# Corporate Sustainability, Climate Change, and You

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Sustainability Director

### Howdy!



- BA Geology and English, Idaho State University
- 2 years with Industrial Hygiene Resources in Boise, Idaho
- 21 years with CH2M Hill
- MBA in Sustainable Business, Marylhurst University
- Nearly 3 years with the J.R. Simplot Company

## What we'll cover today

- What is the J.R. Simplot Company?
- Is "Corporate Sustainability" an oxymoron?
- Why do companies hire people like me?
- What are the links between sustainability and total worker health?
- What can we do about all of this?
- Further Reading



# What is the J.R. Simplot Company?

Would you like fries with that?

# About the J.R. Simplot Company

- The J.R. Simplot Company is a far-reaching organization headquartered in Boise, Idaho.
- Our diverse portfolio spans from soil to dinner table, and the agriculturerelated interests in between.
- Famous for fries: 3 billion pounds of French fries and related products annually!





Simplot is an international agribusiness company with 10,000 employees.

We have major operations in 6 countries and distribute products to more than 40 countries around the world.

- Phosphate mining
- Fertilizer manufacturing
- Farming
- Ranching
- Food processing and distribution
- Food brands
- Animal nutrition

### Why sustainability at Simplot?

- Challenges facing the world: Rising population, a changing climate, water availability
- Climate change: Where should we site facilities going forward? Where will crops be grown successfully? How do range fires affect our cattle business and those who work in it?
- Age of radical transparency:
  Everyone wants to know where their stuff comes from, especially food



# Why is "Corporate Sustainability" or "Responsibility" important?

Why do companies hire people like me?

## Why sustainability? Green = Greenbacks

Harvard Business Review Case Study: The Impact of Corporate Responsibility on Organizational Processes and Performance

- Studied 80 companies over 18 years
- Half of the companies are classified as **high-sustainability firms** and half are **low-sustainability firms**
- High-sustainability firms dramatically outperformed lowsustainability firms in stock price and traditional accounting measures
- A dollar invested in 1993 in a portfolio of sustainable firms would have grown to \$22.60 by 2010, versus only \$15.40 for traditional firms.

adopt
environmentally
and socially
responsible
policies are
more profitable

### Investors care

• In 1989, the investors who joined together to form Ceres in the wake of the Exxon Valdez oil spill were at the forefront of a transformative movement in business. They understood that...sustainability is the bottom line.



- In 2017, investments guided by environmental, social and governance (ESG) criteria rose to \$12 trillion in the U.S. alone, nearly double from 2014 levels. ESG investment now represents \$1 of every \$4 invested in the U.S.
- Among 600 of the largest publicly traded companies in the U.S., nearly **two-thirds have commitments to reduce greenhouse gas emissions**, half are actively managing water resources, and nearly **half are now actively protecting the human rights** of their employees

# Sustainability in financial indices











# Financial Stability Board Task Force on Climate-Related Disclosures (TCFD)

- Transition risks: Shifting to a lowcarbon economy will change regulations and business models
  - New jobs created, old careers eliminated; different work settings
  - Disruption of traditional employment patterns; winners and losers
  - Reputational risks, ability to attract and retain talent

- Physical risks:
  - Acute storms and weather events, increased likelihood of cyclones, hurricanes, or floods
  - Chronic changes in precipitation patterns, sea level, and temperature
  - Changes in where companies site operations, as well as what kinds of protection or support are needed for employees in those locations

### SASB: The universe of sustainability issues

#### Environment

- GHG Emissions
- Air Quality
- Energy Management
- Water & Wastewater Management
- Waste & Hazardous Materials Management
- Ecological Impacts

### Leadership & Governance

- Business Ethics
- Competitive Behavior
- Management of the Legal & Regulatory Environment
- Critical Incident Risk Management
- Systemic Risk Management



#### **Business Model & Innovation**

- Product Design & Lifecycle Management
- Business Model Resilience
- Supply Chain Management
- Materials Sourcing & Efficiency
- · Physical Impacts of Climate Change

### Social Capital

- Human Rights & Community Relations
- Customer Privacy
- Data Security
- Access & Affordability
- Product Quality & Safety
- Customer Welfare
- Selling Practices & Product Labeling

### **Human Capital**

- Labor Practices
- Employee Health & Safety
- Employee Engagement, Diversity & Inclusion

