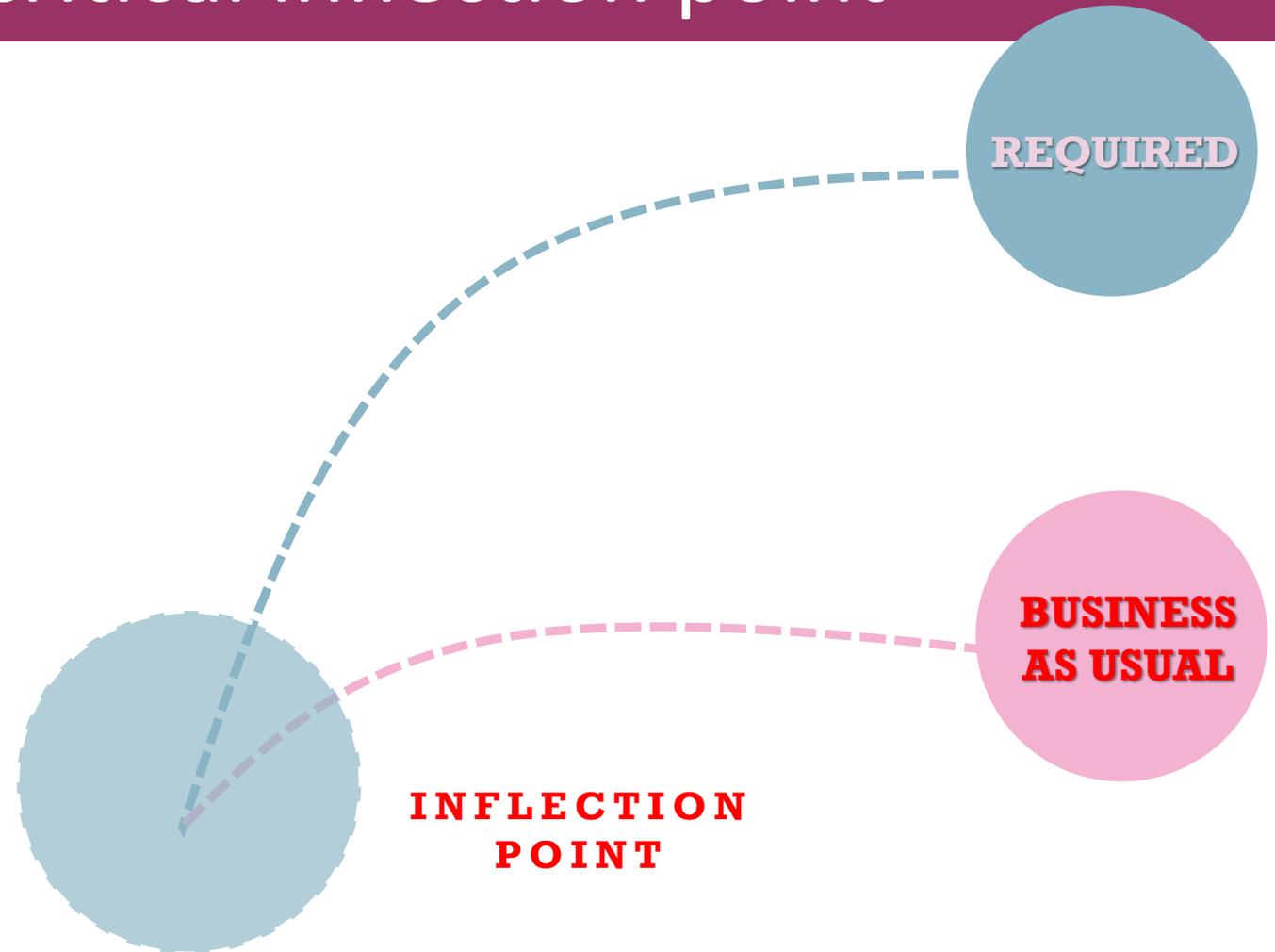
*"We are absolutely, fundamentally not on track. There are causes for hope, but I think all the macro indicators and factors are all pointing, unfortunately, in the wrong direction."*

Expert Interview



# We are at the critical inflection point

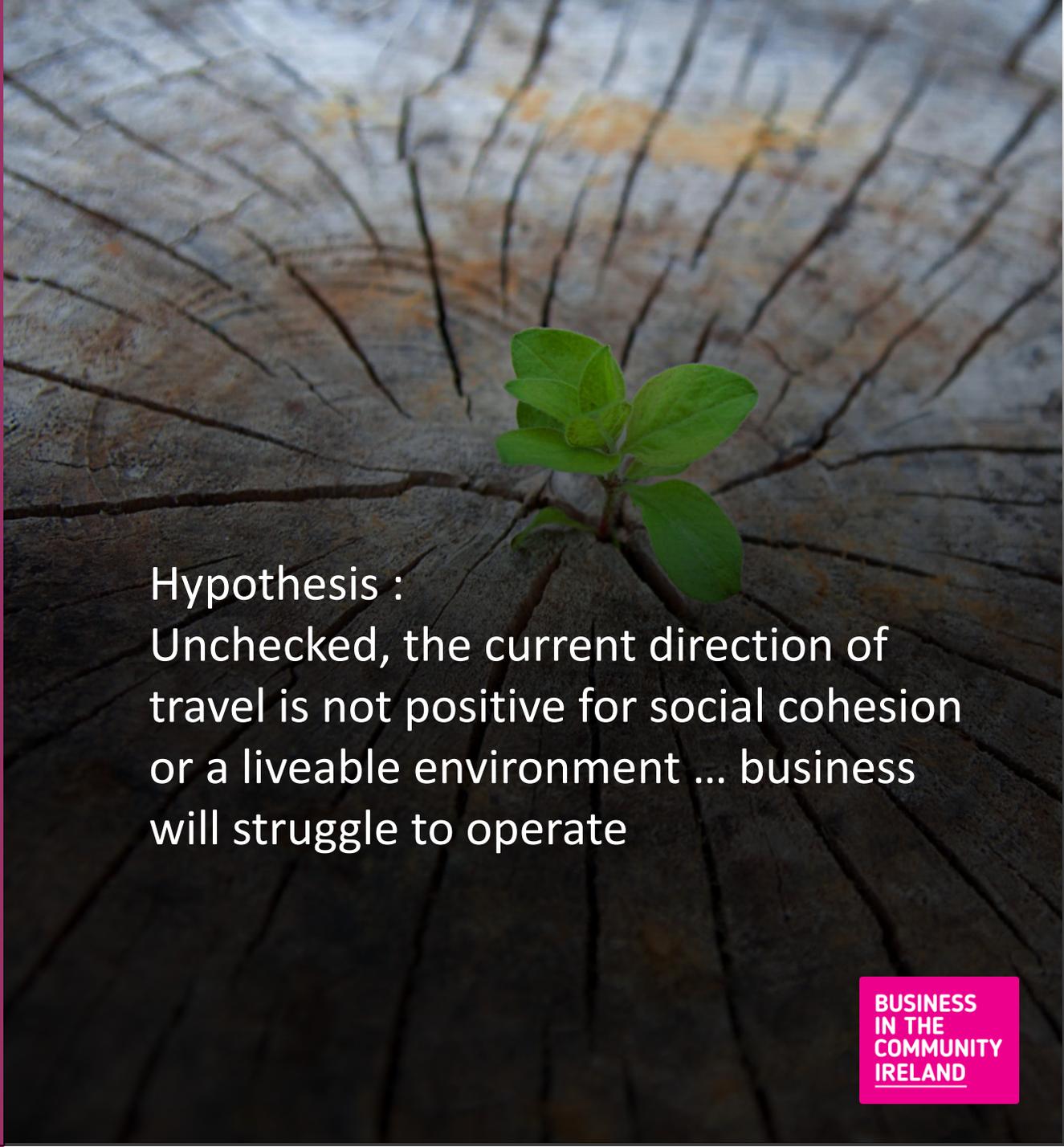
- ❑ We are behind where we need to be, and our current trajectory sees us falling short
- ❑ We are now at the critical inflection point or crossroad ...that will fundamentally define the future



