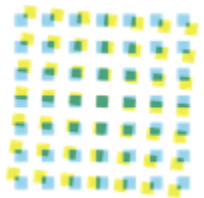


GRI Masterclass on Corporate  
Reporting as Driver to Achieving  
the SDGs

# Integrating the SDGs into Business Strategy

September 29, 2022



**sustainerv**  
Inspiring Meaningful Change





# 01

## Introduction



# Presenter



## **Dr. Bernd Kasemir, Managing Partner**

For over 18 years, Bernd Kasemir has been assisting companies with strategy development, performance measurement and reporting for long-term, sustainable value creation. His broad background includes a PhD in chemistry from ETH Zurich, postdoctoral work in environmental sociology at Harvard and a degree in business administration from the International Institute for Management Development (IMD) in Lausanne. Bernd offers a valuable integrative perspective when assessing environmental, social and governance factors for clients.



# Who we are and what we aim for



20

We are an international management consulting firm with 20 years of experience that helps clients integrate sustainability into their long-term strategies, day-to-day operations and communications.



We want to shape a future in which sustainable value creation is the norm.



Our goal is to inspire meaningful change that has positive impacts on the company, the environment and society.



We offer global perspectives, innovative approaches and actionable results

# Services – more on [www.sustainerv.com](http://www.sustainerv.com)



## Focus and strategy

- Benchmarking and trend analysis
- Materiality assessment
- Stakeholder engagement
- Strategy development
- Goal setting
- Policies and Code of Conducts
- Management approaches
- Value creation model
- ESG risk assessment



## Implementation and monitoring

- Roadmaps and action plans
- Sustainable supply chain management
- SDG implementation
- ESG data collection and analytics
- Energy and greenhouse gas management
- Science-based targets (SBTs)
- Life cycle assessment (LCA)



## Reporting and Communication

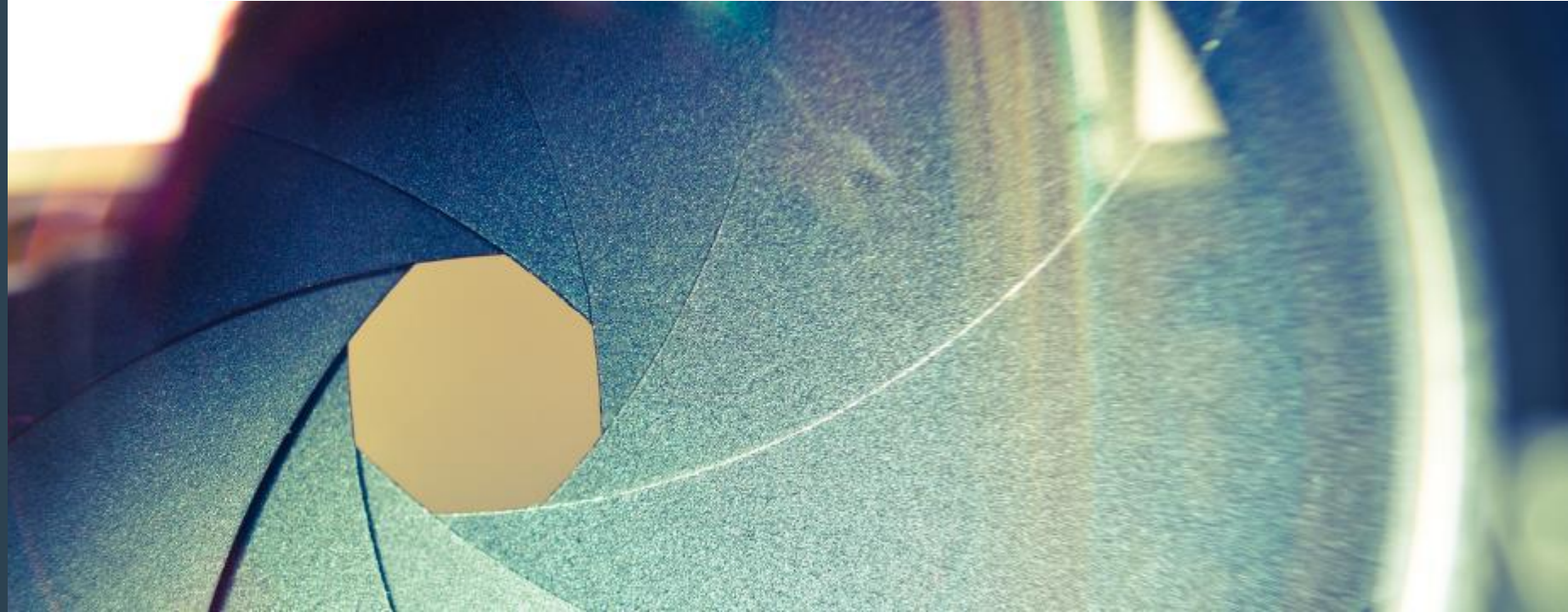
- Sustainability reporting (GRI, SASB, UNGC)
- Integrated Reporting <IR>
- ESG ratings/rankings
- TCFD-based reporting
- CDP reporting
- PRI reporting
- GRESB reporting





# 03

## SDGs as Pointers toward Common, Sustainable Future



# Few Boards of Directors have *Committee on Overseeing Impacts*



GRI 2: General Disclosures 2021

## **Disclosure 2-12** Role of the highest governance body in overseeing the management of impacts

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### REQUIREMENTS

The organization shall:

- a. describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development;
- b. describe the role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people, including:
  - i. whether and how the highest governance body engages with stakeholders to support these processes;
  - ii. how the highest governance body considers the outcomes of these processes;
- c. describe the role of the highest governance body in reviewing the effectiveness of the organization's processes as described in 2-12-b, and report the frequency of this review.

