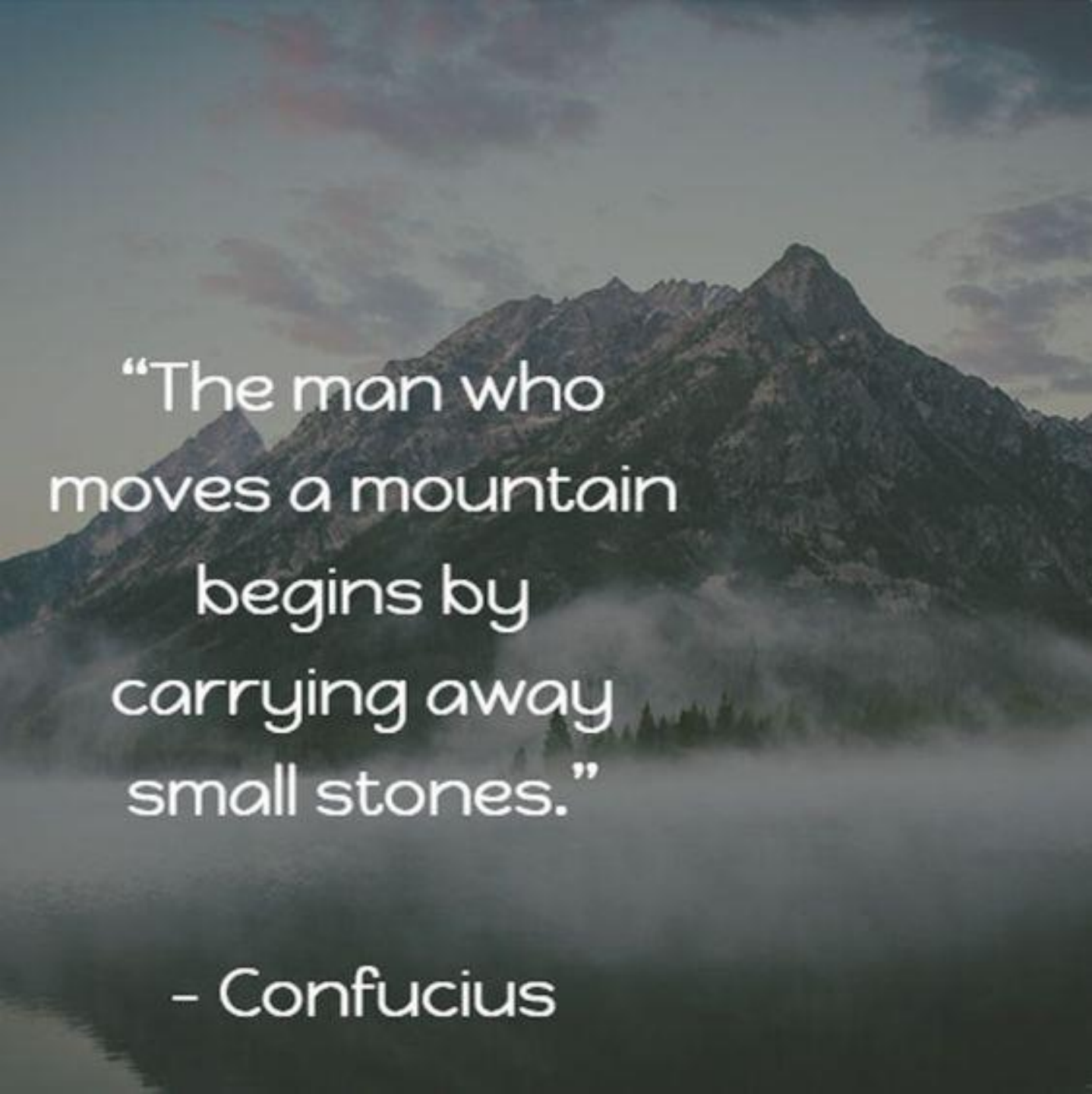


When You Want to Move a Mountain

– It Starts from the Top
(and It Starts with You)




“From Power Point to Power Play, From Talk to Action”



“The man who
moves a mountain
begins by
carrying away
small stones.”

