

Harnessing the power of social sustainability



Look after your people, so they can look after your business



Catch
the
Wave
with IOSH

Foreword

These are exciting, challenging times. In this “exponential decade”, the world is changing - and will continue to change - at a blistering pace.

The Catch the Wave campaign from IOSH offers businesses practical insights into the power that good occupational health and safety, when tackled from a strategic perspective, can provide to deliver better outcomes for workers around the world.

Done right, this can help business leaders - and tomorrow’s leading businesses - to deliver on the social components of their sustainability goals. Truly regenerative capitalism starts with people - and all of us are likely to be more committed and more productive if we know that our safety, health and environmental concerns are being tackled in a timely and effective manner.

John Elkington

John Elkington is one of the founders of the global sustainability movement, an experienced advisor to business, and a highly regarded thought leader and keynote speaker. Co-founder of Volans in 2008, he previously co-founded Environmental Data Services (ENDS) in 1978 and SustainAbility in 1987.

He has addressed over 1,500 conferences around the world and served on over 80 boards and advisory boards. John has won numerous awards, including the 2021 World Sustainability Award, and is the author or co-author of 20 books.

His 20th book was published in April 2020: Green Swans: The Coming Boom in Regenerative Capitalism (Fast Company Press).



“Truly regenerative capitalism starts with people...”

A changing world

There's an unstoppable wave of change moving across the global business landscape. It's sweeping its way through boardrooms and sending ripples throughout supply chains and beyond. And there's no going back from it – businesses need to catch the wave or risk being left behind.

Navigating an unpredictable landscape

From the Covid-19 pandemic to emerging chronic crises like geopolitical instability, lack of affordable housing, and the rise of global social justice movements... Many factors mean businesses are having to think beyond the here and now, and place a much sharper focus on what it means to be a responsible, sustainable, resilient business built on solid financial, environmental, social and governance principles.

“Catch the wave or risk being left behind.”



Catch the wave

While the wave of social change is inevitable, businesses can only harness the opportunity it brings if boards lead by example and put people first. By looking after their own workforce, and those across their supplier chains, leaders can improve not just the social sustainability and long-term prosperity of their own businesses – they can help build stronger, more sustainable communities.

This report builds on earlier findings and reports, including our own [The Healthy Profit](#) (IOSH, March 2018), and the latest insights to examine how organisations can only truly shape sustainable business models by putting their people first.

It makes the case for change, demonstrating principles and processes that assert safety, health and wellbeing as the bedrock for social sustainability.

Consumers want sustainable brands

While businesses have responded to megatrends and macro pressures for many years, the Covid-19 pandemic, emerging climate crisis, and rise of social justice movements around the world have accelerated the rate of change in the way we work. Every day, the markets in which businesses operate become more volatile, uncertain, complex, and ambiguous (VUCA).

The current VUCA environment has seen societal change rapidly speed up, with an overwhelming demand for brands to help consumers lead sustainable lifestyles.

For example, Accenture's recent survey of more than 25,000 consumers across 22 countries, found that 50% of the consumers surveyed said the pandemic caused them to rethink their personal purpose and re-evaluate what's important to them in life, and that they are changing their buying habits accordingly.



81%

of respondents said they must be able to trust brands to do what is right.[†]

“Stakeholders want to know how sustainable a business is.”



29%

said how a company treated its employees was the key factor in deciding whether to become a loyal customer.

Company ethics under the spotlight

Consumers are increasingly demanding social responsibility, not just in how organisations treat their supply chain workers in distant countries, but their own workforces too – this is the ‘social licence to operate’. A new McKinsey study found that how a company treats its employees has increasingly influenced customer purchase decisions since the start of the Covid-19 pandemic.

According to the McKinsey study: “One-fourth of consumers believe that a company’s treatment of its employees has increased in importance as a buying criterion since the crisis started. Companies’ actions in this [the pandemic] time, especially toward their consumers and employees, will be remembered for a long time and can lead to goodwill.”

