



CORPORATE SUSTAINABILITY

IN CONTEXT

A POCKET GUIDE
(Nearly) everything
you always wanted
to know about
Corporate
Sustainability

social

environmental

context

Corporate Sustainability in Context

CS: the term Context is using to unite the confusing lexicon of CR, CSR, citizenship etc.

This is the second edition of our little book, telling you (almost) everything you need to know about CS, updated to include recent developments in this rapidly evolving area.

Context is a consultancy specialising in corporate sustainability (CS) strategy and communications. We work with multinationals in all sectors.

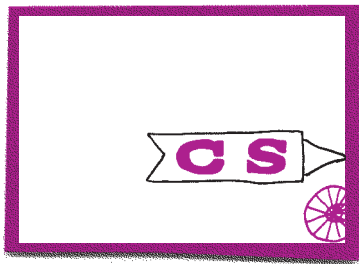
What we do:

- Help companies understand the CS agenda
- Develop CS policies and strategies
- Develop and write reports, websites and tailored communications
- Chair and facilitate meetings
- Conduct opinion-leader surveys and stakeholder research
- Maintain a Global Who's Who in CS for use in engagement and communications.

For any business enquiries please contact:

UK
Context
Simon Propper
Tel: +44 (0)20 7251 0050
www.econtext.co.uk
simonp@econtext.co.uk

USA
Context America Inc
Peter Knight
Tel: +1 212 216 9773
www.contextamerica.com
peter@contextamerica.com



Thank you

**Roger Cowe and Lloyd
Timberlake** (for writing)

Reluctant Hero (for design
and illustrations)
www.reluctanthero.co.uk

Printed on FSC certified, 100%
post consumer recycled paper.

CS movie: Flip the pages to see the animation.



The Birth of Corporate Sustainability

Corporation: An ingenious device for obtaining individual profit without individual responsibility.

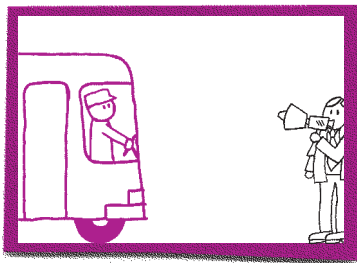
Ambrose Bierce penned this definition sometime between **1881**, when he began a weekly newspaper column, and **1906**, when a version was published in *The Devil's Dictionary*. This period was also roughly the high tide of the Robber Baron era in the US, when the words corporate and responsibility seemed barely compatible. For example, it saw the creation of John D. Rockefeller's Standard Oil empire, which controlled around 90% of the oil market until it was disbanded for breaching anti-trust legislation in **1911**.

Businesses exploited their legal freedoms to keep wages low and profits high. Safety was a low priority and children were put to work in the mines, mills and factories. The first UK Factories Act protecting children was passed in **1833** but several riveters and their boy assistants were accidentally sealed into the double hull of Brunel's Great Eastern steamer, launched in **1859**.

Attitudes changed, partly through legislation and partly because of the paternalism of tycoons who lived their Christian (often Quaker) values – Cadbury, Rowntree and Lever among them. These were the founders of companies that decided it was good business as well as good morals to sell trustworthy products – an early example of the famous ‘win-win’ where the business benefits by doing the right thing. William Hesketh Lever, who built a fortune selling affordable soap, provided houses and leisure facilities for his workers near Liverpool. His Port Sunlight Village, founded in **1888**, became synonymous with responsible Victorian business values.

Product safety was seen as the responsibility of the purchaser and occupational safety the responsibility of the worker. But gradually the public became outraged at finding sawdust and slaughterhouse workers’ fingers in their ground beef, and governments legislated. The first Sale of Goods Act protecting consumers in the UK was passed in **1893**. In the US the Pure Food and Drug Act began to protect consumers from adulterated food in **1906**.

Trade unions also gained legal status towards the end of the 19th century and tougher labour laws reined in employers’ freedoms. The first environmental legislation also appeared during this period – the UK Alkali Act was passed in **1863** and Yellowstone became the first US national park in **1872**.



But the environment remained exposed to exploitation by ever-expanding economies hungry for natural resources.

During the first half of the 20th century the emphasis was on tightening labour laws and consumer protection. Government action was the priority, rather than corporate activity. It was in the **1960s** that the US economist Milton Friedman developed his famous (and controversial) concept that “the business of business is business”.

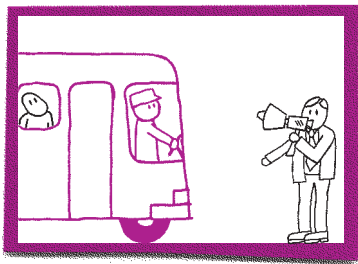
When the environmental movement took off in the **1960s**, corporations were not the first target. But pressure groups began to change their aim when it became obvious that legislation was not the full answer. Companies also became an easy target when they were involved in chemical disasters such as that at Seveso in Italy, or when their discharges caused US rivers to catch fire.

With labour issues covered by trade unions and legislation, and the rise of activists such as Ralph Nader in the US, consumer issues became more prominent. In the UK, social issues also rocketed to prominence in the early **1980s** after riots highlighted the threat to business from social dislocation. **Business in the Community** (BITC) was formed in **1982** to harness the tradition of Port Sunlight-style paternalistic concern towards mending Britain's broken cities.

In the US, however, the environment remained the most significant **corporate sustainability** (CS) issue for the next two decades, fuelled partly by the growth of intergovernmental activity.

The first intergovernmental gathering to tackle the issue was the **1972** Conference on the Human Environment in Stockholm. In **1983** the UN put together a commission of the great and the good to report on why the developing world was not developing and the environment was not being protected. This World Commission on Environment and Development (also called the **Brundtland** Commission after its chair, the then Norwegian Prime Minister Gro Harlem Brundtland) reported in **1987**. It championed the concept of **sustainable development**, introducing the now standard definition: “Progress that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

Few observers realised that this idea of meeting the needs of the present – a present in which billions lacked (as they continue to) basic necessities – made sustainable development a very radical concept. Many politicians and business leaders in Europe, Canada and parts of Asia and Latin America became excited about this neat way to join environment and development concerns: economic growth but in ways that do not rob future (bigger) generations of resources like fresh water, topsoil, clean air, fish and trees.



But the concept made scant headway in Ronald Reagan's US. There was little concern in the White House for social or environmental issues under the prevailing philosophy of "small government". The tradition of **philanthropy** continued but it was about "giving back" rather than about what had been taken away. Even in Europe, the focus remained firmly on environmental and community issues rather than broader **sustainability**.

This began to change at the UN Conference on Environment and Development (the Rio '**Earth Summit**') in **1992**. It was also when business began to engage seriously with the topic alongside governments and non-governmental organisations (**NGOs**). The conference was midwife to the Business Council for Sustainable Development, which subsequently married the environmental group from the International Chamber of Commerce to form the **World Business Council for Sustainable Development** (WBCSD).

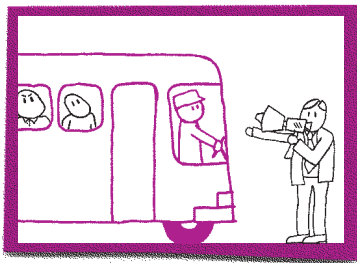
It was also in **1992** that **Business for Social Responsibility** (BSR) formed in the US to help companies negotiate the social side of responsibility or, as the US prefers, citizenship. Tellingly, many of the early members were small companies such as Ben & Jerry's and Tom's of Maine, which were essentially selling down-home wholesomeness and integrity as part of their products. By this stage, Business in the Community in the UK had begun to add

environmental concerns to its initial community focus – it set up Business in the Environment in **1989**.