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### NIOSH Total Worker Health: Another universe of issues

### Issues Relevant to Advancing Worker Well-being Through Total Worker Health®

#### Control of Hazards and Exposures

- · Chemicals
- Physical Agents
- Biological Agents
- Psychosocial Factors
- · Human Factors
- · Risk Assessment and Risk Management

#### Organization of Work

- Fatigue and Stress Prevention
- · Work Intensification Prevention
- Safe Staffing
- · Overtime Management
- · Healthier Shift Work
- · Reduction of Risks from Long Work Hours
- · Flexible Work Arrangements
- · Adequate Meal and Rest Breaks

#### **Built Environment Supports**

- Healthy Air Quality
- Access to Healthy, Affordable Food Options
- · Safe and Clean Restroom Facilities
- · Safe, Clean and Equipped Eating Facilities
- Safe Access to the Workplace
- Environments Designed to Accommodate Worker Diversity

#### Leadership

- Shared Commitment to Safety, Health, and Well-Being
- Supportive Managers, Supervisors, and Executives
- · Responsible Business Decision-Making
- Meaningful Work and Engagement
- · Worker Recognition and Respect

#### Compensation and Benefits

- Adequate Wages and Prevention of Wage Theft
- Equitable Performance Appraisals and Promotion
- · Work-Life Programs
- · Paid Time Off (Sick, Vacation, Caregiving)
- · Disability Insurance (Short- & Long-Term)
- · Workers' Compensation Benefits
- Affordable, Comprehensive Healthcare and Life Insurance
- Prevention of Cost Shifting between Payers (Workers' Compensation, Health Insurance)
- · Retirement Planning and Benefits
- Chronic Disease Prevention and Disease Management
- Access to Confidential, Quality Healthcare Services
- · Career and Skills Development

#### **Community Supports**

- Healthy Community Design
- Safe, Healthy and Affordable Housing Options
- Safe and Clean Environment (Air and Water Quality, Noise Levels, Tobacco-Free Policies)
- Access to Safe Green Spaces and Non-Motorized Pathways
- Access to Affordable, Quality Healthcare and Well-Being Resources

#### **Changing Workforce Demographics**

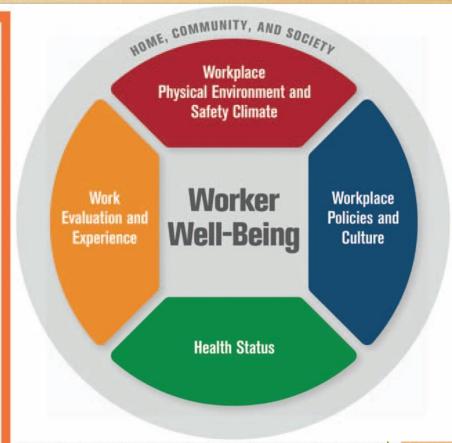
- Multigenerational and Diverse Workforce
- · Aging Workforce and Older Workers
- Vulnerable Worker Populations
- Workers with Disabilities
- · Occupational Health Disparities
- · Increasing Number of Small Employers
- · Global and Multinational Workforce

#### Policy Issues

- Health Information Privacy
- Reasonable Accommodations
- Return-to-Work
- · Equal Employment Opportunity
- · Family and Medical Leave
- Elimination of Bullying, Violence, Harassment, and Discrimination
- Prevention of Stressful Job Monitoring Practices
- · Worker-Centered Organizational Policies
- · Promoting Productive Aging

#### **New Employment Patterns**

- · Contracting and Subcontracting
- · Precarious and Contingent Employment
- · Multi-Employer Worksites
- Organizational Restructuring, Downsizing and Mergers
- · Financial and Job Security



#### FIGURE 1

Proposed worker well-being framework.

