



Canadian Business for Social Responsibility

Setting the Stage for Transformation

November 4 & 5, 2009



Corporate Social Responsibility

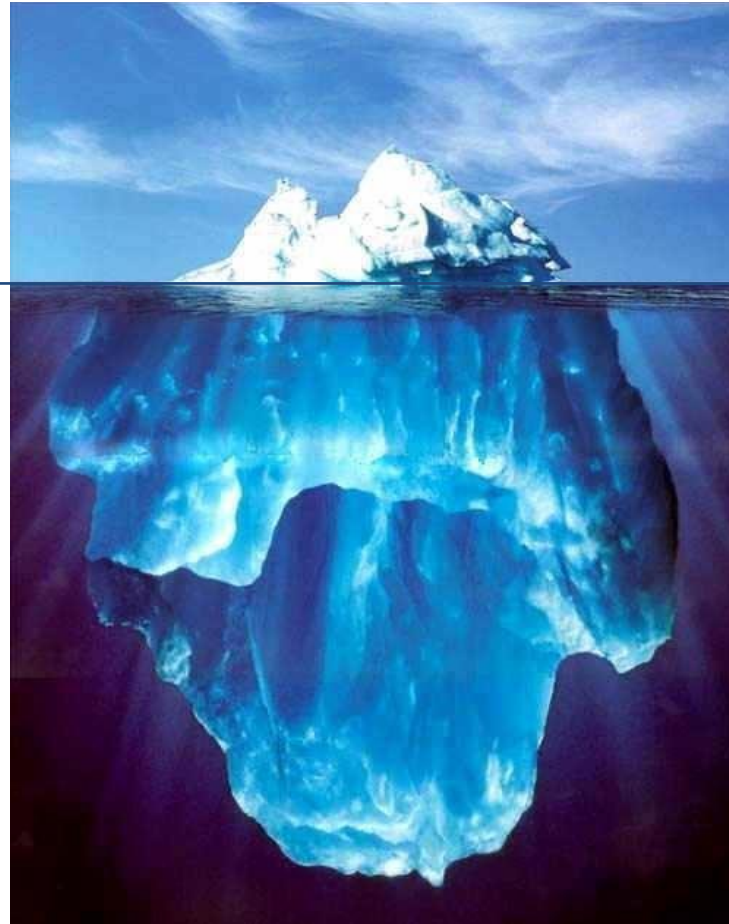
A company's commitment to operating in a socially, economically and environmentally sustainable manner while recognizing the interests of its stakeholders:

- Investors
- Customers
- Employees
- Business partners and suppliers
- The Environment
- Communities and Society

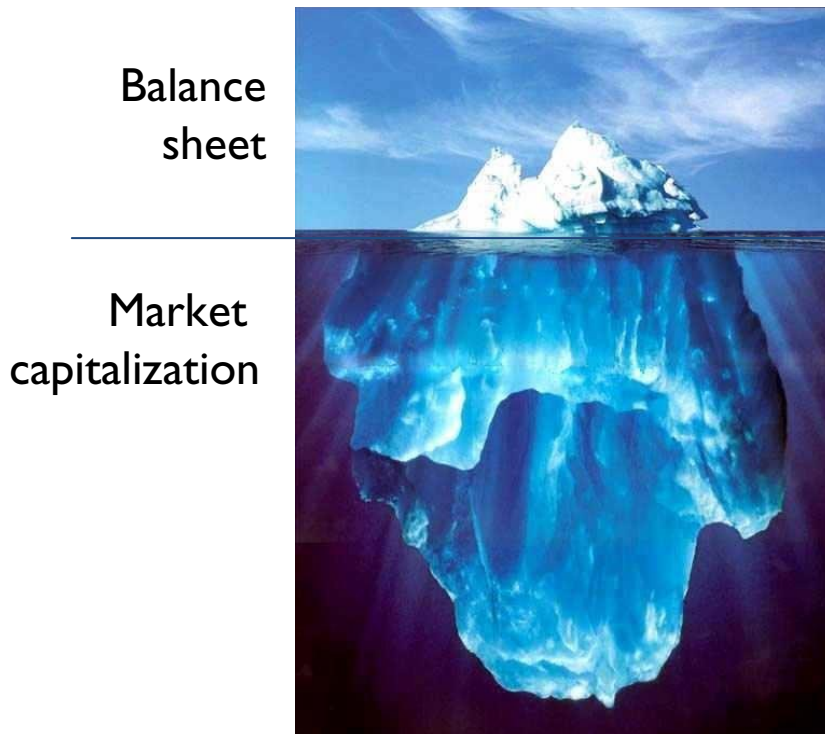
What has changed?

