Profiles in Sustainability: Business, Community, and Environment
Executive Summary

When most organizations think about increasing “sustainability” or ramping up their sustainability activities, it’s likely that they are thinking only about the “green” aspect of sustainability – shrinking their carbon footprint, reducing waste, and doing better by the environment. A quick poll of Campbell Institute members reveals, however, that sustainability means much more than just being green. The term implies a corporate responsibility not only to the planet, but also to the organization’s people by protecting worker health and safety, and to profitability by ensuring a viable business for many years to come.

In this paper, the Campbell Institute contributes to the literature demonstrating the link between occupational safety and health and sustainability, with occupational safety and health as an integral factor in an organization’s overall sustainability strategy. This paper investigates the best practices for developing and managing sustainability efforts by analyzing the content of interviews with eight Campbell Institute members. The commonalities among these organizations regarding sustainability were in five areas:

1. Defining sustainability according to a “triple bottom line” approach of people, planet, and profit.

2. Using recognized standards to report on sustainability, such as the Global Reporting Initiative.

3. Expressing a need for calculating more and better metrics for return on sustainability efforts.

4. Finding better leading metrics for sustainability and more ways to correlate environmental sustainability with occupational safety.

5. Developing aspirational yet attainable sustainability goals.

In addition to outlining and explaining these five areas of commonality among the research participants, this paper describes these organizations’ sustainability initiatives in greater detail through reviews of their most recent sustainability reports. The overall aim of this white paper is to draw a tighter connection between safety and sustainability by describing the current state of sustainability efforts of Campbell Institute members – what they are doing well and how they plan on becoming even better.
Introduction and Background

Many companies have focused closely on employee health and safety, but have not promoted their programs through the sustainability lens. Taken at its broadest definition, however, the “people” aspects of sustainability are tied directly to employee and community health and safety. Sustainability efforts in this aspect include numerous elements, such as improving the safety and health of workers and community members while also mitigating environmental impact. Recent research has provided justification for seeing occupational safety and health as a critical piece of sustainability and demonstrating a link between safety, sustainability, and business success.

Sustainability has many definitions, but it usually comprises three fundamental principles: (1) sustainability encompasses economic, ecological, and social aspects of corporate governance; (2) sustainability is voluntary; and (3) sustainability goes beyond mere liability or compliance; commitment to OSH stems from a sense of duty and pride in business efficiency and performance. Smallman and John (2001) see this as the final stage of maturity in incorporating OSH in companies – acknowledgment that good management of workplace safety and health gives a company a competitive edge.

Several researchers have made the case that occupational safety and health is an integral piece of sustainability. Bauman and Sikka (2012) argue that sustainability increases the sense of corporate morality, which can build workers’ sense of belonging to the organization because they see themselves as sharing values with their employer. Actions such as providing job security and safe working conditions facilitates trust between workers and employer, encouraging workers to engage in safe behaviors voluntarily, rather than out of compulsion (Bauman & Sikka, 2012). This finding is in keeping with the Campbell Institute white paper on EHS leadership, which found that trust in leadership is correlated with voluntary safety behaviors that go beyond compliance.

Monters et al. (2009) state that sustainability and corporate social responsibility “allows business to deeply commit itself to workplace health, safety, and welfare” (p. 144) and that sustainability acts as a stimulating agent for safety in multiple ways. Having a corporate safety and health agenda may be sufficient for some companies, but placing safety within the broader context of sustainability and social responsibility can serve as a bigger “push” for better safety policies to improve company reputation and encourage compliance with international guidelines. A sustainability approach to occupational safety and health (OSH) principles also embeds OSH into company culture and can lead to seeing OSH as something more than a mere economic consideration.

Overall it appears that not only is workplace safety and health a critical piece of sustainability, but that safety, health, and sustainability make good business sense. In general, researchers have found that workplace health promotion has several benefits to business outcomes – less absenteeism, less legal costs, more motivated employees, higher productivity, more quality, better company image, and better production costs (Burin et al., 2001; Dia Greed & Van Den Bock, 2004; O’Tuatha et al. 2010, Holmøy, 2009). For example, Campbell Charter Member companies have presented over 126,000 injuries and illnesses in the past five years, resulting in $1.11 billion saved through training, wellness programs, and reductions in workers compensation claims (Campbell Institute, 2013). Increasingly, corporate executives are taking an interest in OSH that goes beyond mere liability or compliance; commitment to OSH stems from a sense of duty and pride in business efficiency and performance. Smallman and John (2001) see this as the final stage of maturity in incorporating OSH in companies – acknowledgment that good management of workplace safety and health gives a company a competitive edge.

Introduction and Background

Sustainability is quickly becoming an investment for companies to increase the long-term viability of the business and make it more profitable. Instead of being solely about eco-risk management, such as reducing carbon emissions, sustainability has evolved to be a leading indicator of innovation and business performance. Studies have shown that companies investing in sustainable practices have outperformed the general stock market by 25 percent since 2005 (Hill & Seabrook, 2013). This may be due in large part to the favorable company reputation and enhanced brand image that can follow the adoption of sustainable practices, particularly among multi-national corporations (Rondnell & Berry, 2003). Campbell companies reported saving $11.01 billion through programs targeting environmental sustainability, which is money that gets reinvested into business operations (Campbell Institute, 2013). The cause and effect of sustainable practices and good business outcomes can quickly become a virtuous cycle, as “most companies operate proactively when they see the business benefits derived from a responsible environmental image” (Rondnell & Berry, 2003, p. 82).