# So where are we heading?

We can extrapolate this out for both the environment and society and its implications for business

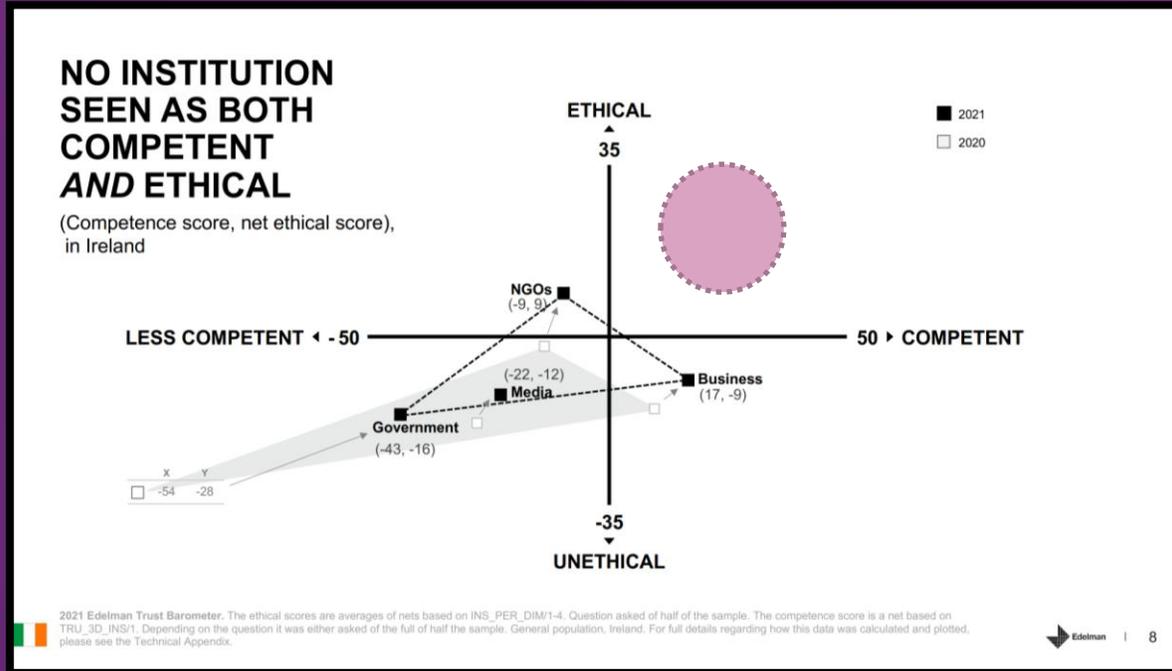
- Business operates best in a stable environment
- Now facing multiple challenges to that stability

A photograph of a small, vibrant green plant with several leaves growing out of a deep crack in a weathered, greyish-brown wooden log. The log's surface is heavily textured with numerous fine cracks and larger fissures, suggesting a long history of exposure to the elements. The lighting is soft, highlighting the texture of the wood and the freshness of the plant.

Hypothesis :  
Unchecked, the current direction of travel is not positive for social cohesion or a liveable environment ... business will struggle to operate

# But there is opportunity for Business

We understand there are trust and perceptions of ethical intent gaps ... but there is also opportunity for Business to direct its competence to sustainability and reframe its place in society



Source: 2021 Edelman Trust Barometer Ireland

- More than half of consumers will buy or advocate for brands based on their beliefs
- Six in ten employees will choose employers based on shared beliefs and values.
- 81% of respondents want CEOs to be front and centre discussing public policy or what their companies have done to solve society's problems.

# Crises can drive innovation and change...

The COVID pandemic taught us to think about life differently, changed behaviour and prompted new solutions e.g., supply chains

The energy, food security and cost of living crises (as a result of the Ukraine invasion) has focused minds on long term solutions

The immediacy of climate impacts - heat, fire and flooding - are now common and on our doorstep.

New generations are making their voices heard.  
Conscious / Impact investing are shifting business

❑ In many ways this idea of a crossroads or inflection point is magnified in the urgent crises society is facing, begging the question...

❑ Can we find solutions which marry the macro challenges to the micro or will we (again) push back sustainability challenges ?



