



**MAKING  
THE CASE  
FOR BUILDING  
TRUST  
THROUGH  
TRANSPARENCY**

# Agenda

- **Introductions & Context**
- **Earning Trust Through Transparency – Kelly Semrau**
- **Brands in the Age of Transparency – Pablo Benavides**
- **Business Context in LATAM - Gabriel Berger**
- **Facilitated Discussion**
- **Q&A**
- **Presentaciones y Contexto**
- **Ganar Confianza a través de la Transparencia– Kelly Semrau**
- **Las Marcas en la Era de la Transparencia– Pablo Benavides**
- **Contexto Empresarial en LATAM - Gabriel Berger**
- **Discusión Facilitada**
- **Preguntas y Respuestas**

# Introductions

## Presentaciones



**Chris Coulter**  
CEO  
*GlobeScan*



**Kelly M. Semrau**  
Senior Vice President  
Global Corporate Affairs,  
Communication &  
Sustainability  
*SC Johnson*



**Pablo Benavides**  
*Thinking Partner /*  
*Sustainable Brands*  
*Argentina*



**Gabriel Berger**  
Director Centro de Innovación  
Social  
*Universidad de San*  
*Andrés*



# **Making the Case for Transparency**

## **En Defensa de la Transparencia**

**Presented by:**

**Presentado por:**

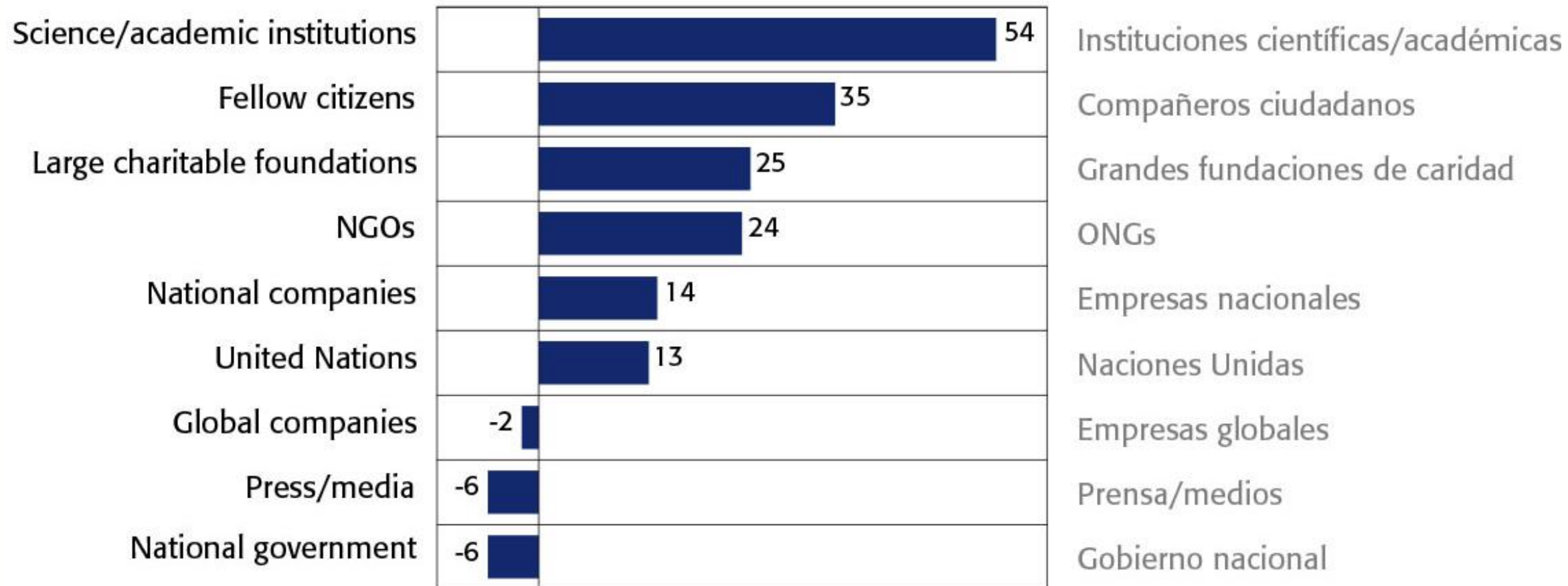
***Chris Coulter, CEO, GlobeScan***

**GLOBESCAN**

# Trust in Institutions

## Confianza en las Instituciones

Net Trust,\* Average of 20 Countries, 2017 (Confianza Neta,\* Promedio de 20 Países, 2017)



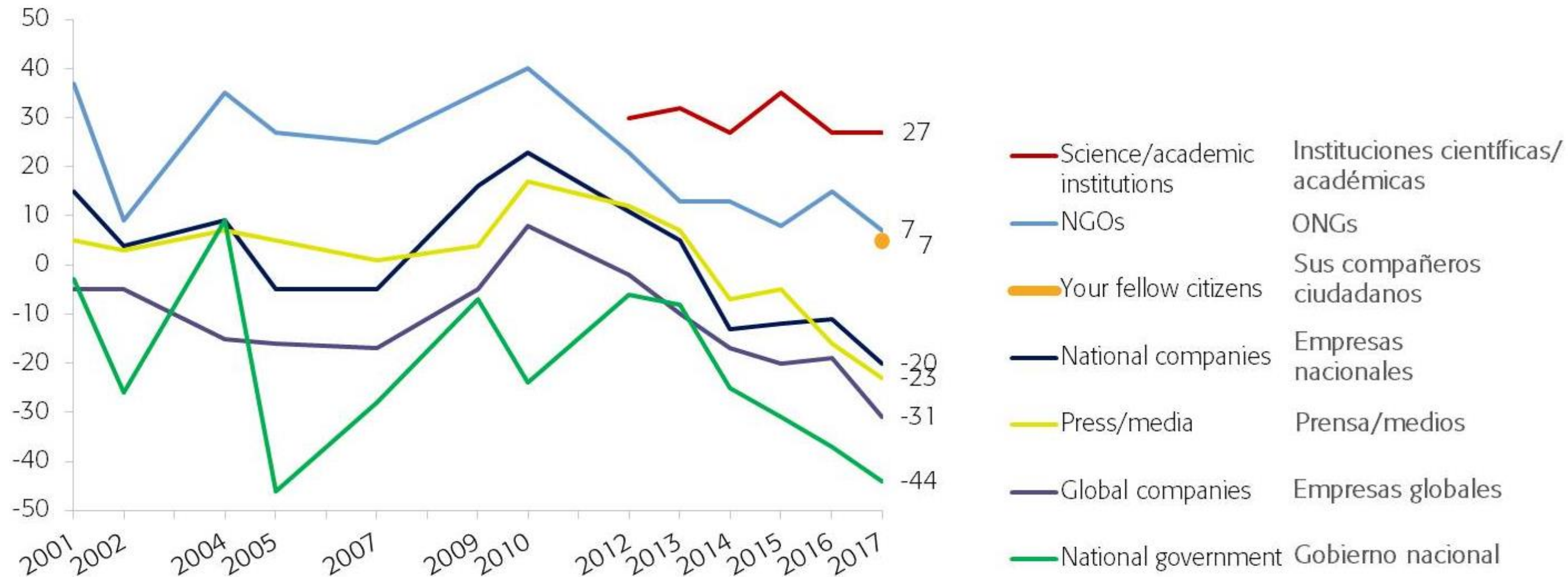
\*"A lot of trust" and "Some trust" minus "Not much trust" and "No trust at all"