McKinsey’s findings are supported by the [2020 Edelman Trust Barometer Special Report: Brands and the Coronavirus report](#) from global communications firm Edelman, who work with businesses and organisations to promote and protect their brands and reputations. In it, 81% of those surveyed said they must be able **“to trust the brand to do what is right.”**

In fact, nearly three in 10 (29%) of respondents in the Edelman report said how a company treated its employees was the most important factor in deciding whether to become a loyal customer. Meanwhile, 27% of respondents said that how a company treated its employees was their primary factor in choosing whether to try a brand in the first place.

Investors expect good safety, health and wellbeing

But it's not just about consumer demands. As reported in [The Healthy Profit](#), the social performance of an organisation has become inseparable from its financial performance. Those with a stake in business are no longer interested solely in how it makes profit – they want to understand how its profit-making affects people and the environment.

Before they invest in a business, companies and investors want assurance around long-term plans for managing the skills, knowledge and experience that are integral to a sustainable business model. Such assurance cannot be captured in financial metrics alone.

Leon Kamhi, Head of Responsibility at Hermes Investment Management, was reported in the Financial Times as saying human rights and labour standards are among the top concerns of fund managers.

Companies that serve all stakeholders are the ones that win

BlackRock, the world's largest asset manager, published a purpose report in 2020 called *Where We Stand*, which charted their rapid social sustainability development. In it, BlackRock explained that "the most successful companies are those that serve all stakeholders – their shareholders, employees, clients and communities. That's why we use our voice as shareholders to urge companies to focus on important issues like climate change, the fair treatment of workers and equality".

Like IOSH and nearly 14,000 organisations across the globe, BlackRock have also joined the UN Global Compact committing to align their operations with universal principles on human rights, labour, the environment, and anti-corruption – and to take actions that advance societal goals.

The UN's Sustainable Development Goals (SDGs) recognise that inclusive and sustainable economic growth is not only linked to the number of economically active people and economic output, but also to the conditions in which they work. In fact, it might surprise you to learn that IOSH currently believes occupational health and safety contributes towards 51 of the measures that underpin the SDGs, including 17 which are direct OSH measures.

Goal 3 Ensure healthy lives and promote wellbeing for all at all ages

- 3.4 By 2030 reduce by one-third pre-mature mortality from NCDs through prevention and treatment, and promote mental health and wellbeing.
- 3.d Strengthen the capacity of all countries, particularly developing countries, for early warning, risk reduction, and management of national/global health risks.

Goal 4 Ensure inclusive and equitable quality education and promote life-long learning opportunities for all

- 4.4 By 2030, increase the number of youth/adults who have relevant skills, including technical skills, for employment, decent jobs and entrepreneurship.
- 4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples, and children in vulnerable situations.
- 4.7 By 2030, ensure all learners acquire knowledge and skills needed to promote sustainable development, including among others through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship.

Goal 5 Achieve gender equality and empower all women and girls

- 5.1 End all forms of discrimination against all women and girls everywhere.
- 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.
- 5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women/girls at all levels.

Goal 8 Promote sustained, inclusive, sustainable economic growth, productive employment and decent work for all

- 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
- 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.
- 8.8 Protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment.

Goal 10 Reduce inequality within and among countries

- 10.3 Ensure equal opportunity and reduce inequalities of outcome, including through eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and actions in this regard.
- 10.4 Adopt policies especially fiscal, wage, and social protection policies and progressively achieve greater equality.

Goal 12 Ensure sustainable consumption and production patterns

- 12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment.
- 12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

Goal 16 Justice, peace and strong institutions

- 16.6 Develop effective, accountable and transparent institutions at all levels.
- 16.b Promote and enforce non-discriminatory laws and policies for sustainable development.

All this leads to the question, how can businesses catch the wave of social sustainability to ensure they stay relevant to the market?

Treating your people the right way

It's no coincidence that businesses which set high standards for the treatment of their workforce, communities and supply chains are reaping the rewards with stronger performance and growth.

