

ENVIRONMENTAL STEWARDSHIP STRATEGY

Overview and Resource for Corporate Leaders



United Nations Global Compact

Duke UNIVERSITY

A report by the UN Global Compact and Duke University

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The online version of the Environmental Stewardship Strategy is hosted on the following website: www.nicholasinstitute.duke.edu/globalcompact

Disclaimer

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**UN GLOBAL COMPACT
ENVIRONMENTAL
STEWARDSHIP
WORKING GROUP**

BAOSTEEL

CHINA MINMETALS

COSCO

DEUTSCHE TELEKOM

DOW CHEMICAL

DUPONT

ERICSSON

ESKOM

FUJI XEROX

HOLCIM

INFOSYS

INTEL

NOKIA

NOVARTIS

NOVO NORDISK

RICOH

SAP

SWISS RE

**SYSTEM CAPITAL
MANAGEMENT**

TATA

TITAN CEMENT

VESTAS

WESTPAC



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Welcome Message from the UN Global Compact

It is with great excitement that we release this Environmental Stewardship Strategy for the 21st Century.

While corporate environmental and sustainability management have made great strides in recent years, it is also clear that a new level of management — or stewardship — will be required in the coming years and decades.

The environmental challenges we face be they related to climate change, water issues or biodiversity — are growing in scale and complexity.

At the same time, we are beginning to better understand the deep connections among different environmental issues, as well as their links to social and development priorities.

For business organizations operating in this context, particularly those wishing to be in a leadership position, a new level of environmental management will be required.

Grounded in the three core environmental principles of the UN Global Compact, and leveraging key initiatives such as Caring for Climate and the CEO Water Mandate, this Environmental Stewardship Strategy represents a new paradigm that outlines — outlining a holistic and comprehensive approach to environmental management and stewardship.

The Environmental Stewardship Strategy is designed for corporate leaders — including Chief Executive Officers and other C-Suite Executives, Board Members, and the senior-most Sustainability and Environmental Officers. The reason for this is straightforward. To be truly effective, the ultimate oversight of any serious strategy must be “owned” by those at the pinnacle of the organization.

We wish to thank Duke University for their partnership in the development of this important initiative, as well as to acknowledge the many corporate and other contributors and advisers.

Together, let us usher in a new era of Environmental Stewardship.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. Kell', written in a cursive style.

Georg Kell
Executive Director
UN Global Compact

Welcome Message from Duke University

Duke University believes that the important problems of the contemporary world exceed the scope of any single discipline. For example, dealing with global climate issues requires a mix of expertise including physical and biological sciences, engineering, business, policy and law. While Duke embraces the essential aspects of specialized research, teaching and learning, the university puts its special strengths in collaboration and connection of knowledge to work in addressing real-world problems.

This collaboration between Duke University, the United Nations Global Compact and our Environmental Stewardship working group partners highlights the power of cross disciplinary and cross institutional collaboration to address critical problems. From Duke, this effort brings together faculty, staff and students from the Nicholas School of the Environment, the Nicholas Institute for Environmental Policy Solutions, the Corporate Sustainability Initiative, and the Fuqua School of Business.

Signatories and members of the United Nations Global Compact have an opportunity to be world leaders in Environmental Stewardship. Our engagement in this collaboration is motivated by our belief that the information and communication platforms in this resource will assist CEOs and Boards of Directors in confronting key global environmental issues. Progress on climate change, emissions and waste management, resource consumption, water conservation, biodiversity protection and ecosystem services will be made as corporate leaders use this forward-thinking resource to engage in dialogue and share common insights and experiences.



Deborah Rigling Gallagher
Executive Director,
Duke University Environmental
Leadership Program

Executive Summary

Environmental issues — be they related to climate change, water scarcity or other ecological challenges — are growing in scale and complexity. What is also increasingly clear is that traditional corporate environmental management approaches — based largely on compliance and narrow risk assessments — will not be sufficient to successfully navigate and address these 21st century challenges.

In order to assist companies in preparing for this increasingly challenging landscape, and to give further expression to the UN Global Compact's three core environmental principles, the UN Global Compact Office brought together a group of committed participants and — in partnership with Duke University — developed a next-generation Environmental Stewardship Strategy and related Resource. This took the form of a website* and CD-ROM.

This Environmental Stewardship Strategy is designed to help companies — at the highest levels of the organization — develop a truly holistic and comprehensive strategy. And, importantly, it recognizes the growing linkages among various environmental issues as well as their connections to social and development priorities. As well, this Environmental Stewardship Strategy incorporates and leverages the UN Global Compact's Caring for Climate and CEO Water Mandate initiatives.

This website resource has been created to assist the top leadership of companies — including Chief Executive Officers, Executives, Board Directors, and senior Sustainability and Environmental Executives — as they formulate a new level of environmental management in order to achieve higher levels of sustainable performance — for the benefit of the business and planet.

The Environmental Stewardship Strategy is grounded in the UN Global Compact's

new Management Model, which sets out a dynamic program for sustainability implementation based on the tenet of continuous improvement.

Utilizing this Management Model, the Environmental Stewardship Strategy outlines and describes a comprehensive new-era approach to environment management based on four pillars:

- Leaders **EMBED** Environmental Stewardship into all facets of the organization
- They **BALANCE** short-term targets and long-term goals that are both critical to performance and Environmental Stewardship
- They **DIFFUSE** best practices throughout value chains and business networks by collaborating and engaging stakeholders
- They **TRANSLATE** best practices into processes and practices that are applicable in the diverse geographies in which they operate

In order to remain relevant and effective, this Environmental Stewardship Strategy and the related website resource have been designed as organic in nature — that is, to be improved upon over time. In this spirit, this website resource incorporates platforms and functions to evolve and augment the content over time.

Finally, the Environmental Stewardship Strategy is offered not just to UN Global Compact participants but to the business community at large — as a public good.

*www.nicholasinstitute.duke.edu/globalcompact

Overview of the Environmental Stewardship Strategy

Research Process

Environmental Stewardship is defined as the comprehensive understanding and effective management of critical environmental risks and opportunities related to climate change, emissions, waste management, resource consumption, water conservation, biodiversity protection and ecosystem services. When participating companies of the United Nations Global Compact asked for a framework to help improve their approach to environmental management, the UN Global Compact formed a Working Group on Environmental Stewardship to explore this issue.

After assembling a list of most frequently used environmental management and sustainability practices, the Working Group — a partnership between the UN Global Compact, twenty-three companies and Duke University — embarked on an ambitious project to develop an Environmental Stewardship Strategy for the twenty-first century.

Interviews with leading and learner firms, academic research and focus group discussions with companies informed this Environmental Stewardship Strategy. The strategy is defined in this guide but it exists in a living and breathing state on the Internet as the Environmental Stewardship Resource [www.nicholasinstitute.duke.edu/globalcompact]. The resource is informed by this research, tested by practitioners and designed to help the leaders of any company — no matter its size or scope — generate value from success-

ful management of its relationship with the environment.

The consensus in the global business community is that environmental stewardship is extremely important to business; yet, only a small portion of companies on the global market have taken strides in the direction of true stewardship.

Firms struggle to take action because managers are not fully empowered to make meaningful changes to company strategy. Environmental initiatives are typically limited, one-off projects that are tangential to corporate strategy. Research suggests that companies classified as true Environmental Stewards anchor their environmental strategy at the governance level of the company (e.g., the Board of Directors or similar entity). Chief Executive Officers and their Boards are the driving force behind effective, next-generation environmental leadership.

