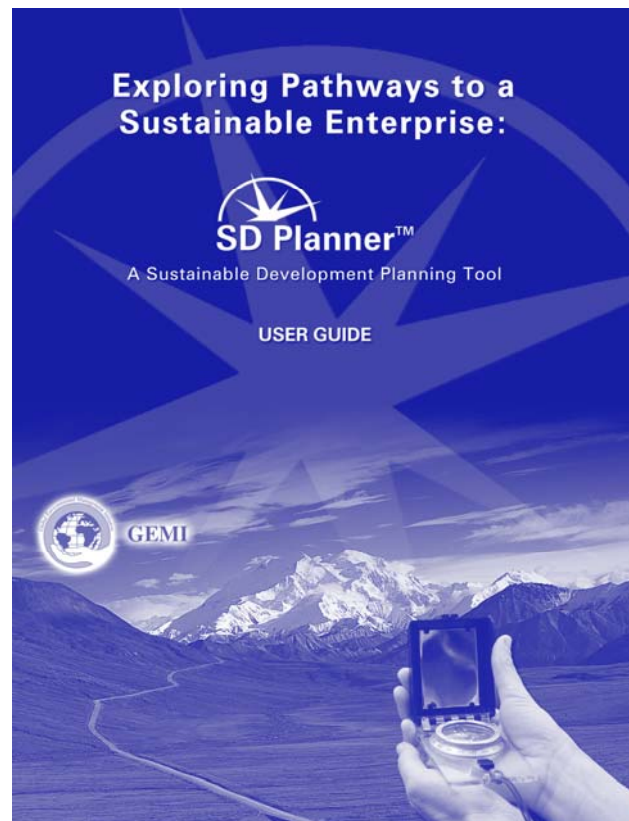


# *The Global Environmental Management Initiative (GEMI)*

## *Exploring Pathways to a Sustainable Enterprise: SD Planner™* A Sustainable Development Planning Tool

June 2004



# ***GEMI***

---

## **Vision:**

*“To be globally recognized as a leader in providing strategies for businesses to achieve EHS excellence, economic success, and corporate citizenship.”*

## **Mission:**

*“Business helping business improve EHS performance, shareholder value, and corporate citizenship.”*

# *Current GEMI Members*

- 3M
- Abbott Laboratories
- Altria Group Inc.
- Anheuser-Busch Inc.
- Ashland Inc.
- Aventis Pharmaceuticals Inc.
- Bristol-Myers Squibb Company
- BNSF Railway Company
- The Coca-Cola Company
- ConAgra Foods
- Dell Inc.
- The Dow Chemical Company
- Duke Energy
- DuPont
- Eastman Kodak Company
- Eli Lilly and Company
- FedEx
- Georgia-Pacific Corporation
- HP
- Intel Corporation
- Johnson Controls, Inc.
- Johnson & Johnson
- JohnsonDiversey, Inc.
- Koch Industries
- Lockheed Martin Corporation
- Merck & Company
- Mirant Corporation
- Motorola, Inc.
- Novartis Corporation
- Occidental Petroleum Corporation
- Pfizer Inc
- The Procter & Gamble Company
- Roche
- Schering-Plough Corporation
- Smithfield Foods, Inc.
- Southern Company
- Temple-Inland, Inc.
- Texas Instruments
- Wyeth

# ***GEMI Recent Reports***

---

- *Forging New Links: Enhancing Supply Chain Value Through Environmental Excellence* and supplemental web site, [www.gemi.org/supplychain](http://www.gemi.org/supplychain)
- *CLEAR ADVANTAGE: Building Shareholder Value / Environment: Value to the Investor*
- *Connecting the Drops Towards Creative Water Strategies: A Water Sustainability Tool* and supplemental web site, [www.gemi.org/water](http://www.gemi.org/water)
- *Exploring Pathways to a Sustainable Enterprise: SD Planner™ – A Sustainable Development Tool* ([www.gemi.org/sdplanner](http://www.gemi.org/sdplanner))
- *Environment: Value to the Top Line (EVTL)*
- *New Paths to Business Value: Strategic Sourcing – Environment, Health & Safety*
- *Environment: Value to the Bottom Line (EVTB)*
- *Business & Climate Change* web site ([www.businessandclimate.org](http://www.businessandclimate.org) )
- *HSE Web Depot* web site ([www.hsewebdepot.org](http://www.hsewebdepot.org))

