

# CORPORATE SUSTAINABILITY



# ABSTRACT



**LGW**  
**LHYRA**  
**GREEN WORLD**  
Solutions for a Healthy World

*October 2007*

CORPORATE SUSTAINABILITY ABSTRACT EN.02

Integrating Social and  
Environmental problems in  
business

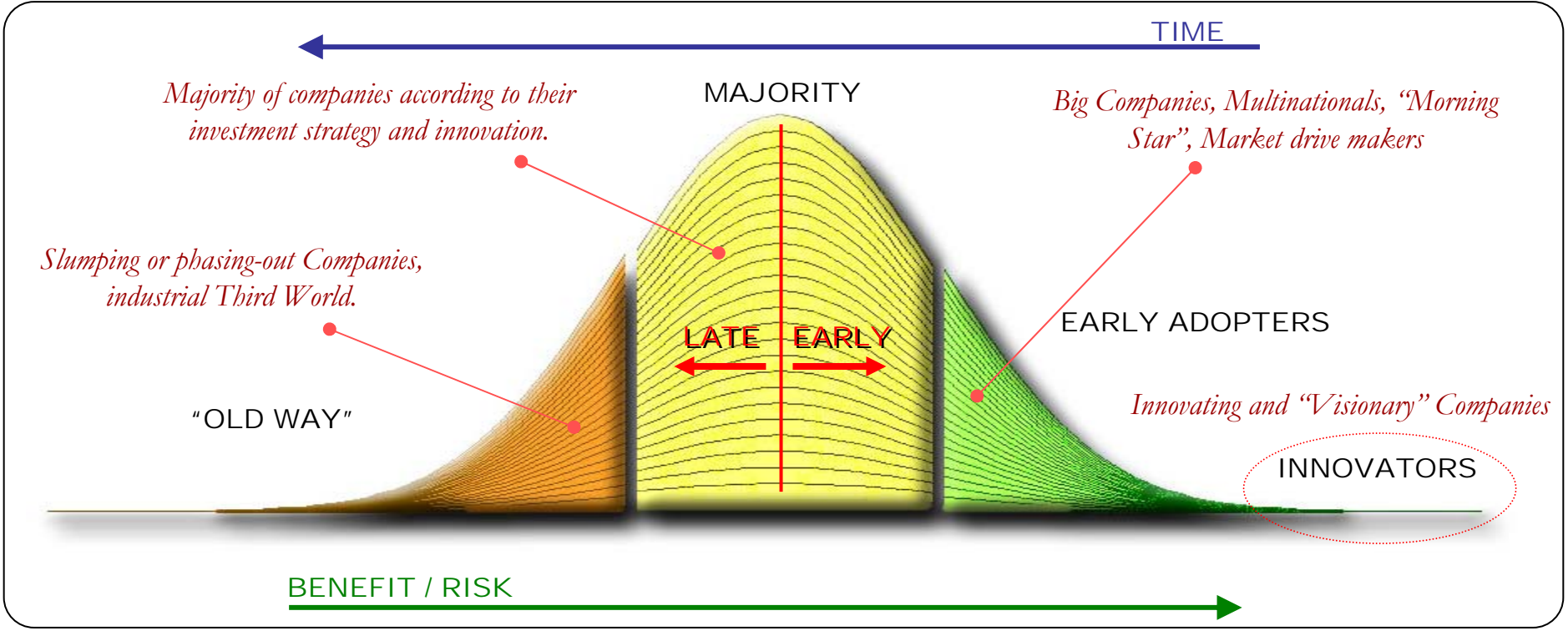


# ANTICIPATING A TREND

## CORPORATE SUSTAINABILITY

Companies are generally used to following trends, in many situations, addressing the latest challenges and reacting to market opportunity. Wherever they define their position, it ultimately depends on their appetite for risk, ability to innovate, investment strategy and their culture.