Executives and Boards that do not identify opportunities for value-creation or have organizations that support a project-approach to environmental management fail to address the complexity of the environmental challenges that face their businesses. Management that designs strategy that enables organizations to become environmental stewards is better able to identify obstacles and opportunities in the market, generate value for stakeholders, and gain a competitive market position.

The consensus in the global business community is that environmental stewardship is extremely important to business; yet, only a small portion of companies on the global market have taken strides in the direction of true stewardship.

EMBED	BALANCE	DIFFUSE	TRANSLATE
Recommit	Recommit	Recommit	Recommit
Assess	Assess	Assess	Assess
Declare	Declare	Declare	Declare
Engage	Engage	Engage	Engage
Perform	Perform	Perform	Perform
Evaluate	Evaluate	Evaluate	Evaluate
Anticipate	Anticipate	Anticipate	Anticipate
Disseminate	Disseminate	Disseminate	Disseminate
Recommit	Recommit	Recommit	Recommit

The Environmental Stewardship Strategy is designed as a vehicle through which firms can implement the environmental principles of the UN Global Compact.

Careful observation of successful CEOs and Boards illuminated four universal approaches to environmental stewardship across organizations:

- Leaders **EMBED** environmental stewardship into all facets of the organization
- They **BALANCE** short-term targets and long-term goals that are both critical to performance and environmental stewardship
- They **DIFFUSE** best practices throughout value chains and business networks by collaborating and engaging stakeholders
- And, they **TRANSLATE** best practices into processes and practices that are applicable in the diverse geographies in which they operate

Leading companies do not just embed, balance, diffuse and translate a handful of environmental practices; instead they take a comprehensive, cyclical approach to management. They implement all four strategies as they embark on an ongoing process to (re)commit to environmental goals, assess current performance, declare targets, engage with cross-sector stakeholders, perform against targets, evaluate performance, anticipate future challenges and disseminate best practices. These strategic environmental stewardship practices, which originate in the highest levels of successful companies, encompass not only operating guidelines to inform internal practices, but also the development of overall corporate policies which explicate firms' intentions in critical areas such as climate change, water resource management and biodiversity protection.

Strategic Connection with the United Nations Global Compact's Environmental Principles

The three environmental principles of the United Nations Global Compact emerged from the Earth Summit – the United Nations Conference on Environment and Development held in Rio de Janeiro in 1992. The Earth Summit identified that the tactics and strategies of industry can mitigate damage to the environment. In addition, the 1987 Brundtland Report, produced by the World

Commission on Environment and Development, laid a foundation for the Environment Principles by highlighting that business needed to change or people would face unacceptable levels of environmental damage. At the core of the UN Global Compact is a belief that business should play an important role in improving the state of the environment for future generations.

The Environmental Stewardship Strategy is designed as a vehicle through which firms can implement the environmental principles of the UN Global Compact. While the principles offer guidance on topics like innovation, cooperation, education and self-regulation, the Strategy offers a framework for firms to help facilitate a recommitment to and comprehensive implementation of the principles.

PRINCIPLE 7: TAKING A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES

According to Principle 7, lack of scientific certainty regarding environmental challenges should not be used as a reason for postponing industrial responses designed to mitigate environmental damage. It is more cost-effective to take preventative action against environmental degradation than it is to fund the cleanup of those problems after the fact. In addition, effective management of the environment helps firms minimize risks, which could limit fines or insurance costs.

The Environmental Stewardship Strategy provides an eight-step process for firms to explore how best to integrate a precautionary approach into their businesses. By focusing on how to embed, balance, diffuse and translate a precautionary approach, the Strategy helps a company gain a better understanding of where their initiatives are successful and where they could learn from other organizations. Additionally, the Anticipation step allows organizations to continuously re-explore precaution; at the end of each cycle, a firm can reexamine the environmental landscape and identify issues or opportunities that are not already included in their approach.

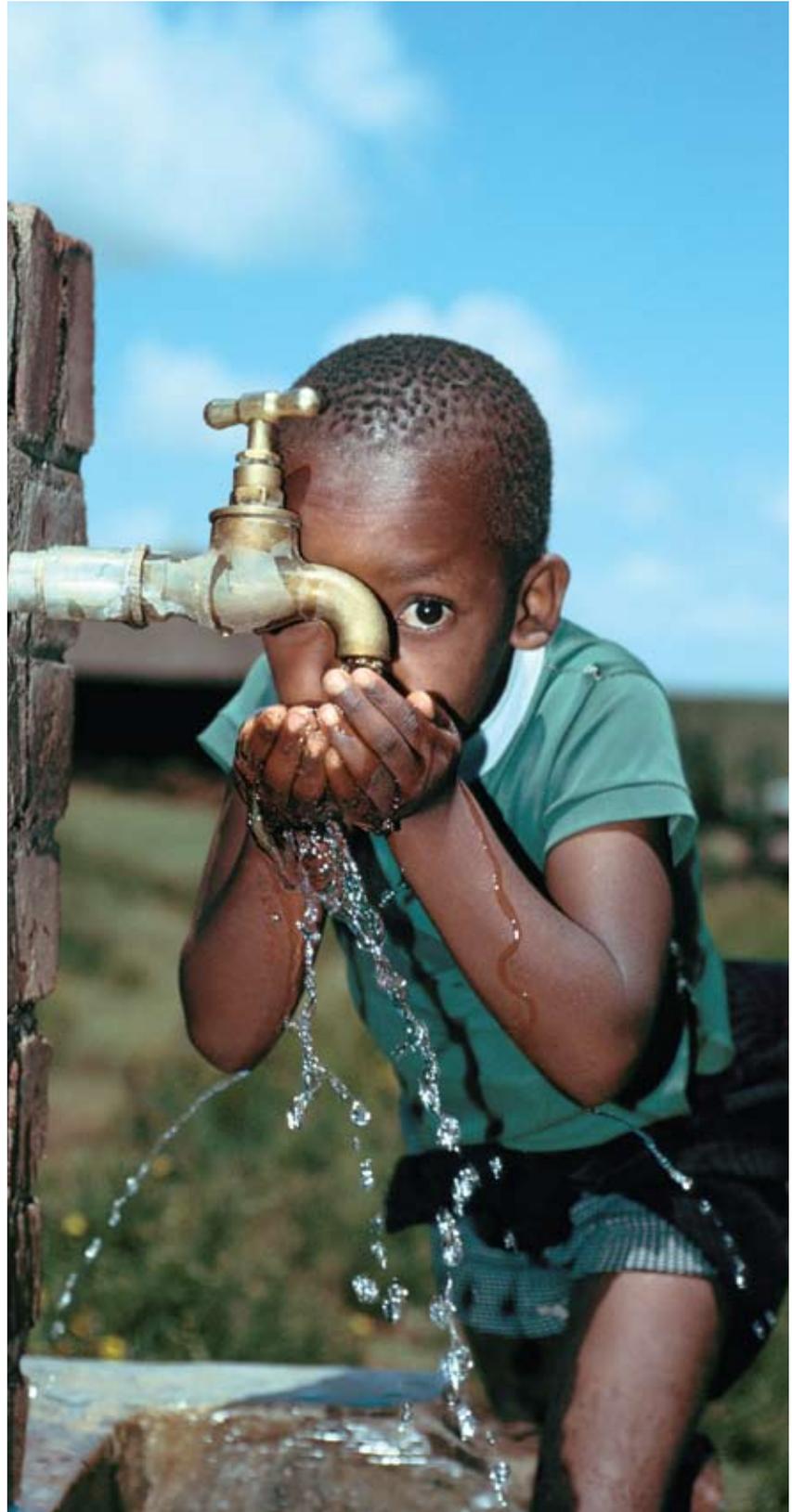
PRINCIPLE 8: PROMOTING GREATER ENVIRONMENTAL RESPONSIBILITY

The planet is fragile. Since the Earth Summit, the international community has acknowledged this as fact and encouraged business to alter current practices that cause harm to the earth. After 1992, the international community encouraged industry to introduce new codes of conduct and new initiatives designed to integrate considerations of the environment in business planning and decision-making.

