Sustainable change

The state and face of sustainable business in Belgium

Cases

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The practice of sustainability

As part of the research project 'Sustainable change', in addition to the survey on the state of play in the area of sustainability in Belgium, 10 people in corporate Belgium were interviewed. These interviews aimed at getting a better idea of the practice of sustainability and to collect testimonies on how the sustainability process is shaping up.

The 10 interviews offer realistic stories taken from everyday corporate life and provide an insight into the processes followed to implement sustainability, how support for sustainability is created inside and outside the organization, opinions behind the attention for sustainability, the defining moments for sustainability in the different organizations, which obstacles these companies have met and how they try to solve them, and leadership. The interviews show successes, but also the struggles and self-reflection of the people and companies involved. While all the interviewees were asked similar questions, each of them has their own perspective, which makes the interviews into current and diverse testimonies of working on sustainability as 'work in progress'.

At the end of this booklet, the contents of the interviews have been translated into lessons for business practice, thus offering not only the necessary inspiration, but also practical considerations and guidelines for companies that want to work or continue working on sustainability.

Sabine Schellens

Director HR and Organizational development

Company name
Aquafin

Belgian Headquarters
Aartselaar

Description
Company in charge of waste water purification and the creation of rainwater plans.

How would you characterize the current situation in the area of sustainability at Aquafin?

"On the one hand, sustainability has been strongly integrated into our core activities. We work on clean waterways, which means that sustainability is naturally interwoven with our organization. On the other hand, we have many isolated sustainability projects that are currently lacking integration, for example energy purchase and mobility. We are now taking steps to approach sustainability in a more structured manner throughout the company. A good example here is the upcoming renovation of the Aquafin buildings. We seek to complete these renovations in balance with our environment.

We also strive for a broader approach of sustainability and to stop and think before making obvious purchases, such as work clothes and catering. Potential suppliers must demonstrate corporate social responsibility to get better scores as a supplier. We also purchase 100% green electricity. It is obvious that we want to serve as an example and strive to create awareness inside as well as outside our organization."

Aquafin's sustainability policy is built on three pillars. How does Aquafin link this policy with existing initiatives and frameworks in the area of sustainability?

"Our three pillars are based on the Sustainable Development Goals (SDGs). CIFAL guided us in this process and gave us handles to describe the different SDGs, resulting in a list of what was going well at Aquafin and to determine the areas where we could still improve. The common denominator of these areas is represented in our sustainability pillars: going green, creating opportunities for our employees and having a positive impact on our environment. These areas are clearly linked to the SDGs and offer a guideline for the future.

However, our three sustainability pillars are not set in stone. We chose these three pillars as they were the most important ones and because we can get to work with them now. We are fully aware that we cannot do everything in one go, but what we do, we want to do it right."

How did you get to know about the SDGs?

"We got in touch with the SDGs through different channels: external parties, but also through our own employees who pointed them out to us. That's why Aquafin believes this is the right framework for our sustainability policy. The SDGs integrate both national and international levels.

Within our sustainability areas, we have defined 11 goals. Currently we are working at developing milestones per goal, which will allow us to evaluate them every year and determine our evolution. One of our ambitions is to stop using fossil fuels for our vehicles by 2030. We still need to finalize our strategy, because this shift requires serious efforts.

Did the attention for sustainability bring Aquafin what you anticipated? Which were the unexpected effects?

"Our company attracts lots of job applicants thanks to our mission. People working at Aquafin are naturally in touch with the environment. This means that it's easy to kindle enthusiasm in our employees. Still we notice that behaviors are hard to change. Commuter traffic, for example. As a company we make efforts to get our employees to work using alternative means of transportation. But they are the ones who have to change their behavior. We try to stimulate our employees to get to work using an alternative means of transportation at least once a week. Together with the change in behavior, it is important to translate our ambitions into real plans to keep a clear focus on sustainability. These two aspects will be our biggest challenges in the coming years."

What were the most important hurdles to overcome in terms of sustainability?

"A first important hurdle for Aquafin is the change in behavior of employees, suppliers, yourself - everyone really. How to reach that desired change in behavior remains an important question.

The second hurdle is finding or creating social support. Support from the people around you facilitates making more sustainable decisions. In reality, choices are often made from a financial point of view. Choosing sustainability also comes with a hefty price tag. The more your environment follows the sustainability principles, the bigger and faster the steps will be."

What is currently the biggest challenge for Aquafin in the area of sustainability?

"Finding a way to make all the efforts concrete. To calculate all the efforts and be able to evolve. Not green-washing, but really making it happen."

How does Aquafin ensure employee involvement in the sustainability strategy?

"On the one hand, we have regular top-down communication on the expectations around sustainability. We also have many examples that indicate that working bottom-up is vital. We want to integrate this in our strategy in a structural manner. We therefore call on all our employees to actively participate in the different sustainability projects. We strive to support these efforts. Bringing together or consolidating initiatives or opinions and creating a framework is done at the higher echelons, but the input comes from our people.
We definitely also want to communicate about it, to all our stakeholders, if only to show the world the pride and dedication of our employees."

Would you say that the attention for sustainability within Aquafin is robust?

"No, not yet. We are certainly taking steps in the right direction. I'd love to jump to a few years from now, to show that we've integrated sustainability even more. However, I am convinced that sustainability and sustainable entrepreneurship are on the social agenda to stay. It has gained its place and will always be here."

Jan Daem
Environmental Compliance Officer

Company name
Barco

Belgian Headquarters
Kortrijk

Description
Technology company that offers and develops sound and vision solutions for professional purposes.

Barco reports on sustainability since 2016. How would you characterize the current situation in the area of sustainability at Barco?

