Enhancing Our Commitment
to a Sustainable Future

2009 Progress Report
Business Roundtable is an association of chief executive officers of leading U.S. companies with more than $5 trillion in annual revenues and nearly 10 million employees. Member companies comprise nearly a third of the total value of the U.S. stock markets and pay nearly half of all corporate income taxes paid to the federal government. Annually, they return $133 billion in dividends to shareholders and the economy.

Business Roundtable companies give more than $7 billion a year in combined charitable contributions, representing nearly 60 percent of total corporate giving. They are technology innovation leaders, with more than $70 billion in annual research and development spending — more than a third of the total private R&D spending in the U.S.

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Enhancing Our Commitment to a Sustainable Future

2009 Progress Report
DEAR BUSINESS LEADERS AND STAKEHOLDERS:

On behalf of the members of Business Roundtable, I am proud to share with you the enclosed communications from more than 70 of our chief executive officers (CEOs), Enhancing Our Commitment to a Sustainable Future. These testaments highlight and demonstrate the values, convictions and actions that Roundtable CEOs and their companies are taking to make the world we share more sustainable.

Last year’s “SEE”ing Change: 2008 Progress Report highlighted the progress of many Business Roundtable companies participating in the S.E.E. Change (Society, Environment, Economy) initiative. This year, we have expanded our report to include the activities of another successful effort, our Climate RESOLVE (Responsible Environmental Steps, Opportunities to Lead by Voluntary Efforts) program. You will learn from CEOs, personally, about their company’s corporate commitments to climate change, environmental stewardship, social progress and economic growth.

These notable and exciting efforts take place every day to help solve the world’s sustainability challenges. You will read about companies that are dedicated to promoting economic development while caring for present and future needs. These efforts were done in a way that provided stakeholder value in a responsible manner.

You will also learn how we, as CEOs, see these challenges and, most important, the extraordinary strength, ingenuity and commitment of our employees, who make these commitments a reality.

After reviewing Enhancing Our Commitment to a Sustainable Future, I believe that you will see change in the way that companies are thinking, operating and planning for the future. These companies resolved to take steps that address the societal, environmental and economic challenges we face today while preserving the quality of life for generations to come.

Sincerely,

Michael G. Morris
Chairman, President and CEO
American Electric Power Company, Inc.
April 2009

DEAR BUSINESS, GOVERNMENT AND NGO LEADERS:

As the 111th Congress tackles the many difficult issues that confront our country, the members of Business Roundtable, an association of chief executive officers (CEOs) of leading U.S. companies with $5 trillion in annual revenues and nearly 10 million employees, commit our support and assistance to grow the economy, preserve jobs and maintain the U.S. leadership role in the world economy.

In an interconnected and increasingly competitive global environment, we recognize that it is now more important than ever to commit ourselves to the core values and policies that have traditionally made America’s economy strong, and none is more important than sustainable growth.

Business Roundtable has a series of initiatives under way that are each designed to make our world a better place and support sustainable growth: Consumer Health and Retirement; Corporate Leadership; Education, Innovation and Workforce; International Engagement; and Sustainable Growth. While every one is important in itself, they are all interconnected. Each is vital to the success of the others. A thriving 21st-century economy will depend on new, innovative ideas. Those in turn will require an educated, knowledge-empowered workforce. That workforce must have the resources to bring those ideas to fruition. All of this must take place in a climate of openness, personal and institutional responsibility, and environmental sustainability.

The report that you are about to review highlights the progress of two important programs of Business Roundtable, Climate RESOLVE (Responsible Environmental Steps, Opportunities to Lead by Voluntary Efforts) and S.E.E. Change (Society, Environment, Economy). We hope that as you review the CEO stories you will recognize our members’ sincere commitments to enhancing global sustainable growth.

Despite these difficult times, the leaders of American business are optimistic about the future. America has always been at its best when faced with daunting challenges. Our collective actions to make the world a better place demonstrate not just our leadership in prosperity but also our leadership in hope to the entire world.

Sincerely,

John J. Castellani
President
Business Roundtable
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S.E.E. Change

“Sustainability” refers to the concept of maintaining the balance between the human need to improve the quality of life and standard of living of current generations and the need to preserve natural resources and ecosystems for the economic growth and well-being of future generations. It is smart business. **S.E.E. Change** (Society, Environment, Economy) is Business Roundtable’s program to encourage member companies to adopt business strategies and projects that create value for shareholders by measurably improving the environment and quality of life — now and for future generations. We want the public to “see change” in resource efficiency, social well-being and economic growth as a result of this initiative; therefore, S.E.E. Change asks companies to track their performance and report their progress.

Since the launch of Business Roundtable’s S.E.E. Change program in 2005, the program’s membership has increased to 37 companies. These companies are addressing high-priority environmental and social challenges, such as enhancing water conservation and quality, using energy more efficiently, increasing transportation mobility, improving raw material yield, increasing more efficient use of natural resources, and helping to eradicate disease and poverty.

In addition to a growth approach to sustainability, many S.E.E. Change companies have focused on fresh water as the next major business issue. Just as reduction of greenhouse gases (GHG) has become a focus issue for companies, we believe that quality and quantity of fresh water will be one of the top issues for any company participating in the global marketplace. We encourage our companies to focus on water sooner rather than later as it will become a major issue from both a risk and an opportunity perspective depending on the sector.

S.E.E. Change shows that the traditional goals of higher profit and lower cost are compatible with a strong commitment to social improvement and environmental stewardship.

S.E.E. Change companies are asked to:

- Connect the social, environmental and economic dimensions of sustainable development;
- Document the business case for sustainable growth strategies;
- Promote understanding and adoption of sustainable growth strategies by the broader business community;
- Highlight fresh water as a major issue for business;
- Demonstrate that market forces can drive companies to conduct business in a way that benefits shareholders, society and the environment; and
- Forge partnerships between business, government and other stakeholders with a common interest in using sustainability principles to meet environmental, social and business needs.

To access the additional resources and information on Business Roundtable’s S.E.E. Change program, please visit our Web site at [http://seechange.businessroundtable.org](http://seechange.businessroundtable.org).
Climate RESOLVE

Business Roundtable launched Climate RESOLVE (Responsible Environmental Steps, Opportunities to Lead by Voluntary Efforts) to demonstrate leadership by the chief executive officers (CEOs) of the nation’s most respected companies in addressing concerns about global climate change. Now in its seventh year, it is the only broad-based business initiative dedicated to helping its members reduce their GHG emissions through one-on-one counseling, learning sessions, workshops, networking opportunities and exposure to member company best practices. The initiative has spurred greater awareness of climate issues in the business community and motivated many companies to develop policies and strategies for managing their emissions.

