# **CERES 2001 Sustainability Report**

# "The CERES CERES Report"

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# **CERES Principles**

#### **Endorsing Company Statement**

By adopting these Principles, we publicly affirm our belief that corporations have a responsibility for the environment, and must conduct all aspects of their business as responsible stewards of the environment by operating in a manner that protects the Earth. We believe that corporations must not compromise the ability of future generations to sustain themselves.

We will update our practices constantly in light of advances in technology and new understandings in health and environmental science. In collaboration with CERES, we will promote a dynamic process to ensure that the Principles are interpreted in a way that accommodates changing technologies and environmental realities. We intend to make consistent, measurable progress in implementing these Principles and to apply them to all aspects of our operations throughout the world.

#### **Protection of the Biosphere**

We will reduce and make continual progress toward eliminating the release of any substance that may cause environmental damage to the air, water, or the earth or its inhabitants. We will safeguard all habitats affected by our operations and will protect open spaces and wilderness, while preserving biodiversity.

#### **Sustainable Use of Natural Resources**

We will make sustainable use of renewable natural resources, such as water, soils and forests. We will conserve non-renewable natural resources through efficient use and careful planning.

#### **Reduction and Disposal of Wastes**

We will reduce and where possible eliminate waste through source reduction and recycling. All waste will be handled and disposed of through safe and responsible methods.

### **Energy Conservation**

We will conserve energy and improve the energy efficiency of our internal operations and of the goods and services we sell. We will make every effort to use environmentally safe and sustainable energy sources.

### **Risk Reduction**

We will strive to minimize the environmental, health and safety risks to our employees and the communities in which we operate through safe technologies, facilities and operating procedures, and by being prepared for emergencies.

#### **Safe Products and Services**

We will reduce and where possible eliminate the use, manufacture or sale of products and services that cause environmental damage or health or safety hazards. We will inform our customers of the environmental impacts of our products or services and try to correct unsafe use.

#### **Environmental Restoration**

We will promptly and responsibly correct conditions we have caused that endanger health, safety or the environment. To the extent feasible, we will redress injuries we have caused to persons or damage we have caused to the environment and will restore the environment.

#### Informing the Public

We will inform in a timely manner everyone who may be affected by conditions caused by our company that might endanger health, safety or the environment. We will regularly seek advice and counsel through dialogue with persons in communities near our facilities. We will not take any action against employees for reporting dangerous incidents or conditions to management or to appropriate authorities.

#### **Management Commitment**

We will implement these Principles and sustain a process that ensures that the Board of Directors and Chief Executive Officer are fully informed about pertinent environmental issues and are fully responsible for environmental policy. In selecting our Board of Directors, we will consider demonstrated environmental commitment as a factor.

#### **Audits and Reports**

We will conduct an annual self-evaluation of our progress in implementing these Principles. We will support the timely creation of generally accepted environmental audit procedures. We will annually complete the CERES Report, which will be made available to the public.

<u>Disclaimer</u>: These Principles establish an environmental ethic with criteria by which investors and others can assess the environmental performance of companies. Companies that endorse these Principles pledge to go voluntarily beyond the requirements of the law. The terms "may" and "might" in Principles one and eight are not meant to encompass every imaginable consequence, no matter how remote. Rather, these Principles obligate endorsers to behave as prudent persons who are not governed by conflicting interests and who possess a strong commitment to environmental excellence and to human health and safety. These Principles are not intended to create new legal liabilities, expand existing rights or obligations, waive legal defenses, or otherwise affect the legal position of any endorsing company, and are not intended to be used against an endorser in any legal proceeding for any purpose.

# **Introduction: Why CERES Produced This Report**

The staff at CERES have often talked about producing a "CERES CERES Report", but progress on this front has frequently been delayed in the face of more "immediate" priorities – a situation no doubt familiar to many of our endorsing companies. In mid-2001, however, as part of the planning process for the 2002 CERES Conference, we committed to holding a workshop that would not only tackle the particular reporting challenges faced by smaller companies and non-profit groups, but also share CERES' own reporting experience. This public commitment drove the production of this report, along with a desire to achieve the following:

- To practice what we preach. Given the centrality of accountability and transparency to our mission, we felt that it was important to hold ourselves to the same standards that we set for endorsing companies.
- *To gain reporting experience*. By producing our own report, we can better understand the challenges and complexities of data collection, compilation and communication, and are therefore better equipped to work with CERES endorsing companies.
- *To drive improvement in our own performance*. When we looked at our operations through the eyes of a report producer, it became obvious that our performance could be improved. The act of reporting has drawn attention to areas of our operations that were previously below our "radar screen," and helped us identify and prioritize areas where we can improve.
- To show that reporting can be beneficial to all organizations, no matter what their size or type. Small enterprises and non-profit organizations rarely face the external pressures to report that larger, more publicly-scrutinized companies do. Yet reporting not only meets the information requirements of external audiences, it is also a valuable management tool that can help all organizations, no matter what their size, improve their performance. Further, while the individual impacts of smaller enterprises and organizations may be small, their cumulative impact is significant, and a full understanding of society's progress toward sustainability will require information from all actors. Unfortunately, many small or non-manufacturing organizations still view reporting as either irrelevant or burdensome. By producing this report, CERES hopes to show that reporting is not only feasible for smaller enterprises and non-profit organizations, but also beneficial.

It was also our original intention to produce a ground-breaking, state-of-the-art report. Yet such a lofty target actually served to intimidate rather than inspire. Our goal was therefore amended to reflect the advice that we have often given first-time corporate reporters – that reporting excellence, and the data gathering systems necessary to achieve it, develops over time. The best way to move toward reporting excellence is to *start* reporting at whatever level is possible. We therefore accepted that some aspects of our reporting would be less than perfect. And our report reflects this – we have accurate, thorough information in some places, estimates in others, and we also have some significant gaps. This report is, however, the beginning of a longer process, and we commit to improving over time.

CERES would also like to recognize the role played by Jennifer Hodge in the development of our reporting program. As an intern with CERES in early 2002, Jennifer assisted greatly with the preparation and writing of this document.

# **Section 1: Key Indicators and Vision**

CERES is legally established as a non-profit organization and operates out of one office site in downtown Boston, Massachusetts. At year-end 2001, CERES – the Coalition for Environmentally Responsible Economies – was comprised of 74 environmental, investor and advocacy groups working together for a sustainable future (see page 8 for a complete list).

CERES exists to promote and stimulate improved corporate environmental performance. And this, we would argue, is where our most significant – and most positive – impact lies. However, while we are exploring ways to measure the impacts of our programs and activities on our endorsing companies, this report primarily addresses our internal operational performance. As such, it does not address our largest impacts.

Our Report also addresses a number of areas of operational performance that might at first be considered relatively insignificant. Alongside a discussion of the greenhouse gases resulting from staff air travel, we also discuss our efforts to purchase organic coffee for the office, for example. While we recognize that the environmental impacts associated with our air travel dwarf those related to our coffee purchasing, we also feel that the purpose of this report is not only to identify and discuss our biggest impacts, but also to illustrate how we are trying to incorporate our environmental and social values into *all* aspects of our operations. We also wanted to illustrate that certain environmentally-preferable behaviors are easy to implement.

Further, while we have assumed, and remain confident, that our biggest negative impact results from staff air travel and energy use, we have not systematically analyzed the relative importance of our other impacts. We've therefore tried to discuss them all, large and small.

# **Key Indicators**

The environmental, social and economic impacts associated with CERES' operations primarily arise from the following:

- the employment of 22 staff occupying 4,179 square feet of leased office space
- staff and Board member travel associated with out-of-office meetings
- staff commuting to and from the office
- the procurement, use, recycling and/or disposal of products such as paper, office supplies and equipment
- the procurement of services such as banking, retirement plans, insurance, credit cards, telephone and internet services, catering, and consulting
- the preparation of documents via in-house photocopying and outside printing services
- the convening of meetings, including one major annual conference attended by several hundred people at an external hotel site, and
- the delivery of documents and other materials.

