

IT'S ALL ABOUT BUCKS, KID ...



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IT'S ALL ABOUT BUCKS, KID ...

A heart transplant



Dealing with scarce resources

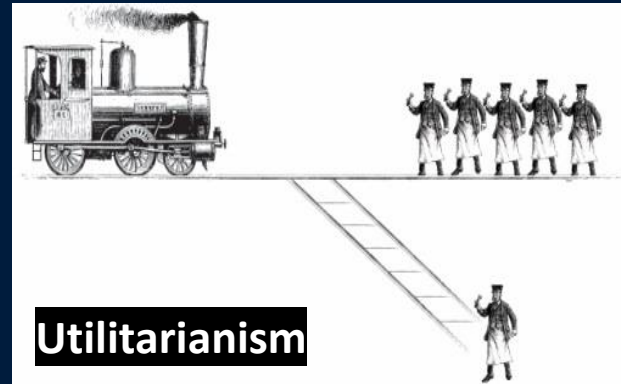
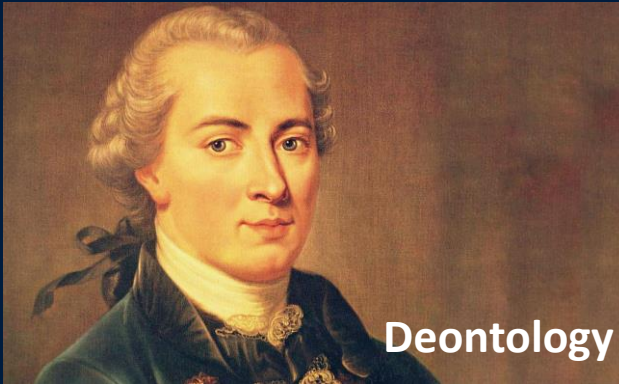
1. One available heart
2. Four patients, with different characteristics
3. All need it desperately

Talking about justice

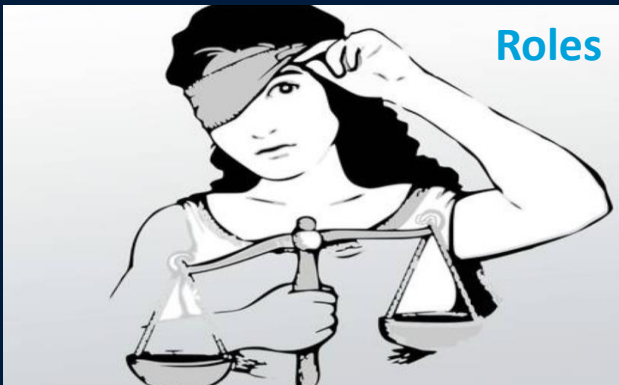
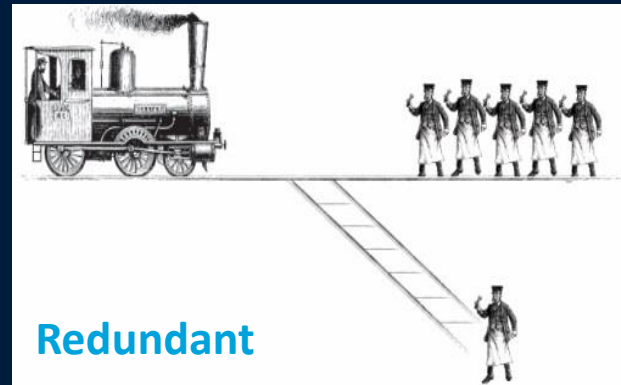
- a. Read the short story and determine for yourself who should receive the heart transplant
- b. Discuss with your colleagues and come up with one single candidate including a reason why you have chosen this particular person.

