

Sustainable Supply Chains. Dealing with the right projects

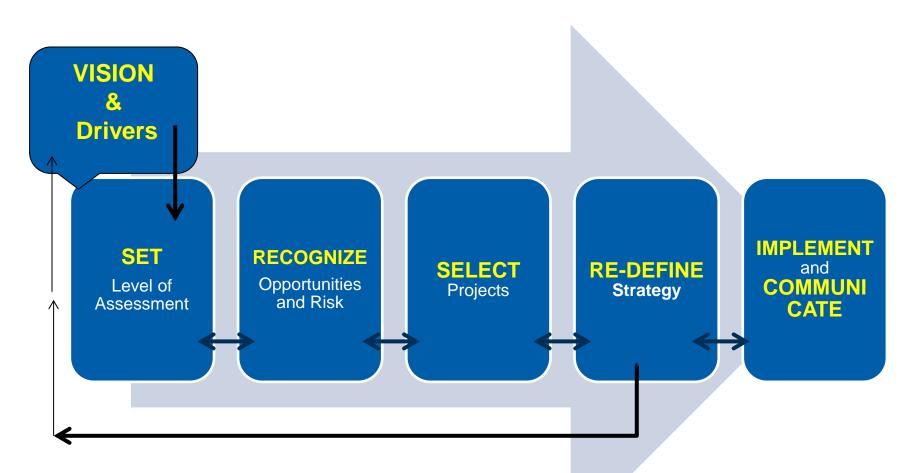
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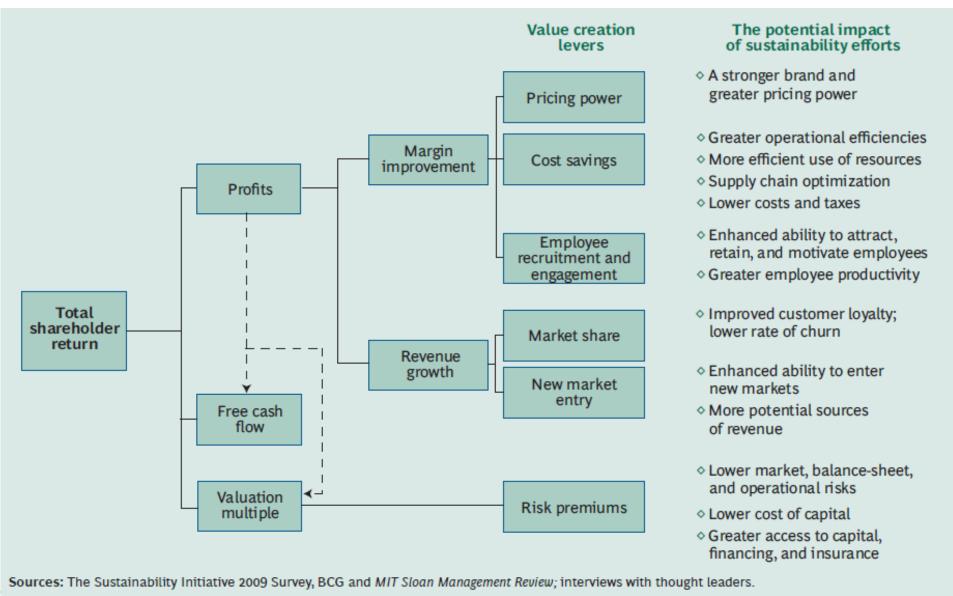
Framework for Corporate Sustainability Planning



UC Berkeley, Haas, Corporate Sustainability framework Romero-Hernandez et al., 2011