For these activities, CERES is in the process of developing indicators for measuring impact. We feel that our single biggest negative impact results from staff transportation and energy use. In this first year of reporting, our efforts to quantify our performance have therefore focused on documenting energy use and staff transportation, and calculating our resulting greenhouse gas emissions. Our performance in these areas in 2001 was as follows:

Activity	Quantity and	$CO_2$	$CO_2$
	Units	Equivalent	Equivalent
		(lbs.)	(metric tons)
Electricity use associated with office	40,802 kWh	268,173	121.6
heating, cooling, lighting and			
equipment operations			
Staff air travel	336,403 miles	423,867	192.3
Staff commuting via automobile	34,050 miles	31,129	14.1
Total CO <sub>2</sub> e Emissions in 2001		723,169	328

### Vision

### CERES aspires to be:

- The leading U.S. **coalition** of environmental, investor, and advocacy groups working together for a sustainable future
- An effective convenor of forward-looking companies that have committed to increased transparency and continuous improvement in performance by endorsing the CERES Principles
- A **common ground** where groups with widely different backgrounds, assumptions, and visions find concrete solutions to today's environmental challenges

CERES aims to accomplish this in a manner aligned with the CERES Principles (see inside front cover), and thus has adapted the CERES Endorsing Company Statement for itself as a non-profit organization:

We publicly affirm our belief that organizations have a responsibility for the environment, and must conduct all aspects of their operations and activities as responsible stewards of the environment by operating in a manner that protects the Earth. We believe that organizations must not compromise the ability of future generations to sustain themselves.

We will update our practices constantly in light of advances in technology and new understandings in health and environmental science. We will promote a dynamic process to ensure that the Principles are interpreted in a way that accommodates changing technologies and environmental realities. We intend to make consistent, measurable progress in implementing these Principles and to apply them to all aspects of our operations throughout the world.

# **Section 2: Organizational Profile**

CERES, the Coalition for Environmentally Responsible Economies, began its work in 1989 when several members of the Social Investment Forum, an association of sociallyresponsible investment companies, decided to form an alliance with leading environmentalists to change corporate environmental practices.

That same year, the Exxon Valdez disaster greatly affected the public's perception of corporate responsibility for the environment. Shortly afterwards, CERES announced the

"When people are asked to describe CERES, they often turn to analogies. It is a coalition, but it is also more than a coalition. It advocates for greater ecological responsibility, but it is more than a traditional advocacy group. It is a network of communication and learning. It is a forum for dialogue, a transmitter of information, a hub of debate." Bob Massie, Executive Director of CERES

creation of the Valdez Principles (later renamed the CERES Principles), a ten-point code of corporate environmental conduct to be publicly endorsed by companies that strive to improve their overall performance.

CERES is legally established as a non-profit organization and operates out of one office in downtown Boston, Massachusetts.

At year-end 2001, CERES was comprised of 74 environmental, investor, and advocacy groups working together for a sustainable future (see page 8 for a full list of these organizations). In addition, 60 organizations – primarily corporations – had endorsed the CERES Principles by the year-end 2001 (see page 9). Endorsing the Principles is a two-way process that includes both a commitment by the company to work towards the goals embodied in the Principles, and an acceptance by CERES that this commitment has been made in good faith.

# **CERES Programs**

CERES pursues its strategy for advancing more transparent and sustainable business through an expanding array of programs and activities. At its core, CERES is committed to engaging diverse groups of stakeholders and companies in dialogue. CERES creates venues and occasions at which leaders from diverse communities can gather to discuss critical issues facing companies, society, and the environment. These range from large events, such as the annual CERES Conference, to ad hoc dialogues and forums addressing technical and policy issues within an industry-sector or an individual company.

CERES has also assumed a leadership role in developing and promoting environmental performance reporting standards over the last 12 years. Endorsement of the CERES Principles commits the endorser to "annually complete the CERES Report, which will be made available to the public." As well as establishing reporting guidelines, CERES works with endorsers to improve reports, and assists stakeholders in using reports.

In 1997, CERES convened the Global Reporting Initiative (GRI) in partnership with the United Nations Environment Program. The GRI's mission is to develop globally applicable guidelines

for reporting on economic, environmental, and social performance, initially for corporations and eventually for any business, governmental, or non-governmental organization (NGO). The GRI incorporates the active participation of corporations, NGOs, accountancy organizations, business associations, and other stakeholders from around the world. By the end of 2002, the GRI will be established as a permanent, independent, international body with a multi-stakeholder governance structure.

In 2000, CERES launched the Green Hotel Initiative to catalyze the market demand for environmentally-responsible hotel and meeting services.

For additional information on CERES program, please see our website at http://www.ceres.org.

<b>CERES Boa</b>	rd of Directo	rs (2001)
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Norman Dean, Chair Denis Hayes, Honorary Chair

Executive Director, Friends of the Earth - US President and CEO, Bullitt Foundation

Stuart Auchincloss Kevin Knobloch Chair of the Atlantic Chapter, Sierra Club Executive Director,

Union of Concerned Scientists

Rev. William Somplatsky-Jarman

Presbyterian Church (U.S.A.)

Ken Sylvester

William Thompson)

Investment and Environmental Justice,

Associate for Mission Responsibility Through

Director, Pension Policy, Comptroller of the City of New York (Representing Comptroller

Joan Bavaria, Founding Chair

President & CEO, Trillium Asset Management Mary D. Nichols

Secretary for Resources, State of California

William M. Eichbaum

Vice President, Endangered Spaces Program,

World Wildlife Fund

Leslie Fields

International Programs Director,

Friends of the Earth USA

Paul Freundlich

President, Fair Trade Foundation

Julie Tanner Neva Goodwin

Director of Finance Initiatives, Co-Director, Global Development and Environment Institute, Fletcher School National Wildlife Federation

**Tufts University** 

Joe Uehlein

Alisa Gravitz Director of Strategic Campaigns,

Vice President, Social Investment Forum AFL-CIO

Ashok Gupta Ariane van Buren

Senior Energy Director, Director, Energy and Environment Program, Natural Resources Defense Council Interfaith Center on Corporate Responsibility

#### **CERES COALITION MEMBERS**

#### **Environmental & Public Interest**

- Alliance for Environmental Innovation
- AndEarth.com
- AFL-CIO
- Alternatives for Community and Environment
- Appalachian Mountain Club
- Center for a New American Dream
- Center for a Sustainable Economy
- Communities by Choice
- Communities for a Better Environment
- Co-op America
- Earth Island Institute
- Environmental Defense
- Environmental League of Massachusetts
- First Nations Development Institute
- Friends of The Earth
- Global Green USA
- GrassRoots Recycling Network
- Green@work Magazine
- Green Seal
- Humane Society of the US
- Interfaith Power and Light
- LightHawk
- National Wildlife Federation
- Natural Resources Defense Council
- New Economics Foundation
- North American Bluebird Society
- Penn Energy Project
- Pennsylvania Resources Council
- Rainforest Action Network
- Redefining Progress
- Renew America
- Resource Renewal Institute
- River Network
- Rocky Mountain Institute
- Sierra Club
- Southwest Organizing Project
- SRI World Group, Inc.
- SustainAbility Ltd.

