

Strategies for
sustainable
business
development

THE REPORT

by Ecolabelling
Sweden



Eco-Ilectivism

How to take the lead in making sustainability the standard among your peers

The necessary add on

How to add sustainability to the procurement process

Streamlining sustainability

How to form alliances for an efficient transition towards sustainability

Values for the money

How to use sustainability to attract and to retain talent

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The corporate world is in the middle of a paradigm shift towards sustainability. Of course, new materials and technologies are supporting this shift, but it is customers, consumers and employees who are the true driving forces. Naturally, they have the same demands as before in terms of price, function and quality. But now also with the very clear demand for sustainability. This is new.

Surely, someone might argue, sustainability has been on the agenda for the past decades. Yes, but mostly for decision-makers and experts and focusing on producers. Now it is a topic people think about in their everyday lives, and many have the desire to live more sustainable. This changes the rules of the game, creating new demands and opportunities for companies – from marketing to management, product development and human resources.

Already today we see forerunners. They understand how to deliver more than just a product or a service. By working with others for the best synergies for customers, they succeed in offering additional values and helping them to a sustainable lifestyle. And they do



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it in an honest way and based on clear values. This gives them customer loyalty, builds their brand and makes them attractive workplaces.

With this report, Ecolabelling Sweden wishes to point out a new trend and show companies ways on how to deliver on the new customer demands. We, on our part, will follow this development closely and with the Nordic Swan Ecolabel make customers confident in choosing a sustainable lifestyle.

With the desire for inspirational reading,

Ragnar Unge, CEO of Ecolabelling Sweden

P.S. On December 3, we are celebrating our 30th anniversary. You are very welcome to join us for a full day of inspiring talks, workshops, discussions and networking. Together we will be forerunners in choosing to save the world a little bit every day. More information on Greenolutionevent.com.

Opening remarks

Over the course of our thirty year long journey, we have seen consumption and production increasing – and not always in a sustainable way. Scientists are even proposing a new geological term for our age; the Anthropocene, meaning the age where the systems of the Earth are shaped by humans. However, at the same time we see a growing interest to live in harmony with our planet.

We are in the middle of a paradigm shift where a wide range of stakeholders, from consumers to investors and employees, demand sustainability from public and private companies. With the aid of Nordic Swan Ecolabel and our expertise, we help companies to help their stakeholders to choose a more sustainable lifestyle.

Like any living organism, we have to collaborate to survive. And the time to act is now. In short, we need to work together more than we used to do to realize the opportunities laying just waiting for us and thus be able to accelerate change towards a more sustainable society.

Last year, Nordic Ecolabelling wrote a report focusing on the consumer perspective. Check it out, if you want to learn more about the gap between consumers' attitude and their actual behaviour. We also introduced four strategies helping consumers to choose sustainability.

This year, Ecolabelling Sweden put focus on organisations from a more inside-out perspective. Again, we have spoken to thought leaders from around the world, and this time on how to engage leadership, current and future employees.

We have also conducted our very own survey called The Swan Ecometer for additional insights on how employers can activate their employees in the quest for sustainability. Based on our findings, we have created four strategies for you to get inspired by and perhaps even implement in your own organisation.

Nordic Ecolabelling

– our Nordic organisation



In 1989 the Nordic Council of Ministers founded the non-profit organisation Nordic Ecolabelling and asked us to develop independent third party certification for goods and services. Ecolabelling Sweden is Sweden's national agency working with the Nordic Swan Ecolabel.

Together with our sister organisations in the other Nordic countries we are working on the mission to make the Nordic region a forerunner for sustainable lifestyle.

The label is a Type-1 ecolabel, following the ISO 14024 standard.

The Nordic Swan Ecolabel works twofold and is both a symbol and a tool:

For consumers

The Nordic Swan Ecolabel makes it easy for consumers and professional buyers to choose among the environmentally best goods and services. They live up to strict requirements on environment, health and quality.

For organisations

The Nordic Swan Ecolabel is an effective tool for organisations who wish to move ahead, reduce their negative impact on the environment, and receive a visible proof for their efforts.

Nordic Ecolabelling

- Strives to be a positive force that provides inspiration and solutions to foster sustainable development.
- Sets strict requirements for resource consumption and waste, climate effect, use of chemicals and biodiversity.
- Evaluates the environmental impact of a product or service in all relevant phases of its life cycle from raw material extraction, production and use, to waste/recycling.
- Continuously reviews and tightens its criteria, licences are time-limited and companies must apply again to create sustainable development.
- Works proactively to show Nordic governments how to put the UN SDG's into action.

Employees (Sweden)	72
Employees (Nordic)	159
Industries	60
Licences	2,191

Number of Nordic Swan Ecolabelled products and services globally	More than 25,000
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97%

of all people in Sweden recognize the Nordic Swan Ecolabel as a brand.¹

1. Source: Nordic Consumer survey on assignment for Nordic Ecolabelling (IPSOS 2019)



Sweden

Population	10,255,102
Area	447,435
Density inhabitants / km ²	23
Capital population	2,344,124 (Stockholm)

Money and trade¹

Currency: 1 krona (SEK) = 100 öre ≈ EUR 0.095

GDP per capita (PPP): SEK 457,300 (2017)

Most important export goods: 34% vehicles and machines, 13% pharmaceuticals/chemicals, 11% electronics, 11% minerals, 10% wood products, 7% energy, 7% foods, 2% shoes and clothes.

Education and work²

Education: Ten years of compulsory schooling, but most students continue the three-year upper secondary school. Around one-third go on to higher education at universities and colleges throughout Sweden.

Working hours: Standard work week is 40 hours, minimum paid holiday allowance is 5 weeks.

Employment rate (20–64 years): Men: 84%, women: 80%, total: 82%

1. Source: Statistics Sweden, scb.se (2017)

2. Source: ekonomifakta.se/Eurostat (2017)

Here's to 30 years!

The Nordic Swan Ecolabel was created 30 years ago. The purpose was to make it easier for consumers to find the best choices for the environment and for companies to produce them. Today we can proudly say that our label has changed entire industries. Over the years we have ecolabelled most things; from batteries, diapers, office machines and paper to houses, grocery stores and funds. Nordic

Swan Ecolabelled products affect the environment much less than the equivalent non-labelled products. They have been controlled, meet tough requirements and thus have proved that they are among the best choices for the environment. Our ecolabel has brought about changes that have been good both for the environment and for mankind. We have made sure that dangerous chemicals have disappeared from

the printing industry. We have contributed to the fact that you basically only can find detergents and toilet paper that are ecolabelled on the store shelves. We have helped securing a more energy efficient and chemical-friendly hotel industry. And we continue to work for a better environment. Here are some of the milestones of our proud history.

1989

The Nordic Council of Ministers decides to introduce an official Nordic ecolabel. Sweden, Norway, Finland and Iceland participate in the work from the beginning. In 1997 Denmark joins the cooperation.



1992

Modo Balans receives a licence for paper and Via Color for detergents. The licences are distributed on the same day, so no one can claim to be first licensee.



1999

Another big step is taken when the first criteria for a service is approved. Now hotels can be ecolabelled. Sångå Säby outside of Stockholm becomes the first hotel to get a licence.

1989

1991

1992

1996

1999

2003

1991

Nordic Ecolabelling's first criteria are being developed at Ecolabelling Sweden; primary batteries.



1996

Large focus on increasing awareness about the Nordic Swan Ecolabel among Swedish consumers. Gunde Svan, Lennart Swahn and Jan-Öjvind Swahn participate in Nordic Ecolabelling's first TV-commercial. It's a success – 96% of all Swedes know about our label commonly referred to as "Svanen".

2003

The hotel chain Scandic ecolabels all their hotels in Sweden, including their buffets.



2005

The first Nordic Swan Ecolabelled house, Skanska's Uniqhus, is built. This constitutes the start of a very successful business area for Nordic Ecolabelling. Today, construction is one of our largest product groups and many of Sweden's large actors have proclaimed that everything they build must be Nordic Swan Ecolabelled.



2017

The world's first Nordic Swan Ecolabelled funds are launched. In just one year, they increase from 12 to 21 funds.

2010

Licence no. 2,000 is handed out.

2005

2007

2010

2015

2017

2019

2007

Ecolabelling Sweden's Procurement Network is formed. The main purpose: Supporting organisations in making sustainable procurements. Today, the network has 240 members, of which many are Sweden's most well-known companies and several of them state-owned.

2015

Our largest investment in outdoor advertising is launched. In the subway, at bus stops, and in urban environments all over Sweden you can see the campaign "Save the world a little bit every day". It has a great impact both among companies with Nordic Swan Ecolabel licences and consumers who appreciate its message.

2019

Nordic Ecolabelling turns 30 years and look forward to 30 more successful years!



The starting point

– The Nordic Swan Ecometer 2019

Last year we looked into Nordic consumer's relationship to nature and their attitudes and behaviours towards sustainable consumption. It resulted in our very first Swan Ecometer. We learnt that people want to make more sustainable choices than they do today, that they support brands that share their values, and that quality is most important when choosing a product.

This year, we are looking closer at how people experience sustainability at their workplace. In a culture where our identity is closely linked to what we do for a living, and a third of each day are spent at the workplace, what role does our professional life play in our personal sustainability ambitions? We surveyed 1,023 people across Sweden to add further insights to our report.

53% know what their employers do with regards to sustainability.



40%

... often think about sustainability when they make choices in their everyday lives.

Almost 8/10...



... say it is important that their municipality sets environmental requirements in its procurement.

Forest fires in summer 2018 made people realize that the climate issue is starting to affect our communities. 48% say they started to act more environmentally friendly since.



64%

see the companies' sustainability engagement and work as crucial when they choose an employer.

Almost 1 of 2



say that sustainability has increased at their workplace over time.

35%

... actively try to impact their colleagues and managers to make more sustainable choices.

56%

... want the employer to work with targets to reduce negative impact on the environment.

65% say that it is important that companies set environmental requirements on the goods and services they purchase from e.g. sub-contractors.

1 of 3

... say their employer's sustainability work consists of empty words and that they miss action.

The survey has been planned and analyzed by United Minds, supported by ADP and Cint between 6th of March and 12th of March 2019. The questionnaire was sent out by e-mail to a nationally representative sample in Sweden and collected via digital surveys. The total number of respondents was, 1,023.

Diving deeper

– The interviews

Here we put the interesting findings from the Nordic Swan Ecometer 2019 into context by interviewing a wide range of thought leaders. You will recognize the themes of the four main chapters from The Report 2018.

This year we are approaching them from the employee's perspective on employers' sustainability work – a most important future aspect.