Because of the beneficial impacts they have on a company’s bottom line, sustainability and safety have been getting more attention from the financial community in recent years. The Sustainability Accounting Standards Board (SASB) deemed occupational safety and health as a material issue for 22 industries in the U.S., giving OSH an elevated status in corporate boardroom conversations (CSHS, 2015). While investment in safety and sustainability practices certainly yields tangible, quantifiable returns, recent research has shown that nearly 80 percent of corporate value is now attached to intangible assets such as corporate reputation and brand (Bedoyck, 2014). This combination of both tangible and intangible assets has given companies more incentives to devote resources to safety and sustainability management.

The supply chain is an element that can have a significant impact upon an organization, both operationally and in terms of reputation and brand. As can be noted in reports on company actions, when unsafe or unethical practices are exposed at a supplier, the outsourcing company is the one that faces the brunt of consumer backlash (CSHS, 2015). Human rights initiatives such as the U.K. Modern Slavery Act 2015, the UN Guiding Principles Reporting Framework, and the Corporate Human Rights Benchmark have brought renewed focus to supply chain management. The potential operational and reputational costs are a big reason why modern companies have gone to great lengths to ensure safe and ethical practices along their supply chain, and why the Global Reporting Initiative (GRI) has included supply chain management and human rights as a major component of its standard reporting.

Sowden and Birha (2000) firmly believe that OSH should not be regarded as separate from a sustainability and social responsibility program, but as a key part of a sustainability strategy. They argue that there should be more studies to show that businesses need to go beyond compliance to be considered socially responsible. Also, there should be more public awareness of how sustainability, OSH, and business performance are linked. With this report, the Campbell Institute aims to draw more distinct connections between safety and sustainability by describing the current state of sustainability efforts of its member companies – what they are doing well and how they plan on becoming even better.

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A good example of this triple-bottom-line approach is found in USG’s definition of sustainability: “Balancing economic, environmental, and social factors to guide business decisions to create long-term value for the corporation, our stakeholders, and society.” Similarly at United Rentals, sustainability is about corporate responsibility to employees, customers, shareholders, and the community. For both of these companies, value is created and costs are reduced when stakeholders can see that they are operating correctly and efficiently. ISN defines sustainability as becoming a better employer, customer, and neighbor, which fits into a broader “people, planet, and profit” strategy. In a similar fashion, Cummins’ mission for sustainability is to build “a sustainable future for all – business, community, and environment.”

Methods

To study the best practices of Campbell Institute members and partners regarding sustainability initiatives, the Institute conducted a series of in-depth one-hour interviews with eight Institute participants – The AES Corporation (AES), Cummins, FCA Group, ISN, The Mosaic Company, Owens Corning, United Rentals, and USG. Interviews started in the winter of 2015 and concluded in the spring of 2016. Those contacted were responsible in some way for developing and managing the organization’s sustainability and EHS initiatives.

The interview questionnaire asked how and why Campbell Institute organizations implemented sustainability initiatives, how they define sustainability, how they measure their success and determine a connection with lagging safety statistics, and setting appropriate organizational goals concerning sustainability. All organizations provided their sustainability reports as supplemental material to the information provided in the interviews.

Key Takeaways

1 Defining and Driving Sustainability

Definitions of sustainability at these Campbell Institute organizations follow the triple-bottom line approach of people, planet, and profit. While these components may be worded slightly differently depending on the organization (e.g. social, environmental, and economic or community, environment, and business), the overarching theme is that building a sustainable business means protecting the workforce, giving back to the community, ensuring a world where the business can continue to operate, and providing value to customers and shareholders. All interviewees agreed that a business is not sustainable if it injures its workforce, uses all the earth’s natural resources, or damages its reputation with potential clients/customers by not being a good corporate citizen. For all research participants, “sustainability” is a lot more than just being green.

All Campbell companies are forward-thinking with their sustainability strategies, and a couple actually mention tomorrow’s world in their definitions and missions of sustainability. With the help of a steering committee in 2012, AES put together a statement that defines sustainability as “delivering results that exceed our stakeholders’ expectations today while providing innovative resource management and infrastructure solutions to ensure that we will meet stakeholder needs in the future.” By the same token, Owens Corning defines sustainability as “meeting the needs of the present without compromising the world we leave to the future.” Both of these definitions incorporate the concept of sustainable growth, or managing a business with an eye toward ensuring future business profitability and protection of resources.

A couple research participants have deliberately not formalized their definitions of sustainability. For instance, Mosaic generally conceives of sustainability as operating responsibly, creating shareholder value, reinvesting in the community and environment, and protecting worker safety and health, but has left open a formal definition of sustainability to allow for the multiple ways in which people can think about sustainability. In a similar way, FCA does not have a formal definition of sustainability because it is simply built into their business processes. Concepts like safety, production, and the environment all feed into sustainability initiatives, which means that sustainability is simply part of good business practices.

One thing is for certain when it comes to defining sustainability at Campbell Institute organizations, and it’s that sustainability is not interchangeable with the environment. While the environment is part of sustainability, Institute members recognize that it takes more than being green to maintain a sustainable business. Sustainability is about striking the right balance among people, planet, and profit as it can be very challenging to optimize the value of all three simultaneously on a short time horizon.