# Global developments: “Double Materiality”



## “Double Materiality”

SDG impacts *by* the company can become more relevant to the Board if they are considered together with impacts *on* the company (risks & opportunities)

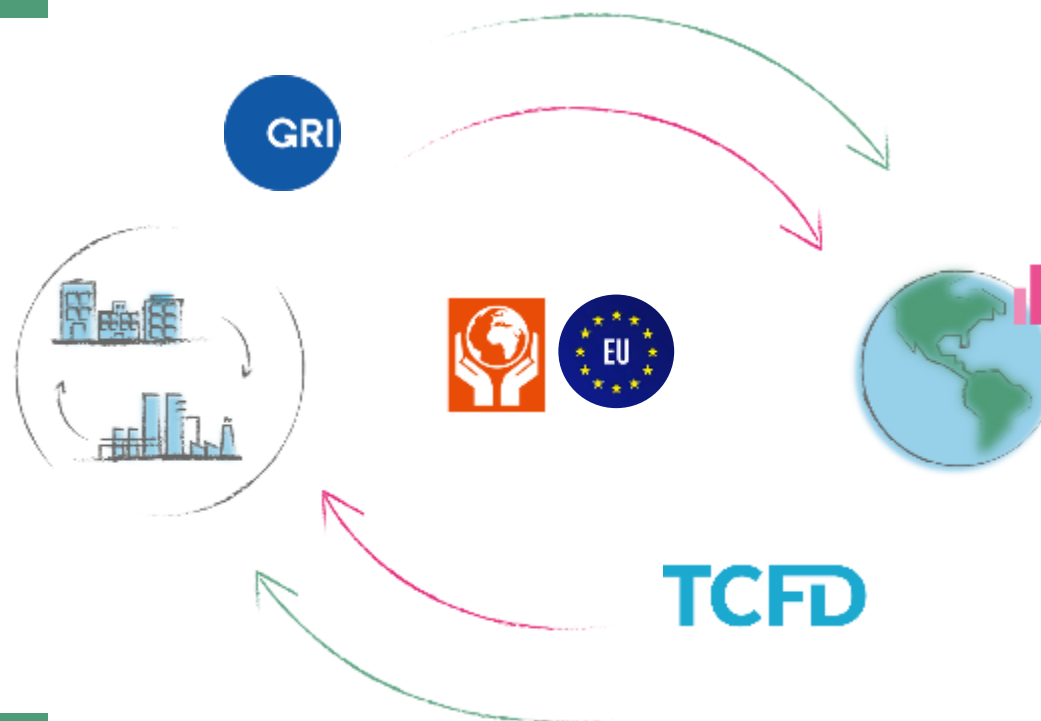
### Assessing materiality from two perspectives

- Impact on economy, people and planet
- Relevance for the long-term company success

Both must be considered together anyway in order to meet e.g. increasing regulatory European (EU) or Swiss requirements.

01

What are the most significant impacts of business activities on the economy, people and the environment?



02

How relevant is the topic for the long-term success of the company?



# Global developments: “Double Materiality”



## “Double Materiality”

SDG impacts *by* the company can become more relevant to the Board if they are considered together with impacts *on* the company (risks & opportunities)