\*"Mucha confianza" y "Algo de confianza" menos "No mucha confianza" y "Nada de confianza"

# Trust in Institutions in Latin America

## Confianza en las Instituciones en America Latina

Net Trust,\* Latin America, 2001-2017 Confianza Neta,\* América Latina, 2001-2017



\*"A lot of trust" and "Some trust" minus "Not much trust" and "No trust at all"

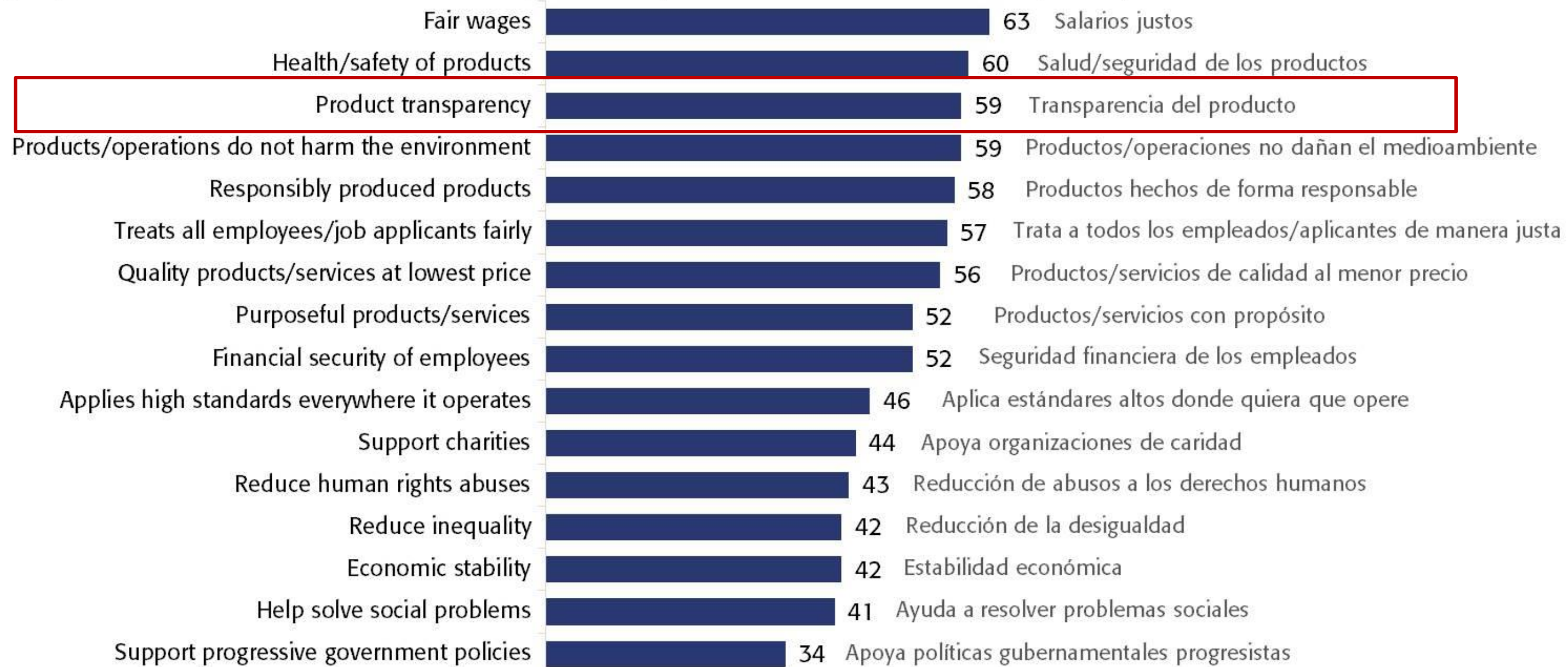
\*"Mucha confianza" y "Algo de confianza" menos "No mucha confianza" y "Nada de confianza"

R17\_3\_LatAm\_trk

# Expectations of Companies

## Expectativas sobre las Empresas

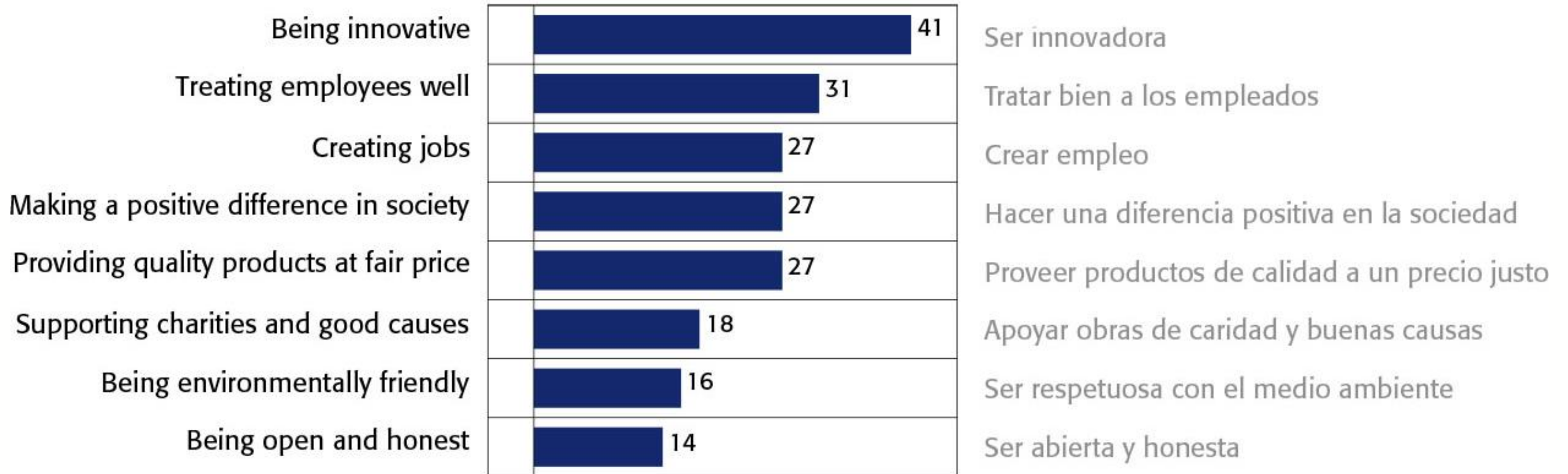
Companies "Held Completely Responsible," Average of Latin American Countries, 2017  
 (Empresas "Consideradas Totalmente Responsables," Promedio de America Latina, 2017)