Developing and implementing sustainability initiatives in these companies typically took a lot of internal discussion and involved multiple stake-holding departments. Sustainability efforts typically began as (1) a top-down initiative from senior leadership (e.g. internal directives from CEO or C-suite); (2) a response to clients’ or shareholders’ desires for better policies and transparency, or a combination of the two. Institute members are fortunate to be headed by individuals who bring a passion for sustainability with them, or who are at the very least open to ideas from others. In the organization who want to see sustainability take center stage. Institute members also recognize that in an era when more community members, shareholders, clients, and consumers of products/services are demanding more transparency of the organizations they choose to invest in and patronize, showing commitment to sustainable practices and growth is essential for business success.

At FCA, the mandate for building a more sustainable business came from senior leaders, specifically CEO Sergio Marchionne. In the light of the 2009 bankruptcy, FCA knew that it had to change its practices to ensure business viability. CEO Marchionne believes that a company earns its right to be in business through the respectful treatment of employees, natural resources, and the environment, and once directed FCA to take on sustainability as a formal initiative. Sustainability is housed within the business continuity group because sustainability is also seen as the continuation of business through disaster preparedness and supply chain readiness.

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AES has been developing initiatives in the triple bottom line for many years, but sustainability as a concept was first introduced into the company strategy in 2012 when Andrés Gluski became the new CEO. The five-year strategy outlined for the company included three objectives: (1) be recognized as a top company in sustainability, (2) be seen as a superior investment in the utility industry as benchmarked against the S&P Utility Index, and (3) be acknowledged as a highly rated place to work. All three of these objectives are in keeping with the triple-bottom line approach to sustainability.

External stakeholders were the driving force behind ISN’s development of sustainability initiatives, both as an improvement to their own operations and as a more rigorous way to evaluate the contractors in their databases. ISN’s clients expressed a need for more information about contractors in terms of their quality, sustainability, and corporate social responsibility, prompting ISN to look at the UN Global Compact and ISO 26000 standard to come up with appropriate protocols for evaluating contractors. Additionally, ISN clients started asking for evidence of ISN’s commitment to sustainability through their business practices, health and wellbeing programs, management support of safety and health, environmental programs, etc. In other words, ISN’s clients began to see ISN as another contractor and wanted to make sure that the service provider they were using to vet contractors was also a company committed to sustainability.

Sometimes the push for more sustainable practices came from both external stakeholders and internal leaders. Around 2005, large shareholders and hedge fund managers of Mosaic started inquiring about greenhouse gas emissions. The CEO of Mosaic expressed that he wanted to broaden the company’s thinking about sustainability beyond a purely environmental conceptualization in 2007. Mosaic began formalizing their sustainability function, and in 2012 set a greenhouse gas emission target. At USG, COO Jim Metcalfe (who now serves as CEO) recognized the importance of creating a sustainable organization and asked the company to put together a strategy. USG also recognized that transparency has become a bigger expectation of stakeholders, with sustainability being the largest piece of corporate transparency. With these drivers, USG has developed a sustainability strategy that incorporates health product declarations, supply chain transparency, and other initiatives.

The positioning of sustainability within Institute organizations varies, but some similarities exist. Because sustainability is a relatively new initiative compared to an organization’s safety function, it is common to see sustainability positioned as a department that is separate, but on par with, the safety department. Both may report to the same entity. It’s a bit different at Owens Corning, with safety and the Chief Medical Officer reporting to an overarching sustainability officer. Likewise at FCA, safety is one of several efforts that are parts of the larger sustainability initiative. At Cummins, sustainability used to be housed under Facilities and Operations because it was seen mostly as a manufacturing and supply chain piece. With the development of their systems and stronger focus on sustainability, Environmental Sustainability Strategy and Compliance at Cummins has now moved from under Facilities and Operations to become its own strategic piece.
Measuring and Reporting on Sustainability

The research participants in this study typically utilize Global Reporting Initiative (GRI) guidelines as the baseline for their sustainability reporting, sometimes also going beyond those standards to include other measures that are of interest to the company and its stakeholders. The full reporting on GRI guidelines typically includes financial performance, corporate governance, stakeholder engagement, environmental performance, labor practices, human rights, and corporate social responsibility. A few companies (Cummins, AES, Owens Corning, and FCAR) are on the Dow Jones Sustainability Index (DJSI), a recognized global sustainability benchmark. AES, Owens Corning, and Mosaic also report to CDP (formerly known as Climate Disclosure Project), an international not-for-profit organization that works with companies to disclose environmental information. In sum, Campbell Institute participants adhere to these well-known standards to gain recognition for their sustainability work and continually improve their efforts through benchmarking against others.

Cummins has been listed as a member of the DJSI for the past ten years, FCAR for the past seven, Owens Corning for the past six years with industry leader status in the building products industry for the past three, and AES for the past two. All have steadily improved their ranking on the index since they started being listed. AES has also been getting more granular about the environmental metrics that they track and report in the areas of indirect and other greenhouse gas emissions (Scope 2 and Scope 3 emissions) and other air emissions such as mercury. They have also with time increased the number of safety key performance indicators (KPIs) from 12 in 2012 to 105 in 2015 and included them in sustainability reporting to illustrate the link between safety and maintaining a sustainable business.