Balance sheet

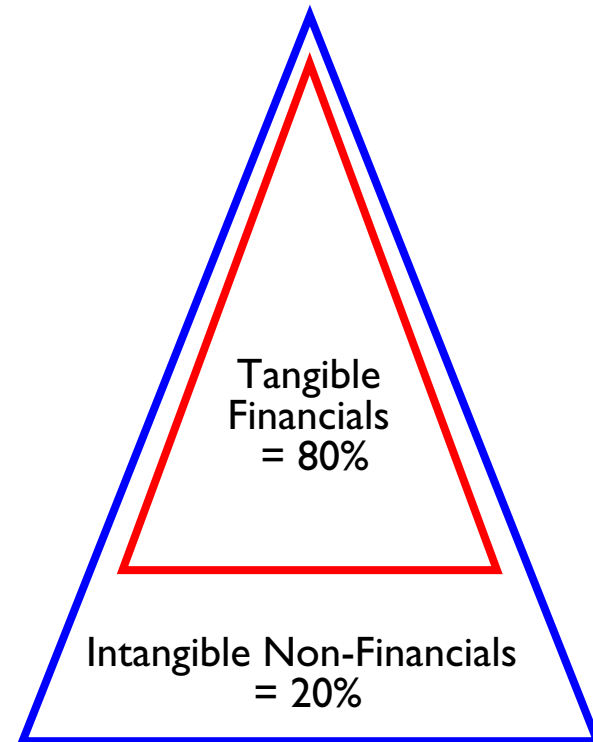
Market capitalization



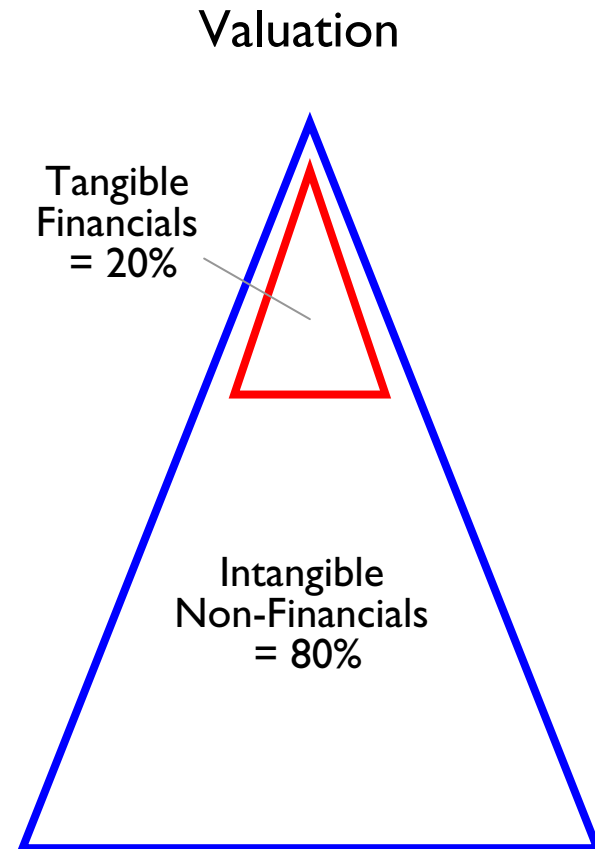
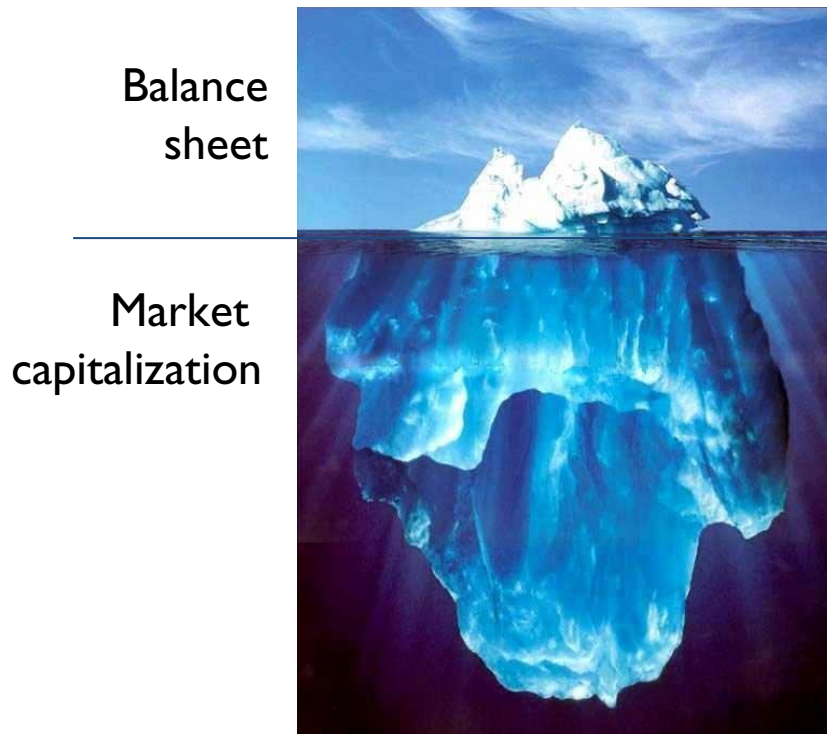
Where we were in 1980...