# *Definitions of Sustainable Development*

---

***Meeting the needs of the present without compromising the ability of future generations to meet their own needs.***

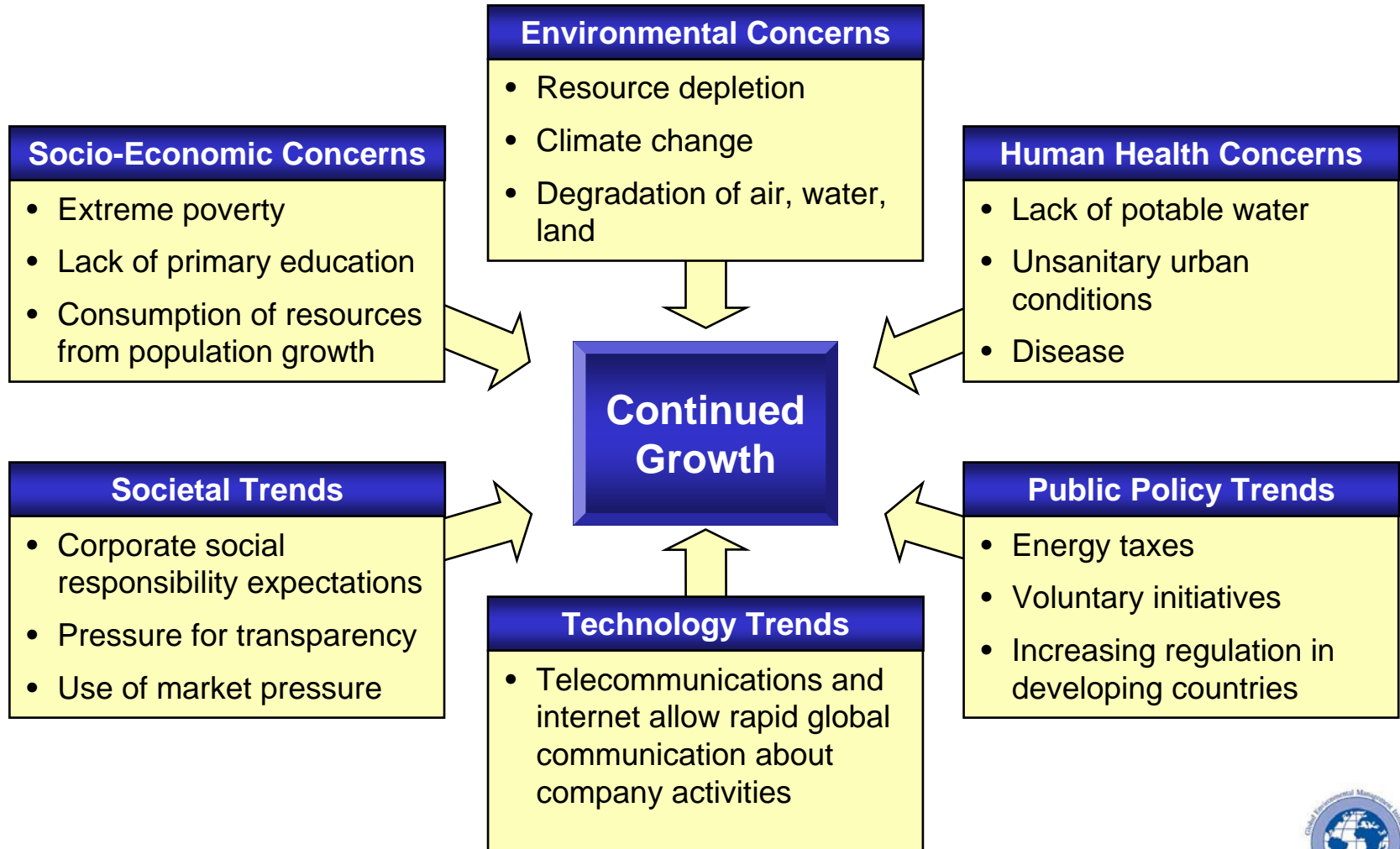
*- World Commission on Environment & Development*

***Ensuring a better quality of life for everyone, now and for generations to come.***

*- UK Government*

# Challenges to Continued Growth

**Environmental, health, and socio-economic concerns and emerging trends associated with SD pose challenges to continued growth.**



# ***Business Response to SD***

---

**The business community has begun to appreciate that addressing SD is an important element of business strategy.**

- Recognition of the link between SD and business value
  - ✓ Bottom line value: reduced operating cost and increased resource efficiency
  - ✓ Top line value: new market opportunities, leading to increased revenues and market share growth
- Understanding that long-term success involves managing the “triple bottom line”
  - ✓ Economic prosperity
  - ✓ Social-well being
  - ✓ Environmental protection

# *Business Response to SD*

**Heads of major corporations have recognized the importance of SD to their businesses.**

The challenge of sustainable growth is not a philosophical issue. It is a nuts-and-bolts business reality. We made it the primary objective of our company, because we believe sustainable growth will be the common denominator of successful global companies in the 21<sup>st</sup> century.

