



SUSTAINABILITY ADVANTAGE

David Trewin

Manager Business Partnerships



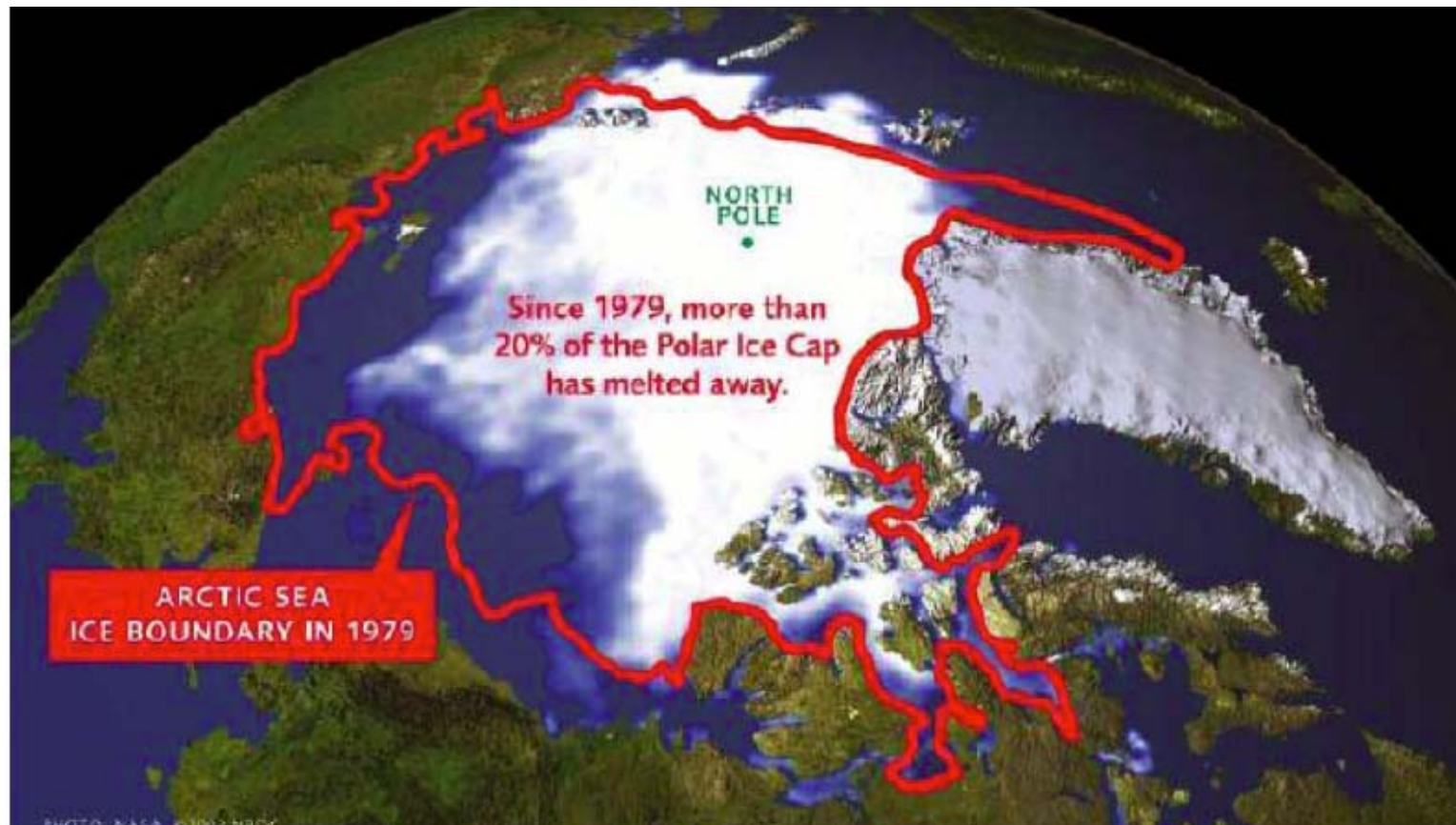
So what's the problem?

- **Unsustainable use of resources**
 - **Climate Change**
 - **Disappearing forests, fisheries, cropping lands and plant and animal species**
- ➔ **Danger of ecological collapse**





The North West Passage





WHY SUSTAINABILITY ?