To put together their sustainability report based on GRI guidelines, Mosaic maintains a robust sustainability database (One Source®) that collects hundreds of key performance indicators from all their sites. The One Source® database goes beyond collecting what is required by regulatory agencies to get full picture data, and is externally audited each year to ensure that the data are accurate. To benchmark more fully and with more organizations on water usage and greenhouse gas emissions, Mosaic, AES, Owens Corning, and Cummins report to CDP.

All eight Institute participants of this study routinely issue sustainability reports to the public. Owens Corning has released a sustainability report every year since 2006 following full GRI reporting guidelines. USG has put out a sustainability report every other year since 2009. Cummins has released a sustainability report every year since 2003. United Rentals even acknowledges that these reports can also be considered promotional material because they display to the public how a company is behaving responsibly. Recently United Rentals partnered with the Clean Air Campaign and the Environmental Protection Agency to pen a white paper on clean construction. In addition to their sustainability report, this was another method to demonstrate their commitment to sustainable practices and improving industry standards.

Calculating the Value of Sustainability

Calculating the value for sustainability activities is not necessarily an easy task, but some Institute companies have been able to do so both directly and indirectly. For instance, USG can calculate a return on investment for reducing greenhouse gas emissions by comparing cap-and-trade offsets. Cummins has saved $40 million a year based off of energy improvements. Recently United Rentals took on a retrofit of lighting in several facilities with a one-year ROI, but because those were so successful, they expanded the retrofit to more locations with up to a 12-year ROI. While the return on investment period was longer, United Rentals still considered this project valuable not only because of the energy savings, but also the subsequent boost in safety and employee morale. This example shows that even when ROI values are on the high side, the value of engaging in sustainable practices can be detected through other more qualitative ways.

Sometimes the value of sustainability is found in a simple gut check. An example is that United Rentals found that the cost of placing a solid-waste recycling container on a site was the same as having a general refuse dumpster. It just made logical sense to keep the recycling container to divert solid waste and reduce the amount sent to a landfill. At Owens Corning, the time and money spent in developing the EcoTouch® line of insulation was well worth it—the success of the insulation (with more than 50 percent recycled material and 100 percent formaldehyde-free) is evidence that being more sustainable and offering products that are healthier and better for the environment is good for business.

Some of the biggest returns on investment can be found in the things that are not readily calculated. Companies see returns in the number of shareholders and increasing shareholder value and satisfaction. Cummins has experienced business growth because of their compliance with emissions standards. For them, improving fuel efficiency is a win-win because they are doing right by the environment, gaining customers what they want, and becoming a better company. AES has also seen these qualitative returns for their sustainability efforts. They have found that sustainability creates efficiencies and operational improvements that drive savings in the business, which creates more customer satisfaction, attracts new partners/investors, and improves employee morale.
The Institute members in this study also found that they can attract and retain talent because of their sustainability measures. This has been the case at Mosaic where internal employee recruiting surveys have revealed that many candidates are attracted to Mosaic due to the company’s sustainability efforts. At all Institute members, demonstrating a commitment to sustainability through community giving and being environmentally responsible has made them more attractive to potential new employees and potential clients.

4
Correlating Environmental Sustainability with Occupational Safety

Like calculating the value of sustainability, determining a direct correlation between environmental sustainability and occupational safety is not a straightforward task. There just isn’t a consistent and accurate method to establish a connection between, for example, a reduction in waste or energy and a total recordable incident rate. Several research participants mentioned the difficulty of separating the effects of sustainability efforts from those of safety. How does one determine if the decrease in incident rate was due to environmental sustainability programs, or due to the better management of safety systems? This may cause interdepartmental schisms if two groups try to take credit for better lagging safety rates.

Cummins’ Vision and Mission demands that “everything we do leads to a cleaner, healthier, and safer environment.” This overarching tenet has set the tone for the company and paved the way for successful environmental and safety programs. Although health and safety has not been directly implicated through the developing environmental sustainability effort, all levels of the company have focused on health and safety. The CEO considers himself the Chief Sustainability Officer, responsible for all aspects of the “triple bottom line.” The senior leadership team reviews non-financial metrics on a quarterly basis, including environment, corporate citizenship, being a great place to work, and satisfying critical stakeholders. Safety is a component of this review.

Finding better metrics for sustainability can be one solution to determining a stronger, more direct connection between environmental sustainability and occupational safety. The organizations in this study already feel that they have good lagging metrics of sustainability, as these are the numbers that they publish in their sustainability reports. However, because sustainability is still a burgeoning field, it hasn’t matured to the level of their safety management systems, and thus there aren’t many good leading metrics of sustainability. As mentioned earlier, there can be “softer” correlations between sustainability and traditional safety lagging indicators like incident rate and lost time rate — that is, employees can perform better and work safer if they are happy about working for a sustainable company. At USG, they view safety as a leading indicator for sustainable environmental practices and safety, or to put it more simply, that safety is a major component of sustainability. Even if the relationship is not direct or precisely calculable, occupational safety is unequivocally a piece of building a sustainable business.

5
Developing Sustainability Goals

Each organization has their own mix of short- and long-term goals for environmental sustainability, ranging from yearly targets to broad 10-year visions. Overall, there is the goal to shrink their environmental footprint by reducing greenhouse gases, volatile organic compounds, water usage, energy usage, and waste to landfill. For instance, Cummins strives to achieve water neutrality at fifteen water-stressed areas sites. USG has a goal to perform life cycle analyses on all product lines to better understand how their products impact the environment and community. All companies have safety goals for both leading and lagging indicators, as outlined in their sustainability reports.