2 Chapter	Eco-Illectivism <p>We look at businesses and governmental institutions who have led the way in how to create truly sustainable businesses by managing to influence their respective industries to become more sustainable.</p>	<ul style="list-style-type: none">• Vanessa Butani• Sara Bergman• Jaime Lerner
3 Chapter	The necessary add on <p>We talk to people who have understood the many opportunities that exist in setting requirements for sustainability in public procurement. They all have interesting ideas on how to do it.</p>	<ul style="list-style-type: none">• Monica Lingegård• Ardalan Shekarabi• Anna Norberg• Chen Chin-Yuan
4 Chapter	Streamlining sustainability <p>We explore how businesses form alliances and create platforms to accelerate the transition towards a sustainable society. This makes the process of adapting to the future a lot smoother and way more interesting.</p>	<ul style="list-style-type: none">• Lena Hök & Gabriel Lundström• Elinor Holén• Simon Fogbring
5 Chapter	Values for the money <p>We speak to visionary leaders and change makers about how companies can prove that they are a sustainable company for real – something today's talent demand.</p>	<ul style="list-style-type: none">• Petter Nylander• Ida Pehrson• Christian Quarles van Ufford

53%

know what their employers do with regards to sustainability. 47% do not.

Eco-Ilectivism

Being flock animals, we humans tend to conform to the group to avoid the social risk of behaving differently. If you want people to stop running the tap while brushing their teeth, it is better to say that 7 of 10 people turn it off than saying how bad it is to have it running. At Ecolabelling Sweden, we call this eco-Ilectivism and it refers to the positive impact of the collective on an individual's green behaviour.

Last year, we spoke to thought leaders in psychology, anthropology and advertising. They taught us that the most effective way to change consumer behaviour is to activate the social brain by engaging in social norms and putting facts into social and historical contexts. But, who is the first one to turn off the tap while the rest of us still let it run? Who creates the norm?

In every family, group of friends or community, there is a person that others look up to and follow. Anthropologists refer to such a person as a lighthouse. Looking at sustainable development over the years, we can see that there are companies, organisations and cities that have been lighthouses and started working with sustainability when it still was a niche topic. Early on, they understood that sustainability is a considerable opportunity to grow, innovate and compete. By leading the way, they themselves managed to influence their respective industries to become more sustainable, thus creating eco-Ilectivism among their peers.

Today, sustainability has gone from niche to norm, and everyone is talking about it. But does everyone really do the work? The Swan Ecometer 2019 shows that although sustainability is being put higher on the agenda in most organisations, many employees believe it is not being carried out properly. In this chapter, we turn the spotlight to businesses and governmental institutions who not only have led the way in how to create truly sustainable businesses and communities, but also how to include employees and citizens in the process.

Vanessa Butani



Creating change towel by towel

Scandic has been working with a clear sustainability agenda for almost 30 years and has been a pioneer in the hotel industry when it comes to creating best practices for reducing water, energy and waste. It was at Scandic that the idea to “hang up your towel if you want to use it again” was born – an idea that is now the standard in the hotel industry around the world. In recent years, the focus has been on social sustainability, where Scandic runs and supports projects for integration in all of the company's markets. We had the great opportunity to sit down with Vanessa Butani, Director of Sustainable Business at Scandic Hotels, and talk to her about how you set the standards that impact an entire industry.

What do you think sparked that early adoption of sustainability?

Scandic started to work systematically with sustainability earlier than any other hotel chain in the Nordics. In 1993, when we first started working with sustainability, the market was tough and Scandic was also affected. We saw that we needed to start cutting our costs and focus on profitability. We decided to “turn everything upside down” and see what we could do. I think that's when our sustainability journey really started.

We saw that working with sustainability also helped us cut costs. So, it was business driven from the start, which I think is powerful. Our sustainability approach also helped us engage employees as they were encouraged to help out, share their ideas and be creative.

We saw that working with sustainability also helped us cut costs.

What about now, is there an outspoken ambition that Scandic should be a leader for sustainability in the hotel industry?

Yes, absolutely. We have a very clear ambition to be the industry leader in sustainability, and for us being a leader means helping the entire industry move forward. I think it's important to emphasise that it's not about beating our competitors, but rather that we want to be a role model. We want to move ahead, and we want everyone to join us, because we see that this is the right way to go and we need to do it together.

How do you engage your staff in developing, communicating and implementing sustainability?

We have 18,000 people in our sustainability team at Scandic. We have a culture of working with sustainability and this is something that we are constantly developing. For example, we just ran a sustainability hackathon where we asked team members to get together and brainstorm new ideas for social and environmental sustainability. We made it into a competition, which was a lot of fun! We had online voting and a jury with internal and external participants evaluating the top ideas. Now, we have a great opportunity with over 400 new ideas that we will evaluate to see what we can implement, and hopefully make a big impact across our 280 hotels. We're already working on the winning ideas, which include 'Turn off the Taps' (inviting guests to help us save water) and 'Holiday for All' (inviting families in need of a holiday at our hotels in the off season).

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We have 18,000 people in our sustainability team at Scandic.

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Do you think it's possible for a company to create a new norm for an industry?

Well, we've done it, right? We did it with our towels. If you want to set this kind of norm, it is about focusing on one specific initiative that can inspire others. You need to take small steps all the time and not forget to connect them to a larger story and broader ambition. That's what brings it to life.

In what ways has The Nordic Swan Ecolabel helped Scandic in becoming a forerunner in sustainability?

Our first hotel was licensed in 1999 and throughout our joint journey we've had a close dialogue with Ecolabelling Sweden where they've pushed us – and we've pushed them. We work together to drive change in the industry, and we've been able to stay on top of bigger trends that may stretch across other industries as well. Additionally, people in the Nordics know the label from products they buy themselves, so when they see the label in one of our hotels, they understand immediately that we are serious about our sustainability efforts.

Setting the standard since 1989

In 1989, two years after Gro Harlem Brundtland defined the term “sustainable development” in a paper for the UN, the Nordic Swan Ecolabel was born, making it one of the world’s oldest ecolabels. Today, it is the leading ecolabel in the Nordic countries. Much has changed since 1989 in the field of sustainability. From being the topic of discussion of a few (...) there is widespread consensus today that sustainability is the most pressing issue of our time, the talking point of a few (but determined) scientists and politicians, there is widespread consensus today that sustainability is the challenge of our generation, but also our greatest opportunity. In this interview we talk to one of our own at Ecolabelling Sweden: Sara Bergman, head of criteria and sustainability. We look more closely at the Nordic Swan Ecolabel’s role over these past thirty years, how the label has been a driver for sustainability in a wide range of industries, and where we’re heading as we look to the future.

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The Nordic Swan Ecolabel is only awarded to the best products or services.

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A lot has happened in sustainability over the past thirty years. What is your personal journey?

I've always known that I wanted to work with environmental issues, but it was probably in the mid 80's that my environmental interest really took off. Environmental pollution – widespread famines, acidified forests, and dioxin in food got big headlines. At that time, it was mostly engineers, scientists, biologists and chemists who worked with solving these problems, or at least what I knew of. So, I decided to study to become an environmental engineer. We were a small group back then, but a lot has changed since then.

What has changed?

In the beginning, it was all about minimizing the negative impact on the environment. Today, risk management is a hygiene factor and sustainability is increasingly put at the core of business

models. I believe that the Nordic Swan Ecolabel has contributed to this development in the Nordic region, helping organisations not only to reduce their negative impact, but even increase their positive impact. Our criteria are always formed from a holistic perspective, instead of focusing on a single environmental issue. We are taking the entire life cycle of a product or service and its impact along its life and production span into consideration. As a result, we have been an important part in helping companies to shift from looking at single environmental issues to adopting a more holistic perspective.

Are companies getting better at sustainability?

Let's put it this way, companies applying for a Nordic Swan Ecolabel licence are more prepared today than in the past. Many of them have done their homework and understand the environ-

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Through “Svaneneffekten” we can work towards a more sustainable society on multiple front lines.

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mental impact of their product or service. We can also see that expectations in us are increasing, which I think is very positive. I also believe that the UN Sustainable Development Goals (SDGs) are helping to put sustainability work into focus.

You are mentioning the SDGs. Is the Nordic Swan Ecolabel helping companies to work towards them?

Our label addresses 12 of the 17 goals, and we believe it is important that our criteria have bearing on the 2030 Agenda, as well as Sweden's national sustainability goals and the generational goal. Our vision is to be a positive force in society and to make the Nordic region a forerunner for sustainable lifestyle. We are revising our requirements continuously and thus checking regularly how we can support these frameworks. We were founded by the Nordic Council of Ministers and we work closely together with our sister organisations in the other Nordic countries. Collaboration across nations is thus part of our DNA. And, not to forget, many of the products carrying our label are produced in other parts of the world, and our advisers check up on all production sites. Thus, we spread environmentally-friendly production methods around the world.

Do companies see Ecolabelling Sweden as a partner?

I would say so. There are many companies having licences for many years now. We can also see companies using our criteria for product development and we are being contacted early in their process – and not only when they have an existing product to show. This is a development we are very excited about as it might

show companies getting less reactive and more proactive in their sustainability work. However, the Nordic Swan Ecolabel is only awarded to the best products and services. Our target is not to ecolabel all products and services. That would weaken our credibility as a trustworthy ecolabel. But we do want to help many more companies to become among the very best.

As we regularly revise our criteria, licensees need to reapply for the licence they have and many of them struggle to meet the revised requirements. In these cases, our advisers are in close contact with the licensees and provide constructive feedback to help them update their processes. Companies know that their customers would find it strange if the Nordic Swan Ecolabel disappeared from their product or service, so they know they must try to keep the licence, even though it requires hard work. To sum it up, there are many companies together with whom we have changed the rules of the game for whole industries.

Changing the rules of the game. That's interesting. How do you transform industries by making greener decisions?

Understanding the demand of consumers, as well as public procurers and private buyers, is important. We work with communication, education and network building. We team up with our licensees and have them team up with each other, for example in forums like our Green Procurement Network (Svanens inköpsnätverk).

We can create a ripple effect, something we sometimes internally referred to as “Svanen-



The Nordic Swan Ecolabel is a powerful tool for securing a sustainable future. It actively contributes to accomplishing 11 of UN's 17 Sustainable Development Goals, and particularly goal 12, “Ensure sustainable consumption and production patterns”.

I believe that the Nordic Swan Ecolabel as a third-party certification is more important today than ever before.