R17\_9t\_LatAm\_sp

# Net Performance of Leading Companies

Average of 23 Countries, 2016 (Promedio de 23 Países, 2016)



R16\_11\_net\_spa

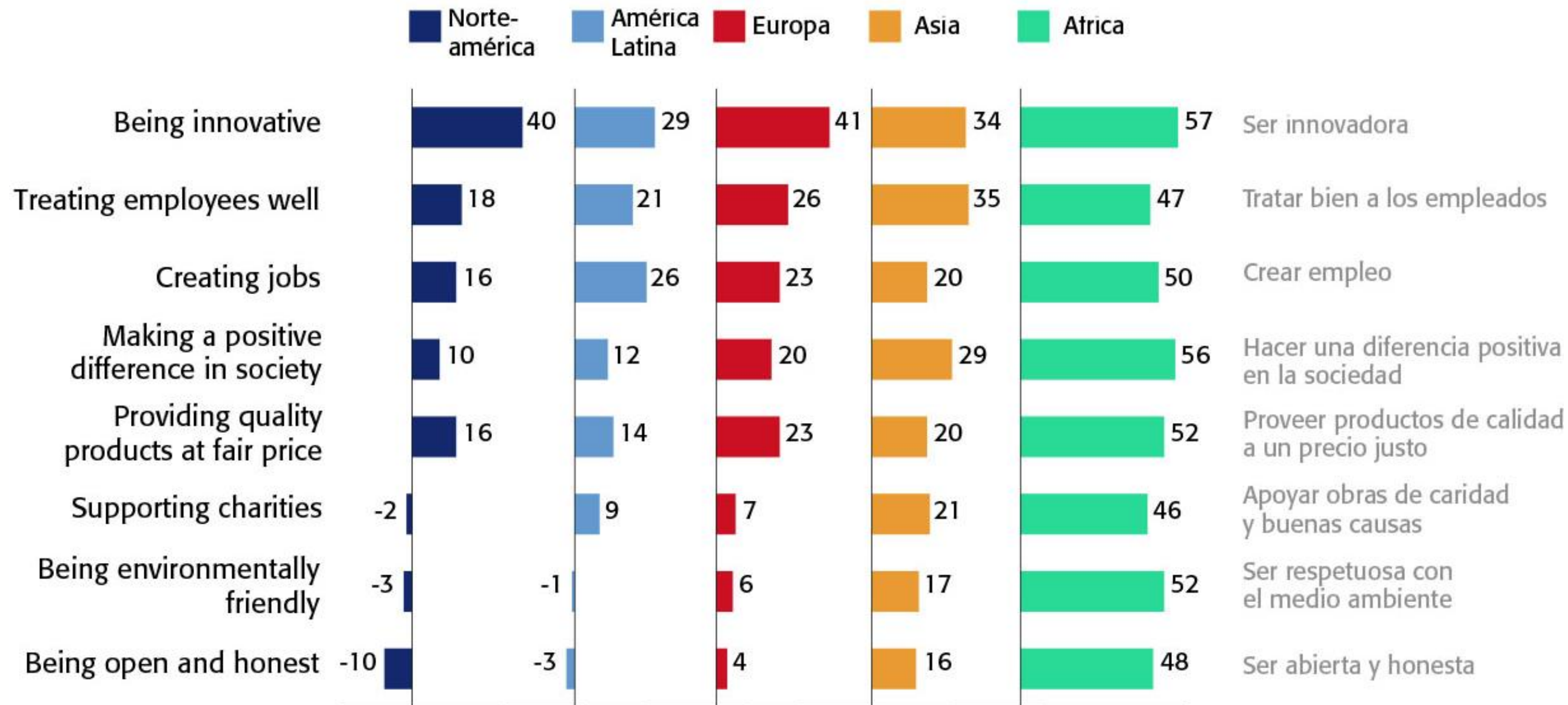
\*(4+5) minus (1+2) on a 5-point scale, where 5 is an "Excellent job" and 1 is a "Very poor job"

\*(4+5) menos (1+2) en una escala de 5 puntos, donde 5 es un "Trabajo excelente" y 1 es un "Muy mal trabajo"



# Performance of Leading Companies

Net Performance,\* by Region, 2016 (Desempeño Neto,\* por Región, 2016)



