

1 Corporate Social Responsibility

Profit • Science • Trends

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2 Objectives

- 1.A. Understand Corporate Social Responsibility (CSR) and B. how it pertains to your bottom line.
2. Explore the science and use of carbon offsets.
3. Address upcoming trends and regulations intended to help your company or organization incorporate CSR initiatives

3

Part 1: What is CSR?

4 What's in a name?

That which we call a rose/by any other name would smell as sweet...

- Corporate social responsibility
- Social responsibility
- Corporate citizenship
- Responsible business
- Corporate social opportunity
- Corporate social performance
- Corporate social responsiveness

5 CSR: Defined

CSR (Corporate Social Responsibility) is a concept whereby organizations consider the long-term interests of the communities in which they operate and take responsibility for the impact of their actions on employees, customers/members, the community and the environment

6 Sustainable Development

“Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

Our Common Future

7 Cannibals with Forks

- Triple Bottom Line
 - People
 - Planet
 - Profit
- Responsibility to stakeholders, not shareholders

8 Questions?

9

Part II:
How the Profit in People, Planet and Profit Pertains to Your Bottom Line

10 Profit: Show me the money

The bottom line is that organizations must be profitable or they are *themselves unsustainable* and unable to support the sustainability of their communities

11 Profit: Theoretical Business Case

PricewaterhouseCoopers Top 10 Reasons for CSR:

1. Enhanced reputation
2. Competitive advantage
3. Cost savings
4. Industry trends
5. CEO/board commitment
6. Customer demand
7. Socially responsible investment (SRI) demand
8. Top line growth
9. Shareholder demand
10. Access to capital

12 BUSINESS

13 Supply, Demand and Strategic CSR

Supply:

- Fairmont
- Mandalay Bay
- Southwest Airlines

Demand:

- CAPSTRAT
- ABC Home Furnishings

Strategic:

- The Body Shop
- Nestle

14 The Power of Context: Strategic CSR

- Identify points of intersection between your company and society
- Select social issues to address
- Create a small number of initiatives that generate distinctive benefits for your company

From: Michael Porter and Mark Kramer, *Strategy and Society: The Link Between Competitive Advantage and CSR* in The Harvard Business Review

15 Supply Side CSR: (Fairmont)

Re-thinking Resource Efficiency

The Fairmont Banff Springs, Banff

- Spend money on retrofits and new technology
- Saved money on energy costs

– Recovered costs in less than two years

16 Supply Side CSR

(Mandalay Bay)

Re-thinking waste

- 1.Reduced cost
- 2.Cost avoidance
- 3.Profit

17 Supply Side CSR

(Southwest Airlines)

Re-thinking Processes

Southwest Airlines

- Discarding the “hub” model
- Better time and energy efficiency
- Happier clients, more profits

18 Demand-Side CSR: How CSR Impacts Profits

FGI Research for CAPSTRAT found that consumers were influenced to purchase by:

- 1.Good customer service (84%)
- 2.Reliable products (83%)
- 3.Giving back to the community (53%)**
- 4.Environmental respect (52%)**

19 Demand Side CSR: ABC Home Furnishings

ABC Home Furnishings
Manhattan, NY

Demonstrates the link between consumer behaviour and CSR

20 Nestle Case Study: Strategic CSR

1. Identification of:
 - Potential marketplace
 - Social issues restraining ease of business
2. Creation of a strategy to address social issues
3. Implementation
4. Sustainable marketplace

21 Strategic CSR

(Body Shop)

Re-thinking Community

The Body Shop

- Made people and planet part of its operating philosophy

- Used this not only for marketing but for an operational model
- By using fair trade products, they create a sustainable marketplace for future supplies.

"Our business runs on passion, and our five values; Protect the Planet, Support Community Trade, Against Animal Testing, Defend Human Rights, Activate Self Esteem, govern all that we do, from reducing our carbon footprint to ordering our envelopes."

22 Incorporating "Profit" into Events

Supply and demand side:

- Re-think event design
- Use technology
- Incorporate new processes
- Reduce materials/increase energy efficiency

Strategic CSR:

- Align CSR activities with organizational goals and objectives
- Become involved in the community and tell your story

23 (Really Bad) Poetical Summary

Does a cannibal progress

(I do not digress!)

