Summary to Date of ISE Corporate Partner Roundtable Series on Creating a Culture for Sustainability

The purpose of the ISE Corporate Partner Roundtables is to offer a forum for companies from different industry sectors and academia to share information and expertise in the area of sustainability leadership and management. The objective is to facilitate dialogue and networking on sustainability issues that can affect any industry.

Confidentiality: Operating Rules for CP Roundtables were previously developed by two Corporate Partners: Suzanne Forbes from Wakefern ShopRite and Veronica Croucher from Sanofi-Aventis (see separate attachment) and are briefly reviewed and agreed to at each Roundtable.

The current ISE Corporate Partner Roundtable Series --“Creating a Culture of Sustainability” -- is co-sponsored by Gretchen Digby, Ingersoll Rand and Laurie Roy, Alcoa Howmet, and is co-created by the design team which also includes Barry Dambach, Alcatel-Lucent, Michael Buczynski, Church & Dwight, Scott Sandman, BASF, Joel Harmon, ISE and is facilitated by Jeana Wirtenberg. A series of four Roundtables are being held where Corporate Partner senior sustainability managers along with their HR colleagues are invited to discuss best practices, challenges and issues across industries as they relate to engaging people and creating a culture for sustainability in their respective companies.

Roundtable 1. The first Roundtable was held on September 21 at Ingersoll Rand. In attendance were representatives from Alcatel-Lucent, Alcoa, BASF, Becton Dickinson, Bureau Veritas, Covanta Energy, Ingersoll Rand, Morris County Chamber of Commerce, Sanofi Aventis, Net Impact, PSEG Institute for Sustainable Studies, ISE, Sustainable Business Incubator, and Transitioning to Green.

Prior to the session a white paper synthesis --Best Practices in Employee Engagement for Sustainability-- was developed for the Roundtable by Jeana Wirtenberg and sent to all participants as pre-reading to set the stage for discussion:

Additional informative papers and research documents were shared with participants prior to the first session including:
ISE Corporate Partner Roundtable
Creating a Culture for Sustainability, 2010-2011

- “Engaging the Natural Tendency of Self Organization” by ISE Advisory Board member Dick Knowles
- Special Issue: Transitioning to the Green Economy, People & Strategy, 33(1), 2010, edited by Jeana Wirtenberg, with several articles from ISE associates

The first session in the series began with a provocative question that resulted in animated dialogue and deep substantive reflections on the field of sustainability -- where it has been, where it is headed and how it is defined in the context of current ecological, societal and economic challenges facing humanity: “Are you more interested in getting employees engaged in sustainability activities...or using sustainability activities to increase the level of employee engagement in your company?”

Participants shared insights around what is working, and described a number of specific “best practices” in their respective companies. For example, Laurie Roy from Alcoa shared about their “Make an Impact Program”; Scott Sandman from BASF shared about their offer to customers of a comprehensive energy audit of their houses; Mike Buszynski from Church & Dwight shared about their sponsorship of the first Earth Day in 1972 and how educating employees about sustainability has paid off ever since. Peter Lalli from Sanofi Aventis shared about their Pinnacle Award and how it is used to reward and recognize employees who come up with great ideas to forward sustainability.

This led to a focus on the many challenges of transforming the culture, mindsets and most importantly, the actions of employees in support of a creating a culture for sustainability. The conversation then focused on cross-cutting issues and challenges around employee engagement. Key challenges that surfaced included:

- Alignment of sustainability with strategy to create new possibilities
- Stimulating innovation/creating green businesses
- Water conservation and how it changes business
- Rethinking business and the new generation having the opportunity to shape/lead it
- How to measure impacts on intangible areas like engagement and culture

At the conclusion of the first session, a consensus decision was made to focus the remaining roundtables on the following key topics and questions:

**Key Topics and Questions:**

- Definition:
  --What does a culture for sustainability look like?
  --How is it defined?

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• Engagement: How can we educate and engage our employees to create and build a sustainability culture?

• Internal Communications:
  --What is the role of/best practices in internal communications to support a culture for sustainability?
• Metrics:
  --How can we measure a culture of sustainability?
  --How can we conduct gap analysis to propel movement forward?
• Leveraging Human Resources
  --How can HR help?

