



## BSR Identifies Five Key Trends in CSR

# CSR as a Business Strategy



©2008 FVG LLC

**A**s a global leader on corporate social responsibility (CSR), Business for Social Responsibility (BSR) has identified five key CSR trends that provide rewards for companies, communities and the world at large:

**Return on Investment (ROI):** More businesses are recognizing the benefits of CSR, from cost savings on energy and materials to direct benefits like enhanced reputation among customers and clients and indirect benefits like employee satisfaction. Most importantly, CSR programs provide rewards—and increased monetary value—through the creation of products and services that support sustainability.

**Increasing Rewards for Communities and Workers:** Companies are working to mitigate their impacts on community resources such as water through conservation and by promoting sustainable development that benefits communities and employees.

**New Media and the Fight for Customers' Mindshare:** Through CEO blogs, YouTube videos and other new media tools, smart companies are arming customers with more information about CSR efforts.

**Carbon Footprinting Reaches Supply Chains:** More companies are gathering credible data about the carbon emissions in their global supply chain—and BSR is designing a calculator tool to help them.

**New Opportunities in Environmental Markets:** Beyond reducing their climate impact through decreased carbon emissions, advanced companies are working to monetize and develop markets for environmental services like water, nutrients and biodiversity.

BSR's Conference ([www.bsr.org/conference](http://www.bsr.org/conference)), Nov. 4-7 in New York, will equip sustainable business leaders to harness these trends and stay ahead of the curve. Key to all five trends identified by BSR is credible information. "Companies rely upon us to collect data to verify CSR performance, and use our platform to support internal and public communications," said Dave Rath, CEO of ProcessMAP Corporation, which offers companies web-based enterprise software to manage both qualitative and quantitative ES&H data. "It is awfully difficult to justify CSR investments without good data," he added.

### Specialized Technology Resources (STR): Taking Ownership of CSR

When it comes to ensuring that CSR activities designed and approved in corporate boardrooms are transformed into bona fide activities in the workplace, few firms can match the expertise and track record of STR's Responsible Sourcing Division, formerly CSCC. With over 20 offices operating in more than 130 countries worldwide, the company has pioneered compliance systems that can be molded to fit the corporate values of each specific client.

"One size does not fit all," observed Greg Gardner, President and CEO, STR Responsible Sourcing. "We have clients that are industry leaders, who are pushing the envelope and are very progressive. We also have some that are new to the world of social compliance. Our goal is to help our clients reach their responsible sourcing goals, whatever that means for them."

Among the new tools STR offers is the "remediation consultation," an in-depth engagement with suppliers combining training and education. The aim is to help suppliers understand the ROI that comes with good labor and environmental practices, while addressing systemic obstacles to long-term improvements. Each remediation engagement focuses on a specific "pain point" like workplace health and safety.

"We have a database that tracks audit results over time, so we have a very clear idea of where suppliers are experiencing continuing challenges," stated Gardner. This gives STR a unique vantage point in helping its clients – mostly large global brands.

The firm is also working on new forms of collaboration. "One of our clients is an agricultural operation whose supply chain consists of thousands of tiny farms throughout the country," said Rachelle Jackson, R&D Director for STR. "With our training, this company can check out the compliance of each farm independently. This allows them to take ownership of their CSR program, the ultimate goal of STR's business model," Jackson concluded. ■ ■ ■

# Everyone Wins!

No matter how you spell it, CSCC – which will change its name to STR as of January 1, 2009 – is a leader in helping companies build secure and socially responsible relationships with their supply chain partners.

C S C C

T

R E S P O N S I B L E

Since CSCC's founding in 1991, and our acquisition by STR in 1999, we have improved workplace conditions for millions of the world's most vulnerable workers and protected many recognized brands from sourcing risk.



O  
U  
R  
C  
I  
N  
G

As STR's Responsible Sourcing Division, we will expand our role as one of the world's foremost providers of monitoring, training, and research services for supply chain labor and security.

When it comes to helping clients meet their corporate responsibility goals, we don't play around. STR can give your company the confidence it needs to make sound sourcing decisions.

