



Business Council for Sustainable Development in Hungary
Magyarországi Üzleti Tanács a Fenntartható Fejlődésért

Recommendation for business leaders

The Complex Interpretation of Corporate Sustainability

“We believe that the key to the long-term success of a company is having a CEO and management team who are aware of the concept of sustainable development and are able to interpret it in a complex way in decision making. In putting forward these recommendations our aim was to identify principles that can be used as guidelines for corporate leaders in Hungary. In order for this task to be successful, they were drafted in cooperation with business executives and experts in sustainable development. Thus, we hope that they will be received widely and with an open-mind. For this reason, we welcome and look forward to the support of other companies - namely those companies who agree with the principles and those who wish to lead by example and to manage their companies accordingly.”

István Salgó, President, Business Council for Sustainable Development in Hungary

1 Strategic approach

The management of a company that interprets sustainability in a complex way should draw up its business strategy by integrating long-term, value-creating economic, environmental and social aspects and should provide the resources necessary for implementing such strategy.

2 Responsible management

An executive from the top management level of the company should be appointed to be responsible for its sustainability performance. Each member of management, at every level, should be individually responsible for promoting the sustainable operation of the company. The executive incentive scheme should include environmental and social goals as well as economic ones.

3 Ethical operations

The company should operate in a way that respects the law and is ethical (for example, endeavour to be free from corruption and provide fair employment). The behaviour expected should be recorded in writing, resources should be provided for implementation and enforcement and the policy should extend to all stakeholders.

4 Respect for human values

The company should consider the protection of human life and safety, equality and the right to a healthy environment to be basic values and should take them into consideration when business decisions are made.

“The key to long-term sustainable operations is integrating economic, environmental and social aspects and taking this integrative management approach to the strategic level. Siemens has been recognised as a leader in developing and implementing sustainable technologies. The fact that Hungary can become a leader in promoting sustainable management through these recommendations is an additional source of pride for us.”

Dale A. Martin, CEO
Siemens Ltd.

“It is important that people as well as ‘the company’ be committed to sustainability. For this reason, performance at our company is reviewed quarterly by the Sustainable Development (SD) Committee of the Board of Directors. In addition, this is why each top manager has SD related indicators among their annual targets.”

Sándor Fasimon, COO
MOL Hungary

“From the point of view of operating ethically, I find it particularly important to set an example and encourage other companies to recognize and maintain these values. This is because decency creates trust and thus can lead to further business success.”

Ferenc Klausz, Chief Corporate Development Officer
Telenor Hungary

“I am convinced – in opposition to mainstream opinion – that the basic values of respect should be upheld not only in good times but they should not be disregarded in difficult times. Upholding such values should be considered to be the best and most valuable way to survive any crisis. Having respect for basic human values is what qualifies someone for leadership.”

Richard Skene, Country Manager
Holcim Hungária Zrt.

“We take an active role in solving global challenges such as the energy crisis and climate change. We are continuously improving the energy efficiency of our products (such as electric motors and pumps) and our goal is to not exceed the CO₂ emission level of 2008 in the future, regardless of increases in the volume of production.”

László Török, General Manager
Grundfos Manufacturing Hungary

“By ‘partnership with stakeholders’ we mean responsible commitment to open and two-way communication. We have committed ourselves to cooperation and partnership that is based on long-term predictability and reciprocity. I personally find the drafting of these recommendations to be very important and hope that they will reach as many decision makers as possible. I wish each of my management peers success in implementing them!”

Zsolt Jamniczky, Deputy CEO
E.ON Hungária Zrt.

“Having expressly declared sustainability principles at a company suggests leadership in strategic thinking, commitment and a high level operational culture. In order to enhance the picture, complete transparency is an indispensable tool and aim.”

Attila Chikán Jr., CEO
ALTEO Energy Services Plc.

5 Environmental responsibility

The life cycle approach, as well as both economic profit and environmental impact, should inform decisions made by the company. The company should be committed to environmental sustainability and should extend this responsibility to the entire supply chain (suppliers, partners and customers).

6 Partnership with stakeholders

The company should cooperate with its stakeholders and maintain open and bilateral communication with them. When stakeholders are impacted by its operations, the company should aim to create mutual satisfaction and long-term cooperation and partnerships. It should set an example by taking advantage of its size and position. When selecting its business partners, it should consider and prioritise sustainability factors. Through professional organisations and extensive cooperation the company should endeavour to integrate into its operations the sustainability principles of regulatory processes and policies.

7 Transparent operations

The company should collect reliable data and information about its activities, economic, environmental and social impact and performance on an ongoing basis. The information should be made available and the company should inform its partners in a regular and credible way.

The present recommendation has been drafted by the Business Council for Sustainable Development in Hungary in cooperation with business leaders and sustainable development experts.