**Chad Holliday, Chairman and CEO,  
DuPont**

In the future, companies that are not sustainable—in the fullest sense of that term—will not be operationally or financially successful. It is doubtful they will even survive.

**William Stavropoulos, Chairman  
of the Board, Dow Chemical**

We believe sustainable development is integral to both P&G's future business success and to a truly better quality of life for all the world's consumers—now and for generations to come.

**Alan Lafley, Chairman and CEO, Procter & Gamble**

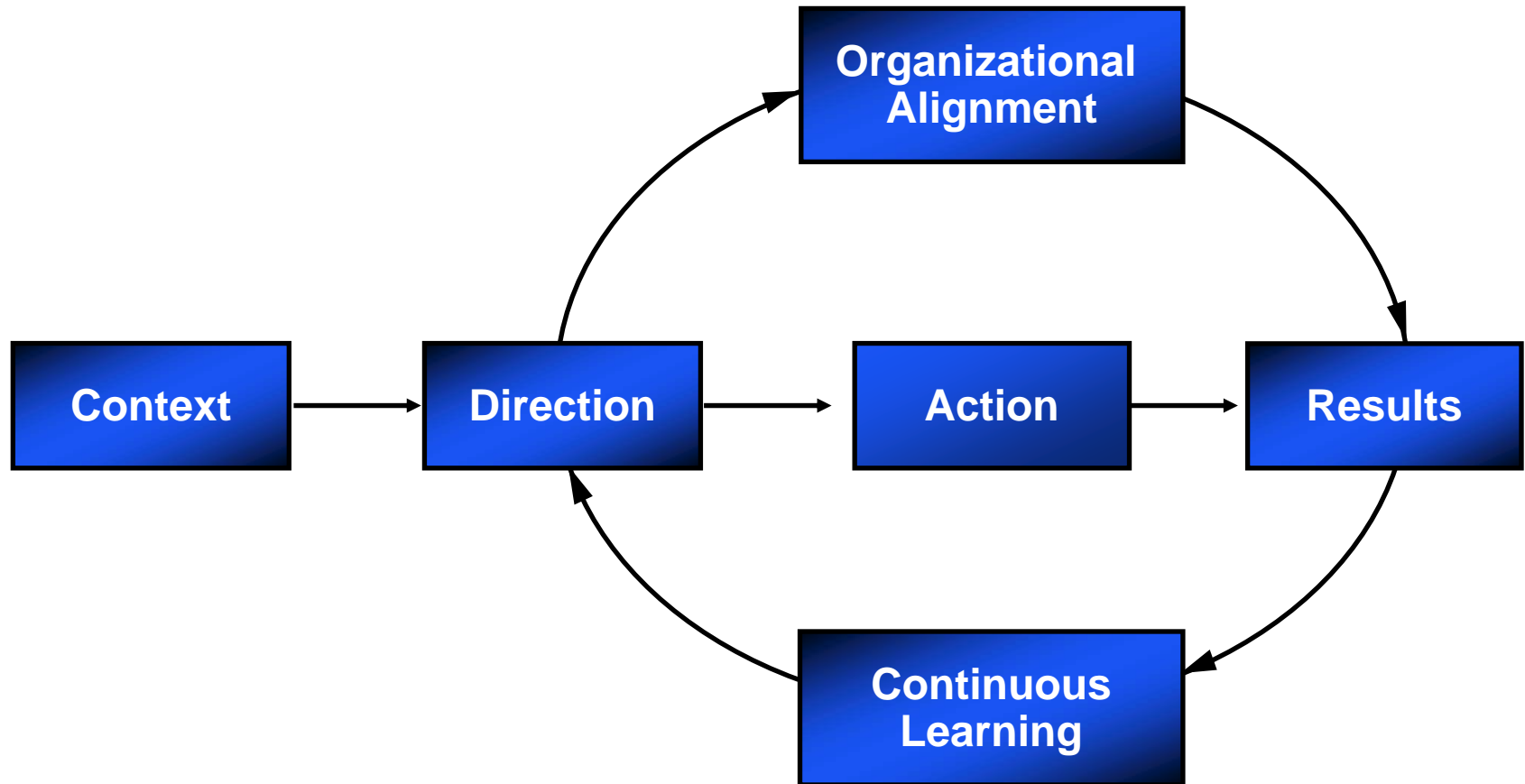
# *Why SD Planner™?*

**The GEMI SD Work Group was formed to develop a SD planning tool.**

- Available tools needed to be expanded to meet GEMI member needs:
  - ✓ Business-focused tool to conduct a self-evaluation, assess opportunities, set goals, plan actions to meet goals, and evaluate progress against goals