The Defining Question

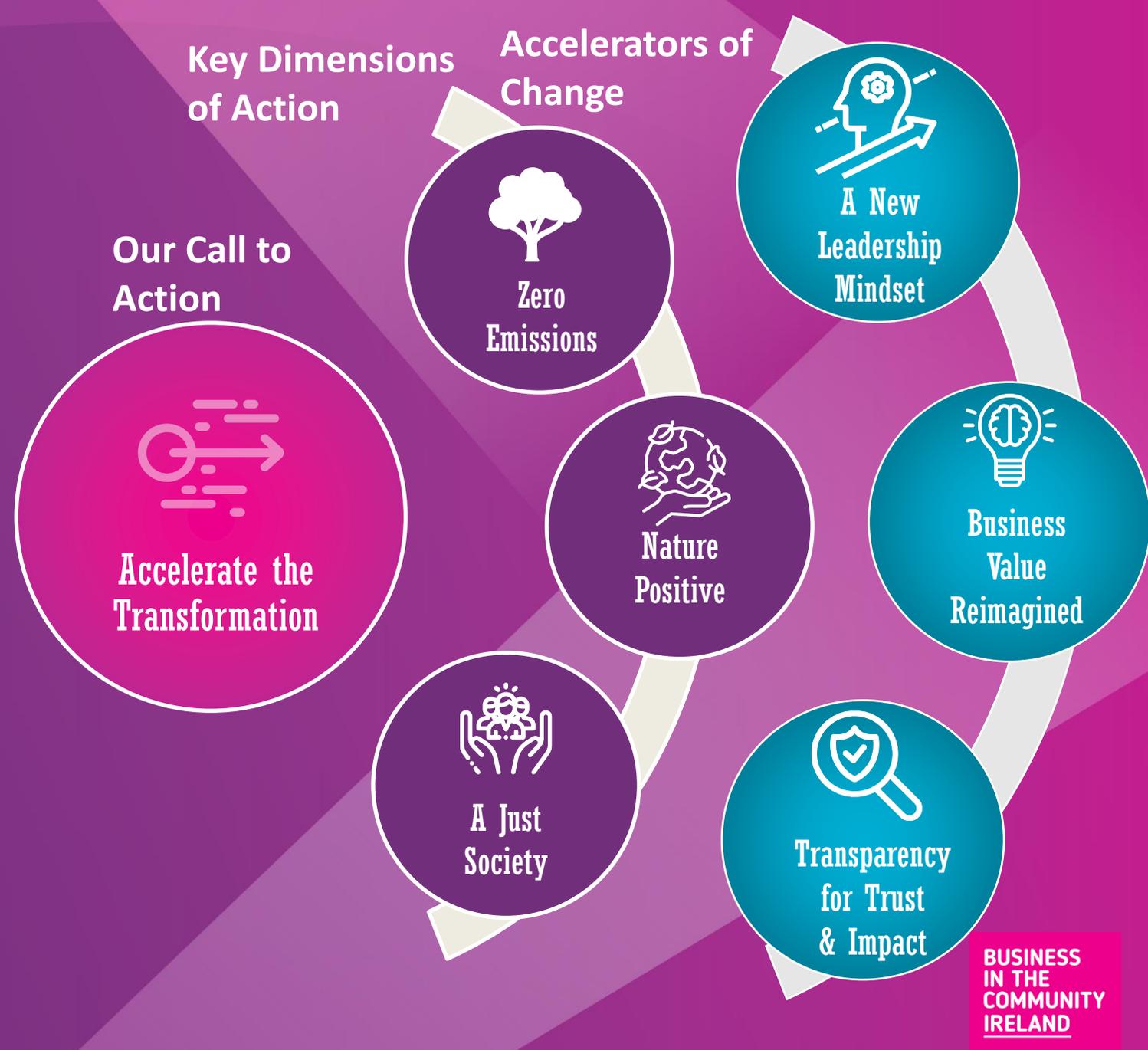
BUSINESS  
IN THE  
COMMUNITY  
IRELAND

**How will Business  
Accelerate  
Transformation in  
this Critical Decade?**

# A Defining Model

From both the Irish quantitative survey and the global overview we can organise the insights, findings and implications into ...

- ❑ The fundamental Why - our call to action
- ❑ The Dimensions of Action – 3 key dimensions where substantial change is needed
- ❑ The Accelerators of Change – most critically, we unearthed 3 mindset & behavioural changes for business to accelerate the changes required



# Our call to action: Accelerate the Transformation

## The Why



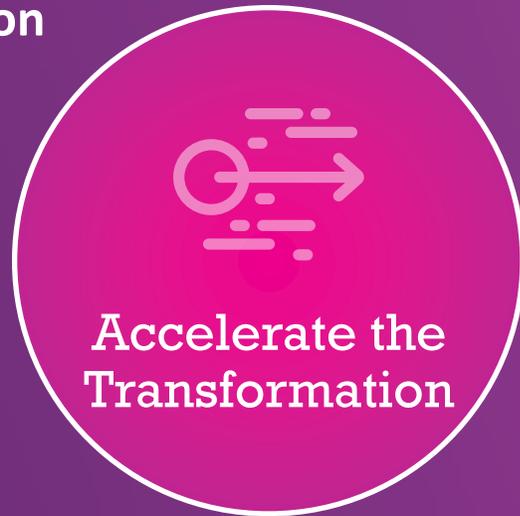
It is evident from the global research and the Irish survey:

- There has been significant work done to date
- However, the current trajectory and pace is insufficient
- While there is still hope and opportunity, we are rapidly running out of time
- Failure to act will see social and environmental degradation; business will struggle to operate in that environment
- We face multiple crises right now but there can be opportunity in how we respond