R16\_11\_reg\_spa

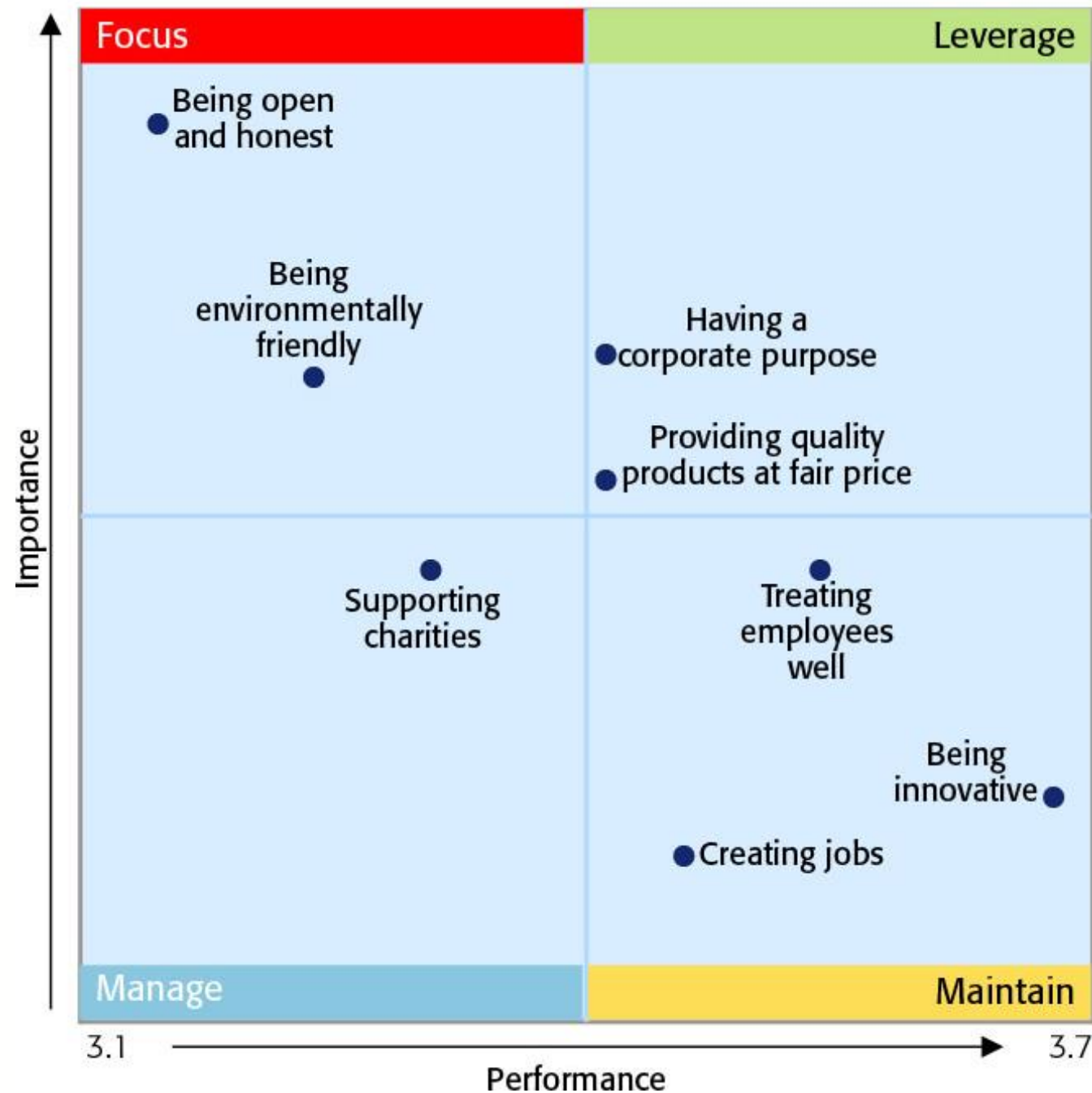
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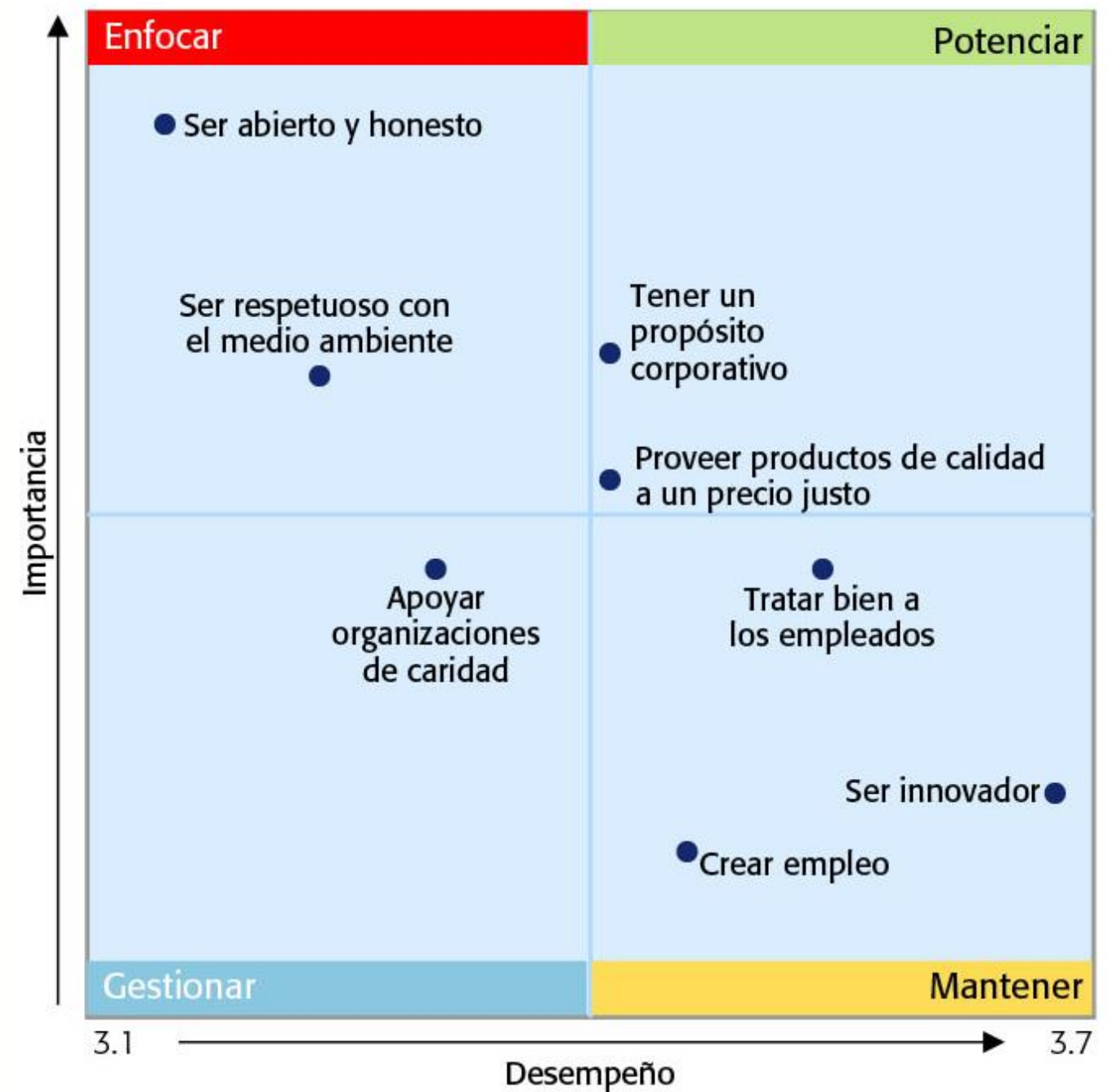
# Drivers of Trust

## Motivadores de Confianza

Performance vs Importance, All Companies, 2016



Desempeño vs Importancia, Todas las Empresas, 2016



# The “Thick Trust” Equation

## La Ecuación de “Confianza Gruesa”

**COMPETENCY + HUMAN + PURPOSE = TRUST**  
(what you do) (how you do it) (why you do it)

**COMPETENCIA + HUMANO + PROPÓSITO = CONFIANZA**  
(Lo que haces) (Cómo lo haces) (Por qué lo haces)

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# Earning Trust Through Transparency