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effekten”. Companies that are first with introducing products or services that carry the Nordic Swan Ecolabel have a competitive advantage. Others follow this example, and over time the ecolabel becomes the norm for those who want to be considered among the best. We have seen this again and again and we can even see this effect influencing across different product categories: Nordic Swan Ecolabelled hotels created a demand for TV sets carrying our label. Buildings with the Nordic Swan Ecolabel created a demand for construction products and renovation services meeting the demands of Nordic Ecolabelling, as well as kitchens and furniture. Pre-schools carrying the Nordic Swan Ecolabel are creating awareness among parents of the importance and advantage of ecolabelled toys and furniture, thus increasing the demand on these products.

To sum it up, through “Svaneneffekten” we can work towards a more sustainable society on multiple front lines. As a result, we are constantly expanding the number of industries we are operating within. We also grow as “house of experts”, recruiting new employees that can add new competences to our organisation.

There are new labels entering the market every day. Will the Nordic Swan Ecolabel still be relevant in 30 years from now?

We have no self-interest in our existing. If we have a sustainable society in thirty years no ecolabel is needed. In fact, we have already closed down product groups where we have seen that the industry is managing on their own or new legislation has been implemented. However, much work is left to be done. The biggest challenges are still ahead of us. I believe that the Nordic Swan Ecolabel as a third-party certification is more important today than ever before. We are trustworthy and reliable, and we have gained the trust of consumers and organisations alike. As more and more labels appear on the market and consumers get increasingly confused, we are providing guidance and trust.

House of Experts

At Ecolabelling Sweden you find various disciplines represented: engineers, chemists, biologists, environmentalists as well as co-workers coming from the industry.

- 17 386 h/year on development of requirements and follow-up methods for criteria.
- 24 253 h / year on follow-up requirements Sweden.

Bold and creative: The case of Curitiba

Jaime Lerner has more than 40 years of experience within urban planning and architecture. He has received multiple international awards and recognitions for his contribution to sustainable urban planning. In 1971, Lerner was appointed mayor for the city of Curitiba, Brazil, a position he would have for three terms. During his time as mayor, he led the urban revolution that made the city renowned for urban planning, public transportation, innovative parks, social programs and waste management. Today, his ideas are copied in cities worldwide. Jaime proved that urban planning is not a question of financial resources but a matter of creativity and design, thus challenging conventional approaches to urban planning. We wanted to get his insights on how to push for change even though the conditions are against you. We managed to get him on the phone together with his assistant Ana Claudia for an inspirational interview on his signature project – the city of Curitiba in Brazil – as well as his general thoughts on how to go from idea to reality.

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The shopkeepers were very upset and went into the city hall saying, ‘How could you do this to us?’. Jaime responded with: ‘Look at what I did during the weekend. If it doesn't work, I will take it away.’

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When you first started the journey of transforming Curitiba, how did people react?

Jaime: Lots of people understood that it would be very difficult, but we managed to take some first important steps to show them it could be done. It was with our first transformation of a street into a pedestrian mall, our first proposal for public transport and the first green area, that we managed to convince the masses. Each and every step was an important proof point. But within the team, we knew from the very beginning that this could be of great importance in transforming the world and be a role model for sustainable cities. This was very clear to us. Seeing is believing.

One of the first things Jaime did as a mayor was to close down one of the main streets in the commercial area and set up a pedestrian mall – a shopping area outdoors free from cars.

Anna: When people heard about it, they thought he was completely insane. The shopkeepers were upset and set up a petition against it. Jaime, however, believed in his idea and decided that the pedestrian mall had to be set up as soon as possible – over the weekend while the shops were closed. On Monday morning the pedestrian mall was ready. Part of the plan was to involve children from public schools having a painting activity, so there was a lot of children having fun at the new pedestrian mall. The shopkeepers were very upset and went into the city hall saying, “How could you do this to us?”. Jaime responded with: “Look at what I did during the weekend. If it doesn't work, I will take it away.” As time went by, people from the commercial association wanted to expand the pedestrian mall.

Sometimes, you just have to do things in spite of what everybody else thinks, Jaime fills in.

In the 1960s, Curitiba started to grow massively. Following the example of the then newly build capital Brasilia, urban planners looked into expanding subway lines and car traffic in the city, a costly and time-consuming endeavour. When Jaime Lerner became the mayor, he surprised everyone with his idea to re-design the bus transit system, dedicating lanes to buses along the arteries of the city and allowing passengers to travel quickly while avoiding large infrastructure investments. In 1991, Lerner had the revolutionising idea to further improve the system by creating futuristic, tube-looking boarding stations, allowing for faster boarding through multiple doors and offboard payment. Curitiba bus stations sparked a transport revolution, and since then 82 cities around the world have copied this concept.

Jaime: I used to always say that the car is like your mother-in-law. You have to have a good relationship with her, but she cannot command your life. So, when the only woman in your life is your mother-in-law, you have a problem. We sat down with the bus manufacturers such as Volvo,

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**Creativity starts
 when you cut a zero
 from the budget.**
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as well as bus operators, and city officials and concluded that the city would provide different structures: the bus operator would provide the service and Volvo the technology. There was a whole process where stakeholders were involved in inviting people to experiment with the transportation system. Together, we managed to create a system of transport that played a very important role in providing a sense of belonging for everyone living in the city.

Like most Latin American cities, Curitiba has its share of shantytowns, where many people are poor and work hard just to get by. A large challenge with shantytowns is waste management. When many others ignored the problem, Jaime decided to solve it in a way that benefited all.

Families in shantytowns bring their trash bags to neighbourhood centres where they can exchange them for bus tickets or food bought from outlying farms. The trash is then transported to a plant that employs people outside the labour market. Here, the trash is separated and

recovered materials sold to local industries. This recycling programme does not cost more than the old landfill. But the city is cleaner, there are more jobs, farmers are supported and the poor get food and transportation. Hence, today Curitiba recycles two-thirds of its garbage – one of the highest rates for any city.

Another way Jaime supported vulnerable demographics was to employ young people from areas with high crime rates as cleaners in the city's many parks – also built by Jaime. Curitiba is surrounded by rivers and each year, large parts of the city floods for months. Instead of building concrete canals, Jaime diverted the water from the lowlands into lakes in new parks. Today, Curitiba has 52 square meters of green space per capita, making it the 'greenest' city in the world. How does one cut all that grass? With cost-efficient sheep of course.

The sheep never go on strike. They are very happy and considered a public worker among the citizens, Jaime explains.

Given Brazil's economic situation, Jaime always had to think cheap, participatory – and fast. When rounding off the interview, he kindly shared his best tips on how to make it work. The only advice I would give is to start immediately, and I think creativity is the starting point. We cannot have all the answers in the beginning, but along the way we can use the contribution from other people and let them tell you if you're not on the right track. And don't forget: creativity starts when you cut a zero from your budget. If you cut two zeros, it's even better.

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**The only advice
 I would give is to
 start immediately.**
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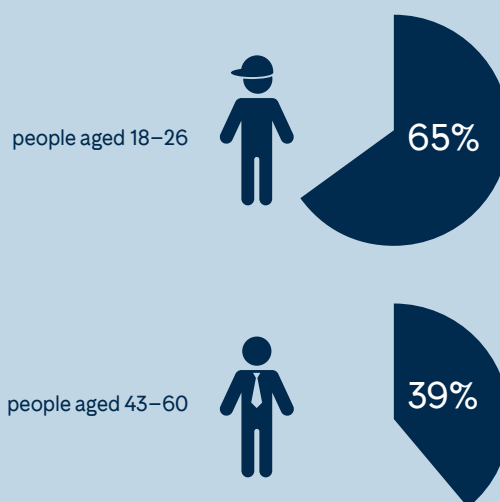
Numbers & figures chapter two

One of the barriers to climate action is that the issue feels remote from a geographic or time perspective, according to climate psychologist Per Espen Stoknes. (Check out our interview with him in The Report 2018, pp. 20–23). The forest fires and the extreme warm summer in 2018 made us realize that the climate issue is also affecting us and our communities.

The forest fires in Sweden during the summer 2018 have left traces:

48%

of all Swedes say they started to act more environmentally friendly since.



1 of 3

Swedes say climate change and global warming are natural, and not a consequence of human activities.

Many are trying to reduce their environmental impact, influencing and being influenced by others.

Do you actively try to impact others to make more sustainable choices?



63% try to reduce their environmental impact on their workplace. Here is why:



Numbers & figures chapter two

Sustainability is not necessarily a topic within the settings of everyday life at the workplace. If it is, people mostly assume it is rooted in rather practical aspects.

38% I know who's responsible for sustainability issues at my employer.

38% My employer encourages me to actively reduce my environmental impact at work.

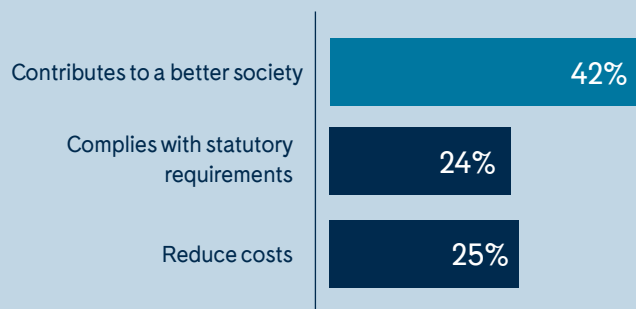
37% I am aware of what the sustainability work of my employer has resulted in.

Why do you think your employer works with sustainability?

Private organisations



Public organisations



Key takeaways

- Just start! Things will work out along the way.
- Use sustainability as a way to get a business advantage, in real business terms.
- See yourself as a role model for your industry and use sustainability as a tool to develop it in terms of effectiveness, engagement and execution.
- Create a culture for sustainability by involving all employees on all levels both for ideas and for engagement.
- Make sure that top level is committed and engaged to motivate all employees.
- Set a vision but don't forget that you need to work continuously with realizing it, step by step, "towel by towel".

76%

say it is important that their municipality takes responsibility by setting environmental requirements in its procurement.

The necessary add on

Each year, the Swedish public sector spends almost SEK 700 billion to procure goods and services. At Ecolabelling Sweden, we see that consumers are increasingly demanding products that are sustainable, of great quality and look good – all at a fair price. It's due time the public sector started demanding the same.

Since 2017, Sweden has a new national procurement strategy. It provides the public sector with opportunities to set requirements for working conditions, circular thinking and ecolabelling. The new procurement legislation also emphasises on the importance of the public sector becoming more active as a procurer. But setting environmental and social requirements is optional, and since there is a belief that it is costly and time consuming, far too few are using the new legislation.

