

# Bridging the Capitals

## Accounting for Natural & Social Capital in Business Decision Making



Future Leaders Team 2014

Enabling tomorrow's sustainability business leaders



wbcSD future leaders



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## Leaders of the future

Tomorrow's business leaders need the skills and competencies to cope with an increasingly complex world as well as the social and environmental challenges across a changing competitive landscape. A sustainability perspective is critical to managing relationships, bringing about change and planning for the future.

The World Business Council for Sustainable Development (WBCSD) Future Leaders Team (FLT) program has been set up to identify the skills needed by the future leaders of member companies, and to provide a unique platform for them to develop and test these skills in a real-world setting. The FLT program is a unique professional and leadership development opportunity that aims to mold leaders for the future who understand

sustainability challenges and can position these to make strategic decisions. It is designed to help upcoming business leaders grapple with the complex topics, issues and concepts that will influence their future, as well as the future of their organizations. In addition to opportunities for face-to-face interaction, the program creates a global network of dynamic business leaders, capable of acting as sustainable development ambassadors both within their companies and in society.

By taking part in the FLT program, participants support their company's sustainability projects and initiatives, while contributing to the WBCSD's objectives to act as a catalyst for change towards a sustainable future.

## Program benefits

The WBCSD's FLT program helps participants to address future challenges and create business value through:

- Creating new networks across functions, sectors and geographies;
- Recognizing sustainability opportunities and risks;
- Engaging with key sustainability thinkers;
- Sharing personal and professional knowledge and experience;
- Acquiring project development and management experience;
- Shaping the future of sustainable development;
- And more specifically this year:
  - Communicating with a broad set of key stakeholders from the finance, investment and natural & social capital experts;
  - Enhancing professional skills to identify, understand and interpret sustainability opportunities and challenges, and contribute to the discussion and development of tangible solutions;
  - Building a long-term view of the business cycle and understanding the connection between short-term decisions and long-term value creation.



## Key program features

- The FLT program is a professional development opportunity focused on business leadership and sustainable development.
- The program uses a mixture of classical education with action learning through workshop participation, involvement in the WBCSD, and the management of individual and group projects.
- Participants are invited to contribute on a part-time basis, 25 days spread over nine months, clustered around three face-to-face meetings.
- Each WBCSD company is invited to nominate one participant per year who is **not** a sustainability expert and who does not have more than 10 years of business experience.
- Participants are supported throughout the year by their Liaison Delegate (the key company contact to the WBCSD), who will work with them to set objectives, access people and information, identify communication opportunities and apply learning within the company.
- Throughout the duration of the program, participants also benefit from a range of sustainability, finance and investment experts who will contribute to the agenda, speak at workshops and be available to guide discussions between face-to-face meetings.
- Participants are encouraged to take responsibility for their own learning, and for engagement and interaction with relevant stakeholders.

## Who should join?

- The FLT program is designed to widen the participation of differing professional views in the sustainability debate. We are looking for high-potential candidates who do not have a sustainability background. Candidates should have an interest in or curiosity about sustainable development and environmental issues, but no significant experience in the sustainability field.
- Given the theme of this year's FLT program, we are seeking candidates from the finance talent pool of our member companies. Candidates could be working in audit, accounting, controlling, tax, treasury, reporting, investor relations, financial analysis, and planning or risk management.
- Participants should come to the program with between five and ten years of business experience.
- Each participant should already be able to demonstrate leadership qualities within their company.



*“Thanks to the FLT program, I have had the opportunity to work on cross-functional projects between finance and controlling, sustainability and risk management. In addition, this program has allowed me to build a valuable global network of experts, both inside and outside my company, and of future leaders.”*

Beatrice Panzeri (FLT 2013) Manager Public Reporting, ABB

## Responsibilities

### Individual participants:

- Commit 25 days over nine months – 15 days in face-to-face meetings and 10 days in research/writing/analysis/virtual meetings.
- Deliver one individual and one group project.
- Sign an agreement with their Liaison Delegate and, if appropriate, the CFO to identify learning objectives, communication opportunities and post-program integration.
- Participate in three, one-week face-to-face meetings.
- Communicate regularly with their company’s Liaison Delegate, with their manager and CFO.
- Complete a pre-program questionnaire and undertake pre-reading.
- English proficiency (written & verbal) required.