#### Source

Expanding the Paradigm of Occupational Safety and Health: A New Framework for Worker Well-Being

Journal of Occupational and Environmental Medicine60(7):589-593, July 2018. 14



# A few examples of shared issues and objectives

NIOSH Total Worker Health	Sustainability and Climate Investor Reporting: SASB or TCFD	Real-World Example
New employment patterns, financial job security	Change regulations, business, and employment	Coal belt jobs in the U.S.
Control of hazards and exposures, psychosocial factors	Acute storms and weather events, increased likelihood of cyclones, fires, hurricanes, or floods; Critical incident risk management	Fires in Australia
Changing employee demographics, vulnerable worker populations, global and multinational work force	Changes in where companies site operations, as well as what kinds of protection or support are needed for employees in those locations; human rights and community relations	Insurance company rate changes
Safe and clean environment, healthy air quality, access to safe green spaces, rest and lunch breaks, environments designed for worker diversity	Air quality, GHG emissions, waste and hazardous materials management, ecological impacts; employee engagement, diversity, and inclusion; access and affordability; customer welfare	Corporate goals for environment, safety, and sustainability
Risk assessment and management, supportive supervisors and executives, commitment to well-being, responsible business decisions	Systemic risk management, business ethics, management of legal and regulatory environment, labor practices, employee health and safety, product quality and safety	Investor disclosures for governance

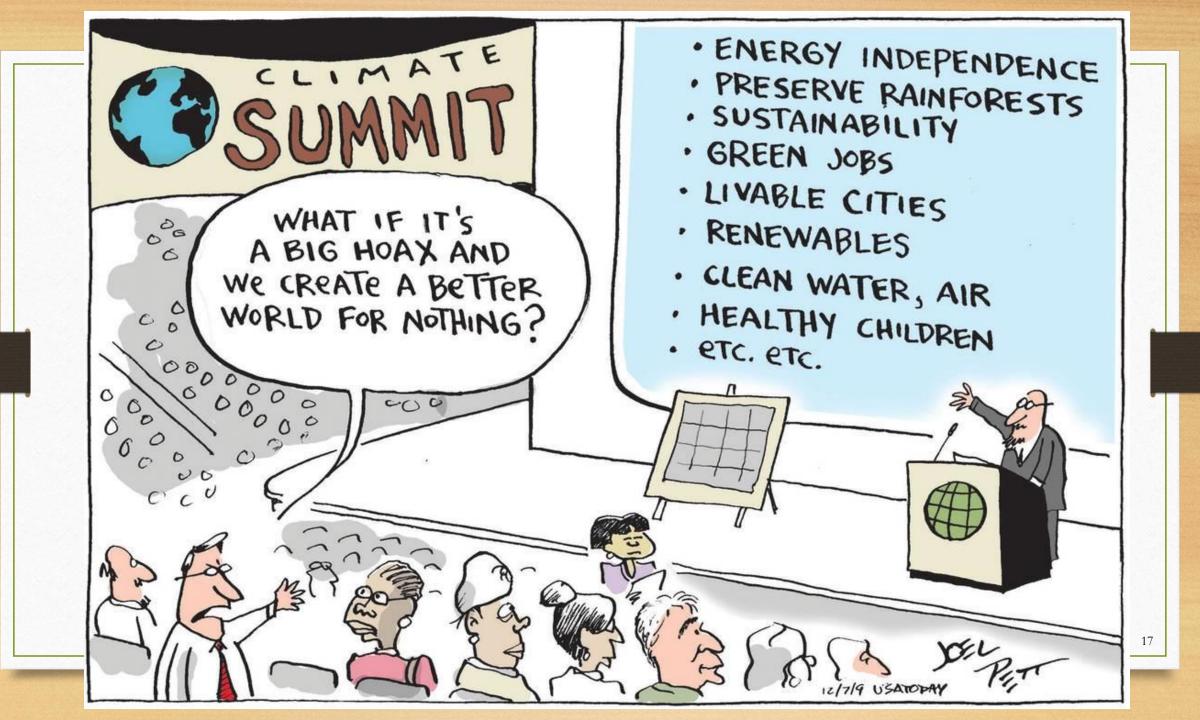
# Health risks? Let's ask National Geographic

"In flood-prone Benin, national health insurance has been expanded to cover diseases likeliest to increase as the world warms and sea levels rise.

In the steamy Philippines, programs are helping lowincome residents manage weather-related risks with loans, hygiene education, and waste and water control.

Meanwhile public health experts everywhere are calling for new measures to help people stay healthy despite floods, droughts, and heat waves."

- Power outages
- Crop failures
- Heatstroke
- Disease-carrying insects
- Infectious diseases
- Mental health
- Respiratory disease
- Water shortages



# So, what is being done?

How is thinking evolving on climate change?