Beyond social and environmental justice, incentives now motivate corporate environmental responsibility. Cleaner and more efficient processes mean increased resource productivity, which translates to needing fewer raw material inputs and lower costs. More responsible companies are also benefiting from tax incentives or permit programs because they are more advanced than their peers. As well, employees and consumers are increasingly interested in doing business with responsible companies. The case for environmental responsibility is well established nearly two decades after Rio de Janeiro. The challenge for companies in the twenty-first century is developing an environmentally responsible strategy that keeps them ahead of the pack, helping them maintain an advantageous position in the marketplace. It is not enough to simply check boxes, publish a sustainability report or reduce waste in factories. Companies must truly innovate in terms of how they manage their relationship with the environment. The Environmental Stewardship Strategy is a framework to help companies do exactly this. If followed correctly, the strategy enables firms to excel in 32 distinct ways.

PRINCIPLE 9: DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

Environmentally friendly technologies protect the environment by minimizing pollution, material inputs and waste outputs. These technologies are not limited to machines, but also include system approaches, management techniques and production processes. Improvements to manufacturing are



as important as communication strategies that build a sustainability-minded organization. Embedding, diffusion and translation could each involve environmentally friendly technology. The holistic Environmental Stewardship Strategy offers a concise and actionable approach to technology diffusion that can help firms share ideas within and across organizations.

Collectively, the three principles help ground the strategy in purpose. Despite being designed to help individual companies advance along the sustainability continuum, the Environmental Stewardship Strategy also helps to advance the discourse surrounding environmental issues in general. The recommitment stage is vitally important to this cause and the future offers no limit to the opportunities available to organizations that effectively integrate the three environmental principles into their business operations.

Strategic Connection with Ongoing UNGC Initiatives

The Environmental Stewardship Strategy complements existing UN Global Compact initiatives that focus on the issues of climate change and water management. A key component of the strategy is the notion of “issue-integration” that encourages companies to look at all environmental issues that face the company collectively. Successful firms have shown that looking at environmental issues as isolated concepts leads to insular strategies that leave environmental opportunities on the table. The Environmental Stewardship Strategy encourages continued involvement in initiatives like Caring for Climate and the CEO Water Mandate but builds on the success of these programs and encourages companies to add more issues to their strategy.



CARING FOR CLIMATE

Caring for Climate is a voluntary and complementary action platform for UN Global Compact participants who seek to demonstrate leadership on the issue of climate change. It provides a framework for business leaders to advance practical solutions and help shape public policy as well as public attitudes. Chief executive officers who support the statement are prepared to set goals, develop and expand strategies and practices, and to publicly disclose emissions as part of their existing disclosure commitment within the UN Global Compact framework, that is, the Communication on Progress.

Caring for Climate is a unique initiative — a commitment to action by business and a call to governments, incorporating transparency. It offers an interface for business and governments at the global level, with the potential of rapidly becoming the leading platform for pragmatic business solutions — transcending national interests and responding to the global nature of the issue at stake. Moreover, the broad geographical spread of its supporters, involving both leading actors from developed and emerging economies, reinforces the novel nature of this engagement platform. Caring for Climate has on-going engagement opportunities including on low-carbon innovation and solutions as well as climate change and development. Caring for Climate is endorsed by nearly 400 companies from 65 countries.

CEO WATER MANDATE

Launched in July 2007, the CEO Water Mandate is a public-private initiative designed to assist companies in the development, implementation and disclosure of water sustainability policies and practices. It is increasingly clear that lack of access to clean water and sanitation in many parts of the world causes great suffering in humanitarian, social, environmental and economic terms, and seriously undermines development goals. There is a growing consensus that this emerging crisis presents the private sector with a range of risks — and, in some instances, opportunities. It is also recognized that current water-management practices are inadequate given

the increasing materiality and importance of water as a resource.

The CEO Water Mandate recognizes that the business sector, through the production of goods and services, impacts water resources, both directly and through supply chains. Endorsing CEOs acknowledge that in order to operate in a more sustainable manner, and contribute to the vision of the UN Global Compact and the realization of the Millennium Development Goals, they have a responsibility to make water-resources management a priority and to work with governments, UN agencies, non-governmental organizations and other stakeholders to address this global water challenge. The CEO Water Mandate covers six areas: Direct Operations; Supply Chain and Watershed Management; Collective Action; Public Policy; Community Engagement; and Transparency. Endorsers of the CEO Water Mandate recognize that through individual and collective action they can contribute to the vision of the UN Global Compact and the realization of the Millennium Development Goals.

UNGC Sustainability Management Model as Foundation

The Environmental Stewardship Strategy is complementary to the UN Global Compact's overall Sustainability Management Model. Both approaches are based on the idea of continuous improvement and suggest that the best path toward stewardship of any sustainability agenda is an ongoing process.

The Environmental Stewardship Strategy rests on the unique Embed, Balance, Diffuse, Translate approach. Like the management model, the stewardship strategy begins with Recommitment to the principles of the UN Global Compact; yet recommitment is uniquely defined when it comes to environmental stewardship. Companies are encouraged to recommit across their enterprise and value chains. Recommitment should be embedded in the organization structure, in its metrics and targets, throughout its value chain and within its local markets. With every iteration of the improvement cycle, the same EBDT process occurs. With it, a company — from its employees to shareholders — develops a deep connection to the principles and makes progress towards them.

Environmental Stewardship Resource (Website) Overview

The Environmental Stewardship Strategy has been designed to be a living, breathing approach to business in the twenty-first century. It is grounded in the best practices of leader firms and will evolve as innovative approaches to sustainable business are identified and gain traction. The online version* of the strategy, the Environmental Stewardship Resource, will be housed at Duke University's Nicholas Institute for Environmental Policy Solutions and will benefit from the input and collaboration of corporate leaders around the world. In this sense, it is an open-source strategy and resource — in keeping with the “public good” nature of the UN Global Compact.

A CD-ROM with a static version of the Resource and a publication will be distributed to

The wheel identifies steps that leaders take to implement the strategy.

participants at the Leaders Summit on 24-25 June 2010. The CD-ROM and publication will help companies become acquainted with the functionality of the Resource. The Resource will “go live” in June and will be moderated by Duke University in partnership with the UN Global Compact Office. In addition to the publication, there will be training tools online, including modules, directions for how to upload, tips for maintaining content and strategies for maximizing the learning opportunities built into the platform.

The home page features a continuous improvement wheel. This wheel illustrates the approach that leader companies use to Embed, Balance, Diffuse and Translate strategy throughout their enterprises. The wheel identifies steps that leaders take to implement the strategy: Recommit, Assess, Declare, Engage, Perform, Evaluate, Anticipate and Disseminate.

When a user scrolls over each portion of the wheel, a pop-up box appears that explains the definition of the specific step.

The user will find information about the development of the wheel in the “Overview” tab. The Organizational and Issue Area Framework, shown below, which served as a starting point for development of the Environmental Stewardship Strategy, is described in this location of the resource.