### Member companies:

- WBCSD Council Members to nominate their companies’ FLT program participant (one candidate per company).
- WBCSD Liaison Delegates and FLT program participants to develop an agreement together to identify learning objectives, communication opportunities and post-program integration.
- Liaison Delegates to provide a pre-briefing and post-program support to their companies’ candidates.
- The support and involvement of the company’s CFO is highly desirable.
- Allow FLT program participant to contribute 25 days to the program.
- Contribute CHF 5,000 for the FLT program operational budget and administration costs.
- Cover travel and accommodation costs, typically for three international meetings, as well as fees for Future Leaders to participate in the WBCSD Council Meeting (approx. CHF 1’500 per participant).

### WBCSD:

- Provide a dedicated project manager to the FLT program; other secretariat staff will also contribute as appropriate.
- Provide organizational, logistical, mentoring and facilitation support.
- Assist in shaping the direction of the program to ensure alignment with the WBCSD’s overall work program goals and participant needs.





## FLT 2014 Program

### Bridging the Capitals-Accounting for Natural & Social Capital in Business Decision Making

In a world that is shaped by more environmental urgencies, stringent environmental public policy and consumer pressure, companies are realizing the need to measure, manage and mitigate their impact and dependence on nature and society. A singular focus on optimizing returns from financial capital is no longer enough. Understanding and accounting for natural and social capital has become critically important for successful and sustainable business.






The business case for action by companies on natural and social capital is widely written about and global initiatives such as the International Integrated Reporting Council and TEEB for Business Coalition, among others, have been developing frameworks that can support the evolution of corporate reporting. At the same time, there have been significant changes in natural and social capital stocks, capacity and flows over the past 30 years that pose important business and societal risks. Responding to those risks provides the scope for new business development opportunities.

For more than 15 years, the WBCSD has been promoting the importance of valuing nature in business decision making by developing tools and guidance on how companies can better account for natural capital. The WBCSD's work in the area of social capital also started some time ago, with the aim of measuring, valuing, monetizing and reporting the social impacts of business. The purpose of this ongoing work is to ensure a practical approach is available to business, in order to account for external impacts of their activities on people and the planet.

The first part of the FLT program will seek to promote a better understanding of the importance of social and nature capital, in addition to financial capital, including opportunities and risks. The focus will be on understanding the complexity of the sustainability debate and to focus on the individual's leadership potential. To enrich the educational content, participants will be given access to academics and business leaders, investors and NGOs. Participants will learn about the scientific drivers of the sustainability agenda from leading climate scientists and engineers. They will understand the socio-economic barriers and drivers that lead to poverty, conflict and abuses of human rights, and see from case studies what progressive leaders are doing to address such issues. Finally, the first part of the program will also introduce candidates to the latest thinking on leadership and, in particular, the differences between a leader and a sustainability leader.

In the second part of the program, participants will work on group projects such as exploring how social and natural capital considerations can and should be incorporated into financial practices, and conversely, how financial considerations can be included in social and natural capital practices. FLT program participants will test existing tools, valuing methods and develop new ones to value and account for business' impacts and dependencies in relation to the WBCSD's Action2020 priority areas, 'Must-Have' targets and business solutions.