It will take the collective actions of every nation, industry and company to address the risk of global climate change. Precisely because emissions from any individual company are small relative to total GHG emissions, it is essential that every company take effective actions to manage its GHG emissions. That is why the ultimate goal of Business Roundtable’s Climate RESOLVE is 100 percent participation by Roundtable members in voluntary GHG management programs. Business Roundtable will monitor the activities of its members and regularly report cumulative progress toward this 100 percent goal.

Business Roundtable’s Climate RESOLVE reflects a recognition that each Roundtable member is in the best position to select measures for increasing energy efficiency and avoiding GHG emissions that fit its business strategy and operational profile. Climate RESOLVE likewise does not set specific targets for the level of energy-efficiency improvements or GHG emissions. Each company will need to determine what actions to take after reviewing its own operational and financial situation.

Climate Change Policy

Business Roundtable is committed to being a thoughtful leader in the climate change discussion, and citing the potentially serious and far-reaching consequences of global warming for society and ecosystems, Business Roundtable CEOs called for action in a climate change statement released in July 2007.

Business Roundtable has consistently emphasized that concerns about global climate change can best be addressed by developing and deploying breakthrough technologies without undermining the competitiveness of our economy. Business Roundtable has advocated strong industry-government partnerships to accelerate technology development. To access the Roundtable’s complete policy statement on climate change, go to www.businessroundtable.org.
Summary of Other Business Roundtable Sustainable Growth Activities

**Partnership for Disaster Response**

Today, business response to disasters is no longer a charitable issue but a public policy one, directly affecting employers’ workforce and operations. Business Roundtable established Partnership for Disaster Response as a special initiative following the unprecedented outpouring of corporate contributions to the 2005 disasters. The Partnership works to enhance the efficiency of the private sector’s disaster response; foster public-private collaborations to prepare for the health, social and economic burdens that disasters can create; and ensure that the business community’s response efforts address the most critical needs and mobilize the unique technologies and resources of Business Roundtable’s member companies.

In September 2007, the Partnership established a formal collaboration with the American Red Cross to strengthen the nation’s preparedness and response to disasters. It also has developed both domestic and international emergency protocols that outline how the business community will communicate with the federal government and relief agencies, including the American Red Cross, CARE, Catholic Relief Services, International Rescue Committee, Mercy Corps, Oxfam, Save the Children and World Vision, to respond to disasters.

Partnership for Disaster Response has worked with its partners to respond to numerous national and international disasters, including the Asian tsunami, Hurricane Katrina, the South Asia earthquake, California wildfires, Myanmar cyclones, the China earthquake, and hurricanes Ike and Gustav, contributing both financial and in-kind resources to speed the relief efforts. Examples of these donations include replacement medicines, medical supplies, information technology and communications equipment, cars and trucks, mortgage relief and deferred vehicle financing, temporary housing, precooked food, personal care products for sheltering, and backpacks filled with school supplies. Thousands of employee volunteers, encouraged by their employers, also rolled up their sleeves and got to work.

For more information on this initiative, please go to www.respondtodisaster.org.

**Gulf Coast Workforce Development Initiative**

In response to hurricanes Katrina and Rita in 2005, Business Roundtable committed to training up to 20,000 new construction workers in the Gulf Coast region to at least the apprentice level by the end of 2009. Business Roundtable created a public-private partnership, the Gulf Coast Workforce Development Initiative, and Initiative training is currently available in Louisiana, Mississippi, Texas and Alabama.

The Initiative continues to work with local government officials and training partners to support entry-level construction training in the region. Most recently, the Initiative has been working with local stakeholders and the Home Builders Institute in central New Orleans to support the start of
entry-level construction training for local residents in conjunction with the rebuilding of the C.J. Peete Housing Development. This training will enable local residents to participate in the rebuilding of this key affordable housing project.

As of September 30, 2008, Initiative training partners reported 20,464 training completions with an additional 626 training enrollments in current classes.

With the achievement of the Initiative’s original training completion goal, Business Roundtable has elected to transfer sponsorship of the Initiative to the Construction Users Roundtable (CURT) in 2009. Inspired by the Gulf Coast Workforce Development Initiative, CURT has formed the Construction Workforce Development Center (CWDC) to champion construction workforce development nationwide. CURT will use its 2009 sponsorship of the Gulf Coast Workforce Development Initiative to assist in launching the CWDC.

Institute for Corporate Ethics

Founded in 2004, the Business Roundtable Institute for Corporate Ethics is an independent entity established to renew and enhance the link between ethical behavior and business practice. The Institute brings together business leaders and 18 leading faculty from 13 top business schools to fulfill its mission of embedding ethics into everyday business decisionmaking.

The Institute conducts seminars for CEOs, board members and senior executives; publishes studies on issues ranging from short-term earnings guidance to principles and practices for a model business ethics program; and publishes “bridge papers” featuring leading professors alongside commentary from CEOs.

The Institute’s 2009 ethics seminars will be delivered in a new format providing greater topical focus on the most important ethics issues identified by executives. Seminar invitations will be sent to all Business Roundtable members. For further information, contact Dean Krehmeyer at KrehmeyerD@darden.virginia.edu.

www.corporate-ethics.org
CEO Statements
ABB is committed to making the world we share a better place. We established a Sustainability Affairs department in 1992 and have put issues like energy efficiency, health and safety, and managing environmental impact at the center of our business.

Today, ABB’s Sustainability Affairs organization comprises more than 400 professionals worldwide and reports directly to the company’s Executive Committee. Our commitment to sustainability has informed the many ways we’ve improved how we design products, execute projects, and interact with customers and suppliers.

That is the how, but our greatest contribution to making the world a better place is undoubtedly the what we do for our customers. ABB is committed to eliminating waste and improving efficiency along the entire energy-value chain. Our products optimize power plants to generate more power from less fuel and increase the capacity of existing transmission lines to enable the introduction of more renewable energy sources like wind and solar, and they reduce waste and downtime in a wide variety of process industries.