In the Nordic countries, sustainability is something a product never should be without. This is why we refer to sustainability as “the necessary add on”. As a matter of fact, we need sustainability as an add on to price and quality in the procurement process, in order to meet national and global environmental targets. The good news is that sustainability, price and quality often go hand in hand. And when using a third-party controlled ecolabel, efficiency in the procurement process is increased by using criteria already set and controlled.

We have spoken to people who already understand the many opportunities existing in setting requirements for sustainability in public procurement. They all agree on the importance of a broader implementation, and they all have interesting ideas on how we should go about it.

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I think many organisations need to think more long term. Investments in sustainability create profitability over time and a value that sometimes goes beyond the factors that are used today to estimate stock prices and are written in quarterly reports.

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Get a return on your sustainability work

Monica Lingegård is the CEO of Samhall, a state-owned company with a mandate to create meaningful work that furthers the development of people with functional impairment. The company's primary aim is to produce goods and services in demand. In 2015, Samhall was awarded “Europe's most sustainable company” in the European Business Awards. The same year, Monica herself was named “CEO of the year”, in the large companies' category, by Svenska Dagbladet. In 2016, she was listed on Veckans Affärer (Business weekly, a Swedish Magazine), “111 Most Powerful Women of Business”. As the leader of one of Sweden's most successful businesses, we were interested in knowing her view on the potential of sustainable procurement, as well as the obstacles existing in the procurement process today. What is the recipe that Samhall uses for competing so successfully in the market, winning procurements and putting sustainability on top of the agenda?

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Letting the future supplier define the solution is one way of getting more value out of the money spent. I believe it would secure more innovative solutions, but also create a value for society with tax payers' money.

”

What is your motivation? Where do you find your passion?

I joined Samhall eight years ago as CEO and I have a clear mission: to be extremely customer and business oriented so that we can create more jobs for people with disabilities. Currently, we are 25,000 employees, and will increase our workforce with 1,000 more this year. In 2018, we were able to offer more than 8,000 new people with disabilities either a job or vocational training within Samhall, and we had a business growth of about SEK 250 million. Thus, we started to move closer to the goals of my mission: to secure developing jobs to all of our employees, all over Sweden in a variety of occupations, together with customers that value the quality and the added value that Samhall can deliver.

Is sustainability part of the deal and a decisive aspect to win public tenders?

The simple answer is that it's not enough. Public procurement is mostly based on one parameter and that is price. In too many procurement cases, the lowest bid wins. There are not enough cases in which social or environmental requirements are included. There are even less cases where purchasers do what we call a “beauty contest”, meaning that they set the amount they can spend and define the desired outcome, but leave it to the suppliers to provide the concept for how to solve it. The best and most creative solution will win, and the purchaser might be surprised with ideas he or she did not think of before.

Let's say a municipality would be ready to spend SEK 20 million on school cleaning. A smart solution would be to employ 30% of the co-workers currently on social support in the municipality who will go on to develop through training and when the contract period expires, they will be able to move on to other job opportunities. In addition, the cleaning service could also offer

chemically-free cleaning, so that the children learn in a clean and healthy environment. And adding the task of cleaning the toilets six times a day because you know how important this is, since children very often do not go to the toilet in school but rather wait until they come home.

Letting the future supplier define the solution is one way of getting more value for the money spent. I believe it would secure more innovative solutions, but also create a value for society with the tax payers' money. The quality will be higher, and you can leverage your suppliers' skills to a much bigger extent. However, this approach is far from common practice.

Do you use the Nordic Swan Ecolabel as something to emphasize in procurement – private and public?

Yes, both private and public. The Nordic Swan Ecolabel is an established certification and a brand in itself.

Samhall operates in both the public and private sectors. Public procurement in Sweden is almost SEK 700 billion annually. What would you say is the difference in including sustainability criteria in procurements when comparing private and public procurement?

Sustainability is important for larger companies in the private business sector and they will demand the same from their suppliers. My experience is that many private companies are good at setting requirements and understanding that sustainable development is necessary for the planet to survive – but also that it is an important part of building their brand and competing on the market. They see that it is a way to attract future talent. I am not sure that the public sector fully understand that the whole sustainability agenda is a very important way of developing your operation, as well as attracting skilled and

capable employees. There will be a generation now that is not particularly interested in entering any company without asking how they contribute to the development of sustainability or how they look at the 2030 Agenda. For many companies, it is becoming a reality. And it should be in the public sector as well.

What is needed for companies to be able to re-think?

I think many organisations need to think more long term. Investments in sustainability create profitability over time and a value that sometimes goes beyond the factors that are used today to estimate stock prices and are written in quarterly reports. At Samhall, we are not dependent on potential short-term investors – we can make long-term decisions and it benefits us. We also have the knowledge and understanding linked to all our stakeholders. Many talk about “stakeholder dialogue”, but it is time for every organisation to understand that you actually have to fully engage in these conversations. What is the position we want to have in the society we are operating in? Those who have been able to think long term and clarify their contribution—not only in financial terms but in terms of contribution to their customers, employees and society at large—have a better progress within the area of sustainability. We have to start moving from only reporting financial numbers to including numbers on the societal benefit generated over time. This way, we will find new and more accurate ways to evaluate companies and their actual contribution to society.

Largest should lead

Ardalan Shekarabi is Sweden's Minister of Civil Affairs and responsible for the legislation linked to public procurement. We wanted to know more about the Government's view of the role of the procurement for sustainable social development and what it does to promote sustainability in public procurement today.

How would the Government want to change or update procurement legislation and rules to facilitate and promote sustainable business practices?

Sweden should be at the forefront and be an example of sustainability in procurement. The Government closely monitors developments and is prepared to act in areas where developments are too slow. For example, it is not reasonable that the public purchases food that is not produced in accordance with Swedish requirements for animal welfare and low use of antibiotics. Mandatory requirements are needed here and will promote sustainable production across the EU.

Why is the public sector important for a sustainable society?

The way I see it, the public sector plays a big role in two perspectives. Firstly, it should be a role model for others and show the way for how to achieve sustainable development. Secondly, the public sector is, after all, a large consumer that makes purchases for almost SEK 700 billion every year. When the public sector buys sustainable products and services, it promotes sustainable production and contributes to the conversion of the companies towards greener production methods.

How does the Government work with sustainability requirements in public procurement? Are there any requirements for sustainability today, for instance, requirements for certifications such as the Nordic Swan Ecolabel?

The Government has taken several important measures towards this. Since the new procurement legislation in 2017, the possibility of setting requirements for sustainability has become more prominent. It is the purchaser who decides which requirements to set, but this person can also make demands on labour law, circular thinking and ecolabelling under certain conditions. In the strategy's focus goals, consideration for the environmental and social issues is central.

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Sweden should be at the forefront and be an example of sustainability in procurement.

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The necessary add on



Numbers & figures chapter three

The Swedish state is a large procurer. Unfortunately, the purchases are not always green products and services as our data shows.

71%

say it is important that publicly purchased products and services meet a certain environmental standard.

SEK 683,000,000,000

amount of tax revenues that Sweden's public sector, i.e. authorities, regions, county councils and municipalities, spent in 2016 to procure goods and services.¹

Green gap – public procurement staff is not translating their attitudes into actions

1^{of}3 responds that they are actually setting these requirements in public tenders.

90%

say there are great advantages with including ecolabelling as a parameter in public tenders.

83%

agree that the law on public procurement has opened up to make demands for ecolabelling.

ModUpp2020

ModUpp 2020 is an initiative by the Nordic Swan Ecolabel and some of the most renowned third-party labels in Sweden, such as the EU Ecolabel, KRAV, Fairtrade, MSC and TCO Certified. #ModUpp2020 calls on decision-makers and purchasers in the public sector to use third-party certifications for the environment and social sustainability to shift to a more modern approach towards public procurement. The joint vision: 50% of all purchased products in Sweden should be ecolabelled with a third-party certification by 2020. Find out more on svanen.se/modupp

1. Source: Statistik om offentlig upphandling 2018, Upphandlingsmyndigheten

Anna Norberg

Burying old myths

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Public money should be spent for public good.

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Anna Norberg is part of Ecolabelling Sweden's House of Experts since 2011 and is engaged in making environmental criteria part of public procurement. She handles press- and media-related tasks and collaborations, such as the ModUpp2020 procurement network. We talked to Anna about why and how turn public procurement green into a tool for both procurers and companies to work against climate change and protect the environment.

Why is it important to include environmental criteria in public procurement?

Setting tough environmental requirements in procurement contributes to achieving the goals in the 2030 Agenda and sustainable development in general. In addition, I believe green public procurement is a moral responsibility, it is about how our tax money should be handled. In the Nordic region alone, the public sector has an annual turnover of SEK 1710 billion (approximately SEK 700 billion per year in Sweden). Public money should be spent for public good.

Since 2017, Sweden has a new procurement strategy, which, among other things, highlights environmental criteria. An investigation by The National Agency for Public Procurement (Upphandlingsmyndigheten) showed that very few Government authorities (statliga myndigheter) had included criteria linked to the environment in their procurements. One problem is that the purchasers do not have the knowledge or time to develop environmental criteria (or to follow them up). A survey carried out by the ModUpp2020, a network with the purpose of increasing environmental and social criteria in tenders, showed that 9 out of 10 Swedish politicians would like to include environmental criteria, but it is simply not happening. The survey also revealed that a large part of the procurers says that using an ecolabel saves time and is an efficient tool to implement

tough environmental requirements that are already followed and controlled. The tools are there – but the action is missing.

How does the Nordic Swan Ecolabel work to include environmental criteria in public procurement?

We work regularly to give advice to the procurement authority. We have a constant dialogue with The National Agency for Procurement, The Legal, Financial and Administrative Services Agency (Kammarkollegiet) and SKL Kommentus, which are large framework contract purchasers. We assist them with knowledge of the product areas, often in collaboration with our licence holders. We also cooperate with other third-party certifications through ModUpp2020.

Are sustainable products and services more expensive?

No, not necessarily. It is a myth that green products are more expensive. A recent study made by The Danish Environmental Protection Agency (Miljøstyrelse) focused on exactly this question and found that in only 4 of 15 product categories, the price was higher for the more environmentally-friendly option. That means two thirds of all ecolabelled products are competitive when it comes to price. Furthermore, our criteria also ensure that products and services are of high quality and thus of higher durability, which lowers costs over time.

What is the way forward?

I think we have to change the attitudes towards green public procurement and bury these old myths. We are running out of time. Professional procurers and politicians have to realize that it is actually easy and cost-efficient to set environmental requirements in procurement. There is also a need for training and expert support. Moreover, I hope the public sector can set an example for the private sector. They should put green procurement on the agenda.