- Sustainable Business Alliance
- SustainableBusiness.com
- Union of Concerned Scientists
- Valdez Society
- World Wildlife Fund

#### **Investors and Foundations**

- Bullitt Foundation
- Calvert Group
- Christian Brothers Investment Services
- Citizens Funds
- Domestic and Foreign Missionary Society
- Domini Social Investments, LLC
- Evangelical Lutheran Church in America
- Fair Trade Foundation
- Friends Ivory & Sime
- Green Century Funds
- Harrington Investments
- Interfaith Center on Corporate Responsibility
- Jessie Smith Noyes Foundation
- Steven and Michele Kirsch Foundation
- KLD Research & Analytics, Inc.
- MMA Financial Services
- National Ministries, American Baptist Churches, USA
- New Alternatives Fund, Inc.
- New York City Comptrollers Office
- Parnassus Investments
- Pax World Fund Family
- Presbyterian Church (USA)
- Progressive Asset Management
- Progressive Investment Management
- Shorebank
- Social Investment Forum
- Social Responsibility Investment Group
- Trillium Asset Management
- Twin Pines Development Foundation
- United Methodist Church General Board of Pension and Health Benefits
- United States Trust Company of Boston/Walden Asset Management

### **CERES ENDORSERS**

- American Airlines
- APS
- Aveda Corporation
- Bank of America Corporation
- Baxter International Inc.
- Ben & Jerry's Homemade, Inc.
- Bethlehem Steel Corporation
- The Body Shop International PLC
- The Bullitt Foundation
- Cape Canaveral Marine Services, Inc.
- Catholic Healthcare West
- Coca-Cola, USA
- Consolidated Edison
- Co-op America
- Earth Friendly Products
- Earthrise Trading Company, Inc.
- Eco-Invest Publishing, Ltd.
- Eco-Logical Solutions
- Energy Management, Inc.
- Environmental Risk & Loss Control, Inc.
- ENVINTA
- The Episcopal Diocese of Massachusetts
- FatEarth, Inc.
- First Environment
- First Affirmative Financial Network
- Ford Motor Company
- General Motors Corporation
- Global Environmental Technologies
- GreenAudit, Inc.
- Green Leaf Composting

- Green Mountain Energy Company
- Green Mountain Power Corporation
- Harrington Investments, Inc.
- Harwood Products Company
- Hotel Mocking Bird Hill
- ITT Industries
- Interface, Inc.
- Louisville & Jefferson County Metropolitan Sewer District
- Natural Logic, Inc.
- NewLeaf Designs, Inc.
- Nike, Inc.
- Northeast Utilities
- Penguin Computing
- PPL Corporation
- Polaroid Corporation
- Progressive Asset Management, Inc.
- Real Goods Trading Corporation
- Recycled Paper Printing, Inc.
- Rolltronics Corporation
- Saunders Hotel Group
- · Sunoco, Inc.
- Timelines, Inc.
- The Timberland Company
- Trillium Asset Management
- United States Trust Company/Walden Asset Management
- Vancouver City Savings Credit Union
- Wainwright Bank
- The WATER Foundation
- William McDonough + Partners
- YSI, Inc.

# **CERES Operational Statistics**

During 2001 – the time period covered in this report – CERES occupied offices on the 5<sup>th</sup> and 6<sup>th</sup> floors of11 Arlington Street in the Back Bay area of downtown Boston. When CERES moved to this location in 1998, we had a staff of 6. At year end 2001, we had 22 employees. Later in the Environmental Performance section of this report we have tried to normalize some of our performance data using both square feet occupied and employee numbers. Results vary significantly depending on which of these methodologies is used, as the growth of our office space has not kept pace with the growth of our staff!

## Number of Employees:

Year-end **1999**: 10

Year-end **2000**: 18 (of which 4 were devoted to the GRI) Year-end **2001**: 22 (of which 7 were devoted to the GRI)

### Annual Budget

**1999**: \$1,390,515

**2000**: \$2,590,162 (of which \$911,311 was for the GRI) **2001**: \$2,332,862 (of which \$672,393 is for the GRI)

CERES is funded by: foundation grants; coalition and endorser fees; individual contributions; and fees for services.

### Office Space (in square feet)

**Year-end 1999**: 3,108 sq. ft. **Year-end 2000**: 4,179 sq. ft. **Year-end 2001**: 4,179 sq. ft.

The expansion of the Global Reporting Initiative project over the past four years has been the major reason for the increase in CERES budget, staff numbers and office space. When the GRI becomes established as an independent institution and relocates to offices in Europe in late 2002, much of its staff, equipment, and associated environmental impact will be removed from CERES' purview.

This relocation will complicate future comparisons to our current performance. Unfortunately, because many aspects of the GRI's operations (such as materials use, paper purchasing, printing, photocopying, electricity use and recycling) have not been tracked separately from other aspects of CERES' operations, we have not been able to separate GRI-specific data within this report. Staff air travel is the only exception to this rule.

# **About this report**

The focus of this report is our performance during the calendar and fiscal year 2001, during which time CERES occupied offices at 11 Arlington Street in Boston. We have, however, also made mention of some efforts that were initiated in early 2002. This reflects the fact that the planning for, and development of, this report has encouraged action in a number of areas. Readers will find an update of our progress in these areas in next year's report. In addition, given that this is our first report, we have also included stories and data from prior to 2001 when relevant and/or available.

In August 2002, CERES moved offices to 99 Chauncy Street in Boston. The environmental implications of this move will be discussed in our 2002 Sustainability Report.

CERES prepared this Report in tandem with the development of CERES' new *Reporting Requirements for Small Enterprises and Non-profit Organizations*. Each progressive draft of one informed the other, and CERES welcomes feedback on both these documents.

Feedback, or requests for more information about this report should be directed to Iain Watt, CERES Corporate Accountability Specialist (watt@ceres.org; 617 247 0700 ext. 17).

# Section 3: Policies, Management Systems and Relationships

The CERES Principles (see inside front cover) constitute the values statement for the organization's evolving policies and management systems

# **Environmental Policy**

While CERES has made efforts to manage our operations in a manner that minimizes our negative impact on the environment, we did not begin developing formal policies until late 2001. Without any policies, our efforts have been largely guided by the environmental proclivities of the CERES staff.

However, the lack of any formal guidance has inevitably led to uneven performance, especially when decisions are being made under the stress of a deadline or under budgetary restrictions. In late 2001 we therefore started exploring what an environmental policy might look like for CERES. Efforts so far have focused on developing guidance for staff travel, meeting logistics, and purchasing decisions. We will continue developing our operational environmental policy in 2002, and we look forward to reporting on our progress in next year's report.

# **Social and Economic Policy**

CERES maintains an Employee Manual and Code of Ethics that is intended to inform and protect staff. The employee manual addresses:

- Personnel Administration Policies and Practices
- Wages and Salary
- Benefits Package
- Insurance Coverage
- Education/Training

The CERES Employee Manual provides a framework for addressing most issues that arise, and states that "We [CERES] believe in direct access to management. We are dedicated to making CERES an organization where an employee can approach his or her manager, or any member of management, to discuss any problem or question. We expect employees to voice their opinions and contribute suggestions to improve the quality of the organization."

Our purchasing and other behaviors have not been guided by any formal policy that addresses social issues, but have been influenced by staff attitudes. As we develop our environmental policy, we will also consider wider social and economic issues where appropriate.

# **Environmental Management**

### The CERES Green Team

In 2001, a group of CERES staff set up a "Green Team" to research opportunities for improving CERES' environmental performance and to make suggestions to the entire staff. The Green Team, which meets approximately every two weeks, has since been formalized as CERES' official internal advisory committee on environmental issues.

The Green Team develops its own agenda – priorities and areas for research are decided by consensus by the members of the Green Team themselves – and have so far been wide-ranging. The group is, for example, guiding the development of CERES' environmental policy mentioned above. It has also explored the possibility of setting up an office-based composting system, discussed options for off-setting carbon dioxide emissions, and approved the purchasing of recycled glass tableware, amongst other things.