"Currently two different procedures are followed at Barco to report on sustainability. The first procedure is part of the Carbon Disclosure Project. This procedure is a rather strict reporting that takes into consideration the carbon footprint of production and products. We call these CO2 emissions operational and end-user emissions. The second procedure is the sustainability report, which offers a broader view. This non-financial report is part of the annual report and based on the guidelines imposed by the Global Reporting Initiative. It tracks the efforts made on three levels: product, people and community.

While we have already implemented two procedures at Barco, we are constantly seeking opportunities for improvement. For example, we strive to further increase the life of energy-efficient appliances. However, the Carbon Disclosure Project currently punishes this increase in end-of-life, which wrongfully puts an innovative and well-functioning application at a disadvantage. That's why we are now also taking into consideration the increased life of certain appliances in the calculations of CO2 emissions. This will have a noticeable effect on the results of our next report, on the year 2017.

Furthermore, we strive to be innovative throughout every department in our organization. That's why our sustainability strategy cannot lag behind."

"There is a vertical line throughout our organizational structure, which is involved in several sustainability aspects: the CSR committee."

What does Barco's sustainable organizational structure look like?

"There is a vertical line throughout our organizational structure, which is involved in several sustainability aspects: the CSR committee. This committee has the competence to communicate to management on sustainability. It is currently composed of 17 people with a wide variety of backgrounds and functions. There are employees of several departments in the organization, such as HR, investor relations, logistics, finance, higher management, unions, but also employees who are very interested in sustainability."

How does Barco ensure employee involvement in the sustainability strategy?

"Next to the CSR committee there are several work groups and information moments where employees have their say. This involvement is not only at product level, but also for example in transportation, like commuter traffic. Of course, the CSR committee is also responsible for this, in a more structured manner."

How much is sustainability tied together with Barco's overall organization?

"We ask all our suppliers to comply with basic requirements. We've put those basic requirements into contractual obligations, with a description of the labor conditions, including themes such as slavery and child labor. These terms and conditions are the minimum requirements to be a supplier at Barco.
We are even more strict with our main suppliers and key suppliers. Together with them we endeavor to phase out forbidden substances, with an approach that is even more strict than the current legislation. If an external organization manufactures certain products as a subcontractor for Barco, we impose the same high requirements in the four areas of sustainability.

Barco has a quality division that effectively checks suppliers on the shop floor in order to guarantee our strict requirements."

"Is moving in the direction of sustainability, which pushes an innovative company like Barco to go along and even take the lead."

Which have been the most important moments in the development of sustainability at Barco?

"There have been three key moments in the development of Barco's sustainability strategy. First, we started the Carbon Disclosure Project five years ago. That was a shock to the system, as we were confronted with disappointing figures on CO2 emission. Secondly, a few years ago we were confronted with links in our value chain that made the news with accusations of bad labor conditions. This has led us to impose very strict minimum requirements to our suppliers. And finally, there is a certain momentum going in Belgium, but also abroad, in particular thanks to the circular economy. This mindshift has led to more opportunities to integrate sustainability in the company strategy."

What were the most important hurdles to overcome in terms of sustainability?

"An organization such as Barco obviously has one priority, the development of a profitable product. This is a given that doesn't always make it easy to integrate sustainability aspects. Even more than an operational shift, there has to be a culture shift and a mindshift."

Would you say that the attention for sustainability within Barco is robust?

"I don't think robust is the right word; I'd rather say there is growing attention for sustainability at Barco. The evolution of the past two years is significant, with many examples, one of which is the evolution the industry is currently undergoing. It is moving in the direction of sustainability, which pushes an innovative company like Barco to go along and even take the lead."

Christine Vanoppen

Manager Reputation, Environment & Governance

Company name
Lineas

Belgian Headquarters
Brussels

Description
Lineas is one of the largest private rail freight operators in Europe. They offer premium rail products and complete door-to-door logistics solutions.

LINEAS
YOUR FREIGHT FORCE

How would you characterize the current situation in the area of sustainability at Lineas?

"Sustainability has been integrated throughout the organization. In my position as Manager Reputation, Environment & Governance I am responsible for the coordination of and awareness for Lineas' sustainability strategy. People working in our company ensure this strategy is integrated in their day-to-day activities and they can have an effective impact on the realization of sustainability."

"The public opinion is also demanding this."

Which have been the most important moments in the development of sustainability at Lineas?

"Lineas used to operate under the name B-Cargo, as part of the SNCB/NMBS Group. B-Cargo was 100% public property. The privatization in 2015, for 69% of the shares, was the first step towards the definition of our sustainability and corporate social responsibility policy. Our private shareholder launched an audit on Environment, Reputation & Governance which became the basis of our CSR policy. I believe this sustainability movement is a cross-sectoral trend that gains much more attention from the businesses community with a lot more focus on corporate social responsibility. Also the public opinion is demanding this."

What is the most important hurdle to overcome in terms of sustainability?

"The time that is needed to achieve change and results. The railroad sector is by definition a sustainable sector since we are the most environment & climate friendly transportation mode. However, the innovation processes for further improvement can take a long time. We are currently at a tipping point, which is reinforced by the introduction of the Sustainable Development Goals (SDGs). This tipping point is unique, and I hope that our goals, for example making our supply chain greener, can be achieved in a not too distant future."

Which are the drivers for sustainable entrepreneurship?

"The drivers are embedded in our business model. If you look at the environmental impact of the different means of freight transport, rail freight transport has the best scores. Both on CO2 as well as other greenhouse gas emissions we score better than the alternative means like road transport and inland shipping. Additionally, rail freight transport can play an important role in solving the current mobility issues from our congested roads.