Valuation



...to where we are now



A new Canadian business reality

External Forces

Energy Crisis

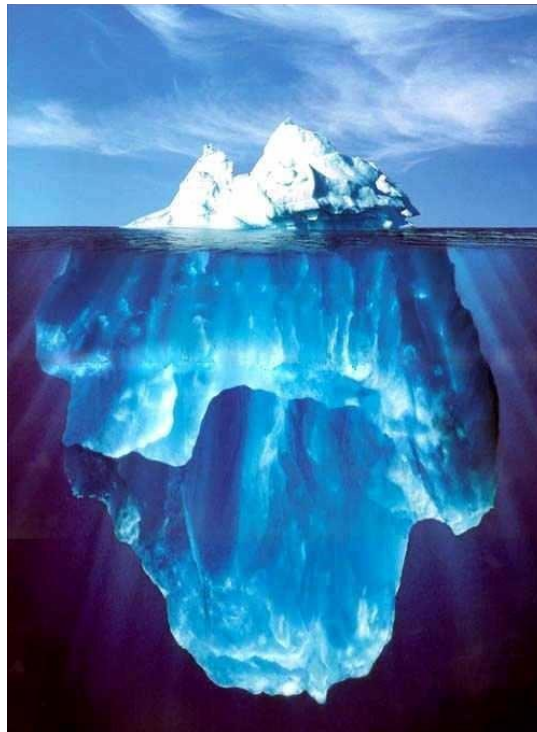
Climate Change

Security

Poverty

Waste & Toxicity

Social Justice



Internal Forces

Customers

Insurers

Academics

Shareholders

Competitors

Investors