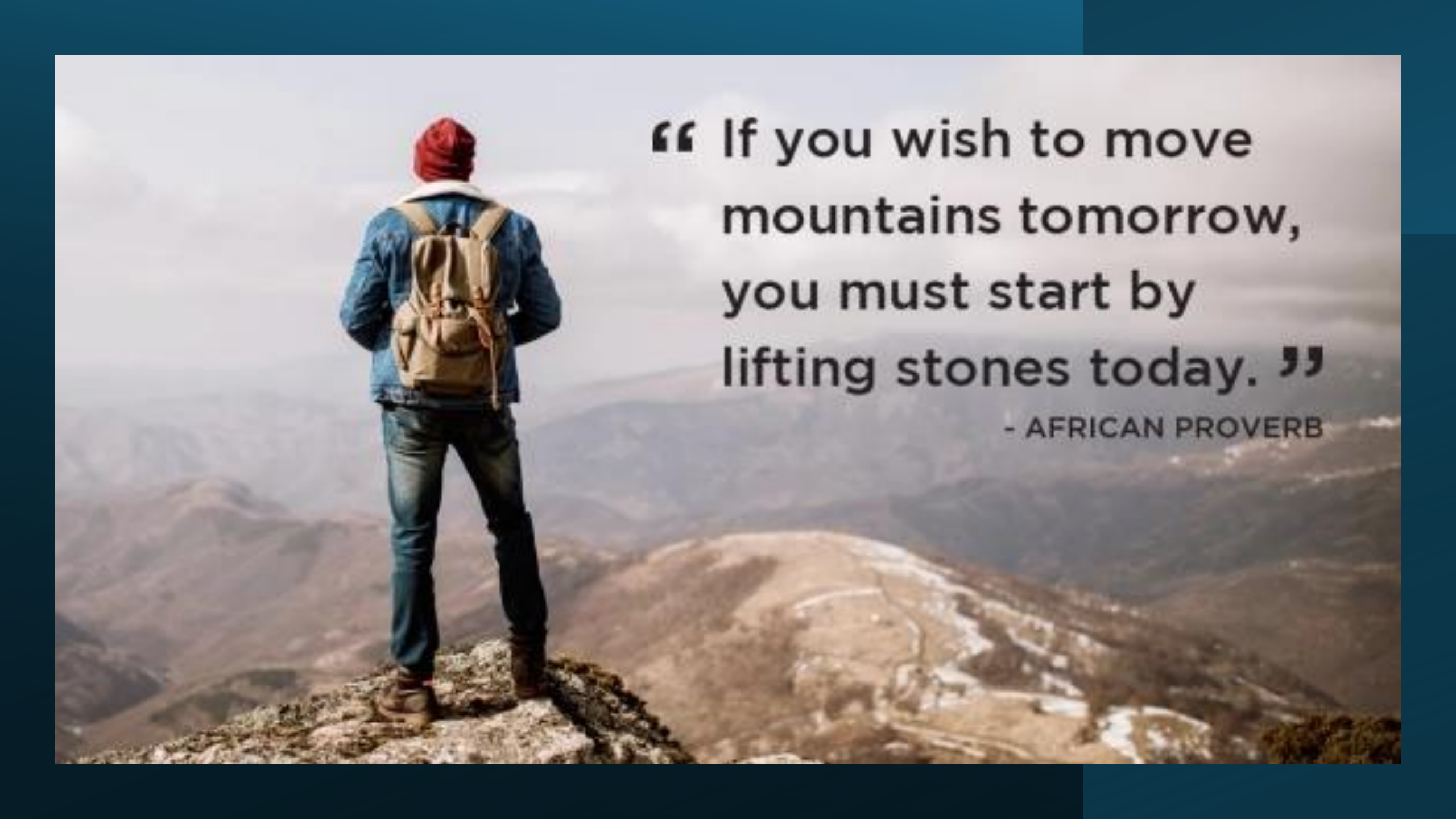
- Confucius

Are You the
Mountain or
are You the
One Moving
It?



When you are trying to move mountains,
you want-and need-people on your side
who want to move them with you.

Jamie Oliver



“ If you wish to move mountains tomorrow, you must start by lifting stones today. ”

- AFRICAN PROVERB

Let her
sleep
for when
she wakes
she will
move
mountains

Napoleon



When You Want to Move a Mountain

– It Starts from the Top
(and It Starts with You)





Mountain = Sustainability


Top = You

If you want to have a sustainability integration / transformation – Then it starts with you.

If Mountain = You. - Then we have a problem.

CMO

Chief Mistake Officer



No matter how many mistakes
you make or how slow you
progress, you are still way ahead
of everyone who isn't trying.

Tony Robbins

“ quote fancy

Being on the way

All my failed or half successes or slow paced sustainability transformation and integration efforts –

Are rooted in owner, board and corporate leadership and their willingness to understand, know, demand, drive, recruit and request.

And the key question: What is in it for me?

The Point

No way around it. Leadership meet bottom up pressure and/or release and steer strategy that connects with core business and purpose of the organisation. Securing both the short term and long term perspective of a sustainable entity - self-sufficient driving positive impact



IKANO

midsummer 

ORIFLAME
— SWEDEN —

Sasin | School of
Management



FIVE MAIN DRIVERS TRIGGERING SUSTAINABILITY EVOLUTION:

How we got to this point is crucial in understanding the challenges and opportunities. The sudden rise and urgency that climate change and planetary boundaries have evidenced has triggered an exponential demand for qualified action. There is a pressing need to address change, and there have been five primary shifts that have triggered the ESG implementation urgency:

1. Integration of financial and sustainability data
2. Increasing regulations around ESG
3. Pressure from stakeholders
4. Higher exposure to risk and greenwashing accusations
5. Rise of technology and digitalization within sustainability



The State of Affairs According to PwC

ESG is no longer a nicety; it's a necessity. Customers demand it; investors require it; regulators are making it law. Still, most companies, while stating ambitious goals, have been **slow to act**. Transformation is costly and burdensome, and economic stresses are slowing efforts. Companies that delay may find the cost to compete is too great. The time to act is now. ***But where many companies see challenges, some see opportunities.***"



Leadership – You.

“Like with digitization – a period of massive transformation characterized by high costs and uncertainty – there are big benefits to transforming without delay. Companies that digitized early, learned from mistakes and moved forward. Those that waited, are now investing heavily to catch up. *We think it’s better to be an ESG Champion than a follower.*”

Stefan Schrauf, EMEA Operations Lead at PwC
Germany



Stefan Schrauf
EMEA Operations Lead at PwC
Germany

The PwC Global ESG in Operations Survey of mostly large corporations shows **many leaders think the same**. Appearing to be green isn't enough. To be competitive, operations must be reengineered to meet wide-ranging ESG standards. ***There is a subset of ESG champions emerging that enjoys top management support, has a clear strategy and vision and balanced focus on all ESG aspects.*** They rethink the end to end value chain and with that made their business more resilient for the future challenges. Those who lag behind need to speed up their ESG transformation to not lose ground.



Key findings (The PwC Global ESG in Operations Survey)

1

ESG in operations is a competitive imperative for companies – the majority of companies have set clear targets along all aspects and almost all companies (99%) consider ESG criteria in future investments.

2

The environmental aspect is currently in focus – 80% of companies have clearly defined long-term targets for emissions, while only 60% *have social and governance* targets in place.

3

Big intentions and little realisation – only one third of companies have implemented measures for emission reduction with main focus on Scope 1 and 2, however only 21% have Scope 3 measures in place.

4

ESG Champions enjoy top management support, integration of ESG into their operational strategy and vision, short- and long-term targets by function, and balanced focus on all ESG aspects.

5

ESG Champions rethinking the end-to-end value chain – incl. reengineering of supplier network, own footprint, product design, and adjusting their own business models towards circularity – have already twice as many measures implemented.