The **1990s** were the decade of **globalisation**, the internet, and the rise of ethical consumerism, including **socially responsible investment** (SRI). Television began to broadcast gory details of what companies were doing in remote African river deltas and Asian **sweatshops**. Consumers began to realise they could make a difference, encouraged by the likes of Ben and Jerry's, The Body Shop and the Co-operative Bank. A **1995** Gallup poll of British consumers found that issues such as modern slavery and abuses of workers' rights had overtaken eco-concerns.

The three legs of sustainability came together in the anti-globalisation movement. Riots in Seattle in **1999** formed around the **World Trade Organisation** (WTO). But the main targets were the multinationals which were allegedly destroying the environment, exploiting workers and causing economic havoc in developing countries.

All of this brought **corporate social responsibility** (CSR) to the forefront and emphasised that it is about the responsibility of companies for all their impacts on society: much more than philanthropy; broader than environment; global and local; internal and external. That depth and breadth soon led to the 'S'



disappearing and **corporate responsibility** (CR) emerging as a term synonymous in many circles with sustainability. And during this decade the emphasis has switched from avoiding or reducing negative impacts to maximising the positive ways in which companies can make a contribution to sustainable development.

A plethora of codes and principles have attempted to capture the richness of what is now CS, notably the **Global Reporting Initiative** (GRI) which began in **1997** as an attempt to codify environmental **reporting**, and the UN **Global Compact**, launched in **1999**.

Our view of CS is that businesses can only fulfil their duty to shareholders if they understand and respond to **stakeholders'** concerns. This is not easy because sustainability demands a balance between economy, society and environment and demands may conflict with each other – airfreighting beans and flowers from Africa to Europe benefits local economies but contributes to climate change. The picture is fuzzy. Issues and priorities vary from sector to sector and even company to company. Many are beyond the company's control – a utility can tell its customers how to save energy, but it's the user that actually has to take action.

Given this complexity, a company needs to be clear and consistent in its communications about CS. It needs to engage with workers, customers, suppliers, investors, governments and pressure groups. With the help of these stakeholders it needs to decide on priorities and what to do about them. It needs to explain what it is doing and why.

Context helps companies do those things.





Grown-up Corporate Sustainability

It's been a long and winding road from the spills and burning rivers of the 1960s, through the urban riots of the 1970s and 1980s and the anti-**globalisation** movement of the 1990s. Now we have arrived at a point where companies' approach to **sustainability** is maturing and coalescing around a shared agenda which covers the social, economic and environmental legs. But at the same time there is a growing recognition that every sector and even individual companies have their own very specific priorities. It's not just that pharmaceuticals face very different challenges from aerospace. It's also that each company's structure, culture, experiences and spread of operations has a huge influence on its priorities and approaches.

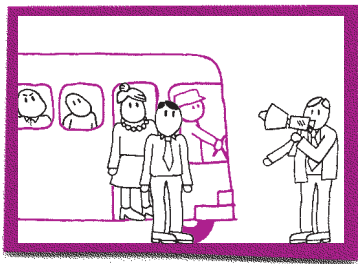
That complexity means it can be unhelpful to talk about **CS** in the abstract and to try and force it into standard templates. Another is the extension of CS beyond a company's immediate sphere of control to address the whole value chain, from suppliers of materials to the disposal of products.

This was perhaps the first sign of the growing maturity of corporate responses to **sustainable development**. In its youth, CS was introspective, like so many teenagers. Companies were almost exclusively concerned with what was under their noses, and especially under their control – treatment of employees, interactions with communities, environmental aspects of their operations and product content.

Electronics manufacturers would tend to talk about energy consumed at their factories but not by their products.

For most companies, especially brand owners that outsource manufacturing, products matter much more than operations. CS now addresses how products are made and what happens when they are no longer needed. The more grown-up approach also includes how they are sold and how they are used – product and marketing strategies. This is difficult ground, raising questions such as the responsibility of developing certain products (cakes as well as cigarettes) and the responsibility of marketing them (loans as well as lottery tickets).

True maturity involves a further leap (towards middle-age, perhaps) which only a few leading companies have achieved. This involves accentuating the positives, not just attempting to minimise the negatives.



Companies started with the bad things they do – pollution, disrupting communities, mistreating people – and worked on making them better. “Do no harm” was the height of most corporate ambitions. This is “end of pipe” CS, taking the business strategy for granted and trying to mop up any unfortunate side-effects.

Mature CS looks at how the business strategy can develop – not just to reduce the side-effects but to improve the primary effects. The challenge is to provide mainstream products or services that directly address some of the world’s woes. That could be mobile communications which support developing countries, technology that cuts carbon dioxide emissions, or drugs to tackle killer diseases.

In the early days companies ran programmes dealing randomly with some specific issues. Then they developed strategies to address the consequences of the business strategy. Maturity means a business strategy that integrates sustainability.

What are we talking about?

Of all the issues crowding the CS agenda, two stand out: **climate change** and **supply chain** standards. This doesn’t mean employees, hazardous materials, community impacts and others are not important. But they are not universally important. Climate change and supply chain management are priorities for everyone.

Every business uses energy in its operations – including the energy that wings employees round the world. Every product or service has energy implications. Climate change has been recognised as one of the greatest challenges facing society. The energy used by businesses and their products contributes a huge proportion of the **greenhouse gas** emissions that are causing climate change. Any responsible business needs ambitious targets to cut the emissions it is responsible for (especially from the use of products) and, of course, serious plans to achieve those targets.

Similarly, every business buys stuff which has an impact during its manufacturing and distribution. You can outsource manufacturing but not responsibility, so suppliers' social and environmental performance is important. Supply chain issues used to be about **labour standards** in Asian apparel **sweatshops**. Now factory conditions are important for other industries, and environmental performance of the factories also needs to be addressed. Buyers need to work out how to help suppliers improve their performance and push responsibility down their own supply chains.

Other subjects are common to all companies, especially employee matters and community involvement. But their profile varies. For example: **health and safety** is a big issue in manufacturing but not in service industries; community impacts are especially important for oil and mining companies.



The list of issues a company needs to consider is long and lengthening – just look at the **Global Reporting Initiative** (GRI) guidelines if you dare. In many cases the issues are getting more difficult. Tax is tricky, for example, and few companies have learnt how to deal with it well in the CS context. **Privacy, lobbying** and **bribery** can also be tricky. But these and many other aspects will not be significant for many companies. Which brings us to the difficult choices.

Priorities, materiality, engagement and dialogue

Like a kid in a sweet shop, it's tempting to want some of everything on the CS shelf. Grown-ups are more discerning, and grown-up CS works (like everything else in business) by identifying priorities.

In the jargon, this is about materiality. Companies' CS (and especially their **reporting**) is expected to cover everything that is "material" and exclude everything that isn't. This isn't terribly helpful in the many cases where there is very little that can be ignored. It is still necessary to identify priorities among all the material things a company could be doing.

CS has invented a way of helping with this difficult selection process – **engagement**. It's about talking to **stakeholders**, understanding their perspectives and using that to identify and prioritise material issues.

This makes materiality different to other business prioritisation processes. It's not just about what matters to the company, but also what matters to stakeholders. (Of course, if it's important to enough stakeholders, then it is important to the company, but the point is that the external perspective needs to be included.)