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Ethics and the supply chain



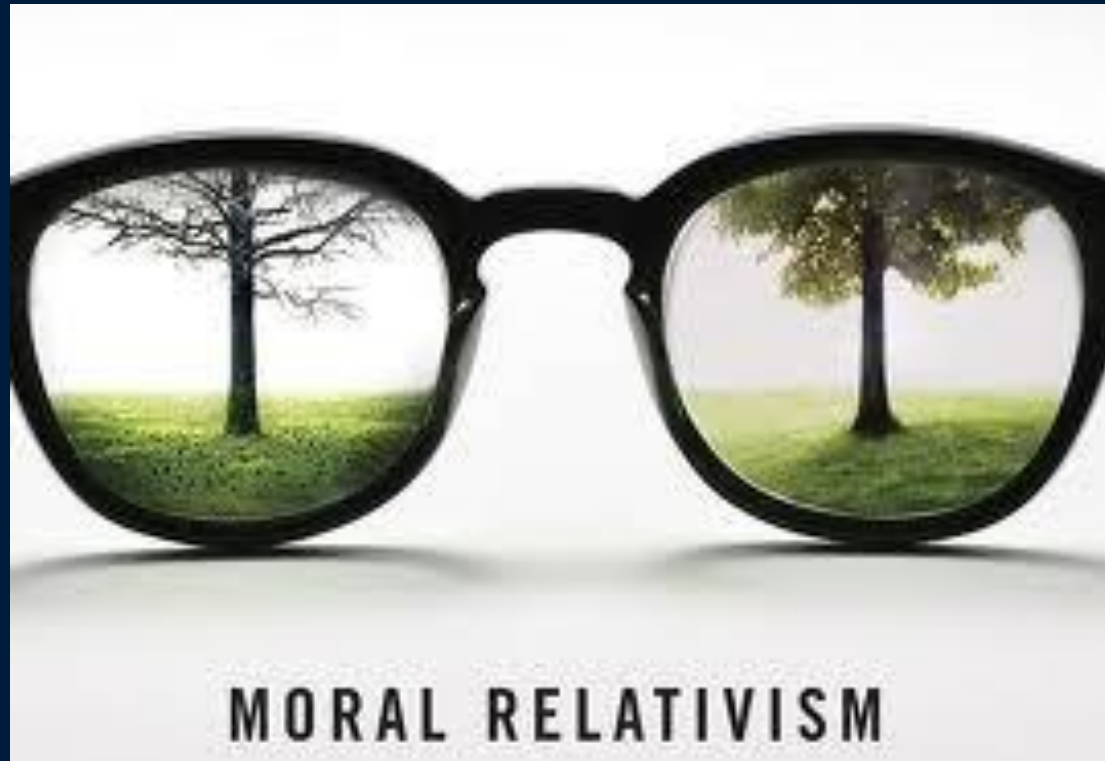
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Different takes on justice (distributive/procedural)

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When it comes to ethics and morality in a VUCA world ...



... do we see things differently or are things different?

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Reshaping the future

Unilever says new laxer environmental targets aim for 'realism'

Consumer goods giant extends deadlines and reduces the scale on its ESG goals



Chief executive Hein Schumacher admits that Unilever was 'not ready' to carry out some of its ESG goals © Vivian Wan/Bloomberg

Madeleine Speed APRIL 25 2024



The chief executive of consumer goods giant Unilever has admitted the company underestimated how hard it would be to meet environmental targets, saying the company's new laxer ESG goals aimed for "realism" instead.

Shell revises climate targets as it plans to keep gas business growing

Energy major scraps 2035 target, giving itself more flexibility on timing of plans



Shell chief executive Wael Sawan said it was 'more, not less, likely' that the group would achieve its climate targets © Peter Boer/Bloomberg

'If men define situations as real, they are real in their consequences'
William Isaac Thomas & Dorothy Swaine Thomas (1928)

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Ethics is the reflection on values, norms and standards applicable to our actions, policies and practices and those of relevant others.



Ethics vs Morality



Morality: a set of norms and standards applied in a community, organisation, group
E.g. moral standards of a particular culture, an organisation, a clan/family (the maffia).

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Values

Values are an expression of what we consider important in life. Values are not ends but explain how we achieve ends in life, work, or pleasure. They can conflict – e.g. professionalism/community, honesty/responsibility



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Norms and standards

A *norm* or standard contains an instruction regarding a specified behaviour or performance.



Look like others,
like you would like others
to look like you.

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Can ethics be part of a strategic approach to doing business internationally?

Characteristics of Compliance Strategy

Ethos	conformity with externally imposed standards
Objective	prevent criminal misconduct
Leadership	lawyer driven
Methods	education, reduced discretion, auditing and controls, penalties
Behavioral Assumptions	autonomous beings guided by material self-interest