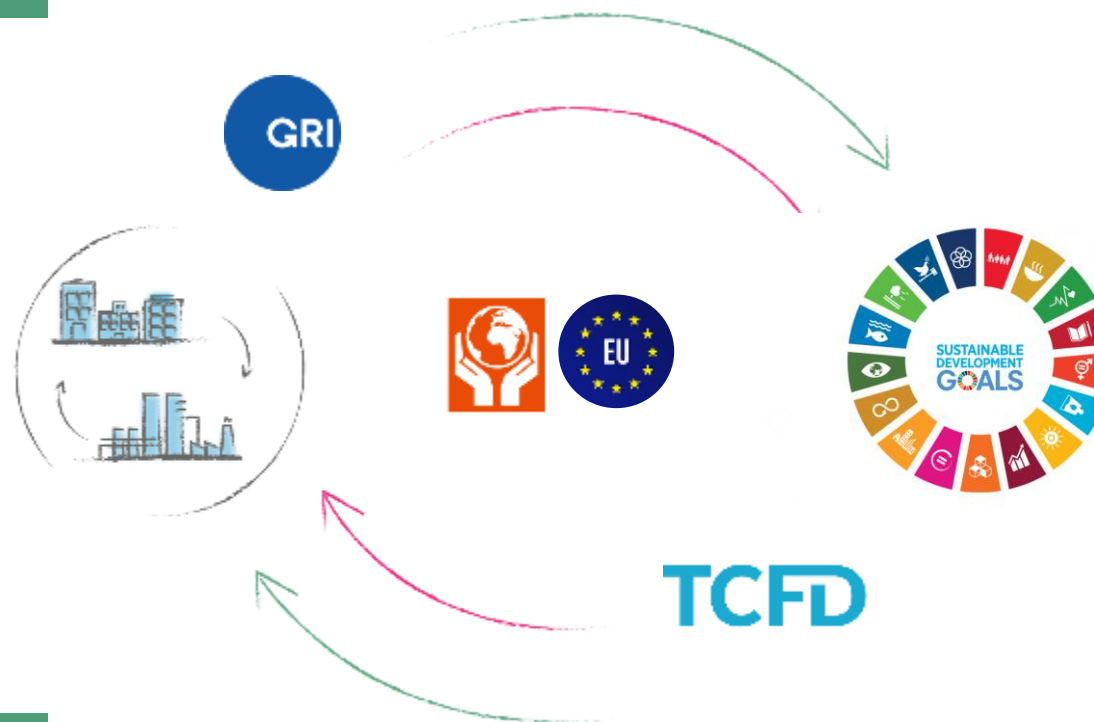
### Assessing materiality from two perspectives

- Impact on economy, people and planet. **Contribution to SDGs as proxy.**
- Relevance for the long-term company success

Both must be considered together anyway in order to meet e.g. increasing regulatory European (EU) or Swiss requirements.

01

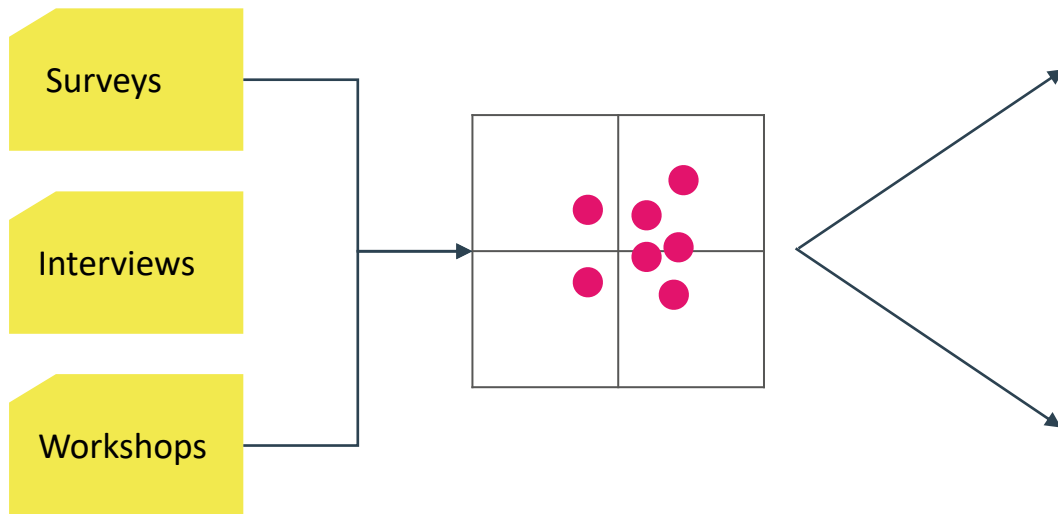
What are the most significant impacts of business activities on the economy, people and the environment?



02

How relevant is the topic for the long-term success of the company?

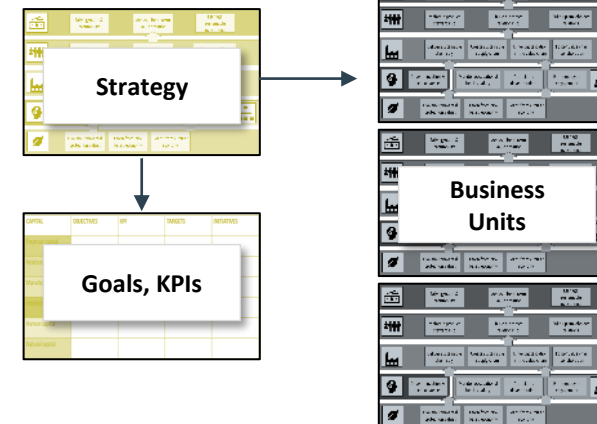
# What are Materiality Assessments used for?



