From Consultation to Collaboration: Stakeholder Engagement That Drives Systemic Change

10th December 2020
Agenda

1. Welcome
2. ISEAL Credibility Principles
3. GlobeScan - Stakeholder Engagement
4. Panel Discussion
5. The Credibility Principles at a Glance
6. Close
Today's Presenters and Panelists

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Systems Director, SAI Platform
ISEAL Credibility Principles

First global agreement on credible standards and certification

**Sustainability**
Standards scheme owners clearly define and communicate their sustainability objectives and approach to achieving them. They make decisions that best advance those objectives.

**Improvement**
Standards scheme owners seek to understand their impacts and measure and demonstrate progress towards their intended outcomes. They regularly integrate learning and encourage innovation to increase benefits to people and the environment.

**Relevance**
Standards are fit for purpose. They address the most significant sustainability impacts of a product, process, business or service, only include requirements that contribute to their objectives, reflect best scientific understanding and relevant international norms, and are adopted where necessary to local conditions.

**Rigour**
All components of a standards system are structured to deliver quality outcomes. In particular, standards are set at a performance level that results in measurable progress towards the scheme’s sustainability objectives, while assessments of compliance provide an accurate picture of whether an entity meets the standard’s requirements.

**Engagement**
Standards-setters engage a balanced and representative group of stakeholders in standards development. Standards systems provide meaningful and accessible opportunities to participate in governance, assurance and monitoring and evaluation. They empower stakeholders with fair mechanisms to resolve complaints.

**Impartiality**
Standards systems identify and mitigate conflicts of interest throughout their operations, particularly in the assurance process and governance. Transparency, accessibility and balanced representation contribute to impartiality.

**Transparency**
Standards systems make relevant information freely available about the development and content of the standard, how the system is governed, who is evaluated and under what process, impact information and the various ways in which stakeholders can engage.

**Accessibility**
To reduce barriers to implementation, standards systems minimise costs and overly burdensome requirements. They facilitate access to information about meeting the standard, training, and financial resources to build capacity throughout supply chains and/or actors within the standards system.

**Truthfulness**
Claims and communications made by actors within standards systems and by certified entities about the benefits or impacts that derive from the system or from the purchase or use of a certified product or service are verifiable, not misleading, and enable an informed choice.

**Efficiency**
Standards systems refer to or collaborate with other credible schemes to improve consistency and efficiency in standards content and operating practices. They improve their viability through the application of sound/revenue models and organisational management strategies.
Updating the principles

Retained stakeholder engagement as a foundation of good practice. Collaboration included as a principle to reflect the importance of systemic change and shared responsibility.

Raising the bar:
› going beyond consultation
› inclusion of disadvantaged stakeholders
› purposeful collaboration
Help shape the revised principles
Get involved

Complete our online survey by 24 December 2020:

www.isealalliance.org/CPsurvey

› Share the consultation among your networks
  #CredibilityPrinciples

› Find out more:

www.isealalliance.org/credibility-principles-consultation
Why Stakeholder Engagement Matters
Experts see an increased urgency for action on systemic global challenges

% of Experts, “Urgent” (4+5), 2011–2020

Q7. Considering society's numerous sustainable development challenges, please rate the urgency of each of the following: Please use a scale of 1 to 5 where 1 means “not urgent at all” and 5 means “very urgent.”
But perceived impact of partnerships/collaboration has recently declined

Q1. How would you rate the performance of each of the following types of organizations in terms of its contribution to progress on sustainable development since the 1992 Earth Summit in Rio? Please use a scale where 1 is “poor” and 5 is “excellent.”
Strong support for the role of civil society actors among the public

Support for NGO Involvement, Average of 27 Countries, 2020

91% of the public support NGOs and companies working together to help solve environmental/social issues

T16. Now we would like to ask you about the activities of environmental and social groups, what some people call charities, non-governmental organizations, or NGOs. Please indicate if you support or oppose these groups’ involvement in each of the following. – Working with companies to help solve environmental and social issues
Engagement is a top priority for Corporate Affairs professionals

Most Important Priorities for Corporate Affairs Professionals in the Next 12 Months, 2020

- Protecting reputation and building trust: 31
- Stakeholder engagement: 30
- Sustainability strategy: 29
- ESG reporting and transparency: 29
- Adapting to regulatory changes/compliance: 21
- Identifying business growth opportunities: 20
- Talent management: 17
- Communication strategy: 17
- Purpose: 13
- Climate change: 11
- Reduce emissions / GHG: 10
- Uncertain political landscape: 9
- Community engagement: 9
- New technologies / AI / data privacy: 8
- Circularity: 7
- Diversity/inclusion/equality: 3
- Other: 7
- Don't know / N/A: 6

Q3. Could you name the three most important priorities that you have been tasked with to deliver on in the next 12 months?

