

A background image of a tea plantation with green leaves in the foreground and blue mountains in the distance under a clear sky.

ISEAL Alliance

Making a real mark

The business benefit sustainability standards and their role in moving the CSR agenda forward



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ISEAL: A Movement of Credible and Innovative Standards



Trends in the business sustainability agenda

- SDGs mean that sustainability has gone global
- 2020 sourcing commitments – challenges in reaching scale
- Pre-competitive collaborative platforms
- Focus on addressing underlying issues: from auditing to capacity building
- Finance sector engagement
- Considering a range of sustainability tools



Operationalising sustainability: Lots of tools, lots of standards



Workstream	What we said we'd do
 Aircraft & fuel	Reduce CO ₂ emissions by 30% per Revenue Tonne Kilometre between 2007 and 2020
 Noise	Reduce noise output per aircraft movement by at least 6dB (75% reduction in noise energy) on average between 2012 and 2020
 Ground energy	Reduce UK ground energy use by 12.5% between 2008-9 and 2014-15. Reduce UK ground energy use by 20% between 2008-9 and 2020-21.
 Ground transport	Increase the average fuel efficiency of our UK vehicles by 45% between 2009 and 2014. Reduce the average CO ₂ emissions of our UK vehicles by 35% between 2009 and 2014.
 Water	Reduce our UK water use by 5% between 2012 and 2015.
 Waste	Reduce the total amount of UK ground waste by 50% between 2009 and 2015. Reuse or recycle (or otherwise divert from landfill) 80% of UK ground generated by Virgin Atlantic-managed UK sites by 2015.
 Design & buying	Design and source goods and services in a way that minimises damage to the environment and creates a positive impact on society.
 Community investment	Support the Virgin Atlantic Foundation. Manage staff fundraising and volunteering and partner with Free The Children to: - Educate, engage and empower young people in the UK. - Deliver real, long term improvements on social and environmental issues in our 'Adopt a Village' communities.

Policy ✓

Suppliers can also help us minimise our use of natural resources, by aiming to source all materials from sustainable or renewable sources. For example, **all paper/wood products should be either made from FSC certified or recycled paper.** Or through providing us with energy or energy efficient products e.g. energy efficient lighting, fuel efficient cars, renewable electricity or low water use appliances; ☐ We source meat, fish and dairy produce for our customers and employees and we expect suppliers to provide assurance that products use credible animal welfare and sustainability standards, and aim for standards such as the UK's RSPCA Freedom Food Scheme for meat and poultry and Marine Stewardship Council certification for fish

Businesses tell us about the benefits they receive from using credible standards.



Photo by Katha Haru courtesy of GoodWeave International

Galaxy Surfactants (Indian specialty chemicals company)

**Read about Klabin, IKEA, Bumble Bee, Mars,
Wilmar, M&S, and more at
www.standardsimpacts.org**

We also survey business leaders:

7 out of 10

individuals said there is a
strong
business case


8 out of 10
using standards, said they are
considering
expanding their use

Findings of 2015 ISEAL online survey of business leaders engaged with ISEAL

Finding reinforced by

- Globescan online survey of 150 business leaders (2015) , and
- over 70 phone interviews in different sectors (2015-2016)

Specific business benefits in the Globescan survey that respondents identified:

1. Protect and enhance **brand and reputation** (55%)
2. **Benchmark or roadmap** for operationalizing sustainability (45%)
3. Deliver **transparency and traceability** (32%)
4. Provide **access to markets** (30%)
5. **Manage risk** in supply chain (27%)



We wondered: is there research evidence to back up what we are hearing from companies?