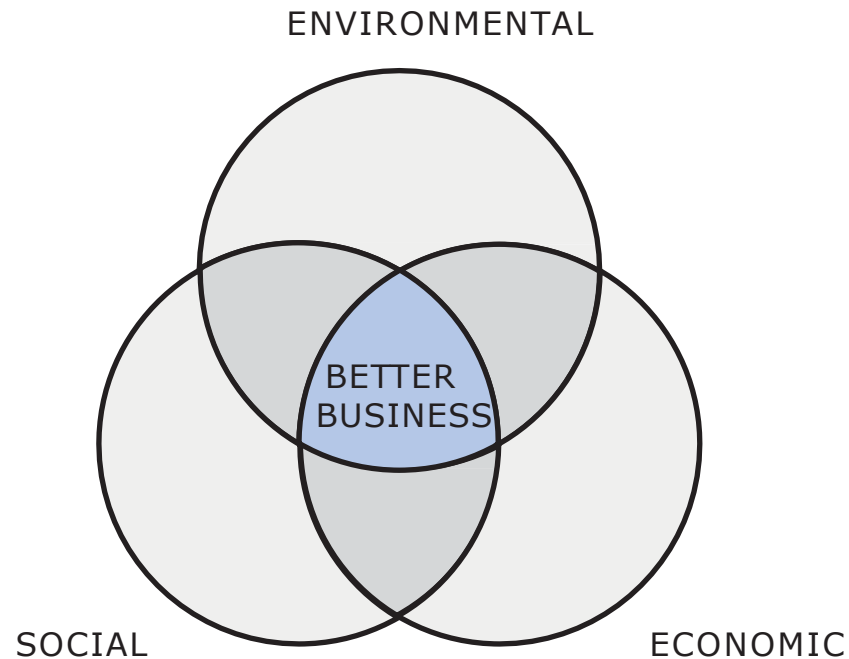
6

As we see 26% more champions with companies' revenue greater than €3 billion, smaller companies have to catch up to not lose competitive grounds and increase resilience for future challenges.

7

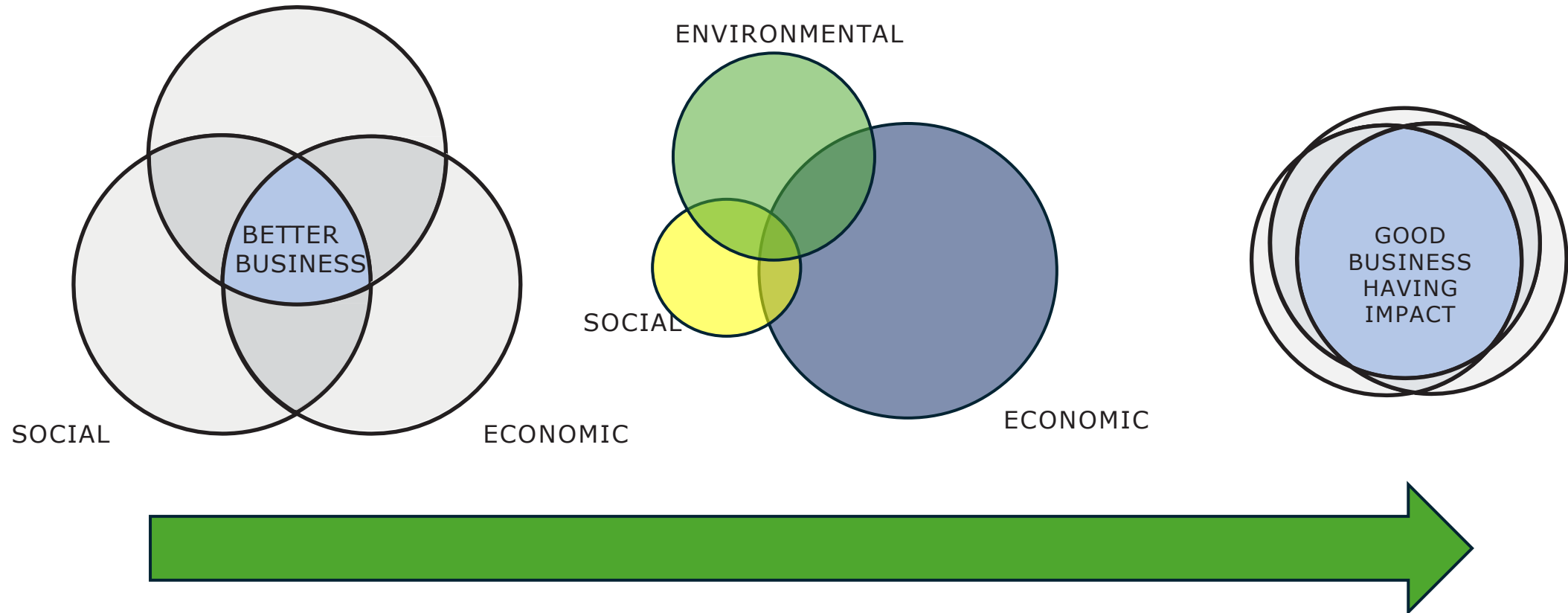
ESG maturity varies by region and industry. Comparing the relative share of ESG Champions, North America and Asia are ahead of Europe and the industrial manufacturing and retail / consumer goods industry is leading, whereas the process and service industry are lagging behind.