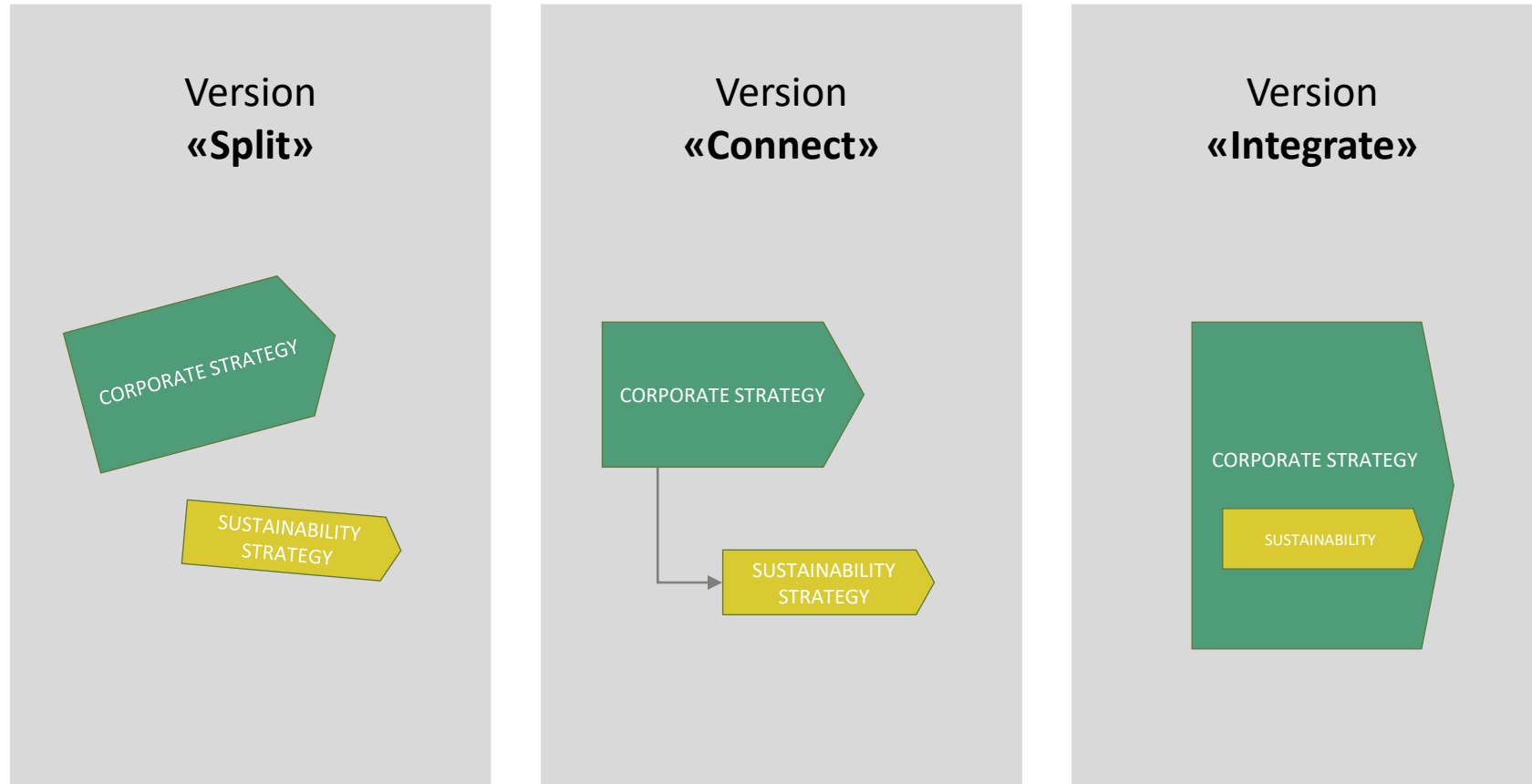
## External Reporting



## Internal Strategic Management



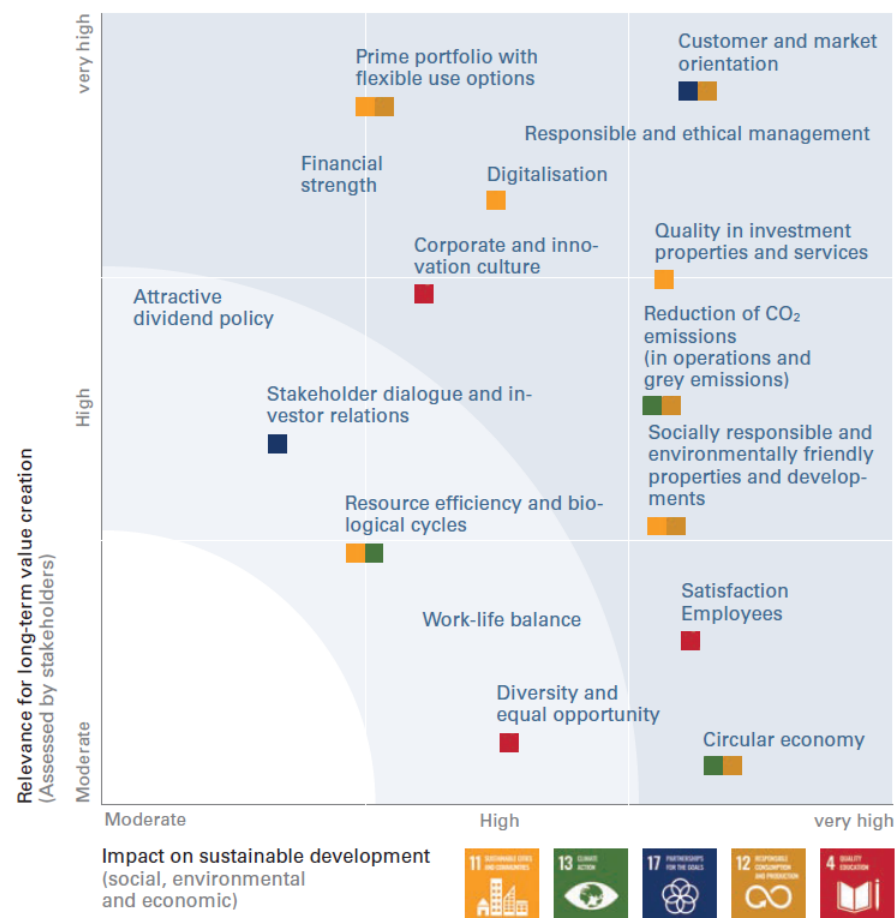
# Relating Corporate and Sustainability Strategy