# Key dimensions of Action

**BUSINESS  
IN THE  
COMMUNITY  
IRELAND**

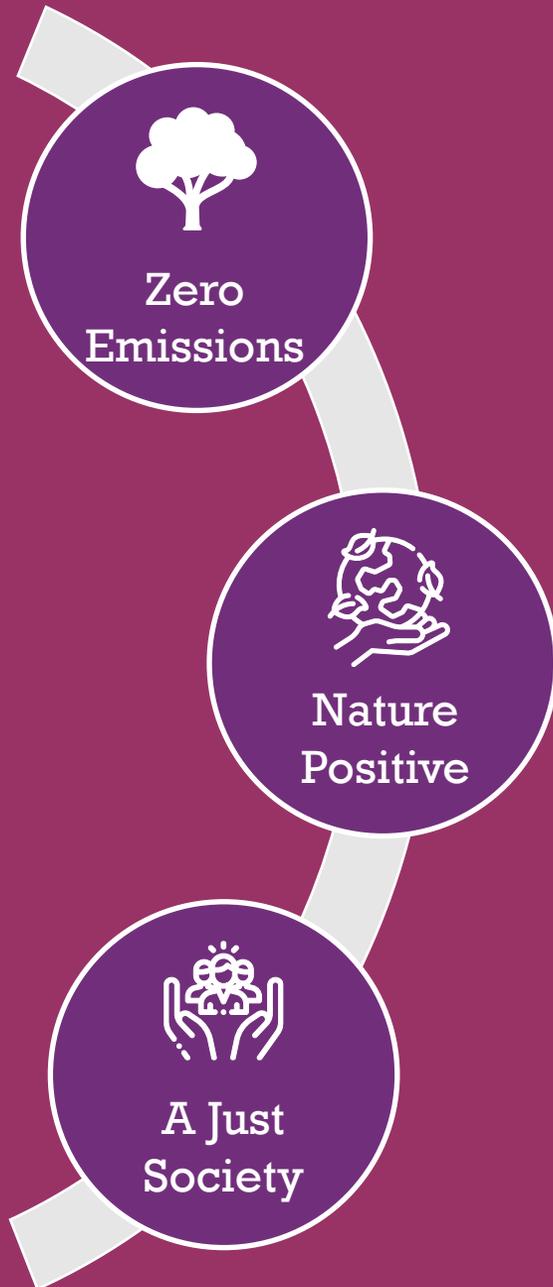
**Our Call to  
Action**



# Key dimensions of Action

Leading thinkers are organising the areas of sustainability focus into three key spheres - with critical associated goals - that must be addressed:

- ❑ Zero Emissions – the fast-accelerating demand to decarbonise (more broadly greenhouse gas emissions)
- ❑ Nature Positive – nature is often forgotten. However, it is critical that we turn from destructive to regenerative practices that renew and restore nature
- ❑ Just Society – beyond current approaches to Diversity, Equity and Inclusion, we must learn the lessons from other industrial transitions and not leave large portions of society behind





Dimension #1:

# ZERO EMISSIONS

*“If you are not setting a  
**2030** goal of halving your  
emissions, you're already  
off course”*

Expert Interview



# Key Themes

- ❑ The goal is clear – 50% by 2030, zero by 2050 if not sooner!
- ❑ While timings may vary, there is unanimity that we must reduce greenhouse gas (GHG) emissions rapidly
  - Ireland's Climate Action Plan implements mechanisms such as carbon budgets for aligning business action
  - Pledges around Net Zero are now commonplace across industries
  - High degree of uncertainty & concern about our ability to reach these goals in time
  - Perception that businesses are afraid to be the first mover
- ❑ The pathways and the pledges are not definitive
  - Observation that even among the very committed many don't have a definitive plan to meet those targets
  - Concern among some experts that pledges are being made without due regard to the legal risk



*“There's no debate about the need to get to net zero. I think the question is, as a society, how quickly will we get there? And will we get there in time?”*

Industry Expert



# Key Themes

- ❑ Collaboration and new business models will be needed
  - Collaboration at industry level and through the supply chain, alongside clarity on government policy, is critical
  - A more radical transparency of the roadmap is required – with gaps, successes and failures highlighted
  - Businesses that rely on fossil fuels will be increasingly seen as unsustainable and risky... they must act quickly
  
- ❑ Opportunity in the transition but not all business leaders are clear on same
  - Multiple studies and industry leaders see the profitability in both the transition to, and operating in, a new decarbonised world
  - Emerging concepts and solutions such as green hydrogen, carbon capture and storage, along with other breakthrough innovations, are now becoming mainstream ideas

*“If there's a business model that relies on emitting carbon it is by definition, unsustainable”*

Industry Expert

*“There's a trillion-dollar opportunity in rewiring this world for low carbon. So, there's a massive .. commercial opportunity out there”*

Industry Expert



# Outputs from Co-Creation Sessions

## CHALLENGES

- ❑ Perception of no clear pathways, despite broad recognition of the Science-based targets net-zero standard
- ❑ Methodology for calculating emissions unclear
- ❑ Clear investment in skills is required - currently a structural deficit
- ❑ Overall lack of trust and transparency

## IDEAS

- ❑ Need to balance mitigation and adaptation measures- damage has already been done
- ❑ Opportunity to be more resourceful with carbon limits
- ❑ Opportunity for Ireland Inc. to be a leader in sustainable practices requires a collective IDA (Industrial Development Agency)/ Enterprise Ireland led approach and R&D investment
- ❑ Opportunity to create Collaboration Clusters to share learnings among businesses



# Implications and Actions

- ❑ Plans and pledges are the starting point. Real action and clarity on the 'how' is now critical for business
- ❑ Net Zero by 2050 should be replaced by zero by 2040, if not sooner
- ❑ The scope must broaden to sector / industry actions but also through the supply chain (scope 3 emissions) – this may be voluntary and collaborative
- ❑ Consider how 'clusters of collaboration' around de-carbonisation to gain and share learnings
- ❑ Flip the script to explore the opportunities rather than the 'task' of removing fossil fuels and emissions from operations
- ❑ Some of these actions are key to the [Business in the Community Ireland Low Carbon Pledge](#). Join over 70 businesses in this platform of change.



**Dimension #2:**

**NATURE  
POSITIVE**

*“Biodiversity is a huge red flag that doesn't get the attention it needs”*

Expert Interview



# Key Themes

- ❑ Nature is vital for our wellbeing and half of the world's GDP is moderately or highly dependent on nature ([UNEP](#))
- ❑ Nature in Ireland has been taken for granted - 91% of protected habitats in Ireland are in poor or inadequate condition, and more than 50% are declining
- ❑ Thought leaders place 'Nature' on an equal footing with climate (emissions) and society but it is often forgotten or not understood by business
- ❑ This is slowly changing with investors focusing on the importance of biodiversity and the launch of standards like the [Taskforce on Nature-related Financial Disclosure \(TNFD\)](#) – these are critical drivers of change



*“We have an aspiration to have positive impact on biodiversity. We have specific objectives where all new projects will be net positive “*