Adding value through Sustainability







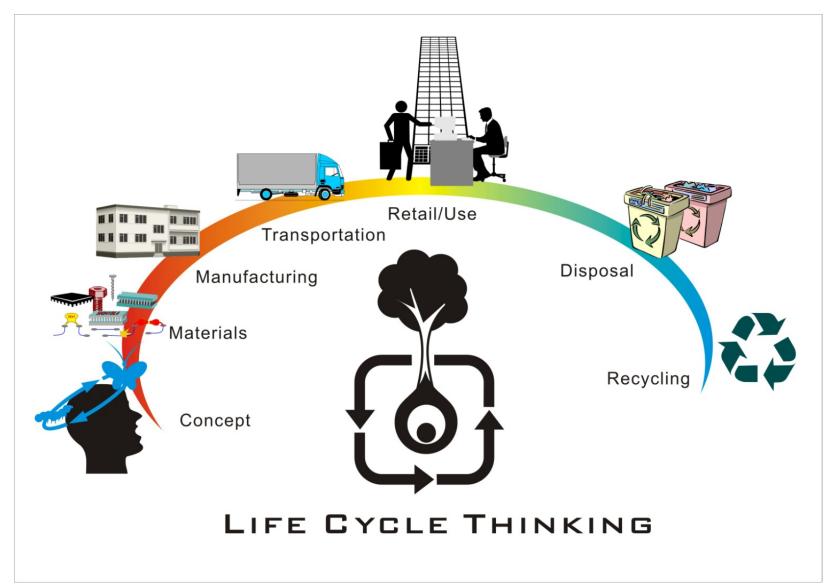


Supply Chain Sustainability is the management of environmental, social, and economic impacts, and the encouragement of good governance practices, throughout the lifecycles of goods and services.

UN Global Compact







http://www.dlinkgreen.com/greensupplychainmanagement.asp



LIFE CYCLE THINKING

Key considerations for green design of products and services

Materials	Manufacturing	Retail	Product in use	Product end of life
Reduce your raw materials where possible and look for more environmentally friendly options.	Where possible, change the manufacturing process to reduce energy and water use. Simplify the product packaging design to reduce the number and volume of materials. Cut out waste from production processes where you can.	Redesign packaging where possible. Can your products be distributed in a more environmentally friendly way?	Think about your product life cycle – can it be extended by making the product easier to repair? Can the life of any wearing parts be extended to reduce the environmental footprint of your product? This is likely to be appealing in an environmentally conscious market.	Reuse: Encourage the re-use of the product Re-cycle: Redesign the product and its packaging to maximise what can be recycled at the end of life Disposal: Minimise packaging, especially if it can't be recycled

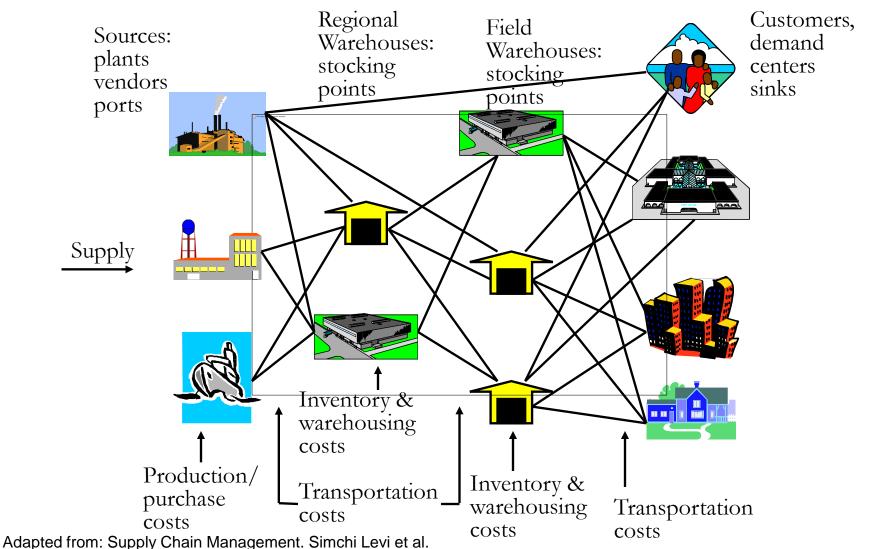
Source: The Carbon Trust



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ENVIRONMENTAL, SOCIAL AND ECONOMIC IMPACTS EXIST THROUGHOUT EVERY STAGE OF SUPPLY CHAINS