Making Sustainability Core To Business



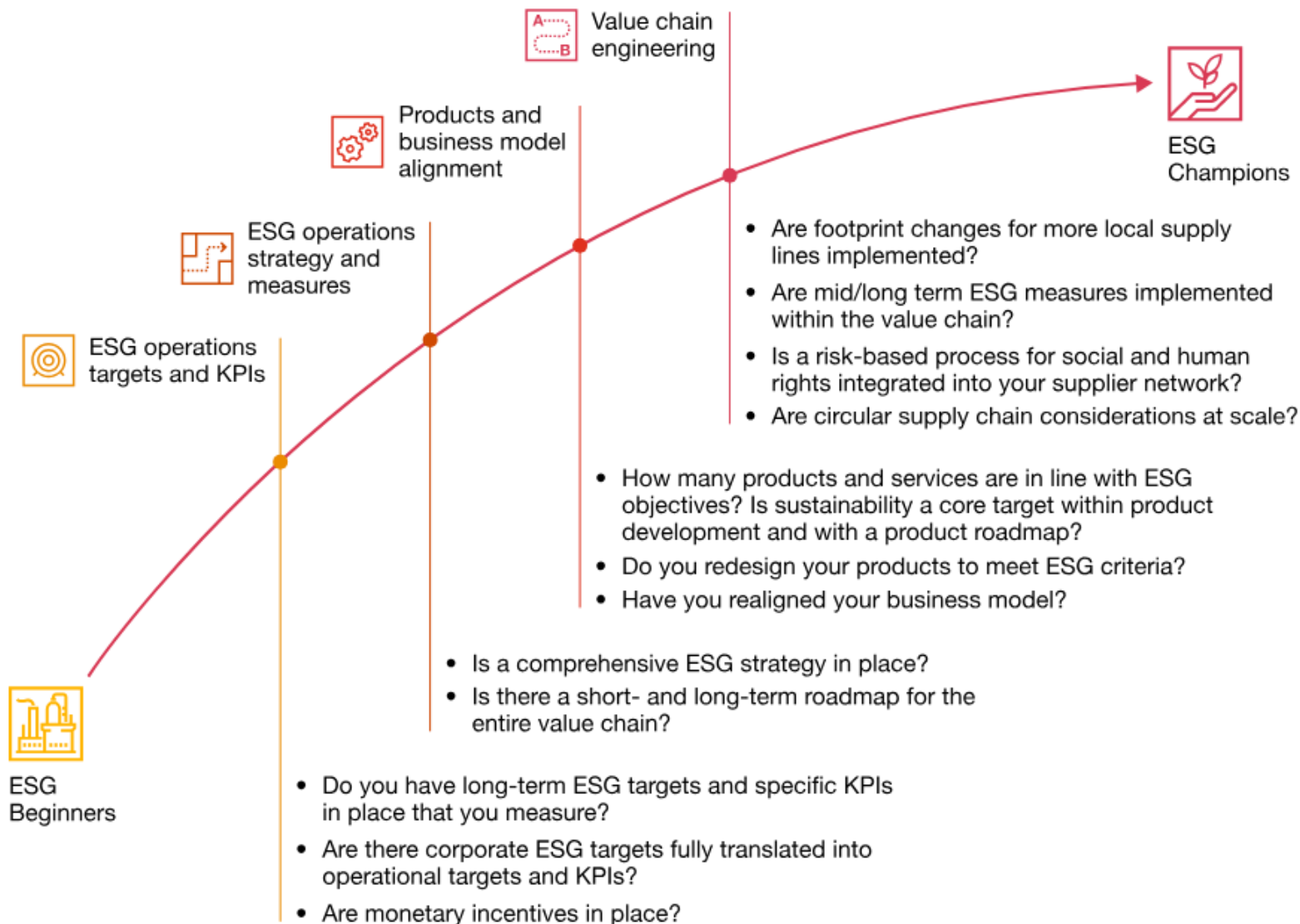
Valid for everyone. Long term survival and growth.
A better (Good) business comes from a balance between economic growth and positive social impact with environmental protection and regeneration

What is Your Equilibrium – Now and Future? Dynamic, Industry and Maturity Linked



The better the balance, the more good or better the business with positive impact **within the limits of the planet**

From strategy to execution: our road from Beginner to Champion achieving ESG maturity



Source: PwC study 2023 "ESG Empowered Value Chains 2025"

As with almost all leaders surveyed, these Champions stated ambitious plans. What sets them apart is they are far more likely to be **supporting targets with actions**. Champions are implementing measures at twice the rate of *non-champions* and *have moved beyond*