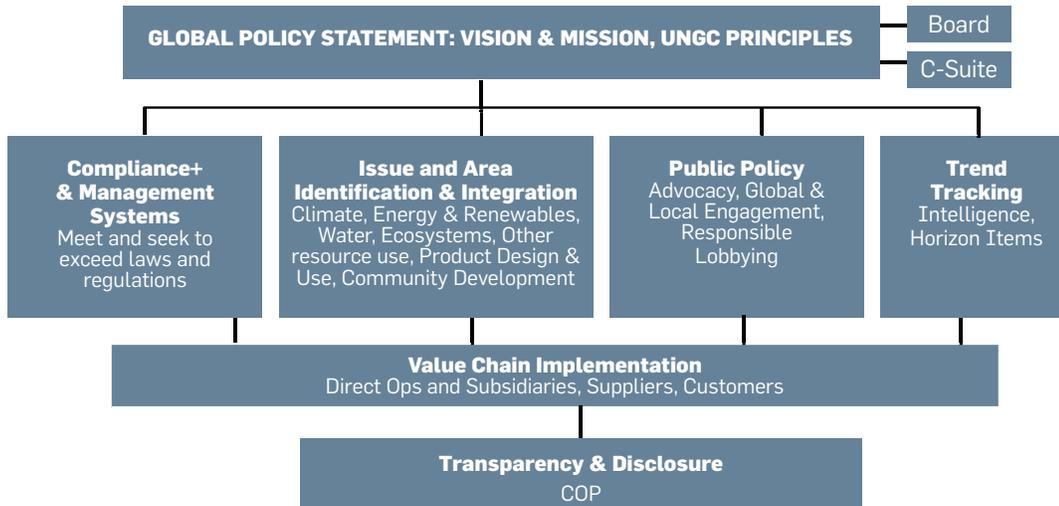
On the home page, the user will also see four boxes labeled “Embed”, “Balance”, “Diffuse” and “Translate”. When a user scrolls across each tab a pop up appears that explains what each means. If a user clicks on one of these tabs, they will be taken to that specific page (e.g. “Embed”) where they will see a listing of the eight components of the implementation wheel. Below the components is a detailed description of the approach, followed by featured case studies that illustrate how specific firms have successfully integrated the approach into their businesses. Over time, users will be encouraged to add multimedia content, some of which will be profiled on the homepage.

Below the header, the user will notice several navigation tabs. When a user scrolls over each of the tabs, a brief explanation of how that particular tab works will pop up.



*www.nicholasinstitute.duke.edu/globalcompact

ORGANIZATIONAL AND ISSUE AREA FRAMEWORK



The user will click on the “Overview” tab to learn about the origins of the Environmental Stewardship Strategy initiative, its purpose, how it was developed and future directions.

Next, the user can roll over the “Using This Resource” tab to learn about how the website information may be used to enhance their Environmental Stewardship Strategies both as a passive observer and as an actively engaged registered user. A registered user will be able to add to discussions, upload content, share best practices and network with other users.

The user can next view the tab called Strategy Appraisal which will show what Embed, Balance, Diffuse and Translate can mean at their organization. As firms begin to implement the strategy and observations about how it works in their organizations emerge, users can contribute information about their experiences on the “Discussions” tab. In addition to profiling their own experience with strategy implementation, users can dialogue with peers about challenges and opportunities related to any of the features of the approach. Registered users are especially encouraged to add attachments (documents, photographs, reports, etc.) to the site. All attachments will be accessible

through the “Resource” tab and will also be available on the pages where they are most valuable to users.

Any registered user can contribute actively to conversations regarding the various topics found on the site through the “Discussions” tab. Here, they can post questions to the group, make comments and share best practices. Non-registered users may view the activity on this portion of the site but cannot contribute unless registering.

Registered users can create profiles for themselves and their organizations through the “Networking” tab. On each profile, users will be able to populate the following fields to explain their type of expertise and organization: “Areas of subject matter knowledge”, “How my organization plans on recommitting to the Global Compact,” “Invite Collaboration,” general information on location, type of business, industry and a “Contact” button where other registered members can send them messages through the system without users having to disclose their email addresses.

At the bottom of the site, users will find links to the Caring for Climate and CEO Water Mandate initiatives.

We look forward to your contributions at nicholasinstitute.duke.edu/globalcompact

Environmental Stewardship Resource Components

RECOMMIT: Leadership's re-commitment to environmental principles through a Global Corporate Policy Statement.

The richness of the resource is based on the fact that companies will be contributing relevant, timely content as part of their recommitment to the UN Global Compact. From the homepage, the user will have access to the content pertaining to “Embed,” “Balance,” “Diffuse” and “Translate.”

Within each of these ideas pages, content will exist that explains how organizations are engaging with the eight steps. For example, on the Embed page, users will have access to information about how an organization is embedding its UN Global Compact recommitment throughout its organization. Additionally, this page will address how to embed the remaining steps (Assess, Declare, Engage, Perform, Evaluate, Anticipate and Disseminate) within an organization.

The following pages explain how each step in the strategy can be integrated into your organization, its metrics, its value chain and the local markets in which it operates. Every organization will internalize these approaches in different ways and every management team will need to develop a process for setting priorities for implementing the different elements of the strategy.

Over time, organizations will begin to accumulate success stories from the thirty-two aspects of the Environmental Stewardship Strategy. They will learn from the successes and failures of other firms who have recommitted to the three environmental principles of the Global Compact. Every user of the site will benefit from this high-level collaborative learning platform.

Step 1: Recommit:

Recommit is a Global Corporate Policy Statement, which means that a company’s leadership (e.g., CEO, leadership team, Board) restates their commitment to the UN Global Compact environmental principles, and - where relevant - the Caring for Climate and CEO Water Mandate initiatives. In addition the company’s leadership commits to ongoing development of the UN Global Compact Environmental Stewardship Strategy; for example, by providing online case studies of best practices and participating in member surveys. Recommitted companies understand that the UN Global Compact can be used as a learning forum for like-minded businesses making information sharing mutually beneficial.

The Three Principles of the UN Global Compact			
EMBED	BALANCE	DIFFUSE	TRANSLATE
Recommit	Recommit	Recommit	Recommit
Assess	Assess	Assess	Assess
Declare	Declare	Declare	Declare
Engage	Engage	Engage	Engage
Perform	Perform	Perform	Perform
Evaluate	Evaluate	Evaluate	Evaluate
Anticipate	Anticipate	Anticipate	Anticipate
Disseminate	Disseminate	Disseminate	Disseminate
Recommit	Recommit	Recommit	Recommit
CARING FOR CLIMATE			
CEO WATER MANDATE			

EMBED COMMITMENT

A recommitted company will apply the three UN Global Compact environmental principles throughout their organization. According to a company's capability, it should support cost-effective measures to protect the environmental and not use scientific uncertainties as an excuse to postpone its actions to address environmental challenges. A recommitted company will take initiatives to promote greater environmental responsibility.

BALANCE COMMITMENT

A recommitted company does not only consider short-term shareholders' financial interests, but also takes into account longer term environmental interests of other stakeholders, including local and international communities and future generations.

DIFFUSE COMMITMENT

A recommitted company will share best practices across its value chain – with its direct operations, subsidiaries, suppliers, and customers as well as with peer companies participating in the UN Global Compact. The company will discuss both positive and negative lessons learned from past experiences.

TRANSLATE COMMITMENT

A recommitted company will adapt its principles and best practices and share its learning through engagement in UN Global Compact Local Networks.