At Lineas we are actively elaborating business models that can reinforce this modal shift in freight transport. The modal shift is an important element in our responsibility to society."

Did the attention for sustainability bring Lineas what you anticipated? Which were the effects?

"Yes, sustainability has brought us what I had anticipated. Last year we started the signature of the VOKA charter for sustainable business. This charter provides us with a structured framework for sustainability and expects us to build a yearly action plan. The plan is based on the SDGs and consisted last year of 15 action points to improve sustainability in our company. Of these 15 action points, we managed to achieve no less than 11 in the first year.

A nice example is the EcoDriving project. It's is a typical example of a bottom-up initiative, started by two train drivers who managed to obtain a 20 to 30% reduction in energy consumption through an ecologically friendly driving style. They are now passing on this method to their colleagues. This also helps to promote companywide awareness regarding sustainability.

This dedication to sustainability has not really yielded any unexpected effects. Still from time to time we are faced with difficult choices. For instance the transport of nuclear waste. Occasionally we are asked to transport nuclear waste because by train it is the safest method. We have chosen to continue with the transport: our reasoning was that if we don't do it, transport will have to be done in an alternative and less safe manner. As a railway company, we cannot ban the use of nuclear energy, but we can make sure that it is transported in the best and safest conditions possible."

How much is sustainability tied together with the overall organization?

"That is one of the important points where we still have to make progress. The purchasing process is one area for improvement for example. Every department within Lineas can decide on purchases within their budget. Moreover, Lineas works with many subcontractors. In general it means that it is not easy to make sure all our purchases take into account sustainability or that all our subcontractors meet the same sustainability standards.

Lineas' ultimate goal is to achieve a CO2-neutral service product. This involves both the purchasing process as well as our product development. If we can realize that, we will also be the greenest link in our clients' supply chain. We strive to play this green part."

Didier Pierre

Chairman of the Board PMC Holding

Company name
NNOF

Belgian Headquarters
Vilvoorde

Description
NNOF is a consultancy agency that offers support in office design based on circular economy

NNOF
Nearly New Office Facilities

Sustainability is the core of your business concept. Was that the result of a choice for a radical revolution or has the concept grown gradually?

"Decisions at NNOF are based on two issues that concern everyone in our society: climate change and the exhaustibility of our raw materials. These two issues are the subconscious motive of our organization. We work with a sustainability strategy that has not been explicitly grafted onto this motive but always uses it as a starting point. When we make long-term strategic decisions, we try to visualize where we want to be after a certain period and look back at the journey we need to make to achieve that goal. Our strategic decisions are based on gradual developments that result from long-term thinking. As an organization, this obliges us to look at the client's wishes and provide added value by integrating the two main issues.

Your business concept is sustainable, but how much is sustainability tied together with the overall organization?

"Sustainability is completely and ubiquitously tied together with the organization. We use several standards, including ISO 9001 and the EMAS certificate, which is necessary because we are transforming existing raw materials. To turn existing furnishings into raw materials again, we must recycle a lot. If we do need to buy raw materials, those purchases are always assessed on their ecological touch. The same goes for the purchase of new trucks. We explore the market and look at how we can make proactive purchases.

Our suppliers are mainly selected based on their values and mission, less so on their sustainability strategy. We've learned that we attract like-minded companies, which is reflected in the values and mission statements of those companies."

> "Our suppliers are mainly selected based on their values and mission, less so on their sustainability strategy."

Which problems have you encountered with the NNOF business concept?

"We are continuously confronted with a number of issues. As a circular enterprise, people's perception of our business is often incorrect. In many cases, they value a new product more than a circular product. If people do want to give existing products a second life, they find their way to shops specializing in used goods - they are gaining popularity. But we don't do that – we are not a second-hand store. We reuse existing raw materials, we do not sell used furniture.

> "The government should propose bold guidelines that discourage the market to continue with our consumer society."

A second issue we are confronted with is the comparison with traditional furniture manufacturers. It's a tough comparison, because a furniture manufacturer only offers furniture. We offer a total package, transforming the existing furnishings. Our concept offers nothing but advantages, as nothing has to be moved, no decoration has to be done and no furnishings have to be eliminated. This makes it very hard to compare costs.

A third issue is the free market. Virtually always, the free market will choose the production of new goods to sell them; the removal of existing products is not calculated in the total cost. Without government regulation in favor of the circular economy, the market will continue to focus on this transient approach of goods. The government should propose bold guidelines that discourage the market to continue with our consumer society.

A fourth issue is finding suitable employees. Transforming furniture requires craftsmanship and those profiles are hard to come by on the labor market. Working with non-standardized raw materials requires a lot more knowledge of materials and adaptability.

And finally, I would like to see the cost of impact on society to be added to the calculation more often. In a standard purchase process the cost of materials, labor hours and overhead are taken into consideration. The cost of impact on society is not considered at all. NNOF would have a competitive advantage over many competitors, as we take into consideration the CO2 impact as well as the Life Cycle Analysis. The government can play an important part here, for example by reducing taxes on circular economy. After all, the 21 percent VAT has already been paid on those reused raw materials."

What is currently the biggest challenge for NNOF in the area of sustainability?

"The biggest challenge is no doubt the role of the government - or rather, the role the government is currently not playing. They are the only party that can design, implement and enforce a new economic model. I believe they should create a new framework that allows sustainable economy to become a reality and gives companies sufficient time to adapt to this new reality. Let's pick a date – for example, in January 2025 everything must be circular. That gives us another seven or eight years to adapt and go through a complete transition. I believe that this is the only way to build a sustainable future together.