INNOVATION AND MARKET DIRECTION NATURAL BENT



CORPORATE SUSTAINABILITY ABSTRACT EN.02

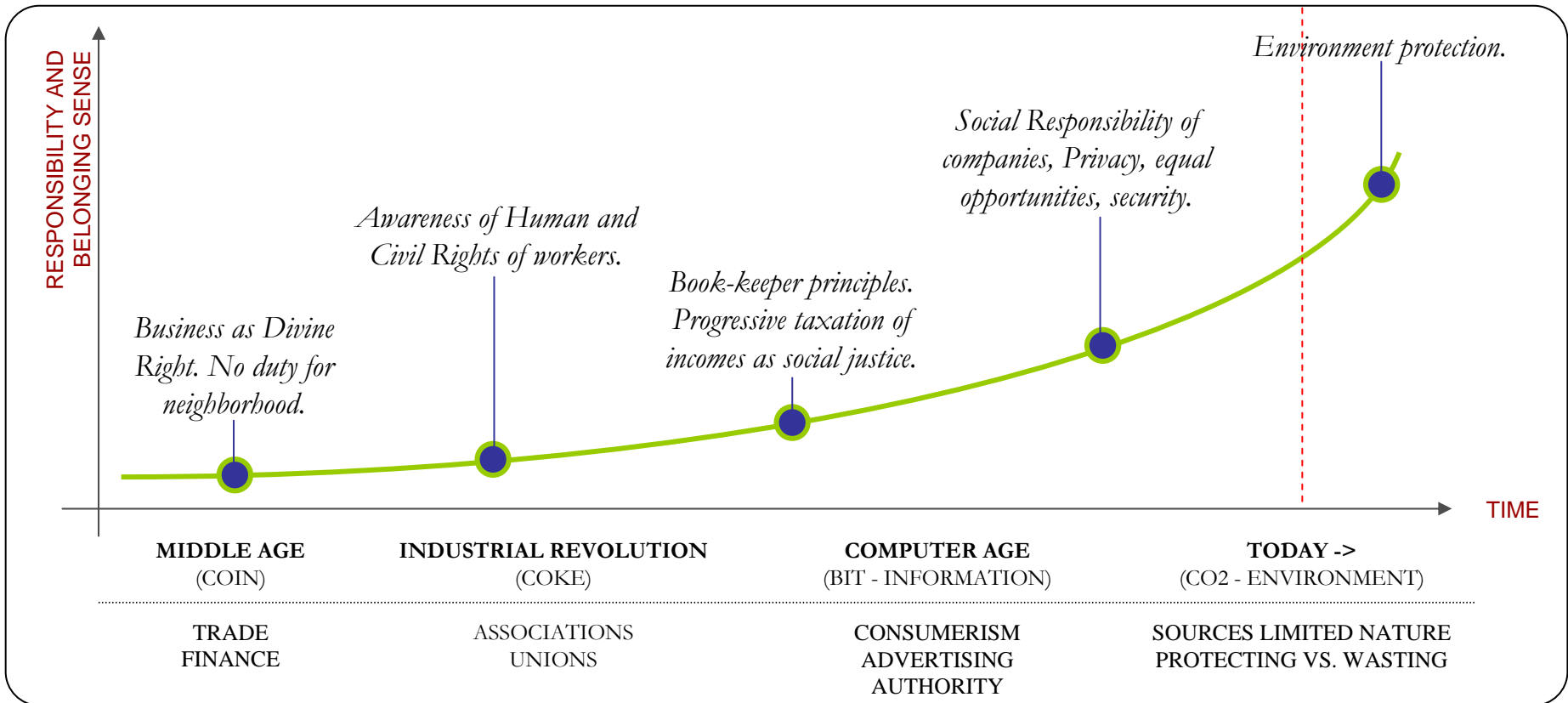


# SOCIETY AND COMPANY

## CORPORATE SUSTAINABILITY

Throughout the ages, every single society has adapted to its environment for survivability and prosperity. There exists a healthy consideration (and respect) for the total environment (people, animals, resources...)