Innovation plays a major role in achieving these results. Our Azipod propulsion system, for example, improves fuel efficiency in ships by up to 20 percent while eliminating the vibration, noise and space associated with traditional drive shaft systems. ABB’s Low Voltage Drives alone save the equivalent of the energy used by 30 million homes every year and avoid the emission of well over 100 million tons of CO₂.

In fact, if you look at the electric power-delivery system from input fuel to end-use, ABB technologies can improve the efficiency of the entire energy supply chain by 30 percent. This translates into significant economic savings, and it pays enormous environmental dividends.

Of course, we also strive to improve the efficiency of our own operations. For example, we have reduced the energy we use per unit of output by 5 percent in just the last two years, and we are now working toward another 5 percent reduction by 2011.

Above all, ABB considers itself an engaged member of the global community and of the communities where our 120,000 employees live and work. I am proud of what ABB does and of how we do it. As our tagline says, ABB provides “power and productivity for a better world,” and I cannot think of a better business in which to work.

Enrique O. Santacana
President and CEO
At Abbott, protecting the environment is an important part of our longstanding mission to improve people’s lives, and our efforts to be a leader in responsible citizenship. Our environmental work focuses on areas that are important to society and Abbott’s business, including innovative programs that are conserving energy and reducing emissions around the world. For example:

- Abbott’s Global Energy Policy includes an aggressive new goal for reducing greenhouse gas emissions by 30 percent by 2011, indexed to sales.
- We became the first and only Fortune 500 company to go carbon neutral with our U.S. auto fleet through the use of hybrids and other fuel-efficient vehicles, and by purchasing verified carbon credits to offset remaining vehicle emissions. This commitment is the equivalent of taking 12,000 cars off the road.
- Abbott is investing in solar energy and other renewable energy sources, including installing significant solar power systems at our plants in Campoverde, Italy; Delkenheim, Germany; and Temecula, CA.
- We are committed to environmentally responsible building practices, most recently by incorporating environmental design into a new manufacturing facility in Singapore and installing a “green roof” at the company’s headquarters in north suburban Chicago.

Responsible water management is another environmental and business priority for Abbott. A key area of focus is reducing water use, especially in water-stressed areas. In 2008, we saved 155 million gallons of water through water reduction projects in our manufacturing operations.

Abbott also partners with key stakeholder groups on a number of initiatives to advance environmental protection, including Environmental Defense, the Carbon Disclosure Project, Chicago Climate Exchange and the U.S. Environmental Protection Agency’s Climate Leaders program.

Our continued commitment to sustainable business practices and environmental performance led to Abbott being named to the Dow Jones Sustainability World Index for the fourth consecutive year in 2008. Looking ahead, as society continues to demand more from the business community, we’re looking forward to meeting and extending these new standards in the years to come.

Miles D. White
Chairman and CEO
As a truly global organization, Accenture believes deeply that we have a responsibility to engage proactively with the communities in which we live and work. Our approach to corporate citizenship and sustainability capitalizes on the core capabilities of our people and their ability to help companies and organizations achieve high performance. Following are some examples of how we are making a difference in our interactions with our clients and our communities:

Our Clients
As it relates to sustainability, we work with our clients to adopt more eco-friendly business practices, drive long-term economic value and ultimately improve the broader sustainability agenda. We have helped the state of Florida to design and execute programs for sustainable sourcing and carbon footprint measurement and reduction. We are also helping Xcel Energy implement a smart grid, a power system that combines traditional and new technologies to manage energy more effectively, in Boulder, CO, the first SmartGridCity™ in the world.

Our Communities
Accenture employees bring their passion, energy and diverse talents to create positive, lasting change, both locally and globally. For example, they contributed more than 120,000 hours of pro bono services last year to nonprofit organizations such as NPower, which provides technology acumen to nonprofits in the New York area, and Junior Achievement, where we combine grants with pro bono services and volunteering by U.S. Accenture people. In addition, Accenture Development Partnerships provides consulting services to nonprofit organizations, nongovernmental organizations, foundations and donor organizations operating in the development sector, bringing our knowledge capital to parts of the world where we don’t normally work. We have also signed the UN Global Compact as part of our commitment to corporate responsibility.

Our Environmental Commitment
We continue to make significant progress in our own environmental activity. For example, we have committed to achieving ISO 1400 global certification, and we file annual reports with the Carbon Disclosure Project. Accenture has been named to Dow Jones’ Sustainability North America Index for four consecutive years. We are a member of the World Business Council for Sustainable Development. Lastly, we have installed Telepresence systems in 13 Accenture locations globally — with 22 more locations planned — thus significantly reducing travel and the associated carbon footprint.

As we look across our company, we are proud of the difference Accenture people have made through their commitment of time, skills and funds. They are passionate about sustainability and positively influencing the way the world works and lives.

William D. Green
Chairman and CEO
As a global leader in insurance and reinsurance, the ACE Group believes that no greater problem confronts mankind than global warming and that we all have a responsibility to do our part to address this challenge.

Climate change is particularly important to the property and casualty insurance industry because natural catastrophes, such as hurricanes and other weather-related events, may be increasing in frequency and severity due to global warming, and our business provides security against these property-related risks. Our industry also addresses the potential casualty liabilities that companies face as they respond and adapt to their changing environmental responsibilities.

In 2007, ACE became a partner in the U.S. Environmental Protection Agency’s Climate Leaders program. Through its participation, ACE calculates its global greenhouse gas emissions annually and is actively working to reduce them by 8 percent per employee by 2012. Changes being implemented to reach this goal include upgrading lighting and HVAC systems, improving fuel efficiency of company vehicles, and reducing business travel.

To engage our more than 15,000 employees worldwide in our environmental efforts, ACE launched the ACE Green program. Nearly 200 local employee committees are taking steps such as powering off office equipment, reducing waste through recycling programs, and promoting environmental awareness in their local communities by participating in volunteer cleanup days. ACE has made the environment a priority in its corporate philanthropy and purchasing programs. For example, contributions from The ACE Foundations have helped protect 275,000 acres of land across America for conservation. The company also adopted a purchasing policy in the United States that emphasizes products that contain recycled material, are manufactured locally or reduce energy consumption.

ACE has been a pioneer in developing advanced environmental risk insurance solutions, including coverages for premises-based exposures, contractors’ and project pollution liability, and environmental cleanup projects. With the recent drive to develop renewable energy, ACE combined expertise from our industry groups into specialized coverages to support these projects. As organizations implement more “green” initiatives, ACE has responded with environmental engineering and consulting services, including Leadership in Energy and Environmental Design (LEED) consulting, and with a property policy that enables rebuilding to a greener standard after a loss.

