

WELCOME

# EHS as a Pillar Of Sustainability

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1



## Sustainability Related Projects

- Created a company Environmental, Safety and Health Policy Statement
- Became a part of GreenSpot Columbus
- Track Utilities and resource usage
- Improved our recycling program
- Educate staff on sustainable initiatives
- Network with other sustainability professionals



# What is Sustainability in Business?

- **Most common definition:** “Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” -**Our Common Future**
- **A Business Definition:** “a business approach that creates long-term shareholder value by embracing opportunities and managing risks that derive from economic, environmental and social developments.” -**Dow Jones Sustainability Indices**

# The Evolution of Sustainability in Business

## Up to 1950s

- Environment viewed as an inexhaustible resource

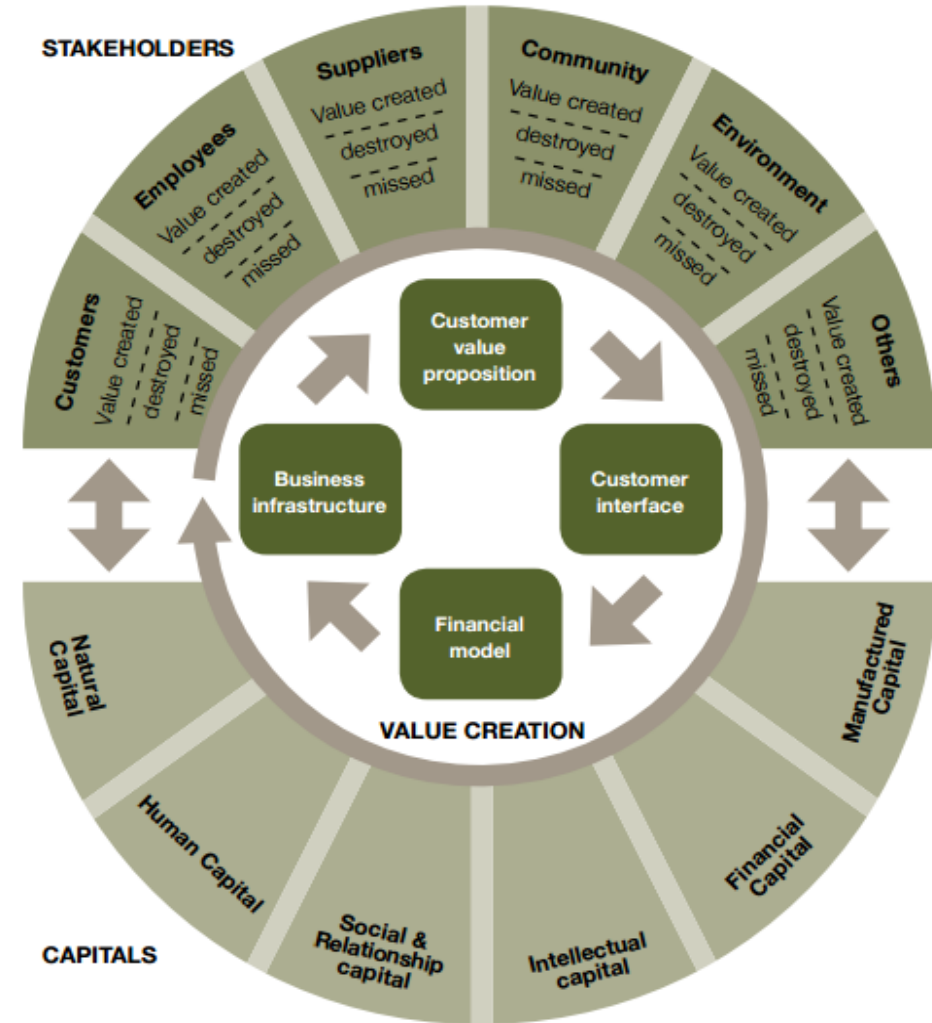
## 1950s – 90s

- Wake up calls -- pollution, toxic waste, nuclear accidents
- Focus on regulatory compliance

## 1990s - Today

- Focus on **prevention vs. compliance**
- Global vs. local impacts

# The Triple Bottom Line



# The Age of Accountability

- They are increasingly being held responsible not only for their own activities but for those of their **suppliers** and the **communities** where they are located, and the **people** who use their products.
- They are being held accountable not only by investors and shareholders, but politicians, whistleblowers, media, employees, community groups, prosecutors, class-action lawyers, environmentalist, human right advocated, public health organization and customers.
- **Sustainability** is the art of doing business in an interdependent world

# Why Is Sustainability Important For Business?



Branding to strengthen market share.



Opportunity for new products & services



Reduced risk (insurers).



Enhanced business value (investors).



Improve employee retention



Reduced compliance issues.



Improve reputation & public image



Protects the social license to operate.