Employees

Media

Government

NGO's

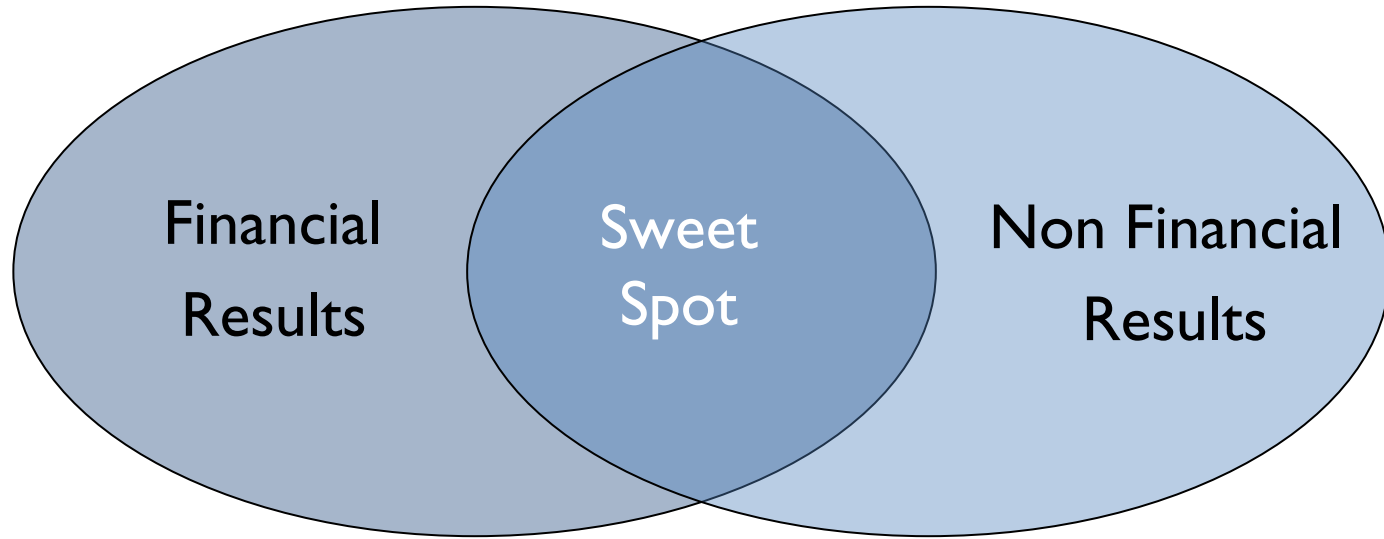
Communities

How does that feel?



Source: Ad for THE EXPO, Cannes, June 09

What is a business leader to do?

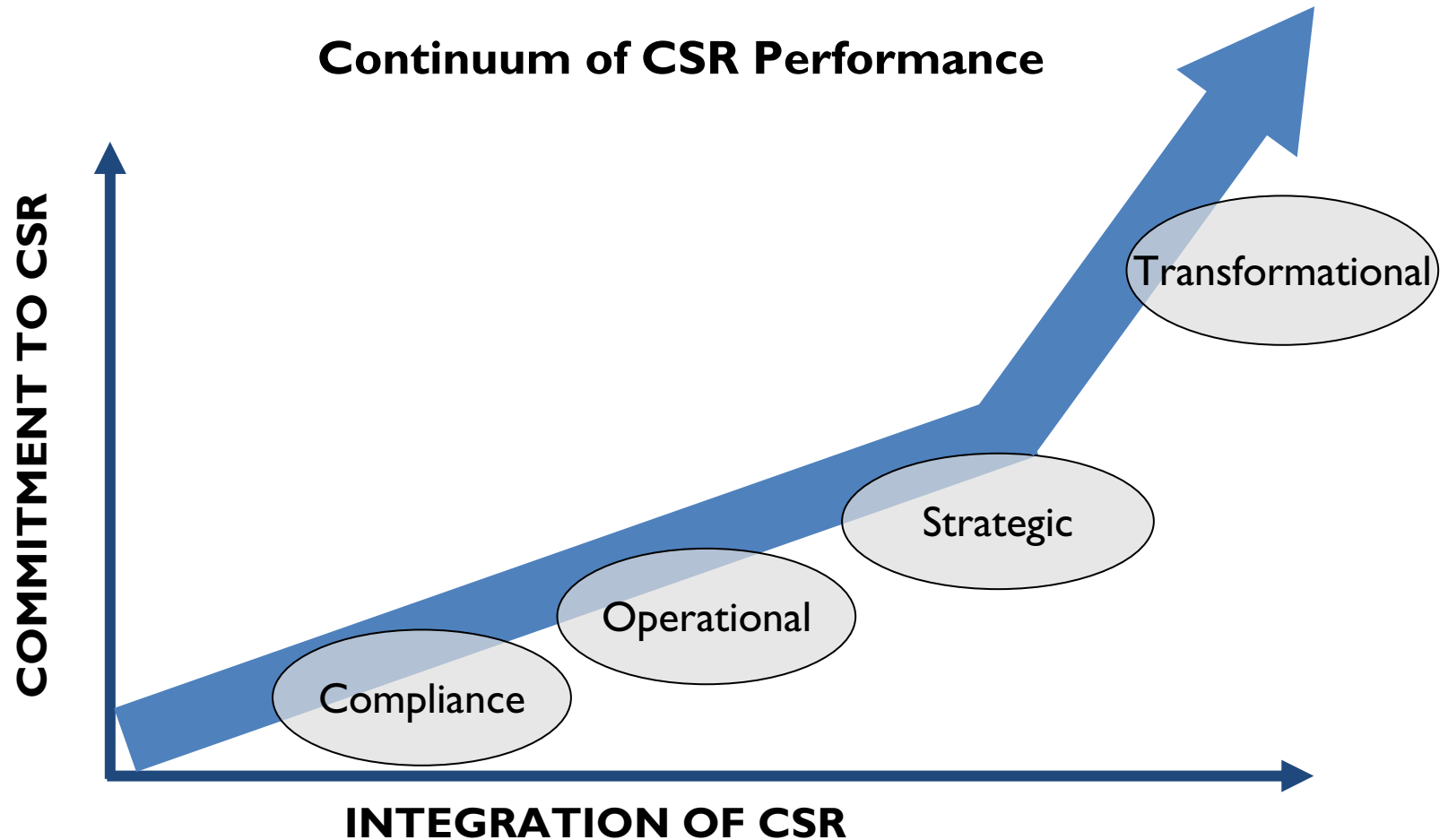


Transform: Markets, Products, Processes, Systems, Governance



How?