### SOCIAL RESPONSIBILITY EVOLUTION OF COMPANIES DURING THE TIME

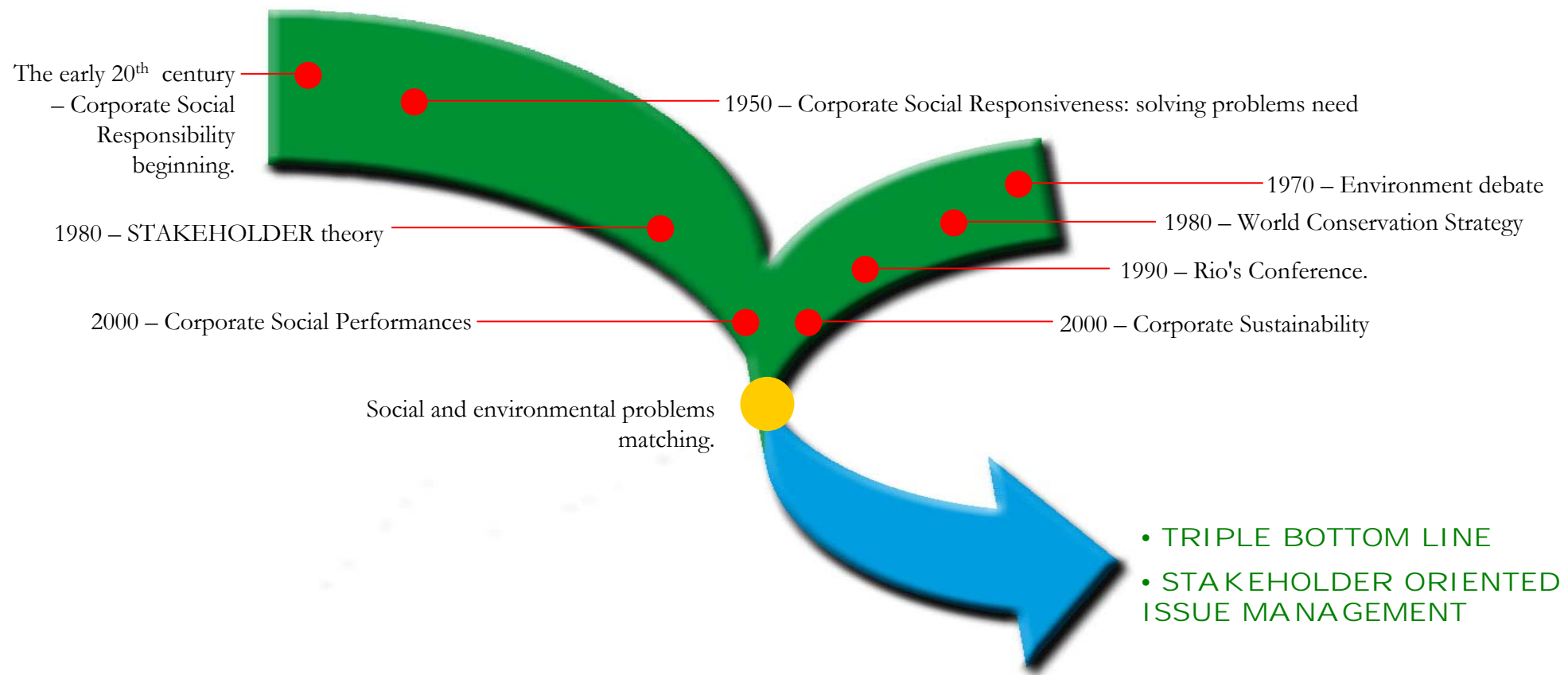




# SOCIETY AND COMPANY

## CORPORATE SUSTAINABILITY

The last 20 years, the issues of Corporate Social Responsibility (CSR) and Environmental issues have converged and joined.