Engagement is also different to conventional market research. It's important not just to listen, but also to respond. That's why engagement is also known as stakeholder **dialogue** – because it's a two-way process. It allows companies to explain how they have arrived at the priorities as well as what they are doing about them, and why some matters may not be getting the attention some people think they deserve.

It can be hard being grown-up.

The CS future

Leaders in corporate sustainability will be those that go further to integrate CS in their business strategies and to reap the benefits. This means much more than signing cheques (even blank ones) or making speeches. Ultimately it means breaking the mould of Business As Usual.



The best companies will go beyond transforming their own businesses to change attitudes and approaches in their industries and supply chains; among employees, consumers, policymakers and society at large. They will prove that it's possible not only to do business unusually but also to make money doing so.

Think of the zero waste approach of Interface, Tesco's bold climate change ambition, and Vodafone's commitment to social and economic development. These are some of the companies which have gone beyond Business As Usual. People said: "You can't do that." But they did, and made others change the way they did things too.

Here are some pointers to corporate sustainability leadership:

1. Strategy

A corporate strategy for responsibility should explicitly recognise how the business affects people and the environment and incorporate responses which develop positive impacts and reduce negative ones. CS should inform your medium-term business objectives and how you plan to change the business to achieve them.

2. Marketing

A company's products and services determine its impacts. Leaders' marketing strategies are based on responsible products and services, responsibly delivered.

3. Ambition

Leaders have stretching goals, not just short-term targets but big ambitions beyond the next five-year plan. The goals make clear to everyone that things have to change, and are aligned with external benchmarks such as the CO₂ reduction targets from the **Intergovernmental Panel on Climate Change** (IPCC).

4. Advocacy

Most companies prefer not to stick their necks out on social and environmental matters. If they have something to say, they say it quietly, usually behind closed doors. CS leaders, on the other hand, are outspoken. They make clear what needs to be done, by their own companies and industries, by the public and by governments. They speak for themselves but they also join advocacy organisations such as the Climate Leaders Group.

5. Mobilisation

Leaders get people moving, beginning with their own people. Employees are the people who make CS strategies happen. They are also the best advocates – not just for their company but also



for what the company is trying to achieve. It can be easy to forget that employees are stakeholders too, and need to be part of the dialogue.

6. Openness

Engagement and dialogue are necessary for CS leadership – but not sufficient. It is also essential to be open – to criticism and new ideas, but also open about activities and performance. Secrecy and CS do not go well together. Leaders communicate the good, bad and ugly news and are not afraid to talk to their fiercest critics.

7. Performance

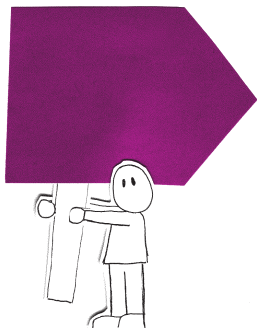
It's no good having the right strategies, processes, positions and communications if performance is poor. Leaders have to set the pace in achieving progress.

A

Corporate

Sustainability

Glossary



Aa

AA1000: a family of standards from **AccountAbility**, covering the AA1000 Framework for **reporting** plus standards for **assurance** (AA1000AS) and **engagement** (AA1000SES).

ACCA awards: the Oscars of CS **reporting**, awarded annually in the UK since 1991 to what are judged the best reports, originally for environmental reporting. International versions include the Ceres-ACCA awards in North America.
(www.accaglobal.com)

Access to medicines (lack of): describes worries that poor people (in the developed and developing world) can't afford effective medicines; a concern for the pharmaceutical industry and those without access.

AccountAbility: UK-based, international non-profit organisation promoting ways



to increase the accountability of powerful people and organisations; developed the **AA1000** standards; members include business and non-business organisations.
(www.accountability.org.uk)

American Civil Liberties Union (ACLU): **NGO** dedicated to protecting US constitutional protections and minority rights; takes a legal approach to issues ranging from Guantanamo to equal pay. (www.aclu.org)

Amnesty International: **human rights** organisation specialising in freeing prisoners of conscience; good information on the role of business in furthering human rights. (www.amnesty.org)

Animal testing: the scientific consensus is that there are cases where it is necessary, but it should be done responsibly and reduced (see **3Rs**). A hardcore of animal rights extremists violently disagrees.

Assurance: validation that what you say about your products, impacts, profits, etc is true; often done using outside auditors; continuing debate about whether the most useful (and value-for-money) assurance is based on the numbers, the processes or the priorities, or whether expert commentary is more enlightening; previously known as **verification**.

Bb

Base of the pyramid business (or 'pro-poor'): doing business with the poor in ways that benefit them and corporate bottom lines (because they don't have much money but there are

billions of potential customers); especially in Africa and India; eg microfinance, cheaper mobile phones.

Benchmarking: measuring performance against peers.

Biodiversity: the quantity and variability within species, between species, and between **ecosystems**; a particularly important issue for agricultural, forestry and mining companies, but also for any company that disturbs a natural setting; see The Economics of Ecosystems and Biodiversity.

Biofuel: fuel, including bioethanol and biodiesel, made from vegetation or other **biomass**; controversial due to the potential threat of **deforestation** and because first-generation biofuel uses food crops, with implications for food supply and prices; second-generation biofuels will use wood, straw, agricultural waste and other non-food crops; carbon benefits are questionable because of the

impact of clearing land to grow the crops, and transporting and processing the fuel.

Biomass: biological materials, anything from algae to trees, including dung; important as potentially renewable fuels.

Brent Spar: the very large disused oil storage buoy that Shell tried to scuttle in the North Sea in 1995, with the blessings of the British government and most scientists, but not the public; Shell bowed to public protest led by **Greenpeace**, and recycled it instead.

Bribery and corruption: not discussed in polite company until recently; now codes and standards are proliferating; national laws forbid it but without much impact, undermining the efficiency of economies and the ethics of business.

Brundtland Report: the 1987 report of the World Commission on Environment



and Development (named after its chair, the then Norwegian Prime Minister Gro Harlem Brundtland); put the term **sustainable development** into the global consciousness and set the ball rolling for subsequent Earth Summits.

Business ethics: doing the morally right things in business.

Business for Social Responsibility (BSR): US-based non-profit organisation that helps member companies manage issues involving ethics, people, communities and the environment; provides information, tools, training and advisory services on CS as well as the most prominent annual CS conference. (www.bsr.org)

Business in the Community (BITC): UK business membership organisation which works with companies to improve the impact they have on society and the environment; runs “Seeing is Believing” visits to deprived locations; publishes an annual CS Index which has often been controversial, especially for companies ranked at the bottom. (www.bitc.org.uk); see also **International Business Leaders Forum**.



CAFOD (Catholic Agency for Overseas Development): works on disasters and diseases such as **HIV/AIDS**; strong campaigns on fair trade. (www.cafod.org.uk)

Cap and trade: system for controlling emissions (used in the EU) which is increasingly popular with politicians, especially in the US; the cap is a maximum emission limit; organisations with emissions

below the cap can sell the difference to those who are over the limit.

Carbon dioxide (CO₂): gas released when **fossil fuels** are burned; the chief cause of climate change; see also **greenhouse gas**.

Carbon Disclosure Project: works on behalf of a group of institutional investors managing trillions of dollars of assets to encourage the world’s 3,000 largest companies to disclose **greenhouse gas** emissions; responses are available at www.cdproject.net

Carbon footprint: the amount of carbon dioxide caused by an organisation, product, individual or event.