There are some sustainability metrics that these organizations want to increase, such as recycling and community giving. ISN seeks to increase charitable giving and employee benefits. United Rentals wants to increase donation of equipment to local businesses and schools. And Owens Corning seeks to increase its “handprint,” or net-positive impacts on the environment and community.

Advices from Institute members when setting goals to perform a gap analysis to see where there is the most need for improvement, then use this information to develop appropriate goals and timelines. Additionally, companies should re-visit sustainability goals every few years to ensure that they are still challenging. Sustainability goals in Institute organizations typically involved the work of a dedicated team with individuals from different functional areas. After conducting materiality assessments, teams would set goals in areas with the most stakeholder interest, and contact experts in departmental areas to determine appropriate, yet ambitious targets.
AES has been developing initiatives in the triple bottom line for many years and its approach to sustainability covers different aspects of the triple bottom line such as Corporate Governance, Compliance and Anti-Trust, Risk Management, Talent Development, Supply Chain, Stakeholder Engagement, Operational Excellence, Environmental Health and Safety Management, among others.

The first time that sustainability as a concept was formally introduced into the company strategy was in 2012 with the new CEO, Andrés Gluski. Since then the company has been included for two years in the DJSI and has also published external sustainability reports prepared in accordance with the G4 version of the Global Reporting Initiative (GRI) guidelines. These reports disclose information on five broad strategic initiatives: financial excellence, operational excellence, environmental performance, stakeholder engagement, and people. These strategic initiatives encompass thirteen aspects defined as material for the company and its stakeholders. As one of its material aspects, Occupational Health and Safety is comprehensively described in their sustainability reports, covering a diverse set of governance practices as well as key performance indicators, best practices, and goals for AES people, contractors, and the public in general.

AES has excelled in their three 2014 safety-related target goals. They completed 136 percent of their monthly safety walk target goal per business, conducted monthly safety meetings with 98 percent participation of AES people and contractors, and completed mandated safety leadership training with 100 percent of targeted leaders.

Because the electrical infrastructure for their electrical distribution systems in the U.S., Brazil, and El Salvador are located within the communities they serve, AES has extensive public safety programs for these businesses. These public safety outreach programs have helped reduce the number of serious safety incidents involving the public by 42 percent during the most recent four-year period.

To improve safety performance, AES developed an audit program with both internal and external assessors to verify adherence to the AES Safety Management System and over thirty safety technical and management standards. About two-thirds of AES operating businesses have voluntarily certified their SMS to the OHSAS 18001 standard.

Because sustainability is also business continuity, especially for a company that generates and distributes power, AES has established Business Continuity Plans at each location with sets of emergency preparedness standards. These plans include preparedness for operational emergencies, cyber-attacks, natural disasters, off-site emergencies that may affect operations or staff, and physical security measures. Various scenarios are defined to maintain an acceptable level of operation while AES restores full capacity.

Within the communities where they operate, each year AES develops more than 100 community programs with various aims, from improving education and living standards to providing vocational training and safety education. AES also puts significant effort into developing the local workforces at their sites around the world. AES employees hail from all 17 countries in which they operate, and more than 50 percent of their Executive Leadership Team are from traditionally underrepresented groups.

Individual Member Sustainability Profiles

The following are brief synopses of the most recent sustainability reports available online from the Campbell Institute members that participated in this study. Each summary provides some detail on how these companies perceive sustainability, the various pieces that comprise their sustainability initiatives, their sustainability goals and how they performed on those goals.
Ever since the economic challenges in 2009, sustainability at FCA has evolved and strengthened, becoming the core strategy that drives the business. This is illustrated in their 2015 sustainability report, which is based on the G4 version of the GRI reporting guidelines. The report carefully considers seven types of capital – financial, production, intellectual, human, natural, social, and relational – and how these capital inputs result in outcomes that are of value to the business, local communities, and the planet. The report covers 72 different sustainability targets in twelve different areas including occupation health and safety, information and communication technology, customers, suppliers, communities, and logistics.

FCA has achieved significant results when it comes to the environment and combating climate change. By producing more fuel-efficient vehicles, they have avoided 1.2 million cumulative tons of CO2 emissions since 2010. This translates to a 23.4 percent reduction in emissions per vehicle produced. FCA has also saved 2.3 billion cubic meters of water at plants worldwide and attained a recycling index of 98.9 percent.

In 2015, FCA supported local communities by donating more than €22 million to community organizations. About 53 percent of this money went to projects in education, culture, and art, and funded 2,736 scholarships worldwide. Demonstrating their commitment to health and safety, FCA invested €291 million in safety and working conditions, which is equivalent to 2.5 percent of annual personnel cost. Health and safety certification (OSHAS) is in place at 136 locations, covering 187,000 employees. These investments and certifications have yielded significant improvement to FCA’s incident indicators. They saw a 20 percent decrease in frequency rate and a 20 percent decrease in severity rate as compared to 2014.