Why honest communication and dialogue is vital to long-term trust

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# Ganar Confianza a través de la Transparencia

Por qué la comunicación y el diálogo honestos son vitales para la confianza a largo plazo

## Commitment to Latin America

### Zika Response

Over \$15 million to help protect families from mosquito-borne diseases

### Conservation



Supported conservation of over 100,000 acres of rainforest, especially in the Amazon region

### Great Place to Work®

Recognition in Argentina, Brazil, Mexico, Venezuela, Central America and Latin America overall



## Compromiso con América Latina

### Respuesta al Zika

Más de US \$ 15 millones para ayudar a proteger familias de enfermedades transmitidas por mosquitos

### Conservación



Apoyo para la conservación de más de 100,000 acres de selva tropical, especialmente en la región amazónica

### Great Place to Work®

Reconocimiento en Argentina, Brasil, México, Venezuela, América Central y América Latina en general.



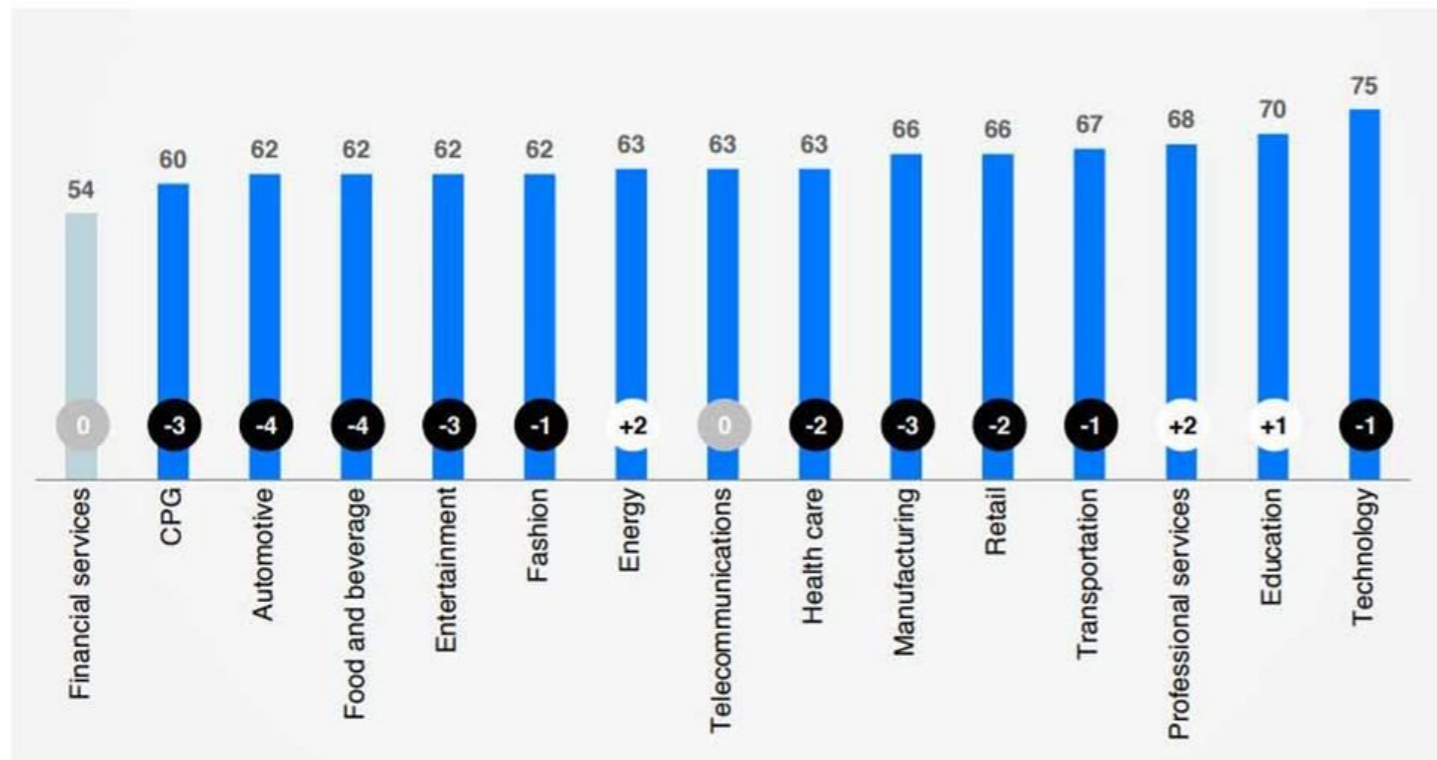
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It's Trendy to Mistrust  
Science