Subsequently, the design team met and decided to develop and use a common template (see separate attachment) for each company to review and share their best practices, issues and their challenges around these key topics and questions. At each subsequent Roundtable, it was agreed that two Corporate Partner Companies would use the template to share their unique stories, with time allotted for interaction, questions and dialogue so everyone can learn and deepen their understanding, in an iterative process.

**Roundtable 2: Held at Ingersoll Rand, January 13, 2011**

The second Corporate Partner Roundtable on “Creating a Culture for Sustainability” got off to a terrific start with presentations by Barry Dambach, from Alcatel-Lucent and Mike Buczynski, from Church & Dwight on January 13. In addition to Barry and Mike, in attendance were representatives from Alcoa, BASF, Bureau Veritas, Ingersoll Rand, Linde NA, ISE, and Transitioning to Green.

Building on the robust template created by the design team, they shared their unique journeys to sustainability, including many specific accomplishments, best practices as well as ongoing challenges and issues which many others could also relate to. Copies of their PowerPoints were sent prior to the meeting for review by the participants. For further information on these please contact Jeana Wirtenberg or the presenters.

Barry Dambach discussed how sustainability is organized at Alcatel-Lucent and how it is evolving, how it is defined and being integrated into the fabric of the company’s strategy, and how communications are being transformed for a sustainable world through Alcatel-Lucent’s networks, solutions and services with tangible environmental and business benefits. For example, he shared about the Bell Labs Greentouch initiative, which is committed to making 1000 times energy reduction! He also shared about such exciting innovations as cell towers that run off photovoltaics, and their commitment to reduce GHGs by 50% by 2020. He provided insights into their many employee engagement and CSR initiatives, as well as how they handle internal communications and metrics. The challenge of integrating and leveraging HR was stressed.
Mike Buczynski shared insights and perspectives on employee engagement based on his extensive experience at Church & Dwight, including how to create commitment and provide opportunities for employees to contribute. Many examples were provided of initiatives and best practices that are working well. Examples of initiatives included incorporation of sustainability elements into project development and lean six sigma charters, and using sustainability criteria as gate checks in addition to the project criteria in project management. Mike shared specific examples of cross-functional sustainability volunteer committees to drive communication awareness and organize educational activities, communications, and volunteer committees. Best practices included sustainability business drivers tied to performance, such as saving energy, water, minimizing waste, and improving carbon footprint.

Reflections from the meeting indicated it was valuable and worthwhile for all attendees. Many people indicated interest in further leveraging the impact by expanding to include HR executives in the upcoming roundtables on this topic.

**Roundtable 3: Held at Ingersoll Rand, March 24, 2011**

The third Roundtable in the series consisted of two outstanding presentations by Scott Sandman, BASF and Gretchen Digby, Ingersoll Rand. In attendance were representatives from Alcatel-Lucent, BASF, Bayshore Recycling, Bureau Veritas, Covanta Energy, Ingersoll Rand, Sanofi-Aventis, and ISE.

Scott Sandman from BASF did an outstanding presentation and facilitated a robust dialogue about BASF, including an overview of the company’s background and diverse initiatives with a focus on emerging sustainability-building industries. BASF creates chemistry to “help power, move, house and feed a growing world population,” including wind and solar power, biotechnology, energy-efficiency, sustainable construction, water treatment, and fuel cell technology. Scott discussed how sustainability is structured at BASF, and how it is defined as one of BASF’s Four Strategic Pillars. He discussed the concept of “Verbund”: a systems approach to sustainable development, and described a number of specific employee engagement initiatives to build and reinforce BASF’s fundamental team commitment to sustainability. The executive priority, proof points and pride points were described with rich examples from employee communications, environmental health and safety, learning and development, science education, diversity and inclusion, and more. The new North American headquarters being built to LEED Platinum standards with BASF-enabled sustainable construction technologies is particularly worthy of note.