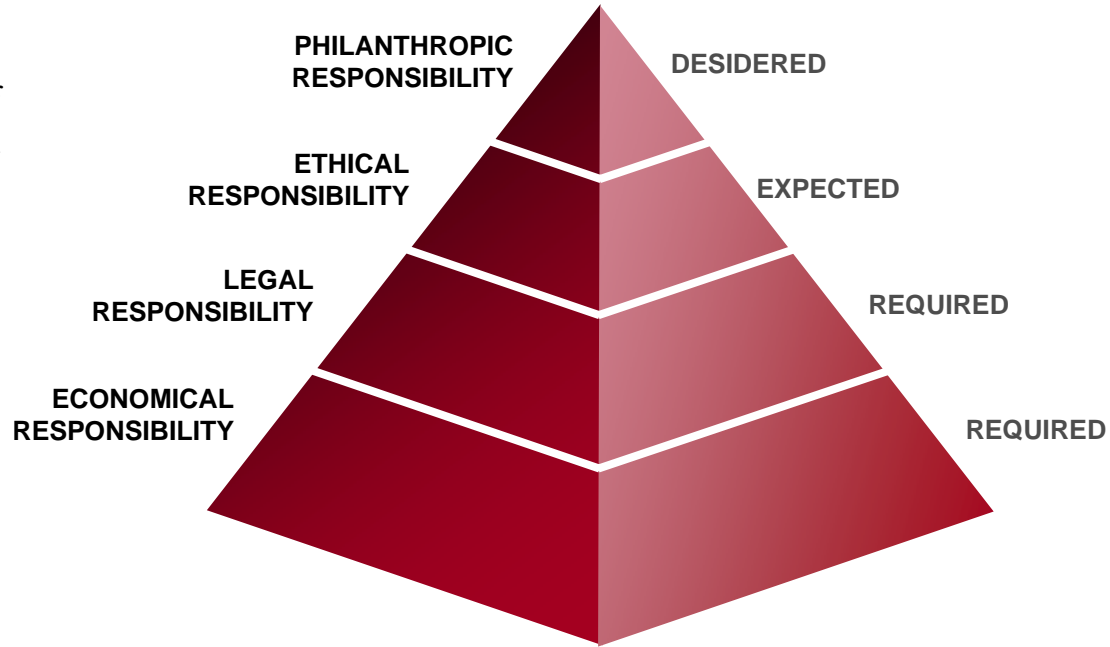




# CORPORATE SUSTAINABILITY

# TRIPLE BOTTOM LINE

Interaction between Business and Society cause a series of responsibility that we can sum up in this way, using a famous definition:



The “official” definition of CSR was given by the European Community in 2001, thanks to the growing interest in this problem: *“a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. Being socially responsible means not only fulfilling legal expectations, but also going beyond compliance and investing more into human capital, the environment and the relations with stakeholders”*

**SOCIAL AND ENVIRONMENTAL SUBJECTS THAT CAN NOT BE DISJOINED FROM BUSINESS.**



# CORPORATE SUSTAINABILITY

# TRIPLE BOTTOM LINE

TRIPLE BOTTOM LINE defines Corporate Sustainability as business goal, in that it is definable as an investment characterized by a risk and return. The International Financial Community has endorsed these concepts, leaving it to the individual company to determine their own risk and reward measures based upon their own assessment:

**Triple Bottom Line is a more complete and more productive estimate than a business condition.**

SUSTAINABLE INDEX (Down Jones, FTS4good)

SOCIAL RESPONSIBLE INVESTMENT (SRI)

CARBON DISCLOSURE PROJECT (CDP)