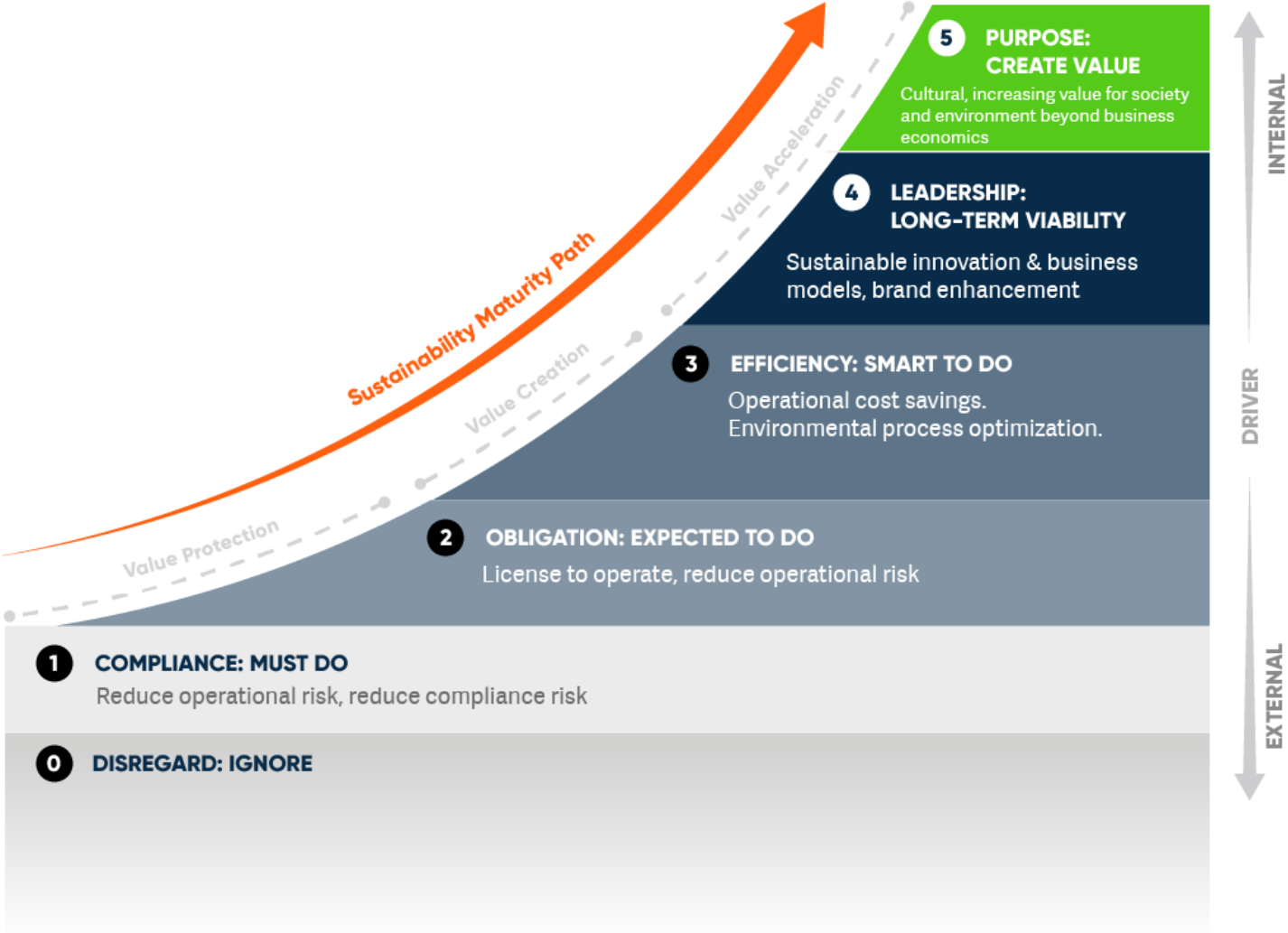
Five Focus Areas: Main Challenges

1. **High Costs/Insufficient Budgets**
2. Unclear Business Impact
3. Material Shortages
4. Insufficient IT / Digital Solutions
5. **Lack of Leadership**

High Costs/Insufficient Budgets

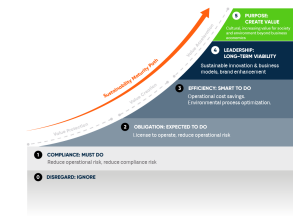
42% of all companies mentioned this as a top challenge, and relatively smaller companies (those under €5 billion in revenue) were more likely to cite it.

Sustainability Maturity Path



Qualifying Factors:

- Accountability
- Distributed Ownership



Accountability

Stage 1: Compliance

In the compliance phase, no environmental KPIs are defined. Compliance is simply delivered ad-hoc with minimum legal requirements.

Stage 2: Obligation

The only difference between the obligation and the compliance phase is that ad-hoc requests can also be answered for the market.

Stage 3: Efficiency

Integrated Sustainability KPIs are defined on a functional level. Operational decisions are partially influenced by those KPIs.

Stage 4: Leadership

There are top-level KPIs for the company's ESG performance. Management is partially measured by ESG KPI. Incentive systems are strongly influenced by ESG KPIs.

Step 5: Purpose

ESG KPIs are defined for decision-making on every level. Integrated ESG considerations drives development and performance.



Qualifying factor: Ownership

Who owns sustainability in your organization? Many companies *claim* to be purpose-driven or sustainable leaders, but how is that reflected in the organisation?

Stage 1: Compliance

Sustainable topics are ad-hoc and owned by whoever is responsible (legal, operations).

Stage 2: Obligation

Sustainability is owned by QHSE (Quality, Health, Safety, Environment) managers in functional ownership, or by part-time sustainability managers.

Stage 3: Efficiency

Sustainability is owned by full-time, dedicated sustainability personnel. Skip the stage?

Stage 4: Leadership

Sustainability is owned by top-level management, with a dedicated executive responsible on the C-Level (Chief Sustainability Officer).

Stage 5: Purpose

Integrated Sustainable decision-making happens on every level of the company, and everyone is responsible for environmental performance. And the CEO is the CSO.

**Applied Maturity Model
Distributed Ownership
And Strategy Integration**

Climate Positive Maturity Model Company



Diminishing Harm/Un-sustainability to Society Increasing Benefits to Society

Drivers To Lift Maturity

Inward-looking Increasing Shareholder & Business Value Creation Systemic thinking

	COMPLY	MANAGE	STRATEGIC	CIVIC
Mindset	<p>Operational Focused Business is good as its legal and for as long as possible.</p>	<p>Planning Focused Business is good from “Doing the same thing better”</p>	<p>Profit Focused “Doing good by doing new things” for successful business. “It gives us a competitive edge”.</p>	<p>Value Focused “Doing good by doing new things with others” “It’s in our entrepreneurial DNA”</p>
How We Do it	<ul style="list-style-type: none"> •Energy and water infrastructure in accordance to local legislation. •To explore available technologies for more efficient and effective systems in transport and industrial equipment. 	<ul style="list-style-type: none"> •Management aware of energy & water policy and work towards efficiency. •Utilize available technologies to drive more efficient & effective systems in transport and industrial equipment across the business. 	<ul style="list-style-type: none"> •System/ Equipment investment for renewable energy & water-saving, treatment, -generation,-harvesting •Develop and implement new efficient & effective systems in transport and industrial equipment across the business. 	<ul style="list-style-type: none"> •R&D and innovation in resources management and sharing of best practices with external stakeholders. •Energy & water positive. •Testing and co-creating new systems
What Good Looks like	<p>Community: Implement when regulated</p> <p>Customers: Indifferent</p> <p>Coworkers: A Meal ticket</p> <p>Suppliers: Transactional</p>	<p>Community: Go-to-Partner for change implementation</p> <p>Customers: Influence Decision</p> <p>Coworkers: Satisfied</p> <p>Suppliers: Attractive Transaction</p>	<p>Community: Regular Go-to-Partner for change consultation</p> <p>Customers: One of the trusted companies</p> <p>Coworkers: Engaged</p> <p>Suppliers: Preferred Partner</p>	<p>Community:#1 Go-to-Partner for change consultation</p> <p>Customers: #1 Most trusted Co</p> <p>Coworkers: #1 Choice employer</p> <p>Suppliers: #1 Business Partner</p>