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The public are most likely to trust experts and civil society actors

<table>
<thead>
<tr>
<th>Institution</th>
<th>Trust Percentage</th>
</tr>
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<tbody>
<tr>
<td>Medical profession</td>
<td>81</td>
</tr>
<tr>
<td>Science/academic research institutions</td>
<td>73</td>
</tr>
<tr>
<td>NGOs</td>
<td>41</td>
</tr>
<tr>
<td>Fellow citizens</td>
<td>34</td>
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<tr>
<td>Large charitable foundations</td>
<td>32</td>
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<tr>
<td>Large national companies</td>
<td>28</td>
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<tr>
<td>United Nations</td>
<td>26</td>
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<tr>
<td>National government</td>
<td>15</td>
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<tr>
<td>Global companies</td>
<td>12</td>
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<tr>
<td>Press/media</td>
<td>-2</td>
</tr>
</tbody>
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**A lot of trust” and “Some trust” minus “Not much trust” and “No trust at all”

**Includes Argentina, Australia, Brazil, Canada, China, France, Germany, Hong Kong, India, Indonesia, Italy, Japan, Kenya, Mexico, Nigeria, Russia, Saudi Arabia, Singapore, South Africa, South Korea, Spain, Sweden, Thailand, Turkey, UK, USA, and Vietnam. Not all countries were asked in all years. Before 2019 this question was asked using an in-person and telephone methodology.

T3. Please indicate how much you trust each of the following institutions to operate in the best interest of our society. Would you say you have a lot of trust, some trust, not much trust, or no trust at all in…?
Strong stakeholder engagement is more essential than ever

1. Growing urgency and complexity of systemic, interconnected challenges – experts see an increased need for urgent action

2. Increasing recognition that all actors must work toward collective action – but perceptions of the impact of partnerships are waning

3. Engagement is core to charting a course through uncertainty and change – understanding changing dynamics and looking ahead

4. Raises collective ambitions and helps build collaborations for transformation – the public want companies and NGOs to work together

5. Vital to building trust, credibility, and “permission” to collaborate/influence – and engaging experts is crucial to building public trust and action
Stakeholder Engagement in 2020 and Beyond
An ongoing, embedded process of working with stakeholders to create shared value
Building shared value into stakeholder engagement

INCLUSION
(of all stakeholders, including less powerful)

CONSULTATION
(open, respectful; listen and value feedback)

RECIPROCITY
(sharing learning and generated value with participants/stakeholders)

TRANSPARENCY
(of purpose, action, and outcomes)
Panel Discussion

Putting shared value into practice:

- Inclusion
- Consultation
- Transparency
- Reciprocity
Building Your Approach
Deeper engagement approaches are needed for systems change

1. Engage and Inform

- Reaching a wider group of stakeholders to inform, consult, and invite participation

- Opportunities for co-learning and to co-create new approaches and implement together

2. Collaborate and Partner

- Collaboration at scale where shared goals are deeply embedded

- Resource and time
- Longer-term commitment
- Deepening trust
- Potential for system change

3. Collective Action
Panel Discussion
The Credibility Principles at a glance

› Sustainability impacts
› Accuracy
› Measurable progress
› Collaboration
› Added value

› Stakeholder engagement
› Continual improvement
› Impartiality
› Truthfulness
› Transparency
Stakeholder engagement

The organisation identifies its stakeholders and operates in a way that is accountable to them. It involves a balanced and representative group of stakeholders in decisions that will affect them.

The organisation is non-discriminatory and inclusive. It makes particular efforts to understand the context and perspectives of disadvantaged stakeholders and ensure their participation in decision-making.

It provides clear and transparent feedback on stakeholder input or concerns and has fair, impartial and accessible mechanisms for resolving complaints and conflicts.

**Why is it important?** When stakeholders are empowered to participate, their input ensures that the organisation’s sustainability objectives reflect the issues that matter most.
Collaboration

The organisation understands the context in which it operates and recognises that systemic change is complex and requires collaboration, which it pursues with openness and respect.

The organisation actively reduces duplication of efforts. When it has common sustainability objectives, it seeks collaboration with public, private and civil society actors as well as other sustainability systems. It establishes partnerships and shares learnings to create efficiencies and/or improve its outcomes and impacts.

*Why is it important?* It is a prerequisite for lasting, systemic change.
Get involved

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