Carbon neutral: no net emissions of **greenhouse gases** – the holy grail of climate change campaigners and increasingly controversial claim by some companies. If you manage to use only renewable fuel, or offset

your carbon emissions by, say, investing in **renewable energy**, then you will be getting closer to carbon neutrality.

Carbon offsets: a mechanism to pay someone else to make the carbon reductions that you cannot make yourself; debate rages over the validity of this mechanism and the different standards and technologies available.

Carbon trading: markets designed to achieve cost-effective reductions in carbon emissions by making it more expensive to **pollute**; see **cap and trade**.

Cause-related marketing: promoting a product or service by linking to a good cause; for example, giving money to a charity for each item sold.

CERES: US-based coalition of **responsible investment** funds, environmental organisations and public interest groups working with companies on **sustainability**;



the major force in originating the **Global Reporting Initiative**; joins with ACCA to present North American reporting awards. (www.ceres.org)

CFCs (chlorofluorocarbons): family of gases which contribute to ozone depletion; were used in aerosols and refrigerators; manufacturing now largely outlawed in the West under the **Montreal Protocol**; see also **HCFCs**, **HFCs**.

Child labour: tricky CS issue because it is usually suppliers – or their suppliers – that use children and it has proved very difficult to eradicate; “effective abolition of child labour” is a UN **Global Compact** principle.

Clean Development Mechanism (CDM): a complex and controversial ‘flexibility mechanism’ of the **Kyoto Protocol** that allows developed countries to achieve part of their carbon reduction targets at home by investing in **greenhouse gas** reduction projects in the developing world.

Climate change: complex alterations to the Earth’s climate caused mainly by human pollution, especially CO₂ emissions; challenged by a shrinking number of opponents thanks largely to the scientific work of the **IPCC**.

CO₂: see **carbon dioxide**.

Communication: an essential element in CS so you can explain what you think and what you are doing, and understand people’s responses; see **dialogue**.

Connected Reporting Framework: approach to CS **reporting** developed by the

Prince of Wales Accounting for Sustainability project. (**www.sustainabilityatwork.org.uk**)

Context Group: specialist international CS strategy and communications consultancy; author of this guide.

Corporate citizenship: a common term in the US for CS or CSR; emphasises **philanthropy**.

Corporate governance: how a company is controlled, especially how shareholders’ interests are protected against abuse by the Board and/or CEO as in a series of scandals from Maxwell in the UK, Parmalat in Italy, to **Enron** in the US; covered in legislation, notably the **Sarbanes-Oxley Act**.

Corporate responsibility (CR): see **corporate sustainability**.

Corporate social responsibility (CSR): see **corporate sustainability**.

Corporate sustainability

(CS): the term Context is using to unite the confusing lexicon of CR, CSR, citizenship etc. It covers the many ways in which a company affects people and the environment.

Cradle-to-cradle: going one better than cradle-to-grave because the remains of a disused product are reused in new products so that nothing is wasted; see **zero waste**.

Cradle-to-grave: a term used to describe the lifecycle of a product, from design to disposal.

Dd

Deforestation: see **forests**.

Dialogue: exchange of ideas and information, especially between a company and **stakeholders**; an important way for each to understand the other's perspectives; see also **engagement**.



Digital divide (digital inclusion): the gap in digital access between rich and poor, possibly to be narrowed by special initiatives; see for example **www.digitaldividenetwork.org**.

Diversity: the variety of races, religions, national origins, abilities, ages, genders, sexualities, etc; if a company is really an equal opportunity employer, employee diversity will be high; see **equal opportunities** and inclusion.

Dow Jones Sustainability Indexes: launched in 1999, these indexes track the financial performance of companies from the DJ World Index which have been identified as leading **sustainability**-driven

businesses; meant to provide asset managers with reliable and objective benchmarks to manage **sustainability** portfolios. (www.sustainability-indexes.com)

Ee

Earth Summit: the popular name of the 1992 UN Conference on Environment and Development in Rio, which launched the UN **Framework Convention on Climate Change** (UNFCCC) which ultimately led to the **Kyoto Protocol**. The 2002 summit in Johannesburg was sometimes described as Earth Summit 2.

Eco-efficiency: producing the same level of goods and services with fewer resources, less waste and pollution; includes energy efficiency, water efficiency, and materials efficiency.

Ecolabel: a product label that indicates the environmental impact of the product; many

different versions but focused increasingly on energy through Energy Star in the US and the A to G grades in the European Union.

Ecosystem: a complex of plants, animals and micro-organisms and their environment, eg deserts, coral reefs, rainforests; often threatened by human activity; see also **biodiversity**.

Ecosystem services: the benefits ecosystems provide people, such as food, fresh water, timber, climate regulation, erosion control, pharmaceutical ingredients and recreation.

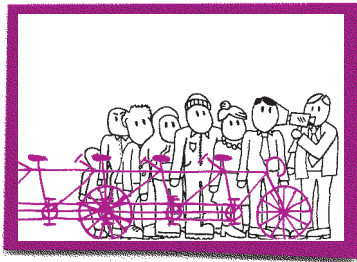
Effluent: that which flows out; liquid waste, often – but not necessarily – a pollutant; see **pollute**.

EHS (Environment, Health and Safety): refers primarily to corporate programmes, especially in manufacturing, to protect the environment and employees' health and safety.

Eiris: Ethical Investment Research Service, the original **socially responsible investment** research firm; founded in the UK in 1983 as a charity; provides research on global stocks to many investors internationally and organisations such as **FTSE4Good**. (www.eiris.org)

EMAS (Eco-Management and Audit Scheme): voluntary European Commission initiative designed to improve companies' environmental performance; aims to recognise and reward those that go beyond minimum legal compliance and continuously improve their environmental performance; participating organisations must produce regular public statements on their environmental impacts. (www.emas.org.uk)

Embedding: waking up (rather than putting to sleep) all parts of an organisation to **sustainability** opportunities and threats so that it is integrated in strategy and operations.



Energy intensity: the relationship between energy use and output, for an activity, an organisation or an entire economy. Reducing energy intensity is the trick of shifting to lower energy activities, which allows continued economic growth without continued growth in energy consumption – but it's been nowhere near enough so far to achieve the necessary level of CO₂ reductions.

Engagement: with **stakeholders**, in the CS context; to achieve **dialogue**.

Enron: disgraced former bastion of CS whose 1999 annual report said, "We work with customers and prospects openly, honestly and sincerely. The great fun here will be for all of us to discover just how good we can really be." What fun!

Environment Agency:

government environment regulatory body for England and Wales; good website on environmental issues.

(www.environment-agency.gov.uk)

Environmental Defense

Fund: US organisation which tackles environmental problems with a strong scientific approach; increasingly looking for positive solutions, often working with business.

(www.edf.org)

Environmental impact

assessment: systematic approach, often detailed in laws and codes, to assessing all environmental impacts of a given project, throughout its lifecycle; a social impact assessment is often required too.

Environmental Protection

Agency (EPA): US government agency; also important internationally because many small country governments copy its

regulations – often inappropriately; surprisingly good website on environmental issues. **(www.epa.gov)**

Equal opportunities: what it says on the tin: equal opportunities for advancement based on merit not race, creed, colour, gender, etc.