[www.STRQuality.com](http://www.STRQuality.com)

*Raising the world's expectation of product quality, safety and supply chain responsibility*





## Anvil Knitwear, Inc.: On the Right Thing to Do



**Anthony Corsano, CEO**, receives the Ernst & Young Metro New York Entrepreneur of the Year® 2008 Award in the Retail and Consumer Products Category



[www.anvilknitwearcsr.com](http://www.anvilknitwearcsr.com), (800) 223-0332

It's not easy to reinvent a company, but in the case of Anvil Knitwear, Inc., a recent transformation catapulted this century-old brand to be a major player in the burgeoning markets for environmentally and socially responsible activewear.

At the heart of the company's reinvention was the launch of a new organic cotton line in 2007, and a pre-consumer recycled cotton line in 2008. "Within 12 months, we've become the largest domestic user of American organic cotton in the U.S.," says CEO Anthony Corsano, who recently earned the Ernst & Young Metro New York Entrepreneur of the Year® 2008 Award in the Retail and Consumer Products Category. "And we'll soon be introducing clothes made, in part, from recycled poly from plastic bottles."

In fact, corporate responsibility is part of every business decision the company makes, Corsano says. Whether it's analyzing energy consumption to reduce Anvil's carbon footprint, or simply improving the communities in which their employees work, behaving like a good corporate citizen is critical to creating a sustainable business model. "It saves money, it engenders employee loyalty, it attracts better employees," Corsano says. "In every way it makes us a better business." For example, Anvil is helping pay for a housing project for single mothers in Nicaragua and it recently distributed 120,000 pounds of food to its employees in Central America due to rising fuel prices and transportation strikes. "We might come up with some cool design and marketing concepts here in NYC," Corsano said, "but these are our employees, and they are the ones who actually make our products."

"If our story and the success it has brought us can inspire just one more CEO or business leader to do the right thing, then it's all worth it."

## Yahoo! Launches New Business & Human Rights Initiative

Communication and information technologies are key drivers and critical foundations of today's global economy. Yet despite the rapid spread of tools like e-mail, user-generated content, mobile applications, and web searches to all corners of the world, providers and users of these services must still contend with efforts by governments to restrict the free expression and privacy rights these same tools enable.

That's why Yahoo! has established a new Business & Human Rights Program, which guides its approach toward existing and potential markets for its products. "This program is grounded in core values centered on open access to information, free expression, and the belief that engagement, even in countries that restrict expression and access, can have a positive im-

pact on the lives of citizens – with the Internet serving as a powerful agent of change wherever it is used," said Michael Samway, Vice President and Deputy General Counsel at Yahoo!.

Yahoo!'s Business & Human Rights Program supports multi-disciplinary efforts to promote access to the Internet and limit unfair restrictions on its use. For example, when entering certain new foreign markets, Yahoo! undertakes a formal Human Rights Impact Assessment to explore the potential intersection points between planned operations and risks to individual freedoms. Yahoo! then tailors its entry into the new market to minimize risks to human rights.

"Working both on our own and with like-minded partners, the Business & Human Rights Program is an important part of Yahoo!'s ongoing effort to protect the rights of our customers around the world – and to enable the Internet to make a positive difference in their lives," Samway explained.

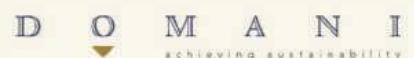


<http://yhoo.client.shareholder.com/press/human-rights-free-expression.cfm>, (408) 349-3300

## DOMANI: Out-of-Box Innovation

Sustainability consulting firm helps corporations achieve strategic environmental and social performance.

DOMANI has enabled clients to navigate the brave new world of sustainability for nearly a decade. The firm helps companies integrate sustainability into their long-term strategies to improve operating efficiency and drive top-line growth. "Integrating sustainability into a multinational enterprise is like turning a large ship," acknowledged DOMANI's CEO, William Sarni. "As the bar is raised," Sarni has found that "innovation and 'out-of-box' thinking is essential." DOMANI's clients include Alcoa, BASF, Cisco, Cherokee Investment, Grosvenor, Pfizer, The Coca-Cola Company and Wrigley.



