

# The Extent and Integration of Sustainability Programs



As sustainability has become more important to consumers and corporate investors, more companies are implementing sustainability programs but the extent of these programs varies widely.

For example, we recently asked if your company has any sustainability programs and you told us:

- Yes, sustainability is a key component of our EHS program. (41%)
- No (24%)
- Yes, but they're minimal. (21%)
- Yes, but only those required by law, such as mandatory recycling. (14%)

Sustainability programs are more likely to be successful if they're integrated into the company's overall operations. But such integration appears to be a challenge in many organizations.

A recent survey examined sustainability programs among other topics. A total of 711 professionals representing business, NGOs, government and academia and from Africa, Asia/Pacific, Europe, Latin America and North America completed the survey.

The survey found that integration of sustainability into core business functions remains the most important leadership challenge facing business. Related challenges:

- Convincing investors that sustainability enhances value
- Planning for the long-term
- Greater transparency
- Setting ambitious sustainability targets.

The top barrier to integrating sustainability: convincing leadership of

sustainability's value and changing management's mentality. Another barrier cited by respondents was difficulty demonstrating the value of integrating sustainability, especially when there are financial constraints and where profit is prioritized over sustainability.

Another issue raised in the survey was that sustainability functions continue to have low levels of engagement with key functional areas within companies:

- The level of engagement between sustainability and three functions that have very important relationships with internal and external stakeholders' investor relations, human resources and marketing' continues to be low.
- The lowest level of engagement is with corporate finance, with only 16% of respondents saying that their team is engaging their colleagues in this function.
- 75% said there was a high level of engagement between sustainability functions and corporate communications.

But the news wasn't all bad. Although many businesses don't appear to be very far down the road to integrating sustainability into their core business, others appear to be making strides.

For example, 45% said that the chief sustainability officer was an established function in their businesses and another 6% said they were likely to have this function soon.

In addition, four in 10 companies reported measuring the ROI of their sustainability efforts, most notably in the area of energy reduction.