AidEnvironment commissioned to conduct a meta-review of research evidence on realized business benefits

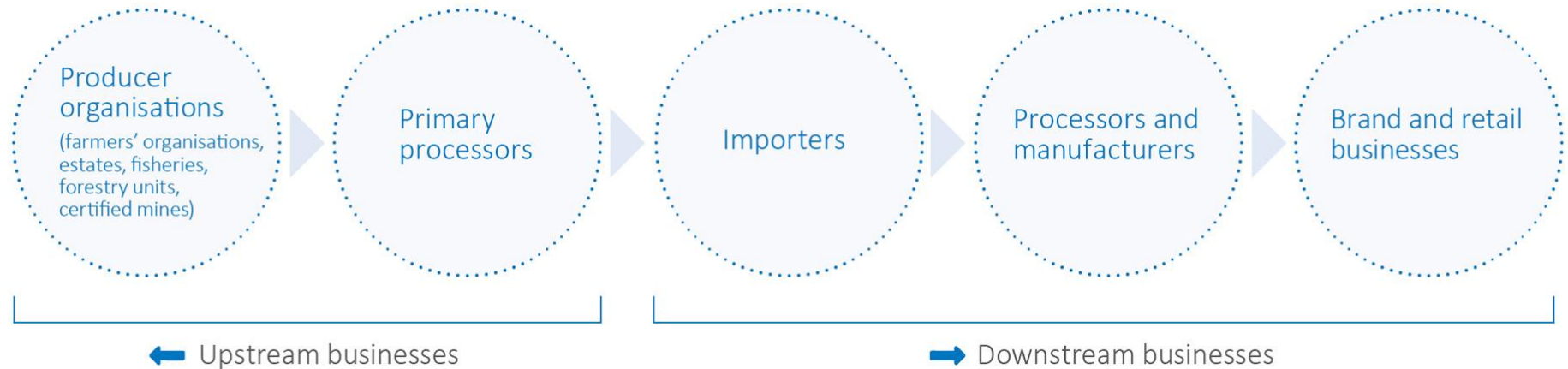
“The Business Benefits of Using Sustainability Standards”

J.W. Molenaar and J.J. Kessler (2017)

Evidence base:

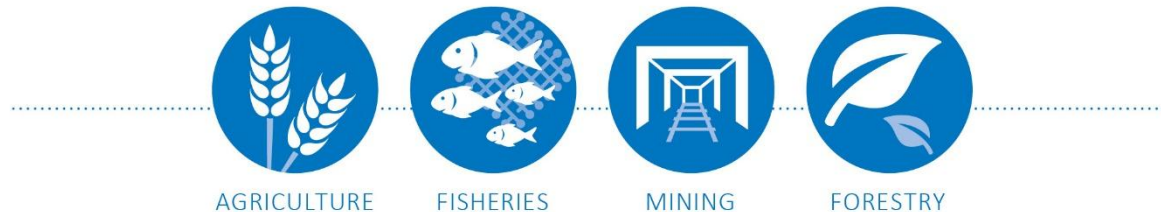
- › 40 studies, chosen from 140 identified
- › Literature reviews, surveys, interview-based research, and cost-benefit analysis
- › Company reports to validate findings

Both upstream and downstream businesses... in agriculture, fisheries, forestry, and mining