  - ✓ Flexible
  - ✓ Customizable for each company or business unit
- *SD Planner™* was designed to build upon existing resources
  - ✓ Subject matter of various SD principles
  - ✓ Self-evaluation methodologies
- *SD Planner™* was developed as an automated tool

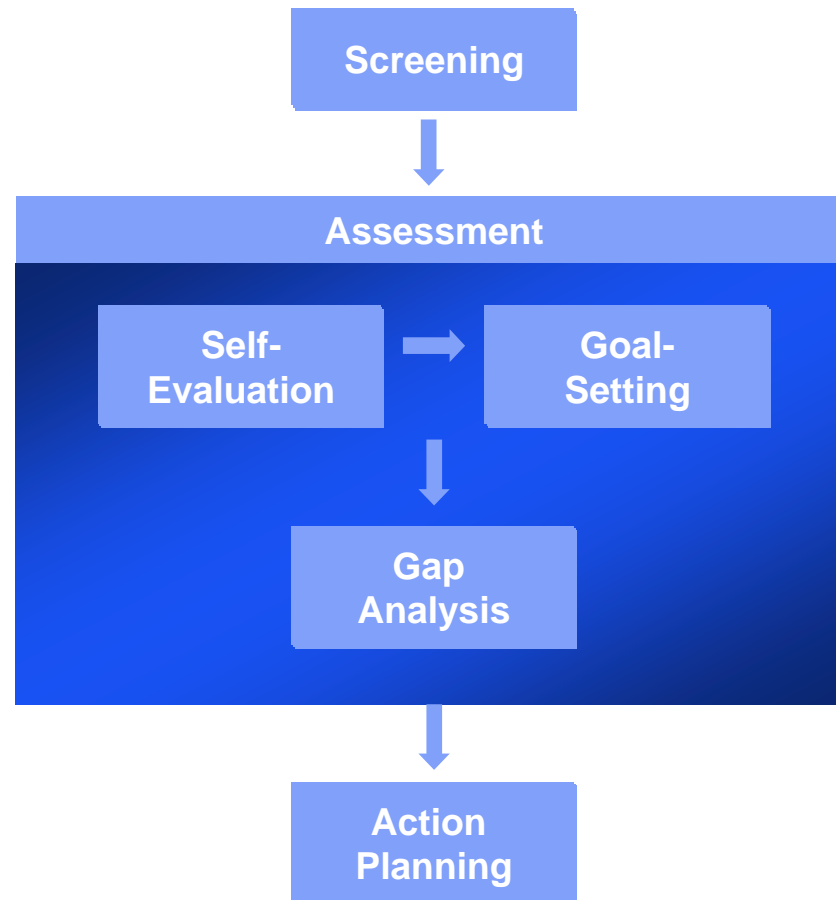
# *Purpose of the SD Planner™*

**SD Planner™ is intended to help companies understand the context of sustainable development and choose a direction for taking action that will deliver results.**



# *SD Planner<sup>TM</sup> Architecture*

The architecture of SD Planner is based on a five-step planning process.



SD Planner is based on the premise that sustainable development involves three categories, often referred to as the “triple bottom line”, each comprising several elements.