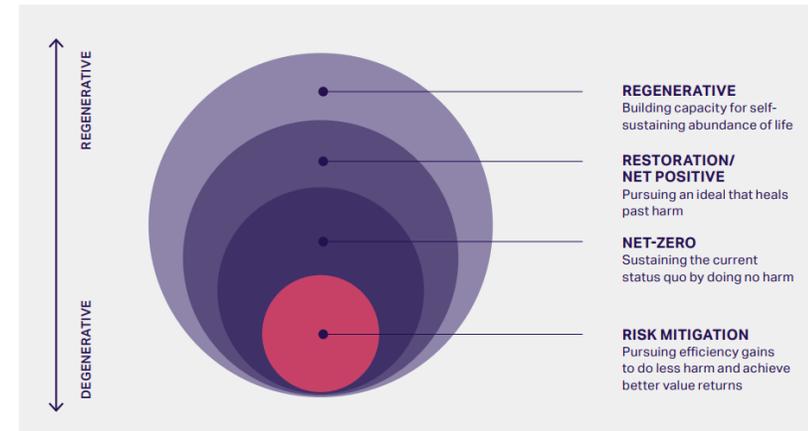
Industry Expert



# Key Themes

- ❑ The World Economic Forum defines nature positive as a means to enhance the resilience of our planet and societies to halt and reverse nature loss.
- ❑ It is critical for businesses to understand and measure their impacts and dependencies on nature
- ❑ Zero is not enough ...we must move to 'Nature Positive'
  - Experts and leaders in this area are setting 'Nature Positive' targets which aim to not only cease the declines but have a positive impact on nature and biodiversity
  - Linked with concepts like regenerative agriculture
- ❑ Nature-based solutions preserve biodiversity and at the same time help solve environmental challenges such as flood defence, bog rehabilitation
- ❑ Emerging concepts like 'Ecocide' and 'Nature Rights' give legal protection to nature

FIG. 11: EVOLVING TOWARD A REGENERATIVE MINDSET



## World Business Council Vision 2050

*“Successful lawsuits and constitutional changes, alongside a widely supported draft legal definition for “ecocide”, indicate that the “rights of nature,” is being extended into criminal law.”*

BSR Sustainable Business Network

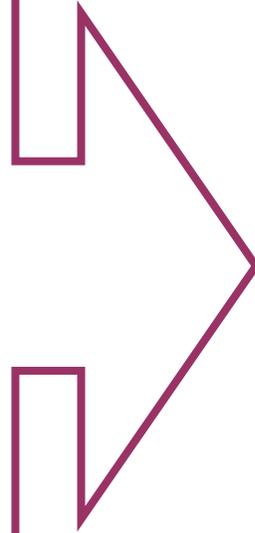
**BUSINESS  
IN THE  
COMMUNITY  
IRELAND**



# Outputs from Co-Creation Sessions

## CHALLENGES

- Less clarity (vs. Net Zero) on what the targets are in this area
- Need to make it real and clearly understandable for business and broader society



## IDEAS

- Make Nature real & tangible
  - Connect to Climate debate
  - Connect into wellness
  - Consider behavioural nudges
  - Tidy Towns to Bio Towns
- Engage in Citizens' Assembly on Biodiversity Loss



# Implications and Actions

- ❑ How is the business being nature positive / regenerative?
- ❑ Businesses need to assess, commit, transform, and disclose their impacts and dependencies to understand what role they can play in becoming Nature Positive ([Business for Nature](#))
- ❑ Consider engaging with national and international platforms (Science-based targets for nature; natural Capital accounting or TNFD -Taskforce on Nature-related financial disclosures) to augment topic expertise within the business
- ❑ There is a live opportunity to be part of the debate through the Citizens Assembly on Biodiversity Loss



A Just  
Society

**Dimension #3:**

**A JUST  
SOCIETY**

*“Board members should care about a just transition to create a successful and regenerative business ...while also making the world more equitable”*

World Economic Forum:  
The Chairperson’s Guide to a  
Just Transition



# Key Themes

- ❑ Just Transition – All ‘Living Well’ with no one left behind. The transition from our extractive, fossil fuel reliant model to an additive and decarbonised one is a huge industrial transition (like others), but can we learn from the error of previous transitions that left many worse off?
- ❑ The opportunity now is to create a world where all people can ‘live well’ with equal access and opportunities. Several leaders spoke of leaving no one behind or even focusing on the ‘most vulnerable’
- ❑ A just society should address systemic transformations such as the transition away from fossil fuels to the inherent inequality in our society, exacerbated by inflation, rising cost of living, racism, digital divide that challenge social cohesion

*“it's basically the intersection between environmental and social, as we transition to net zero, it is an almighty industrial transformation that will have human impacts”*

*Industry Expert*



# Key Themes

- ❑ ‘Duty of Care’ - Relevance and retaining a ‘licence to operate’ for business
  - There is a perceived ‘Duty of Care’ to the communities’ business impact which links to some of the ideals explored in the ‘new leadership mindset’ e.g., new multi-stakeholder value and ESG focus
  - There is also the reality that business can’t operate in an unstable, untrusting environment – therefore it is important business is an actor in working to ensure a stable and just environment

*“If you're not placing people at the heart of the agenda, and thinking about this as a just and inclusive transition, you are not part of delivering a world where we can love where we live”*

Industry Expert



# Key Themes

- ❑ Radical Diversity and collaboration for a complex problem
  - The challenges of sustainability will not be answered by simple solutions, nor by group think. Radical inclusivity (beyond gender or ethnic diversity) that includes intergenerational and diverse skills/experiences will be required. As will sector level collaboration to address non-competitive issues like modern slavery
  
- ❑ Emerging: Concepts like Corporate reparations (Lloyd's reparations for slave trade) and the implication of mass climate migration are now rising in the conversation

*“More diverse perspectives, diverse backgrounds, diverse viewpoints are actually really critical to help because sustainability is this multifaceted, really complex issue”*

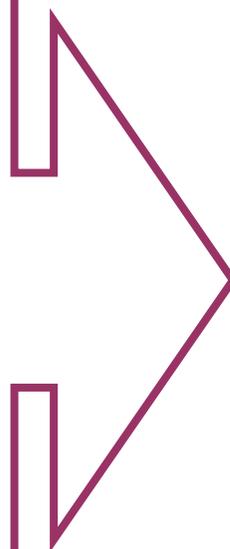
*Industry Expert*



# Output from Co-Creation Sessions

## CHALLENGES

- ❑ Broken trust between business and society
- ❑ Challenge of communicating with consumers – who represents them?