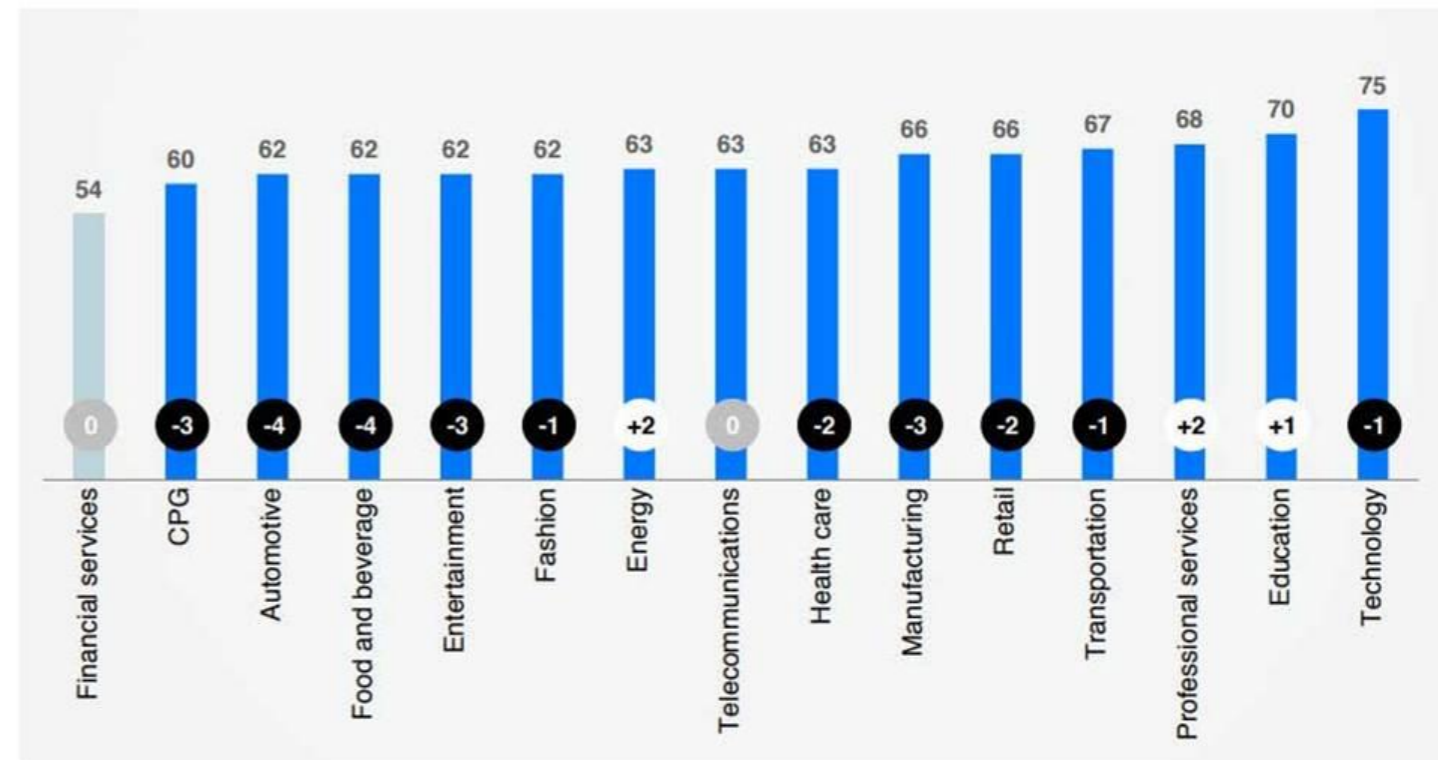
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Está de moda el no  
confiar en la ciencia

## Trust is down in 10 of 15 sectors



## La confianza se redujo en 10 de 15 sectores



## Expectations for business are high

Percent who say that CEOs should take the lead on change rather than waiting for government to impose it

64%

### For CEOs, building trust is job one



Source: 2018 Edelman Trust Barometer. CEO\_AGR. Thinking about CEOs, how strongly do you agree or disagree with the following statements? (Top 4 Box, Agree), question asked of half of the sample. CEO\_EXP. Below is a list of potential expectations that you might have for a company CEO. Thinking about CEOs in general, whether they are global CEOs or a CEO who oversees a particular country, how would you characterize each using the following three-point scale? (Most important responsibility, code 3), question asked of half of the sample. General population, 28-market global total.

## Las expectativas para las empresas son altas

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How  
SC Johnson  
is Turning  
the Tide

## TRANSPARENCY

- Ingredient transparency
- Ingredient selection transparency
- Supply chain transparency

—  
Cómo  
SC Johnson  
está  
cambiando  
la situación

## TRANSPARENCIA

- Transparencia de ingredientes
- Transparencia en la selección de ingredientes
- Transparencia en la cadena de suministro

## SC Johnson's Transparency Journey



## La jornada de transparencia de SC Johnson



— 2009: U.S. transparency program launches



**“People have a fundamental right to know what’s in the products we give them, and for that matter, what everyone else gives them.”**

Fisk Johnson, SC Johnson Chairman and CEO

[WhatsInsideSCJohnson.com](http://WhatsInsideSCJohnson.com)



— 2009: lanzamiento del programa de transparencia en EE. UU.



**"Las personas tienen el derecho fundamental de saber qué hay en los productos que les ofrecemos y, de hecho, lo que todos les ofrecen".**

Fisk Johnson, Presidente y CEO de SC Johnson

[WhatsInsideSCJohnson.com](http://WhatsInsideSCJohnson.com)



— 2012: Transparency of fragrance palette

**3,700** → **~1,300**

International Fragrance Association's standard

SC Johnson's standard



— 2012: Transparencia en la paleta de fragancias

**3,700** → **~1,300**

Estándar de la Asociación Internacional de Fragancias

Estándar SC Johnson



## 2016: Expansion to Europe



31  
COUNTRIES

20  
LANGUAGES

## 2016: Expansión a Europa



31  
COUNTRIES

20  
LANGUAGES

## 2017: Expansion to Asia Pacific



## 2017: Expansión al Asia Pacífico



# 2017: Leading with allergen transparency



Search by product or ingredient



SKIN ALLERGENS:  
SHARING THE WHOLE STORY

# 368

Skin allergens added to  
WhatsInsideSCJohnson.com

*For nearly 10 years, we've been going beyond the norm to give people the ingredient information they need to make the right choices for themselves and their families. We have added information about skin allergens in our products as part of our commitment to transparency.*

## UNDERSTANDING SKIN ALLERGENS

A skin allergen (also known as a dermal or contact allergen) is any substance that the immune system recognizes as a threat and attacks. But it's important to keep in mind that the presence of a skin allergen in a product doesn't mean it will automatically cause a person to develop an allergic sensitivity.



# 2017: Liderando la transparencia de alérgenos



Search by product or ingredient



SKIN ALLERGENS:  
SHARING THE WHOLE STORY

# 368

Alérgenos de la piel añadidos a  
WhatsInsideSCJohnson.com

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— 2017: Leading with allergen transparency

**What  
SC Johnson  
discloses**

linalool; .alpha.,.alpha.-dimethylphenethyl acetate; 2,4-dimethyl-3-cyclohexene carboxaldehyde; 3-phenylbutyraldehyde; 4,7-methano-1h-indene-2-carboxaldehyde, octahydro-5-methoxy-; 4-tert-butylcyclohexyl acetate; anethole; butylphenyl methylpropional; citral; citrus limon (lemon) peel oil; citrus nobilis (mandarin orange) peel oil; cyclamen aldehyde; cymbopogon citratus leaf oil; isocyclocitral; lauraldehyde; mentha viridis (spearmint) leaf oil; tetramethyl; acetyloctahydronaphthalenes; vanillin

**What  
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linalool

— 2017: Liderando la transparencia de alérgenos

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**What  
competitors  
disclose**

linalool



## 2018: Expanding to Latin America in Q4



## 2018: Expansión a Latinoamérica en el 4º trimestre



## How SC Johnson is Turning the Tide

- Ingredient transparency
- **Ingredient selection transparency**
- Supply chain transparency


## Cómo SC Johnson está cambiando la situación

- Transparencia de ingredientes
- **Transparencia en la selección de ingredientes**
- Transparencia en la cadena de suministro

A laboratory setting with various glassware containing colored liquids. In the foreground, a large Erlenmeyer flask contains a bright green liquid. To its right, a row of smaller flasks contains liquids of different colors: purple, magenta, yellow-green, yellow, and brown. The background shows a blurred laboratory environment with shelves and equipment.