Climate Positive Maturity Model - Logistics



Diminishing Harm/Un-sustainability
Society

Drivers To Lift Maturity

Increasing Benefits to

Inward-looking

Increasing Shareholder & Business Value Creation

Systemic thinking

	COMPLY	MANAGE	STRATEGIC	CIVIC
Mindset	<p>Operational Focused Business is good as its legal and for as long as possible.</p>	<p>Planning Focused Business is good from “Doing the same thing better”</p>	<p>Profit Focused “Doing good by doing new things” for successful business. “It gives us a competitive edge”.</p>	<p>Value Focused “Doing good by doing new things with others” “It’s in our entrepreneurial DNA”</p>
How We Do it	<ul style="list-style-type: none"> • Trucks emissions comply with standard. • To explore available technologies for more efficient and effective systems in transport 	<ul style="list-style-type: none"> • Finds ways of saving energy and fuel- work towards efficiency. • Utilize available technologies to drive more efficient & effective systems in transport through the value chain 	<ul style="list-style-type: none"> • investment for renewable energy, EV vehicles and extended range • Develop and implement new efficient & effective systems in transport through the logistics value chain 	<ul style="list-style-type: none"> • R&D and innovation in resources management and sharing of best practices with external stakeholders. • Energy & water positive. • Testing and co-creating new systems with solutions providers and competition
What Good Looks like	<p>Community: Implement when regulated</p> <p>Customers: Indifferent</p> <p>Coworkers: A Meal ticket</p> <p>Suppliers: Transactional</p>	<p>Community: Go-to-Partner for change implementation</p> <p>Customers: Influence Decision</p> <p>Coworkers: Satisfied</p> <p>Suppliers: Attractive Transaction</p>	<p>Community: Regular Go-to-Partner for change consultation</p> <p>Customers: One of the trusted companies</p> <p>Coworkers: Engaged</p> <p>Suppliers: Preferred Partner</p>	<p>Community: #1 Go-to-Partner for change consultation</p> <p>Customers: #1 Most trusted Co</p> <p>Coworkers: #1 Choice employer</p> <p>Suppliers: #1 Business Partner</p>

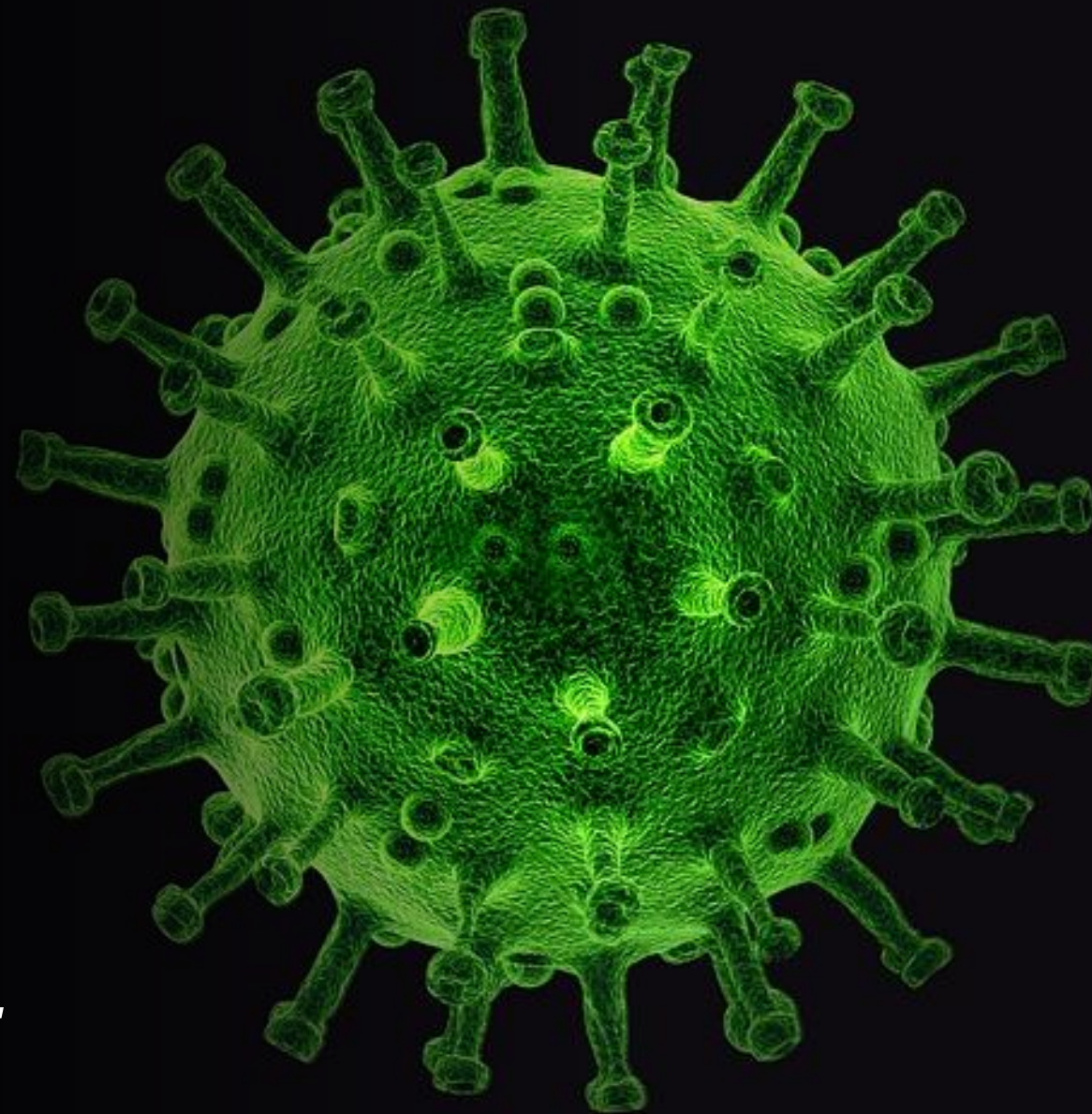
Collective Intelligence, Agility and Resilience

What does it take for an organization to be ready and able to manage the change and transformation and capitalize on the opportunities inherited in a sustainability transformation



REMEMBER THE
GOOD OLD COVID
DAYS?

