Strategic sustainability frameworks
– why the need, what they do, what they deliver
As companies have made more progress on sustainability and corporate responsibility, and both areas have become more central to corporate strategy and performance, one of the biggest new developments has been the attempt by companies to define their ambitions and their approach to sustainability and CR and to formalize this into some sort of plan or framework.

Like them or not (and most people seem to like them), Unilever’s Sustainable Living Plan and Marks & Spencer’s Plan A set the early benchmark for many others to follow. The needs that prompt these frameworks are quite layered and can be different from company to company. Some needs are deeply commercial and strategic, some are more messaging and communications focused – and in reality they all interconnect.

In our experience the questions and needs they are addressing include:

- **Responding to symptoms of success:** a company can find that in making serious commitments to this agenda it ends up with disparate activities and initiatives and needs to be brought together.
- **Connecting the outside in:** done well, the frameworks clearly link to the external pressures and the business needs.
- **Setting direction and ambition:** a framework helps to define what good looks like; it paints a picture of the destination you are aiming for and how high you are trying to jump.
- **Inspiration:** the approach should capture the imagination and act as a beacon for what the company wants to achieve. This is where the blend of science/substance and creative thinking is needed.
- **Define measurement:** companies measure themselves and ask to be measured against their framework, so they become a key part of the performance management toolkit for the business.
- **Drive internal understanding and change:** the goals, targets and ambitions are almost always as much about making the programme as clear internally as it is externally. And they are most often a rallying call for change – indeed if they don’t support change then they are just wallpaper.
- **Memorability:** it’s a fact that sustainability can be boring and can turn people off. By calling their framework ‘Sharing Beauty With All’, L’Oréal was pointing to its business strategy in a way that targets alone never can.

Create a platform for engagement with stakeholders: in many cases companies feel they need a platform and a reference point to start engaging with critics and external stakeholders. Not only is it a framework useful for this, the leading companies bring stakeholders in to help create the framework.

- **How to align with business strategy:** this one is fundamental. For sustainability/CR to be credible, now it has to show how it supports and even enhances the delivery of the commercial business strategy. That’s why so many frameworks are called ‘plans’ – because it helps them align to the main business planning language and priorities.

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The responses to all these challenges come in many shapes and sizes, reflecting each individual company’s issues, ambitions, maturity on sustainability/CR, culture, and often the leadership’s style and personal commitment.

We work on many of these programmes at Salterbaxter, sometimes on the end-to-end process, and sometimes on individual components of the process. Indeed, these programmes are by definition a collaborative process with the client’s teams, blending external challenge and experience with internal knowledge. We dissect three of these over the coming pages, to help demonstrate the pieces that are needed, the problems they are solving, the inputs that drive them and the choices and thought processes that companies apply.

With the launch of the UN Sustainable Development Goals (SDGs) and as many companies approach the next phase of goal setting (many are now looking to set new plans as their 2020 goals and targets mature), we can expect to see a lot more frameworks, plans and commitments taking shape.

**Who is it for?**

A strategic framework provides a way of organising your ambition and sustainability goals in an easy-to-understand way.

- **Employees**
  - It makes it easy for employees to understand what the overall vision is that they are working towards; what the areas of focus are for sustainability; and how they can contribute.

- **Investors**
  - It enables investors to understand the sustainability strategy at-a-glance – and this is rising ever higher up their agenda. Blackrock CEO Larry Fink, in his 2017 annual letter to CEOs, called out the importance of ESG factors – “We look to see that a company is attuned to the key factors that contribute to long-term growth: sustainability of the business model and its operations, attention to external and environmental factors that could impact the company, and recognition of the company’s role as a member of the communities in which it operates.”

- **Suppliers/partners**
  - It makes it clear to suppliers what your company priorities are, as they are often central to delivery of these.

- **NGOs**
  - It provides a strong basis for engagement with NGOs.

- **Sometimes consumers**
  - And whilst the framework itself might not be directly communicated to consumers, apart from being on the website for those consumers who are most interested, it does provide structure to the areas that you communicate to consumers on, and ensure that you have the substance to take a stance on the issues that matter most to them.
What is it?
A good strategic framework is like a Swiss army knife. Well designed, neatly fitting together many moving parts, highly functional and with a multitude of uses.