The Green Team has already implemented a number of low-cost or no-cost recommendations. Some moderate cost recommendations, such as the purchase of recycled glass tableware, have also been implemented where the office budget allowed. No major, high-cost items have been recommended to date, but the Green Team will consider the need for any in the next budget cycle.

The Green Team provides monthly updates on their work to the entire staff at staff meetings. As of year-end 2001, the CERES Board of Directors was not formally involved in our internal environmental management, nor were they updated by the Green Team, or any other staff liaison, on our performance in this area.

The participants in the Green Team at the end of 2001 were as follows. We have estimated the number of hours spent on Green Team activities at the end of the year.

Title	Total Hours per Week*	Total Hours per Year
Manager of Finance and	2	104
Administration	_	101
Corporate Accountability	2	104
Specialist	2	104
Conference Coordinator,	1.5	78
Program Manager for GHI	1.3	76
GRI Administrative Assistant	1.5	78
CERES Administrative Assistant	1.5	78
Total	8.5	442

<sup>\*</sup> This is an average calculation, the work stream of The Green Team ebbs and flows.

These numbers do not include staff time spent on the development of this report. During the production of this report in early 2002, we estimate that 300 hours of staff time were spent preparing and editing this report. Prior to 2002, we estimate that a further 300 hours were spent since 1998 either brainstorming report-related ideas or preparing draft text.

### Staff Incentives for Environmental Performance

CERES currently has no formal program to reward employees in annual performance reviews or through other reward mechanisms, on the basis of their contribution to the organization's internal environmental management and/or performance. CERES' staff are personally motivated to drive environmentally-responsible performance however, and satisfaction is derived from working toward the common goal of environmental excellence.

### **Environmental Training**

CERES has no systematic environmental training program for its employees. However, most of our employees have some combination of environmental awareness and experience prior to joining the organization. The nature of our work also involves staying abreast of developments in the environmental field, especially with regard to corporate environmentalism, and staff members are responsible for developing their own methods of staying up-to-date with current thinking. This knowledge is shared informally amongst staff through a variety of mechanisms, including conversation, email, and briefings at staff meetings. Employees are also encouraged to attend local events and lectures.

In 2002, we intend to enact a more formal staff-to-staff learning program, whereby staff members with expertise in areas of interest to other employees hold official training sessions. Proposals have included such diverse topics as climate change, corporate governance, and home composting.

This proposal was inspired by the success of several similar training sessions that occurred in 2001. In June and December of 2001, a training session on corporate environmental reporting was held for those staff members not directly involved in our reporting programs. These sessions covered a history of environmental reporting, a discussion of the reasons for – and for not – reporting, and some tips for analyzing the information contained within corporate reports.

CERES also held two training sessions in late 2001 on the relationship between corporate governance and sustainability.

#### **Audits**

CERES has not undertaken audits regarding any aspect of our internal environmental management. We have discussed the need for an energy and air quality audit, given the suspected inefficiency of our lighting and, especially, our heating and air conditioning systems, and we will explore this possibility in 2002.

# **Supplier Policies and Management Systems**

In choosing the suppliers and vendors that we do business with, and the specific products and services that we purchase or lease, CERES makes decisions that significantly influence our environmental impact. While many of our historical purchasing decisions have been influenced by environmental and/or social considerations, we have not had an official purchasing policy in place to guide them. Purchasing is one of the areas being considered in the ongoing development of the CERES Environmental Policy. We intend to report progress on official purchasing guidelines in next year's report.

# **CERES' relationship with the Tellus Institute**

As a renter of office space, our environmental impact is, in many ways, influenced by the actions of our landlord – the Tellus Institute (<a href="http://www.tellus.org">http://www.tellus.org</a>). As landlord, Tellus is responsible for building infrastructure and management. As a result, the energy requirements of CERES' lighting, heating, and air conditioning systems are outside our direct control.

Tellus also manages building functions such as cleaning and the provision of bathroom services (including toilet paper and paper towels). Accordingly, any efforts on our part to improve our environmental performance in these areas, is dependent on the participation of Tellus. CERES finds itself in a very fortunate position, however, in that we not only have a close professional relationship with the Tellus Institute, but also a shared environmental ethic – environmental stewardship and equitable development lie at the heart of Tellus' mission.

We have successfully partnered with Tellus in a number of environmental initiatives. For example, prior to our move to 11 Arlington Street, Tellus offered to re-carpet the space that we would be moving into. CERES requested that Interface carpet (<a href="http://www.interfaceinc.com">http://www.interfaceinc.com</a>) be used and made up the price differential between Interface carpeting and the carpet that Tellus had originally intended to use. As a result, upon our arrival, our offices was carpeted with Interface "Moire Plus III" carpet tiles. Interface does offer innovative carpet leasing options through their Evergreen Service Agreement. However, the company were unwilling to provide this service for an office as small as ours. Our carpet was therefore purchased outright.

In 2001, we also successfully partnered with Tellus to purchase environmentally-preferable office paper (see page 20 for a detailed discussion of this).

The physical characteristics of the building we share with Tellus have posed a number of obstacles to environmental excellence, however. Our offices are housed in the 5<sup>th</sup> and 6<sup>th</sup> floors of a renovated 19<sup>th</sup> century "brownstone" residential building, and we have problems with the efficiency of our heating and air conditioning systems. Indeed, we often have air conditioning on during winter, and sometimes have heating on in the summer. Individual offices are also unevenly heated and cooled. As the discussion on page 17 reveals, our electricity use is a significant source of carbon dioxide and other greenhouse gases, and it is frustrating that our office space is so obviously inefficient.

Our location also poses natural light, ventilation, and air circulation problems. The 6<sup>th</sup> floor of our building is converted attic space, with only two windows that can be opened. We do receive additional natural light through 32 two foot by two foot skylights, but these are frosted and cannot be opened to allow ventilation. Since moving to 11 Arlington Street we have identified the replacement of our fixed skylights with those that can be opened as a possible means to better ventilate the office. The skylights were in fact replaced in 2001, but fixed skylights were reinstalled.

# **Section 4: Environmental Performance**

The previous page highlighted the important role played by our landlord, the Tellus Institute, in our environmental management efforts. Our relationship with Tellus not only influences our ability to make certain infrastructural changes, but also affects the availability and quality of our environmental data.

Our electricity use, for example, is not determined by a direct metering of CERES' office space. Rather, this data has been tracked at the building level, and we have had to estimate CERES' contribution. Thus, if CERES efforts do increase the efficiency of our operations they are not necessarily reflected in our data. Similarly, if Tellus improves its efficiency, this will show up in our numbers regardless of any action on our part.

# **Energy Use**

CERES direct energy use is comprised entirely of electricity use. We use electricity primarily for:

- lighting and office equipment
- · space heating and cooling, and
- water heating.

As noted above, our electricity usage is not determined by a direct metering of CERES' office space. In attempting to estimate our share of the building total, we explored a couple of different methodologies and, unfortunately, these reveal significantly different results.