Evidence base: 27 studies

Evidence base: 26 studies



Top two early benefits ... for upstream and downstream businesses

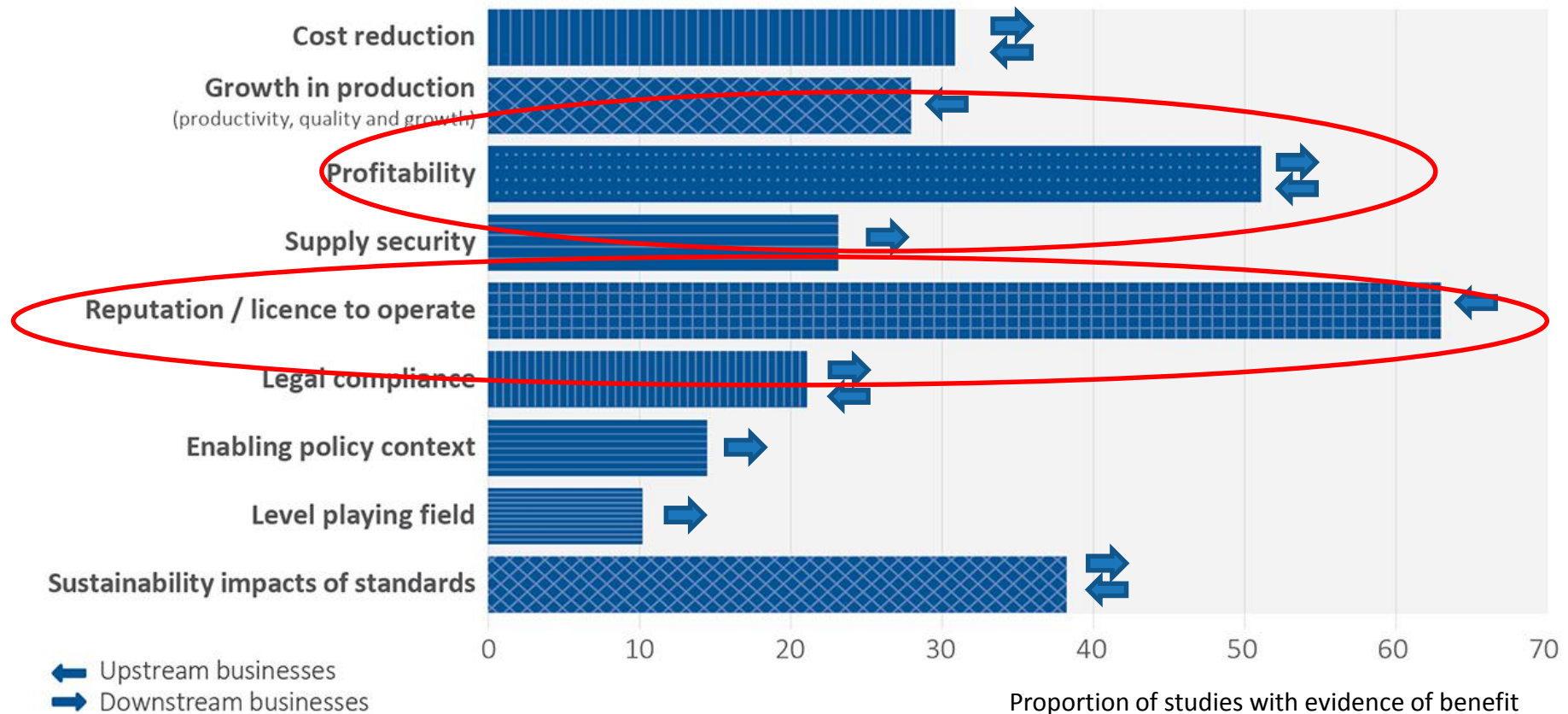


improved market access



improved business operations

AidEnvironment meta-review: Realized final benefits



The study also examines factors that can increase, or reduce, benefits for businesses