The extensive report clearly describes FCA’s approach to sustainability: that maintenance of a successful business can come about only through an integrated approach that combines stakeholder strategy, investment in innovation and technology, and protection of workers, communities, and the environment.
External sustainability work at ISN began 5-6 years ago with client requests to learn more about the corporate social responsibility and sustainability efforts on the part of contractors in the ISN database. The protocols for measuring corporate social responsibility came from standards like the UN Global Compact and ISO 26000 standard that cover areas like human rights, labor, the environment, transparency, and anti-corruption. These measures for evaluating sustainability and corporate social responsibility have since been integrated into how ISN prequalifies contractors.

From an internal standpoint, stakeholders at ISN began asking for the same kind of sustainability reporting from the company. ISN defines sustainability as "becoming a better employer, customer, and neighbor," and has been making strides in each of these areas since they began their internal sustainability efforts 3-4 years ago. To become a better employer, ISN completed wage studies at all locations around the world to ensure that employees are compensated with a fair wage. They also instituted flextime so that employees could adjust their work schedules to achieve an optimum work-life balance.

To become a better neighbor, ISN is committed to giving back to their local communities. Each year ISN donates electronic equipment to local schools and churches in need, and encourages employees to volunteer their time in community activities. Last year in 2015, ISN employees volunteered over 1,281 hours in schools and other charitable organizations.

ISN's sustainability efforts extend to the environment as well. In 2015, they recycled 2.42 tons of paper, which is nearly one ton more than was recycled in 2014. Because of their conservation efforts, they saved over 66,000 gallons of water and over 5,400 kilowatt hours of energy in 2015.

The Mosaic Company is the world’s leading producer and marketer of concentrated phosphate and potash crop nutrients. Sustainability at Mosaic began around 2007 with the idea to bring a higher level of transparency to their actions as a company. Operating responsibly and sustainably puts Mosaic in a better position to manage risks, grow, and innovate – all things that drive value for the company, employees, and stakeholders. Their five areas of sustainability focus on food, the environment, people, company, and community.

Driven by its mission to help the world grow the food it needs, Mosaic is committed to working toward improved global food security and protecting critical water resources. Since 2008, The Mosaic Villages Project in India and Guatemala has helped smallholder farmers move out of poverty and achieve greater food security through improved crop productivity. Mosaic’s investment includes cash grants and the time and talents of Mosaic agronomists, who work alongside implementing partners to train local farmers on balanced crop nutrition and agricultural best management practices. As a result, crop yields have increased dramatically over traditional farming practices.

To improve the land and environment where they operate, Mosaic planted 1.2 million trees in Florida last year as part of an acre-by-acre reclamation for phosphate-mined land. Mosaic has also received recognition for their environmental efforts, achieving a disclosure score of 100 from CDP in 2015, and being one of 113 companies on CDP’s Climate “A” List for climate performance.

Mosaic’s sustainability efforts are also reflected in their record safety performance. In 2015 they achieved a recordable injury rate of 0.88, the lowest in company history. Their EHS management system along with training has been instrumental to this accomplishment. The company as a whole logged more than 466,000 training and development hours in courses such as EHS and operations, legal compliance, leadership development, and anti-corruption and business ethics. Mosaic’s goal for 2020 is to achieve a recordable injury rate of 0.60 by improving hazard awareness and risk mitigation, and enhancing the effectiveness of their EHS management system.

As a global company, Mosaic is committed to ensuring that Mosaic is a company where employees are proud to work and grow. Mosaic strives to hire local talent whenever possible, and provides competitive compensation and benefits to employees. In 2015, Mosaic had over 8,500 regular employees for whom wages and benefits totaled over $1.4 billion. To develop the kind of talent that is in demand at Mosaic, the company donates scholarship funds to various college engineering programs around the U.S. Mosaic’s phosphate business segment operates an apprenticeship program in Florida, graduates of which go on to become millwrights, mechanics, or mechanical, electrical, instrumentation, and automation technicians.
Owens Corning’s 2014 sustainability report shows the significant progress the company has made toward their 2020 goals, with some goals having already been achieved. Owens Corning strives to reduce their environmental footprint while at the same time expanding their “handprint” through philanthropy, extending safety along the supply chain, and continuing to offer safer, more efficient products. The tenet that drives sustainability at Owens Corning is ensuring the safety and well being of employees, their families, and the global community.

To improve the wellbeing of their workforce, Owens Corning collaborated with the Harvard School of Public Health to establish a wellness baseline. Their wellness program has been expanded to focus on preventive care, mental health, physical activity, nutrition, and ending tobacco-free. Owens Corning’s excellent safety management system is reflected in their safety performance numbers. Since 2006, Owens has recorded no employee or contractor fatalities and their total recordable injury rate is 84 percent below industry average (as compared to 2013 BLS reports).

The Owens Corning “handprint” is demonstrated through their philanthropy efforts. In 2014, the company participated and donated to international community programs in India, China, and Mexico, impacting the lives of over 19,000 children by increasing their access to basic health and educational needs. Additionally, they donated insulation and roofing materials to nearly 6,500 families in need.