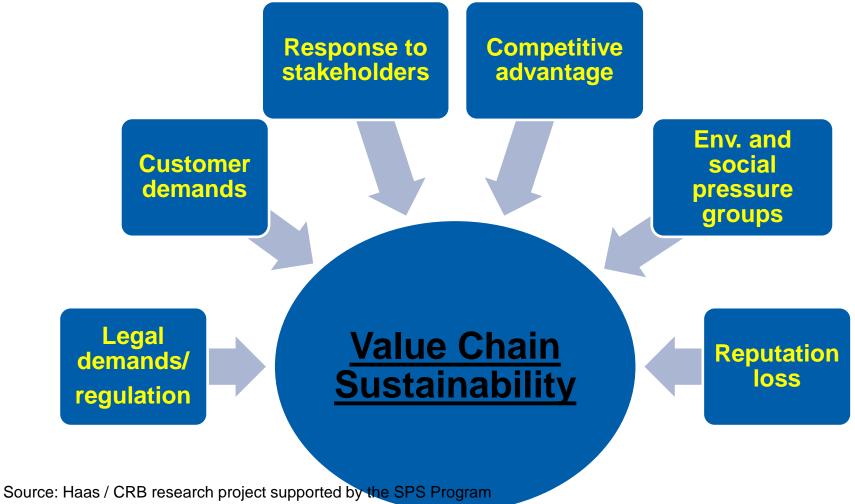




Global Sustainability Summit Seattle, USA 08.15.2013 © Omar Romero-Hernandez oromero@haas.berkeley.edu



Pressures for supply chain sustainability



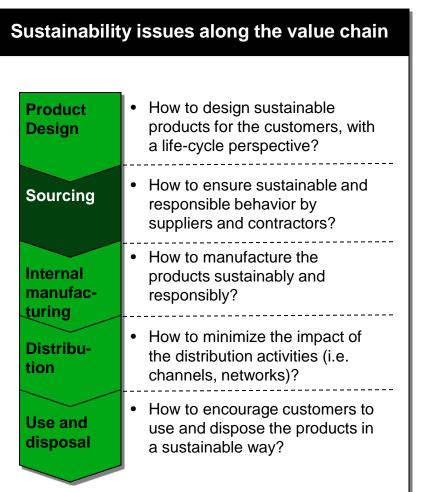


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Sustainability requires and end to end vision of the value chain... here is an example on sourcing

Findings structure Rationale for companies to Motivation address sustainability / Relevance Importance on focusing on supply chain Key issues to consider for How to implementing a sustainable supply chain strategy implement Specific topics that companies What are addressing, within the issues to social, environmental and address product dimensions



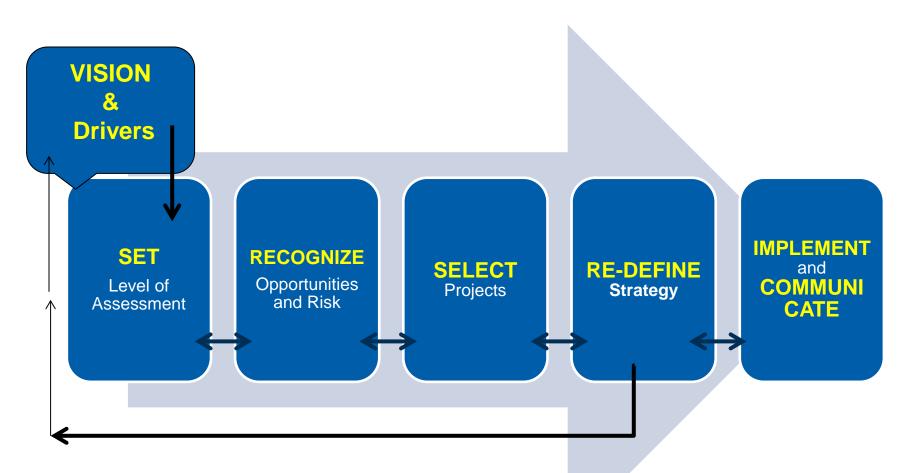
Source: UC Berkeley. Developing a world-class supply chain sustainability strategy, Ru Bai, Alon Cohen, Evan Wiener, Luis Lopez



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Framework for Corporate Sustainability Planning



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A Framework for Corporate Sustainability Planning

VISION & Drivers

SET Level of Assessment

RECOGNIZE
Opportunities
and Risk

SELECT Projects **DEFINE**Strategy

MPLEMENT and MONITOR

Involves UNDERSTANDING of current state (internal & external), along with expectations, ambition and trends.