We’re not suggesting that it will open a bottle of wine – but it will open doors with stakeholders. It might not cut through a block of cheese on a camping trip – but it will cut through the communications noise, internally and externally. And whilst you might not be able to use it to sew on a button in an emergency, it can help to thread together your social and environmental sustainability ambitions in a cohesive manner.

So how does a strategic framework manage to achieve all these things?

Let’s take a closer look at its parts.

1. Naming
A good framework needs a name – and in this case the ambition statement provides this overall direction for the company. It might be called a vision if it is a statement of what your company would like to achieve with some blue-sky thinking thrown in. It might be a commitment if it is an expression of what you are going to make happen. It might be an ambition if you want to leave things a little looser. These are all some of the choices that can be made during the process.

2. Ambition
A good framework needs a frame – and in this case the ambition statement provides this overall direction for the company.

3. Focus areas
What are the three or four areas that matter most to your business and where you can make the biggest difference? A framework enables you to draw attention to these. One common complaint from clients is that they are not getting the recognition that they think is due for their work. A reason for this is often that they are communicating on 7, 15, 20 different things at the same volume – and there is only so much internal and external stakeholders can take in. By having 3-4 key areas, you can keep the conversation focused, and you are much more likely to get credit for your work in these areas. And a funny thing happens – because you are focusing in some key areas, there then tends to be an assumption that you are doing similarly good things in other areas of the corporate responsibility or sustainability agenda.

4. Big goals/commitments
One of the key reasons that Unilever is viewed as a leader is because of its big goals. “Double our size whilst halving our impact” must be the most quoted sustainability goal ever. Having similar big goals or commitments gives your framework “teeth.” An ambition/commitment/vision is an inspiring (hopefully) set of words. The big goals or commitments provide the substance. What are you actually going to achieve? What does the end goal look like for you? You don’t need to know how you’re going to get there – but you do need to be ready to engage your organisation to unleash the innovation that’s required. We’re now only three years away from 2020, so if you’re looking at setting big goals now then it is likely to be in the 2025 or 2030 timeframe.

5. Targets
This is where you start to get into the details, and need to engage subject matter experts across the business. Targets should be aligned with the focus areas and big goals. They provide the milestones and the immediate focus for the organisation, and serve as a bedrock for your reporting. If you have set 2025 or 2030 big goals, targets might have a 2020 timeframe and then get reset.

6. Responsible operations
A question that is frequently asked of us during the development of frameworks is ‘what happens to the day-to-day operational sustainability elements such as health and safety or ethics?’ It is useful to capture these in one place in a layer which might be called ‘responsible operations’ or similar. You can add in more detail as required depending on the audience that you are presenting to.

7. Design
There are Swiss army knife imitators, but none have reached the iconic level of the original. This is in large part due to the design. It is the same with your strategic framework. All of the thinking that has gone into getting you to this point deserves better than PowerPoint rectangles with drop shadows. Good design, in keeping with your brand, will help your audiences to ‘get it’ and enable it to become a covetable communications tool that your colleagues will want to share and use.
Elior Group is a global catering company which caters for 4.4 million customers a day across its 23,000 restaurants. It has a big opportunity to make a positive impact, from how ingredients are sourced to the choices provided to customers. They launched their Positive Foodprint Plan in 2016.

The ‘Positive Foodprint Plan’ is a distinctive, memorable name. It captures the positive impact that Elior Group is committed to having throughout the value chain. ‘Foodprint’ is an idea which Elior Group can build on and own in regards to measuring both its environmental and social impacts.

Based on a materiality analysis, Elior Group’s sustainability strengths, megatrends research and the UN SDGs, Elior Group developed four externally focused pillars. Each one aligns with one of the UN Sustainable Development Goals. Healthy Choices supports SDG3: Good health and wellbeing. Sustainable Ingredients contributes to SDG2: Zero hunger. A Circular model aligns with SDG12: Sustainable consumption and production. And Thriving People and Communities contributes to SDG 8: Decent work and economic growth.

Each of the pillars has a clear, measurable big goal, with an end date of 2025. These are supported by easy-to-understand priority areas for each of the pillars.
SUSTAINABILITY PLAN

Our sustainability vision

We will deliver for today, growing a low-carbon, zero-waste business, and inspire and lead change for a more sustainable tomorrow.