Corporate sustainability starts with a company's value system and a principles-based approach to doing business, which is why the [Ten Principles of the UN Global Compact](#) ensures that every organisation who signs up to the compact meets fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. By incorporating the principles into their strategies, policies, and procedures, and by establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success.

IOSH believes that social sustainability is the backbone of resilience and that OSH is fundamental to building and maintaining sustainable work for the future. In our *Why occupational safety, health and wellbeing is a foundation of socially sustainable business* white paper, we seek to support businesses and empower OSH practitioners by giving them the tools and vocabulary they need to respond to the growing demand for social sustainability measurement and disclosure.

So, how do you ensure your business is getting it right?
After all, it's easy to say you want to treat your people the right way; doing it in practice is what really matters.

Social sustainability is in fact unequivocally intertwined with occupational safety and health (OSH) – by viewing everything you do through an occupational safety and health lens, by truly putting people first, you can ensure you really are a socially sustainable business.



Socially sustainable organisations:

- Eliminate any hint of modern slavery in your business and supply chain
- Manage risks to the mental health and wellbeing of your workforce
- Ensure parity between mental and physical health
- Invest in your people and ensuring they have the skills to operate safely
- Reduce the risk of workers being injured and being made ill by work
- Ensure fair pay and treatment
- Provide a good place to work for your employees, as well as building a mutual relationship of trust.

[IOSH's Sustainability and OSH policy](#) position published in 2020 reasoned that sustainability is much more than merely protecting environmental resources – it encompasses the protection of the workforce and the improvement of the employee wellbeing.

“Social sustainability is in fact unequivocally intertwined with occupational safety and health.”

Figure 1: The relationship between occupational safety, health, environment, and sustainable development.

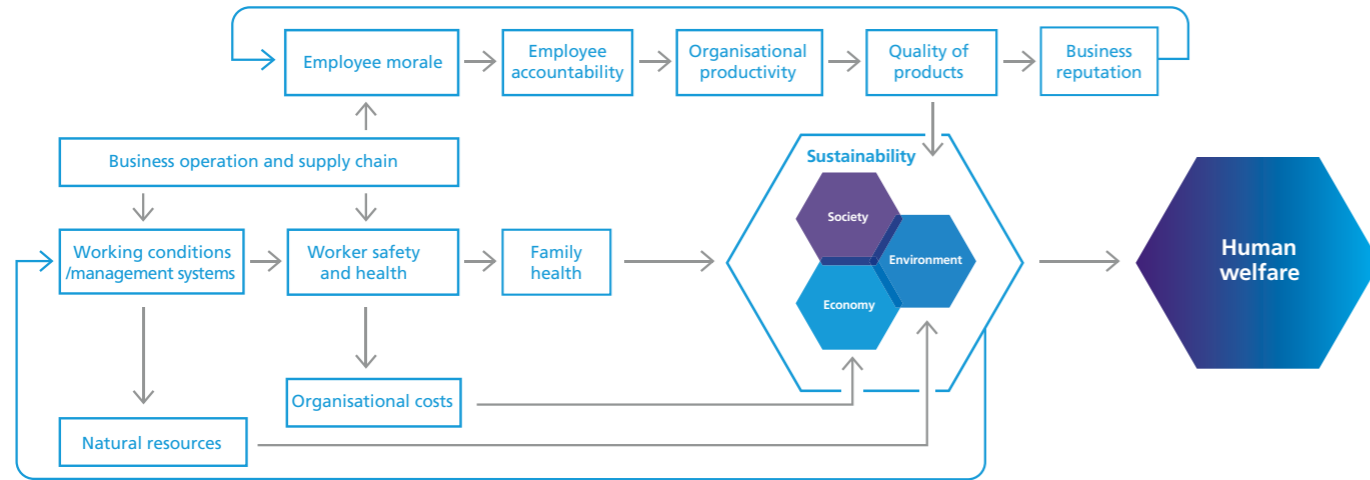
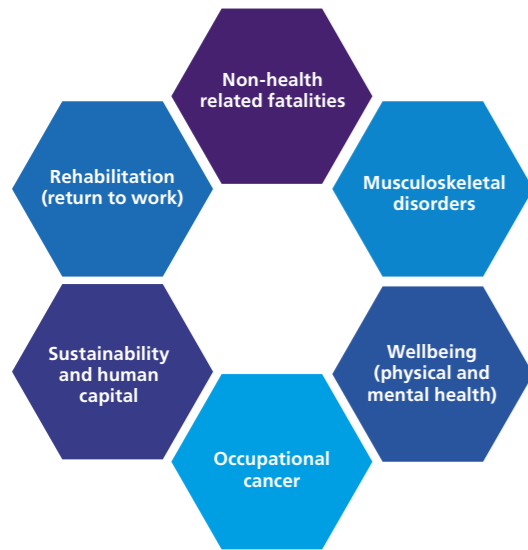