# Example Materiality: Swiss Prime Site (SPS)



## Results of the materiality analysis



SPS: Leading Swiss real estate company

### Be focused:

Materiality process determined  
focused number of SDGs

- where SPS can make real difference,
- and where their actions create business risks or opportunities

<https://sps.swiss/en/group/investors/company-reports/2021>

# Example Strategic Goals: SPS








## Evaluation of key sustainability aspects

Swiss Prime Site aspires to generate sustainable value across the six value creation categories. Value creation is measured for the key issues within each category. The following table sets out these value creation mechanisms and the parameters used for monitoring

...

This perspective identifies to Swiss Prime Site **which financial and non-financial aspects should be prioritized in the development of its management.** Issues with high or very high materiality constitute the foundation for the overarching group goals.

## Partial Clipping of SPS Value Creation Area Overview

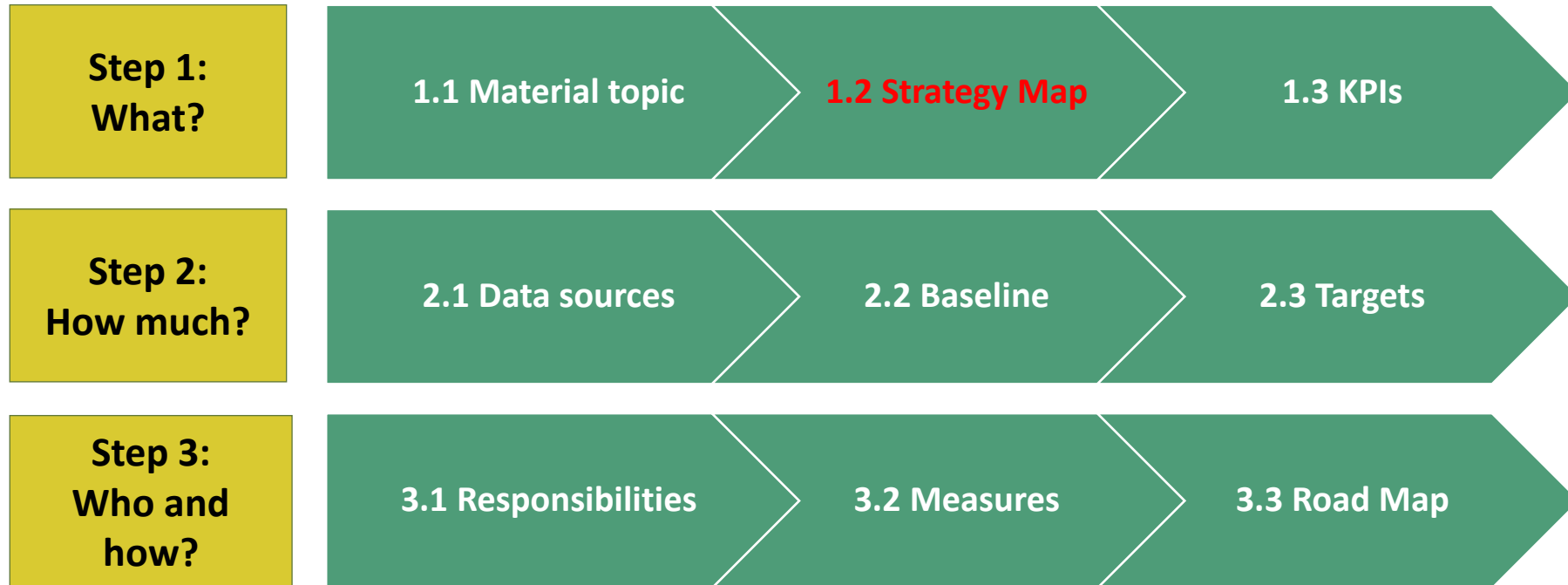
Area of action (capital)	Issues with high to very high materiality	Description	Parameters
<b>Infrastructure</b> 	Quality in investment properties and services	The portfolio of the group company Swiss Prime Site Immobilien consists of first-rate properties with a stable value in prime locations, primarily with office and services floor space, in the most densely populated regions and cities in Switzerland.	<ul style="list-style-type: none"> <li>– GRESB<sup>1</sup> performance score</li> <li>– Proportion of certified existing properties/spaces</li> <li>– Vacancy rate</li> <li>– WAULT<sup>2</sup></li> </ul>
	Prime portfolio with flexible use options Socially beneficial and environmentally friendly properties and development projects 	As its core business, Swiss Prime Site invests in high-quality, socially beneficial and environmentally friendly sites and properties. Conversions and developments create living spaces for customers and society as a whole that are in line with market needs and fit for the future.  Following the award of its FINMA licence, the group company Swiss Prime Site Solutions launched an investment fund in the reporting year that is aligned both with the group's sustainability strategy and the relevant goals and standards of the group.	<ul style="list-style-type: none"> <li>– GRESB development score</li> <li>– Proportion of development projects/spaces with a sustainability label</li> </ul>
<b>Innovation</b> 	Customer and market orientation 	In order to offer its customers sustainable and innovative products and services with the greatest possible added value, Swiss Prime Site relies on its employees' interdisciplinary knowledge transfer and expertise at every stage of the real estate life cycle. This also facilitates the ongoing development of its business model.	<ul style="list-style-type: none"> <li>– Innovation and accelerator workshops</li> </ul>
	Corporate and innovation culture 	Innovation drives sustainable management. Innovation and the related processes are an integral part of Swiss Prime Site's business and sustainability strategy. This enables innovation to be prioritised and integrated across all business fields and helps to promote an innovative corporate culture.	<ul style="list-style-type: none"> <li>– Investments in start-ups</li> <li>– Proportion of actioned ideas from internal Future Boards</li> <li>– Internal partnerships with subsidiaries or external partners</li> </ul>