- **The right thing to do**
 - **Climate change**
 - **Community licence to operate**
- **Mitigate risk**
- **Realize opportunities**
 - **Reduced risk and compliance costs**
 - **Savings through efficient resource use (raw materials, energy and water) and reduced waste**
 - **Improved reputation and “intangible” value**
 - **‘Supplier of choice’ - innovative green products**
 - **Improved employee satisfaction, retention, productivity**



Profiting from Resource Efficiency

Resource Efficiency

- Reduced resource use (raw materials, energy and water)
- Lower volume and toxicity of waste

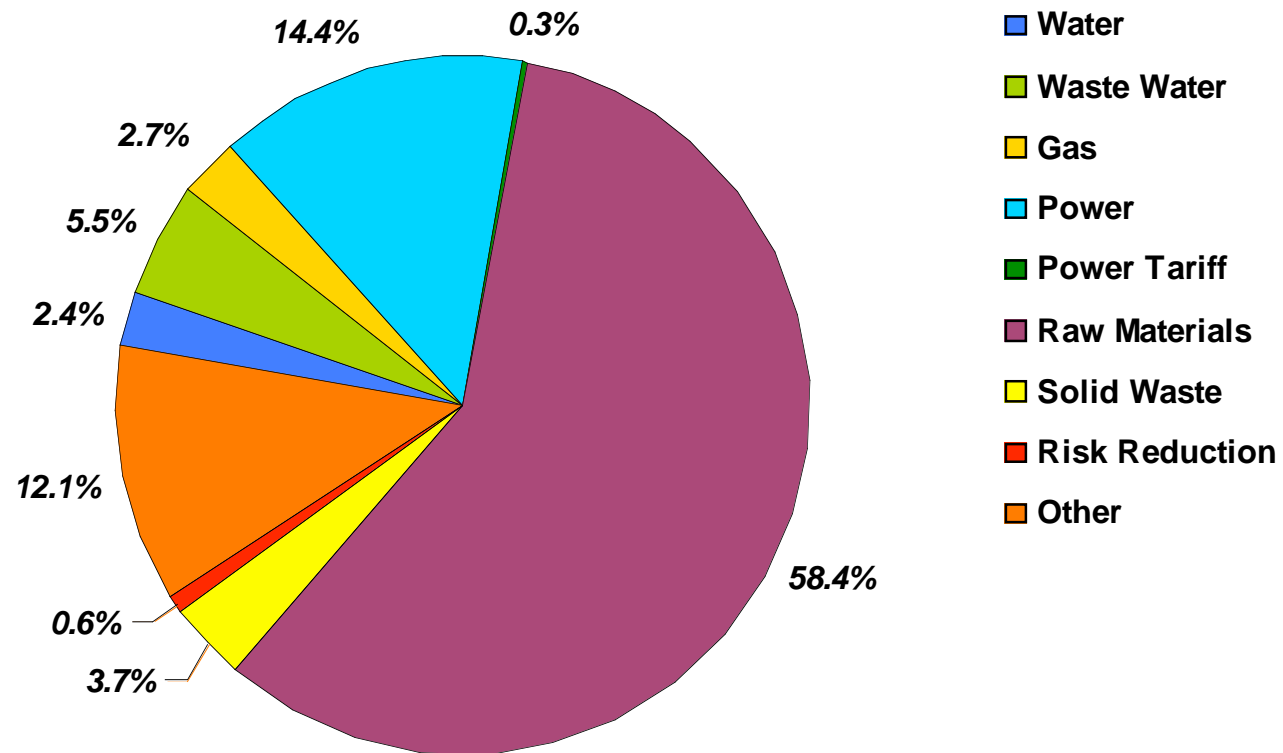
Industry Partnership Program

- 2002–2006: 340 companies
- \$11million & 35,000 tonnes of CO₂

Savings breakdown



Total Annual Savings
Resource Efficiency Program Companies Facilitated By Advitech
October 2000 to October 2006





Intangible Value

- Reputation accounts for 70 % - 80% of company value (WBCSD)

