

# PROJECT RETHINK

*A CEO-led initiative of major companies in the Czech Republic working together to drive a vibrant, sustainable post-pandemic economic revival, inspiring strong, resilient, adaptable and socially responsible business.*

## Background

Concern about climate change has risen because of the pandemic with growing awareness about the power of nature. With the shock of the pandemic having disrupted supply chains, provoked instability in financial markets, and compromised economic growth, there is a heightened understanding of the risks posed by global warming.

But while governments have generally reacted to the crisis, companies have been proactive. Smart companies with resilient business models tailored to environmental shocks—often incorporating strong ESG (Environmental, Social and Governance) compliance—survived and thrived. Calls are growing for a post-COVID paradigm that elevates the salience of ESG and, principally, decarbonisation in daily operations and in boardroom strategic discussions.

With public confidence in business competence and ethics significantly higher than that of government, it is now time for the Czech private sector to take the lead on mitigating the recurrence of future shocks by recalibrating risk, redesigning, and rethinking.

## Objectives

- Build on the Czech Republic’s historic legacy as an engineering leader in positioning the private sector as an important catalyst for sustainable and resilient digital-driven recovery, particularly demonstrating innovative and inclusive strategies and technology to reduce and ultimately set-off our greenhouse gas emissions.
- Create a CEO-led net zero collaboration platform for leading companies and entrepreneurs in the Czech Republic to act as exemplars, influencing/supporting government while going beyond compliance in encouraging actions and behaviours to avoid a climate crisis, inadequate resilience and other pressing uncertainties.

Help Czech business to recover in a way that transforms the current crisis into a significant opportunity and deliver good outcomes for nature and people via collaboration across value and supply chains and sectors by sharing good practice, innovative strategies which press ‘reset’ by rethinking/improving operations and encouraging public-private partnerships and government support.

## Approach

*Project Rethink* has the potential to position the Czech Republic as a global centre of excellence for sustainable and resilient development in particular by bringing physical and digital worlds together via tools of the ‘fourth industrial revolution’ (cyber-physical systems, internet of things, artificial intelligence, digital twins) and recalibrating business practice by encouraging and facilitating the successful twin green and digital transition in the Czech Republic.

Avoiding a simple return to ‘business as usual’, *Project Rethink* will help facilitate ‘smart’ recovery by:

- Reducing environmental impacts (carbon footprint) and delivering better social outcomes.
- Enhancing relationships with people (employees and external stakeholders).
- Strengthening corporate practices and ESG performance (e.g., governance, profit, ethical policies).

A not-for-profit *Project Rethink* secretariat (and identifying administrative and financial needs) will be established under the auspices of the Czech Business Council for Sustainable Development which will assist in the crafting and executing of sustainability initiatives. It will also develop an ongoing calendar of activities in an initial three-year program. Activities include engagements and support activities like strategy development, training workshops, best-practices sharing, sustainability reporting and communications.

## Participants

Founding Partners: Czech Business Council for Sustainable Development (CBCSD), Embassies of France and the United Kingdom in the Czech Republic. The Ambassadors will symbolize and help form the bridge from COP-Paris to COP-Glasgow.

Participating Companies: Czech business leaders will establish actionable sustainability commitments by signing a *Project Rethink* Manifesto with ambitious ESG goals, setting ambitious targets, and by developing and publicizing a practical framework encompassing effective CSR and sustainability strategies with a strong focus on decarbonisation.

Supporting Institutions: Government of Czech Republic, Environment and Industry and Trade Ministries, Mayor of Prague, Chambers of Commerce, Czech Management Association, Czech Infrastructure Association, International Sustainable Finance Center, Business Leaders Forum, National Economic Council

(NERV), and the International Business Forum. Supporting institutions will deliver credibility, public encouragement, and appropriate support.

Civil Society Organizations: Nadace Partnerství, Hnutí DUHA, Greenpeace, Fridays for Future, Institut Cirkulární Ekonomiky, Glopolis, and Změna k lepšímu (Change for the Better). Civil society will engage with leading businesses, collaborate in finding solutions by establishing productive relationships with a focus on ESG and encourage, inspire and promote further innovation on climate change mitigation.

### Business Benefits

- Added share value via ESG ratings.
- Risk mitigation and protection
- Reputational protection and enhancement.
- Positioning as thought leaders.
- Opportunity to shape legislation.
- Employee attraction and retention.
- New business opportunities.

### Step 1: Initial Meeting of Founding CEO Partners

*Project Rethink* will invite 8-15 prospective Czech CEOs to attend a CEO-only meeting hosted by the French Ambassador at the Boquoy Palace in collaboration with the British Ambassador on Wednesday, 23 June. CEOs will propose goals and plans for *Project Rethink*, as well as discuss and agree upon the text of the following proposed collective Manifesto:

1. Aim to reach net zero greenhouse gas (GHG) emissions no later than 2050, with at least a 55 percent reduction by 2030, and have a science-informed plan to achieve it.
2. Set science-informed, environmental goals that mitigate adverse impacts and contribute to biodiversity recovery by 2050.
3. Follow the UN Guiding Principles on Business and Human Rights by having a clear corporate policy.
4. Declare clear support for inclusion, equality, diversity and the elimination of any form of discrimination.
5. Operate at a high level of transparency by disclosing material sustainability information in line with agreed standards, and actively engage with government, key NGOs and other civil society groups.

### Step 2: The Launch Event

*Project Rethink's* first showcase event between CEOs will be held in mid-September, with media present. Participants will highlight innovations in decarbonization and publicly commit to the Manifesto. The event will be hosted at the Boquoy Palace in association with the British embassy and facilitated by the CBCSD.

CEOs and entrepreneurs will then provide their perspectives for sustainable business recovery and articulate their support, followed by the country's leading NGOs. Lastly, the joint Manifesto will be publicly announced with an overview of *Project Rethink*, its goals and key activities moving forward.

### Step 3: Ensuing Actions of Participants

1. Commit, communicate and deliver clear and ambitious ESG goals, particularly that of decarbonisation. Considering the EU's sustainability agenda, including the European Green Deal, as well as the UN's SDGs, participants will be expected to take robust steps in addressing their own and their supply chain's issues regarding the Environment (carbon reduction plan, "green" product development, waste and recycling, etc.), Society (employee development, flexible workplaces, diversity/inclusivity, etc.), and Governance (codes of conduct, operating procedures, policies, etc.)
2. Fully understand their carbon footprint and establish ambitious emission reduction targets.
3. Identify their vulnerabilities under the three ESG pillars.
4. Forge productive relationships with civil society.
5. Assess the actions of peer companies.
6. Review current and anticipate prospective legislation.
7. Refresh/develop a practical framework for impactful CSR/sustainability strategies.
8. Work out ways to monetarise sustainability initiatives.

### Conclusion

Business and Civil Society are now faced with a unique opportunity to recover from the impacts of the COVID-19 crisis by balancing the equally important imperatives of environmental protection, societal fairness and economic prosperity. As businesses are reassessing the realistic pace of environmental change, and as populations now share a broader spectrum of what is possible, companies can ill afford to simply wait for a climate catastrophe to unfold and suffer the consequences. Never again should the private sector find itself beholden to extraordinary and government-imposed restrictions. Now is the time for the Czech private sector to take a real lead in averting a climate crisis.