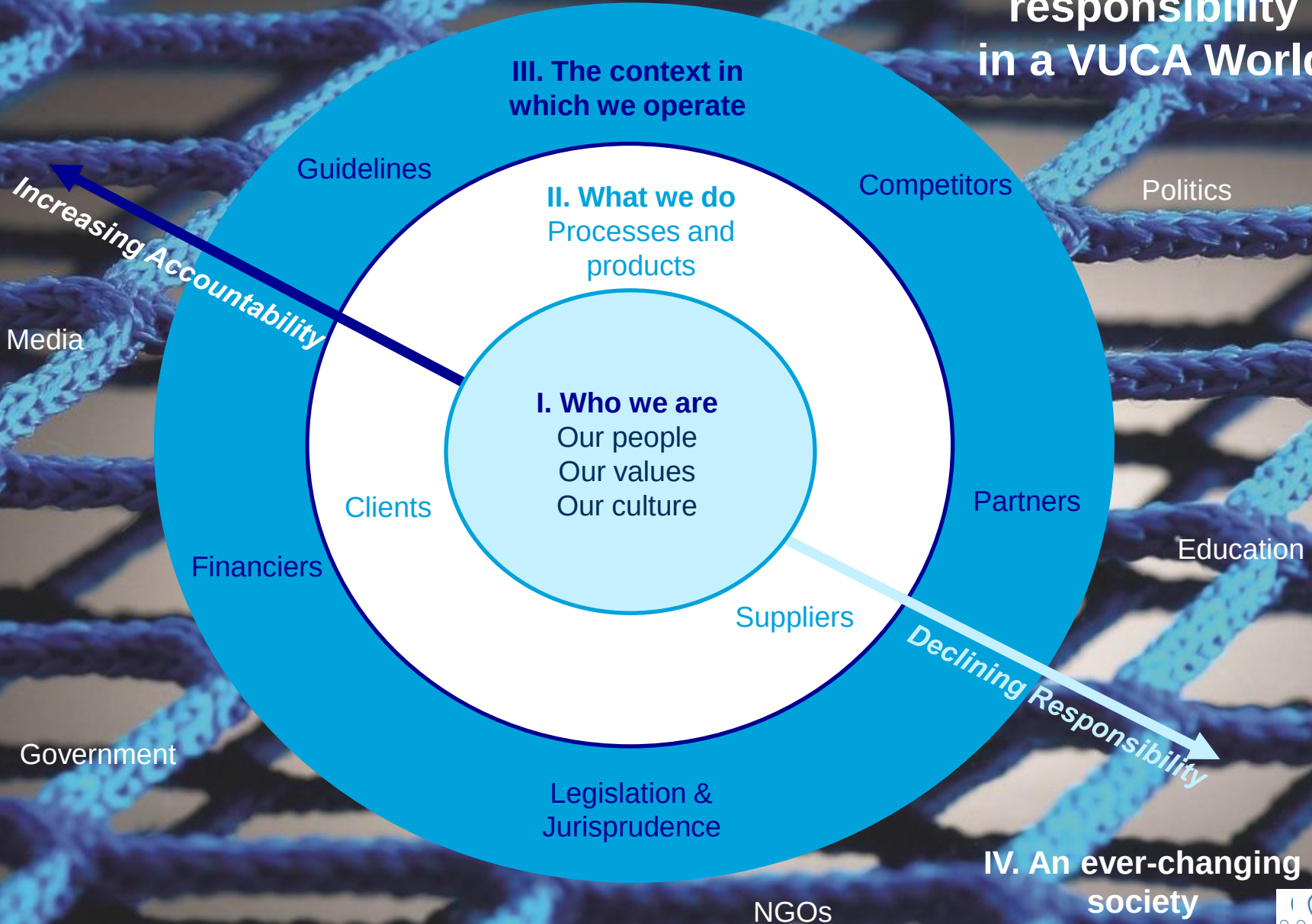
Characteristics of Integrity Strategy

Ethos	self-governance according to chosen standards
Objective	enable responsible conduct
Leadership	management driven with aid of lawyers, HR, others
Methods	education, leadership, accountability, organizational systems and decision processes, auditing and controls, penalties
Behavioral Assumptions	social beings guided by material self-interest, values, ideals, peers

IV. An ever-changing society

Planet Earth

The paradox of responsibility in a VUCA World



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Corporate Sustainability Due Diligence

CSDDD obliges EU multinational companies with more than 1000 employees and a net annual turnover of more than 450mn:

- To take all reasonable measures to analyse, prevent, and mitigate adverse effects on human rights/environment,
- To limit and undo harmful consequences that occur and to ensure recovery where necessary (mitigation).

To this end Multinational Companies should:

- Commit to UN/OECD guidelines
- Assign clear responsibilities within the firm
- Analyse the risks in the value chains on an annual basis
- Assess (material) adverse consequences
- Report annually on risks, violations and recovery
- Addresses violations and takes appropriate measures.

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In procurement we often find transactional ethics dealing with bribery, cartels, grease payments, forced labour, buying illegally logged wood, etc.

The focus is more on compliance management



SCM takes ethics to a systemic level, addressing issues like poverty alleviation, meaningful dialogue, environmental protection, transparency, etc.

The focus is more on integrity management

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Primum non nocere



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Benevolence - doing good

Interface®

Restoration



Care for suppliers



Living wage

eosta
where ecology meets economy



Intercultural dialogue



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A meaningful dialogue

Due diligence is the process enterprises should carry out to identify, prevent, mitigate and account for how they address these actual and potential adverse impacts in their own operations, their supply chain and other business relationships, as recommended in the OECD Guidelines for MNEs.