FTSE4Good



UK Social Investment Forum

Working with others to promote socially responsible investment

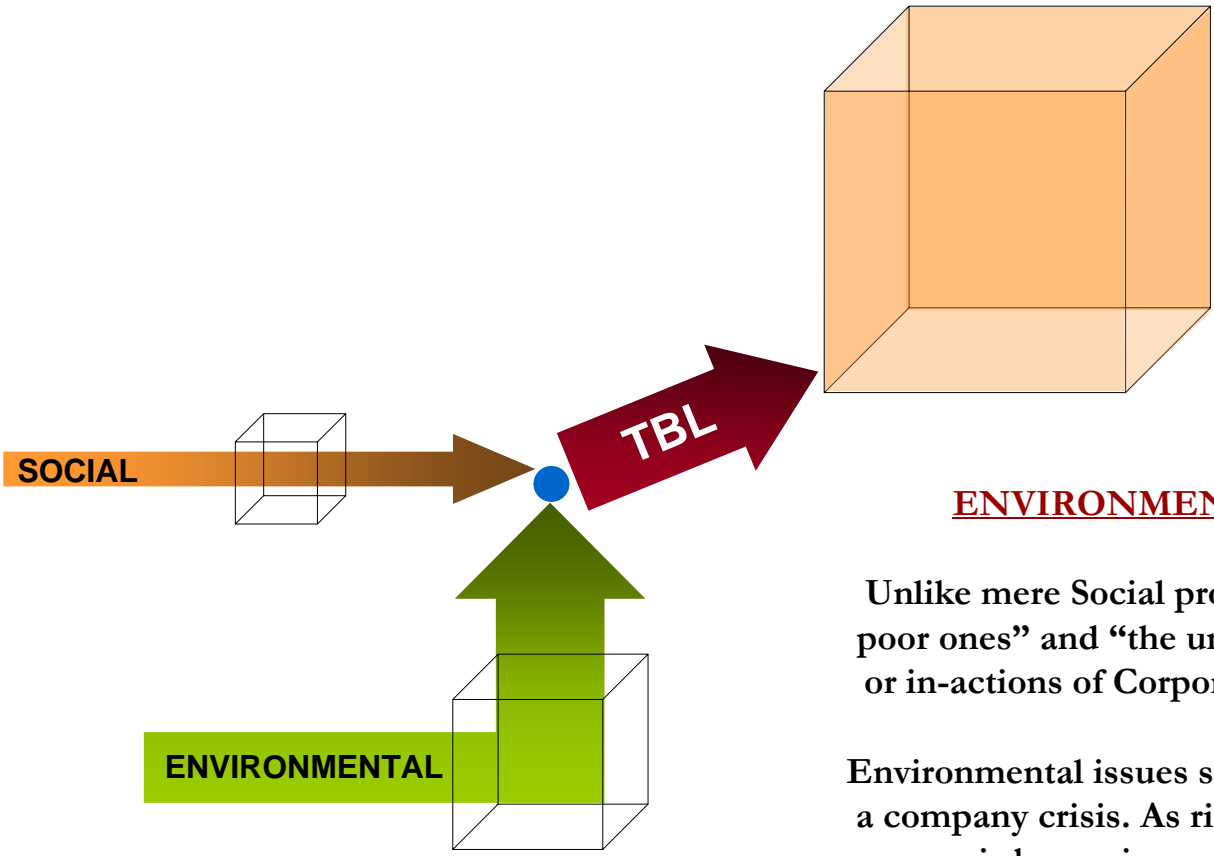


Dow Jones Sustainability Indexes  
Member 2006/07



# BOOSTER

## CORPORATE SUSTAINABILITY



Turning Corporate Social Responsibility into TBL, was enabled through merging of Environmental and Social concerns, **which provided both of these workstreams a terrific boost and a greater exposure.**

**ENVIRONMENTAL problems strike EVERYBODY.**

Unlike mere Social problems that usually strike “the others”, “the poor ones” and “the unfortunate”, and can be traced to the actions or in-actions of Corporations which value the company reputation

Environmental issues strike all market segments that could result in a company crisis. As risk averse decision makers, the Environment is becoming a major force in company risk profiles.