Gretchen Digby from Ingersoll Rand provided an overview of Ingersoll Rand, a highly diversified industrial company with 58,000 employees in over 100 countries. Gretchen discussed Ingersoll Rand’s (IR) sustainability structure, definitions, focus, and strategic
initiatives. IR is “a world leader in creating and sustaining safe, comfortable and efficient environments in commercial, residential and industrial markets.” The company is committed to sustainable business practices within the company and for their customers. IR recently formed a Center for Energy Efficiency & Sustainability (CEES) focused on integrating sustainability into all business functions. IR views sustainability as a mindset “not another initiative, and is working on launching a behavior based sustainability program to “integrate sustainability into the heartbeat of Ingersoll Rand” and a competency development learning program for their employees. One exciting example was cited of a global leader in Asia Pacific who invited all his employees to participate in the www.earthday.org initiative to generate “one million acts of green” by Earth Day. The discussion around metrics and actionable survey measures was particularly stimulating and generated lots of interest among participants.

Comments about the session from the reflection were that it was “stimulating”, “good nuggets”, “good template to share with colleagues”, “appreciate the platform to present so openly”, and more. The participants found the common threads among Ingersoll Rand, BASF and their companies particularly insightful, as well commenting on some of the distinctions and unique challenges participants are facing in their respective companies.

**Roundtable 4: Held at Bureau Veritas, NA April 14, 2011**

The fourth Roundtable in the series consisted of a very lively and informative presentation by Jyoti Agarwal, Ph.D., Environmental Consultant, Bureau Veritas and Laurie Lane, HR Manager, Bureau Veritas. In attendance were representatives from Alcatel-Lucent, Bayshore Recycling, Bureau Veritas, Covanta Energy, Ingersoll Rand, Sanofi-Aventis, and ISE.

Jyoti Agarwal, Ph.D., Environmental Consultant and Laurie Lane, HR Manager from Bureau Veritas did an outstanding presentation and facilitated a robust dialogue about Bureau Veritas, including an overview of the company’s history and diverse forward-looking global sustainability initiatives. Bureau Veritas NA is a world leader in inspection, certification and testing services, doing business in approximately 130 countries with 56 NA offices. Their balanced portfolio of activities spans eight global businesses including:

- Marine – making shipping safer through classification and inspection
- Industry – Assessing equipment and processes from design to operation
- Inspection and in-service verification – Checking equipment and installations for smooth, reliable operations
- Health, safety and environment – Helping manage compliance and improve performance in a risk-aware world
- Construction – Verifying building compliance with quality and safety requirements
- Certification – Helping clients improve performance
• Consumer products - Making sure products meet standards and customer expectations
• Government services and international trade – Moving goods between countries reliably.

Jyoti and Laurie shared the HSE statement and principles from their CEO demonstrating their commitment to protecting the environment and the health and safety of their people. BVNA’s conservation initiatives: offer and encourage business solutions in ways that support responsible and sustainable development. They are committed to reducing their own environmental footprint and improving their environmental performance by encouraging their employees and business partners to do the same. They engage their employees to participate in their pilot Energy, Water and Paper Usage conservation program at all 56 of their NA offices.

Jyoti described their extensive portfolio of certification programs covering: quality, environmental, health and safety, security, corporate sustainability/social auditing, and integrated management. They went on to describe their internal energy conservation program, communication approaches, water conservation program, recycling programs (egg., donating recycled computers to local charities and schools). Other creative approaches such as their seed to tree growing contest and world environmental day, earth day celebrations, CO2 carbon footprint assessment pilot program and related initiatives, etc. were discussed, including data tracking and results to date. Key Performance Indicators (KPIs) were also described.

Particularly inspiring was a story about one of their volunteer employees from HSE Miami who is working with Habitat for Humanity to assist them in preparing a Brownfield Site and obtain funding for a cleanup.

Comments about the session from the reflection were that there was: “absolute value from doing this”, “I’ve gotten a lot of value out of it“", “using as a sounding board for creating a culture of change”, “I can see the continuum of sustainability”, “corporate culture trumps global culture!” “Want to continue to see more sharing and updates.” “Would like to see a product come out of this” “Start to collect stories and work on it”. “Sustainability is a lens…always another layer”. “Impressed and energized by the discussion.” “Look forward to HR people to engage them more in the process.” “Approach has to be both bottom up and top down.”