First, we determined our electricity use based on the percentage of total office space in our building occupied by CERES (by assuming responsibility for the same percentage of the building's total electricity use) (see figure 1). However, this is not the only possible means of determining our electricity use – the number of employees working in a specific space might be more important to energy use than the size of the space itself. And CERES has experienced significant staff growth over past three years, with only a modest increase in office space. We have therefore also calculated our energy use as determined by the percentage of CERES employees to total building employees (and by assuming responsibility for the same percentage of the building's total electricity use) (see figure 2). Both sets of results are shown below:

Fig.1 Total Electricity Use in kWh as determined by %age of space occupied

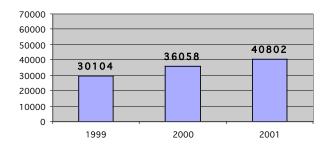
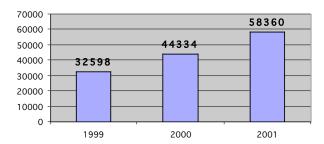


Fig.2 Total Electricity Use in kWh as determined by %age of employees



These two sets of data can then be normalized in different ways. Using office space occupied by CERES to both calculate total electricity use, and to determine our electricity use per square foot of office space occupied, we achieve the results in Figure 3 below (we occupied 3,108 sq. ft. in 1999, and increased to 4,179 sq. ft. occupied in 2000 and 2001). However, this methodology does not account for the significant staff growth CERES has experienced over past three years — we suspect that simply by having more staff in roughly the same amount of space that our energy efficiency has improved somewhat.

If we then use the percentage of CERES employees to total building employees to both calculate total electricity use, and to determine our electricity use per employee, we achieve these results in Figure 4 below (CERES had 10 employees in 1999, 18 in 2000, and 22 in 2001). Using only employee numbers to determine electricity usage, however, does not take into account the fact that CERES' employees are concentrated in a smaller amount of space than our Tellus counterparts (and therefore presumably use less electricity per person).

Finally, therefore, Figure 5 shows our total electricity use as determined by office space occupied, normalized by our number of employees.

Fig.3 Normalized Elec. Use (kWh/sq ft) as determined by %age of space occupied

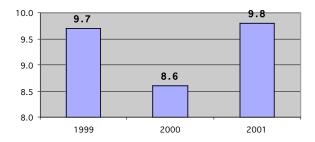


Fig.4 Normalized Elec. Use (kWh/employee) as determined by %age of employees

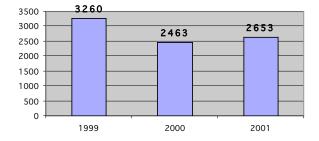
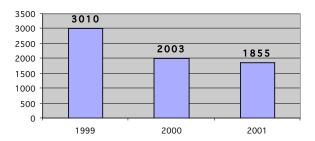


Fig.5 Normalized Elec. Use (kWh/employee) as determined using the %age of space occupied to calculate total elec. use



Presenting our energy use data in each of these ways has benefits and draw-backs. We are very interested in hearing from readers as to which methodology they feel is the most appropriate. Whatever methodology is used, however, it is clear that CERES' total energy use has increased over the last three years – primarily because of a large increase in staff size, and a modest increase in space occupied.

Please note that, where total electricity use is used in calculations elsewhere in this report (in our estimation of CO<sub>2</sub> emissions resulting from electricity use on page 18, for example) we used the percentage of total office space in our building occupied by CERES to calculate electricity use.

Our trend in energy efficiency is less clear. Depending on the methodology used, our performance on this front may, or may not, be improving. Any improvements are likely the result of housing more employees in a limited amount of space, however, rather than the result of any energy conservation efforts.

Although CERES does not have an official energy conservation program in place, we have enacted a number of small initiatives to try and cut our electricity usage. In 2001,we placed signage next to every light switch in the office encouraging staff to turn off lights when not in their offices, for example. We have no way to determine if this has had a material effect on numbers, and in terms of any direct effect this would likely be minimal in any case. However, we do feel that these reminders have helped to engender a greater awareness about energy issues among the staff.

Also, our office printer and photocopiers are typically turned off by the last employee to leave the office. Individual staff members also turn off their computers at night and are encouraged to set their computers at the highest energy efficiency standards. All of our recent computer and electronic office equipment purchases have been Energy Star certified.

### Renewable Energy

The Massachusetts energy market does not currently allow small enterprises to purchase electricity from environmentally-preferable suppliers. We will nevertheless explore purchasing electricity from alternative sources as soon as this is possible.

# **Emissions**

#### Greenhouse Gases

CERES' has begun to estimate greenhouse gas emissions associated with 3 major activities:

- 1) office electricity use;
- 2) staff business travel; and
- 3) staff commuting.

Going forward, we will also explore the possibility of documenting the greenhouse gas emissions associated with CERES Board travel, and the travel of non-CERES attendees at meetings we convene. We will also explore measuring emissions embedded in our paper (and other) purchasing and the emissions avoided through our paper and materials recycling. CERES is also investigating ways to "offset" our carbon emissions.

<u>Greenhouse Gas Emissions from Office Electricity Use</u>: We have calculated the emissions of CO<sub>2</sub>, N<sub>2</sub>O and CH<sub>4</sub> relating to our use of electricity using the conversion factors for

Massachusetts provided by the Energy Information Administration. The results are shown in the table below (aggregated into CO<sub>2</sub> equivalents).

	1999	2000	2001
Total Emissions from Electricity Use	197,861	236,997	268,173
(in lbs. of CO <sub>2</sub> equivalent)			
Normalized Emissions from Electricity Use	63.66	56.71	64.17
(in lbs. per square foot of office space)			
Normalized Emissions from Electricity Use	19,786	13,167	12,190
(in lbs. per employee)			

Note: CO2 emissions equivalents derived from Climate Neutral Network's Conversion System

Greenhouse Gas Emissions from Staff Business Travel: CERES began tracking staff travel in 2001, which was a heavy year of travel due to the extensive international outreach associated with the Global Reporting Initiative. Each individual staff person is responsible for tracking their own business travel. Wherever business travel is listed on an expense sheet, the staff person in question is obliged to list the distance traveled.

Air miles traveled by	Total number of miles flown in 2001	Average miles flown per employee in 2001	CO <sub>2</sub> equivalent (lbs.)
CERES (Non-GRI)	164,140	10,943	206,816
GRI	172,263	38,281	217,051
Total CERES/GRI	336,403	15,291	423,867

The above table details the miles flown by CERES staff during 2001 for business travel purposes. This data does not include miles flown by CERES board members to attend CERES board meetings, or miles flown by stakeholders on behalf of CERES or GRI (CERES occasionally subsidizes the travel of certain coalition members, and the GRI regularly subsidizes the travel of international NGO stakeholders).

For both CERES and the GRI, budgetary considerations cause us to minimize business travel. The environmental consequences of flying have not played a significant role in organizational decisions to travel or not, unless staff are traveling to a location such as New York City, where rail is a competitive alternative in terms of time and price. As we develop our environmental policy, this will be an issue for us to consider. Looking forward, the spin-off of the GRI will lead to less international travel. Air travel will likely remain a significant impact for CERES however – the establishment of trust, upon which most of CERES' relationships depend, has historically made face-to-face meetings very important to CERES as an organization. Nevertheless, conference calls and other alternative convening methods have been used when possible and appropriate.

CERES employees only use rental cars on a limited basis for business travel. Staff typically

request compact-size rental cars for use by 1-2 persons. Staff have carpooled or rented vans for group travel to meetings around New England, to save on private vehicle miles. We have not, however, tracked any data relating to these forms of transportation.

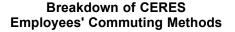
Greenhouse Gas Emissions from Employee Commuting in 2001

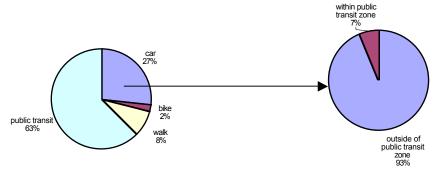
Given our location in a city that is well-served by public transportation, CERES employees are often able to choose environmentally-preferable forms of transportation for their daily commute. Employee subway passes are fully subsidized by CERES to encourage commuting by lower impact means.