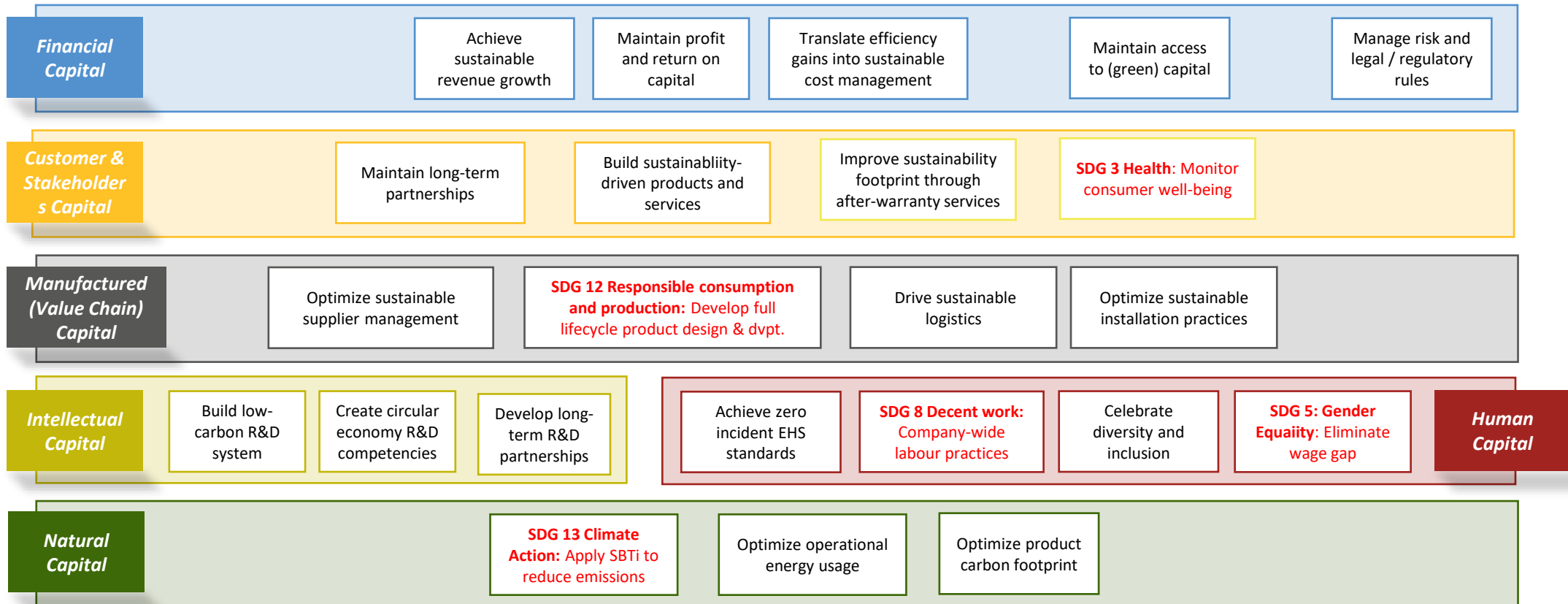
# Transferring material topics to the impact dimension