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It is a myth that green products are more expensive.
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Rethinking Green Public Procurement

In Taiwan, ecolabelling and ecolabelled products are a necessary add on by law in public procurement. Green products enjoy top priority for public procurement, which is the opposite to what we have in Sweden. In Taiwan, it's the public sector that creates a market for ecolabelled products, whereas in Sweden it's the consumers and the private sector who must do that. Taiwan is the first country in the world to couple legislation directly to Green Public Procurement (GPP) meaning that governmentally-owned companies and agencies must include green requirements in their tender process.

We had the opportunity to talk to Chen Chin-Yuan, the Chief Technical Officer of the Environment and Development Foundation (EDF) in Taiwan. He has worked with the Green Mark Program, making it possible to evaluate requirements related to Green Public Procurement. Here, he shares the impact and experience from 15 years with GPP.

Why is the public sector such an important actor when it comes to changing societies towards being more sustainable?

The public sector can be part of creating effective and sustainable production processes. If procurers do not know about the green market, they naturally have no knowledge of ecolabels. We wanted to increase the supply of green products but had very limited resources to promote this idea. Our solution was to make ecolabelling a mandatory requirement for public procurement and therefore, create strong incentives for manufacturers to get certified and develop greener products. All public procurement staff must comply with The Green Article from our national Procurement Act. Today, we have no less than 45 product categories in which at least 90% of all products must be ecolabel certified.

After talking to other ecolabel professionals in Europe, I understand that over there you rely on the purchasers to identify green products by themselves. But this is really difficult. Instead, here in Taiwan, we use the ecolabel as a guide and tool in our legislation.

What are the key success criteria for implementing Green Public Procurement nationwide?

The number one key success factor is that we spend a lot of time and money on training public procurement staff. We also make things easier for them with real-time digitised systems of GPP

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The number one key success factor is that we spend a lot of time and money on training public procurement staff.

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performance. It should be easy to buy green products. However, we do not offer help to manufacturers and private buyers, because they have economic incentives to comply.

We are also quantifying the actual benefit that GPP creates. In the beginning of this year, we launched a database, so we can actually calculate the exact environmental benefit for each product and thus measure further progress. Exciting, isn't it?

Is the Green Public Procurement also affecting products outside of the focus categories?

Since we have used GPP for more than 15 years, we can see that for certain products being “green” is not an option – it has become obligatory and the entry ticket to the market. If companies want to be a part of public procurement, they need to follow the green requirements. We also see that ecolabelled products are well-established on the private market and part of many product categories.

The Green Article from Taiwan's Procurement Act:

§ An entity may provide in the tender documentation that preference shall be given to a product which has been permitted to use a label of environment protection approved by the government, and in addition has the same or similar functions. The said preference may include a

price preference of not exceeding ten percent. Such preference shall also be given where a product or its raw materials are manufactured, used, and disposed of in such manner that conform to recycled materials, returnable products, low pollution, or energy-saving requirements.

Key takeaways

- Include independent third-party ecolabels when purchasing goods. It saves time and leverages expert knowledge.
- It's a myth that Green Public Procurement is complicated, difficult and expensive!
- Focus on creating the biggest, positive impact on society to ensure public money is spent for public good. Do not only focus on price.
- Provide procurement staff with training for how to procure green.
- Use the competence and creativity of suppliers to find the best solutions and ensure space for innovation. Also, a better compliance with the national procurement strategy from 2017.

65%

say it is important that companies set environmental requirements for the goods and services they purchase, for instance from sub-contractors.

Streamlining sustainability

When running an organisation, there are many things to think about. Adding the responsibility of addressing climate change might be one challenge too many. But maybe this is where we get it all wrong.

Making sustainable decisions can empower companies to become influential in making it easier for others. But no one can do it on their own. We need to connect with one another, and we need to exchange knowledge if we want to use the time wisely and succeed in creating a sustainable society. But this is easier said than done. At Ecolabelling Sweden, we believe that helping to build bridges between companies is a challenge well worth taking on. Removing the obstacles that hinder companies to put their ambitions into action can make a smoother case for sustainability and accelerate the speed of transformation. We call this streamlining sustainability.

In this chapter, we explore how businesses form alliances and create platforms to solve a common problem, thus making the process of adapting to the future a lot smoother and much more interesting. We have chosen to focus on housing. A lot is happening in both the construction and mortgage industries and together, they have not only made it easier for consumers to buy sustainable homes, but have also collaborated to future-proof their own industries.



Alliances for the win

To achieve and uphold sustainable and circular solutions on a broader scale in society, partnerships between stakeholders from different areas and businesses are a must. In order to get insights from such a collaboration, we contacted Lena Hök, Senior Vice President Green & Community Investment Skanska, and Gabriel Lundström, Sustainability Manager Corporate & Private Customers SEB. Lena Hök is considered one of the most powerful people working with sustainability in Sweden and was recognised as Sweden's "Best Head of Sustainability" in 2015. She has a long background within sustainability from the finance and building industry, also internationally. Last year, Lena was participating at the SDG Business Forum at the UN HQ in a panel on sustainable cities. Her mission today is to secure Skanska's purpose to "build for a better society". Gabriel is responsible for the sustainability strategy for corporate and private customers at SEB. He has been working with sustainability for many years in the financial industry, including being a board member at SWESIF. He is also out visiting high schools and universities and giving talks and lectures about sustainability and the importance of finding your inner motivation. The financial industry is not a business field we historically associate with sustainability and circularity. But new times are ahead – and the partnership between Skanska and SEB is a symbol of this.

What would you say are the driving causes behind successful partnerships that create change?

Lena: Creating innovative solutions that are working in our projects, and the proximity to business is incredibly important to us. The first point to consider is the leadership from both organisations agreeing on a common goal. That happens if you develop smart solutions that work on the market. If you can show that cutting back on materials such not only reduces climate emissions, but also costs, then you have a lot to gain. We want to connect sustainability initiatives to our offerings and financial aspects as well. That gives you a completely different breeding ground for innovations in our projects.

The second point would be the partnerships themselves. We depend on the financial sector, and work together with them, as well as with our customers. 60% of our customers are in the public sector and when politicians set up ambitious climate objectives, it enables them to use public procurements as a powerful tool to create sustainable solutions.

Gabriel: I agree, and I believe that the proximity to the business and our costumers has been a key factor for making sustainability happen for us and being able to prove to the leaders that sustainability solutions can create value – purely financially. Another factor is that you also need to create products and services that customers demand. What is interesting is that everyone thinks that this development has been driven a lot by private customers, but they are the ones who woke up last, I would say, when it comes to these issues in the financial industry. And finally, having the ability to canalize the engagement within the organisation. We are 15,000 employees which we need to get leverage on if we want to be successful in this area. We have

a lot of engagement for these issues among our employees but it is always a challenge to work with this area. There is constantly a lot to learn and be updated on.

Lena: After all, it is a struggle to attract talent and employees who have the right experience and knowledge. In our industry and in many markets, there is a great deal of demand for the type of expertise we also need, such as engineers. Such employees are attracted by companies that allow them to contribute to a better society through their daily work. In the long run, it is the companies with the best and most engaged employees that will be the most successful. It is important to be a company that has strong values and stands behind them.

What can different industries learn from each other to drive sustainability?

Gabriel: Today, within the finance sector, there is a common understanding that sustainability issues are factors influencing business, even though different sustainability issues have an impact on different industries. You cannot say that one size fits all. I believe we have a lot to learn from other industries, but also a lot to offer. In our way of constantly evaluating risk and risk factors, we gain a broad knowledge from sustainability

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We are starting to work even more to connect sustainability initiatives to the financial ones as well. That gives you a completely different breeding ground for innovations.

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We are not offering low prices due to the fact that a building is sustainable – we offer a deal because we find the financial risk to be smaller.

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Sustainability creates a quality that can be valued by the financial market.

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risks in different industries. In that perspective, the finance sector has the role to bridge the gaps between different industries.

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Lena: I believe other industries can learn from the finance sector and the systematic way of showing what monetary values a sustainability initiative has. Once you can do that, you have access to every control system in the organisation, because they are based on economic control systems and the risks and business opportunities. For us, it is crucial to work with innovation and to find new solutions, but to achieve success, we must collaborate with other industries and other companies that can bring new perspectives.

An excellent example of such a collaboration is the one on green mortgages (gröna bolån) that Skanska and SEB started.

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We are 15,000 employees with emotions and perhaps not everyone wakes up with the inspiration or feeling that today we will maximise shareholder value without any kind of purpose.

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Gabriel: Actually, SEB has a long tradition from working with this kind of product – we were the first bank to develop a green obligation together with the World Bank Group (WBG) for example. We have since continued to work on innovations in this field, and we wanted to do something that brought us closer to the consumers. This led us to housing mortgage loans. Our basic hypothesis was that a house with a higher overall environmental standard and a higher level of energy efficiency will maintain a higher economic value over time. This product became a way of accelerating the shift towards a more sustainable building industry through a discount, but our starting point was our belief that the product had a reasonable risk premium. We are not offering low prices due to the fact that a building is sustainable – we offer a deal because we find the financial risk to be smaller.

Lena: For us, it has been crucial. Skanska was the first with Nordic Swan Ecolabelled homes on the consumer side and has worked with various types of certifications and ecolabels for a long time. The Nordic Swan Ecolabel is very well known to consumers and it becomes very clear to them what they can expect. It is a known fact that consumers would like to have the ecolabel, but they are not always willing to pay much more for it. It was a decisive initiative, and within the financial industry, SEB started offering green mortgages. We actually got a synergy effect in both our industries that was needed to get consumers to really appreciate the extra value they got. Investors are willing to pay more up front because they also see a better value development in the long term. Sustainability creates a quality that can be valued by the financial market.

What is the role of the certification in making sustainability easier?

Lena: Part of the certification is that it is a clear structure and process that de facto drives processes that are better for the environment and create efficiency improvements. It is also important, I think, that it involves a third party that verifies. It creates credibility and assures various external parties that this is tested, and it keeps what it promises. At Skanska, we work a lot with certifications. We contribute to new ones for infrastructure and different types of buildings for example, since we believe it drives the market forward.

Gabriel: This certification is enormously important to us and the value of recognition cannot be underestimated. The Nordic Swan Ecolabel is very strong in that sense – 97% of the Swedish population recognises this ecolabel for example. And it does build trust – not only among consumers, but also internally.

The finance sector has the role to bridge the gaps between different industries.

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Is sustainability for Skanska a competitive advantage?

Lena: It is crucial for us. We are in a competitive industry with low margins. There are very low thresholds and a very wide range of projects available. This means that we work more with complex projects, but also that it is important for us which projects to take on. When we talk about climate and sustainability, it is very much about understanding how design and good planning means less materials used and less emissions, as well being able to follow up the effects.