While significant, these efforts represent the early stages of ACE’s long-term commitment to balance our environmental and economic responsibilities. To learn more about ACE’s environmental activities, please visit us at www.acelimited.com.

Evan G. Greenberg
Chairman and CEO
As one of the nation’s leading health care companies, Aetna is dedicated to helping people achieve health and financial security. I’m proud to say that our products and services are making a real difference, helping our members achieve better health, return to good health after an illness or gain peace of mind. The people who use our services are at the center of all we do, but our focus also extends to building healthier communities across the country and fostering a healthy environment for all.

**Building Healthier Communities**

Launched in 2008, our collaboration with Magic Johnson Enterprises is emblematic of our long history of helping to make communities healthier. This multiyear relationship is improving community health and health literacy in urban settings through wellness, exercise, healthy eating and other educational outreaches. Aetna and the Aetna Foundation are having a similar impact in many additional communities through $8 million in Healthy Community Grants awarded in 2008.

Not everyone benefits from available health care services equally. Consequently, we have been collecting racial and ethnic data, since 2002, on a voluntary, self-identified basis from our members to help us create more culturally focused disease management and wellness programs. At the end of 2008, more than 6.2 million members have provided this information.

These data have been the foundation for a number of initiatives and studies. Since 2001, Aetna and the Aetna Foundation have directed nearly $25 million toward efforts to reduce racial and ethnic disparities in health care.

**A “Green”er World**

In 2008, we made some of our biggest strides ever in reducing our carbon footprint through our growing telework program. That’s 65 million miles of driving, 2 million gallons of gas and 23,000 metric tons of carbon dioxide saved or prevented each year through teleworking.

We also are committed to turning our Aetna-owned facilities green through the use of renewable resources and environmentally friendly construction. In 2008, we earned Leadership in Energy and Environmental Design (LEED) certification for our new Customer Center, built within our 78-year-old home office building in Hartford. We also are renovating an adjacent 500,000-square-foot building that will be fitted with more than 1,000 solar panels.

These are just a few of our accomplishments, but they amply demonstrate the core set of values by which we live. Adhering to these values not only helps us deliver on our promises to our customers — it helps make the world a better place.

Ronald A. Williams
Chairman and CEO
There was a time when aluminum was more precious than gold. Napoleon, as a baby, amused himself with a rattle made of it. The French court wined and dined on tableware made of it. The capstone of the Washington Monument was cast from a single precious block of it.

Then, in 1888, a 22-year-old Ohio chemist named Charles Martin Hall discovered a production process that made this light, strong, durable, conductive, jewel-like metal affordable.

Hall’s invention changed the world forever. It soon enabled mankind to fulfill one of its biggest dreams: to fly through air and space, even reach other planets.

At the same time, aluminum has made our world a more sustainable place. Aluminum use cuts greenhouse gases in cars, buses and trains. Each pound saved by substituting the lighter aluminum for steel in a car saves 15 pounds of lifetime emissions. Over the lifetimes of all the cars produced in just one year, the aluminum used to make them lighter will save 140 million tons of greenhouse gas.

In consumer packaging, aluminum significantly lowers the shipping weight of drinks in cans and bottles. Aluminum makes products like iPods, cell phones and laptops look cool and colorful while being light and practically indestructible. And when all of these things have reached the end of their useful lives, the aluminum in them can be separated and recycled, over and over again. The recycling, remarkably, uses 95 percent less energy than it took to make the original. Aluminum is infinitely recyclable.

Sustainability has been one of aluminum’s — and Alcoa’s — value propositions since day one. And it drives everything we do. For example, we use as much renewable hydropower for operations worldwide as we can. We have cut our greenhouse gas emissions 33 percent since 1990. We have restored and renewed thousands and thousands of acres of biodiversity around the world and invested millions of dollars and hundreds of thousands of volunteer hours in the well-being of the communities in which we operate.

The world would indeed be a different place without Alcoa and the product we invented: less mobile, less interesting, with fewer possibilities. For modern growth to happen in a way that sustains the life and health of this planet and its people, aluminum — and the sustainable ways in which we at Alcoa provide it — will continue to play a key role.

Klaus Kleinfeld
President and CEO
In 1929, my grandfather founded a company based on values placing the customer first and viewing people as our greatest strength. For 80 years, Altec has been a world leader in providing products and services for the electric utility, telecommunications and contractor markets. We now offer those products and services in more than 100 countries throughout the world.

At Altec, we listen and create solutions for our customers, the latest of which is our commitment to sustainability on all levels — societal, economic and environmental. Our customers come to us with sustainability concerns, and we focus on supplying them with effective and innovative answers. We have taken Altec's initial principles to a new level by acknowledging the tremendous challenges and opportunities we face to responsibly care for the environment and the communities in which we operate throughout the world.

Altec's lead sustainability project is our partnership with Eaton, Navistar and the WestStart-CALSTART Hybrid Truck Users Forum to develop a diesel/electric hybrid utility vehicle. The Altec Hybrid reduces fuel consumption and greenhouse gas emissions by 50 percent and significantly lowers noise pollution. We also offer biodegradable lubricants that are nontoxic and carry the highest-available biodegradability rating.

Every Altec facility actively engages in a recycling plan for steel, copper and machine tools used during manufacturing, including recycling steel plate skeletons, machine turnings and copper wire remnants. Altec's electronic invoicing program provides paperless business transactions, and we maintain a strict policy of utilizing recycled boxes and packaging when shipping materials. Lastly, Altec only purchases paper products from companies certified by the Sustainable Forestry Initiative.

Our societal commitment remains a central focus of our sustainability initiatives. Altec consistently works to promote safe work practices and reduce worksite incidents. The Altec SENTRY Operator Safety Training Program trains and certifies equipment operators on safe and proper use of truck-mounted machines. In addition, Altec has established an alliance with Occupational Safety and Health Administration to develop work-safety programs focused on eliminating worksite fall and electrocution hazards.

By creating products and initiatives to reduce greenhouse gas emissions, developing alternative energy products, and increasing fuel and operating efficiencies, Altec is establishing a sound environmental protection approach. We support sustainability throughout our product's life cycle and aim to create environmental stewardship solutions that contribute to sustainable change and economic growth.