Equator Principles: a

banking industry framework to address environmental and social risks in project financing; meant to avoid harmful projects by helping banks to assess, mitigate, document and monitor the credit and reputation risks. **(www.equator-principles.com)**

ESG: environmental, social and governance – a common formula for social responsibility in the investment world.

Ethical Trading Initiative:

UK alliance of companies, **NGOs** and **trade unions** that promotes corporate codes of practice covering supply-chain working conditions; goal is

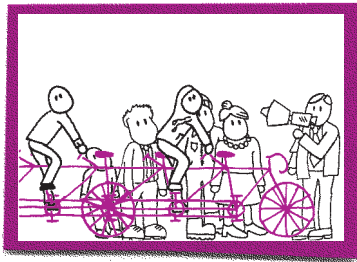
to ensure that the conditions of workers producing for the UK market meet or exceed international **labour standards**.
(www.ethicaltrade.org)

EU ETS: the European Union emissions trading scheme for **greenhouse gases**, introduced in 2005 and extended in 2008; aims to cut countries' emissions.

Extractive Industry Transparency Initiative (EITI): UK government initiative to encourage governments, extractive companies, international agencies, **NGOs** and others with an interest in the sector to work together to develop **transparency** of payments and revenues.

Ff

Fairtrade: a movement to help farmers (especially small producers in developing countries) gain better terms of trade; consumers pay a



premium over the market price that is returned to producers for social and environmental development; an international label demonstrating that a product complies with Fairtrade standards.
(www.fairtrade.net)

FAO: United Nations Food and Agriculture Organization, based in Rome; collects statistics on agriculture and fish; issued code of conduct on responsible fishing.
(www.fao.org)

Fish (lack of): one of the more measurable and dramatic global environmental issues as fish stocks collapse; a major global governance issue because fish do not belong to governments or corporations until they are caught.

Fluff: informal for flummery; nonsense, meaningless words, statements or language of the sort likely to appear in poorly written CS reports.

Forest Stewardship Council (FSC): international non-profit organisation that runs a certification programme; certified timber companies can label their produce, showing that they manage their forests or plantations sustainably, including relations with neighbours and indigenous people. (www.fsc.org)

Forests (death of)
highly visible CS issue; **deforestation** is caused by clearing forests for logging and to grow agricultural crops, often illegal.

Fossil fuels: carbon-based fuels that began as fossilised life forms – coal, oil and gas; release CO₂ when burned, contributing to climate change; see **renewable energy**.

Friends of the Earth (FOE): one of the first environmental action groups and claims to be “the world’s largest grassroots environmental network”; challenges globalisation and corporate power. (www.foei.org)

FTSE4Good: international index series run by stock market index company FTSE Group; FTSE4Good sets minimum (and rising) social and environmental criteria based on globally recognised corporate sustainability standards; aims to encourage investment in companies in the indices and support **socially responsible investment** products. (www.ftse.com/ftse4good)

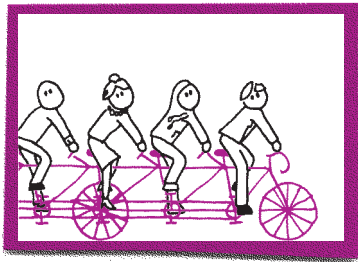
Fuel poverty: when spending on fuel or energy takes a huge bite out of income (often defined as 10% or more); increasingly important as energy costs rise.

Gg

GMO (genetically modified organism): agricultural crops and animals whose genetic material has been modified by modern techniques often in ways not possible through old-fashioned breeding; opposed by many environmentalists; others say it's essential to feed the world.

Giving something back: curious way of describing companies' contribution to communities; raises the question of what they have taken in the first place.

Global Compact: UN-sponsored CS project; promotes 10 general principles covering **human rights**, labour, the environment and anti-corruption; corporate members are required to report annually and hundreds are removed each year for failing to communicate; more



than 3,000 active corporate members.

(www.unglobalcompact.org)

Global e-Sustainability Initiative (GeSI): initiative by information and communications technology industry that aims to influence the **sustainability** debate, raise awareness of its members' sustainability activities, and promote technologies that foster **sustainable development**.

(www.gesi.org)

Globalisation: actually refers to an unimpeded flow of everything from information to money to microbes to people; most often used to refer to the globalisation of the market.

Global Reporting Initiative (GRI): organisation and set of guidelines for CS reporting, third version of which (G3) was published in 2006; also develops sector-specific guidelines.
(www.globalreporting.org)

Global warming: see **climate change**.

Global Witness: NGO that highlights links between the exploitation of natural resources and **human rights** abuses, particularly where resources such as timber, diamonds and oil are used to fund and perpetuate conflict and corruption; produces compelling reports.
(www.globalwitness.org)

Gore, Al: jokes that he “used to be the next president of the United States”; serious about **sustainability** and instrumental in transforming US attitudes to climate change through his movie, *An Inconvenient Truth*.

Governance: how things are run, which often means badly; good governance is important for the development of poor countries, also to protect shareholders against abuse by company directors; see the **Sarbanes-Oxley Act**.

Greenhouse gas: any gas that allows sunlight to enter the atmosphere but absorbs the heat (infrared radiation) created as the sunlight is reflected off the Earth’s surface; includes water vapour, carbon dioxide, methane, nitrous oxide and many gases used in refrigeration and air conditioning.

GHG Protocol: developed by the **World Resources Institute** (WRI) and the WBCSD to help business and governments measure emissions; makes a peculiar distinction between self-generated and bought-in energy.
(www.ghgprotocol.org)

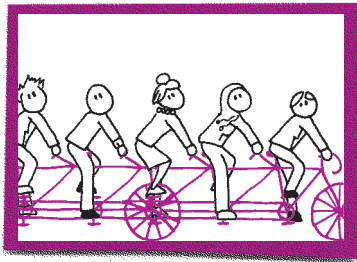
Greenpeace: venerable international environmental activist group; both demonstrates against and partners with business.
(www.greenpeace.org)

Hh

HCFCs (hydrochlorofluorocarbons): chemicals containing hydrogen, chlorine, fluorine and carbon; used mainly as refrigeration and air conditioning coolants; contribute to **ozone depletion** and are gradually being phased out.
(www.fluorocarbons.org)

Health and safety: usually with reference to employees but also any health effects of company activities in the wider world; **OHSAS 18001** is a common standard to manage employee health and safety.

Health divide: the concern that poor people do not have the same access as the rich to healthcare.



HFCs (hydrofluorocarbons): family of chemicals containing only hydrogen, fluorine and carbon; used as an alternative to **HCFCs** and **CFCs** in refrigeration; don't contribute to **ozone depletion** but are **greenhouse gases** so still a temporary solution.

HIV/AIDS: a pandemic that businesses need to help tackle out of self-interest as well as social contribution; several companies have pioneering approaches.
(www.unaids.org)

Human rights: wide range of rights enshrined in the UN **Universal Declaration of Human Rights** (1948) which talked of "a world in which human beings shall enjoy freedom of speech and belief

and freedom from fear and want”; in the national context, mainly about political freedoms; for companies, mostly about labour rights as defined in the International Labour Organisation’s core **labour standards**; subject of a series of reports from UN Special Representative John Ruggie; see Business Leaders Initiative on Human Rights (BLIHR). (www.blihr.org) and (www.business-humanrights.org)

Human Rights Watch:

international organisation that does what it says – watches out for human rights and issues reports taken seriously by governments and the media; runs campaigns on issues ranging from child labour to torture; tends not to work with business.