What a change driver...

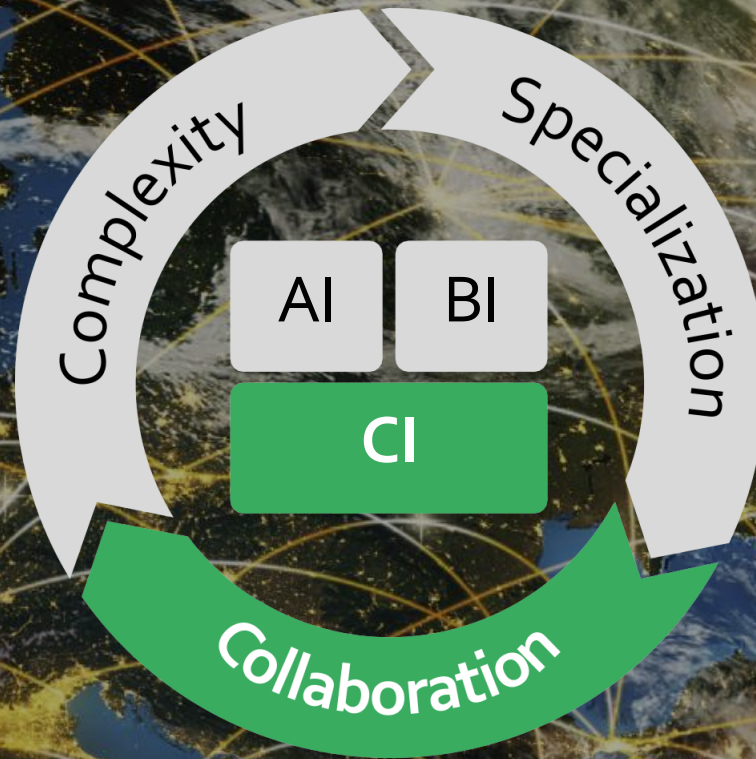


The Covid Silver Linings



- Breaking silos
- One purpose – Same boat
- Clearly defined problem
- Solutions oriented
- Collective intelligence
- Speed
- Rule breaking – for a reason
- Rethink old ways
- Try and push
- Government
- Regulatory
- The OPPORTUNITY

We live in a RAPLEX world.



It sets new requirements.

Being
Positive
in a
rapidly
changing
world

From history we know that what at first seem like challenges can become opportunities and limitations can lead to amazing innovations.



Constantly accelerating complexity and specialization calls for smarter forms of integrated collaboration that actually works!

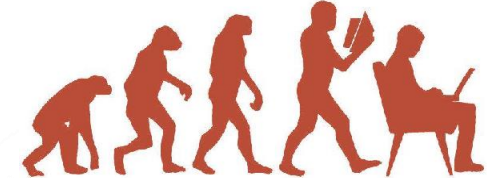
"Business complicatedness"



Since 1955:
Corporate requirements have increased 6x
Organizational complexity has risen by 35x
(BCG Analysis + Morieux, 2011)



"Hyperspecialization"



People and tasks are increasingly specialized which demand organizations to become even more integrated
(Malone, Laubacher & Johns, 2011)

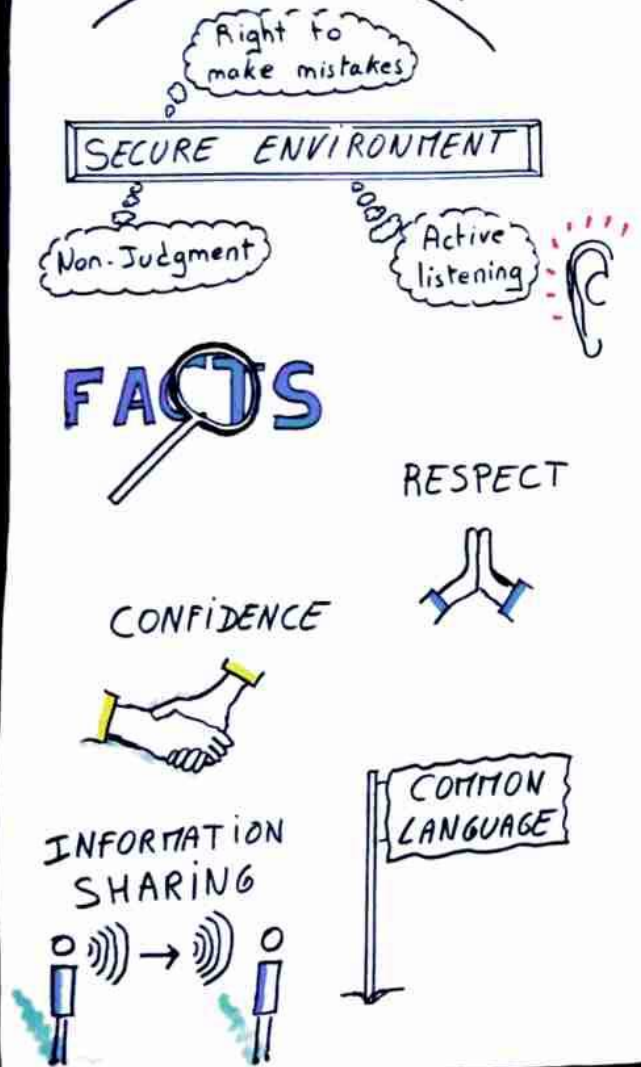
"Collaborative overload"