BUSINESS VALUE – TODAY

Tangible Financials

- Financial targets
- Investments
- Assets

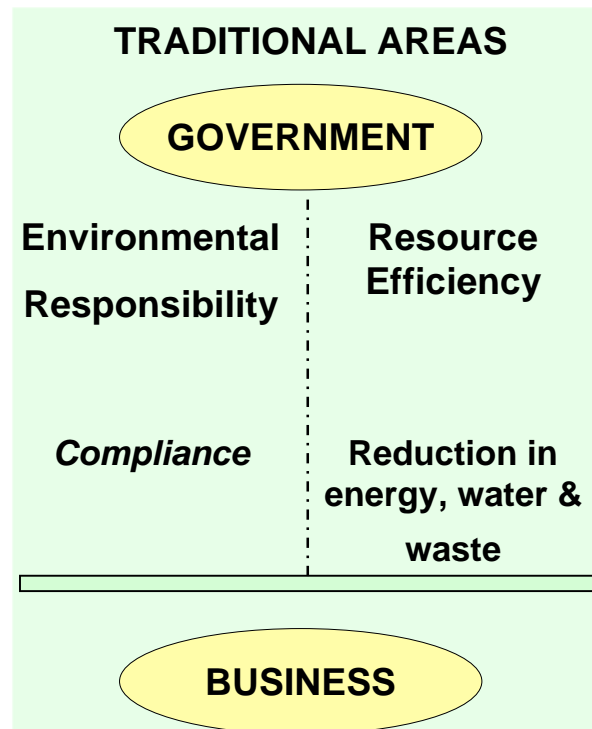
Intangible Values

- Reputation
- Employees
- Shareholders
- Customers
- Stakeholders
- Banks
- Productivity
- Competitors
- The media
- NGOs
- Communities



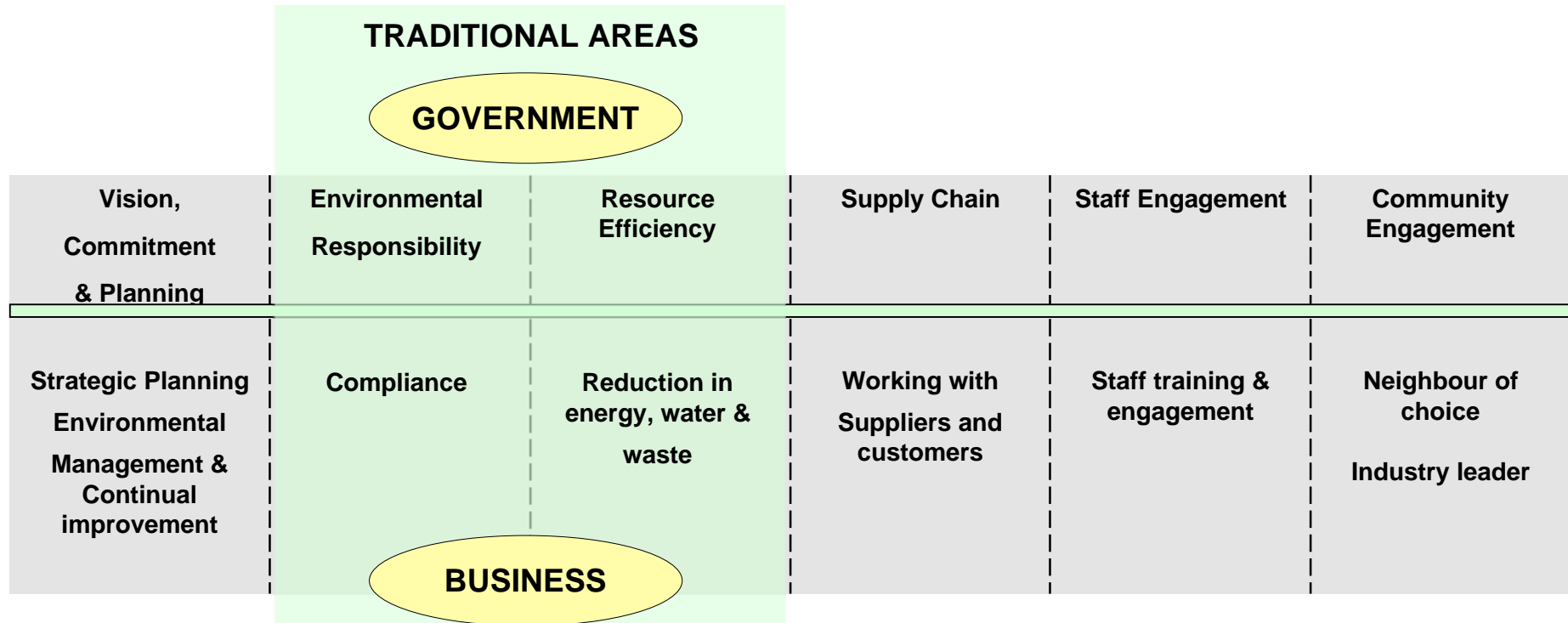


Environmental Action – Traditional Approach



- **Resource efficiency success**
→ **What next ?**
- **Want to improve, but...**
 - **Where do we start?**
 - **Prioritise, ‘pull it together’ and add value**
 - **Holistic rather than ad hoc?**

Sustainability Advantage



Based on:

- Your environmental priorities and agenda
- Adding business value - mitigate risk and maximise opportunities
- No additional work – ‘accelerate’ and complete existing commitments e.g. Water Plans, NPC