# Agenda 2014 and Activities Overview

Timetable & Locations	Activities	Benefits
<p><b>Kick-off meeting</b>            Date: March 10-14            Locations: Cambridge &amp; London, UK            Duration: 5 days</p> 	<ul style="list-style-type: none"> <li>• Become familiar with the WBCSD's structure, objectives and work program</li> <li>• Participate in workshops on the basics of sustainable development</li> <li>• Engage with WBCSD representatives and sustainability experts</li> <li>• Participate in leadership workshops</li> <li>• Plan for individual projects in the year ahead</li> </ul>	<ul style="list-style-type: none"> <li>• Understand the global context in which business is operating</li> <li>• Identify key sustainability issues and their relationship with business</li> <li>• Develop leadership skills</li> <li>• Develop knowledge of sustainability and business issues, drivers, tools and approaches</li> <li>• Create a large network of business leaders</li> </ul>
<p><b>Phase I - Individual project</b>            Date: March to June            Location: Virtual            Duration: 4 days, spread over 3 months</p> 	<ul style="list-style-type: none"> <li>• Develop a case review and strategy paper that explores the sustainability challenges, changes and opportunities related to participants' company situation</li> <li>• Prepare report and presentation on key learnings</li> </ul>	<ul style="list-style-type: none"> <li>• Build a long-term business perspective</li> <li>• Engage with key company stakeholders</li> <li>• Shape the future of sustainable development within participants' companies</li> </ul>
<p><b>Midterm meeting</b>            Date: June 16-21            Location: South Africa            Duration: 6 days</p> 	<ul style="list-style-type: none"> <li>• Present findings from Phase I individual projects</li> <li>• Walk-the-talk through experiential learning by emersion of up to 3 days in a social and/or environmental setting in South Africa</li> <li>• Plan for Phase II group projects with guidance from WBCSD secretariat and experts</li> </ul>	<ul style="list-style-type: none"> <li>• Develop leadership and communication skills</li> <li>• Gain better understanding of social and natural capital issues</li> <li>• Gain a greater understanding of the business context through other participants' personal and professional knowledge and experience</li> </ul>
<p><b>Phase II- Group projects</b>            Date: June-November            Location: Virtual            Duration: 5 days, spread over 5 months</p> 	<ul style="list-style-type: none"> <li>• Design and execute group projects based on the experiential learning in South Africa and linked to a WBCSD initiative, to put value on societal and environmental impacts</li> </ul>	<ul style="list-style-type: none"> <li>• Develop skills in group project management</li> <li>• Build skills in engagement and collaboration with organizations and various stakeholder groups</li> <li>• Develop knowledge of sustainability and business issues, drivers, tools and approaches</li> </ul>
<p><b>Closing meeting</b>            Date: November 3-7            Location: Atlanta, USA            Duration: 5 days</p> 	<ul style="list-style-type: none"> <li>• Participate in leadership training</li> <li>• Present the output of group projects</li> <li>• Participate in plenary sessions and working group meetings during WBCSD Council Meeting</li> <li>• Engage with WBCSD representatives and sustainability experts</li> <li>• Consolidate group projects and activities and identify learnings</li> <li>• Plan for future action and introducing learnings into companies.</li> </ul>	<ul style="list-style-type: none"> <li>• Engage with key sustainable development stakeholders</li> <li>• Create a large network of business leaders</li> <li>• Share personal and professional experience</li> <li>• Develop ability to communicate effectively with various audiences</li> </ul>

\* Optional: FLT program 2014 participants are welcome to attend the WBCSD Liaison Delegate meeting in Montreux, Switzerland, April 8-10 2014.

## For more information

If you are interested in joining the Future Leaders Team or would like more information about the program, please contact:

Suzanne Feinmann  
Phone: +41 22 839 31 13  
Email: feinmann@wbcSD.org



## About the WBCSD

The World Business Council for Sustainable Development is a CEO-led organization of forward-thinking companies that galvanizes the global business community to create a sustainable future for business, society and the environment. Together with its members, the Council applies its respected thought leadership and effective advocacy to generate constructive solutions and take shared action. Leveraging its strong relationships with stakeholders as the leading advocate for business, the Council helps drive debate and policy change in favor of sustainable development solutions.

The WBCSD provides a forum for its 200 member companies - who represent all business sectors, all continents and a combined revenue of more than \$7 trillion - to share best practices on sustainable development issues and to develop innovative tools that change the status quo. The Council also benefits from a network of 60 national and regional business councils and partner organizations, a majority of which are based in developing countries.