# Starting at home

Idaho Governor Brad Little (R) in January 2019:

"Climate change is real. I'm old enough that I remember feeding cows all winter long in deep snow, and I go to the ranch now and talk, 'You wimpy guys, boy, back in the old days when I was a kid, we had winters.' And there are other things. These ecosystems are changing."

"The silviculturists will tell you, because of the changing climate, the number of trees, the species of trees, the mix of trees, it's all changing."

"We've just gotta figure out how to cope with it and we gotta slow it down."

--Idaho Press, "Little on climate change: it's a big deal"

# Idaho Climate-Economy Impacts Assessment





Gold Contributors (\$10,000+)







Bronze Contributors (Under \$5,000)











#### **In-Kind Contributors**









Silver Contributors (\$5,000+)





### PURDUE

### Indiana Climate Change Impacts Assessment





Climate



Health



Forest Ecosystems



**Urban Green Space** 



Energy



Agriculture



Aquatic Ecosystems



Tourism & Recreation

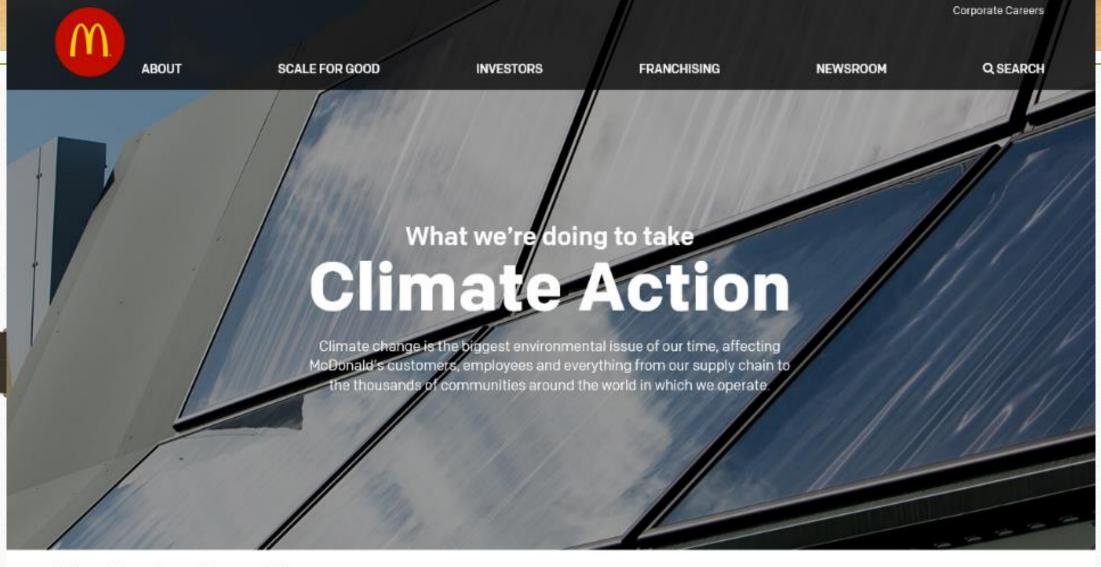


Water



Infrastructure

https://ag.purdue.edu/indianaclimate/



#### Why climate action matters

If society and industry continue business as usual, climate change will have serious consequences for our planet, its people today, and for generations to come – from melting ice caps and forest fires to shifting weather patterns that impact the way food is produced.

McDonald's is taking action. When you operate 37,000 restaurants in over 100 countries around the world, serving 69 million people each day, every change makes a big difference.

Climate Action Press Release
Climate Action Blog





**Environmental Topics** 

**Climate Change Impacts** 

**Laws & Regulations** 

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Climate Change Home

Climate Impacts Home

-Impacts by Region

-Impacts by Sector

#### Agriculture

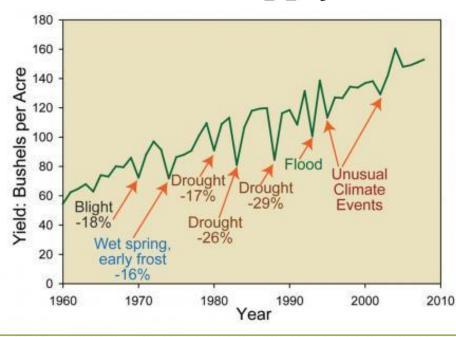
Coasts

Ecosystems

Energy

**Forests** 

### Climate Impacts on Agriculture and Food Supply





### **Key Points**

- Moderate warming and more carbon dioxide in the atmosphere may help some plants to grow faster. However, more severe warming, floods, and drought may reduce yields.
- · Livestock may be at risk, both directly from heat stress and indirectly from reduced quality of their food supply.
- · Fisheries will be affected by changes in water temperature that make waters more hospitable to invasive species and shift the ranges or lifecycle timing of certain fish species.