Lee J. Styslinger, III
Chairman and CEO
Imagine a world where electricity is assured, where technologies enable power plants to run more cleanly and help consumers use energy more efficiently, where nations come together to address climate change, and where communities prosper and grow.

At American Electric Power, we are not just imagining this world; we are working toward it. And sustainability is our road map.

We are taking a leading role in addressing climate change on the international stage. AEP was one of 10 global companies that worked with the World Business Council for Sustainable Development’s Electricity Utilities Sector Project to identify short- and long-term technology solutions and to call for public policies to promote them.

We are working to bring advanced coal technologies — including carbon capture and storage, ultra-supercritical pulverized coal, and Integrated Gasification Combined Cycle — into commercial operation. In 2009, we plan to complete a validation project for carbon capture at our Mountaineer Plant in West Virginia. In addition, we recently received the needed approvals and have begun construction of our Turk Plant in Arkansas, which will incorporate ultra-supercritical coal-combustion technology.

Electricity production is only part of the equation, however. It is critical to have the ability to deliver electricity across state and regional boundaries to the locations where it is needed. We believe an extra-high-voltage interstate transmission system, regulated at the federal level, is in the nation’s best interest. America’s existing transmission system simply cannot meet the growing demand for energy nor move the power produced by new sources of wind, biomass and solar power to customers in urban centers.

We have also started work toward an enhanced electric distribution system that will give our customers far more control and choice over their electricity usage. This enhanced system, part of our gridSMART initiative, will improve service reliability and reduce customer outage times. Our agreement with the General Electric Company to deploy technology and equipment and our alliance with IBM to integrate the programs and technology with the grid are important elements of the plan, which will supply our 5.2 million customers with “smart meters” by 2015, pending support from our regulators.

Electricity is necessary for a modern world, yet we must be mindful that its production has adverse impacts on society. Working with others, we have the talent and the dedication to provide power for today while preparing for the needs of tomorrow.

Michael G. Morris
Chairman, President and CEO
Anadarko Is … Committed to Responsibility and Sustainability

Energy is fundamental to human existence. It is as important as clean air, water and affordable food. We take our responsibility very seriously to find and produce the energy resources necessary for the world’s health and welfare. In doing so, Anadarko is committed to doing the right thing in a sustainable manner for our environment, for the safety of our employees and communities, and for the benefit of all of our stakeholders.

Recognition of Success

In the past year, these efforts have been recognized on several occasions. In Utah, our efforts to minimize surface usage made Anadarko the recipient of the 2008 Earth Day Award. In Wyoming, where we participated in a monitoring program for sage grouse, we received the Wyoming Game and Fish Department’s Reclamation and Wildlife Stewardship Award — the third time Anadarko has been a recipient of this honor. In the deepwater Gulf of Mexico, our facilities have withstood extreme hurricanes with no environmental releases, and our excellent safety record has been noted by the Minerals Management Service as Anadarko was named a SAFE Award finalist. Our voluntary efforts to reduce emissions have also been recognized by the U.S. Environmental Protection Agency with its Natural Gas STAR Continuing Excellence Award, and our corporate headquarters in The Woodlands, TX, was designated as an ENERGY STAR® facility for its energy-efficient construction and enhancements.

Climate Change

Anadarko supports ongoing climate change and greenhouse gas mitigation research while implementing scientifically sound measures to reduce atmospheric carbon emissions and integrating air-quality safeguards into our business practices around the world. Our attention to climate change is also evident in our status as “founding reporter” to The Climate Registry and “founding member” of the American Carbon Registry. We are also a proud member of Business Roundtable’s Climate RESOLVE program, and we operate one of the world’s largest carbon dioxide sequestration projects at our enhanced oil recovery project in the Salt Creek field of Wyoming. By proactively sequestering millions of tons of CO₂, Anadarko is essentially sequestering enough of this greenhouse gas each day to offset the equivalent emissions of half a million cars.

Anadarko’s Commitment

Anadarko puts our words into practice every day by adhering to our core values of integrity and trust, servant leadership, and open communication as we work to balance our exploration and production activities with sound environmental stewardship and sustainability. This is evident in how we act, conserve, volunteer and give back to our communities and neighbors where we live and work.

Jim Hackett
Chairman and CEO
ArvinMeritor, Inc., is a premier global supplier of a broad range of integrated systems, modules and components to the motor vehicle industry. The company serves commercial truck, trailer and specialty original equipment manufacturers and certain aftermarkets, as well as light vehicle manufacturers.

To maintain and promote sustainable business practices, ArvinMeritor focuses on the following areas:

**Corporate Relations and Social Responsibility**

Community service is ingrained in ArvinMeritor’s culture. Employees around the world support the company’s efforts to improve the communities in which we live and work. The core values of our company — pursuit of excellence, integrity, and teamwork and respect for each other — are felt throughout every level of our organization. Each site has its own strategy and plan of action for volunteerism. From Xuzhou, China, to Asheville, NC, and everywhere in between, we care about our communities. Our company is global. Our passion is local.

The foundation of our corporate governance principles and practices is reinforced by ethical standards and business conduct and is governed by an independent board of directors, as well as internal controls and internal audit.

**Environmental Excellence**

In 2008, ArvinMeritor established its first global greenhouse gas emissions inventory for all manufacturing sites. This inventory was the basis for the company’s greenhouse gas emission reduction goals.

We continue to collect and disseminate data so that improvement opportunities can be targeted and utilized. These goals will supplement an energy-reduction program that is currently implemented in North America. With regard to recycling, last year ArvinMeritor’s global remanufacturing group recycled more than 70 million pounds of steel into high-quality, remanufactured components for trucks, trailer and chassis.

**Innovative Product Design**

The importance of addressing fuel costs goes beyond the issue of consumption. Roughly 70 percent of the nation’s goods are transported by truck. This affects climate change, the environment and the economy.

Through a company partnership, the Purolator Quicksider emerged as Canada’s first electric vehicle that produces zero greenhouse gas emissions. This year, ArvinMeritor is proud to present Wal-Mart Transportation with a prototype heavy-duty truck equipped with the first dual-mode diesel-electric drivetrain designed for Class 8 commercial trucks. Fuel efficiency is only one of many benefits that an investment in hybrid technology can deliver for Class 8 truck owners.