Figure 2: Our six global priorities.



Sustainability and safety go hand-in-hand

In the current world of work, organisations cannot be sustainable without protecting the safety, health and welfare of their most vital resource: workers. For this reason, IOSH welcomes the increased pressure, from both investor and consumers, for companies to report on and improve safety and health.

Our six global priorities have been designed to help make the world of work healthier for everyone, everywhere. Because while IOSH believes good work is good for health and wellbeing, we also know that no job is worth risking your health and wellbeing for.

If you're interested in finding out more about the fundamental benefits of OSH, [10 reasons why health and safety is important to your business](#) is a good place to start.

Taking a person-centred approach

Employees rose to the challenge as the Covid-19 pandemic struck, whether adapting new measures on the front line to reduce the spread of infection or keeping the global economy running from the safety of people's homes; boardroom tables were replaced by dining room tables and offices by spare rooms. Time and again, people stepped up and supported their employer and the customers they knew were relying on them, helping to maintain their business and securing their futures.

Now, our workforces and society are looking to businesses to repay that trust. It's time for businesses to ensure they are adopting a person-centred approach to everything they do, treating employees as an asset, protecting them, and creating the conditions to promote decent work.

In the simplest of terms, people ultimately hold the answers to the many challenges businesses face and this needs to be recognised. In an increasingly competitive recruitment market, only businesses which operate on a relationship of mutual trust and respect with their workforce will be able to retain and recruit the best people.





IOSH has one simple vision: a safe and healthy world of work

Work, when it's good, gives people a sense of purpose and status alongside positive health benefits, a quality of life, and a sense of wellbeing.

We believe that by working together, we will all achieve a safer and healthier world of work, and as the chartered body for health and safety, IOSH can lead the way.

Don't get left behind – catch the wave with IOSH

Unless businesses prioritise their people, alongside planet and profit, they will miss the opportunity to unlock and unleash the tremendous value that lies in a business' workforce.

IOSH is working alongside international partners including the United Nations (UN), World Health Organization (WHO), and International Labour Organization (ILO) to harness the collective energy of progressive businesses. Together we are making a long term commitment to driving social sustainability forward, with a global force of safety and health professionals making sure change happens on the ground.

Furthermore, Covid-19 has shown just how central safety and health professionals are to protecting people, maintaining business survival, and restoring profitability. This is a real chance to be part of an irrepressible, interconnected global network of resilient, profitable businesses and organisations that flourish equitably and sustainably around safe, healthy workforces.



"A global force of safety and health professionals making sure change happens on the ground."





“Making a long term commitment to driving social sustainability”.

Businesses can join this global movement and demonstrate to their people, their customers and investors that they are taking social sustainability seriously.

It's time to catch the wave with IOSH.
Visit: iosh.com/CatchTheWave

Or join the debate using the hashtag #CatchTheWave

Catch the Wave

with IOSH



Visit: [iosh.com/CatchTheWave](https://www.iosh.com/CatchTheWave)

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