When it comes to their 2020 environmental goals, Owens Corning has already surpassed the targets they set for themselves. From 2010, they reduced greenhouse gases by 34 percent and toxic air emissions by 65 percent, exceeding their target numbers by 14 percent and 15 percent respectively. They are currently working on formulating the next set of sustainability goals with even more aggressive aims based on Science Based Targets framework. Owens is building on their already strong track record of exceeding their target numbers. Since 2010, they exceeded their target numbers by 14 percent and 15 percent respectively. They are currently working on formulating the next set of sustainability goals with even more aggressive aims based on Science Based Targets framework. Owens is building on their already strong track record of exceeding their target numbers by 14 percent and 15 percent respectively. They are currently working on formulating the next set of sustainability goals with even more aggressive aims based on Science Based Targets framework. Owens is building on their already strong track record of exceeding their target numbers by 14 percent and 15 percent respectively. They are currently working on formulating the next set of sustainability goals with even more aggressive aims based on Science Based Targets framework. Owens is building on their already strong track record of exceeding their target numbers by 14 percent and 15 percent respectively. They are currently working on formulating the next set of sustainability goals with even more aggressive aims based on Science Based Targets framework. Owens is building on their already strong track record of exceeding their target numbers by 14 percent and 15 percent respectively. They are currently working on formulating the next set of sustainability goals with even more aggressive aims based on Science Based Targets framework. Owens is building on their already strong track record of exceeding their target numbers by 14 percent and 15 percent respectively.

In terms of product sustainability, in 2014 Owens Corning recycled 2.4 billion pounds of end-of-life shingles (a 33 percent year-over-year increase) and recycled 1.3 billion pounds of glass (a 15 percent year-over-year increase). These and other similar efforts earned Owens Corning a spot on the Dow Jones Sustainability Index World member list for the sixth consecutive year.

United Rentals’ most recent corporate responsibility report was published in 2015 and includes numerous examples of how the company has dedicated itself to sustainability through focused on business efficiency, safety, environment, workforce, and community. When it comes to the “green” aspect of sustainability, United Rentals has done its part in reducing their greenhouse gas intensity by 11 percent from 2012 and reducing hazardous waste by 69 percent from 2013. The company has also committed to reducing the idling time of engines, which saves fuel and extends engine life. In 2014, the average engine spent nearly 24 percent of in-use time idling. United Rentals aims to reduce this even further to 16 percent.

Product efficiency not only increases customer satisfaction and helps grow the business, but it can also contribute to the protection of workers and the environment. In 2014, United Rentals increased the number of equipment containing telematics by 37 percent from the previous year. Now over 8,900 pieces of equipment have telematics, or technology that alerts for scheduled maintenance, tracks fuel consumption, and allows for remote access to run diagnostics. This technology increases efficiency and safety of workers and customers.

Because safety is sustainability, it is no surprise that United Rentals has excelled in this area as well. They have reduced their total recordable incident rate by 27 percent since 2013, ending the year 2014 at 0.91. This beat their targeted goal of 1.00. Additionally, their lost workday case rate for 2015 was 0.33, beating their targeted goal of 0.45. The percentage of United Rental sites with zero incidents improved from 86 percent in 2013 to 91 percent in 2014.

United Rentals is committed to diversity in the workplace and improving employee wellbeing. They strive to increase opportunities for minority business enterprises through their supplier network. In 2014, 6.7 percent of United Rentals suppliers were owned by a minority, woman, or veteran, or were classified as a HUBZone (Historically Underutilized Business Zone) or small business. About 12.6 percent of the United Rentals workforce includes veterans, making them one of the largest employers of veterans in the country.

In 2014, United Rentals entered into an agreement, making the company the world’s largest industrial purchaser of renewable energy. The tenet that drives sustainability at United Rentals is extending safety along the supply chain, and continuing to offer safer, more efficient products. The tenet that drives sustainability at United Rentals is ensuring the safety and well being of employees, their families, and the global community.
USG

Sustainability at USG is about continuous improvement – making better products that are safer and more efficient to create business value, while protecting the safety and wellbeing of employees and customers. Sustainability is woven through USG’s core values of safety, integrity, service, diversity, innovation, efficiency, and quality.

USG’s Ecoblueprint™ has been guiding their strategy for environmental sustainability since 2009. They have three public-facing goals to complete by 2020 (using 2005 as the baseline year) and are on track to achieve all three. These goals are: conduct life cycle assessments on all product lines, reduce greenhouse gas emissions by 20 percent, and reduce operational waste to landfills by 50 percent.

The dedication to sustaining the environment is also demonstrated through USG’s product manufacturing. In 2013, USG developed floor underlayment that is produced using high recycled content and low embodied energy material, which reduces greenhouse gas emissions by more than 50 percent and reduces water consumption by up to 50 percent as compared to other cement floor toppings. In collaboration with GE, USG created an integrated ceiling and lighting system that reduces energy usage by 40 percent and uses a high amount of recycled content in ceiling panels and suspension materials.

Sustainability extends to the local communities where USG is located and to developing the knowledge and skills of potential future USG employees. USG’s Cartersville, GA plant teamed up with Georgia Highlands College students to build a 50-foot by 50-foot community garden. The garden is watered by a 1,500 gallon rain harvest system and all produce is donated to a local homeless shelter and food pantry. Each year, USG mentors interns at their Corporate Innovation Center to encourage their development in Science, Technology, Engineering, and Mathematical fields. The internship program helps attract talent and foster the next generation of innovation engineers. Additionally, USG provides at least 20 scholarships annually to children of USG employees preparing for a college degree.