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Digitisation will have a tremendous impact in this field, and will generate an easier, automatic and scalable way to follow data. We are developing a tool with Microsoft, the Embodied Construction Carbon Calculator; EC3, where we enter the climate footprint for ten thousand of materials for the entire construction industry. It enables you to easily see what kind of climate footprint one raw material has over another and so on. In the fall we will make the EC3 open source for everyone in the industry to use. By sharing the tool with other we are part of transforming our industry.

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When we talk about climate and sustainability, it is very much about controlling a lot of data, understanding how it is connected and being able to follow up the effects.

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Gabriel: All kinds of measurements are important for the finance sector to understand how sustainability works, the level of impact our businesses have and different strategies when working with clients. I believe that the 17 Sustainable Development Goals (SDGs) are useful to measure collaboration, partly between companies and the finance industry, but also for science. It is so easy to go for a solution that you think is the most sustainable. But if you start to incorporate other parameters, it becomes clear that it would be a worse solution, and not sustainable. Measurability and above all, the measurability of effects and the measurability linked to financial impact are what we constantly contend with.

Numbers & figures chapter four

We were wondering which sustainability measures employees recognize at their workplace. Here is what we found:

56%

want the employer to work with targets to reduce negative impact on the environment.

What of the following are representative for your employer?



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Having the SDGs in place and climate high on the agenda and the perfect preconditions for our label to flourish are here.

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Pushing the agenda

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We can ‘nudge’ companies to operate more circular.

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Let's zone in on one of the fastest growing business areas of Ecolabelling Sweden – housing. We launched our first licence for Nordic Swan Ecolabelled houses in 2005 with one construction company, Skanska. Today, the situation has changed, and all leading housing developers are building objects that meet our standards. Green buildings and sustainable building techniques are becoming the new norm. Just looking at the last three years shows that the number of Nordic Swan Ecolabelled houses has quadrupled in the Nordic countries. In Sweden, there are now 21,740 apartments, houses and preschools being built according to our strict requirements on energy efficiency and healthy building materials. We talked to Elinor Holén, acting business area manager at Ecolabelling Sweden, who has a broad experience working with houses, renovation and sustainable raw materials. We wanted to discuss with her how the Nordic Swan Ecolabel promotes the value chain and production processes with a focus on circularity in the building industry.

The interest for Nordic Swan Ecolabelled housing is growing a lot lately. Why is this?

I would say that the general awareness of the construction industry's environmental impact has risen and has become much more visible in the last 10–15 years. Having the SDGs in place and climate high up on the agenda in politics and businesses alike, the perfect preconditions for our ecolabel to flourish are here. We are an established actor on the market and can support companies that have ambitions to be more sustainable. Lately, we have also seen how green mortgage loans have had a positive impact on development. They make it cheaper for those who buy a home that is considered a good choice for the environment. Previously, only criteria regarding energy saving were used when assessing who would receive lower interest rates, but now several banks offer green housing mortgage loans for Nordic Swan Ecolabelled homes.

Circularity is something many businesses struggle with. How can products certified with the Nordic Swan Ecolabel contribute to a circular economy?

When we revise or develop new criteria, we try to assess whether it is possible to make even tougher demands in favour of a circular economy. This is an area that is really important to us, and this way we can “nudge” companies to operate more circular. For example, our requirements for packaging and paper, as well as some construction products, demand that the product has to be made partly from recycled raw material.

In our renovation criteria, one of our focus areas is recycling and reuse, and we have requirements for an assessment and plan for reuse of materials, as well as for waste management. This is crucial to ensure a resource-efficient renovation, in line with circular thinking.

What kind of role can the Nordic Swan Ecolabel play when it comes to supporting the development of new business models?

Since the Nordic Swan Ecolabel has a life-cycle perspective and assesses the entire production chain – from raw materials, through production to the end user and waste phase – we are able to identify where the greatest environmental impact is. That is where the greatest environmental benefit is made. Our criteria can therefore be used as a kind of framework for sustainability work and for product development.

Do you have an example?

As I mentioned before, we saw a growing demand for renovation services approved by Nordic Ecolabelling, which I believe was as an effect of the popularity of housing objects carrying the Nordic Swan Ecolabel.

We therefore developed criteria to ensure that a renovated object would become as energy efficient as any new construction. The criteria will also ensure that all construction products,

materials and chemical products used in the renovation meet tough environmental and health requirements. The effect of this? Well, if all apartments from the Millennial Program (Millionprogrammet) would be renovated based on our criteria, we could remove carbon emissions equal to that of 57,000 cars!

What is the Nordic Swan Ecolabel's unique strength?

First, the breadth of expertise and experience from different sectors and businesses makes us unique. We are truly a house of experts and we are helping to license companies every day. Another key factor is that we try to simplify the criteria documents, but at the same time set tough requirements that are controllable and won't add much extra administration for the licensee. I think the fact that we are, and have been, one of the world's best-known ecolabels for thirty years is a proof of our competence and relevance.

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When we revise or develop new criteria, we try to assess whether it is possible to make even tougher demands in favour of a circular economy.

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Streamlining sharing

Simon Fogbring, founder and CEO at EquipmentLoop, started EquipmentLoop with his colleague, Christopher Bark, in 2016. EquipmentLoop is an online platform for professional users to get in control of their building machinery. The company was born out of a realization that things could be made better, more efficient and more sustainable with streamlined working methods. At the same time, the platform also creates transparency between the parties involved, because it tracks where the machinery is. As a result, fewer machines are bought, lost, or unnecessarily being transported around, which saves companies costs and minimises their footprints.

Not having control creates a sense of shame and costs a lot of money.

“ We have slightly different backgrounds, and neither of us come from the construction industry. I worked as a consultant focusing on digital transformation and sustainability within circular business models and sustainable value chains. Technology was a big part of it, as it allows interaction and interconnection. Take, for example, Uber. We have been car sharing for a long time, but what the technology made possible was to do it on a larger scale. Christopher has a more entrepreneurial background; he has worked with e-commerce and digital strategies.

” **Why the construction industry?**
It's an industry where digitalisation can make a big difference. Companies know that they need new initiatives and to find ways to collaborate, but there are few concepts which make collaboration smooth. We introduced such a solution.

What is new about your initiative?
Low rental costs are important to our customers who are always looking for ways to cut costs. We wanted to add sustainability through our business. Our idea: an independent platform for managing construction equipment to reduce carbon footprint and production cost by utilizing

our assets more efficient. This idea is not new; rental services have been around since the 1950s. However, the machines that are rented are not used effectively or not returned in time. This is where our service comes in – optimising the usage of machinery, increasing transparency and offering a smarter and safer way to rent.

Why is transparency important?
It allows our customers to gain control and this is extremely important to them. There is a lot of paperwork involved in a large building project and a lot of machines coming and going. It is clear that you should keep track of rentals and exactly what needs to be returned, but many do not. Not having control creates a sense of shame and costs a lot of money. So that's where we come in and provide a tool for transparency. Rather than having someone make an inventory of machines on a daily basis – it is right there in the app.

Is sustainability also a decision-making factor?
All contractors in the construction industry are interested in showing their clients that they are doing things that have a positive environmental impact. It adds value to their service. We see that Swedish consumers are really driving the change of the market towards greener practices. Entrepreneurs are interested as well, but they are



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Companies know that they need new initiatives and to find ways to collaborate, but there are few concepts which make collaboration smooth.

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operating on low margins, so price comes first. Most companies are not willing to sacrifice their profits for sustainability. The key to speed things up is to put requirements in the contracts. If not, some might not bother at all.

Are we there yet? Being able to streamline sustainability via digital solutions?

Soon, I think. For certifications, there is perhaps still some work to be done in incorporating digital solutions as tools, but when it comes to creating transparency, things need to speed up. We have a lot of data, and this could become a tool – and part of certifications, procurement and even used for evaluating suppliers. Using a service like ours signifies responsibility and control – and proves you are taking an active role in making our industry to the better.

How important do you think it is to combine business and sustainability thinking?

Very, and the trend is moving in this direction. Our generation (born in the 80's) and the ones after us will want to live in houses that are environmentally certified or built using green standards. This means we have to start today to increase the focus on sustainability, and to do so, we actually have very concrete questions to work with. It is a tangible issue: how to be transparent about our sustainability efforts and how to share this information with your stakeholders.

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The key to speed things up is to put requirements in the contracts. If not, some might not bother at all.

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Key takeaways

- Team up with a strong partner who can support and give credibility to your work.
- Identify your core challenge and look within and across industries for partners to share your challenge.
- View your competitors as enablers. Together you can find opportunities that benefit all.
- Look into your value chain and team up with subcontractors with whom you can identify uncharted territories.

1 of 3

say their employers' sustainability work consists of empty words and that they miss action.

Values for the money

Major technological and demographic changes are transforming our society and economy. Already today, many reports state that we are in a “war for talent” and it’s becoming harder to engage skilled employees. Millennials (those born between 1980 and 2000) will make up three quarters of the global workforce by 2020. Rumour has it that they are considerably different from previous generations. So, how do you attract them?

In last year’s report, we presented how companies were capitalizing on their values and building strong brands. This year, we show how essential it is to build a business based on sustainable values in order to attract and retain talent. It’s no longer so much about what your organisation is doing or how you are doing it – it’s about the ‘why’. Does it bring anything good to mankind? If not, then why should anyone want to work for you?

That said, managing human resources won’t get any easier. However, engaging talent promises to bring growth and innovation. But be aware, they are not easily fooled! The days of greenwashing are long gone. Today, you need to walk the talk and prove that you are a sustainable company for real. Here, we’ll talk about how to do this.

The war for talent is over – talent won

Every year, employer branding company, Universum, surveys one million university students and young professionals in more than 40 countries about their career preferences. The findings are published globally together with Cable News Network (CNN), making Universum leaders in measuring career preferences and giving career advice to young professionals. Founded in Sweden in 1988, Universum is now well established across the world, from China to South Africa, Paris, Zurich, London and New York.

We caught up with CEO, Petter Nylander, to get some insights on the values and driving forces of young talent today, and how this has changed over the years. Petter comes with decades of experience as a business leader with a demonstrated history of growing and building successful companies. With more than 8 years at the helm of Universum, he has become an expert in understanding talent and creating the blueprint for discovering their career preferences. Generously, he shares his knowledge with us on the overarching trends that companies need to understand and adapt to in order to be seen as potential employers.

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You need to move from trying to look good to actually being good.