(www.hrw.org)



Inclusion: policies and actions to ensure **diversity** and **equal opportunities** in

your workforce and supply base. Can also be relevant to a company’s products and services; see **Digital divide** and **Base of the pyramid**.

Intellectual property rights

(IPR): essential mechanism to protect research and development investments. Controversial when companies are accused of abusing IPRs, preventing innovations being used in the developing world; a major trade issue.

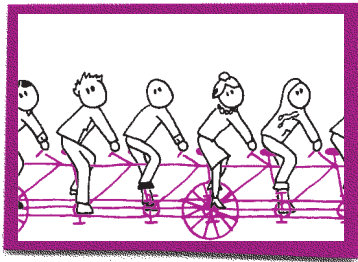
Intergovernmental Panel on Climate Change

(IPCC): publishes the most authoritative reports on climate change; set up by the UN Environment Programme and the World Meteorological Organisation; its reports aim to be policy neutral, but highly scientific and technical; they are written and advised by a panel of hundreds of scientists around the world.

International Business Leaders Forum (IBLF): non-profit organisation originally spun out of **Business in the Community**; works internationally to help companies improve their contribution to **sustainable development**. (www.iblf.org)

International Council on Mining and Metals (ICMM): mining industry body created in 2001 to improve the industry's contribution to **sustainability**; committed to progress based on stakeholder **dialogue**. (www.icmm.com)

International Finance Corporation (IFC): Washington DC member of the **World Bank** Group; established in 1956, it is the largest multilateral source of loan and equity financing for private sector projects in the developing world; very interested in **sustainability**. (www.ifc.org)



International Labour Organization (ILO): UN specialised agency that formulates international **labour standards** setting minimum standards of basic labour rights – freedom of association, the right to organise, collective bargaining, abolition of forced labour, equality of opportunity etc; founded in 1919, it is the only surviving major creation of the Treaty of Versailles; good source of reports on labour rights. (www.ilo.org)

International Organization for Standardization (ISO): network of national standards institutes from 157 countries working with international organisations, governments, business and consumer representatives; responsible for environmental management

standard ISO 14001 and more than 14,000 international standards for business, government and society, not including a once-mooted “standard” for CS.

(www.iso.org)

ISO 14001: widely used environmental management system standard.

Jj

Joint implementation: another ‘flexibility mechanism’ of the **Kyoto Protocol** (see **CDM**) covering efforts undertaken cooperatively between countries or organisations to reduce net **greenhouse gas** emissions; cooperating parties can get credit under the Convention on Climate Change.

Kk

Kyoto Protocol: 1997 protocol to the 1992

Framework Convention on Climate Change; created binding limitations on **greenhouse gases** for the developed nations which agreed to limit their emissions relative to the levels emitted in 1990; in 2008 almost 180 countries had ratified, the US was the only major developed country not to sign.

LI

Labour standards: as in core labour standards; see **ILO**.

Licence to operate: an idea more than a licence; the idea being that society will not allow companies to operate successfully unless they are good corporate citizens.

Lifecycle assessment: looking at the environmental and/or social impacts of a product from beginning to end (from mining of raw materials to final disposal or recycling, for example).

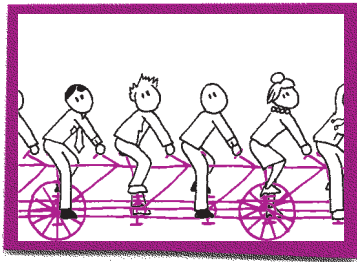
Living wage: the minimum acceptable pay level to cover basic needs, sometimes pitched at \$2 a day in developing countries but inevitably subject to much debate.

Lobbying: legitimate part of the democratic process; worrying when done in secret; dangerous for companies when in conflict with their public positions.

London Benchmarking Group: organisation established in 1994 to agree measurement of community involvement; developed a model to help them do this.
(www.lbg-online.net)

Mm

Marine Stewardship Council: effort to do for the seas what the **Forest Stewardship Council** has done for forests and make sure that fish and marine products



are harvested sustainably; began as a joint effort by Unilever and WWF but now independent. (www.msc.org)

Materiality: identifying the issues that are most significant to the business; unlike financial materiality, which is concerned exclusively with the interests of shareholders, CS materiality gives some weight to the interests of wider stakeholders.

Millennium Development Goals: eight targets developed by the UN to stimulate action on poverty and other development issues such as education, water and **HIV/AIDS**; many companies try to find ways to help society meet these goals by the target year 2015. (www.un.org/millenniumgoals)

Montreal Protocol:

international agreement on ozone depleting substances originally signed in 1987; bans the production and consumption of compounds such as **CFCs** and halons.

Nn

Natural Step: an

unconventional international organisation promoting four “sustainability principles” which it claims comprise “a simple science-based tool for analysing the complex issues associated with **sustainable development**” and identifying practical solutions.

(www.naturalstep.org)

NGO (non-governmental organisation): just what it

says, but normally excludes companies; has come to refer to pressure or advocacy groups rather than civil society organisations such as churches or foundations.



Obesity: the hottest health issue in wealthy nations – the US even has its own advocacy organisation: the Obesity Society (**www.obesity.org**); becoming an issue in poor nations; a concern for any company selling stuff that people put in their stomachs.

OECD (Organisation for Economic Co-operation and Development): organisation

of 30 of the wealthier countries “committed to democracy and the market economy”; best known for its publications on economics, but also on environment, development and CS; the vast, Paris-based bureaucracy can produce good reports.

(www.oecd.org)

OECD Guidelines for Multinationals: voluntary principles for responsible operation in developing countries; especially concerned with **human**

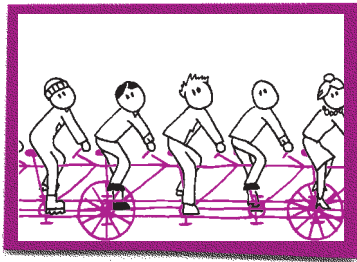
rights, and **bribery**; require governments to maintain a “contact point” which can receive and investigate complaints.

Offsets: as in **carbon offset**; also used in the defence industry to describe social programmes run by defence contractors as part of an export sales agreement.

Offshoring: using people in other (cheaper) countries to do back-office jobs and provide telephone-based services; possible because of modern telecommunications and the availability of cheap but well-qualified people in developing countries; seen as a threat to domestic jobs but could help create different jobs by making firms more efficient.

OHSAS 18001: US-originated international standard for occupational **health and safety**.

One planet: the notion that we only have one planet to live



on, so we (in the developed world) shouldn't carry on polluting and using resources as though we have a few more; popularised by WWF's One Planet Future campaign which shows that three planets are needed for the European lifestyle, and five for the North American version.

Opinion leaders/opinion formers: those who shape opinions of the public, for example academics, journalists, **NGOs**, politicians.

Oppressive regimes: nasty governments such as Burma which are shunned because they abuse **human rights**; easier to avoid when they are economically insignificant but very difficult when they are major economic powers.

Outsourcing: hiring someone outside a company rather than doing it yourself; raises many CS questions about a company's responsibility to these contractors; also how it affects the company's apparent performance, eg in carbon emissions; see also **offshoring**.

Oxfam: leading international development charity network working for economic and social justice; active in many areas relevant to CS, from specifics such as access to drugs to general issues such as corruption.
(www.oxfam.org)

Ozone depletion: damage by chlorine-based chemicals to the protective layer of ozone in the stratosphere. Depletion lets in ultra-violet light that can harm people, animals and plants. Not to be confused with climate change, though it often is; see **HCFCs** and **CFCs**.

