

KPMG Helps Major Manufacturer Support Strategy for Global Sustainability Leadership

Sustainability is an important goal for many companies today. But KPMG's Management Consulting team is helping a major manufacturer to support an especially high level of commitment – nothing less than sector leadership in sustainability by 2016.

Over the past several years, sustainability issues (and turning sustainability into a competitive advantage) had become a key criterion for the manufacturer's stakeholders. Competitors were putting sustainability performance high on their agenda and customer demand was increasing for sustainable products and services. In addition, regulatory trends encouraged manufacturers to minimize their environmental footprint.

At the same time, the company knew that a successful sustainability strategy would require a thorough and consistent integration into core business processes across the enterprise. As an international and much decentralized company, proper data consolidation and standardization across business units was especially critical. Existing key performance indicators (KPIs) were reported locally or within the operating units – but without global compilation and consideration within the controlling systems.

The manufacturer turned to KPMG's sustainability experts to help design, develop and implement a sustainability strategy at both the national and international level. KPMG professionals



had already established a relationship with the client through the audit practice and a specific R&D project, where they helped to standardize the client's global product development process. In addition, KPMG teams have worked in the sustainability environment for more than 10 years, helping leading companies across multiple industries develop functional, achievable strategies and ensuring their implementation.

Based on their knowledge of the manufacturer's requirements and long-term objectives, a KPMG project team was assembled that included a number of sustainability experts with deep industry knowledge and experience in developing sustainability programs.

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Equally important, team members developed a detailed roadmap to achieve sector sustainability

leadership by 2016. This was based on defining a sustainability performance management concept with guidelines and organizational structures accompanied by a set of standardized sustainability KPIs and a concept for data collection and reporting processes. Pilots covering all operating units were carried out to ensure internal acceptance and practicability across the company.

With the support of the KPMG team, the manufacturer has been able to develop a sustainability strategy with a clear focus on the most important stakeholder groups, including not only environmental, but also social and business-oriented aspects. Based on

this strategy, the manufacturer has established sustainability benchmarks; developed transparent, process-based enablers and result-oriented KPIs, which will become part of the individual targets of key employees and management. This ensures real impact and real implementation of the program throughout the whole organization including all business units and regions. In light of these achievements, the manufacturer is well positioned to reach their goal of sustainability leadership by 2016.

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