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What is important to know about the younger generation entering the workforce?

Today, we can see a big change in what is called work-life balance, which is trending in the Nordic countries, as well as in countries like China. Work-life balance is often rated higher than salary, so we can see that it is very important. Often, employers think that this is a lazy generation, but that's not the case. It's more that they want flexibility and to be able to integrate their own interests, hobbies, families and relationships into work. In other words, they don't want to sacrifice anything.

We also see that purpose is trending fast. Today, talent are more interested than ever in working for an employer that aims to change society, and that's why they find start-up companies very attractive. They may not pay that well, but they are usually very purpose driven. Those companies challenge the status quo, and this resonates well with the young generation. Also, this is a generation that is much less loyal. If they feel they don't expand their knowledge and grow as individuals, then they are willing to change jobs. Purpose-driven knowledge and cultural fit is at least the first ten years of the career and is seen as more important than security.

What do young people want from a company?

Young people want to be perceived as thought leaders, not only leaders of people. They are more knowledge centred than status centred and attracted to the likes of Google and other companies that are offering an alternative way of looking at a career. So, traditional global companies who used to offer the notion of “you can become a CEO in the future” are now not as attractive to young people as they used to be. It may be

because they see that it is negatively affecting their work-life balance. It was long argued that meaningfulness could somehow compensate for lower salary levels, but that is no longer the case. Talent expect both money and values.

What is the life part of a work-life balance?

Nowadays, young people are starting a family a little later, which means that the first 10 years of their careers will be spent in an urban area to network, they like an active private life, access to gyms, etc. This has driven a strong urbanisation around the world where the moving to the city is favoured over moving to where the companies are. For example, in Sweden we had a lot of big companies in small towns, but to attract top students you cannot be in a small town anymore. The result is that many head offices are now located in Stockholm. It's the same trend in China and it is a big change for them. This is a generation that is also not buying cars to the same extent, so they want to be able to have a bike or a small e-scooter or walk to the office. This is changing the way organisations think when deciding where to locate themselves.

Is there anything unique with Swedish employees?

We can see that salaries are often not the most important when young people in Sweden select an employer. Of course, it needs to be decent, but above that, other aspects such as culture, purpose, training and development, and location become more important. We also see that sustainability is becoming a hygiene factor here. It's a necessity, and if you do not have that approach, you are simply not attractive at all. But it's important that you do not just talk about it, it needs to be fully integrated in what your company is, how

Not understanding and acting on the demands of talent is dangerous, and I think it's a real threat to companies' survival.

Students attitudes changed considerably over recent years

2003

- “Become leaders of managers of people.”
- “Build a sound financial base”

2008

- “Feel dedicated to a cause”
- “Work for a company with a good reputation”
- “Friendly work environment”

2019

- “Work for a purpose-driven organization who enables learning, innovative, creative and dynamic thinking”

Source: Universum

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This is a generation that is much less loyal. If they feel they don't expand their knowledge and grow as individuals, then they are willing to change jobs.

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you think and how you act as an employer. I've been speaking with so many employers that want to use this and talk about this, but it's important to show statistics, real projects or real outcomes of what has been done to be credible.

How do you build a strong employer brand that can recruit and retain talent?

Advertising is a much weaker force with this generation when it comes to build what we call an employer brand, since this is a very knowledgeable generation. They've seen a lot of advertising and information, and they want to see more storytelling through authentic messages. However, companies cannot position themselves one way through advertising and then deliver a totally different experience when the younger generation joins them – that will just backfire.

Your current employees are one of your greatest tools to promote your company. They are the most important ambassadors of your employer brand. What really resonates with talent is hearing about your company from people with whom they can identify with; people who do the actual work talking about why they joined and what they find exciting and inspiring about the employer. It's that simple. It is not expensive; you can basically use a mobile camera and do the interview yourself. This might make the message even more authentic and credible. Spending a lot of money on flashy advertising can even backfire as it might not be perceived as credible.

So, you must be much more consistent with what you say and what you do in order to stay attrac-

tive. You also have to be true to your word as a good employer because people are expressing their views on how it is to work there. You need to move from trying to look good to actually being good. To do so, conduct employee surveys to take the pulse of your organisation and to assess leadership and culture. Additionally, you need to centre your communications around knowledge. You need to offer a lot of inspiration, thought leadership, and internal training to enable your workforce to constantly learn and develop as individuals. This will help you to be perceived as an attractive employer.

Do you think that most organisations are aware of the big change taking place?

We see that human resource departments are becoming quite aware of it, but the management teams are often in denial. Maybe the CEO wants things to change but the middle managers are very conservative. I've been in many workshops with traditional companies where the human resources departments are very concerned because they see that their companies are able to attract new talent but unable to retain them for very long. They feel that senior management are not really changing, even though they talk a lot about being an attractive employer and purpose driven, they have not put their words into action. Structures are still hierarchical, and their ways of working are traditional. Not understanding and acting on the demands of talent is dangerous, and I think it's a real threat to companies' survival. Talent is more important than ever, entry barriers are becoming lower and technology is constantly developing.

Your current employees are one of your greatest tools to promote your company. They are the most important ambassadors of your employer brand.

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– Monica Lingegård, CEO, Samhall

Even at my previous workplace, the security company, G4S, one of my most important tasks was to inspire my workforce and to put our daily work in a bigger context. For example, why do we exist? Is our 'reason for being' to invoice security costs? Or, is it to actively contribute to a Sweden that feels safe and secure? If it is the latter, your values impact everything you do as an organisation.



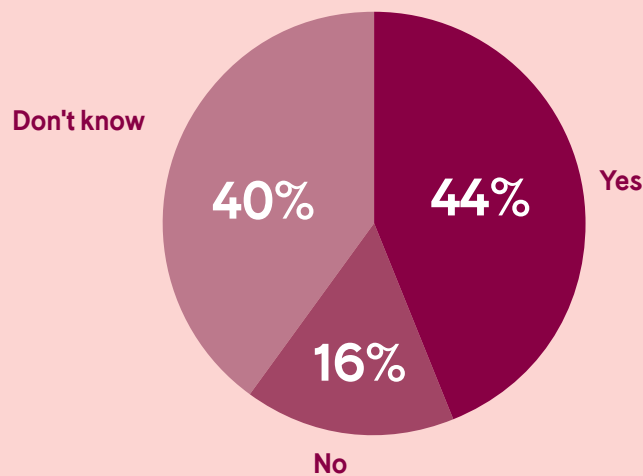
You have to be anchored in your values as a company if you truly want to change behaviours because you cannot create commitment via instructions and processes. Leading a value-driven organisation means to create a culture

around your 'reason for being' and incorporating it into everything you do to reach your goals. It is maybe the most difficult task you have as an executive, but also the most important.

Numbers & figures chapter five

Do employees think their employers' sustainability work is credible? Here is what we found:

Does your employer has a sincere desire to work more sustainably?



Taking a closer look at these data revealed the following:

Women are more sceptical than men whether their employer has a desire to work more sustainably.



The young are the most sceptical.



A holistic approach towards your sustainability commitments is key because all aspects of sustainability count.

How important is it to you that your employer works with the following aspects in sustainability?



Ida Pehrson

Sustainability at the core

W

ith all this talk about the younger generation, we decided to talk to one of them, Ida Pehrson. She is currently pursuing a master's degree in sustainable technology at KTH and building on her bachelor's degree in environmental science. We got to know her in 2018, as one of the members of the winning team in ASAP for Scania.

Firstly, congratulations to the big win! Please tell us, what was it like to enter the competition?

Thank you! Well, I had been in contact with Sustainergies before. They have many exciting job opportunities for students. But then I read about this competition. I felt like this was exactly what I wanted to do, so I sent in my application and got enrolled into this program together with 48 other students from a wide range of disciplines. The first day, we were divided into teams and the participating companies taught us everything we had to know about them before we got the assignment. Everyone got the feeling of "let's do this" and you felt that we were part of a bigger movement. It's powerful and very inspiring.

What was it like to get this insight into those large companies?

It was very interesting to see their sustainability work for real and to understand who oversees the decisions, as well as what kind of background they have and what they do in their daily work. I think they got a little bit of a shock from the very specific environmental related questions the students asked them. We wanted to know everything, and we were quite critical. But they were very open, and we had great discussions.

Going forward, we need to be better at analysing the impact of our actions.

“ Most importantly, we need to find new solutions and innovative technologies and evaluate them with a holistic perspective. For example, we invented cars with an internal combustion engine because we had oil without thinking about the consequences. Going forward, we need to be better at analysing the impact of our actions. If we move our production to China, what is going to happen there? I believe my contribution can be to have a consequential, holistic and international view. In my master's course, we have about ten people from India, several people from Mexico and from other European countries. This international perspective is very important

We have been talking to people who work with employer branding and they mention purpose as a big driver for your generation. What is the change you want to see?

I want companies to value other things than money. The pursuit of creating a sustainable society should be at the core. That is what I am looking for in an employer. Recently, a bank displayed posters with messages such as "think green", and it is just nonsense. They can't say that with about 3% of the its investments in sustainability technologies. It's not at their core so it doesn't feel credible or transparent. We live in a world of Twitter; we know when something is not done right.

Do you see yourself working in a small start-up firm that you believe has got it right or at a larger, more traditional company that is going through a change?

I think both are interesting. Large companies can have the same amount of emissions that half of Sweden has. If you change those emissions, then you can really make a difference. On the other hand, I think this change can go faster with start-ups. We study innovation and see how companies such as Karma can reduce food waste with their apps and innovative solutions. They also manage to put pressure on larger, more traditional companies.

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The pursuit of creating a sustainable society should be at the core. That is what I am looking for in an employer.

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for me. I think that even though I want to work in Stockholm and Sweden, the world is so much bigger. For example small technical solutions in less developed countries can have a huge positive impact. In India, where they have problems with clean water and polluted air, solutions are needed the most. They don't have clean water and can't go to school some days because the air is so polluted.

When you think about the next ten or fifteen years, are you optimistic or concerned?

I am optimistic for movements like ASAP or just by reading my Facebook feed, for example, posts from The World Economic Forum or Greta Thunberg. I feel like we are changing the path. But then we have the facts, that we need to stop the emissions right now and since we're not doing that, I'm also feeling concerned. In short, I feel optimistic about the changes going on in society, but I'm afraid businesses and politicians are not acting on it quickly enough.