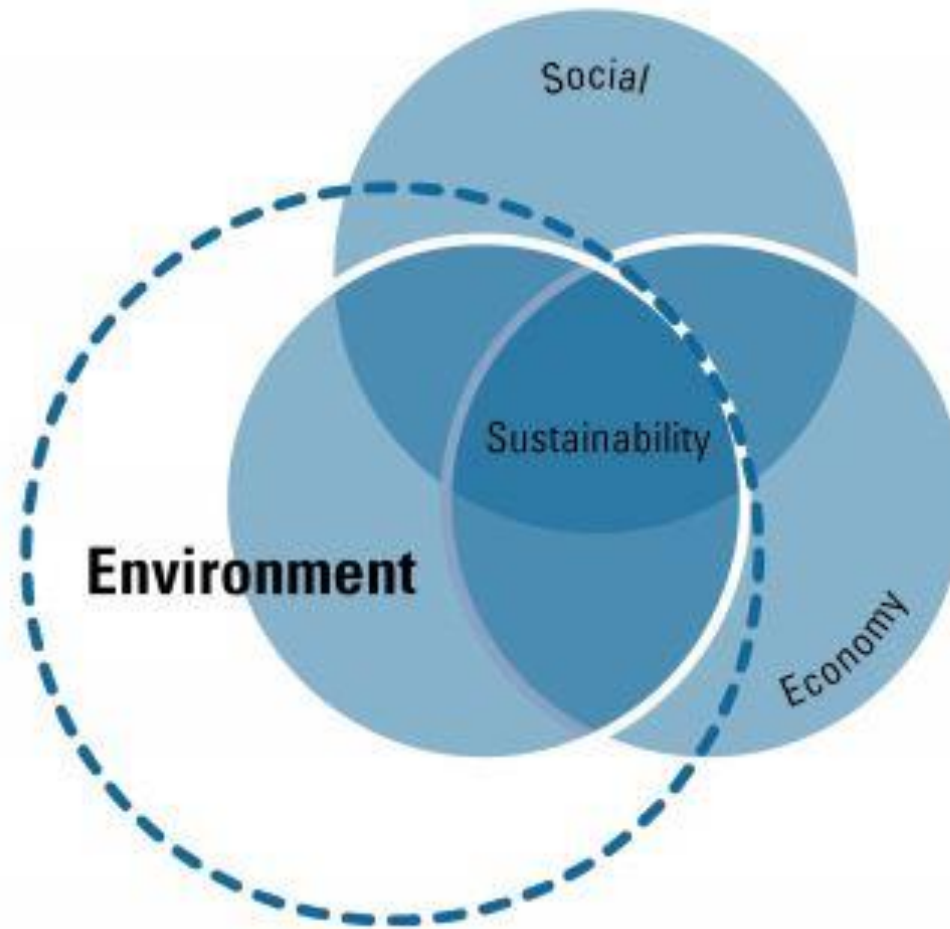
Efficiencies and reduced cost.

# Sustainability at Every Level

- Operations – availability of energy, water and other inputs.
- Sales and marketing -changing consumer preferences
- Risk management – investor scrutiny and evolving insurables
- Supply chain – supplier resilience and impacts
- Finance – cost and availability of capital
- HR – talent acquisition and retention
- **Every employee as “Head of Sustainability”**



# Current views on Sustainability



# Current views on sustainability

## SUSTAINABLE DEVELOPMENT GOALS



United Nations Department of Public Information. 2017. Sustainable Development Goals. Retrieved from <https://www.un.org/sustainabledevelopment/news/communications-material/> Used for informational purposes in accordance with SDG guideline Volume V No. 2 June 2018 | 63

# Integrating Occupational Safety and Health (OSH) into Sustainability



# Safety



Reduced risk  
(insurers).



Reduced  
compliance issues.



12



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# Growth

1. Increased evidence of the impacts of Environmental, Social and Governance (ESG) concerns;
2. Increasing interest to seek out investments that fulfill personal values, goals, and institutional missions as well as aim for strong financial performance;
3. Seeking hidden sources of financial outperformance over the long term;
4. Pursuing an investment discipline that manages risk and fulfills fiduciary duties;
5. Growing body of academic research that shows a strong link between ESG and financial performance; and
6. Millennials who are looking to not only make a return on their investments, but to also make a difference.

## Companies are demanding it!

- Anticipating future regulations
- Resource scarcity and taxing
- Large corporations are starting to require their distributors and contractors to meet safety AND sustainability initiatives
- Branding



# Barriers

EHS is perceived as:

- (1) Only a responsibility of OSHA or designated EHS professionals;
- (2) Compliance focused;
- (3) Costly; and
- (4) A sustainability problem in global supply chains, but not necessarily in the U.S..
  - (1) Until these perceptions change, it will be difficult to elevate safety and health into sustainability discussions.



## Barriers

- Potential synergies, for example, between safety and health and business, are not recognized.
- EHS professionals educated in this way are often not prepared to make a business case for improving safety and health practices beyond compliance.
- Similarly, business leaders are not prepared to recognize how EHS can be used as an innovative strategy that will realize benefits for their organization.





# Opportunity

- As sustainability reporting expands to include additional social aspects, there is an opportunity to increase the prevalence of reporting on EHS
- One of the primary areas of research needed surrounds the development of business cases demonstrating the integration of EHS and sustainability.
  - In particular, the way that costs are accounted for, as EHS costs are often transferred elsewhere, challenges traditional economic models



# Our Next Steps

- Creating a dialogue around EHS and Sustainability
- Collaborating to advance OSHA and sustainability activity
  - data and information gathering and product development for specific audiences, such as industry sectors, small businesses, purchasers, or the investment community;
  - solutions-oriented forums for companies to engage with each other; and
  - mentoring programs for the development of leadership or technical skills.
- Recognizing leaders



# Ohio EPA E3 Program

4 levels:

- Achievement
- Silver
- Gold
- Platinum

Awards and recognition for Companies involved



## Closing thoughts/Action Items

### How to integrate sustainability into your business

- Inventory what your company is already doing
- Formulate a vision/plan on what you can do for the company
- How do you approach your management about the situation?
- How do you get others involved?



Questions?

Feel free to contact me at any time

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