



1 March 2011

Keynote-speech at the Leadership Team Summit by Frank Coenen

Just like last year I want to start this annual talk with a **question**:
We live in an era of stakeholders.
Who do you think is the most important stakeholder of Tessenderlo Group?

The Earth is our most important stakeholder.
Because without it our business wouldn't exist, without it we wouldn't even exist.

Today we talked about the massive challenges the planet and its population are facing. These mega-trends and challenges will affect our lives and the way we do business in a major way.

How will we react to these trends?
We will not sit down and watch. We want to take control of our future.
And build on those mega-challenges.

Addressing those challenges will **require a revolution on a global scale**.
It will need a massive review of our **business models**,
a huge wave of **technological innovations**,
important changes in **mentality** and **behaviour** on a global scale,
and a complete **transformation** of our economy.

We have to look at **sustainability as a business model**.

Because we must,
Because we can,
And because we want to.



‘Sustainable because we must, because we can and because we want to’

Jeremy Rifkin, author of “The empathic civilisation” said in his book that the jumps in economic growth in history always happened after a crisis, combined with technological break-through.

The most recent examples are the end of the first World War, when the technological inventions such as automobiles, planes and telecommunication came to maturity, leading to a very strong economic growth.

Or after the second World War, with break-through development in certain industries, primarily in chemicals, plastics and pharmaceuticals. That, combined with important infrastructure investments, brought us unseen wealth.

Jeremy Rifkin is very optimistic about the future. And I join him in that belief.

The mega trends we discussed and **the need for a green and sustainable economy** will not only force us to develop new technologies. They will also bring many new opportunities for creative people, entrepreneurs and companies alike. This will lead to an important growth and new developments we can’t even think about today.

This will not only solve some of the acute challenges we are facing, but can also lead to a new period of increased welfare. We could well be at the beginning of a new era in our history.

A lot has changed since the economic crisis. The public has lost trust in the banks, but also, to some extent, in companies. The public wants transparency. They also understand more and more the need for sustainable and green products and solutions.

And every trend watcher, every opinion maker and every business leader sees that sustainability is the major symbol, when asking for a fair, responsible and lasting future.

Those who don’t believe me just have to look at what the largest private employer of the world is doing. Wall-Mart, the largest chain of supermarkets in the States, stops doing business with every supplier that can’t guarantee responsible and sustainable products, services and behaviour.

Wall-Mart is telling its suppliers how products have to be wrapped, packed and transported to fight climate change. By the year 2015 Wall-Mart wants to reduce its climate-impact with 20 million tons!

Some of you have already experienced identical questions from **clients**.

A growing number of our clients are demanding proof of responsible and sustainable behaviour.

Many companies have already understood the new game and have adapted their strategy very quickly. Not only do they understand the new customer needs, they also fully understand the strategic opportunities in sustainability.



Bringing Chemistry to Life

Companies such as Wall-Mart, Nestlé, Procter&Gamble, Kraft,... They have set very aggressive targets to become a more sustainable company. These trend-setting, large companies will put a massive pressure on the whole value chain. And they will not hesitate to stop buying from companies who are not evolving.

But not only customers want a more sustainable society.

Authorities will too. Laws, such as REACH and Kyoto are only the beginning.

They will force industries and customers to adapt to the new reality. It is clear that we will not escape these new regulations. It is smarter to anticipate them.

There is no alternative to sustainability.

There's no future for a non-sustainable Tessenderlo Group.

We have to be sustainable **because we must.**

But there's another reason why we should choose the path of sustainability.

Tessenderlo Group is a company of clever people. We have a tradition of knowledge, expertise and innovation. We have contributed a lot to sustainability, sometimes without even knowing we were.

Because we had the ideas.

Because we had the knowledge.

Because we have the people.

We also have to be sustainable because **we can.**

But even that is not the most important reason why we will choose the path of sustainability.

I believe we need to become a sustainable company because **we want to.**

We want to, because all of us want to contribute to a better world.

We want to be proud of what we have realised in our lives.

We don't want to retire, look back and say that we created a lot of shareholder value. That's not why we are working. No, we want to be proud that we contributed to a better world for our children.

We will be a sustainable company because we **want to be** such a company.

Today has been about how we can become a leading company in the field of sustainability. Some of you know my appreciation, if not love, for the eastern culture.

That's why I have chosen to translate the **main principles on sustainability** for our company in **eight mantras**. A mantra is part of the Hindu-tradition.

It is a sound, syllable, word, or group of words that are considered capable of "creating transformation". And that's exactly what we want to do with these mantras : create transformation.

The thoughts, the ideas and the actions behind these mantras are a work in progress. The work you have done this afternoon, and the ideas we have heard from our guests will get a place in a sustainability manifesto, built around these mantras.

A manifesto we will share before summer with you, with all our employees and with our stakeholders.