If he picks up a fork?

It's nothing to scoff at

People, planet and profit

Harvard proved that it works.

24 Questions?

25

Part III: The Science of Offsets

26 Offsets Defined

A carbon offset...

...Is a conceptual financial tool to help organizations mitigate the impact of their activities. The theory is that since climate change is a global problem, a reduction in emissions elsewhere will have a balancing effect.

This is also known as going "carbon neutral".

27 Carbon Footprint

A carbon footprint...

is a measure of the impact human activities have on the environment due to the release of greenhouse gases as measured in units of carbon dioxide (CO₂).

28 Offset Theory

The "airshed" is a river in the sky.

Image from craigwolf.com on Google images

29 Kinds of Offsets

Markets:

- Compliance (to comply with carbon caps)
- Voluntary (individual, projects, events)

Types

- Energy
 - Demand side (conservation, co-generation, efficiency)
 - Supply Side (renewable energy)
- Reforestation

30 Goldilocks and the Greenhouse Effect

31 Why We Don't Live on Mars

- Average temperature is minus 60 degrees Celsius.
- Most of its carbon is stored in rocks; it has no way of circulating carbon in its atmosphere
- No breathable atmosphere

32 Why We Don't Live on Venus

- Average temperature is about 450 degrees Celsius/850 degrees Fahrenheit
- Atmosphere is almost completely carbon dioxide

33 Greenhouse Effect

(Why We Live on Earth)

34 The Carbon Cycle

35 What it Looks Like When the Earth Breathes

36 Important Offset Terms

- Additionality
 - Ensuring the project is new and not something that would have happened anyhow during the normal course of business
- Renewable Energy Certificates
 - Usually for wind and power generation (or other renewable energy); also called "green tags"
- Registration
 - Projects should be registered and have verifiable procedures in place
- Banking
 - Refers to "saving" the benefit for future use instead of retiring it on a current project
- Retiring
 - Offsets are "retired" once they are used so they cannot be re-applied and counted twice

37 The Gold Standard

- The Gold Standard is an independent, best practice benchmark for carbon offsets
- Its methodology ensures that offset projects do what they say they will, including:
 - Tests for additionality
 - Promotion of sustainable development
 - Renewable or energy efficiency projects
 - VER (verified emission reduction)

www.cdmgoldstandard.org

38 Tufts University Recommended Offset Providers

Recommended:

- Atmosfair www.atmosfair.de
- Climate friendly www.climatefriendly.com
- MyClimate www.myclimate.org or www.my-climate.com
- Native Energy www.nativeenergy.com

Recommend with reservations:

- Carbonfund www.carbonfund.org
- Carbon Counter www.carboncounter.org
- Carbon Neutral: www.carbonneutral.com
- ClimateCare www.climatecare.org
- Offsetters www.offsetters.com
- TerraPass www.terrapass.com

39 Offsets: The Good, the Bad and the Ugly

1. The Good:

- They are easy
- They are better than doing nothing
- There are organizations to help with verification such as The Gold Standard
- They are one tool to consider using, along with others

2. The Bad:

- Depending on type, they may not have immediate benefit
- They cost organizations to buy them

3. The Ugly

- “Additionality” is important but hard to verify unless third-party verified (such as The Gold Standard)
- There is a lack of regulation in many areas of offsets (sequestration, such as reforestation projects)

40 Offsets: Recommendations

1.Reduce first. Offset second.

2.Get out of the carbon cycle: Look for projects that support renewable energy like solar or wind power

3.OR projects that focus on energy efficiency

4.Look for accredited carbon offset programs, such as those with the Gold Standard label

5.Ensure projects supported with offsets are ADDITIONAL projects, not something that would be done anyway

41 Another (Really Bad) Poetical Summary

CO2 is a greenhouse gas
29 billion tons we amass
Each year; when we're through
Into the air we readily spew.
Men may be from Mars
But Earth might be Venus, alas.