## IDEAS

- ❑ Step into the vacuum – opportunity for businesses to regain trust and reframe the society - business relationship through positive proactive action
- ❑ Collective Vision 2025 – a multi actor platform that brings political, (all party) societal, academic and business together to put in place an agreed long-term vision for Irish society



# Implications and Actions

- Social cohesion and trust is at breaking point – what is the business doing about the social crises?
- Consider how the macro sustainability issues can be married with the immediate micro issues e.g., emissions to energy/heating cost crisis
- Plan for the most vulnerable or those who would be left behind in a transition across operations, supply chain and customers
- Consider radical inclusion or collaboration at board level or in partnerships to address these issues
- Engage in collaborative platforms such as the [Business in the Community Ireland Inclusive Workplaces 'Elevate' campaign](#)

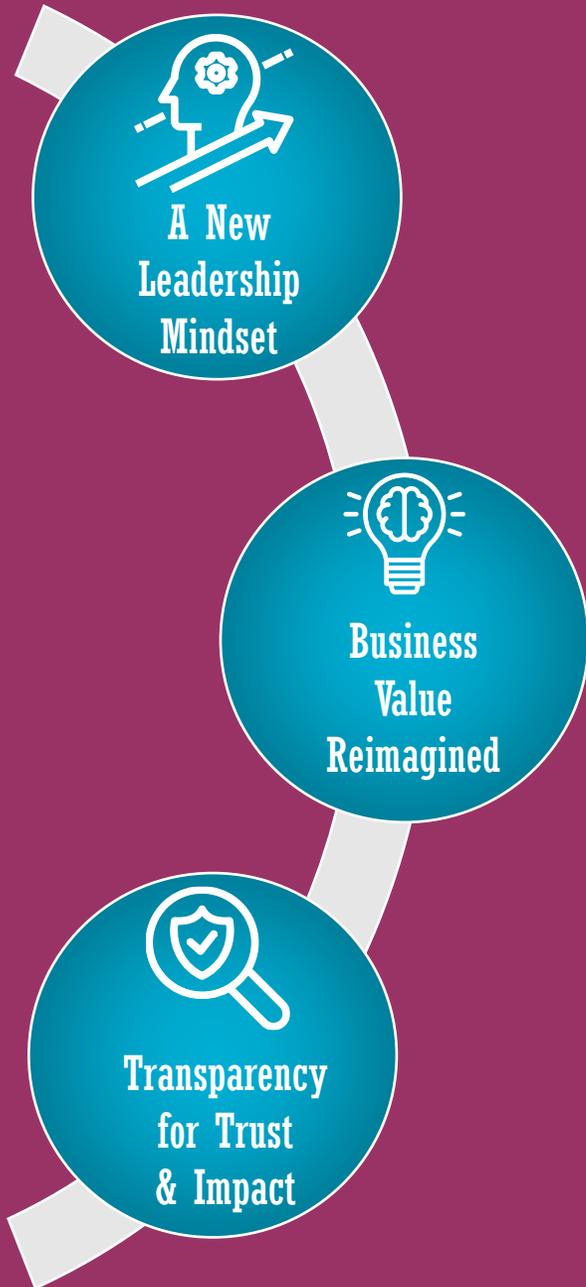
# Accelerators of Change

Key dimensions



Our call to action





# Accelerators of Change

Having assessed the key dimensions where action is required, the accelerators of change will challenge and inspire business to make the transition happen:

- ❑ A New Leadership Mindset – embracing empathy, long termism, radical inclusion and radical collaboration
- ❑ Business Value Reimagined – fundamentally shifting what value and success is for business
- ❑ Transparency for Trust & Impact – moving towards transparency and treating sustainability reporting with the same rigour as we report financial information



**Accelerator #1:**

# **New Leadership Model**

*“Radical collaboration and radical inclusion are two key pillars of the new leadership mindset”*

Expert Interview



# Key Themes

- ❑ There is a significant weight of thinking around the demands on and for a new leadership mindset to accelerate the transformation
- ❑ Leadership's role is around setting the vision and the North Star for the organisation. The idea of creating a legacy around sustainability is a powerful example the CEO can set.
- ❑ The era of the 'hero CEO' might be over but the CEO must drive the emergence of a sustainable culture, and governance (is this their real legacy?)

*“if you are a CEO you need to be figuring out what your moral compass is, and what it is for your organisation. If you're not absolutely crystal clear on your personal purpose and your organisational purpose, I think it will be very hard to stay the course.”*

*Industry Expert*



# Key Themes

- ❑ The new leadership mindset encompasses a focus on areas such as empathy, agility, vulnerability and resilience (see next slide)
- ❑ This new mindset embraces radical inclusivity and uncomfortable voices; this broad diversity is needed to address a complex and diverse problem
- ❑ The leader navigating between the old (current) short-term market demands and the transformation requires resilience and foresight; they also require support networks and ‘communities of courage’ to help them ‘stay the course’

*“Radical collaboration and radical inclusion are two key pillars of what I would call the new leadership mindset”*

Expert Interview

*“I think about intergenerational dialogue more as a further awakening off the courage and humility that leaders need to embrace right now if they want to be relevant. ”*

Industry Expert



# New Leadership Model

## STOP



### **Roles & Responsibility**

Short Termism : Comfortable Voices

## NURTURE



Courage : **Humility** : **Vulnerability** : Empathy

Learner Mindset : Adapting to Complexity

**Long Term** : Sustainability : Generational

## LEVERAGE



Multi-Stakeholder : **Mobilisation**

**Prioritisation** : **Problem solving**

Valuing Intangibles : Decision Making

## ENABLERS



**Communities of Courage** : **Radical Inclusivity**

Uncomfortable (intergenerational) Voices

Moral Compass : Purpose : Principles



# Output from Co-Creation Sessions

## CHALLENGES

- ❑ Self-protectionism mindset can sometimes thwart collaboration
- ❑ Fear of going public and backlash (see growth in 'Green Hushing')
- ❑ CEOs & C-Suite come from similar backgrounds and education (MBAs) ... rooted in the 'old model'

## IDEAS

- ❑ CEOs must create a 'Legacy' around sustainability – beginning with a North Star that sets the course and the culture for the business
- ❑ 'Leaders Forum' a safe space (not externally reported) for sharing of views & ideas
- ❑ Radical shake up of board make-up, including inclusion of youth and multifaceted diversity



# Implications and Actions

- ❑ Consider how business (or leaders) grow and nurture this New Leadership Mindset
- ❑ The CEO must set the North Star for a sustainable business - is a legacy being created in this area?
- ❑ Most businesses have strong diversity, equity and inclusion (DEI) programmes but how 'radical' is the inclusion? How far does it reach, and does it impact decision making? How radical are the conversations?
- ❑ Consider creating or engage with 'communities of courage' to support the journey and for the business to support other leaders
- ❑ Since 2018, the [Business in the Community Ireland Leaders' Group on Sustainability](#) has been the engine of innovation for critical collaboration.