The following table estimates CERES' employee commuting profile (based on a survey of CERES employees):

Mode	Miles per day	Miles per year	Miles per year/ per employee	CO <sub>2</sub> Equivalents (lbs) per year
Single Occupant Car	150	34,050	1547.7	31,129
Carpool	-	-		-
Bike	12	2,724	123.8	0
Walking	45	10,215	464.3	0
Public Transit	344	78,088	3549.5	*
<b>Total Commute Miles</b>	551	125,077	5685.3	31,129
Non-impact miles (Biking or Walking)	57	12,939	588.1	0
Low Impact Miles (Public Transit)	344	78,088	4137.6	*
High Impact Miles (Automobile)	150	34,050	1547.7	31,129

<sup>\*</sup> CERES recognizes that public transit also produces  $CO_2$  emissions. We were unable to estimate  $CO_2$  emissions from this source, however.





73% of CERES employees' commuting miles are achieved using low or no impact sources (public transit, biking or walking). Of those commuting miles that are undertaken by car, 93% are driven by employees who reside outside the Boston public transit system.

### **Materials and Waste Streams**

CERES tracks some information with regard to our materials use, recycling and disposal, but this is not done in a systematic manner. We will therefore explore more accurate methods for tracking materials input and output information in 2002.

<u>Paper</u> - In 2001, CERES purchased 1383 lbs, or 270 reams of paper, for office use. This does not include paper used in printing and publications.

### The CERES Office Paper Purchasing Story

One of the first activities of the CERES Green Team was to explore the possibility of purchasing office paper with improved environmental characteristics. At the start of 2001, we were using *Great White Recycled Multi-Use* paper (containing 30% post-consumer material) for general office use, and we decided to examine the possibility of purchasing office paper that was 100% post-consumer recycled and 100% processed chlorine-free.

We assumed that the main impediment to such a switch would be financial cost, but we discovered that a number of sources were cost-effective if purchased in larger volumes. This was partly due to the fact that our previous purchasing system was not especially efficient – we had been purchasing paper in highly variable volumes and at highly variable cost. By purchasing environmentally-preferable paper in bulk, therefore, we could make the transition without increasing cost. Indeed, while in 2000 we spent an average of \$3.55 per ream of paper, in 2001, after switching brands, we were spending \$3.50 a ream).

At the same time that CERES was investigating 100% post-consumer recycled and 100% processed chlorine-free paper, we heard that our landlord, the Tellus Institute, was also considering a similar switch. Tellus had tighter budgetary concerns than CERES, however – not only had they been purchasing in larger volumes, but they also had a more organized paper purchasing strategy. As a result, they typically paid less for their paper than CERES did. By pooling our resources, however, we were able to meet Tellus' budgetary concerns

We therefore reached an agreement to purchase *Encore 100* paper from New Leaf Paper. Tellus would purchase 400 reams of paper every 4 months, and CERES would then purchase paper from them, at cost, in batches of 5 cases as needed. However, when the first shipment was delivered in early August, neither the driver of the truck that delivered the paper, nor the building manager at 11 Arlington Street, was prepared to carry the paper into the building. The delivery was therefore refused. In light of this, an alternative arrangement was set up with Recycled Office Products to supply *Badger Mills Envirographic* paper – including delivery into the building. The terms of our agreement to purchase paper from Tellus remained unchanged.

As well as the white office paper addressed above, CERES also purchases Genesis Birch paper (100% post-consumer recycled content) from Recycled Paper Printing for use as CERES' headed paper. We have also purchased blank white envelopes of various sizes from both Recycled Paper Printing and W.B. Mason. These have been purchased in small quantities for specific mailings. While CERES does look for recycled content in these purchases, we have not set requirements for post-consumer content.

CERES does not yet have an official policy regarding paper use, although staff are encouraged to print all materials double-sided. The Green Team also put forth a proposal in 2001 that all internal office memos also be printed with two pages on each side, although this was defeated because of the concern that the typeface would be too small.

Our efforts to print all materials double-sided are sometimes obstructed by frustratingly basic problems. For example, a couple of our computers frequently revert to only being able to print one-sided, and this apparently simple problem frequently proves to be beyond the technical abilities of our staff. Nevertheless, CERES continues to strive for 100% two-sided use of paper for all internal documentation.

In 2001, we instituted a system of storing rather than recycling paper that had been printed on only one side. We have explored a number of potential uses for such paper – our original plan to use it to stock the fax machine failed because loading errors resulted in a number of unreadable faxes. Some employees use this paper to make their own note pads, but as things stand, such paper is created and collected at a much faster rate than it is used.

The Tellus Institute tracks the quantity of paper recycled at 11 Arlington Street. Using the same methodology employed to calculate our electricity usage (dividing the building total by the percentage of office space that CERES occupies), we have estimated our paper recycling in 2001 as follows.

### Paper recycling in 2001

	<b>Building (Tellus and CERES)</b>	CERES
Pounds of Paper Recycled	17,226	4,203
Number of Trees Saved*	146	36
Cubic Yards of Landfill	26	6
Saved*		

<sup>\*</sup> From Earthworm, Inc. – 17 pulp trees/ton, 3 cubic yards landfill/ton

According to these statistics, we recycle roughly 3 times as much paper as we purchase. This could be influenced by the recycling of newspapers, mail and other documents not captured in our paper purchasing statistic, but it also likely reflects inaccuracies in our methodology.

Nevertheless, we estimate that we have saved the equivalent of 36 trees and 6 cubic yards of landfill space through our paper recycling efforts in 2001 (based on the assumption that one ton of paper requires 17 trees and results in 3 cubic yards of landfill space if not recycled).

Tellus is also in charge of purchasing toilet paper and paper towels for the building. They purchase "Bay West EcoSoft" 100% recycled toilet paper and paper towels for this purpose.

In 2001, the CERES Green Team explored a switch from disposable paper towels to washable cotton towels an attempt to cut down paper waste. This option was not pursued due to employee concerns about sanitation and lack of on-site laundry facilities.

<u>Printing and Design</u>. All large printing jobs for both CERES and GRI (including the printing of the June 2000 GRI *Sustainability Reporting Guidelines* – our most significant individual print job in 2001) are handled by Recycled Paper Printing (<a href="http://www.recycledpaper.com">http://www.recycledpaper.com</a>). Recycled Paper Printing endorsed the CERES Principles in 1994.

CERES always specifies that printing takes place at a union shop, and typically asks for recycled and chlorine-free paper to be used, although we do not typically dictate post-consumer content. We also do not have specifications regarding ink toxicity, but often request soy inks when the option is available. Some smaller, and urgent, print jobs have been sent to chain stores such as Kinko's and, in such cases, it is unlikely that any specifications have been made.

Recycled Paper Printing also prints CERES' headed paper, headed envelopes and business cards. Genesis Birch paper (100% post-consumer recycled) is used for all of these items.

The majority of professional graphic design work commissioned by CERES is undertaken by Cave Dog Studio, which prepares its materials in electronic form for CERES review until the final proof stage.

Office Supplies. CERES uses W.B. Mason (<a href="http://www.wbmason.com">http://www.wbmason.com</a>) as its default office supply provider, although individual staff members have, on occasion, used other vendors. Materials are ordered in small quantities, as needed. Individual employees are responsible for requesting what they need, and therefore any attempts to minimize purchases are determined by the individual. Toner cartridges for the fax machine and document printers are recycled.

When ordering binders for conferences and meetings, CERES seeks out products with recycled content (plastics or cardboard).

### Food/Beverages

<u>Catering:</u> In 2001, CERES used caterers a few times per month for various in-house meetings, and for events involving external parties. We have asked some of our caterers to minimize disposable packaging with varied success. We often receive an excessive amount of "extras" (such as utensils, napkins, tablecloths, and the like) when food is ordered into the office. Some of our vendors provide minimal "extras" on the basis of the type of food offered (e.g. pizza), others are responsive to requests to limit extras, while others still are unresponsive to such requests. Nevertheless, such considerations have not played a significant role in CERES' decision-making process.