- HIGH level assessment
- 2. ASPECT- and IMPACT-weighted criteria assessment
- 3. PROCESS level analysis





2.1 Materiality Analysis

RECOGNIZE Opportunities and Risk

- 2.1 Materiality Analysis
- 2.2 Stakeholder Analysis
- 2.3 Risk Analysis

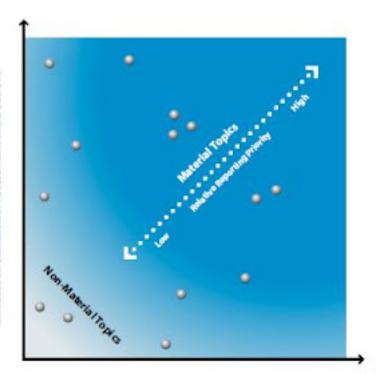


2.1 MATERIALITY ANALYSIS



The **GRI** defines <u>materiality</u> as:

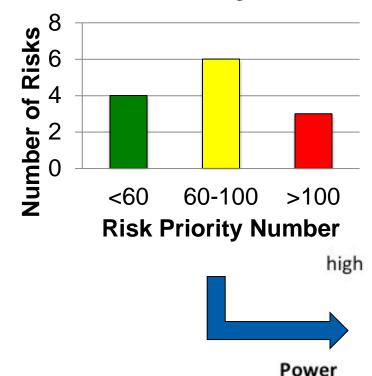
- Topics and indicators that: reflect the <u>organization's significant impacts</u> (economic, environmental, and social) or
- that would <u>substantively influence</u> the assessments and decisions of stakeholders.



Significance of Economic, Environmental, and Social Impacts



Risk Analysis



low

Source:

Nick Pabo, Betul Balci, Ganesh Ananthanarayanan, MBA290P, Fall 2012



Stakeholder Analysis

Local Government
Regulatory Agencies

Harvest board and upper management

Electric Company

Construction Contractor

Waste Generators

Monitor

Local residents

Compost Buyers

Local Activists

nformer

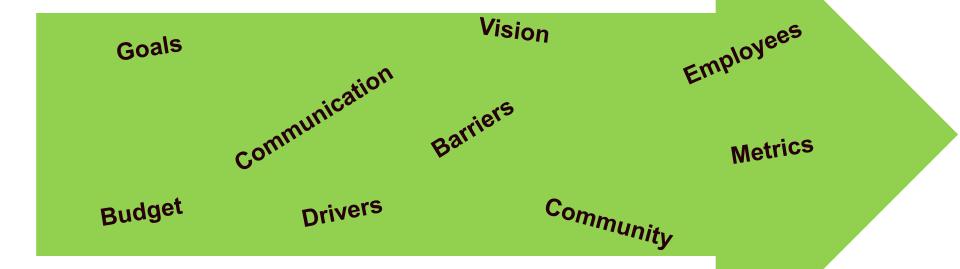


low

Interest

high





Many possibilities, many opportunities, a lot of information...

Guess what... a lot of this may affect (positively or negatively) the BRAND...





CSR and Sustainability

can transform a brand.





Principles for Conveying your MESSAGE

- 1. Authenticity
- 2. Fit
- 3. Consistency
- 4. Simplicity
- 5. Fun & Positive
- 6. Targeted
- 7. Story-Telling
- Social Media



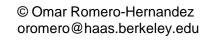
It's About Solutions

PRODUCTS AND SERVICES INVESTOR RELATIONS OUR COMPANY

ENERGY INNOVATION CAREERS

Solutionism. The more we talk together, the more we solve together.







18/

Solutionism. The new optimism:

at giantchalkboard.com

So, please take away the following:

No sustainability strategy... no long term gain In-House improvements... just a small picture of the whole animal

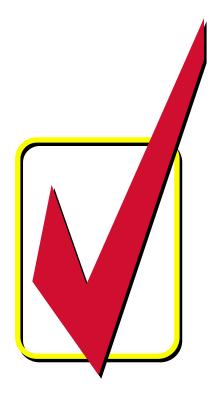
Look into the value chain... find out where the opportunities are

Achievements = perception... find out the best way to communicate your gains

It takes one event to waste years of build up reputation...







Global Sustainability Summit

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Seattle, USA