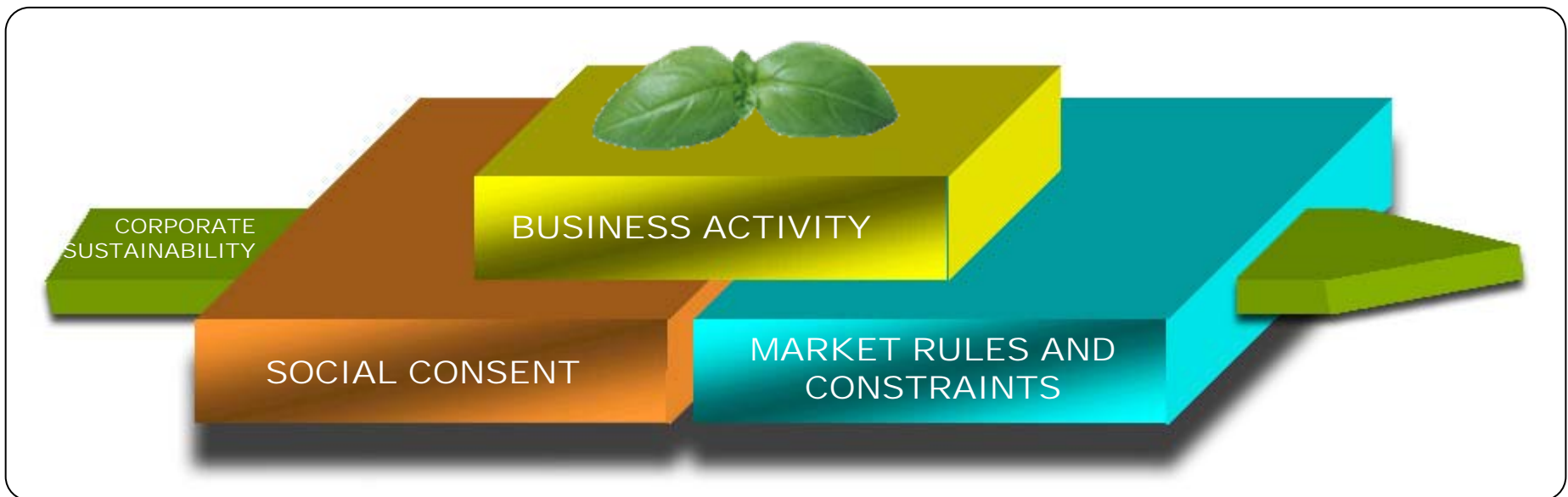
# SET ROUTE

## CORPORATE SUSTAINABILITY

A company has the important social duty to mitigate its imminent environmental risk, according to the company culture and responsibility.

Global warming is upon us, whatever the reason is and whatever the solution to resolve it, just like the (more or less effective) connected projects, based on a “Carbon Free” philosophy.

**A leading company must be at the forefront of change, responsible for its decisions, both in terms of market and of social approval.**



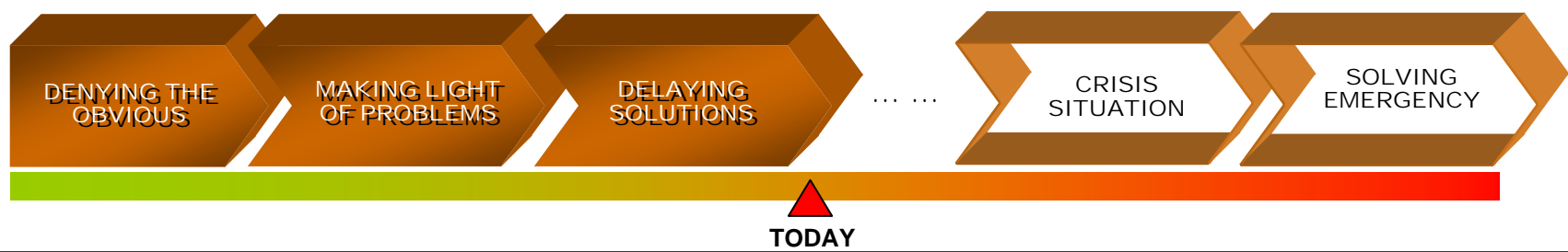
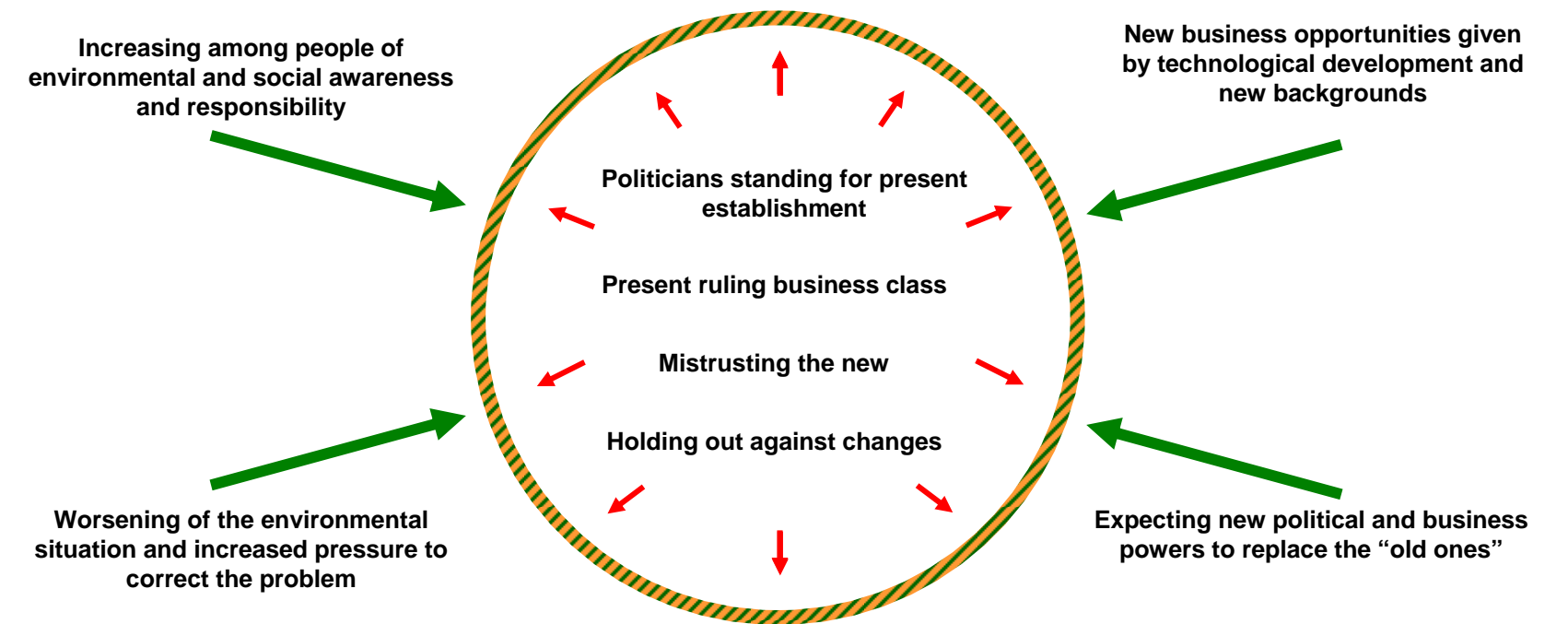