As a second big challenge, I see the creation of awareness for the circular economy in society. Support must be created for a new economic reality."

What is your most important advice to companies who want to pursue a radical sustainable change of their business model?

"We don't have any experience with radical change, because sustainability has been embedded in our organization for many years. What I can advise to other companies, is that they have to look at the problem. What I mean is, they should map out their own carbon footprint and from there, start working on avoiding unnecessary or redundant emissions. This will have other companies search their own conscience and objectively determine how they can contribute to the environment. The carbon footprint is an important standard that allows you to strategically work with sustainability."

Annick Wauters

General director
Quality and Innovation

Company name
ZNA (ZiekenhuisNetwerk Antwerpen)

Belgian Headquarters
Antwerp

Description
Network of specialized hospitals, two medical centers and an assisted living center.

How is sustainability interpreted at ZNA?

"In recent years ZNA – together with its social partners – has put corporate social responsibility (CSR) high on the agenda. For example, we linked the achievement of predetermined CSR targets to eco-cheques for every employee. It is a direct motive for employees, it creates awareness and gets them involved in our CSR policy. A work group with employer and employee representatives investigates how our strategy can be conveyed to our employees and concrete, measurable goals are determined to work on the sustainability theme.

We believe sustainability is a process of constant improvement through continuous monitoring of processes and performances. We try to go beyond the legal obligations by using a threefold strategy: people, planet, profit. People is achieved through health, safety, and work conditions; planet represents the environment and profit focuses on a financially sound organization."

"We do notice however that it is hard to realize a change in behavior."

In what way is sustainability practically implemented on the shop floor?

"We have chosen concrete initiatives on the prevention of accidents with needles - the so-called needlestick injuries -, the reduction of food waste and paper consumption, and the sustainable use of energy. Two years ago, we implemented performance indicators and linked a rewards system to those indicators. That way our strategy is integrated into our day-to-day work. A few years ago, we noticed that many meals on the nursing wards were thrown away untouched. That is a shame, of course. To avoid food waste, we have introduced a counting system. The untouched plates are counted and by only preparing what is needed, we try to adjust that number every year. We create awareness with our employees so they only order what is necessary. Additionally, ZNA focuses on buying food in smaller packaging units and using bread buffet trolleys where the patients can choose what and how much they eat.

Another example is health and safety, where we continuously launch awareness campaigns to avoid needlestick accidents. Working with needles implies a risk of injury and infection for our employees. That risk is not only limited to our nursing staff, needle contamination in regular waste streams is a frequent issue. Our continuous actions around the correct use of needle containers and the introduction of syringe security trays result in people being more aware of the dangers, thus lowering the risks.

"We notice that mobility is increasingly becoming a focal point."

On top of that we try to make employees aware of unnecessary electricity and water consumption. We also try to minimize the consumption of paper, packaging and disposable cups.

We do notice however that it is hard to realize a change in behavior. Nobody worries about one or two plates of food being thrown away in a hospital ward, but every little helps. Still, it has become clear that rewarding good behavior is a success story. Especially the first year, employees were very keen on it."

What does ZNA's sustainable organizational structure look like?

"ZNA already had a sustainability manager as well as an environmental policy. For the 'Sustainable ZNA' project, a work group was put together after an internal analysis. The work group is coordinated by a project leader; employees from different parts of the organization as well as union representatives are members of the group. The proposals launched by this work group are first presented to the management committee. If and when they give their approval for the proposal, the initiative will be launched and quarterly reports are sent to all managers.

The managers' role here cannot be underestimated, as they have a platform to monitor and analyze the performance indicators. They look at the evolution of the targets and translate that to their specific department and employees.

An added point of interest is that not all employees have the same level of impact on the indicators. That is why we try to establish initiatives and indicators in a way that everyone finds a piece of their job in them."

How much is sustainability tied together with ZNA's overall organization?

"For purchases and big contracts with our suppliers we take sustainable choices into consideration. For example, we only buy eco-paper with the FSC and EU eco-label. For our suppliers we define contractual requirements. With the company in charge of our linen, we have established lean goals and quality agreements. For energy purchases, we also specifically pay attention to sustainability."

How is communication on sustainability organized?

"Externally we do not communicate structurally about the sustainability results of our hospitals. When we started the rewards system with performance indicators, we did publish a press release.

Obviously we have a solid internal communication process to inform employees of our progress in sustainability and performance indicators. ZNA's intranet has a specific page on sustainability that collects all the information."

What are currently the biggest challenges for ZNA in the area of sustainability?

"We notice that mobility is increasingly becoming a focal point. In the past little attention was paid to the different mobility flows generated by a hospital. Think of traffic flows generated by patients, visitors, employees and suppliers.

We strive to structure the different processes of our hospitals, which will make it easier to integrate sustainability in the different wards and departments. That is currently a work in progress."

Hugues Ronsse

Sustainability Program Director

Company name
Ion Beam Applications (IBA)

Belgian Headquarters
Louvain-La-Neuve

Description
IBA is a high-technology medical company that concentrates its activities on proton therapy, dosimetry, solutions for radio-pharmacies and particle accelerators for the industry.

As a high-tech medical company, how does sustainability fit into the company?

"Sustainability has always been a part of IBA. Our founder is very proud of his native region – he acquired his degree here and built his company here. He wanted the company to create high-quality jobs in the Walloon region. Also, our mission is to develop technological solutions that directly save human lives. Therefore the purpose of the company is related to sustainability. The main objective for IBA to pursue sustainability is to be aligned with our mission statement.

> "Our mission is to develop technological solutions that directly save human lives. Therefore the purpose of the company is related to sustainability."