Greenlist™ program  
guiding us since 2001

**scJohnson**  
A family company  
at work for a better world

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El programa Greenlist™  
nos guía desde 2001

**scJohnson**  
A family company  
at work for a better world

## With conservative standards for safety

## Con estándares conservadores, para la seguridad

EVALUATE HAZARD		EVALUATE EXPOSURE		APPLY TO PRODUCT DEVELOPMENT
HAZARD IDENTIFICATION	RESPONSE DETERMINATION	EXPOSURE/USAGE CALCULATION	ACCEPTABILITY DETERMINATION	
Using Greenlist™ criteria, determine if there are any hazards that need to be assessed, e.g., is an ingredient toxic to humans or the environment?	Using Greenlist™ data sources (from suppliers and publicly available data), determine how much of the ingredient can be used with no effect.	For the specific product in which the ingredient will be used, who will be exposed, to how much, how often and for how long?	Using the information gathered in the previous evaluation steps, can the product be made safe to use with that ingredient?	Based on the completed evaluation, we set the highest concentration of the ingredient that is allowable in the product. This information is then used by SC Johnson scientists for new product development and improvements to existing products.

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## How SC Johnson is Turning the Tide

- Ingredient transparency
- Ingredient selection transparency
- **Supply chain transparency**

## Cómo SC Johnson está cambiando la situación

- **Transparencia en la cadena de suministro**
- Transparencia en la selección de ingredientes
- Transparencia de ingredientes

## Four-steps for compliance monitoring



Process Step	Result
1) Code of Conduct	Supplier certifies compliance with requirements outlined in SCJ's Code of Conduct
2) Assess Supplier Risk	Risk Filter – Internal analysis prioritizes suppliers as High, Medium & Low risk Supplier SAQ – Based on prioritization, select suppliers respond to a 200 question survey, which may drive an on-site audit recommendation
3) On-Site Supplier Audit	Third party audit firm conducts on site audit
4) Corrective Action	Supplier creates an action plan to address non-compliances in a timely manner SCJ monitors the process and progress

## Cuatro pasos para la supervisión del cumplimiento



Process Step	Result
1) Código de Conducta	El proveedor certifica el cumplimiento de los requisitos descritos en el Código de Conducta de SCJ
2) Evaluación de riesgo del proveedor	Filtro de riesgo: el análisis interno prioriza a los proveedores con riesgo Alto, Medio y Bajo SAQ del proveedor: según la priorización, los proveedores seleccionados responden a una encuesta de 200 preguntas, que puede generar una recomendación de auditoría in situ
3) Auditoría de proveedores in situ	Una tercera firma de auditoría lleva a cabo auditorías in situ
4) Acción correctiva	El proveedor crea un plan de acción para solucionar los incumplimientos cuanto antes. SCJ supervisa el proceso y el progreso.

**“Every day, businesses ask to be invited into people’s homes... to be trusted to deliver whatever their brand may promise. When some companies don’t deliver, it hurts everyone.”**

Fisk Johnson,  
SC Johnson Chairman and CEO



**“Todos los días, las empresas piden que se les invite a las casas de las personas ... a quienes se les confía que entreguen lo que su marca promete. Cuando algunas compañías no entregan, eso lastima a todos ”.**

Fisk Johnson,  
Presidente y CEO de SC Johnson



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**scJohnson**  
A family company  
at work for a better world

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**scJohnson**  
A family company  
at work for a better world



# Brands in the age of

# **TRANSPARENCY**

*[Las marcas en la era de la TRANSPARENCIA]*



## Agenda 2032

*Agenda 2032 is a study that “takes a look at the future of sustainability”, revealing what the seven fundamental axes of the sustainability agenda will look like, in the coming years. It analyzes the problems and provides some clues about how to advance in management.*

*ref: comunicarseweb.com.ar*

# AGENDA 2032

Informe ComunicaRSE

2017

#B Una mirada al futuro de la sustentabilidad



**EL CAMBIO CLIMÁTICO**

Un asunto estratégico para los próximos 15 años

La agenda de los **DERECHOS HUMANOS**

en las cadenas de valor globales



Cuarta **REVOLUCION INDUSTRIAL**



Los desafíos de las empresas en las **CIUDADES SUSTENTABLES**



**OBJETIVOS DE DESARROLLO SOSTENIBLE (ODS)**



**COMUNICACIÓN & SUSTENTABILIDAD**

**TRANSPARENCIA Y CORRUPCIÓN**



Comunica RSE



**TRANSPARENCIA Y CORRUPCIÓN**

## Agenda 2032

*Agenda 2032 es “una mirada al futuro de la sustentabilidad” revela cuáles serán los siete ejes fundamentales de la agenda de la sustentabilidad de cara a los próximos años. El estudio analiza las problemáticas y brinda algunas pistas sobre cómo avanzar en la gestión.*