# SET ROUTE

## CORPORATE SUSTAINABILITY

### EVOLUTION OF GLOBAL BUSINESS POLITICAL COMPARISON WITH RESPECT TO ENERGY AND ENVIRONMENT



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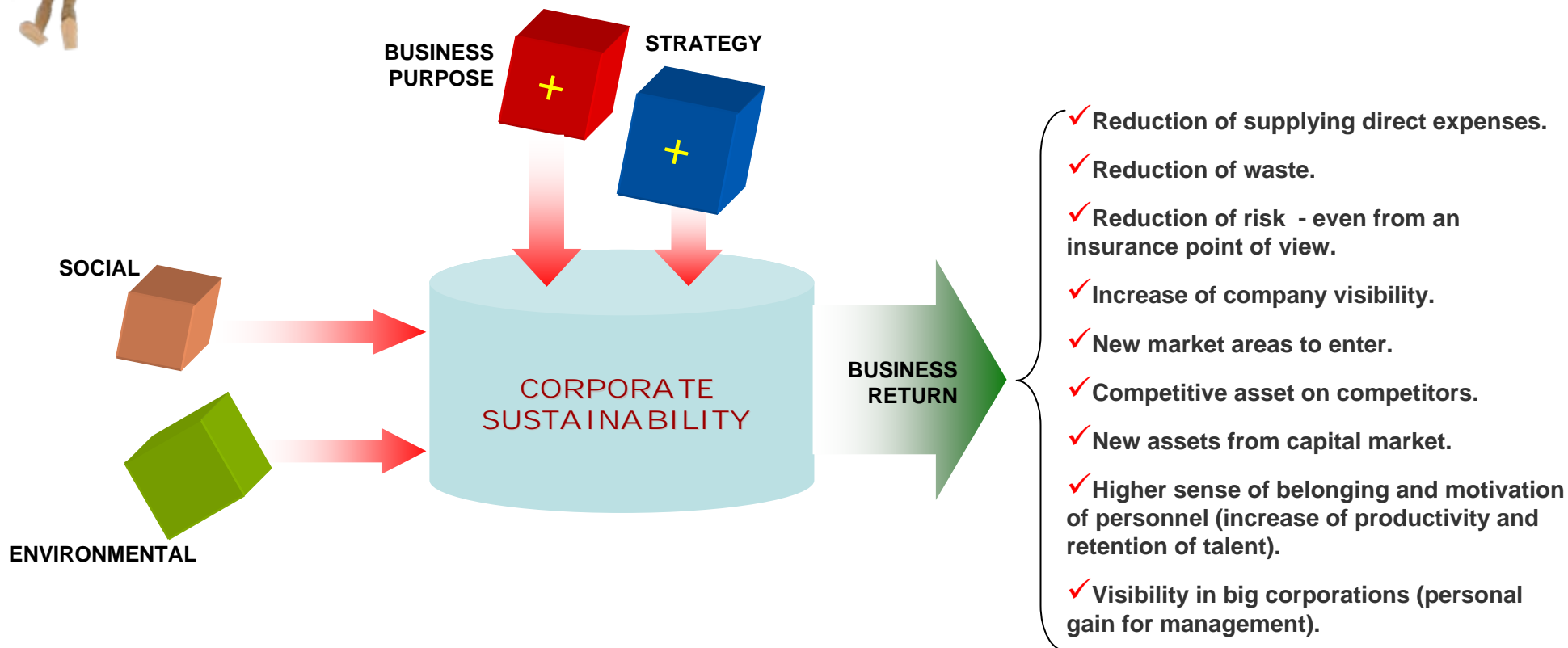
It would be a great mistake to ignore this problem, the risk is I am resisting the pressure to act and by doing so relinquishing interesting visibility / market areas.