About five years ago, the chairman of our board spoke the following words: 'We all have just one life. We also all have just one planet to live on. I have always wanted that what we do at IBA for the health of mankind doesn't come at the expense of the planet.' After this statement, sustainability regained attention inside the company and we launched a call for volunteers amongst our employees – for environmental actions and project-based 'lunchtime work'. This call was a complete success and started off our sustainability journey, initially on environmental topics. Protecting the planet is coherent with our mission to save lives."

Is the focus on sustainability the result of a revolution or has the concept grown more gradually?

"I wouldn't say it was a radical change, but more of an acceleration since sustainability was already incorporated in our mission and values. IBA had organized some sustainability projects even before there was a societal and business support for the matter. In the past five years, we have in fact been accelerating strongly toward sustainability."

IBA is a member of The Shift's sustainability network and this membership entails a certain commitment to the Sustainable Development Goals (SDGs). How is this commitment linked with the existing sustainability strategy?

In the context of the SDGs we balance two different approaches: an outside-in and an inside-out approach. The first approach focuses on the external influence of the SDGs on the company. It allows to take into account the SDGs in combination with relevant global issues and investigate possible ways IBA can contribute for good. The second approach focused on locating our own strengths and weaknesses and investigates how IBA can contribute to the SDGs and its targets by reducing negative impacts and increasing positive impacts. When we discuss our strategy, we strive to balance the two approaches.

For IBA the SDGs are a great communication tool, it helps us to engage, raise awareness and call for action among our stakeholders. It is also seen as the 'Strategic Plan for Humanity' and it gives us the right view on the issues the world is facing today. These goals are the evidence that setting high stakes on sustainability is the right thing to do. All these goals and their combined 169 targets are also a source of opportunities for the businesses."

What were the key moments within IBA's sustainable development process?

"Actually, the company's emergence was a first decisive key moment. IBA is built on a foundation of transparency and equality, since its founder wanted to eradicate the difference between blue and white-collar jobs and wanted to build a company with complete transparency towards its employees and unions. Also, he aimed to create high-quality jobs in a region that really needed them.

Taking stock chronologically, several moments were important. In 2013, the chairman of the board launched the call for action among IBA's employees. This call for action lit the fire under the enthusiasm for sustainable currently flowing through the company. In the following year, the five main stakeholders were defined: our customers and their patients, our employees, our planet, our society and our shareholders. It led to the words: 'Our stakeholders are like my children, I have 5 children. I love them all equally. If one is sick I will pay more attention to this child, but never at the cost of the other ones.'

> "I learn each day that it takes time to convince people to look outside of their own interpretation of sustainability."

In 2015, IBA developed a dedicated sustainability program with myself as full-time director. This allowed the organization to investigate sustainability and to learn how it impacted the organization itself and our stakeholders. In 2016, we dedicated funding to several sustainability projects, among which the measurement and reduction of the carbon footprint. Last year we defined our sustainability strategy and ambitions for 2030, matching the bottom-up energy and enthusiasm with the top-down vision & ambition. All these moments have led to the state of sustainability within IBA as it is now."

What are currently the biggest challenges in the area of sustainability for IBA?

"Working on sustainability does not only mean protecting the planet. It is in fact much broader than that. When people talk about sustainability, they often refer to obvious issues such as climate change, but the topic is much bigger. When evaluating suppliers, for instance, it is impossible to ensure that the goods they deliver are 100 percent free of child labor. The problems are not always right in front of you, but that does not mean that the problems are not there. The same applies to the use of conflict-free minerals and human rights. Through our stakeholder approach we keep our eyes open and bring a wider vision of the global issues into our company.

For me, personally, I learn each day that it takes time to convince people to look outside of their own interpretation of sustainability. It takes time to persuade people and to evoke a mindshift.

Ann Vandenhende
CSR Manager

Company name
Spadel

Belgian Headquarters
Spa

Description
Producer of natural mineral water, spring water and water-based soft drinks

How would you characterize the current situation in the area of sustainability at Spadel?

"In the past seven years we have taken significant steps forward in the integration of sustainability. Our '2020 strategy' contains performance indicators that have also been incorporated into our overall business strategy. We are working on sustainability at governance level, also with members of the board and managers included in our Steering Group Sustainability. However, it is still complicated to integrate the indicators in employee objectives, while I believe that it is the only road towards a complete integration of sustainability.

In those seven years, we have implemented mainly a lot of quick wins. I think that is a great achievement, but it also means you must strive to innovate even more. It's a different ball game, which also makes it harder to ensure sustainability becomes an integral part of the business.

One of the difficulties is that staff, including the board, are not always sufficiently equipped to deal with dilemmas. It remains difficult to always align the long term with the short term. Sustainability is multidimensional and requires a broader framework for making corporate decisions and choices. That is why continuous attention and training at leadership level is necessary."

Did the attention for sustainability bring Spadel what you anticipated?

"It did indeed. The objectives have mostly been met, although we didn't succeed in integrating sustainability completely at function level. Innovation and sustainability sometimes seem an obvious combination, but it is quite a challenge to link those two themes.

> "In those seven years, we have implemented mainly a lot of quick wins. I think that is a great achievement, but it also means you must strive to innovate even more."

I was positively surprised by the collaboration with the sales department, who are responsible for the so-called out-of-home channel, like restaurants and festivals. It turns out there are many opportunities there. In retail it is much harder to get consumers involved in sustainability at a level that is also supported by supermarkets. It is difficult to make sustainability successful in the branding of consumer products. I see substantial growth in sustainability with local and regional brands. At SME level you can sometimes take much bigger steps. It is great to see how fast some SMEs take to this theme, better than I had anticipated so we must capitalize on that. Sometimes innovation is easier to realize in local and regional markets."