Sustainability Advantage

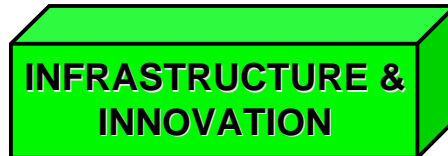
The Principles

- **The right of business to profit and grow**
- **Accelerate the environmental priorities of individual companies**
- **Add business value by mitigating risk and maximising opportunities**

Sustainability Advantage Diagnostic



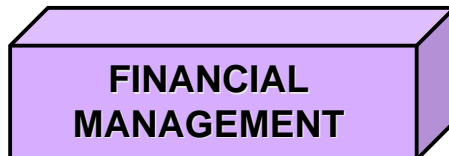
ACHIEVEMENT
10.1 Achievement in the past 12 months



INFRASTRUCTURE & INNOVATION
*8.1 Land management, transport, toxic materials
8.2 Innovation & new technology*



MEASUREMENT & VERIFICATION
*9.1 Metering & Monitoring
9.2 Reporting, feedback and control systems
9.3 Documentation and records*



FINANCIAL MANAGEMENT
5.1 Operating and Capital Budgets



SUPPLY CHAIN MANAGEMENT
*6.1 Raw Materials and Equipment
6.2 Product Stewardship*



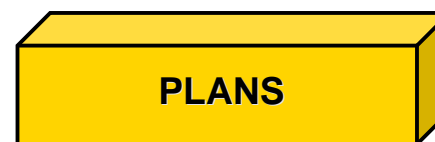
OPERATIONS & MAINTENANCE
*7.1 Operating procedures
7.2 Maintenance procedures*



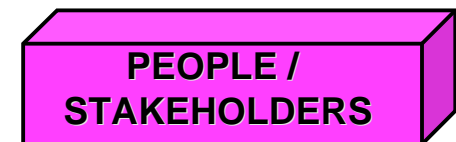
LEADERSHIP
1.1 Demonstrated corporate commitment



UNDERSTANDING
2.1 Understanding of performance and opportunities



PLANS
*3.1 Targets, performance indicators (KPI) and motivation
3.2 Plans*



PEOPLE / STAKEHOLDERS
*4.1 Accountabilities
4.2 Awareness and training
4.3 Employee Management
4.4 Stakeholder Engagement*



Diagnostic Report

Element	Level of Development					Critical Action Items
	1 Star	2 Star	3 Star	4 Star	5 Star	
1.1 Demonstrated corporate commitment			x			
2.1 Understanding of energy performance and opportunities		x				Critical
2.2 Understanding of water performance and opportunities			x			
2.3 Understanding of waste performance and opportunities				x		
2.4 Understanding of transport and land management				x		
3.1 Supply chain management - Procurement		x				Critical
3.2 Supply chain management - Product stewardship		x				
4.1 Targets, performance indicators (KPIs) and motivation	x					Critical
4.2 Plans		x				
5.1 Accountabilities					x	
5.2 Awareness and training	x					Critical
5.3 Internal stakeholder management	x					Critical
5.4 External stakeholder management		x				
6.1 Capital and operating budgets				x		
7.1 Operating and maintenance budgets					x	
8.1 Innovation and new technology			x			
9.1 Metering and monitoring				x		
9.2 Reporting, feedback and control systems				x		
10.1 Sustainability performance in the past year			x			
10.2 Auditing of progress	x					

Overall Ranking: 3 Stars

% Achievement: 49 %

% Achievement to reach next level: 17 %



Sustainability Advantage **The Process**

- 1. Commitment - 12-18 months & up to \$2,500**
- 2. Complete diagnostic**
- 3. 12-18 month brief action plan**
- 4. Projects to mitigate risk and realize opportunities**
- 5. Join a cluster – ideas and support (4 times a year)**
- 6. Document results**
- 7. Plan, new projects and continuous improvement**



Sustainability Advantage in Action

- **Current groups**
 - Newcastle, food manufacturers, building products, commercial property, poultry, MIA wineries, TAFE & Uni (44 companies)
 - Common areas of work: environmental planning, resource efficiency, staff training, supply chain
 - Marquis Bathroom Products & Goodman Fielder
- **Groups forming**
 - Western Sydney manufacturing, air and sea freight, Hunter, Wollongong, Marrickville, Hornsby, textiles supply chain



DEC Support

- **Diagnostic and action planning**
- **Specialist contractors & facilitators – strategic assistance in key areas:**
 - **Risk assessment/compliance, resource efficiency, staff training, supply chain, planning**
- **Knowledge, co-ordination (eg applications for water/energy funding) and some funding**
 - **valued at \$**



An Invitation

Open to individual companies of all sizes and groups of companies

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