Every leader company in its business sector, has the right and obligation to establish a corporate position on the Environment and to set out an **EFFECTIVE STRATEGY**.

A strategy made by outward **Communication** (Clients, Providers, Opinion Leader etc), inward Communication (Employees, controlling and controlled companies etc) and **Action** (reduction of energy waste, generating energy from renewable sources; new less social impact products / services; territorial projects for a natural and sustainable development etc).

Return on Investment will be immediate and in the shortest amount of time it will be able to recoup the initial investment and to show positive effects on P&L.



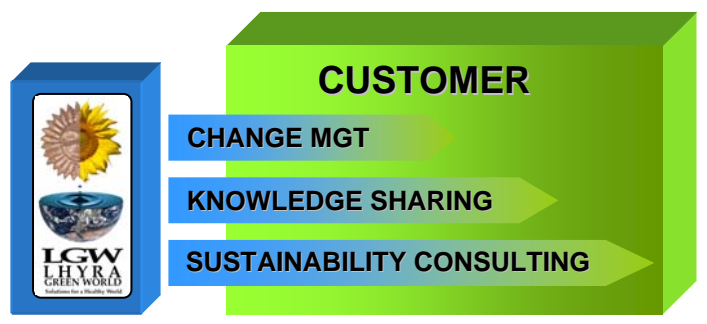


According to the current aged and outdated thinking, Corporate Sustainability is viewed as an exclusive course of action for large corporations - big companies “spending some money on social causes in return for good publicity”. Adding **BUSINESS PURPOSE** and **STRATEGY** to these **ACTIONS**, creates a course for quick return on investment.








# CORPORATE SUSTAINABILITY

# LHYRA'S PROPOSAL



EVERY SINGLE COSTUMER COMPANY SHOULD HAVE A SPECIFIC SERVICE FOR PRECISE NEEDS:

-  *Sharing Knowledge of environmental and social problems, of global and depth of their consequences on the whole company frame-work.*
-  *Obtaining in the shortest time a "company assessment of risk and opportunities" concerning a specific business area. Testing if complete or not, with actions and /or corrective actions the company can implement to achieve desired results.*
-  *Obtaining an accurate and constant analysis on the area trend (in Italy and abroad) and about instances that could have some effects on company business.*
-  *Watching out on traditional business so as to avoid negative effects from surrounding context and to turn shared experience in one business to boost sales or margins in others.*
-  *Encouraging the creation of an internal company frame-work to use these abilities as a new strategic opportunity for a competitive advantage.*



## CORPORATE SUSTAINABILITY

***We help you to understand why your current  
business models will not be effective and rewarded  
in the same way in the future.  
Together we will find innovative solutions to flip it  
upside down.***

October 2007

Do not hesitate to address any question to [greenworld@lhyra.it](mailto:greenworld@lhyra.it)

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