As part of the purchasing policy being developed in 2002, we are looking at setting criteria for catering vendors. These criteria will ideally include "extras" minimization, and caterers who use organic and locally-produced ingredients although, at the time of writing, we have not identified such an option.

<u>Daily Consumables:</u> Alongside our larger purchases, CERES also purchases a number of smaller office-related items such as coffee, tea, milk and sugar. There is no centralized buying function for such items – they are typically bought by the individuals that make the most use of them. As a result the choices made have reflected the concerns of the individuals involved.

The following is a list of some of the purchases frequently made by employees. This list is not exhaustive, and the stories are anecdotal, but it gives a sense of how environmental criteria are manifested in our individual purchasing decisions. Staff also sometimes bring "extra" items from their homes, and we make use of these items too – regardless of their environmental and/or social characteristics – rather than see them go to waste.

- <u>Coffee</u>. CERES typically purchases Equal Exchange shade-grown, organic, fairly-traded coffee, and unbleached and chlorine-free coffee filters.
- <u>Sugar and Dairy Products</u>. We typically purchase Certified Organic Sugar and rGBH-free dairy products (approximately 50% of dairy products purchased are also certified organic).

<u>Waste</u>. CERES recycles paper and plastics, aluminum and glass as allowed by the City of Boston recycling program. This includes plastics, glass, aluminum and steel cans and cardboard. We have not yet developed a system for measuring the combined or individual volumes of these materials.

Non-recyclable waste is collected by a waste hauler contracted by the Tellus Institute.

We also instituted a basic organic waste collection system in late 2001. One employee collects this matter regularly to feed her own composting system. In 2002 we will explore the possibility of setting up a composting system in the office.

<u>Water and Wastewater</u>. CERES water use is restricted to regular bathroom and kitchen use, and it is disposed via the municipal wastewater collection and treatment system. We do not currently monitor the volume of our water use. Our water usage could potentially be decreased by the installation of low-flow faucets and/or toilets. Any decision to install these would be made in partnership with the Tellus Institute.

<u>Supplier Environmental Performance</u>. A number of CERES supplier relationships related to daily office functioning have been addressed already in the context of CERES environmental performance. The remaining categories addressed here are: major capital purchases, the "greening" of hotels used to host the CERES Conferences; and the procurement of services such as banking and insurance.

**Capital Purchases.** CERES has made a number of specific capital purchases since moving to our current office that are worthy of mention:

<u>Carpeting</u>. Upon moving to our office, we partnered with our landlord, the Tellus Institute, to purchase Interface "Moire Plus III" carpet tiles for our office space (see page 14 for details).

<u>Furniture</u>. As we have grown as an organization, we have purchased numerous pieces of office equipment and furniture. Our original furniture was recycled/used and purchased from various vendors. In 2000, the GRI purchased 6 office partitions. With such a small order, CERES was unable to find a vendor that offered any environmentally preferable products.

In 2001, we purchased 18 ergonomically-correct office chairs and keyboard trays from Pisano Associates. These products contained some recycled content, but this did not influence our decision to purchase. Pisano Associates was able to provide only a limited amount of information on the environmental features of the chairs. CERES wrote a letter urging them to improve on this in the future.

<u>Computer Equipment.</u> CERES has purchased a number of computers and related-equipment in recent years – principally because of staff growth, but also to replace older models. Computers have been purchased from a variety of different vendors, with price being the determining factor. Though Energy Star has not been a priority factor in past equipment-purchasing decisions, most of CERES equipment is currently Energy Star certified and future purchases will be made with Energy Star compliance in mind.

We also lease our main office photocopier from PitneyBowes. In late 2001, we received a model DL460 to replace an older model C400 that was frequently breaking down. Given its apparently intractable problems, PitneyBowes let us keep the C400. However, it is unable to print 2-sided copies and is therefore rarely used for larger jobs.

### **Greening the CERES Conference**

CERES holds a very successful conference every year to bring together many prominent leaders from both the national and international business, investor, environmental and social justice communities to address issues of governance, investor activism, transparency, accountability and global sustainability.

We strive to run our conference in as environmentally-friendly manner as possible, and this involves a number of critical purchasing decisions – not least through our choice of a host hotel. Accordingly, since 1998 we have included "green commitment" clauses in our contracts with hotels, whereby the hotel commits to working collaboratively with CERES to improve its environmental performance – both during the CERES Conference and afterwards – in return for our business.

In 2001 we enjoyed a very successful partnership with our host hotel, the Swissôtel Atlanta, who proved especially willing to work with CERES and its partners to learn about and adopt more environmentally friendly practices.

For the conference, Swissôtel Atlanta created a menu that included free-range chicken and organic vegetables, coffee, tea, and milk. They also purchased locally-grown food where

possible. Individual servings of milk, cream, and sugar were eliminated from all buffets, and these items were only served in bulk containers.

Beyond our work with the Swissôtel Atlanta, CERES also engaged in a contract with the travel agent, TripleE, to allow attendees to offset the greenhouse gas emissions associated with their air travel to the conference. TripleE is the only full service travel provider certified by the Climate Neutral Network, an alliance of companies and other organizations committed to developing products and enterprises that eliminate their impacts on the earth's climate.

CERES also endeavored to purchase conference materials with high recycled content. For example:

- The Conference Brochure was printed with soy-based ink on "Mohawk Navajo 80lb Brilliant White" cover stock with 20% post-consumer content.
- Conference Binders contained a variety of recycled materials: board had 60% post-consumer paper content; steel had 39% post-consumer steel content; and vinyl had approximately 20% post-consumer vinyl material.
- Binder Tabs were printed on paper containing 20% post-consumer content.
- Binder contents were printed on New Leaf Encore 100 DP, a 100% post-consumer recycled content and processed-chlorine free paper. This paper was donated by New Leaf Paper.
- The Conference Banner was printed on 5% post-consumer recycled vinyl material.
- Foam Core Signs used paper with 10% post-consumer content.

As well as these purchasing decisions, CERES also minimized the environmental impact of its 2001 Conference in the following ways:

- We re-used materials from previous events whenever possible (e.g., name tag holders)
- We served vegetarian food on one day of the conference.
- We printed binder contents and assembled binders locally in an effort to reduce the costs and environmental impacts associated with shipping.
- We used an on-line registration process to help reduce paper usage. Registration confirmations and updates were also sent via email to reduce paper use.
- We invited GM to donate the use of an advanced hybrid-electric bus (powered by Allison Transmission's ES System<sup>TM</sup> to transport guests to an evening reception at the Fernbank Museum of Natural History.
- We developed a relationship with Trees Atlanta, a local nonprofit group, that plants and preserves native trees in the Atlanta area. On our brochure, we encouraged registrants to add \$5-\$25 to their registration fee that would be donated to Trees Atlanta.