Ocean and air and trees
Drink up our carbon, please!
We ask you to dinner
We're sure you're a winner
Or someday our Hummers will cease.

42 Questions?

43

Part IV : Trends, Regulations and Incorporating CSR in Your Organization

- 44 Trends
- “Green” Meetings
 - Voluntourism
 - Legislation
 - Standards
 - Event miles
 - Reporting

- 45 Green Meetings
According to the Convention Industry Council, a **green meeting** is...

A green meeting or event incorporates environmental considerations to minimize its negative impact on the environment.

- 46 Green Meetings: Marketing Research

- 47

- 48 Voluntourism

Voluntourism is....

A seamlessly integrated combination of voluntary service to a destination and the best, traditional elements of travel — arts, culture, geography, and history — in that destination

- 49 Legislation
Sectors identified By California Global Warming Legislation:
- Agriculture
 - Energy
 - Forests
 - Manufacturing
 - Oil and Gas
 - Transportation
 - Waste disposal
 - Local Action

- 50 Standards Development

- 51 British Standard 8901 for Sustainable Events
- World’s first sustainable event standard
 - Is beginning journey to become an ISO (international standards organization) program
 - Helps events to:
 - Improve sustainability within available budgets
 - Reduce carbon emissions and waste
 - Improve resource efficiency of the supply chain
 - Assist in tracking social impacts such as community involvement and labour practices

www.bsi-global.com

- 52 **APEX Green Meetings Standards**
- Being developed by APEX in conjunction with the US Environmental Protection Agency and ASTM Int.
 - ASTM will host discussion under E06.71.14 task force
 - Areas:
 - Destinations
 - Accommodations
 - Venues
 - Transportation
 - Food and Beverage
 - Exhibitions
 - General office/communications

53 **Event Miles**

Concept whereby events track the amount of miles travelled by participants, staff, speakers, etc. to the location and the amount of carbon emissions associated with this travel

54 **Reporting**

- UN Global Compact
- Global Reporting Initiative

55 **UN Global Compact**

- World's largest voluntary corporate citizenship initiative
- About 5600 global participants
- Goals:
 - To make mainstream the ten principles in business activities globally
 - Catalyze actions in support of broader United Nations goals such as the Millennium Development Goals
- For businesses which seek to align themselves around ten principles in the 4 areas of:
 - Human rights
 - Labour
 - Environment
 - Anti-corruption

56 **The UN Global Compact**

Four management elements

- *VISION*
- *ENABLERS*

- *RESULTS*
- *REPORTING*

57 **Global Reporting Initiative**

- A sustainability reporting framework
- About 1500 voluntarily participating organizations
- Areas include:
 - Economic
 - Environment
 - Human rights
 - Labor
 - Product responsibility
 - Society

58 What MPI is Doing

- UN Global Compact
- BS 8901 certified for The European Meetings and Events Conference 2008
- Developing framework for community service
- Development of case studies
- Provision of sustainability education at conferences and through technology
 - Webinar series:
 - September 24: CSR: Sustainability, Marketing and Tools
 - October 1: Sustainable Meetings: Destination Selection
 - October 8: Sustainable Meetings: Measurement and Contracts
 - October 15: Sustainable Meetings: Food and Beverage

59 Questions

60 Other Resources

- Gold Standard List of Offset Providers: <http://www.cdmgoldstandard.org/background.php?id=88>
- FutureWatch 2008: <http://www.mpiweb.org/CMS/uploadedFiles/Mortar/FutureWatch%202008%20Report.pdf>
- MPI CSR GroupSpace: <http://www.mpiweb.org/cms/mpweb/community/CommHome.aspx?commid=97>
- MPI CSR page: www.mpiweb.org/sustainability
- BSi 8901 direct link: <http://www.bsi-global.com/en/Standards-and-Publications/Industry-Sectors/Environment/more-products/BS-8901/>

61 Other Resources

- Green Meeting Report: http://www.conventionindustry.org/projects/green_meetings_report.pdf
Global Reporting Initiative: www.globalreporting.org
United Nations Global Compact: www.unglobalcompact.org