



Checklist: The right way to implement ESG in your company

Before you start integrating ESG measures within your company, you should first take a close look at your current business model and examine individual areas more closely in terms of their sustainability. This covers every aspect of sustainability – from economic efficiency through business processes to climate compatibility. In purchasing, for example, it includes redesigning the supply chain to be much more resilient to unforeseeable events in the future. After all, you don't achieve economic growth through quantity, but solely by achieving high levels of quality in every single area.

Take stock:

- **What is your Corporate Purpose?**

Corporate purpose (abbrev: CP) is the higher purpose of your company, which goes beyond a simple orientation towards maximizing profits. In addition to economic, ecological and social responsibility, this also includes the contribution you make to society.



- **Conduct a Sustainability Assessment:**
Many companies do not know where they stand in terms of sustainability. A sustainability assessment is the process of identifying, measuring and evaluating the potential impact of alternative approaches to sustainability.
- **Do you already have a Resilience Plan?**
With a resilience plan, you define concrete measures and investment plans for climate protection, energy transition and digitalization.
- **What does your Sourcing Strategy look like?**
The aim of any sourcing strategy is to ensure efficient and cost-effective supply of the required goods and services. The chosen sourcing strategy (single, dual, multiple, global, local or modular) forms the basis of your material requirements.
- **Do you include Sustainability Criteria in all decisions?**
Sustainable development meets the needs of today's generation and lays the foundation for future generations. These criteria include sustainable manufacturing processes, energy-efficient production, use of renewable raw materials, use of eco-energy, and social justice and diversity.
- **Do C-level Executives and Operations have the same perception?**
While C-levels – such as the Chief Executive Officer and Chief Operating Officer – may be satisfied with work processes, the Operations department often paints a different, considerably worse picture. This is because the Operations department is directly and explicitly concerned with the tasks involved in delivering the service.



Sustainability in the company: Getting everyone on board

Significant and sustainable changes in your company cannot be initiated by C-levels, operations departments and strategic buyers alone. Every single employee has a role to play in this forward-looking change. Every employee should be given the opportunity to point out grievances and make suggestions for improvement.

Furthermore, an elementary success factor for sustainable projects is that you involve all stakeholders as early as possible. Break down silo thinking and action and think across departments to find new solutions!



Your purchasing department as gatekeeper of sustainability

Purchasing has a very high significance for the entire company and forms the foundation for subsequent decisions. The “gatekeeper” is partly responsible for this. It’s also their task to put important topics – such as sustainability and conserving resources – on the agenda. This is where you must start. Because if the procurement measures and supply chains are not oriented toward sustainability, then as a logical consequence, the company isn’t, either. Since the gatekeeper in turn can exert significant influence on the flow of goods and information, their role should not be underestimated. However, gatekeepers do not only protect a company’s products and inventory; they also ensure a special shopping experience for customers. And they assume responsibility towards the employees through their strategic decisions.

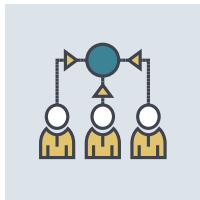


Communicate on sustainability

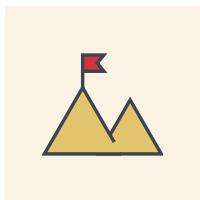
Once you have created a sustainability plan and corresponding goals, inform every department in the company as well as the public about it. Companies that attach great importance to sustainability are more attractive to investors. Investors increasingly want to invest in companies that think about their responsibilities towards the future and have this on their radar. The same applies to potential employees and new customers. More and more customers choose different product manufacturers and service providers if their current ones do not act sustainably.



Six steps to ensure a successful ESG implementation:



1. Development of a cross-departmental and cross-hierarchical sustainability improvement plan



2. Definition of common goals and measures with all stakeholders



3. Breaking down data silos and working together collaboratively



4. Effective data utilization with well thought-out IT



5. Strategic purchasing processes with modern IT solutions



6. Cooperation & communication with suppliers and service providers regarding sustainability issues



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