CBSR helps companies Transform



CBSR Continuum Defined

Continuum of CSR Performance



CBSR Tools Identify Company Position

Performance Drivers		Compliance	Operational	Strategic	Transformational
		Commitment to CSR	Leadership Mindset	Defensive	License to Operate
Vision	Jobs, profit, taxes		Philanthropy, Sustainable and profitable		Triple bottom line Beyond Org Long Term
CSR Champion	Staff driven		Ownership	Cross Functional Team	CEO Key Stakeholders
Engagement approach	Inform		Consult	Involve	Partner/Empower
Integration of CSR	Commitment	Minimal	By Project or Function	Strategic Plan	CSR Metrics drive performance assessment
	Action	Random programs	Siloed programs	Coordinated program	Programs central to business mission
	Evaluation	Minimal	Internal audit	3 rd party assurance	Stakeholder assessment
	Reporting	Legal requirements	Public disclosure	Public disclosure	Transparency

CBSR Continuum of CSR Performance

CBSR Good Company Guidelines Assessment



Source: Canadian Business for Social Responsibility

What is different about Transformational Firms?

Transformational Approach

**Better Business
Better World**



Personal Inspiration & Mindset

- Will & Commitment
- Values based leadership
- Long Term Horizon
- Expansive (beyond org)
- Access untapped potential
(eg Interface, Cooperators)

Sustainable Strategy & Action

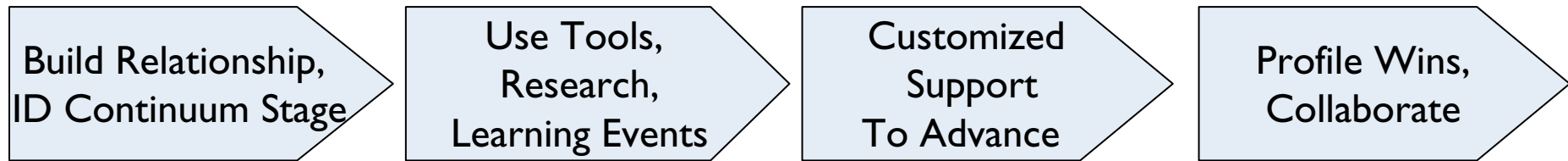
- Current & Desired State
- Priorities & Targets
- Plans & Programs
- Performance Mgmt
- Governance
- Metrics & Evaluation
- Reporting
(eg Walmart, Telus)

Collaboration and Change Plan

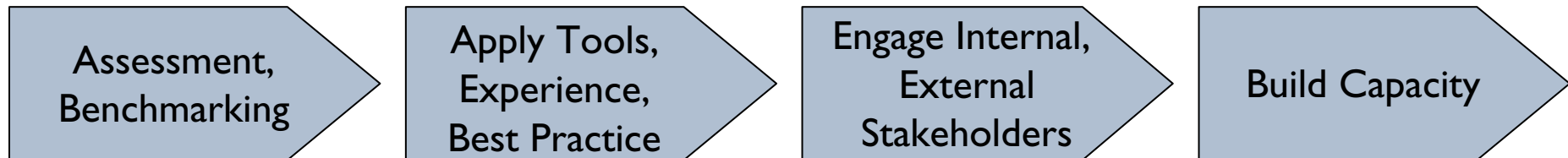
- Org & stakeholder
readiness
- Vision & Goals
- Education &
Communication
- Engagement
- Culture and Action
(eg Fairmont, Enbridge)

CBSR Supports Continuum Progress

Membership



Advisory Services



What Our Members Struggle With

1. Operational Issues

Opportunities: New Markets, Cost Savings, Employee engagement, Innovation

Risks: Reputation, License to Operate, Litigation, Regulation, Shareholder resolution

2. Intersection with complex global issues¹

- Energy & Climate Change
- Waste & Toxicity
- Food & Water
- Poverty & Social Justice

(1)Source: Bob Willard; the Sustainability Champions guidebook

What is a Business Leader to do?

1. Embrace the new reality
2. Identify your firms stage on the Continuum
3. Decide how important it is for you to progress
4. Consider the role your business plays in global issues
5. Work with CBSR and stakeholders to manage risks, opportunities and advance the CSR agenda