Safety is USG’s first Core Value and protecting workers is one of the most sustainable actions on the part of USG. In 2015, 14 manufacturing locations and 3 distribution facilities qualified as Stars under OSHA’s Voluntary Protection Program. And the Galena Park, TX plant has gone a staggering 25 years without a lost time injury, setting a new industry and company record.

The Campbell Institute would like to gratefully acknowledge the individuals who provided interviews and feedback to contribute to this report.
Discussion and Conclusion

As with safety, Campbell Institute members possess leading-edge perspectives and practices in sustainability. While the “green” aspect of sustainability has been present in company policies and minds of organizational leaders for quite some time, institute members have more recently taken on a broader, more holistic view of sustainability, of which safety plays a key role. “Sustainability” is much more than merely protecting environmental resources – it encompasses the effective management of the business, protection of the workforce, improving employee wellbeing, developing the next generation of talent, contributing to community welfare, and manufacturing products that are higher quality and ensure the safety of workers and customers. It is their ability to view EHS as part of a larger corporate social responsibility perspective that sets Campbell Institute members apart from the pack.

Campbell Institute members lead the way in reporting their sustainability and corporate social responsibility metrics by using Global Reporting Initiative (GRI) guidelines, and oftentimes including additional metrics in their reporting that are of particular relevance to their business. Several have also been recognized by well-known rating organizations such as CDP and the Dow Jones Sustainability Index (DJSI) for the levels of performance, transparency, and reporting that they have achieved. Continuing to be included on these lists and improving their ranking each year is a common goal among the Institute organizations in this study.

Finding better ways to quantify the amount of return a company receives for their sustainability efforts remains a common challenge among Institute participants, if only because the various ways that return is felt is not easily calculable. It can be relatively easy to quantify the number of gallons of water saved, kilowatt hours of energy used, and tons of waste not sent to landfills, but there are innumerable qualitative ways that sustainability can realize returns – customer satisfaction, employee morale, becoming more attractive to potential employees and clients. Discovering better ways to quantify the ROI of sustainability can help make the case to the C-suite and upper management that sustainability and corporate social responsibility are solid business practices.

As can be seen with the company profiles, sustainable practices to increase mechanical efficiency or product quality also directly impact the health and safety of manufacturers, operators, and customers. Better systems to detect when maintenance is due increases operator safety, and eliminating volatile organic compounds in the manufacturing process protects the health and safety of the supply chain and customers. But how does a company directly calculate the impact that sustainability has on lagging safety performance metrics? Besides anecdotal evidence and “common sense” reasoning, it is difficult to break down the effects of environmental sustainable practices from the effects of safety management system changes on a company’s recordable incident rate. With the amount of commitment to sustainability that is already present at Campbell Institute organizations, it’s possible that demonstrating directly quantifiable metrics is not necessary for maintaining support of sustainable activities.

Campbell Institute organizations have established good footholds in sustainability, and have used their position to drive the issue of sustainability down the supply chain and to their customers. As has been seen in safety system management, organizations have used their clout and expertise to foster and demand better safety practices on the part of suppliers and customers. Institute organizations that have found better, more efficient, and sustainable methods of manufacturing are passing along the value of sustainability to their customer base, creating a true business-to-business exchange of benefits.

This report is the Institute’s first to explore the concept of sustainability, which means there are many other opportunities to continue researching the topic in depth. In their report, Zwetsloot and Stålen (2004) put forth several research questions that could drive the direction of future research and Campbell Institute studies:

How can EHS avoid becoming just an operational aspect of sustainability? In other words, how can EHS professionals be involved in the strategic decisions made by sustainability policy makers and executive management?

What strategies typically used in sustainability activities (e.g. innovative partnerships, environmental and ethical guidelines) can be used to improve health and safety in the workplace?

How can the information and experiences gained through EHS policies be used to develop a sustainability policy at the company, national, and international level?

As companies develop in their sustainability journey, they should see a broadening of the scope of “sustainability” from merely environmental practices to the sustenance of the business and the communities they occupy. The trajectory of sustainability maturity appears clear from profiling Campbell Institute members – as companies develop in their sustainability journey, they should see a broadening of the scope of “sustainability” from merely environmental practices to the sustenance of the business and the communities they occupy. The implementation and reporting of sustainable practices will move from actions based purely on organizational isomorphism – doing it because “everyone else is doing it” – to actions that are motivated by company values and doing right by people and the planet "just because." The Campbell Institute encourages more companies to begin this journey and looks forward to the progress that will be made in sustainability in the years to come.
Works Cited


Acknowledgements

The Campbell Institute would like to gratefully acknowledge the individuals who provided interviews and feedback to contribute to this report:

Taylor Abel I Senior Manager, Global EHS Audit and Continuous Improvement, Mosaic.
Scarlett Alvarez I Vice President and Chief Stakeholder and Sustainability Officer, AES.
Neil Beckingham I Director, Sustainability, Mosaic.
Karen Cecil I Director, Global Environmental Sustainability, Cummins Inc.
Richard Cerenzio I Corporate HSE Director, ISN.
Aizhan Dossanova I Program Manager, EHS, AES.
Laczlo Kary I Director, EHS, AES.
Adriana Roccaro I Senior Manager, Sustainability, AES.
Greg Rose I Director, EHS and Environmental Affairs, FCA.
Grant Zoldowski I Director, Environmental Management, United Rentals.
Al Zucco I Senior Director, Energy & Sustainability, USG.

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