Rebels, rebels

Christian Quarles van Ufford, Head of Marketing and Communications at Ecolabelling Sweden, is an enthusiastic problem solver with a can-do attitude. He has been working in the media and communications industry for twenty years within a vast array of organisations. He came to Ecolabelling Sweden with an idea of really making a difference and working strategically with sustainability on a broad platform with a strong and loved brand. Over the years, he has come to take interest in issues related to employer branding, partly due to his own professional experiences, but also in terms of communication. Last year, Christian initiated the student competition, ASAP (A Sustainable Acceleration Program), a collaboration between Ecolabelling Sweden, Sustainergies and other successful sustainability-minded companies in Sweden. The positive response from the students was overwhelming.

Please tell us, what is the key to talent acquisition?

I believe that people have a strong drive of self-realisation. The salary is important, yes, we should not be naive here – the salary will always be important. However, self-realisation is also growing in importance. According to our Swan Ecometer 2019, self-realisation is one of top three of the most important aspects for employees. This is not something new, value-driven companies have always attracted some of the best, but the dedication to protect the climate by today's youth has not been seen to this extent before.

Why do you think that is?

The younger generation has grown up in a world that is becoming more and more unstable. For example, climate change has become a reality with extreme weathers, forest fires, depleted seas and plastic islands. And then we have Greta Thunberg, who has put sustainability activism on the world map and top of the agenda for her generation. Last year, we conducted a consumer study that showed that young people were especially willing to support companies that contribute to a sustainable society.

Sustainability is increasingly important for talent. Currently, in most companies, the executives setting the conditions for talent recruitment represent a different generation and mindset than their target group. This can be problematic. Our numbers show that many people have doubts in the credibility of their companies' sustainability work. To be able to attract the best talent, companies therefore have to change.

This can be quite a challenge. How can companies contribute to a sustainable society?

I don't think you necessarily need to have all the answers, but you need to realise that you have to change. You need to invest in this process and activate all your employees to be a part of that change – old, as well as new employees. It's important that everyone feels that they can contribute. The Swan Ecometer shows that 1 in 3 say their employer's sustainability work consists of empty words and that they miss action. This must be a wake-up call for companies to start working more with sustainability and to be more communicative and transparent with their actions.

How does a company achieve this?

You need to create conditions for your employees to become internal sustainability heroes. Listen to their ideas and show you have trust in them. It has proven to be good for people, the planet and business many times over. Tapping into young professionals' desire to be part of a movement by showing them how they can make an impact through working at your organisation, enables you to attract the brightest and most dedicated minds. They are the ones who have the ability to lead your organisation into the future.

Last year, Ecolabelling Sweden and Sustainergies initiated ASAP – A Sustainable Acceleration Program. It's an education as well as a competition where students create solutions for some of Sweden's largest companies. In 2018, we focused



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Tapping into young professionals' desire to be part of a movement, enables you to attract the brightest and most dedicated minds.

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on the industries finance (Nordea), transport (Scania) and high tech (Samsung). Being the initiator from Ecolabelling Sweden's side, why is this important?

We see there is a need for well-educated sustainability professionals and that we could do something about it. We partnered up with Sustainergies, an organisation that helps students all over Sweden to start a career within sustainability. The ambition with ASAP is to create a long-term concept that over time will develop and engage both students, companies and partners to create tomorrow's sustainability leaders.

What were your learnings?

Students today are critical; they are sustainability rebels. It takes brave companies to learn how to understand them. Also, solving the climate and

environmental issues of our time is nothing one can do alone. One of the ASAP success factors was that it showed dedicated students that they are part of a bigger movement. One participant told us that he would go so far as to say that ASAP has changed his life – providing him with new tools, but most importantly, perspectives and a strong sense of belonging. Allowing people to feel that they are part of a movement that aims to make a change is both powerful and inspiring.

Finally, how can companies working with the Nordic Swan Ecolabel use the label to attract talent?

It takes time and money for a company to successfully communicate sustainability in a credible way. The Nordic Swan Ecolabel can be a credible and well-known communication tool

to attract talent and almost everyone knows and has a relationship to us as a consumer. If you have a licence, I think that you should proudly show it; to get a licence with us is like having a purple belt in karate, it's really hard.

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Students today are critical; they are sustainability rebels. It takes brave companies to learn how to understand them.

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What is ASAP?

A Sustainability Acceleration Project (ASAP) is an arena for students, companies, experts, and organisations to learn together and collaborate in accelerating the transition to a sustainable society. This arena includes an annual sustain-

ability leadership training for students, created in partnership with relevant actors from different industries and sectors. ASAP empowers students to become sustainability leaders by creating an arena for inspiration, collaboration across

sectors and disciplines, and practical training together with partners from different industries. ASAP aims to be the preferred arena for sustainability leaders to collaborate across disciplines and sectors. Have a look at asap2030.com.

Numbers & figures chapter five

A company's sustainability efforts evoke emotions among employees, both positive and negative. This is what we found:

35%

say their work feels **meaningful** because their employers work with sustainability.



39%



31%

37%

say **they are proud** over their employers' sustainability work.



43%



31%

34%

say their **employer does not focus** on training and competence development within environmental issues, even though they communicate they do.

Key takeaways

- Let your employees be the face of the company, not actors. Use real life storytelling in your employer branding efforts.
- Walk the talk, sustainability needs to be for real. We live in the age of social media.
- Be transparent with what you do, who does it, what impact it has, and what parts of the organisation that is still under development.
- Understand that sustainability provides you with an opportunity to attract the best talent and to tap into their desires to create meaning and purpose.
- Do not underestimate that your sustainability efforts are likely to evoke emotions among your employees – both positive and negative.

Closing conclusions

The purpose of this report was to find best practices and insights on how to lead and accelerate the change towards sustainability. We were specifically interested in how to implement sustainability in a way that allow all other activities in an organisation to benefit from it.

By interviewing some of those who successfully have pushed the society into a more sustainable direction, and surveying businesses and municipalities across Sweden, we managed to assemble strong recommendations for everyone interested in getting started or accelerating their sustainability efforts.

Sustainability is best viewed as an opportunity to grow, innovate and compete. Even if you don't know where the path will take you, get started. Things will fall into place along the way and people will join in to help if you let them. By being the one that takes the first step, you can influence your entire industry into becoming more sustainable, thus creating a new norm.

Creating a culture for sustainability from the very beginning is crucial. Sustainability is a team effort and everyone has to take part in the transition. That involves top level, all employees and subcontractors. You don't have to be an expert to come up with ideas and solutions, in fact having people with different knowledge and backgrounds to ship in will only be beneficial. Quickly you will see that your colleagues and partners will become more engaged and stay in your organisation.

Not only should sustainability be a team effort within your organisation. In order for us to succeed in creating a truly sustainable society we need to collaborate within and across industries. By forming alliances and create platforms to solve a common problem, we will make the process of adapting to the future a lot smoother and way more interesting.

One area of extra importance is the process of public procurement. Each year the Sweish public sector spend almost SEK 700 billion to procure goods and services. We need to add sustainability to price and quality in the procurement process. The good news is that sustainability, price and quality often goes hand in hand. It's truly a win-win situation. Both short term and long term, financial and societal.

Make sure to always be transparent. The workforce of today and tomorrow are becoming more aware, and view companies' sustainability engagement as crucial when they choose employer. And they are not easily fooled. The days of greenwashing are long gone. Today you need to walk the talk and prove that you are a sustainable company for real. And if you do the work properly, you will be able to get a great return on your investment.

At Ecolabelling Sweden, we view sustainability as an opportunity and necessity to create a future where nature, people and business can thrive. By offering inspiration, knowledge and tools, we hope that we can be a part of this transition.



How to work with sustainability to grow green and future-proof your organisation – overview of key takeaways

2

Chapter

Eco-Illectivism

- Just start! Things will work out along the way.
- Use sustainability as a way to get a business advantage, in real business terms.
- See yourself as a role model for your industry and use sustainability as a tool to develop it in terms of effectiveness, engagement and execution.
- Create a culture for sustainability by involving all employees on all levels both for ideas and for engagement.
- Make sure that top level is committed and engaged to motivate all employees.
- Set a vision but don't forget that you need to work continuously with realizing it, step by step, "towel by towel".

3

Chapter

The necessary add on

- Include independent third-party ecolabels when purchasing goods. It saves time and leverages expert knowledge.
- It's a myth that Green Public Procurement is complicated, difficult and expensive!
- Focus on creating the biggest, positive impact on society to ensure public money is spent for public good. Do not only focus on price.
- Provide procurement staff with training for how to procure green.
- Use the competence and creativity of suppliers to find the best solutions and ensure space for innovation. Also, a better compliance with the national procurement strategy from 2017.

4

Chapter

Streamlining sustainability

- Team up with a strong partner who can support and give credibility to your work.
- Identify your core challenge and look within and across industries for partners to share your challenge.
- View your competitors as enablers. Together you can find opportunities that benefit all.
- Look into your value chain and team up with subcontractors with whom you can identify uncharted territories.

5

Chapter

Values for the money

- Let your employees be the face of the company, not actors. Use real life storytelling in your employer branding efforts.
- Walk the talk, sustainability needs to be for real. We live in the age of social media.
- Be transparent with what you do, who does it, what impact it has, and what parts of the organisation that is still under development.
- Understand that sustainability provides you with an opportunity to attract the best talent and to tap into their desires to create meaning and purpose.
- Do not underestimate that your sustainability efforts are likely to evoke emotions among your employees – both positive and negative.

This report was developed by Ecolabelling Sweden together with Prime and United Minds

Do you wish to know more about the Report #2?

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Printed on Nordic Swan Ecolabelled paper

Project Group

Nordic Ecolabelling

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We are in the middle of a paradigm shift where a wide range of stakeholders, from consumers to investors and employees, demands a stronger commitment for sustainability from public and private companies. With our expertise we help companies to help their stakeholders to choose a more sustainable lifestyle. Like any living organism, we must collaborate to survive. The time to act is now. We need to work together more than ever before to realize the opportunities laying right in front of us and to accelerate change towards a more sustainable society.

Last year we wrote a report focusing on the consumer perspective. This year we look into organisations. Again, we have spoken to thought leaders from around the world, but this time on how to engage leadership, current and future employees, and clients.

We have also conducted our very own survey called The Nordic Swan Ecometer to get rich insights on how employers can activate their employees in the quest for sustainability. Based on our findings we have created four strategies for you to be inspired by and perhaps even implement in your own organisation.

The strong message is: Organisations have plenty of opportunities to grow green and future-proof their business. As sustainability concerns a range of functions, from marketing to management, product development, and human resources, the key words will be collaboration, transparency and authenticity.

“Business growth will and can only exist if it is green. This report explains why and how. It is more than worth reading to get inspired and make your business future-ready.”

Mark Stalmans
Procter & Gamble,
Global Product Stewardship GPS