21,082 views | Aug 26, 2019, 4:32 pm

### **101 Companies Committed To Reducing Their Carbon Footprint**



Blake Morgan Senior Contributor ①

CMO Network

I am a Customer Experience Futurist, Author and Keynote Speaker.



Today's companies know they aren't just working for the present, they're investing in the future. As climate change and other environmental issues take center stage and impact all areas of our lives, responsible companies are taking initiative to reduce their carbon footprints. Even small actions can have a big environmental impact.

These 101 companies are committed to reducing their carbon footprints and setting examples for others in their industries. These companies use innovative solutions and aggressive goals to see real results.

https://www.forbes.com/sites/blakemorgan/2019/08 /26/101-companies-committed-to-reducing-theircarbon-footprint/#4bbf6820260b

# Why you should get engaged at your organization

How can you help?

# Climate change is a real and present risk

- Revisit the TCFD framework: there is more risk to companies than employee heat stress
- This is serious stuff, coming from investors who are conservative people
- As Industrial Hygiene professionals, you want to create safe, healthy, functioning workplaces. Your ability to do that is driven by your corporate budgets, strategies, and risks and opportunities, as well as anticipated changes in all of that because of climate change.
- The more you are able to converse in terms of these risks, and seek answers in making the planet healthier, the better you will be able to serve the employees you care about.

# Risk In Perspective

Insight and Humor in the Age of Risk Management

Dr. Kimberly M. Thompson

Harvard School of Public Health



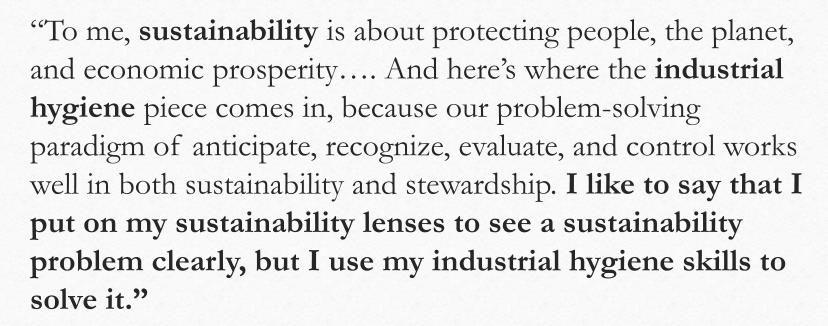
"TODAM'S PROBLEMS SHOULD HAVE BEEN SOLVED IN THE 1950s, BUT IN THE '50s WE WERE SOLVING THE PROBLEMS OF THE '20s, AND IN THE '20s WE WERE SOLVING THE SOLVING THE PROBLEMS OF THE 1890s."

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# How you do it

- If you have a sustainability director, manager, senior vice president, or whatever, take them out for lunch. I guarantee they are understaffed and need your help
- Get closer to the Enterprise Risk Management people; these are your allies, regardless of whether you are protecting human health or the environment
- Investigate whether your organization is currently doing sustainability reporting, or measuring against financial indexes
- Connect to the long-term strategy of your organization
- Become valuable on a new level; demonstrate a deeper understanding of the megatrends driving corporate risks and opportunities in a changing climate

# People, Product, Planet: The confluence of industrial hygiene, product stewardship, and sustainability



People, Product, Planet
The Confluence of Industrial Hygiene,
Product Stewardship, and Sustainability

--Kevin Gara, CIH, FAIHA, Chief Product Stewardship Officer for Roche Group, in *The Synergist*, September 2019

### Resources

Serving up further reading

### Favorite Books

- Believing Cassandra: An Optimist Looks at a Pessimist's World, by Alan AtKisson
- The End of Plenty: The Race to Feed a Crowded World, by Joel K. Bourne, Jr.
- 21st Century Corporate Citizenship,
   by David Stangis and Katherine Valvoda
   Smith



## Thank You! Questions?



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