Pp

Philanthropy: helping humanity with gifts; an important corporate activity but often wrongly used as a synonym for CS.

Political action committees (PACs): popular term in the US for a political committee organised to raise money which is donated to a political campaign; most represent business, labour or ideological interests; see also **lobbying**.
(see www.opensecrets.org/pacs)

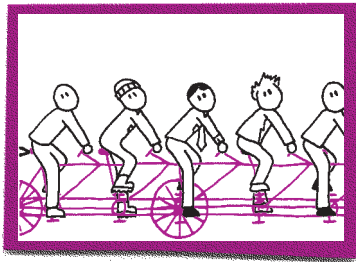
Pollute: to release material (pollutants) that harms the natural environment – air, land or water.

POPs (Persistent organic pollutants): set of chemicals that remain in the environment for a long time, disperse widely and lodge in fatty tissue; there is a Stockholm Convention on POPs. (www.pops.int)

PR (public relations): a much maligned but crucial activity for all organisations which engage with the public; struggles to deliver the candour needed to communicate environmental and social issues – even dictionary definitions tend to centre around “promoting a favourable image”.

Precautionary principle: a principle enshrined in the agreements at the Rio **Earth Summit** and even the EU Treaty; often used by **NGOs** against pleas to wait for more scientific certainty before acting against potential threats; means that when there are serious risks, err on the side of caution rather than waiting for further evidence; being an inexact notion, it does not settle many fights.

Principles for Responsible Investment: framework for mainstream investors to consider environmental, social and governance issues; developed in 2005 with encouragement from the



UN; supported by institutions owning \$13 trillion of assets.

(www.unpri.org)

Privacy: especially the privacy of internet users, customers and employees; a growing CS issue with the growth of mobile data transfer and internet marketing; many governments have laws covering the material stored in corporate (and other) databases.

Product stewardship: the idea that it's still your product after it has been sold, and you are responsible for its impact on people and the environment; central to the EU's **WEEE** regulation.

Public-private partnership: since neither governments nor companies are saving the

planet on their own, maybe joining together is the answer for **sustainable development**; in fact, companies often have more success partnering with **NGOs** than with governments.

Rr

Rainforest Action Network:

moved beyond its original rainforest focus to broader **sustainability** activity; work with business includes certification of crops' social and environmental credentials. (www.ran.org)

REACH: controversial EU regulation on chemical testing; finally came into force in 2007; will require registration of thousands of chemicals.

Recycle: to process used or **waste** material so that it can be reused.

Renewable energy: sources of energy that, unlike **fossil fuels**, do not release **carbon**

dioxide, either because they are not carbon-based, such as hydro, solar, wind, or because they 'grow back' in a period not measured in millennia – **biomass**.

Reporting: what companies are expected to do more, and more, and more, but also better.

3Rs:

- reduce, refine, replace:

the goal of many animal testing programmes: reduce the number of animals used in every study; refine the tests to ensure the most comfortable and humane conditions possible; replace lab animals with non-animal models when possible.

- reduce, reuse, recycle:

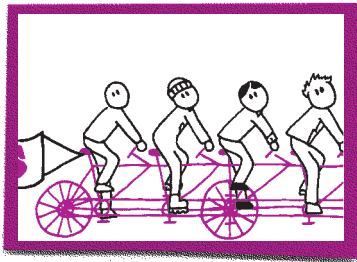
hierarchy of waste management, aiming to cut the amount of waste which needs recycling or disposal.

RI (Responsible Investment): the same as SRI but sounds less fluffy – like dropping the ‘S’ from CSR; see **Socially Responsible Investment**.

RoHS: EU Directive which came into force in 2006, to restrict the use of hazardous substances in electrical and electronic equipment, also similar measures in China and other countries; has led to removal of heavy metals such as lead and cadmium as well as some flame retardants.

Ss

Sarbanes–Oxley Act: US law passed in 2002 in the wake of **Enron’s** collapse; requires company officers and directors to be more directly responsible for corporate reports, with tougher legal penalties for failure; seen as a huge regulatory burden but has increased attention to risk.



SMEs (small and medium-sized enterprises): typically five to 100 employees, though definitions differ; make up the bulk of economic activity in most countries and are significant in most big companies’ **supply chains**.

Smog: the urban haze that blights cities, especially in the summer; caused by the interaction of sunlight with exhaust and industrial emissions; bad for those with breathing problems.

Social Accountability 8000: social responsibility standard established by Social Accountability International, a US-based **NGO** which works to develop, implement and keep tabs on verifiable social accountability standards.
(www.cepa.org)

Social investment:

companies' investment in society; can be broader than community investment and pure **philanthropy**; could include development of socially useful products which may not fit a standard business model.

Social Investment Forum (UKSIF in the UK):

association of investment and other organisations promoting **responsible investment**. (www.socialinvest.org and www.uksif.org)

Socially responsible investment (SRI): taking account of social and environmental issues in investment decisions; formerly a negative exercise (avoiding weapons and tobacco, for example), but increasingly about choosing responsible companies and engaging with others on CS issues. Increasingly known as **responsible investment**.

Stakeholders: people and organisations who have a

stake in an organisation because they are affected by its operations; ranging from employees, customers and shareholders to citizens' action groups; most companies find organised communications with stakeholders a good investment; see **dialogue, engagement**.

Stakeholder dialogue/ engagement: systematic process for communicating with stakeholders to understand their perspectives and explain your positions.

Stern Review: commissioned by Gordon Brown when he was British Chancellor of the Exchequer; set out the economic case for acting on climate change now rather than waiting until the cost becomes astronomical. (www.sternreview.org.uk)

Sullivan Principles: set of eight social responsibility principles focusing on human and workers' rights, and impacts on neighbourhoods;

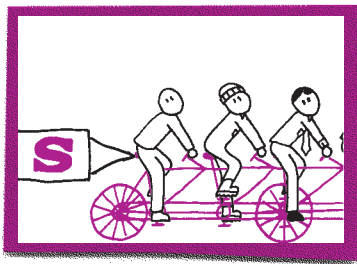
inspired by the late Rev Leon Sullivan of the US, with much corporate participation.

(www.thegsp.org)

Supplier diversity: buying from companies run by women and people from minority or disadvantaged groups.

Supply chain: the linked relationships that bring goods and services to market; a minefield because it is proving very difficult for companies to ensure that suppliers stick to acceptable standards; child labour and unacceptable conditions persist despite the best efforts of many global brand owners.

Sustainable development: defined by the **Brundtland Report** as development that meets the needs of the present without compromising the ability of future generations to meet their own needs; thus combines social and environmental concerns.



Sustainability: the ultimate aim of **sustainable development**.

Sweatshops: workplaces in which workers are underpaid, overworked and generally denied basic rights; make sure they are not part of your **supply chain**.



Tax avoidance: standard legal business practice in much of the world; only slowly emerging as a CS issue; not to be (but often is) confused with **tax evasion**, which is illegal; the line between the two is often blurred.

Tax evasion: **tax avoidance** that crosses the line into illegality.

TEEB (The Economics of Ecosystems and Biodiversity): project backed by the European Union to do for biodiversity what the **Stern Review** did for climate change: to show that the cost of inaction is greater than the cost of action; published interim report in 2008.

Trade unions (labour unions): organisations of workers to protect their rights and bargain for better wages and conditions; the third principle of the UN **Global Compact** says “businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining”; tricky in countries where **trade unions** are illegal.