Which have been the most important moments in the development of sustainability at Spadel?

"It all began with the definition of our 2020 strategy, some seven years ago, which started the dynamics that resulted in the board promoting the theme. There is a clear 'before' and 'after'. Not to be underestimated is the recognition received from external parties as well as the business deals where sustainability plays a part. Our naturality framework, in which we determined that we will only use natural ingredients, has put a lot of things in motion. It has led to new product innovations.

> "Innovation is easier to realize in local and regional markets."

What's also been important, is setting up a dialogue with stakeholders. That really produced an effect in our company as it confronts you very directly with what stakeholders expect from you while you are also handed new ideas.

One of the biggest lessons I learned, is that even if all the preconditions are perfect, it is still important to figure out which people you want to hire. Do they have the right value frameworks? Collaboration between different frameworks is difficult. You can have similar objectives, but even then, success in sustainability is not obvious. I dare say that people with the right value frameworks in key positions in our company have enabled us to complete this development faster."

What were the most important hurdles to overcome in terms of sustainability?

"The first hurdle was defining and putting into words clear objectives that the board of directors would support and help promote. That led to a second hurdle: we quickly realized that we had to hand people the tools to deal with sustainability. It meant providing training to our employees: what are we talking about? Why do we do this? How can you contribute? People need a framework that allows them to work towards their objectives in a structured manner. You have to offer them something to hold on to, because it's easy to drown in the sustainability pool. There aren't many blueprints. To achieve this, we also used success stories to overcome any skepticism people may have.

Eventually we saw an opportunity to integrate sustainability in our HR perspective and we now have a sustainable HR policy. And it definitely pays off."

You have been voted 2017 CSR Professional of the Year. What are the most important lessons you've learned that can benefit companies that are at an early stage of sustainable development?

"First of all: take plenty of time to create long-term objectives, to determine the key sustainability themes and confirm them with your stakeholders. Also ensure you have support from the board, as well as all the leaders in your organization. Make sure you share the same value system. When managers are recruited, it is crucial to screen them on sustainability. They have to make tough decisions and face dilemmas. It also means that value systems amongst managers and between managers and the business should be on the same wavelength. Three, bring a coherent story. Be transparent about what you do, show what you do and be consistent in the decisions you make. And four, ensure sustainability is integrated in remuneration and objectives. This way it becomes part and parcel of everything you do."

Frank Vancraeyveld
CEO

Company name
Werner & Mertz Professional

Belgian Headquarters
Waterloo

Description
Supplier of sustainable and efficient cleaning and sanitation products for sectors such as cleaning services, food and food processing industry, health care and catering

Werner & Mertz
Professional

How did sustainability develop at Werner & Mertz?

"Werner & Mertz Professional is part of the Werner & Mertz Group, a family business that has been in the hands of the same family for 150 years. A family business has more opportunities to impose long-term objectives and work towards them. In other companies, the CEO is often in charge for no more than 5 years. In that period they try to steer a course that their successors may not continue. At Werner & Mertz an entire generation has been at the helm, determining the course of the business.

Reinhard Schneider is the fifth generation of his family leading the company and when he took up his position over 20 years ago, there was plenty of competition on the market. His advisers suggested he sell the company as the competition with big global players would be too suffocating.

But throughout his career, Mr. Schneider has never considered financial success to be his main motive. He wanted his company to be a pioneer in its field and wanted to show his children that he could accomplish something nobody else could. He focused strongly on renewable sources and the use of local raw materials, without touching raw materials that are destined for the food chain. On top of that, he was well ahead of his time when he launched a recycling initiative to package cleaning products in PET bottles, utilizing plastic from used bottles.

"A family business has more opportunities to impose long-term objectives and work towards them."

Werner & Mertz even went another step further by making PET bottles with 100% recycled material, 20% of which is post-consumer recycled material. Since 2017 the PET bottles are made from 100% PCR material. While these efforts are not the best solutions from a financial point of view, and definitely not from a profit-seeking perspective, they are much better for the environment."

Which other factors play a part in the sustainable success of the company?

"Our B2C products cannot be found in ecological stores, but instead you can buy them directly at the supermarket. We find that we are a market leader in several product groups, but this is not merely based on sustainability. The products are premium quality, offered at a competitive price and they are sustainable. This combination gives our product its good reputation, mainly in Central Europe under the Frosch brand."

Werner & Mertz' headquarters are located in Mainz, in Germany, a city that carefully manages its natural resources. The water used by the company comes from their own sources and is used for cooling and heating the office building and filling up the products. The main office produces 20% more energy than it consumes thanks to a clever use of solar panels, wind energy and geothermal energy.

Employees also benefit from this: they are offered a healthy lunch and can buy electric cars at business conditions, and the company allows them to charge the car for free while they are at the company."

"Employees also benefit from this: they are offered a healthy lunch and can buy electric cars at business conditions, and the company allows them to charge the car for free while they are at the company."

How do you deal with competitors who are also trying to get part of the sustainable market share?

"The sustainability transformation we went through in the past decades is precisely the reason for our success. Without sustainability we wouldn't have grown the way we did. You currently see big players also taking that route, while we have been working on this for years already. We must keep playing this pioneering role if we want to stay ahead of the big competitors. Many improvements can still be made to our product and our production process, like digital solutions. We have a competitive advantage because we have always been progressive and because we are a small enterprise, compared to the giants that are our competition."

"Our company has a sustainability manager, with a staff of three full-time employees. They are working on sustainability every day."

What does Werner & Mertz' sustainable organizational structure look like?