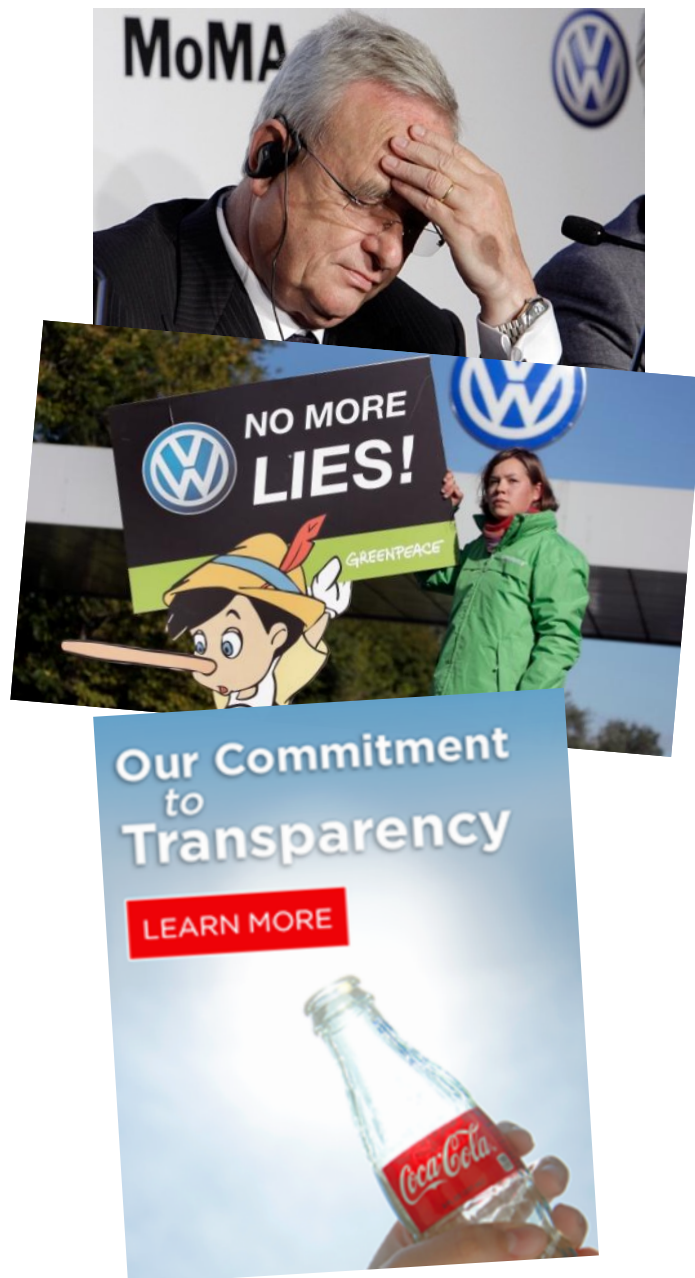
*ref: comunicarseweb.com.ar*

## *The Rendering of Accounts:*

*A study by the PWC auditor published in 2017 presents the five trends that determine why the rendering of accounts will be relevant in the next decade:*

**#1. Pressure of Public Opinion:** *since the crisis financial year of 2008, trust in large corporations and CEO has been decreasing; the public he has become more suspicious, more critical and less forgiving with the bad corporate behavior.*

**#2. Governance and Regulation:** *the social climate derived of the big corporate scandals have brought with it regulatory and legislative actions.*



## *Rendición de Cuentas*

*Un estudio de la auditora PWC publicado en 2017 presenta las cinco tendencias que serán relevantes en la próxima década:*

**#1. Presión de la opinión pública:** *desde la crisis financiera de 2008, la confianza en las grandes corporaciones y CEO ha ido disminuyendo; el público se ha vuelto más suspicaz, más crítico y menos indulgente con las malas conductas corporativas.*

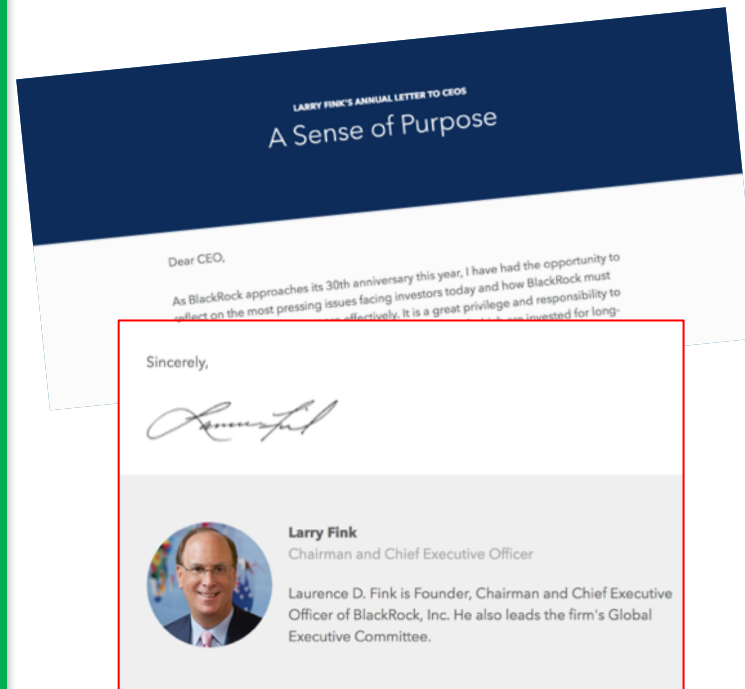
**#2. Gobernanza y regulación:** *el clima social derivado de los grandes escándalos corporativos han traído consigo acciones regulatorias y legislativas.*

## **The Rendering of Accounts:**

### **#3. Operating Business Environment:**

*in the new emerging markets that all companies are looking to expand is where emphasize ethical risks, such as the possibility of bribery and corruption.*

**#4. Digital Communications:** *the use of mail electronic mail, text messaging and social networks created new ethical risks. The communications digital of a company can provide irrefutable evidence of corporate misconduct.*



## **Rendición de Cuentas**

### **#3. Entorno Operativo de Negocios:**

*en los nuevos mercados emergentes que todas las empresas están buscando para expandirse es donde se acentúan los riesgos éticos, como la posibilidad de soborno y corrupción.*

**#4. Comunicaciones Digitales:** *el uso de correo electrónico, mensajería de texto y redes sociales ha creado nuevos riesgos éticos. Las comunicaciones digitales de una empresa pueden proporcionar evidencia irrefutable de mala conducta corporativa.*

## *The Rendering of Accounts:*

*#5. The news cycle 24/7: the rapid flow of News and financial data based on the Web ensures that negative information travels quickly and extensively steadily. The issue of corruption takes a centrality increasingly relevant in the international agenda. In 2017 the G20 made an explicit appeal its members to support the commitment proactive company by providing recognition positive of anti-corruption systems and effective compliance.*

*ref: PWC study +  
AGENDA 2032*

## **TIME'S == UP**

The clock has run out on sexual assault, harassment and inequality in the workplace. It's time to do



## *Rendición de Cuentas*

*#5. El ciclo de noticias 24/7: el flujo rápido de noticias y datos financieros basados en la Web asegura que la información negativa viaje rápidamente y extensamente de manera constante. El tema de la corrupción toma una centralidad cada vez más relevante en la agenda internacional. En 2017 el G20 hizo un llamamiento explícito sus miembros para apoyar el compromiso proactivo de la empresa al proporcionar un reconocimiento positivo de los sistemas anti-corrupción y cumplimiento efectivos.  
ref: PWC + AGENDA 2032*

# **GOOD BRANDS** needs **TRANSPARENCY** to build **TRUST!**



*[Las BUENAS marcas necesitan  
TRANSPARENCIA para crear CONFIANZA! ]*



IN THE TRANSPARENT AGE  
CONSUMERS HAVE  
**SUPER-POWERS**



**THE BRAND IS WHAT  
THE BRAND DOES.**

@pablosuelto

Pablo Benavides | Thinking Partner  
Comunicación • Marcas • Sustentabilidad