Step 2: Assess

Companies that are environmental leaders continually assess their stewardship strategies to identify gaps in both policies and practices. Environmental stewardship leaders share two main traits regarding assessment. These are transparency and integration. Transparency relates to honesty in assessment. Honesty in assessment must go beyond numbers; it must consider progress towards developing a full suite of environmental stewardship strategies to address issues such as climate change, water resource protection, deforestation, toxic waste, loss of biodiversity and long-term damage to ecosystems. Increasingly, leaders recognize the role of business in addressing the impacts of environmental degradation and climate change on development -- i.e. on peace and security,

water sustainability, poverty reduction, energy and food security. It must incorporate sustainability goals and reflection on where one's true environmental impact lies. Integration involves incorporating assessment of environmental stewardship efforts so that it fits alongside other forms of company assessment – like financial statements.

EMBED ASSESSMENT

Leading companies institutionalize core concepts of environmental stewardship throughout the company hierarchy, from corporate level policies to actions governing product disposal. For many, this will mean operating "above the line" with regard to global environmental standards. For many more, it will mean finding ways to integrate environmental reporting and assessment within already-existing reporting frameworks and assessment structures. Companies which integrate historically separate benchmarks will find themselves leaders in environmental stewardship.

BALANCE ASSESSMENT

Leaders develop assessments that balance short- and long-term needs of all stakeholders. Balance means identifying gaps in long-term environmental goals. Such thinking provides companies with a greater level of predictability and the space to act on environmental promises. However, it is essential that companies do not overpromise. Both short- and long-term environmental strategies must be based on data-driven foresight. Companies must find ways to balance quick wins with long-term achievements. While political and financial spheres may change quickly, the environment does not. Mutually beneficial partnerships help bolster such a balance. Government and non-profit partnerships may help create short-term success with long-term stability.

DIFFUSE ASSESSMENT

Leading companies assess their strategy to determine the environmental impact of their operations and that of their suppliers, subsidiaries and customers across the value chain. For some organizations, a stewardship strategy may focus most on assessment of the impacts of raw materials incorporated in products; for others, an assessment focus on consumer use is appropriate. Strategy assessment activities may point the way towards

ASSESS: A continuous assessment of stewardship strategies for the identification of gaps in policies and practices.

NOKIA CASE EXAMPLE

EFFECTIVE PARTNERSHIPS: VOLUNTARY INITIATIVES

In 2005, Nokia participated in a pilot program with the European Union (EU) called the Integrated Product Policy (IPP), which focused on the lifecycle impact of products. The program recognized the increasing complexity of value chains and the fact that a “one size fits all” approach to regulation may not be functional. Nokia committed to the voluntary initiative to strengthen relations with EU authorities and show the potential success of voluntary regulations in lieu of straight regulation. The project resulted in five initiatives to reduce the environmental impact of mobile phones. Nokia worked with the United Nations Environmental Programme on the Mobile Phone Partnership Initiative. The partnership began in 2005 under the auspices of the Basel Convention. Manufacturers and operators of mobile phones sought to develop environmentally sound end-of-life management policies. MPPI resulted in five guidelines regarding the management and shipment of electronic waste. The program not only complemented government initiatives, it promoted the benefits of public-private partnerships. Ethical and environmental elements are now included within Nokia’s supply chain management processes, including supplier selection and contracting, supplier assessments, relationship and performance management. Nokia conducts over 100 supplier assessments every year. Suppliers not meeting Nokia’s requirements must provide and commit to implementing Corrective Action Plans.

*DECLARE:
A statement of
environmental
goals related to
every aspect of
the organization.*

development of strategic relationships with suppliers and customers to understand lifecycle impacts. Assessments may also assist companies in identifying partnership opportunities with common organizations working with common suppliers to standardize information dispersal and ease the burden on the supply chain as more organizations look towards the life-cycle of their services.

TRANSLATE ASSESSMENT

Leading companies must understand where they operate. They must undertake assessments of their strategy that enable them to become familiar with the way in which operations interact with local communities and how facilities, customers or suppliers affect local environmental issues. Companies must assess whether policies and processes mitigate or exacerbate local environmental issues. Companies benefit from assessing the multiple contexts in which they operate and their impacts on local market priorities.

Step 3: Declare

Environmental Stewardship leaders develop strategies that incorporate clear statements of environmental goals related to every aspect of the organization. The declaration of environmental goals inoculates the organiza-

tion with strategic environmental stewardship ambition and provides benchmarks for the organization to aspire to far into both the short-term and the future. It is important to communicate these goals to all stakeholders external to, within and across the organization. Stakeholder involvement is essential to meeting short- and long-term goals.

EMBED DECLARATION

A leading company’s environmental stewardship vision and strategy is communicated to all levels of the business. It is important to craft a communication tool to both encompass a vision and inspire action throughout the organization.

BALANCE DECLARATION

Environmental leaders declare short term goals that lead to long term gain. Strategies that incorporate transparent measurement systems will help stakeholders track progress towards these goals. Measurement tools should highlight connections between short-term actions and long-term environment goals. Short-term goals should allow the business to make incremental progress and lead to long-term gain. Long-term goals should show ambition and dedication.

DIFFUSE DECLARATION

Leaders inform stakeholders across the value chain about the components of the company's environmental declaration. Fulfilling environmental stewardship goals requires participation and cooperation across the entire value chain. Collaboration should begin with goal sharing. Companies should go one step further to develop declarations that encourage compliance with stewardship goals along the value chain and across the industry.

TRANSLATE DECLARATION

A leading company's environmental declaration is applicable to groups involved in all areas of the business and in all locations. Creating an environment where all levels of the business understand and implement the declaration may require empowering a change agent in each relevant location. Change agents must be aware of connections between their communities and the environmental initiatives at hand. Leaders should work with UN Global Compact Local Networks to develop appropriate declarations to ensure that they are effective at the community level.

SYSTEM CAPITAL MANAGEMENT CASE EXAMPLE

REALISTIC PROGRESS: LEADER IN A LEARNER CONTEXT

System Capital Management (SCM) is a financial and industrial holding company based in the Ukraine. The company implements a corporate environmental stewardship strategy and reports on its environmental performance through a sustainability report. While engaging in environmental activities, the company recognizes that it is operating in "an economy which is undergoing transformation." While the company acts as a leader on environmental issues in Ukraine, the nation is following other markets. The company must strategize around environmental legacy issues and previous underinvestment. SCM's environmental stewardship strategy looks forward to a transformation towards international standards.

All units of SCM carry out their CSR a social responsibility mission with these principles in mind:

1. Commitment to the highest international standards
2. Application of the best world practices
3. Implementation of realistic approaches based on social conditions in Ukraine
4. Practical benefits for the society



ENGAGE: Public policy engagement to establish standards, form partnerships, and inform the global environmental policy agenda.

Step 4: Engage

Leading companies use public policy to establish global standards, form public private partnerships, inform the global climate change agenda and capitalize on opportunities. A leading environmental stewardship strategy incorporates public policy engagement that builds coalitions to solve important issues, recognizes public policy effects on industry and encourages innovation to go beyond regulations. Engagement in public policy allows corporations to perform responsibly in the global marketplace.

EMBED ENGAGEMENT

Environmental Stewardship leaders develop a responsible lobbying strategy that promotes environmental stewardship; assign individuals within the organization specific roles and responsibilities to develop and monitor the strategy; oversee a clearly identified engagement strategy for new and existing partnerships; and explore methods to expand their engagement with the UN system, including through the UN Global Compact, the United Nations Environment Programme and relevant UN agencies.

