



LOGISTICS & MARITIME FORUM

European trends and regional perspectives

15-16 February 2017, Piacenza Expo

Sustainability from
immateriality to materiality
*The challenge of the KPIs for the
business*





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Sustainability

The concept of sustainability asserts a new socio-economic model that wants to integrate aspects not purely financial in creating economic value for the company, in the realization of business in its traditional sense (profit).

The sustainable model raises the challenge of creating a business model based on the integration and interaction of stakeholders, and then recovering the economic theories of Nobel Prize winner John Forbes Nash (cooperative games), where the profit of the individual, then the individual enterprise, can not be separated from the context and from collaboration with the stakeholders.

The result is a willingness to do business that is not contrary to the traditional models, but takes into account non-traditional aspects and intangible assets that need to be quantified and communicated.



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A global target





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Indicators: Tangible and intangible

One of the main challenges of recent years has been to identify KPIs and intangible assets. These are the tools to make the business story of sustainability objectified through comparable data. The transformation of a qualitative value in a quantitative value is possible through the understanding of what are the intangibles.

DEFINITIONS

Intangibles: physical resources that are not taken by itself or in combination with other tangible or intangible assets can generate a positive or negative effect on the value of the organization in the short, medium or long term.

KPIs: are numerical figures (metrics) related to material factors of value creation that provide objective evidence of performance trends, by monitoring them over time.



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Indicators: Tangible and intangible

Leading Indicator: indicator of future prediction capabilities. The indicator is performance oriented that the organization stands to achieve. (Forward-looking)

Lagging Indicator: indicator that measures the results already obtained and measured by the organization compared to past performances. (Oriented to the past)

In general the KPIs have the aim of measuring the ability of intangibles to generate a value that must be monetary (financial value that is associated with the generation of cash flow in time), or strategic (reported to the improvement of that which is the ability to compete on the market in terms of share, production, reputation or risk profile). Just so you can give stakeholders an objectified reporting and measurable contribution to the Economic sustainability Social and Environmental produced by the company



KPIs

	KPIs	MEASURE METH	ANALYSIS
SOCIAL	KNOW HOW and COMPETENCE (Level of knowledge and expertise of the staff)	Role growth, skills and job. Assumption of new responsibilities in the same role.	The growth in expertise and knowledge / expertise leading the company to recognize more levels of responsibility or even cross as the ability of the individual and this generates value
	INTELLETTUAL CAPITAL REPUTATION ATTRACTION	n. CV RECEIVED, REQUEST FOR RESERACHES, ETC	The ability to attract resources, talents, also comes from a solid reputation for sustainability understood as business continuity
ENVIRONMENTAL	KNOW HOW and COMPETENCE (Level of knowledge and expertise of the staff)	Consolidation of sales and production volumes	The growth of the company's intellectual capital as Business Capital is directly connected to 'increased from one year to the other unit sales data from the recognition of the product and by market services (quality, service, skills etc)
ECONOMIC	EMISSIONS	indirect emissions of CO2 eq. dates by company cars (quantification emissions Co2 eq./ n. electric / total fleet cars)	The quantification of the indirect emissions of CO2 eq. allows the company to monitor its consumption and to evaluate alternative solutions consistent with its commitment, integrating intangibles (cost management / environmental impact)



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KPIs and Reporting

Decreto Legislativo no. 254/2016, published in the Official Journal of 01.10.2017, concerning the transposition of the European Directive (2013/34/UE) on the information of non-financial nature that certain companies are required to publish.

In particular, the Decreto, which came into force on January 25, is applicable to companies with more than 500 employees and have passed at least one of the following size limits:

- a) balance sheet total: € 20,000,000;
- b) Total net revenues from sales and services: 40,000,000 Euros.

These companies have to publish extensive information of non-financial information - linked to social and environmental impacts of its actions, respect for human rights and its policies in these fields and on diversity in their Boards of Directors - from the year 2017 (that is to be published in the spring of 2018).

Even for companies that do not fall in the obligation set by the Legislative Decree n. 254/2016 shall be allowed the opportunity to publish on a voluntary basis for non-financial statements that may be declared compliant.



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Communicating sustainability



Package



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Conclusions and a vision forward

We have to realize that sustainability is not about a fashion trend but a credible and suitable solution model for the business of future years.

Companies have to start integrating CSR in their business to always meet the present and coming requests by:

- The market
- The legislative entity

Sustainability **MUST** be communicated for the interest of the stakeholders, for the transparency of the company and furthermore for the benefits deriving for the business.



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Thank you!

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