### SD Categories and Elements

#### Social

- Employee Well-Being
- Quality of Life
- Business Ethics

#### Economic

- Shareholder Value Creation
- Economic Development

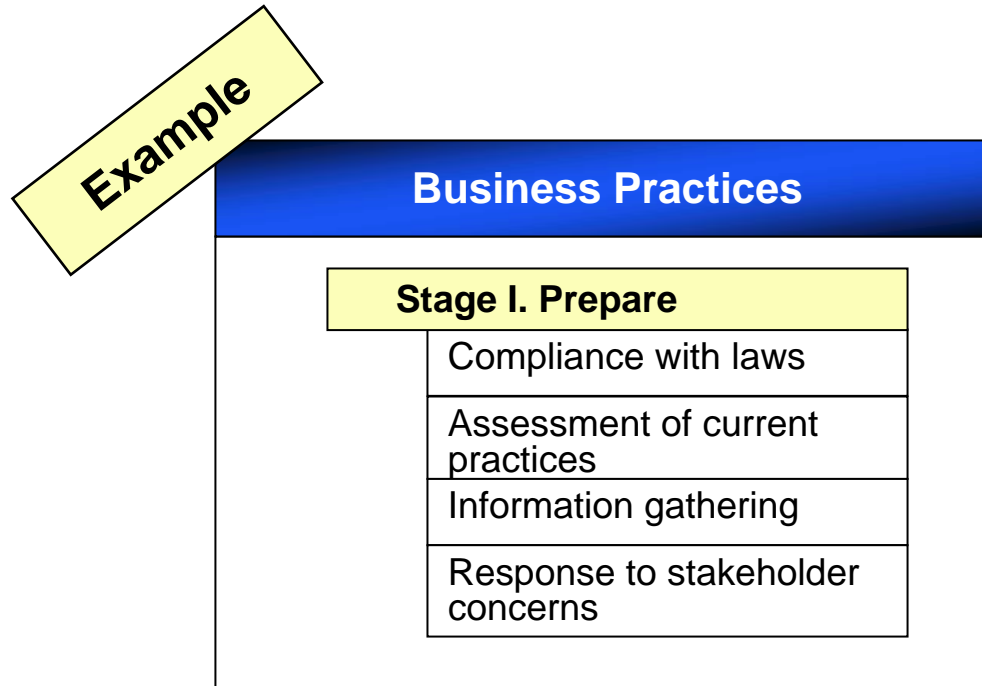
- Environmental Impact Minimization
- Natural Resource Protection

**SD Planner lays out five Stages that companies may take in moving towards their sustainable development goals.**

### Stages of the Sustainable Development Pathway

I. Prepare	II. Commit	III. Implement	IV. Integrate	V. Champion
Minimize SD efforts, while assessing the issue, what other companies are doing, and potential opportunities	Commit to moving forward in addressing SD and chose a strategic direction for SD actions	Launch programs consistent with SD strategy	Make SD part of every day business practices	Act as a leader and champion for others within industry to act on SD

Each Stage comprises several business Practices.



# Self-Evaluation

# Self-Evaluation Window

SD Planner's Self-Evaluation Window is used to assess the current status of a user's company or business unit.

Self-Evaluation
✕

Self-Evaluation

Select Element: 1 - Employee Well-Being

Element 1: Employee Well-Being      Category: Social

	1-Prepare		2-Commit		3-Implement		4-Integrate		5-Champion								
	Compliance with laws	Assessment of current practices	Information gathering	Response to stakeholder concerns	Formal commitment	Proactive policies	Focused programs	Stakeholder dialogue	Management systems	Comprehensive programs	Stakeholder reporting	Integration into business processes	Supply-chain management	Stakeholder communications	Proactive programs	External partnerships	Public policy involvement
1.1 Employee Rights																	
1.2 Responsible Workplace Practices																	
1.3 Employee Health and Safety																	
1.4 Work Life Balance																	
1.5 Respect for Diversity																	
1.6 Employee Compensation																	