BALANCE ENGAGEMENT

Leader companies build responsible coalitions that will contribute to short-term and long-term success; evaluate opportunities to engage financial stakeholders to determine goals and timeline for environmental results; and determine areas within the company where, in the long run, environmental goals can surpass regulations.

HOLCIM CASE EXAMPLE

RESPONSIBILITY OF AN INDUSTRY LEADER

Within the Swiss concrete company Holcim, a Sustainable Environmental Performance (SEP) Committee drives environmental strategy. The committee, chaired by the executive committee member for sustainable development, utilizes company leaders across the world as a sounding board for new sustainable and environmental initiatives. Typically when we have a new initiative or a new proposal, we take it first to the SEP committee," said Ruksana Mirza of Holcim. "We get input, they act as a sounding board. We get input from them, we take it to the steering committee and finally to the executive committee for final approval." Holcim also plays an important role within the industry and as part of the global community. Holcim was one of the founding members of the Cement Sustainability Initiative (CSI) and an early member of the World Business Council on Sustainable Development (WBCSD). Together with these organizations, Holcim developed an agenda for action that, said Mirza, "addressed all the key material issues for our industry including climate change, occupational health and safety, other atmospheric emissions," and also developed an industry protocol (WBCSD-WRI Cement Protocol) for measuring CO2 emissions.

ESKOM CASE EXAMPLE

BUILDING FROM PROACTIVE ENVIRONMENTAL LEGISLATION

Eskom is a largely state-owned South African energy corporation. They have benefited from progressive legislation enacted in the country. The National Environmental Management Act in South Africa created accountability for environmental performance and

non-performance. Eskom strives to go beyond the national laws for water management and emissions. They typically exceed general requirements in water standards and attempt to exceed the official standards for emissions at every operating site.

For Eskom, the role of leader and learner is often interchangeable. Dr. Steve Lennon of the company said

"Eskom would have been a leader when it came to doing environmental assessments on new projects. But at the same time, we were learning about environmental management systems from watching what was happening in other companies around the world. In other cases, we might be a domestic leader but a global learner."

WESTPAC CASE EXAMPLE

ACTIVE POLICY AND STAKEHOLDER ENGAGEMENT

Westpac takes the lead in seeking responsible business partners. Alison Ewings of Westpac said: "In terms of our investment and lending decisions we look to partner with organisations that go beyond regulatory compliance and demonstrate best practice. Typically we would like to have as many as those in our portfolio and broader value chain as possible." Westpac understands that environmental stewardship is vital for the future of global business and corporate responsibility, but also recognizes its positive economic impacts. Regulations play a significant role in shaping the future trends of environmental issues. Westpac is actively shaping those policies and is ready to capitalize on the opportunities.

Since the early 1990's the company has adopted the approach of trying to understand their relationship with the wider community through stakeholder engagement. Westpac has developed systems to take feedback from the external environment, including government, consumers and NGOs. The Board Sustainability Committee, Westpac Sustainability Council and the Community Consultative Council are examples of the forums the company uses to collect and assess input from stakeholders. Through these systems the company has learned that they must focus on a broader set of issues which include climate change and environmental performance, sustainable products and services, advocacy, outreach and thought leadership.

CORPORATE SUSTAINABILITY FOCUS AREAS:

1. Going Mainstream - Making sustainability real for customers
2. People & Places - Working together to support our community
3. Treading lightly - Managing our environmental footprint
4. Climate Change - Developing products, services and relationships to transition to a low carbon society
5. Solid Foundations - Sustainable business practices through governance and risk management
6. Speaking Out - Advocating on behalf of sustainable business practices.

DIFFUSE ENGAGEMENT

Environmental leaders encourage or require supplier participation in the UN Global Compact or other business voluntary initiatives that support environmental stewardship. They should set clear standards for business partnerships with the UN, governments, local authorities and civil society. They should furthermore participate in learning forums and share knowledge and resources that will help participants across the company's value chain to meet or exceed standards.

TRANSLATE ENGAGEMENT

Leading companies consider policy obstacles that constrain or prohibit environmental stewardship strategy in certain markets. They analyze tools and capabilities within their operations that can lead to change in these areas and evaluate alternatives such as responsible

lobbying, advocacy, and engagement with UN Global Compact Local Networks.

Step 5: Perform

Performance in environmental stewardship is driven by developing and adopting internal management systems and tools to address the issues that the company has identified as material to their business, industry sector and geographic location.

EMBED PERFORMANCE

Leading companies ensure that senior management is invested in each piece of the declared strategy and can effectively communicate progress throughout the organization. They empower individuals within the organization with resources, decision rights and evaluation tools. A continuous focus on

PERFORM: Develop internal management systems and tools leading to consistent environmental performances.

formalizing these programs throughout the corporate structure by integrating sustainability into the capacity-building and training programs and empowering sustainability champions throughout the organization ensures that sustainability strategies cascade from the CEO and leadership suite down to the shop floor where they are implemented. Leading companies do this by setting aggressive targets at the corporate level and providing the right support and the proper systems so that middle managers can figure out how to meet them.

BALANCE PERFORMANCE

Leading companies explore information management techniques that integrate financial and environmental results to illustrate progress toward meeting short and long-term expectations. Realistic assessments are critical. They allow for both financial and environmental adjustments. Many companies have realized their impacts come from the use of their products as opposed to their creation. It is imperative to utilize a Life Cycle Assessment (LCA) approach to assess the impacts of the products “from cradle to cradle.” Integrating risk management approaches and sustainability into annual strategic planning processes also enables the identification of key sustainability objectives and emerging trends to further drive performance.

DIFFUSE PERFORMANCE

Environmental leaders determine relevant management systems and processes for the company’s value chain; They begin with an analysis of current operations and identify where information is lacking. They develop tools and work plans to address these information gaps and correct shortcomings through the implementation of certain tools: supplier/customer scorecards, audits and/or clearly defined purchasing policies. Leaders determine whether or not behavior change will be challenging; if so, they introduce value chain education to support supply partners in understanding both short- and long-term strategies.

DOW CHEMICAL CASE EXAMPLE

MAINTAIN A CUSTOMER FOCUS

Recognizing the impact and scale of the chemical industry, which produces between 90 percent and 95 percent of products consumed globally, Dow Chemical refocused its strategy to become “one of the world’s best problem solvers focusing on the world’s biggest challenges which contain significant business opportunities that can be unlocked by sustainability and innovation.” In an internal assessment of business operations, Dow determined that almost all of their sales fell under the following segments: energy, climate change, water, health, nutrition, transportation and infrastructure. Taking these issues and integrating them into its corporate strategy required defining the core drivers of business success in order to make sure they stayed true to their mission and vision while focusing future business opportunities on these issues.

Dow Chemical thus defines the next generation of change as focusing on sustainable chemistry to address climate change, energy efficiency and conservation, product safety leadership, contribute to community development, health protection, environmental stewardship and the aggressive pursuit of scientific breakthroughs.

INTEL CASE EXAMPLE

ISSUE INTEGRATION: WATER AND COMMUNITY DEVELOPMENT

- Intel purchases fresh water from the city of Chandler, Arizona and uses most of it to produce ultra-pure water for its manufacturing processes.
- Once used, this water is still suitable for a number of on-site and off-site reuse and recycling programs.

■ Intel's Ocotillo Campus is well-positioned with advanced conservation strategies for optimizing recycling. Cleaning silicon wafers during fabrication is one of the largest uses of water in Intel's factories.