"Our company has a sustainability manager, with a staff of three full-time employees. They are working on sustainability every day. Additionally, we have a sustainability group composed of interested employees from all layers of the business. But sustainability is also linked to everything we do throughout the organization, like marketing, strategy, purchase and positioning. New employees get a sustainability training of several days, where they are taught the difference between efficiency and effectiveness in sustainability, amongst other things. This ensures that all employees, also in sales, are immediately aware of the raw materials we use, the relevant legislation and the fragrances we use."

How much is sustainability tied together with the supplier relations?

"It is quite a demanding task to get all suppliers of raw materials to comply with our strict sustainability requirements. Since 2009 we started making product passports, that contain all the product data and raw materials. This passport approaches the Cradle-to-Cradle philosophy. We have launched an awareness campaign to convince both our suppliers and our clients of the benefits of our philosophy of sustainability."

"It is quite a demanding task to get all suppliers of raw materials to comply with our strict sustainability requirements."

Joost Callens
CEO

Company name
Durabrik

Belgian Headquarters
Drongen

Description
Construction company

How would you characterize the current situation in the area of sustainability in your company?

"Durabrik has strategically embedded sustainability in its long-term strategy for 2025. This implementation was carried out under the guidance of Sustenuto and resulted in sustainability becoming a fundamental notion to our employees, our clients and other stakeholders. At the end of 2016 Durabrik has hired a sustainability coordinator to streamline all the sustainability efforts and existing processes."

Which are the main drivers for sustainable entrepreneurship?

"Our organization attaches great importance to values. They are our real motive. We are a family business, which allows us to look further ahead – not just to the next five years but to the next generation. In recent years Durabrik aligned its strategic choices with Barrett's seven levels of consciousness. We focused on the sixth level: distinguishing yourself by being sustainable. It means we see it as our social duty to build sustainable houses. Our houses usually outlive the owners, which is why we want to be even more conscious about sustainability, by thinking through which materials we should use and how we will execute certain processes."

"We should really highlight Durabrik's sustainability efforts even more.

Did the attention for sustainability bring Durabrik what you anticipated? Which were the effects?

"We are very modest, maybe even too modest about this to the outside world. Last year I was personally recognized for my work on sustainability, as I was awarded the CSR Professional of the year 2017, but we should really highlight Durabrik's sustainability efforts even more. The recognition as CSR Professional was a great reward for our work and is a nice introduction to the outside world, especially to attract good and motivated people. I believe corporate social responsibility goes beyond the environment – it is also about helpfulness, safety, health and so much more.

Durabrik focuses less on numbers and more on corporate social responsibility. But the numbers went up since we chose this direction. In a shrinking market, we are growing, which is why I am convinced that sustainability and profit go hand-in-hand. Our efforts translate into a people-oriented HR policy: people are more involved and therefore happier; we have a constant influx of new people. This positive change occurred by not focusing on numbers, which leads me to consider sustainability as the driving wheel that begins slowly before it really starts turning. Thanks to our proactive approach, we are not worried about new legislation, as we are often at the forefront."

How much is sustainability tied together with the overall organization?

"The employees who are in contact with our different suppliers ensure that they are involved in our values and our sustainability story. They are sucked into our range of ideas, as it were. To evaluate our stakeholders both internally and externally, we have created surveys for our employees, our clients and our suppliers. Our clients automatically get a survey at three moments in the construction process: before the start, during the construction and after the finish, when they already live in their house. Durabrik's suppliers get surveys to encourage mutual relations, but they also receive extra information when we provide training. We explicitly try to involve them."

To what extent is the impact of the attention to sustainability mapped out by Durabrik?

"Measuring the societal impact of our efforts is not unambiguous. Sustainability is a broad concept and also includes helpfulness, safety and health. At Durabrik we invest a lot in training our people, so they can also grow on a personal level. The impact on the shop floor is that employees get a better grip on their job. Undoubtedly these trainings also have an impact on their private life, but that is not so easy to measure. Another example is the installation of charging infrastructure to charge electric vehicles in the vicinity of our construction projects. We have chosen to install this infrastructure, although it is not obligatory, but we do not measure the societal impact of this decision."

Which have been the most important moments in the development of sustainability?

"The past years have been a succession of important moments. Our trip over the pilgrim route to Santiago de Compostela is what stands out most. During this journey we worked on values and it was the start of a new business strategy, where sustainability was the central point. After the trip we invited Serge de Gheldere to help us with the transition process. In 2013 we integrated EcoPuur into Durabrik and further enhanced our strategic goals on energy-efficient and cost-efficient building solutions. We are already trying to build a few innovative houses that are ready for the future and thus also compliant with the 2021 legislation. Other important milestones for Durabrik are the recruitment of a sustainability coordinator and, more recently, acquiring a project on circular living."

"I am very much aware that sustainability is an existential theme. As a society, if we continue to do as we did before, things will go wrong."

As the 2017 CSR Professional, what advice would you give to other CEOs?

"I am very much aware that sustainability is an existential theme. As a society, if we continue to do as we did before, things will go wrong. That obliges us to do things differently and weigh our actions in the short term against long-term actions. If we don't do that, future generations will hold it against us. We must stop and think before we act.

Durabrik builds houses, that is part of our DNA. We try to approach that in a more holistic manner. To future entrepreneurs, I'd like to say: dare work through your fears and be aware of the necessity of sustainability. Not only because it is a legal obligation, but because it is what we want. Economy and ecology constitute an area of tension. Leadership means stepping right into that area of tension."

Jean-Marc Vandoorne
CEO

Company name
Biobest

Belgian Headquarters
Westerlo

Description
Producer of bumblebees for biological pollination, useful insects and mites for biological pest control and pheromone traps for monitoring

biobest®
SUSTAINABLE CROP MANAGEMENT

How would you characterize the current situation in the area of sustainability in your organization?