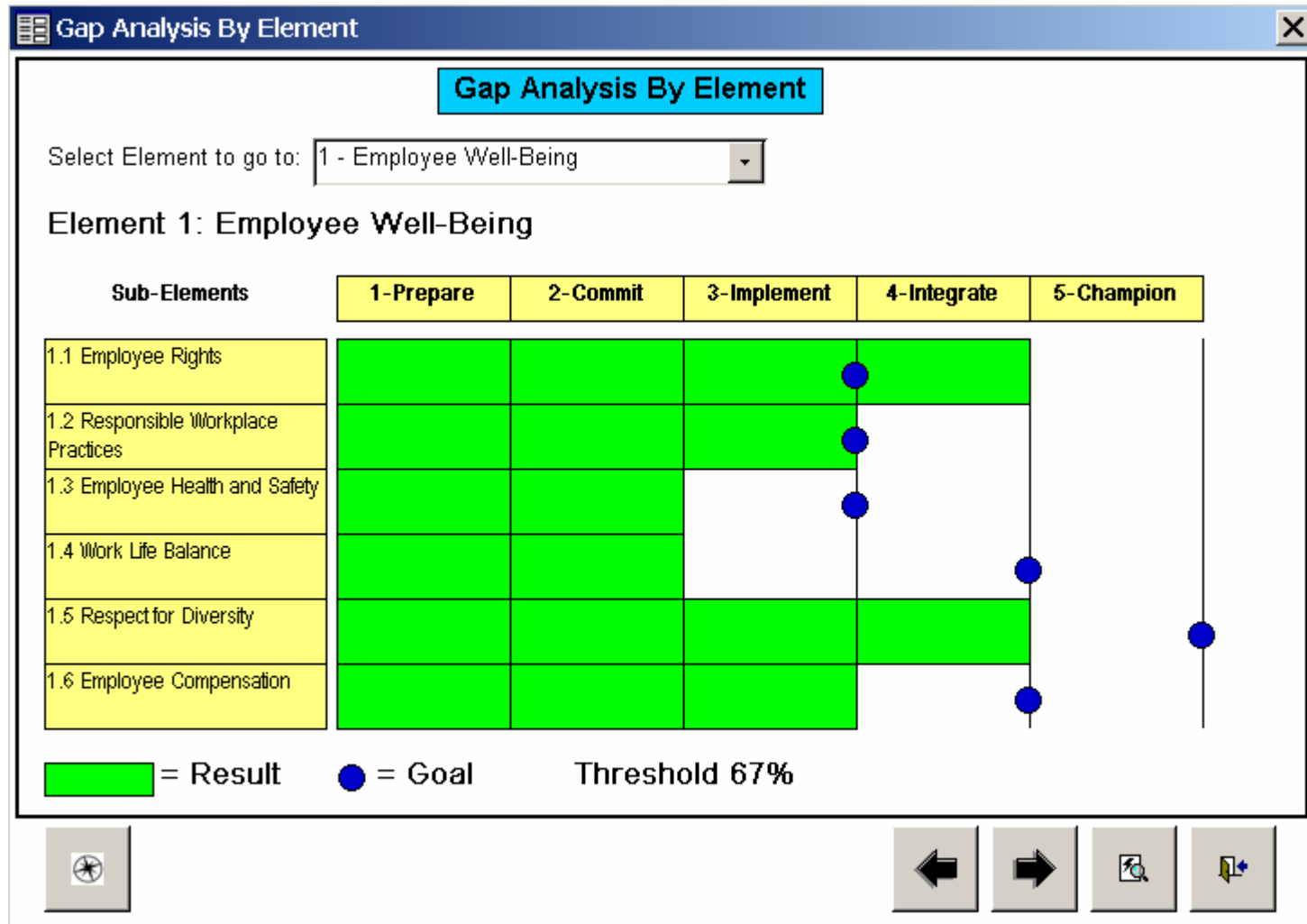
Threshold 67%       Implemented       Not implemented       Blank      Click on the square box to change color.

Right-click to obtain definition

- Left-click to assign rating
- Right-click to obtain further guidance, actions to consider, and case studies

# Gap Analysis

The Gap Analysis function compares self-evaluation results against goals.



# Action Planning

Based on the gaps found, a user can generate a list of proposed actions to provide ideas for the creation of an action plan.

**SD Planner - [Action Planning Report]**

File Edit View Tools Window Help

Fit Close

**Proposed Action Items for advancing by 1 Stage (including backfill gaps)**

**Element 1 - Employee Well-Being**

Sub-Element	Stage	Practice	Proposed Action Items	High Priority Factors
1.1 Employee Rights	1	Response to stakeholder concerns	- Respond to stakeholder concerns related to employee rights.	Consumer customers; High stakeholder scrutiny; Large operations in developing countries
1.2 Responsible Workplace Practices	2	Focused programs	- Develop and implement performance standards relating to responsible workplace practices.	Consumer customers; High stakeholder scrutiny; Large operations in developing countries
	4	Integration into business processes	- Create internal accountability measures (i.e., performance reviews) related to the implementation of these company's policies. - Develop processes that ensure that the company's policies on the use of responsible workplace practices are integrated into overall business decision-making.	Consumer customers; High stakeholder scrutiny; Large operations in developing countries
		Supply-chain management	- Develop processes, including monitoring mechanisms, to ensure that production work is not outsourced to facilities employing unacceptable workplace practices and that responsible workplace practices are integrated throughout the company's supply chain. - Review procurement and purchasing policies. Incorporate provisions on expectations regarding responsible workplace practices in contractual agreements with suppliers and contractors. - Establish performance expectations for suppliers, customers, and other business partners related to responsible workplace practices. - Provide education to business partners on the company's expectations related to the use of responsible workplace practices.	Consumer customers; High stakeholder scrutiny; Large operations in developing countries