■ The strong partnership between Intel and Chandler over the last decade made it possible to implement a progressive water management

system, which reduces use of fresh potable water by millions of gallons each day. Overall water conservation performance is achieved through the following three key approaches: Recharge, Reclaim, Recycle.

Overall water conservation performance is achieved through the following three key approaches: Recharge, Reclaim, Recycle.



FUJI XEROX CASE EXAMPLE

LIFE-CYCLE APPROACH

Recognizing that used products are not waste but valuable resources, Fuji-Xerox set goals of “zero landfill,” “no pollution” and “no illegal disposal” for itself. In order to implement strategies to achieve these goals, the company focused its efforts along two distinct lines of action:

1. Mandating an integrated recycling system
2. Developing energy-efficient products that reduced CO2 emissions.

The policies that followed were a result of studying the life-cycle of products: materials procurement, manufacturing, sales, delivery logistics and end-use. Insights were gained into specific areas of the value chain where certain components could be rescued for re-use and others taken back for recycling at the end of their life-cycle.

TRANSLATE PERFORMANCE

Leader companies achieve compliance plus outcomes that meet and even exceed laws and regulations in each market in which the company operates. Leading companies go beyond the use of one certification standard and often integrate different management system approaches and protocols to elevate the standards of performance. For example, leading companies use a combination of ISO14000 certified Environmental Management Systems, the ISO26000 guidelines for social responsibility, participation in the UN Global Compact, including production and the creation of annual Communication on Progress (COPs). Leading environmental stewardship strategies also include tactics to disclose carbon footprints in line with the Carbon Disclosure Project and report performance using the Global Reporting Initiative protocol, among other programs and reporting frameworks. If policies necessary to implement the company’s declaration are not yet in place, companies should engage in responsible lobbying in all applicable locales.



Step 6: Evaluate

Environmental Stewardship leaders develop and adopt internal management systems and tools to track, monitor, measure and report environmental performance. Leaders use evaluation tools to pinpoint areas of the strategy which demand further improvement and to highlight areas in which successful tactics should be shared with other companies.

EMBED EVALUATION

Leading companies embed an internal environmental management system throughout the organization. Relevant data is collected from all levels of the company and used to evaluate overall environmental performance. Performance data must be fully disclosed, with shortcomings acknowledged as extensively as achievements. A company should develop and use spreadsheets, scorecards or other metrics tools to evaluate its performance. Companies should use evaluation tools to identify areas in which investments in technology and training may be required.

BALANCE EVALUATION

Leading companies develop evaluations that encompass milestones that track short-term

TATA GROUP CASE EXAMPLE

CLIMATE CHANGE SCORING FRAMEWORK

Tata's 1,000 point climate change scoring framework builds on the company's existing "Business Excellence" model to measure progress toward achieving environmental goals. Instead of creating a new and separate model for assessing progress on climate change initiatives, this approach allows the company to rate their performance based on an evaluation format that is already familiar to all employees. Creating such integration promotes innovative forms of environmental leadership. With a legacy of separating environmental performance from other forms of measurement, this change may be challenging for some organizations to implement.

CHINA MINMETALS CASE EXAMPLE

ENVIRONMENTAL MANAGEMENT SYSTEM

China Minmetals attaches great importance to the development of environmental management systems. The company's (EMS), which incorporates energy conservation and emission reduction and emphasizes the use of assessments based on monitoring and statistical analysis.

High level goals have driven the following parameters:

1. The EMS is driven by an organizational framework, which includes an energy conservation and emission reduction steering committee.
2. The EMS includes performance measurement systems which incorporate monitoring and dynamic, real-time statistical analysis.
3. The EMS assesses environmental performance through the use of tools such as standards and indices. Data from the EMS feed into a corporate reward and accountability system. The EMS is the basis for significant achievement. Minmetals has been designated one of ten "green companies" by Fortune China. These achievements bolstered Minmetals' commitment to its energy conservation and emission work. The EMS has assisted the company in meeting its energy conservation and emission reduction objectives for over ten years.

gains against longer term strategic direction. A balanced view allows for a holistic evaluation of progress and provides senior management with an opportunity to change course or modify direction midstream.

DIFFUSE EVALUATION

Leading companies evaluate progress across the business value chain; they make use of the most current strategic tools to track environmental stewardship performance of each key business unit and throughout product and service lifecycles.

EVALUATE:

Develop internal management systems and tools to track, monitor, measure and report environmental performance.



ANTICIPATE:
Influence and anticipate future market trends in order to build a more sustainable business.

TRANSLATE EVALUATION

Environmental leaders compare the company's performance in relevant markets. They link regions, countries and markets together to develop new and complementary strategies. Efforts such as these should incorporate connections between south-south companies and participation in UN Global Compact Local Networks. Learner and leader companies should share information across local markets to learn from each other.

Step 7: Anticipate

Active public policy engagement allows corporations to influence and anticipate future market trends. Such engagement informs organizations of successful environmental

strategies, while building a more sustainable business for the long run. Tools such as scenario planning may be used to inform the development of nimble environmental stewardship strategies that remain effective in the face of events such as natural disasters and local, national or global policy changes.

EMBED ANTICIPATION

Environmental leaders develop effective trend-tracking methods and identify individuals throughout the organization to monitor developments. They encourage and empower personnel to bring issues to the CEO and leadership team from the "bottom-up" so that important and relevant issues across the organization are considered and evaluated.

DOW CHEMICAL CASE EXAMPLE

MANAGING PUBLIC POLICY PRIORITIES

Dow sets priorities and evaluates new corporate public policy issues to ensure that resources are focused on addressing issues with the highest potential impact on the environment. Dow's Public Interest Strategy Board (PISB) provides management and oversight of these priority-setting efforts. The PISB is comprised of Dow senior leaders from a cross section of functions and business units. It is assisted by the Government Affairs and Public Policy Expertise Center. The PISB helps assure that critical priorities and issues are identified and managed, executive sponsors arranged, appropriate teams resourced, assembled and critical goals and targets identified and achieved.

TATA CASE EXAMPLE

TRACKING FUTURE CHALLENGES

All Tata companies scan sustainability challenges and examine development patterns in the external environment as part of the business learning environment process. Based on information from scanning activities, alerts are sent to senior leadership, who determine how to make mid-course corrections and interact with key stakeholders.

BALANCE ANTICIPATION

Leading companies define what “long-term” means to the company; they collaborate with shareholders to determine and agree upon short-term and long-term environmental goals and propose a call to action at shareholder meetings to anticipate and share future trends that the organization is expected to encounter.

DIFFUSE ANTICIPATION

Environmental Stewardship leaders inform participants across the company’s value chain of future trends and challenges. They engage suppliers and customers in discussion and analysis of factors that will influence long-term success. Leaders institute mechanisms to measure performance and put it in context of current and expected market trends.

TRANSLATE ANTICIPATION

Leading companies anticipate impacts of company operations; they partner with local leaders to identify local trends and prepare for future challenges and develop means of communication to understand local expectations. Their strategies should include tactics such as hosting conferences or meetings of key stakeholders in local markets or constructing scenario planning analyses with local partners and stakeholders.