**Major vendors of services in 2001**: The following is a list of major vendors with whom we had ongoing or frequent interaction with during 2001. Our decision to utilize certain of these vendors was influenced by environmental and/or social considerations as noted below:

- 1. <u>Banking</u>. CERES conducts all its banking business with Wainwright Bank and Trust Company (<a href="http://www.wainwrightbank.com">http://www.wainwrightbank.com</a>), a local community bank that strives to be socially responsible. Wainwright Bank has been a CERES endorser since 1997.
- 2. Retirement Plan. Our 403(b) retirement plan is provided by TIAA-CREF (http://www.tiaa-cref.com). TIAA-CREF offers a "social choice" account that avoids investments in tobacco, alcohol, arms and nuclear power. However, the company does not engage in shareholder advocacy consistent with CERES values. Further, TIAA-CREF has used its shares to vote against resolutions that propose endorsement of the CERES Principles. Given CERES' close relations with the socially-responsible investment community, it would seem that other options might be preferable to TIAA-CREF. We commit to looking into expanding the account and vendor options available to our staff in 2002.
- 3. <u>Credit card services.</u> Corporate credit card services are provided by American Express. Environmental and/or social considerations did not play any role in our decision to use American Express.
- 4. <u>Telephone services.</u> Working Assets (<a href="http://www.workingassets.com">http://www.workingassets.com</a>) provides our long distance telephone service, including the provision of corporate phone cards. Working Assets donates 1 percent of its clients' phone charges to nonprofit groups working for peace, human rights, equality, education and the environment. Conference call services are provided both by Working Assets and by Genesys conferencing.
- 5. <u>Internet access and hosting</u>. Internet access is provided by Speakeasy (<a href="http://www.speakeasy.net">http://www.speakeasy.net</a>) and, in 2001, web and mail hosting was provided by Mindseye (<a href="http://www.mindseye.com">http://www.mindseye.com</a>).
- 6. <u>Postal and express delivery services</u>. CERES makes extensive use of electronic mail but has not tracked specific trends in the use of electronic mail over use of traditional postal services or express mailing. Staff decisions to use express mail over traditional postal services are based more on time, cost and document security rather than environmental considerations.
- 7. <u>Travel</u>. CERES staff use a variety of different vendors for booking travel, depending on individual preference.
- 8. Consulting. CERES has engaged a number of consultants in the past few years, both to assist in our programmatic work and to improve our operations and management. CERES also utilizes two information technology consultants on a regular basis. CERES has a Macintosh-based computer system, and uses Tech Super Powers. The GRI has a PC-based computer system and uses TDC for training. Social and/or environmental considerations have rarely played a role in determining our choice of consultant, however.

## **Social and Economic Performance**

CERES social and economic performance as reported here focuses on its employees and work environment. As a small organization with a \$2.3m operating budget, we do not have a major employment or gross cash flow impact on society. However, as an organization promoting corporate sustainability in the larger economy, we influence the way that corporations around the world deploy staff and resources.

### **Employee Health, Safety and Well Being**

CERES core staff includes the Executive and Associate Directors, 5 team leaders and 8 program and administrative staff. An additional 7 staff are assigned to the Global Reporting Initiative.

CERES success depends on the diligent and creative work of its employees. To provide structured two-way feedback between employees and managers, each CERES employee has an annual performance review, and a half-year update, either with their immediate supervisor (in the case of program staff) or with the Associate Director (in the case of team leaders).

As a small office-based, service-based organization, CERES does not operate under OSHA regulations. Nevertheless, employee comfort and safety remains a high priority.

<u>Ergonomics</u>. In 2001, CERES purchased 18 office chairs and keyboard trays from Pisano Associates. These chairs and keyboard trays were expressly purchased for ergonomic safety and the well-being of our staff. A training session for employees to learn about correct seating and typing posture was given at the time of installation.

<u>Air quality</u>. CERES office space has limited natural light, and ventilation and air circulation is an issue in our office. The 6<sup>th</sup> floor of our building is converted attic space, and as such, has limited access to natural light (only two windows on this floor can be opened). We do get additional natural light through 32 two foot by two foot skylights, but these are fixed and cannot be opened to allow ventilation.

Employees have expressed concern about ventilation issues, and our problematic heating and cooling system (see page 14). Given the physical limitations of our office space, however, our ability to improve this situation is limited in the short term.

CERES is exploring the possibility of purchasing more plants or free standing air filtration/circulation equipment for our office, so as to create a more pleasant physical working environmental.

# Fire Safety

CERES has a nominal fire marshall for each floor and holds occasional fire drills.

### **Workplace Demands**

Most CERES employees are full-time employees contracted to work 40 hours per week, although all employees typically supplement these 40 hours. "Comp time" for these additional hours is enacted on a case-by-case basis rather than through a formal policy, and is usually related to periods of exceptional workload, such as those surrounding the annual CERES Conference.

To allow employees to better balance their work and life demands, CERES is willing to develop alternatives to a 40-hour working week. One team leader was hired several years ago as a permanent, part-time employee and works a 30-hour week as a result of this arrangement and, in 2001, a full-time manager made a transition to a 20-hour week to allow more time for family responsibilities.

### **Employee Training and Career Development**

CERES takes its employee's professional growth seriously, but has limited resources to support professional training and development. CERES' personal goal-setting process involves a professional-growth element – individuals are responsible for determining what they wish to achieve, with CERES supporting them in their efforts.

CERES offered training programs in the following areas for all staff in 2001:

- diversity training
- ergonomics training
- Myers-Briggs Personality Assessment
- Computer skills development (such as Excel, PowerPoint).

Introduced in 2000, the one-year CERES Fellow position was designed specifically to assist the career of a young professional with a bachelors or master's degree and limited job experience. It is designed to give the candidate exposure to opportunities in the environmental and sustainability field. Interns are also employed seasonally for such exposure. CERES benefits from their skills and also tries to make the experience enriching.

### **Wages and Benefits**

CERES attempts to compare its wage rates with other non-profit organizations in Massachusetts, and nationwide, and usually finds itself in the mid- to high-range since it is competing for candidates who may also be considering corporate jobs in the environmental and sustainability field.

The ratio of highest to lowest wage at CERES has increased from 4.5:1 to 5.4:1 between 1999 and 2001. This is not unusual given the growth of the organization during that time period. CERES has not set any targets for this ratio but is attentive to the fact that discrepancies can affect the corporate culture of an organization.

Year	Ratio between lowest and highest paid at CERES
1999	4.48
2000	5.00
2001	5.44

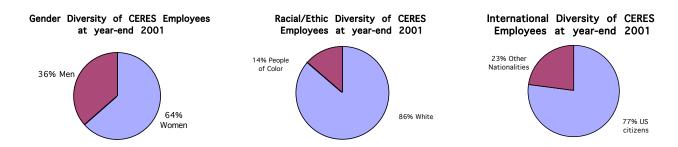
A living wage for the city of Boston has been estimated at \$10.25 per hour. (Source: ACORN) All permanent full- and part-time staff are compensated above this rate.

CERES also offers both paid internships at a minimal stipend rate and unpaid internships. As noted above, the interns perform work for CERES, but are also given valuable professional guidance and support in a manner that supports their career development.

### CERES offers benefits that include:

- Vacation and sick days
- Dental/Medical insurance
- 403(b) Retirement plan whereby CERES matches employee contributions up to an amount equal to 3% of their salary
- Maternity/paternity leave
- Life, disability and accident insurance
- Monthly Transit passes
- Other paid leaves for bereavement or disability

## **Workplace Diversity**



CERES recognizes the value of a diverse workforce. While we have a balanced workforce in terms of gender and other measures of diversity, we do not have the level of racial/ethnic diversity that we would like in our workforce. In 2001, no positions at a manager-level or higher were filled by people of color. Our efforts in this area are ongoing and, in 2002, we have engaged a "diversity consultant" to assist our progress.

Diversity applies to more than just ethnicity or gender, of course, and CERES values the many different backgrounds and perspectives that each of our employees brings to the organization.

### **Disability**

CERES is concerned that our offices at 11 Arlington Street are not fully accessible to a person with physical disabilities who would need a wheelchair.

<u>Domestic Partner Benefits.</u> Our current medical insurance provider does not offer domestic partner benefits to organizations of our size. This is an area of concern for us, and we are now exploring alternative options.

# **Community Development**

As a small non-profit organization, CERES does not have any major impacts on the greater Boston community or economy.

CERES continues to be attentive to bringing more community-based organizations and perspectives into the CERES coalition and programs.