[www.wbcSD.org](http://www.wbcSD.org)

*“In addition to the technical knowledge I gained, we spent a substantial amount of time throughout the program on core skills such as leadership, networking, team, project, and time management.”*

**Abdulaziz M. Alfakhri** (FLT 2013) Head of Cash Management, Saudi Basic Industries Corporations (SABIC).

## Recommendation form

Please fill in details of your company's 2014 WBCSD Future Leaders Team nominee, and send the recommendation form along with the nominee's CV to Suzanne Feinmann at feinmann@wbcSD.org. (below questionnaire also available, upon request, as Word document.)

**Nominations are due by Monday, January 20, 2014.**

### Candidate details:

First name: .....

Surname: .....

Job title:.....

Company: .....

Country/Location:.....

Nationality: .....

Date of birth:.....

Phone:.....

Email:.....

### Questions on the candidate:

What are the three strongest traits/qualities of this candidate?

How has the candidate demonstrated leadership inside your company?

What is the candidate's interest in sustainable development?

What is the candidate's experience in finance?

What are the company's expectations of the FLT 2014?

### Contact details of person making nomination:

First name.....

Surname .....

Phone .....

Email .....

# Future Leaders timeline

- 2002 **28 participants** Stockholm, Johannesburg

  - Designed and delivered dialogue event
  - Participated in bicycle cooperative in South Africa
  - Created video of summit
- 2003 **17 participants** Montreux

  - Dialogued with +100 people across 11 countries
  - Developed a user-friendly education tool
  - Signed up to a set of “Sink or Swim” water principles
- 2004 **28 participants** Montreux, Zurich

Regional Young Managers Team launched, Portugal

  - Developed paper on generational change in the financial services sector
  - Designed a presentation pack on sustainable development and China
  - Delivered an event on social and environmental issues in forestry projects in Brazil
- 2005 **30 participants** Geneva, Nagoya

Alumni website launched

  - Developed an electronic communications game to reach employees
  - Ran workshops to engage financial professionals in sustainable development
  - Showed academia the value of the Sustainable World and You educational toolkit
- 2006 **31 participants** Beijing, Geneva

Alumni close Michelin, Bibendum Challenge, Paris

  - Designed an interactive website prototype “Greenhearts”
  - Showed short video on personal values and corporate action
  - Presented posters to illustrate consumption of water, waste, energy and transport business scenarios through 2050
- 2007 **38 participants** Montreux, Brussels, Geneva

Alumni speak at The Conference Board, USA

  - Explored energy and climate policy options in China
  - Enhanced relationships with small- and medium-sized enterprises
  - Built the business case for managing ecosystems sustainably through a communication campaign
- 2008 **25 participants** Montreux, Washington, Barcelona

Alumni networking site launched, Spain

  - Completed individual Ecosystem Services Review
  - Advocated the role of business at the World Conservation Forum
  - Developed a compelling movie and a scenarios workshop
- 2009 **13 participants** Montreux, Bangalore, Washington

  - Explored the role of business in development with a focus on India
  - Utilized the Measuring Impact Framework individual in companies
  - Designed the Inclusive Business Challenge to identify opportunities to engage low-income communities across the value chain
- 2010 **29 participants** Montreux, Boston, Shanghai

  - Generated further knowledge and advocacy of Vision 2050
  - Developed individual projects on Vision 2050 on how to use the Vision in companies
  - Developed group collaborative innovation projects to explore Vision 2050 opportunity spaces
- 2011 **22 participants** Montreux, Washington, Geneva

  - Explored GHG Protocol Scope 3 in companies
  - Presented findings and recommendations to World Resources Institute (WRI)
  - Developed group projects on engaging stakeholders in the value chain
- 2012 **25 participants** Montreux, Washington, Jeju/South Korea

  - Completed the Business Ecosystems Training (BET)
  - Developed a customization framework for BET
  - Organized and led dialogue discussions with World Conservation Congress (WCC) participants
- 2013 **29 participants** New York, Amsterdam, Istanbul

  - Reviewed companies' Sustainability Reports
  - Attended GRI conference
  - Wrote papers on Internal Control- Non Financial Reporting and Risk Managements

# Former FLT participating companies