Stage 1 = Prepare, 2 = Commit, 3 = Implement, 4 = Integrate, 5 = Champion  
5/28/2002

Page 1 of 6

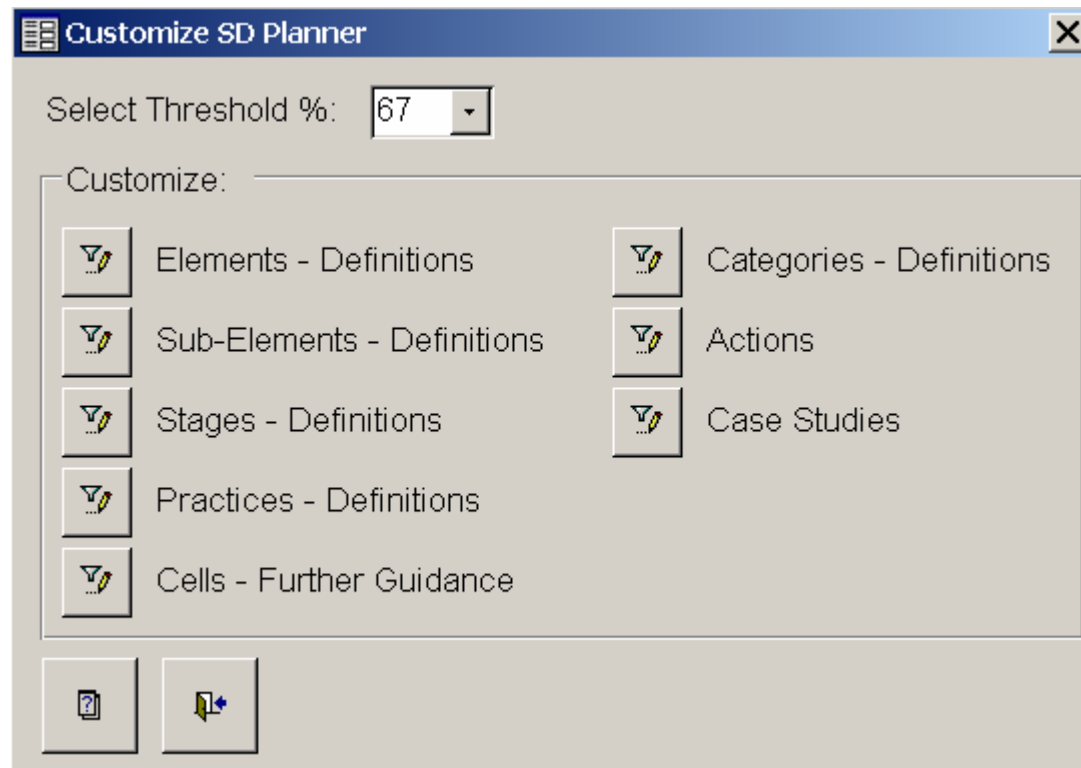
Page: 1

Ready

NUM

# Customization

**SD Planner allows a user to customize definitions, edit actions, and add new case studies.**



# *Next Steps*

---

**The following are potential next steps to put *SD Planner*<sup>™</sup> to use within any organization.**

- Determine organizational scope for implementation of *SD Planner*<sup>™</sup> (Whole company? Pilot business unit?)
- Form interdisciplinary team to implement *SD Planner*<sup>™</sup>
- Perform the self-assessment
- Develop and implement an action plan to address any significant gaps found.

# *How to Contact GEMI*

---

**One Thomas Circle, NW, Tenth Floor  
Washington, DC 20005**

**U.S.A.**

**Phone: 202-296-7449**

**Fax: 202-296-7442**

**website: [www.gemi.org](http://www.gemi.org)**

**email: [info@gemi.org](mailto:info@gemi.org)**