Our strategic priorities

Deliver for today
On our commitments and targets

Lead the industry
In Energy and Climate Change and Sustainable Packaging and Recycling

Innovate for the future
Opportunities for innovation, collaboration and partnership

Energy and Climate Change

We will reduce the carbon footprint of the drink in your hand by a third by delivering carbon reductions throughout our value chain.

<table>
<thead>
<tr>
<th>Focus Area</th>
<th>Target</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon footprint</td>
<td>Reduce the carbon footprint of the drink in your hand by a third</td>
<td>2020</td>
</tr>
<tr>
<td>Carbon footprint core businesses</td>
<td>One of our key focus areas is to reduce the absolute carbon footprint of our core businesses by 20 percent</td>
<td>2020</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>Manufacture every liter of product with 15 percent less carbon emissions</td>
<td>2030</td>
</tr>
<tr>
<td>Transportation</td>
<td>Deliver a case of product with 30 percent less carbon emissions</td>
<td>2020</td>
</tr>
<tr>
<td>Cold drinks equipment</td>
<td>Reduce the carbon emissions from our cold drinks equipment by an average of 50 percent</td>
<td>2020</td>
</tr>
<tr>
<td>Renewable and low carbon energy</td>
<td>Source 40 percent of our energy from renewable or low carbon sources</td>
<td>2020</td>
</tr>
<tr>
<td>Supplier collaboration</td>
<td>Work in partnership with our suppliers to reduce carbon emissions across our value chain</td>
<td>Ongoing</td>
</tr>
</tbody>
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Sustainable Packaging and Recycling

Coca-Cola Enterprises has eight focus areas but has two clear priority focus areas in which it has committed to lead the industry. Sustainable Packaging and Recycling is one of these priority focus areas.

<table>
<thead>
<tr>
<th>Focus Area</th>
<th>Target</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recycling Recyclability</td>
<td>Continue to ensure that 100 percent of our cans and bottles are fully recyclable</td>
<td>2020</td>
</tr>
<tr>
<td>Recycling PET bottles</td>
<td>Ensure that 40 percent of the PET we use is recycled PET and/or PET from renewable materials</td>
<td>2020</td>
</tr>
<tr>
<td>Recycling PET bottles</td>
<td>Source 40 percent of our energy from renewable or low carbon sources</td>
<td>2020</td>
</tr>
<tr>
<td>Recycling PET bottles</td>
<td>Support the development of infrastructure and technologies to enable recycling of all other packaging materials</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Recycling Supplier sustainability</td>
<td>Increase packaging recovery rates by using our brands to educate and inspire consumers to recycle more often</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Recycling Packaging innovation</td>
<td>Increase packaging recovery rates by using our brands to educate and inspire consumers to recycle more often</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

In 2014, Coca-Cola Enterprises undertook a review of its progress and listened to feedback from stakeholders. As a result, the underlying targets were updated, whilst the top-level framework, shown here, remained the same.
L’Oréal’s ‘Sharing Beauty with All’ sustainability framework is one of the most distinctive in terms of its framing – placing sustainability firmly in the context of the industry, with an aesthetic to match.

The structure of L’Oréal’s framework is to have an inspiring vision, supported by measurable commitments in four focus areas.

The four key focus areas for L’Oréal are captured in an elegant ‘flower’ diagram.

L’Oréal has framed concrete 2020 commitments in each of its four focus areas. These are the targets as published at launch in 2013 and they have been updated since then.

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Our external experts will influence our social and environmental performance.

To make sure we deliver against our vision, we have created a framework with four clear commitments, which will help us to measure our progress.

These commitments are supported by targets.

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ABOUT US

We are the leading international sustainability strategy and communications consultancy. We help companies and brands Step Up to the challenge of the changing relationship between business and society.

We combine smart strategy, savvy insights and sharp creativity to help business build purpose, deliver performance and drive transformation.

How we help our clients:

- Stakeholder analysis and engagement
- Benchmarking
- Materiality
- Social media management
- Influencer engagement
- Advisory Boards
- Strategic frameworks
- Strategy development
- Communication frameworks
- Reporting
- Campaigns and content

Purpose
Performance
Transformation

Keep up-to-date on our latest thinking and events on Twitter @salterbaxterMSL