[www.domani.com](http://www.domani.com), (303) 232-0193

In his book *Fit for Service*, David Childs, Ph.D. shares 81 specific practices that have helped his organization reduce operational waste, increase profit margin, and earn national and international recognition for excellence. These practices create new surpluses, a portion of which can be donated to worthy philanthropies. [www.fitforservice.org](http://www.fitforservice.org), (214) 450-4075



## ProcessMAP Corporation: Global Leader in CSR Management Software

With a customer base in more than 60 countries, ProcessMAP has emerged as a clear leader in software solutions for tracking Environmental, Safety & Health (ES&H) data for the largest corporations in the world. ProcessMAP's web-based solutions incorporate the Global Reporting Initiative (GRI) framework, and serves as the backbone of an enterprise data management platform to measure and track progress on sustainability and corporate social responsibility (CSR).

"Our system is easy to use, functionally rich, multilingual, and is offered on a Software-as-a-Service (SaaS) model that can be up and running within three months," said Dave Rath, CEO. "One does not need large capital investments to begin tracking their CSR performance."

The prime reason for the company's success is ease of collecting reliable data companywide. "Our customers rely upon data in our system to communicate their CSR performance within the organization via scorecards and dashboards, and for public communications via CSR and Global Citizenship Reports. Our system provides data that is clean and fully auditable," Rath said. Among the adopters of ProcessMAP's software are global corporations. "Our customers are extremely progressive and have made sustainability one of their core competencies, many of whom are also listed in Dow Jones Sustainability Index (DJSI) and FTSE4Good," Rath observed.

Perhaps the most notable need in the recent CSR landscape is to establish and manage carbon footprint, which has fueled ProcessMAP's innovation in its software portfolio. The software is pre-loaded with conversion factors for calculating greenhouse gas emissions for a wide range of energy sources. "Our software can calculate carbon footprint companywide, country-by-country, site-by-site or operation-by-operation. Our software improves accuracy and reduces time by 80 to 90 percent," stated Rath.

The firm is employee-owned and has grown twentyfold in the last five years, a tribute to the company's success. He concluded, "Our success and growth is the proof that our solutions give customers the ability to calculate the ROI of their CSR investments."



[www.processmap.com](http://www.processmap.com), email: [info@processmap.com](mailto:info@processmap.com)

## IYF: Investing In Our Youth

Global public-private partnerships are maturing and the International Youth Foundation (IYF) is in the lead, working in 70 countries.

"We think about philanthropy like a corporation, so scale and sustainability are important," said William Reese, IYF CEO. Instead of pilot projects, IYF works with businesses and local communities to replicate what already works. "We take an asset-based approach to youth, by investing in their abilities and preparing them for work. CEOs working in emerging markets understand the value of co-creating a human investment program. These youth, after all, are the workers and citizens of tomorrow."



[www.iyfnet.org](http://www.iyfnet.org), (410) 951-1606

## Ford Motor Company: Supply Chain Sustainability

Ford Motor Company has long recognized that treating people with dignity and respect holds a fundamental place in how it conducts business around the world.

In 2000, Ford made human rights core to its sustainability strategy, and in 2003 began implementation of the Ford Code of Basic Working Conditions throughout its \$90 billion supply chain. Ford requires suppliers to "ensure that our products – no matter where they are made – are manufactured under conditions that demonstrate respect for the people who make them," according to Tony Brown, Group Vice President of Global Purchasing. "This is just as important as quality, cost-competitiveness or timeliness of delivery."

In order to effectively engage suppliers throughout the chain, Ford has a three-phase approach:

**Individual Facilities** Training and capability building is the fundamental basis of Ford's Supply Chain Working Conditions program, supported by assessments of individual factories.

**Corporate Engagement** Ford seeks supplier ownership at the corporate level to enhance policy, verification systems and supply chain impact.

**Industry Collaboration** Ford is driving collaboration on global supply chain working conditions through the Automotive Industry Action Group (AIAG).



[www.ford.com/go/sustainability](http://www.ford.com/go/sustainability), email: [fwcp@ford.com](mailto:fwcp@ford.com)