

Why meaningful sustainability messaging is essential for long-term business success

Communications executives share their role in promoting ESG initiatives.

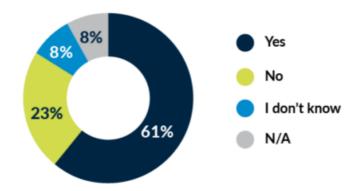
By Sally Ann O'Dowd May 13, 2021

Tyson made headlines last week with the unveiling of its first vegan burger, part of a corporate strategy to appeal to environmentally conscious investors and consumers.

The meat company's innovations – and resulting media coverage – illustrate the positive role that communications professionals can play in advancing corporate Environmental, Social and Governance (ESG) efforts.

"I thought Tyson did a very effective job of citing industry-specific context," says Assaf Kedem, vice president of corporate communications at Mitsubishi UFJ Financial Group. He pointed to Bloomberg's May 3 story "America's Biggest Meat Company Gives Faux Burgers Another Shot."

IS YOUR COMMUNICATIONS DEPARTMENT INVOLVED IN SHOWCASING ESG EFFORTS?



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Leadership Council.]

Kedem was one of four comms executives to address a recent meeting of <u>Ragan's Crisis Leadership Network</u>. He was joined by <u>Jessie Sitnick</u>, VP of corporate and public affairs at Torontobased <u>Argyle</u>; Laurie Barnett, managing director of communications and outreach at Southwest Airlines; and Kiva Starr, senior director of external communications at PwC.

"If you're a company like Impossible Foods, which is exclusively devoted to manufacturing plantbased alternatives, then you check a lot of ESG and sustainability boxes that your stakeholders want you to," Kedem says. "But what if you're a company like Tyson, which has cemented its heritage in traditional meat production processes. What do you do?"



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While 17% of people will never reduce meat consumption, 8% are already vegetarian and "in the middle are people willing to try plant-based alternatives. That's a rationale for a shift in their portfolio," Kedem says, citing Bloomberg.

Adopting such ESG practices is a business imperative. Nearly nine in 10 (88%) of investors believe companies that prioritize ESG initiatives represent better opportunities for long-term returns than companies that do not, according to Edelman Trust Barometer Special Report: Institutional Investors.

"ESG is key to the future of communications, and it is really key to the future of business overall from a reputation standpoint," Sitnick says. "As the saying goes 'who you are is as important as what you sell."

Sometimes, it's about what you're becoming.

Creating strategies to reduce carbon emissions, ensure a more diverse workforce, and protect people's data, among other ESG initiatives, is a never-ending process, the panelists say. Sharing the journey with the media generates an authentic brand narrative while fostering accountability.

"It's important to acknowledge that your story is not perfect. It's probably flawed in multiple areas," PwC's Starr says. "It might not even be positive in some of the areas. Your story may expose areas where you have failed and where decisions your organization made didn't work, but that's actually OK."

She uses the word "uncomfortableness" to describe a September 2020 <u>Business Insider</u> story, the result of her proactive pitching. The story cited statistics from the company's Diversity and Inclusion Transparency Report and quoted Shannon Schuyler, PwC U.S.'s chief purpose and inclusion officer. Only 14% of global engagement partners managing Fortune 500 accounts are women, and just 10% are people of color, the report states.

But the company was applauded for its honesty and swiftness. "The report was released two years early after the killing of George Floyd by police ... prompted the company to participate in conversations of racial justice happening across the country," writes journalist Samantha Stokes.

For her part, Southwest's Barnett has been a leading multidepartment effort to assess how the airline will address two key priorities: treating diversity, equity and inclusion as a strategic asset while achieving zero net emissions by 2050. The environmental commitment reflects investor demand and the airline's desire to avoid governmental regulation, she says.

A direct result of her efforts is the <u>2020 One Report</u>, an overview of financials and ESG initiatives that the airline published last week.

"All of these activities are related to protecting and promoting reputation," she says. "There are so many contributors. [As communicators] we are in a unique seat to pull it together and build the narrative that we want to be understood by our employees and all our stakeholders."