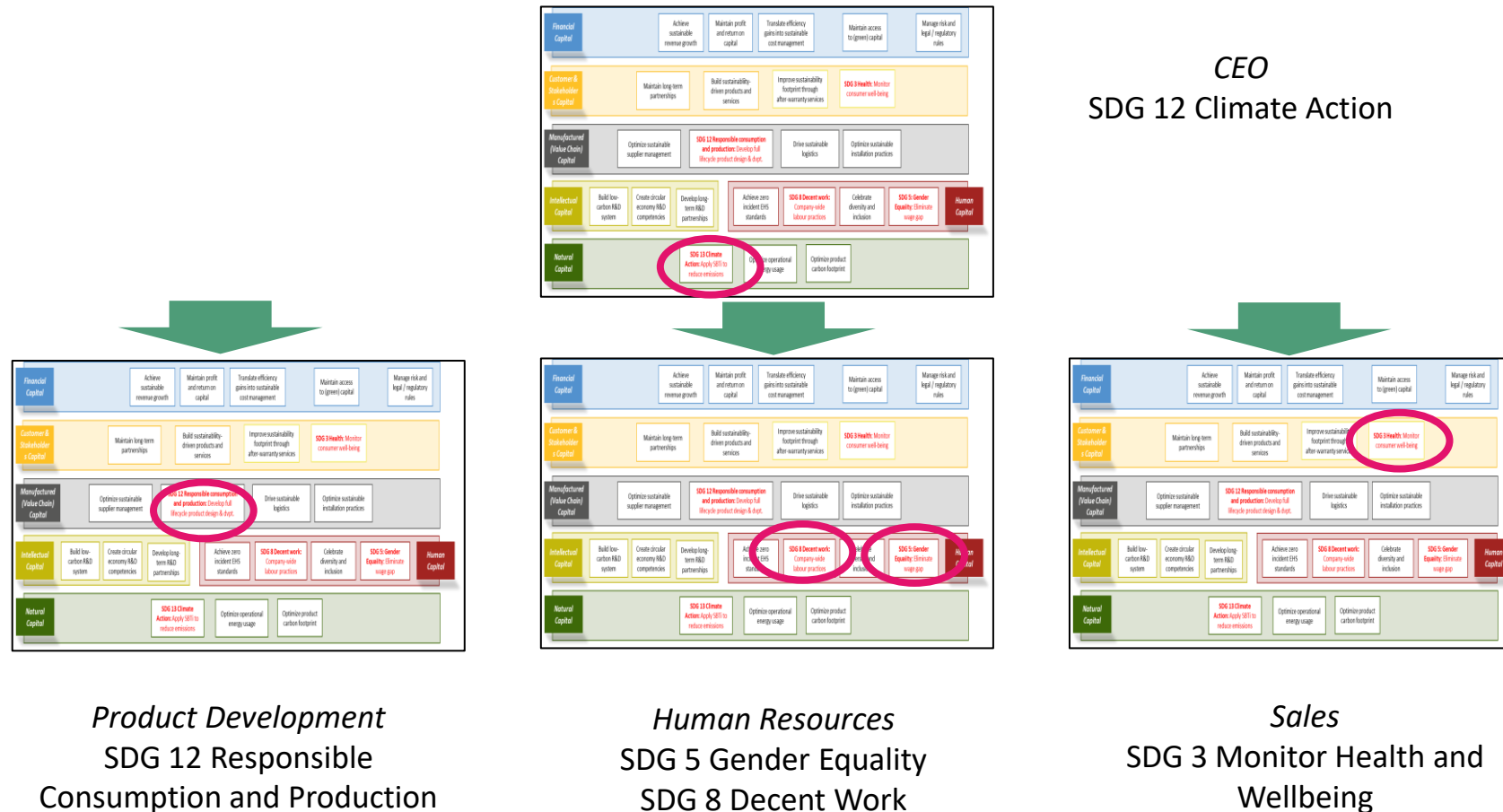
Sustainserv has developed a practical approach to define Key Performance Indicators, set targets and create a roadmap for implementation.



# Integrate material topics into Strategy Map and identify **links to SDGs**



# Operationalise goals and targets and cascade within the organisation



# Example: Specific Contributions: Geberit



People		Planet		Profit	
Employees & corporate culture	Health & safety	Resources & circular economy	Energy & CO <sub>2</sub>	Sustainable supply chain	Green production
Compliance & governance	Social responsibility	Water	Eco-design & sustainable products	Green logistics	Sustainable building



## Water



Geberit supports the economical and careful use of water along the value chain.

### Important facts and achievements 2021

- Almost 100% of the water consumed by Geberit can be attributed to the product usage phase.
- Since 1998, some 38,210 million m<sup>3</sup> of water has been saved to date through the use of water-saving flushing systems. In 2021 alone, the water saved amounted to 3,590 million m<sup>3</sup>.
- Water consumption in ceramic production reduced by 9.5% to 5.9 l/kg ceramic. 10.3% improvement since 2018, thus exceeding the three-year target (5%).

### Outlook for 2022 to 2024

- Registration of additional water-saving products in accordance with the European water label.
- Reduction of the amount of water consumed in ceramic production by a further 5% from 2021 to 2024 to 5.6 l/kg ceramic.



Ensure availability and sustainable management of water and sanitation for all.