**Accelerator #2:**

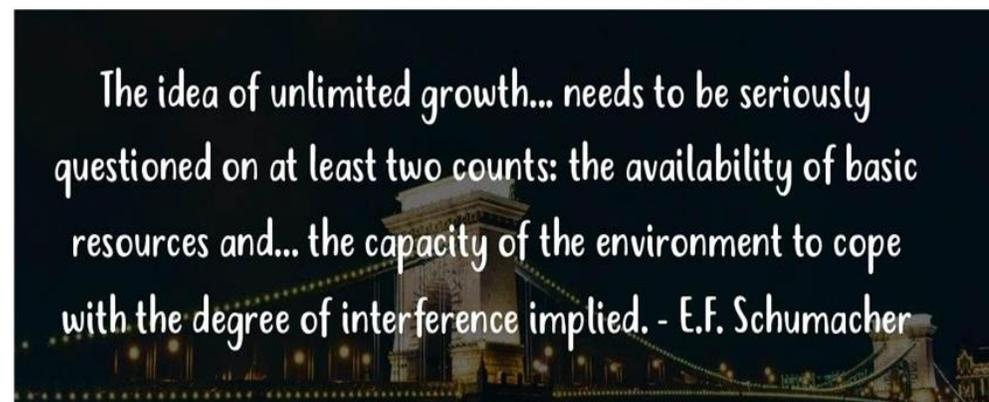
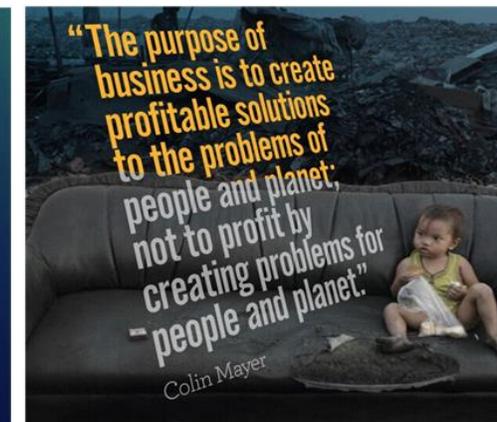
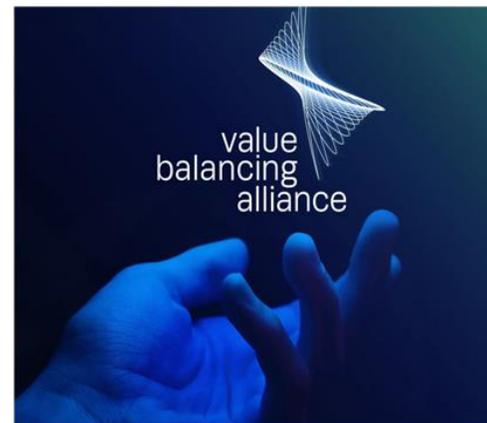
**Business Value  
Reimagined**

*"The capitalistic system is not aligning its incentives and its definition of success with the world we need"*

Industry Expert

# Key Themes

- ❑ There is a significant debate around the nature and purpose of business, consumer society and indeed capitalism in this era of sustainability crises
- ❑ A range of views from the conservative / additive all the way through to a radical rethink calling for De-growth were captured (see next slide)
- ❑ At a minimum, most participants' thinking now includes a more holistic view on what entails 'value creation'





# Four Business Value Mindsets

Which stance will Irish Businesses take? Which stance best serves the requirements to accelerate the transformation? What actions are required?

## Profit Pragmatist

**“The business of business is business!”**

Far from blind to the challenges of sustainability the Profit Pragmatist however sees the sustainability as ‘additive’ to business rather than core. They are sceptical of unachievable pledges.

## Profitable Win:Win

**“In the business of solving problems profitably”**

This group see significant opportunity in the transition and a Win: Win for business and the planet/people. Not naive to the challenges and the risks the question is still one of risk and reward.

## New Core Values

**“From profit maximisation to value maximisation”**

A perspective that embraces fully the idea that profit is only one part of the objectives of business. This must be balanced with social & planetary goals. ESG is core.

## Rethink Capitalism

**“The only sustainable growth is degrowth”**

A more radical concept born in the 1960s and gaining traction since the millennium. Degrowth states we simply cannot continue the cycle of consumerism and extractive capitalism. It places human and ecological goals first.



# Output from the Co-Creation Sessions

## ❑ CHALLENGES

- ❑ Short termism from all actors – business, government, investors
- ❑ The reality is we don't have much evidence of smaller things changing ... what hope for fundamental change?
- ❑ Reality: this is a cost in the short term & only about survival in the long term
- ❑ Shifting the lowest financial cost mindset / procurement

## IDEAS

- ❑ 'Cap on profit' – whereby profit above a certain level goes to investment in sustainability initiatives
- ❑ Treat sustainability (in the accounts) more like R&D spend; take it away from the profit reduction conversation
- ❑ Creation of CVO – Chief Value Officer – giving equal weight to non-financial performance
- ❑ Link remuneration to ESG targets



# Implications and Actions

- ❑ Decide which stance the business is taking with regard to economic, environmental and societal goals
- ❑ Investigate the opportunity in 'profitably' addressing the problems and the opportunity in the green transition and the future world
- ❑ Align the business' structure, remuneration and focus to this 'stance'



**Accelerator #3:**

# **Transparency for Trust & Impact**

*“The Transition should be  
Televised”*

Expert Interview



# Key Themes

## ❑ Radical, forward-looking transparency is required to rebuild trust

- Calls to move away from 'rear view' reporting and undisclosed practices to embrace a more modern mindset of radical transparency that lays out objectives & roadmaps and reports openly on progress

## ❑ Sustainability reporting is as critically important to the business as financial reporting

- Sustainability reporting is now real and material – CEOs and boards must be on top of pledges, disclosures and commitments and treat these as risks. There must be awareness of legal requirements.
- The focus should be on sustainability reporting being used for decision making and incentives / remuneration
- This means that sustainability reporting must happen in parallel and be given the same consideration as financial reporting

*“So, if you want to link your sustainability behaviours to financial reward, you need to be able to have regular flows of information to those decision makers to set more realistic targets and to motivate and inspire people to achieve those targets”.*

Industry Expert



# Key Themes

## ❑ Deep expertise required on regulation, pledges and legal requirements

- Reporting around sustainability has (and increasingly will have) significant legal risk. It is critical there is C-Suite level expertise
- Concern that many pledges and commitment are made without real understanding as to the implications and risks.