"Sustainability is not an isolated concept in our organization. Our product stands for sustainability, it offers our clients a sustainable solution. This leads to a strong integration of sustainability at Biobest. We strive to integrate sustainability into all existing processes in our organization.

"Biobest's code of honor is composed of five parts: passion for sustainability, happy clients, happy employees, collaboration and continuous improvement."

Biobest's code of honor is composed of five parts: passion for sustainability, happy clients, happy employees, collaboration and continuous improvement. This code of honor has been integrated in all processes in the different departments, such as HR and logistics. The integration of the code of honor is also evaluated, not only at an individual level: the different departments at Biobest have to comply with the code of honor, in addition to reaching process-oriented targets.

We have found that it is vital to further embed sustainability throughout our company. It is an item on our internal agenda and we have a strong desire to do it. Our presence in countries like Kenya and Morocco implies that we also have a certain social role. The economic growth that started eight years ago causes the speed to be to our disadvantage. It also makes operational reporting, for example with sustainability reports, more difficult. We are currently working on the foundations before we can continue to structurally grow our sustainability."

"Our presence in countries like Kenya and Morocco implies that we also have a certain social role."

How is the sustainability strategy translated to the 16 subsidiaries of Biobest, that are spread across the globe?

"First some background info: we opted for decentralization to increase the quality of our product. Because we need less transportation of our live product, we succeed in delivering a better quality worldwide. This is clear evidence that quality and sustainability go hand-in-hand. By doing business directly in different countries, we can approach the right person in the right place at the right time. Simultaneously, we shorten Biobest's value chain and reach a higher quality.

The main link between the different subsidiaries is the extraordinary sector and the live product, which helps us to attract a particular profile, including several master's degrees, with a specific drive and motivation for sustainability and quality."

"The next step is to integrate sustainability in certain production processes, including the packaging process."

Which are the drivers for sustainable entrepreneurship?

"Our live product offers our clients a sustainable solution. We focus on a high-quality, reliable product; sustainability is a side-effect. Our sector is growing at an amazing rate, which makes it difficult for us to combine a capacity increase with the integration of structural sustainability. Our advantage is that our efforts to improve the quality of our product and make it more reliable for our clients lead us to working more sustainably. The next step is to integrate sustainability in certain production processes, including the packaging process. There is still room for improvement and more sustainability here."

What does your sustainable organizational structure look like?

"Biobest's organizational structure currently doesn't have a specific role for the sustainability theme. We try to integrate sustainability in every department and in each position in the hierarchy. We are convinced that every employee should make decisions with sustainability in mind. Biobest's unparalleled growth makes us realize that in future we will need to hire a person who will focus uniquely on sustainability. Someone who screens the internal business processes and makes adjustments in relation to sustainability. We are fully aware that we can still take steps to improve."

"We are convinced that every employee should make decisions with sustainability in mind."

Which have been the most important moments in the development of sustainability?

"An important development in recent years has been the demand for sustainable products and solutions. The consumer market judges products and goods based on their sustainability. That used to be inconceivable. To proactively deal with the changing consumer demands, our next step as an organization is to make our logistics chain more sustainable."

"The consumer market judges products and goods based on their sustainability. That used to be inconceivable."

What are currently the biggest challenges in the area of sustainability?

"Currently our means are mainly used to respond to the growing and volatile market demand. It means concretely that we are changing our processes to reach an increased capacity and production speed. This shift makes it hard to combine growth with a structural implementation of sustainability in our processes. In the coming years we will focus on integrating sustainability in our working methods in a procedural way."

Sustainability in practice: 9 lessons, tips and suggestions

1. Make a list of existing initiatives (if any), such as the use of sustainability frameworks and standards and employee projects.
2. Define the sustainability strategy. Make sure it's aligned with and integrated in the company's dominant strategy (cost reduction, customer value, innovation) and identify the impact, risk and opportunities.
3. Link sustainability to the company's key values and DNA. This can be achieved by:
   - Looking at how much sustainability fits in with existing key values
   - Adding sustainability as a key value.
4. When implementing the sustainability strategy, select and focus on priorities and make sure that you get those right.
5. Formulate goals based on the priorities and define concrete milestones and performance indicators. That way you can monitor and evaluate progress. Regularly review these sustainability goals and the approach taken.
6. Ensure support for sustainability inside as well as outside the organization. You can do this by:
   - Communicating and starting a conversation with customers, suppliers and stakeholders why sustainability is important to the company.
   - Demonstrating senior management support for sustainability.
   - Organizing community projects (preferably connected to your core business).
7. Create an environment in which your organization and employees can learn about sustainability and its implementation. Organize internal trainings where you discuss and explain:
   - Why the company has attention for sustainability.
   - What the main priorities are.
   - How sustainability is organized.
   - How employees can contribute.
   - Sustainability dilemmas between people, planet and profit.
8. Ensure a balance between a central direction and local initiatives:
   - A central direction ensures efficient decision-making on the strategic level and coordination of activities.
   - Local initiatives ensure a practical translation of sustainability to the different departments and functions, an increased level of support and involvement, and input for improvement from within the organization. Starting small and locally is an option. Later on, the initiatives can be brought together through an overall policy.
9. Sustainability should become part of your organization's culture and behavior. This takes times and requires patience. Emphasize it constantly and integrate it in your HR, employee objectives and emuneration schemes.

The full report as well as an infographic regarding this 'Sustainable Change' project are available at:
www.antwerpmanagementschool.be/sustainablechange

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