WESTPAC CASE EXAMPLE

NON-TRADITIONAL VALUE CHAIN MANAGEMENT

Westpac’s senior sustainability manager, Alison Ewings, describes the company’s main environmental impacts as indirect, saying that the company, “takes a more of a value chain approach rather than a life cycle approach.” Such an approach is difficult to enact in a service environment, because, as the manager continues, “there is no widget to track from extraction through to the end of its useful life.” Thus, the company has had a value chain approach in place for a number of years. Westpac’s approach incorporates a detailed survey that is required of all high-risk suppliers. Recently the company moved to a questionnaire for all suppliers. A subset of those questionnaire responses are externally validated each year. The company reaches out to suppliers through a series of workshops, so that, as the senior sustainability manager explains, they may then “replicate it with their own suppliers.” The company also benchmarks how suppliers within specific sectors perform against each other.

DISSEMINATE:
Communicate challenges, risk and results to stakeholders for greater accountability and transparency.

Step 8: Disseminate

Leading companies effectively communicate risks and results through different channels. All stakeholders including investors, employees, external regulators, consumers and civil society should be fully informed of environmental stewardship strategy progress. Communicating progress leads to greater accountability and transparency. When joining the UN Global Compact, companies make an explicit commitment to share progress made in an annual Communication on Progress (COP).

EMBED DISSEMINATION

Leading companies develop effective capacity building and internal communication programs that enable effective information sharing and quick adoption of best practices. This ensures that goals and objectives are clearly stated and communicated and supports internal collaboration and faster adoption of best practices across the organization.

BALANCE DISSEMINATION

It is important to balance internal communications with external reporting. Due to the pervasiveness of social networks, internal information is more likely to leak out to the press; therefore leading companies have recognized that providing stakeholders with more robust, transparent and frequent information creates value through disclosure of risks and results.

NOVO NORDISK CASE EXAMPLE

INTEGRATION: EXTERNAL REPORTING

Novo Nordisk came to believe that standard financial reports capture less than 20 percent of corporate risks and value-creation potential. As of 2004, the company has integrated social and environmental reporting into its annual report. Such integration recognizes the interdependence of all of these issues and adds value to investors. Novo Nordisk provides three rationales for such a change: Integrated reporting provides a more complete valuation tool for the risks of the company. It increases accountability towards all stakeholders. It assists management in driving performance against Balanced Score Card objectives.

HOLCIM CASE EXAMPLE

LEVERAGING PARTNERSHIPS AND INDUSTRY ASSOCIATIONS

As part of the building and materials sector, Holcim has become a leader in sustainability. The company focuses its sustainability strategy on addressing a variety of issues, including climate change, conservation of non-renewable resources, recycling of secondary materials and community engagement. In assessing the environmental footprint of its operations, Holcim identified biodiversity impact planning as a strategic tool to improve its operational approach to resource management and to contribute to broader social and development goals. As a way to fully understand its impacts, Holcim realized the importance of establishing partnerships with expert institutions. In 2007, Conservation of Nature, which includes the sharing of good practices with other companies and conservation agencies.

DIFFUSE DISSEMINATION

Leading companies share information about challenges, risks and best practices across the business value chain. They engage in forums such as industry associations and working groups to share best practices and drive results across their industries.

TRANSLATE DISSEMINATION

Leading companies are in constant communication with the local and global external environment to understand new challenges, develop corporate policies and internal mechanisms to address them and distribute local outside knowledge across the organization. Partnering with NGOs is an effective means to identify opportunities to confront issues and translate risks into opportunities while creating a channel to disseminate results through credible partner organizations.



Environmental Stewardship Resource: Next steps in Development and Deployment

The Environmental Stewardship Resource is meant to be scalable in terms of its design as well as in its volume of use. As more executives take an active role in learning, contributing to discussions, sharing of best practices and collaborating, they can begin to empower their employees to participate as well. This tool enables a “virtual,” multi-stakeholder engagement process internally throughout an organization, as well as a collaboration with external partners. It is the responsibility of executive leadership and managers to ensure that employees integrate an environmental stewardship mindset into their jobs. Active encouragement of the use of this resource will assist in such endeavors.

Further deployment of the Stewardship Resource should entail inviting strategic partners throughout the company’s value chain to get involved. The resource will serve as a repository of information on environmental best practices and will help better define the management systems and processes that can be implemented to enhance supplier cooperation. Additionally, as an open source resource that has been created as a “public good” the Environmental Stewardship Resource can evolve into an ideal tool to benchmark practices among companies.

A goal of the resource is that over time UN Global Compact members who access it and put its many elements to use will be in a position to better formulate how to “Recommit to the Global Compact.” As leader companies communicate their “next level” commitment to the environmental principles of the UN Global Compact it will encourage others to use its components to do the same. Users can add content by creating a profile under the “Networking” tab.

The journey towards a better world has no defined endpoint but rather is an ongoing, collaborative effort of people striving towards a greater good. Being responsible stewards of the environment cannot be limited to a group of individuals, a business unit, company, industry, region or country. It must be an effort supported from the top down where everyone is empowered to learn, participate in dialogue and network. With the creation of the UN Global Compact Environmental Stewardship Resource, a crucial step has been taken towards bridging the gap between available knowledge and organizations seeking to use that knowledge to develop critical solutions to pressing environmental problems.

ABOUT THE UNITED NATIONS GLOBAL COMPACT

Launched in 2000, the United Nations Global Compact is a both a policy platform and a practical framework for companies that are committed to sustainability and responsible business practices. As a multi-stakeholder leadership initiative, it seeks to align business operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption and to catalyze actions in support of broader UN goals. With more than 8,000 participants in over 135 countries, it is the world's largest voluntary corporate responsibility initiative. www.unglobalcompact.org

ABOUT DUKE UNIVERSITY

Duke University, a private research university located in Durham, North Carolina, USA, houses three undergraduate programs and professional schools in business, divinity, engineering, environment, law, medicine and public policy. Its more than 6000 undergraduates, 7000 professional and graduate students and 3000 faculty focus on realizing Duke's signature strategy, "knowledge in service of society." A culture of public engagement is interwoven with education and research across the institution. www.duke.edu.

ABOUT CARING FOR CLIMATE

Caring for Climate is the UN Global Compact's leadership initiative on climate change. Formed in July 2007, the platform provides a framework for business leaders to advance practical solutions and help shape public policy. CEOs who support the initiative are prepared to set goals, develop and expand strategies and practices, and to publicly disclose emissions as part of their existing Communication on Progress commitment within the UN Global Compact framework. Caring for Climate is endorsed by nearly 400 companies from 65 countries. For more information including on how to endorse the initiative, please visit the UN Global Compact website at: http://www.unglobalcompact.org/Issues/Environment/Climate_Change/

ABOUT THE CEO WATER MANDATE

Launched by the UN Secretary-General in July 2007, the CEO Water Mandate is a private-public initiative of the UN Global Compact with a focus on developing corporate strategies and solutions to contribute positively to global water issues. Endorsing CEOs acknowledge that in order to operate in a more sustainable manner, and contribute to the vision of the UN Global Compact and the realization of the Millennium Development Goals, they have a responsibility to make water resources management a priority, and to work with governments, UN agencies, civil society, and other stakeholders to address this global water challenge. For more information including on how to endorse the initiative, please visit the UN Global Compact website at http://www.unglobalcompact.org/Issues/Environment/CEO_Water_Mandate/

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The Ten Principles of the United Nations Global Compact

HUMAN RIGHTS

- Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2 make sure that they are not complicit in human rights abuses.

LABOUR

- Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4 the elimination of all forms of forced and compulsory labour;
- Principle 5 the effective abolition of child labour; and
- Principle 6 the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

- Principle 7 Businesses are asked to support a precautionary approach to environmental challenges;
- Principle 8 undertake initiatives to promote greater environmental responsibility; and
- Principle 9 encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

- Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.