## ❑ Get behind a common framework

- Experts speak to the benefits of ESG but call for business to get behind common frameworks that integrate rather than fragment an already busy ecosystem

*“if you are disclosing something, it doesn't have to be in the annual report for it to be legally enforceable. So, a sustainability report that is being produced, must be...checked to see if it's making statements that are incompatible with the company's mission and vision. ”*

Industry Expert

# Output from the Co-Creation Sessions

## CHALLENGES

- Lack of real knowledge of ESG requirements or of implications of pledges and commitments
- Multiple global reporting frameworks being utilised
- Public statements about sustainability not rigorously checked
- Fear of public disclosure

## IDEAS

- 'Reporting forward' – move sustainability from a backward facing (often delayed) report to one that tracks progress against public commitments
- Ensure robust reporting / ESG understanding in the boardroom



# Implications and Actions

- ❑ Report forward & report transparently
- ❑ Reframe the 'task' of reporting away from tick box to one which drives and delivers on the leadership vision for sustainability
- ❑ Ensure there is rigorous understanding and delivery against current and upcoming requirements – bring ESG know-how into the board room
- ❑ Consider alignment with global frameworks such as the International Sustainability Standards Board
- ❑ Consider third-party verified management system standards like [BITCI's Business Working Responsibly Mark](#) which can help companies engage in continuous improvement and demonstrate their credentials on ESG

# Summary

# Our Call to Action: Accelerate the Transformation

## The Why



It is evident from the global research and the Irish survey:

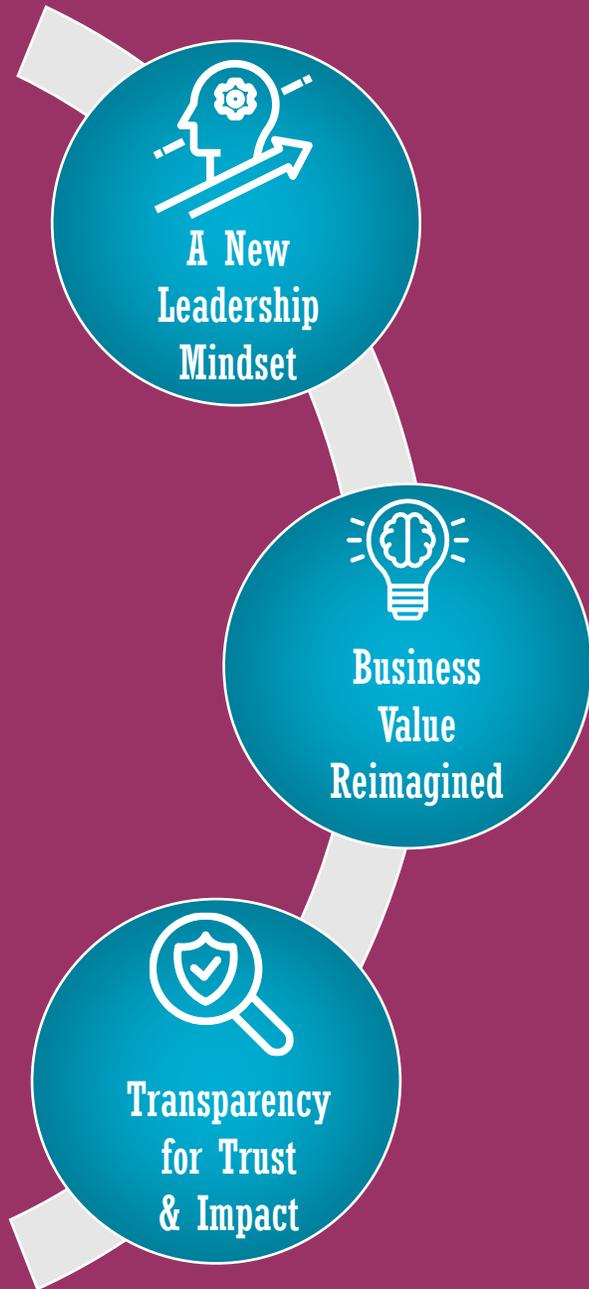
- ❑ There has been significant work done to date
- ❑ However, the current trajectory and pace is insufficient
- ❑ While there is still hope and opportunity, we are rapidly running out of time
- ❑ Failure to act will see social and environmental degradation; business will struggle to operate in that environment without a social licence
- ❑ There are multiple crises right now that are both a threat but also an opportunity to accelerate sustainable business

# Key dimensions of action

Leading thinkers are organising the areas of sustainability into three key spheres - with critical associated goals - that must be addressed

- ❑ Net Zero Planet – the fast-accelerating demand to decarbonise (more broadly GHG emissions)
- ❑ Nature Positive – nature is often forgotten. However, it is critical that we turn from destructive practices to regenerative around nature related topics
- ❑ Just Society – beyond DEI we must learn the lessons from other industrial transitions and not leave large portions of society behind





# Accelerators of change

Having assessed the key dimensions where action is required, the accelerators of change will challenge and inspire business to make the transition happen:

- ❑ A New leadership Mindset embracing empathy, long termism, radical inclusion and radical collaboration
- ❑ Business Value Reimagined – fundamentally shifting what Value and success is for business
- ❑ Transparency for Trust & Impact – moving beyond reporting to embracing transparency and gaps to build trust & leverage collective action

# Are you ready to join the movement for change?

For more information please contact: Lorraine O'Toole

[lotoole@bitc.ie](mailto:lotoole@bitc.ie)

[www.bitc.ie](http://www.bitc.ie)

 [@BITCIreland](https://twitter.com/BITCIreland)

Follow us on [LinkedIn](#)