Other ArvinMeritor products, including the MS-17X drive axle, MS/MT 610 hub reduction axle and the ELSA family of air disc brakes, offer increased durability, efficiency and weight-effective solutions for our customers.

Charles G. “Chip” McClure
Chairman, President and CEO
As a nation, we can reduce greenhouse gas emissions and, at the same time, expand potential for economic growth. Communications and broadband infrastructure, like the network and services AT&T provides, are powerful tools that spur commercial velocity and help individuals and businesses reduce energy consumption and emissions.

While helping others, we’re also taking steps to bolster our own sustainability. To reduce the emissions of our fleet and signal demand for more fuel efficient vehicles, AT&T will spend about $565 million to deploy more than 15,000 alternative fuel vehicles over the next 10 years. It’s good for the environment and helps our country be more energy independent. The Center for Automotive Research estimates this will save 49 million gallons of gasoline and reduce emissions by 211,000 metric tons. That is equivalent to removing the emissions from more than 38,600 traditional passenger vehicles for a year.

Our internal energy policy balances our business need for an affordable energy supply with the need to identify renewable forms of energy that have less impact on the environment. To this end, we:

▶ Purchase 10 percent of electricity for AT&T facilities in Austin, TX, from wind power. This saves us 7.2 million kWh of fossil-generated electricity, enough to power 600 homes each year.
▶ Installed 3,700 solar panels on our facility in San Ramon, CA. This system provides up to 25 percent of the power for the facility during peak energy periods.
▶ Installed energy-saving software on 310,000 desktop computers across domestic operations. This reduces our energy costs and eliminates nearly 124,000 tons of emissions — enough electricity to power more than 14,000 homes.

AT&T has a long history of collaborating with industry groups and government to develop new approaches to measuring and improving energy efficiency. Over the past year, we’ve strengthened this commitment by:

▶ Joining the Green Grid consortium, a global group dedicated to advancing energy efficiency in data centers and business computing ecosystems.
▶ Working with the U.S. Environmental Protection Agency to develop a new ENERGY STAR rating for data centers.
▶ Achieving ENERGY STAR certification for our U-verse set top box.

I take our commitment seriously, as does our Board of Directors. We are proud of the progress we’ve made. But we’ll work hard to do even more, embracing this with the same passion and leadership that we bring to every part of our business. This will help us build a better company, a better world and a more sustainable future.

Randall L. Stephenson
Chairman and CEO
Advancing global priorities for sustainability. Our commitment to sustainability is based on achieving business success through responsible social, environmental and economic practices that help build healthy communities where we operate in the world. Our top priorities are to:

- Increase the energy efficiency of our operations, reducing the primary contributory sources of our greenhouse gas emissions;
- Provide eco-friendly products that not only improve our footprint but also help customers reduce their impact on the environment; and
- Promote internationally accepted minimum standards for employment.

Delivering eco-friendly business solutions. We are implementing a qualitative life cycle analysis of our key product lines that allows us to identify and address the most meaningful environmental aspects of our businesses. This guides us in offering eco-friendly products that also help customers reduce their impact on the environment. Some examples include:

- Low-waste, pressure-sensitive products that use thinner liners, liner-less labels and a reduction of packaging materials;
- Office products materials made from 10–52 percent post-consumer waste contents, and recyclable and PVC-free binders and other products with up to 100 percent recycled materials; and
- “Green” ticket and tag product line with environmentally certified paper, organic cotton and recycled polyester printed-fabric labels, organic and bamboo woven labels, and biodegradable packaging materials.

We manage product integrity by working to engage suppliers that conform to our restricted substances list. This controls materials and chemical concentration limits to avoid consumer health hazards and harm to the environment.

Demonstrating social responsibility. Avery Dennison is a sponsor of the Aid by Trade Foundation’s Cotton Made in Africa Project. The project provides a means for African farmers to compete in the global marketplace and creates opportunities for sustainable cotton production in one of the poorest regions of the world.

We have attained Forest Stewardship Council (FSC) chain-of-custody certification for more than 40 of our operating plants worldwide. FSC certification guarantees that the paper or wood products come from forests that are managed responsibly.

Avery Dennison supports internationally accepted minimum standards for employment. We address fair compensation, nondiscrimination, fair work hours and freedom of association for employees of our facilities. We do not tolerate child and forced labor. Our global-supplier standards apply these same requirements to our partner suppliers. We collaborate with nongovernmental organizations such as Business for Social Responsibility and customer stakeholders to advance these basic principles.


Avery Dennison believes that being a viable enterprise today and in the future is dependent on creating opportunities that deliver positive contributions to the marketplace and the communities in which we operate around the world. To this end, we strive to make sustainability integral to everything we do.

Dean A. Scarborough
President and CEO
As an engineering and construction company, Bechtel helps customers meet increasingly sophisticated sustainability goals. Our work — from rail systems and highways to refineries, power plants and mining operations — provides many opportunities to apply sustainable design and construction practices. We were also an original signatory of the Millennium Development Goals Business Call to Action, and we are incorporating our vision of sustainability throughout our business.

Bechtel strives to enhance the skills and capabilities of local people and companies so they can benefit both on and beyond our projects. We are playing a central role in Business Roundtable’s Gulf Coast Workforce Development Initiative, which is training 20,000 people to help rebuild areas hit by hurricanes. We are training and hiring 3,500 local workers on a liquefied natural gas project in Angola, and we initiated an apprentice program to fast track indigenous workers on the Rio Tinto Alcan Yarwun 2 alumina project in Australia. In the Marshall Islands, Bechtel’s on-the-job training enabled local residents to replace nonlocal personnel in long-term positions.

Bechtel is supporting customers in reducing emissions that contribute to global warming. For example, a project we are constructing in Illinois will be one of the cleanest coal plants in the United States. We are also helping with a project that will feature state-of-the-art “cleaner coal” technology. Looking forward, we are exploring new nuclear and renewable energy solutions to global energy challenges.

As a Business Roundtable Climate RESOLVE participant, we also are working to minimize our own carbon footprint. We are reducing emissions at our offices, have consolidated servers and data centers, and have adopted hybrid vehicles for driving-intensive work. We also are assessing ways to reduce emissions in our construction activities.

We help our customers address environmental challenges by finding ways to employ sustainable design, procurement and construction techniques. We designed China’s first Leadership in Energy and Environmental Design (LEED)-certified industrial buildings, and the “green” buildings we designed and built for the London Underground have created momentum to develop an energy-efficient model subway station. We also are pursuing LEED Gold certification for our Washington, DC, office.