Meaningful stakeholder engagement is characterised by two-way communication and depends on the good faith of the participants on both sides. It is also responsive and on-going and includes in many cases engaging with relevant stakeholders before decisions have been made.

OECD DUE DILIGENCE GUIDANCE
FOR RESPONSIBLE
BUSINESS CONDUCT



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A meaningful dialogue

- *Mutual involvement*: stakeholders can express themselves freely. They are actively involved & can influence the agenda/content of a conversation. Companies listen
- *Good faith*: the desire to understand how stakeholders are influenced by company activities/effects. Stakeholders present interests, intentions and concerns honestly.
- *Responsiveness*: business listens to stakeholders and adheres to agreements made and removes/mitigates adverse effects. It remediates consequences of the effects
- *Ongoing conversation*: engaging stakeholders throughout the lifecycle
- *Inclusion*: actively involving disadvantaged stakeholders, such as women, minorities and vulnerable people.

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A meaningful dialogue

Conditions for a meaningful dialogue

- Fairness process (non-discrimination principle)
- Sufficient resources (capacity and support)
- Transparency about purpose dialogue (factual info)
- Timely and adequate information provision
- Respectful approach to all stakeholders
- Guaranteeing free conversation (no coercion/intimidation)
- Confidentiality where and whenever required
- Careful documentation of the ongoing dialogue



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Upon Common Ground



*The trees lean on each other.
It seems like they know the meaning of family*

Listed company
Strong focus on net-positive emissions
Connection with First Nations People
Reconciliation Action Plan,
Mutual learning and focus on *Country*
Aboriginal kids inspire design new collection

Exploring the deep connection and love for Country



Connection to Country is not an easy concept to unpack. It's a feeling that makes your body swell with pride: pride of Country and pride of people. As Aboriginal people we know that we do not own the land, for the land owns us. We are custodians of Country. We have a cultural responsibility to care for our Country and all that calls our Country home. We know and feel the presence of our ancestors on Country. Country is our strength, Country is home, Country is where we come from. Our bloodlines run deeply through Country.

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Key messages

1. Ethics is a Sunday concept. It often speaks to the heart. Nobody is against it.
2. It is, however, a complex notion on Monday. Implementation is often very difficult.
3. Lack of ethics can become a threat for an organisation and a society.
4. Ethics can be organised
5. A strong call for ethics comes with increased transparency – the world has become a global fishbowl (think of Rana Plaza)
6. Ethics increasingly is important for business because of increasing government, civil society and market requirements – it requires risk analysis and engagement
7. Guidance for business comes from UN Global Compact, OECD, international laws, treaties, conventions (Universal Declaration on Human Rights, ILO conventions, etc.) but just as important from the values and identity of the company and its partners.

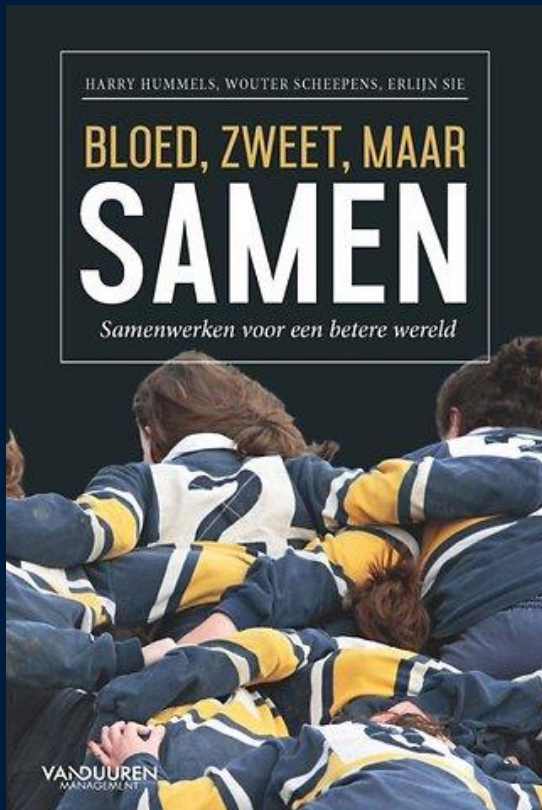
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Greed, for lack of a better word, is good.
Greed is right.
Greed works.
Greed clarifies, cuts through, and captures
the essence of the evolutionary spirit.
Greed, in all its forms, greed for life, for
money, for love, knowledge,
Has marked the upward surge of mankind.



... THE REST IS CONVERSATION



Reshaping the future is about multiple collaboration or collaboration for the commons. It refers to a systemic change-oriented form of collaboration between more than two parties, in which social change aimed at a sustainable, equitable and inclusive society is leading.

