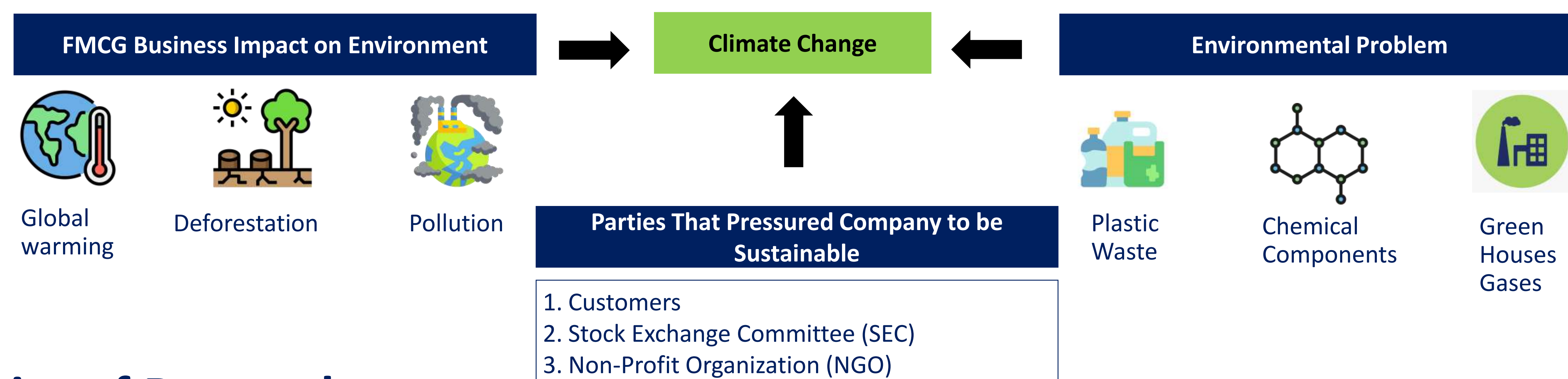


HOW CAN MULTINATIONAL COOPERATIONS CREATE A WIN-WIN SITUATION WHEN CREATING ENVIRONMENTAL AND FINANCIAL SUSTAINABILITY?

Case Study Background

- Fast Moving Consumers Good (FMCG) companies face many tensions in being sustainable because their business harms the environment, especially climate change.
- Meanwhile, our earth faces several environmental problems that lead to climate change.
- Climate change makes company's stakeholders pressure its business to be more sustainable.



Metrics of Research

- This case study focused on the company's environmental and financial performances.
- Every company has different environmental goals and measurement methods, it was necessary to decide which metrics would be used & equalize their units of measurement.
- Due to financial performance, financial ratios were used to understand the company's financial situation.

Metrics & Units used to Analyze Company's Environmental Performances

Metrics	Unit	Unit per Measurement
Environmental impact	1. GHG Emission. 2. Water consumption.	In KtCO ₂ eq In Thousands cubic.
Energy consumption	Energy consumption	In MWh
Waste Management	1. Amount of disposal, industrial, or indirect waste 2. Waste recovered recycled, and/or reused	In Ton In Percentage (%)

Ratios & Units used to Analyze Company's Financial Performances

Ratios	Formula	Unit per Measurement
Return on Asset (ROA)	Net income / Total asset	In percentage (%)
Return on Equity (ROE)	Net income / Common equity	In percentage (%)
Return on Sales (ROS)	EBIT (Earning Before Income and Tax) / sales	In percentage (%)
Price per Earning Ratio (P/E Ratio)	Price per share / earnings per share	In decimals (.00)

Methodology

- The case study used the purposive sampling method which the company must have sustainability and financial reports which audited by third party at least for the last five years. This case study took place in 5 companies.
- Due to data collection, secondary data used in this case study where all the data used in this study case were published online on the company's website.

Data Processing Procedure

Step 1	Step 2	Step 3	Step 4	Step 5
Collect both annual and sustainability reports published by the company for the last five years.	Study further and pay attention on both reports for every year.	Compare company's last five years performances on environmental and financial performances.	Find the correlation between both performances in a company.	Compare the findings for the last five years with its peers.

Findings

- Applying win-win practice between environment and financial consistently was challenging for a company. However, companies are doing better for the time being.
- B Corp certification on a company plays an essential role in the company's sustainability. It forced the company to be responsible for its business, especially in environmental aspects, which indirectly contributed positive output to the company's stakeholder relationship.
- Investors support the company's sustainable program, which creates a positive outcome for the company's finances for the following year.

Conclusions

- Tensions from stakeholders play an essential role in the company's sustainability, impacting the business model, supply chain, and management.
- Even though companies have already started applying win-win situations, many companies are still involved in harming the environment (in this case, deforestation and plastic pollution).

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