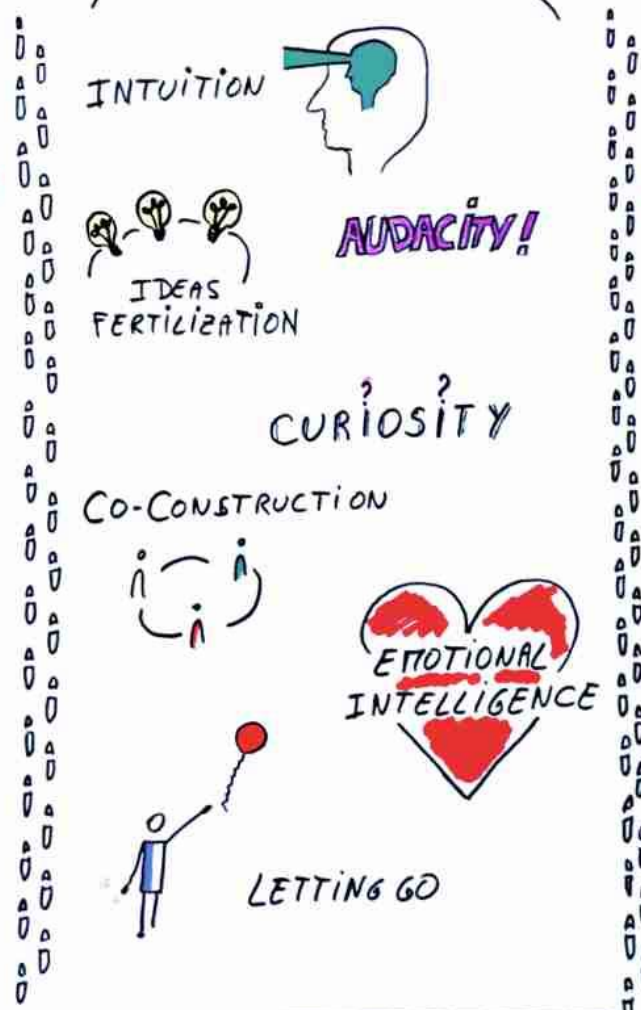
We spend 50 % more time on collaboration compared to 20 years ago
(Cross, Rebele & Grant, 2016)

COLLECTIVE INTELLIGENCE

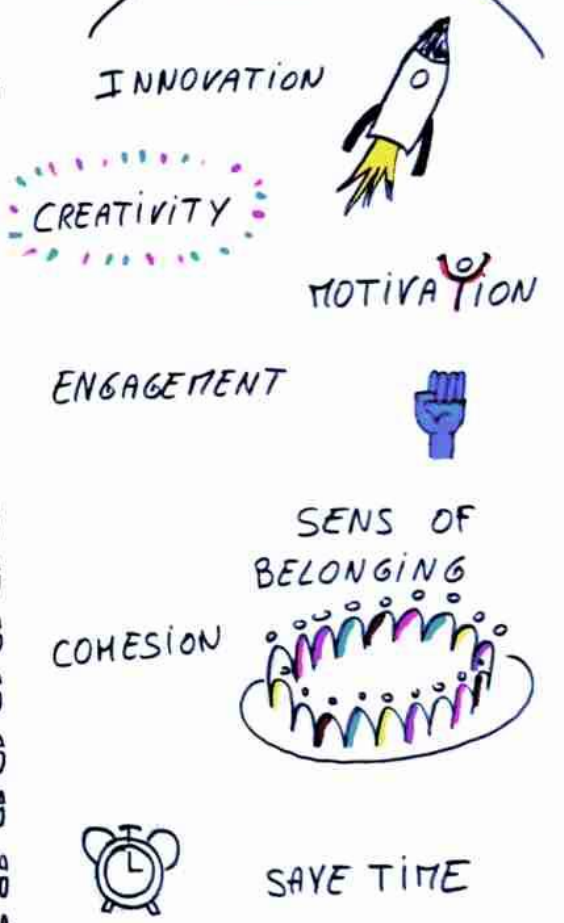
TO SET UP...



TO LEAVE ROOM FOR...



TO GET...



MPS

A dramatic image featuring a clock face, possibly a pocket watch, that is completely engulfed in bright orange and yellow flames. The clock is positioned centrally, with the numbers 12, 6, and 9 clearly visible. The background is dark, making the fire stand out. Overlaid on the image is the text "Look at now. Not Distant Future." in a white, serif font. The overall mood is one of urgency and warning.

Look at now.
Not Distant Future.

Anchored in Values

- Togetherness
- ***Caring for people and planet***
- Cost-consciousness
- Simplicity
- Renew and improve
- Different with a meaning
- Give and take responsibility
- Lead by example

Building Mindset And Distributed Ownership

Vision Based

Part of culture
and values

Positive Business
Impact / Enabling
Business

Risk
Management

History and way
of doing business

KPI and Incentive
Linked

Starts with the top

Driven by the business
through the business linked
with the business –
Distributed ownership





5 Principles Essence

- Move towards making sustainability ***an enabler for good business and business development*** by making it a ***natural part of your everyday business***. Sustainability is not a function - ***It is your business approach and mindset***.
- Strive to ***do the right thing*** through sound (***ethical, sustainable and profitable***) business that makes a ***positive difference for profit, people and the planet***.
- ***Base direction on your values*** and make sustainability actionable and a ***shared integrated responsibility*** for ***all your functions and businesses***.
- Be a ***positive force for change where you act, locally, regionally and globally***. Do it in your everyday businesses and together with co-workers, suppliers, customers, authorities, NGOs and other stakeholders.
- ***Keep it simple, long term, business relevant and do it your way***.

TODAY

If not you, then who? – Distributed
Ownership

Strategy Integration – Incentives and KPIs

Business Relevant – Release Collective
Intelligence

PLUS

Co-create, Collaborate and Now

TODAY

Too a long-term plan becomes prophecy fulfilled

Spend the time to define the problem and ambition

Distribute ownership as quickly as possible to functional decision makers

Make it core part of strategy and only apply local and business relevance

If you don't have a sustainability department/head – go straight to distributed ownership.

Link to incentive/performance. What is in it for me?

Main Transformation Lessons



**And it starts
with you**

A dirt road winding through a forest. The road is light-colored and leads into the distance. On either side of the road, there are tall, dry grasses and some evergreen trees. The sky is overcast and grey.

**Most things remain
undone. Glorious future!**

Ingvar Kamprad

THANK YOU