At Bechtel, we are eager to do our part to help business and industry wherever possible to become more sustainable. There is much yet to be done. As we state in our Vision and Values, “We plan and act for the future — for the long-term good of our company, our customers and our world.”

Riley P. Bechtel
Chairman and CEO
As one of the nation’s largest railroads, we understand that our transportation services have social, economic and environmental impacts that are increasingly important to our stakeholders. At BNSF, we have identified three key areas where we are making communities a better place and providing a cleaner road ahead.

**Enhancing Fuel Efficiency/Reducing Emissions**

Improving the sustainability of freight transportation and reducing dependence on petroleum-based fuels is clearly crucial to our nation’s long-term economic and environmental well-being. Through our efforts to improve the fuel efficiency of our operations, BNSF is making a significant contribution toward advancing these goals.

BNSF has acquired approximately 2,700 fuel-efficient locomotives over the last decade at a cost of more than $3 billion, replacing more than 40 percent of our locomotive fleet. At BNSF, we carefully measure our greenhouse gas (GHG) emissions and fuel consumption, and we are proud of the fact that we have reduced the carbon intensity of our overall operations by more than 7.7 percent since 1999. Our investment in new locomotives, as well as other fuel-efficiency initiatives, has reduced BNSF’s annual fuel usage by more than 70 million gallons and avoided annual emissions of 710,000 metric tons of CO₂.

**Reducing Highway Congestion**

Demand for transportation is stressing and congesting our nation’s highway system. Between 1980 and 2005, vehicle-miles of travel grew by 96 percent while lane-miles of roadway increased by only 5.7 percent.

BNSF is the largest intermodal carrier in the nation, and one BNSF intermodal train can transport the equivalent of more than 280 freight trucks. We partner with trucking firms to provide the most-efficient means of transporting freight to its destination.

**Lower Carbon Emissions**

At BNSF, we carefully monitor our CO₂ emissions, and we’re proud of the fact that we’ve reduced our carbon intensity by more than 7.7 percent since 1999. We continue to make reductions through improved fuel efficiency. As we take long-haul freight off the highway, we also have a significant positive impact on CO₂ reductions and on the health of the planet. Trains move the same ton of freight three times as far as trucks per gallon of fuel and produce two-thirds fewer CO₂ emissions per ton-mile. In fact, each BNSF intermodal train traveling 1,000 miles reduces emissions of GHGs that would have occurred from equivalent truck shipments by more than 250 metric tons.

Additional details can be found in our Corporate Citizenship Report on our Web site at www.BNSF.com.

Matthew K. Rose
Chairman, President and CEO
Boeing has a clear strategy for acting to protect our ecosystem and a proven track record of improving environmental performance. Since the first generation of airliners, Boeing has improved airplane fuel efficiency by 70 percent. Our task now is to continue reducing the environmental impact of our operations and of our products and services.

Aerospace is essential to modern life; it helps drive economic growth and prosperity, and it brings the people of the world closer together.

So we have charted a pathway with clearly defined actions aimed at harnessing the benefits of aerospace while minimizing our collective environmental footprint:

- As a technology leader, we will continue to pioneer environmentally progressive products and services such as the 787 Dreamliner, which will be 20 percent more fuel efficient than the airplanes it replaces.
- As a leader in aerospace, we are bringing the industry together to become more aligned on environmental-improvement opportunities.
- And as a responsible corporate citizen and neighbor, we are focused on reducing energy use, greenhouse gas emissions, pollution and waste at our facilities.

In April 2008, Boeing helped bring together customers, partners and competitors in the commercial aviation industry. In Geneva, Switzerland, we jointly committed to a pathway toward carbon-neutral growth and the aspiration of a carbon-free future.

Boeing has committed to delivering fuel-efficiency improvements of at least 15 percent with each new generation of airliners.

Alternative fuels offer significant promise to reduce aviation’s carbon footprint. Together with Virgin Atlantic and GE Aviation, Boeing pioneered the first demonstration flight of a commercial airplane powered by a sustainable biofuel and has completed three more such demonstrations. Boeing also helped form the Sustainable Aviation Fuel Users Group and the Algal Biomass Organization to accelerate the market viability of sustainable biofuels and establish sustainability criteria.

Global air transportation system improvements represent a critical near-term opportunity for reducing greenhouse gas emissions. Boeing’s work spurs reduced fuel use by minimizing delays and holding patterns over airports and capitalizing on precision navigation technologies in modern aircraft.

Internally, Boeing has set five-year improvement goals of 25 percent for energy efficiency, greenhouse gas emissions intensity and solid-waste recycling rates at our operations. We also acted to extend the International Organization for Standardization ISO 14001 environmental management standard to all major Boeing manufacturing sites by the end of 2008.

Boeing will continue to provide leadership in the aerospace industry and demonstrate clear action as we seek to improve aviation’s environmental performance.

W. James McNerney, Jr.
Chairman, President and CEO
As a global secure logistics company, we recognize that we have an opportunity — and a responsibility — to do more to help our world become a better place. Just as we protect our customers’ most valuable assets, we are committed to working with our communities, our partners and other corporate leaders to protect our natural resources and preserve the health of our planet.

**A Greener Fleet**

In the United States, Brink’s fleet of more than 2,300 armored trucks may be blue and gray, but they are getting “green”er, too. Starting in 2005, Brink’s began a multiphased program to reduce diesel emissions. By 2010, we will have reduced diesel emissions by more than 80 percent from pre-2005 levels.

**Investing in the Future**

In honor of the company’s rich Chicago heritage and to commemorate its 150th anniversary, Brink’s has established a special program to fund $150,000 in scholarships for Chicago-area high school students in 2009. This program will award up to 150 scholarships based on a combination of academic performance, leadership, aspirations and other personal factors.

**Supporting Our Communities**

Brink’s is a culture of volunteerism bolstered by heartfelt concern for others and a genuine belief in the power of people helping people. We consider social responsibility a core business function and contribute millions of dollars in direct aid and matching donations. We proudly support the thousands of Brink’s employees throughout the world who are deeply involved in local programs, volunteering their time, expertise and hearts to make the world a better place.

