

**RSA Forum - Session Notes
20 June 2007**

How can we develop a positive business case for sustainability?

Context

- Climate change has risen to the top of the public and business agendas.
- Investors and customers have started holding companies to account for social responsibility.
- Many organisations are getting to grips with what this means and what they need to do to become more sustainable.
- There are a number of reports stating that the green alternative is more costly.
- The danger is this perception can lead people and organisations to think that there is always a premium for sustainable solutions.
- This could lead to a “slow down” when attempting to move to a sustainable future.
- Should there be a premium for ‘going green’, or is it possible to become more sustainable and more profitable at the same time?

Purpose of the Session

- To explore how we can develop a positive business case for sustainability.
- Are there barriers and costs that work against developing and implementing sustainable practices? If so, what are they, how do we make them visible, challenge and reduce their impact? Are they immovable barriers, or are they merely perceptions?

Business Case Challenges

A number of themes concerning the key challenges for sustainability were covered through robust discussions:

1. The need for standard definitions and terminology
2. Availability of good information to facilitate sound judgement
3. Leadership to drive the agenda forward
4. The key drivers to make sustainability “stick”
5. The challenge of taking a short-term or long-term view
6. The need for holistic views and considerations
7. The lack of data
8. Getting a perspective and keeping focused
9. Investment and return
10. Additional costs for sustainability
11. Proving the case

Recommendations

After due consideration of the emerging issues, a number of suggestions for potential action were developed, which could advance the successful spread of sustainable practices across industry?

- Develop a standard model and terminology
- Creation of a “kite mark” to appraise sustainable goods and services
- Focused collaboration across industry
- Influence legislation
- Whole asset life approach
- Develop a holistic business case framework
- Source and share data with appropriate parties
- Focus on priority areas
- Prove how the value of the business may be enhanced
- Strategies and tool kit for countering potential premium costs
- Prove the total “value” added to the business.