Modules in the Geberit sustainability strategy that are relevant to this goal:

→ [Water](#)  
→ [Eco-design & Sustainable Products](#)

### Relevance for Geberit

The biggest environmental contribution made by Geberit products lies in the conservation of water, which is one of the pivotal aspects in the company's contribution towards sustainable development. Innovative Geberit sanitary products reduce the amount of water consumed and help to systematically optimise the way in which water is used in buildings while maintaining the highest hygiene standards – including in terms of drinking water.

### Geberit's contribution

- Geberit has a comprehensive range of products that facilitate sustainable sanitary solutions, and that contribute to increased quality of life with low water, resource and energy consumption and with environmentally friendly materials. Geberit's water footprint shows that nearly 100% of the water consumption is attributable to the use of products by customers. This is where Geberit's product portfolio comes into its own.
- The flushing cistern is the central element when it comes to water conservation. A model calculation shows that all Geberit dual-flush and flush-stop cisterns installed since 1998 saved around 3,590 million m<sup>3</sup> of water in 2021 alone in comparison with traditional flushing systems. Water conservation is the result of a balanced overall system. Reducing the flush volume in the cistern while at the same time ensuring that the WC pan is optimally flushed out is just as important as correctly dimensioning the drainage system.
- Stagnation and dirt in the drinking water system are among the greatest risks that can adversely affect the quality of the water in domestic installations. Geberit offers various solutions (e.g. hygiene filters, sanitary flush units) for ensuring drinking water hygiene in a reliable and economical manner.
- Thanks to targeted investments in research and development in areas such as hydraulics and virtual engineering, Geberit is working on developing innovations for the future. Here, Geberit regards eco-design as the key to environmentally friendly products and as an integral part of the development process. Eco-design has been an integral part of the development process since 2007 and has already been adopted in more than 170 development projects.
- For many years, Geberit has been supporting the development of standards initiated by the sanitary industry aimed at helping products that use resources and water as sparingly as possible to be a success on the market. Geberit thus contributed to the launch of a new European water label for sanitary products from the European Bathroom Forum (EBF).

<https://reports.geberit.com/annual-report/2021/>

# Example Specific Contributions: AstraZeneca



## Contribution to UN SDGs

The 17 interconnected United Nations Sustainable Development Goals (SDGs) are a global call to action, to address poverty, injustice, and inequality, whilst tackling climate change.

We evaluate our contribution to the SDGs by connecting them to our targets, annual progress, material focus areas and future strategic direction.



**Be specific:**  
SDG target-level contributions from AstraZeneca Sustainability Report 2021

[https://www.astrazeneca.com/content/dam/az/Sustainability/2022/pdf/Sustainability\\_Report\\_2021.pdf](https://www.astrazeneca.com/content/dam/az/Sustainability/2022/pdf/Sustainability_Report_2021.pdf)



# Example Target Accountability: AstraZeneca



## Environmental protection

The health of the planet impacts all life worldwide

Our ambition:

Accelerating the delivery of net zero healthcare, proactively managing our environmental impact, and investing in nature and biodiversity

Connection to health:

Supporting a healthy environment helps prevent the onset of certain diseases and improve health outcomes



Contributing to the Sustainable Development Goals, a universal blueprint for prosperity for people and the planet, now and into the future.

SDG 6 | Clean water and sanitation

SDG 7 | Affordable and clean energy

SDG 12 | Responsible consumption and production

SDG 13 | Climate action

SDG 15 | Life on land

SDG 17 | Partnerships for the goals



### Key targets and progress

#### 2025 target

Ensure 90% of active pharmaceutical ingredient (API) syntheses meet resource efficiency targets at launch

**Status: Lagging**

#### 2021 update

Since 2015, 75% of projects (three of four) have met defined resource efficiency targets.<sup>8</sup> In 2021 a new oncology medicine met its Process Mass Intensity<sup>9</sup> (PMI) target at launch and we achieved a PMI reduction of 14% across the late stage project portfolio

#### 2022 target

Ensure 100% of AstraZeneca owned and ≥90% of supplier site discharges are in compliance with safe API discharge concentrations

**Status: On Plan**

#### 2021 update

100% of API discharges from AstraZeneca sites demonstrated as safe.<sup>1</sup> 91% of API discharges from globally managed direct suppliers demonstrated as safe.<sup>1,2,3</sup>

We follow a life cycle approach that covers all stages of our products

API production and formulation

disposal (end-of-life or reuse)

patient use

distribution

device production

packaging



# 04

## Recommendations



# Wrap-up and some recommendations



- To ensure relevance of SDG contributions for corporate strategy and visibility of SDGs to the Board, incorporate SDG-impact perspective in **double materiality approach**, looking both at
  - external impacts by the company (using SDGs as proxy)
  - risks and opportunities created for the company
- **Be focused:** determine those SDGs where the company can make real impact
- **Be specific:** articulate SDG contributions with concrete links to business model, corporate goals and initiatives
- **Be accountable:** disclose short- to long-term strategic targets, and **both current achievements and open challenges**

# Thank you very much

## Sustainerv

Auf der Mauer 2  
8001 Zürich  
Schweiz

zurich@sustainerv.com  
+41 43 500 53 00  
www.sustainerv.com



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