Transfer pricing: charging one subsidiary for goods provided from another; can be

manipulated so that profits are made in low-tax countries (see **tax avoidance**).

Transparency: letting outsiders see in; a key CS goal and – with the internet and other modern communications technology – a fact of life which companies must live with.

Transparency International (TI): anti-corruption organisation that analyses and diagnoses corruption, often measuring its occurrence through surveys and indices; does not undertake investigations of alleged corruption or expose individual cases, but will work in coalition with organisations that do. (www.transparency.org)

Triple bottom line: expression of CS; notion that companies need to manage their operations to include social and environmental performance – and integrate that with financial objectives.

TRIPS: the WTO's agreement on Trade-Related Aspects of **Intellectual Property Rights** that links intellectual property protection with trade; criticised by some as extending multinationals' power.

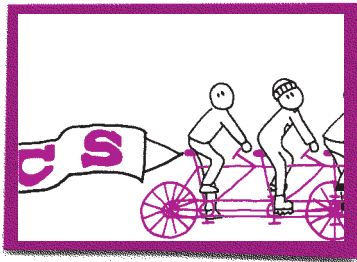
Uu

UN Development

Programme (UNDP): the UN's vast, not very effective, development arm; its country offices tend to coordinate all UN activities in smaller countries. (www.undp.org)

UN Environment

Programme (UNEP): created following the first global environment conference in Stockholm in 1972 and involved in most global developments since, including the **Montreal Protocol**, the IPCC, and the **Earth Summits** in 1992 and 2002; has a division of "Technology, Industry and Economics" based in Paris. (www.unep.org)



UNEPFI: **UNEP's** finance initiative, works with financial institutions on sector-specific aspects of **sustainability**, including finance sector **GRI** supplement.

UNFCC: the Framework Convention on Climate Change – the treaty which emerged from the 1992 **Earth Summit** and which eventually led to the **Kyoto Protocol**; the UNFCC secretariat manages the Kyoto process (and hopefully its successor).

Universal Declaration on Human Rights: 1948 UN document that is the summation of much international human rights thinking; with 30 pithy articles, it is amazingly short and moving.

Vv

Verification: see **assurance**.

Volatile Organic Compounds (VOCs):

carbon compounds that evaporate easily at normal air temperatures and contribute to **smog**; contained in car exhaust emissions, solvents and many cleaning, disinfecting and cosmetic products.

Ww

Waste: what is left over after a process is complete or a product has been used; some may be recycled, in which case it stops being waste; may or may not be a pollutant (see **pollute**); see also **cradle-to-cradle**.

Waste hierarchy: a hierarchy of waste management of descending desirability: reduce – purchase less; reuse – many products can be used

again; **recycle** – especially paper, plastic, glass and metals; disposal – landfill or incineration; see **3Rs**.

Water (scarcity): all around but not enough to drink; viewed by some experts as a more immediate threat than climate change; a billion people cannot get clean water and more than two billion have inadequate sanitation; affects business operations in some parts of the world; climate change will make matters worse.

WEEE: unfortunate acronym for the EU's Waste Electrical and Electronic Equipment Directive which implements producer responsibility, requiring manufacturers to invest in recovery and recycling of their products.

WHO: World Health Organisation, the UN's health arm; can be a thorn in the side of private health companies.

Work–life balance: curious term because it implies that work is not part of life; hard to achieve in pressured workplaces; flexi-working and mobile office technology are claimed to help.

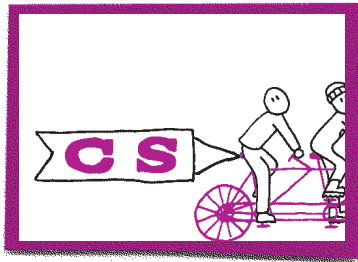
World Bank: development bank which provides loans, policy advice, technical assistance and knowledge-sharing services to help reduce poverty; makes loans or grants worth more than US \$20 billion a year to developing country governments; often criticised for loan conditions, usually based on freeing markets from state control.

(www.worldbank.org)

World Business Council for Sustainable Development

(WBCSD): global organisation with more than 200 multinational members from all parts of the world; has done pioneering work on many **sustainability** issues; long judged to have the best website on business and **sustainable development**.

(www.wbcsd.org)



World Economic Forum:

has the modest ambition of “improving the state of the world” including little problems such as hunger, climate change and corruption; famous for its vast annual meetings in Davos, Switzerland; began much more modestly in 1971 as the European Management Forum, aiming to improve management practice; initiatives include “Corporate Global Citizenship”.

(www.weforum.org)

World Resources Institute

(WRI): environmental think tank that partners with business on **sustainability** issues; joint author with WBCSD of the GHG Protocol; maintains database monitoring global environmental, social, and economic trends.

(www.wri.org)

World Social Forum: set up in opposition to the World Economic Forum; insists it is not a group or organisation but “an open meeting place” for people and groups opposed to “neo-liberalism and a world dominated by capital or by any form of imperialism”; slogan: “another world is possible”; annual gatherings equivalent to Davos, but with rather different kinds of participants, to try and work out how to create the other world.

World Summit on Sustainable Development: 2002 Johannesburg summit 10 years after the **Earth Summit**; business played a leading role, encouraged partnerships and endorsed the **Millennium Development Goals**.

World Trade Organization (WTO): international organisation dealing with the rules of trade between nations; works through agreements signed after tortuous negotiations by the bulk of

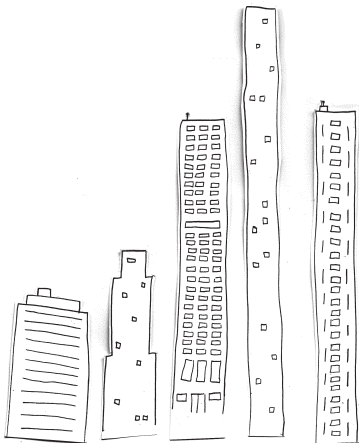
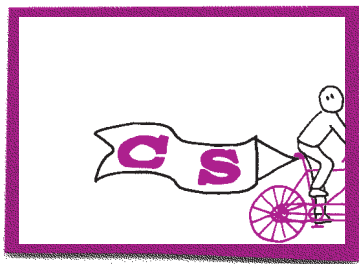
the world’s trading nations; vehemently attacked by **NGOs** as anti-poor. (www.wto.org)

WWF: the official name of the environmental organisation that used to be the World Wildlife Fund (although confusingly it still has that name in the US); eager to work with business. (www.wwf.org)

Zz

Zero carbon: no net emissions of **carbon dioxide**; see **carbon neutral**.

Zero waste: goal of producing no waste and saving money doing it; anything that would be waste has to become an input into another process.



Context in Context

Context is a consultancy specialising in strategy and communications on corporate sustainability (CS) and citizenship. We work with multinationals in all sectors.

What we do:

- Help companies understand the CS agenda
- Develop CS policies and strategies
- Develop and write reports, websites and tailored communications
- Chair and facilitate meetings
- Conduct opinion-leader surveys and stakeholder research
- Maintain a Global Who's Who in CS for use in engagement and communications.

Our core team:

Peter Knight, director, a former environmental journalist

Simon Propper, BSc CHEM ENG (HONS), managing director

Roger Cowe, MBA, director, a former CS journalist

Rebecca Herbert, director

Heather Rankin, senior consultant

Scarlet McBarnet, senior consultant

Jamie Rusby, senior consultant