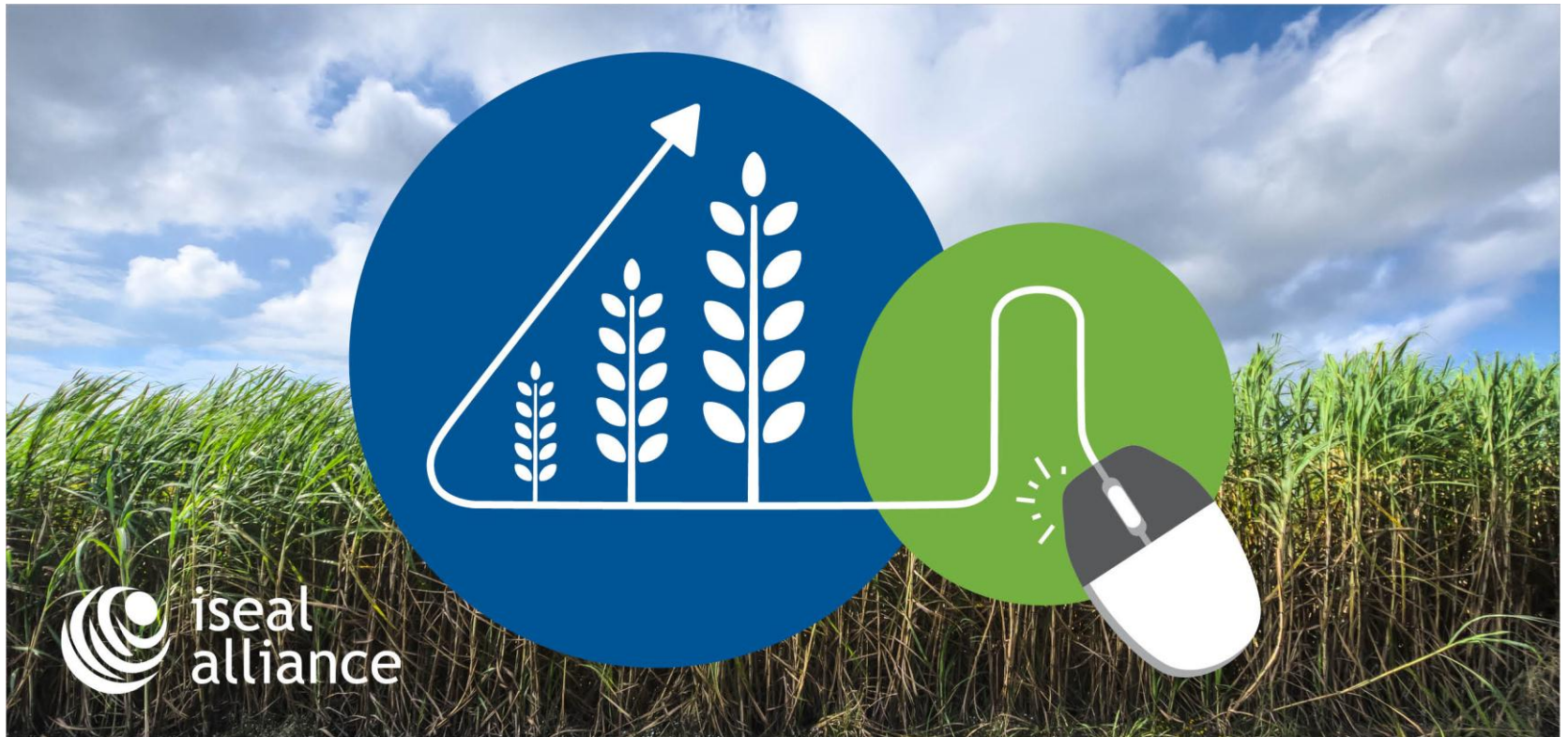
- › For upstream businesses (producers and primary processors):
 - › Ability to fulfill demands of international markets – high market-related benefits
 - › Starting from a lower benchmark – higher operational benefit
- › For downstream businesses (manufacturers and retailers):
 - › Businesses buying many products – lower cost than setting up own sustainability strategy
 - › High demand for sustainable products – higher market and reputational benefits
 - › Competition and concerns about supply – higher procurement and reputational benefits
- › For all
 - › Credibility of standard or label – greater sales, marketing, reputational benefits; greater access to finance

What governments can do to support the growth of credible standards....

- Prevent green washing and build awareness of what **credible, high quality standards look like**
- **Lead** by example: Certification of public bodies or assets
- Incentives to **encourage industry uptake**
- **Referencing credible standards** in guidance or legislation
- **Recognising certification** as proof of compliance with legislation
- Favours certified products in government purchases - **SPP**
- **Step approaches** between government-led standards and higher-bar international sustainability standards

Thank you!

**Find studies and business stories at
www.standardsimpacts.org**



Results, impacts, business case

Global Sustainability Standards Conference

The future of trust

Zürich | 27-28 June 2017

"Energetic, passionate, great experience"

"The place to be when you work with or
for voluntary standards systems"

Find out more at:
iseal.org/conference