**Helping the Global Fight against the AIDS Virus**

With operations in 110 countries, Brink’s has a direct stake in the global fight against AIDS. We support the Global Business Coalition on HIV/AIDS by lending our leadership and resources to this important worldwide effort to eradicate the AIDS virus, supporting community programs, creating workplace education programs and collaborating with other multinational companies to encourage more business leaders to make the same commitment.

**Recycle, Reuse and Revitalize**

Brink’s proactively promotes the reduction of global waste with onsite shredding and paper recycling programs at facilities throughout the world. We have also reduced our reliance on paper through the development of a global intranet through which we share information electronically. Today, most documents, including sales materials, are created and shared in digital format, sometimes replacing any form of printed material.

We are proud of our progress toward a more sustainable world, and we are committed to building on these achievements in the coming years.

Michael T. Dan  
Chairman, President and CEO
For more than 80 years, Caterpillar Inc. has been making progress possible and driving positive and sustainable change on every continent. Our business interests and the critical issues facing the world are inextricably linked. Reliable and efficient energy solutions, responsible use of materials, mobility of people and goods, and quality infrastructure are major areas where Caterpillar, our dealers and our customers provide solutions.

Caterpillar is positioned to provide solutions that span the energy value chain. From more energy efficient engines and products capable of running on renewable fuels to services that combine unique technologies, we help customers improve overall efficiency and reduce emissions through solutions that improve the effectiveness of traditional resources. We explore new, innovative approaches to meet the world’s growing energy and environmental challenges, including the conversion of waste gases such as coke oven gas and landfill methane into useful energy. We promote market-based approaches to address climate change and actively search for solutions that promote energy availability, competitiveness and security.

We are poised to deliver the products, services and technologies to meet the needs of growing markets. We contribute to economic growth around the world—including the rapidly developing economies of Brazil, Russia, India and China—by enabling infrastructure development that provides improved access to energy, materials and mobility. We work with policy makers to bring balance to debates over international trade and sustainable development and seek opportunities to partner with others to build viable frameworks that encourage responsible growth, help our customers grow local economies and enable societies to meet their own goals.

Our Values in Action, Caterpillar’s Worldwide Code of Conduct, defines our convictions and beliefs and gives each member of Team Caterpillar clear guidelines for working with integrity and honesty. It commits us to diversity and inclusion, employee health and safety, environmental responsibility, community development and continual learning—including a redoubling of our efforts to educate employees about sustainable development.

Internally, we strive to limit consumption of resources, minimize waste generated, maximize recycling and responsibly dispose of all remaining waste. We work to conserve water, reduce wasteful usage and reuse material where possible.

Caterpillar continues to identify the intersections of our capabilities and the interests of society to increase our business focus on sustainable progress. We continue to explore how we can enrich the discussions, collaborate on solutions and, ultimately, help shape a more sustainable world. Caterpillar is helping make sustainable progress possible.

James W. Owens
Chairman and CEO
As a global business services company, Ceridian is concerned about what we can do to make the world more sustainable. It’s been a focus of ours for many years.

Ceridian helps our customers stay focused on their business and what they do best. We do this by offering a comprehensive range of innovative solutions that help organizations maximize their human, financial and technology resources. In other words, we help them become more sustainable.

As the leading provider of payroll, gift card and controlled-spending solutions, we decrease the use of valuable natural resources when our clients choose to offer Ceridian-issued cards versus printed paychecks or gift certificates. Ceridian’s solutions provide employers with cost-effective, digital alternatives to paper processes, forms and documents. Additional “green” Ceridian solutions include direct deposit services, online W2 services and self-service solutions. The use of these services has a profound impact on paper consumption. They also have the additional benefit of managing information in electronic form, which saves on storage space, energy and overall company expense.

In addition, Ceridian’s Commuter Administration Services (CAS) helps companies provide their employees with a cost-effective way to use a variety of public commuting options to get to and from work. CAS not only saves employees money; it can actually pay for itself and induce employees to use mass transit, significantly reducing the number of cars on the road and decreasing greenhouse gases.

From a human resources perspective, Ceridian’s health and productivity solutions help our customers increase productivity, improve morale, and reduce insurance and medical costs. Yes, we want to help sustain the world, but we also want to help sustain people. We believe that prevention is the best medicine, which is why we offer services, such as health assessments and health coaching, that help employees indentify and address personal health issues.

And finally from a facilities perspective, Ceridian’s global offices are empowered to implement common sense, “go-green solutions” in all operational activities. For example, we have aggressive recycling programs across our facilities, save energy through our heating and cooling strategies, use energy-efficient lighting, and promote carpooling.

We are committed to serving our customers and doing all that we can to sustain the world and create a better place to live and to work.

Kathryn V. Marinello
Chairman and CEO
At Chevron, we recognize and share the concerns of governments and the public about climate change. As we work to reduce greenhouse gas (GHG) emissions, our collective challenge is to create solutions that protect the environment while striving to deliver affordable and reliable supplies of energy. To meet the world’s growing energy demand, Chevron is investing in a diverse portfolio of energy sources to address these challenges, including alternatives and renewables, such as geothermal, solar and next-generation biofuels. In addition, Chevron is committed to advancing energy efficiency and conservation as the easiest, most immediate and cleanest source of new energy.

Today, Chevron is the world’s largest producer of clean, renewable geothermal energy — producing enough electricity to meet the needs of 16 million people in Indonesia and the Philippines. We are also investing to develop the energy technologies of tomorrow. We are engaged in government and university research and development partnerships as well as a joint venture with Weyerhaeuser, Catchlight Energy, with the goal of producing next-generation biofuels from non-food sources. We are also working on other promising emerging energy technologies including carbon sequestration, enhanced geothermal, ocean power, thermal solar and others.

To effectively address the dual challenge of climate change and energy security, energy efficiency is critical. Our commitment to energy efficiency dates back more than 15 years, as we have increased our energy efficiency across our worldwide operations by 27 percent since 1992. We also deliver energy efficiency and renewable energy to external customers through our subsidiary, Chevron Energy Solutions. Over the past five years, Chevron Energy Solutions has developed and installed hundreds of energy efficiency and renewable power projects for federal, state and local governments, educational institutions and businesses. Together, these projects are expected to reduce GHG emissions by more than 3 million metric tons. Last fall, we launched a major public awareness and advertising campaign promoting energy efficiency and conservation which has received widespread recognition. As part of this campaign, through our Web site www.willyoujoinus.com, tools and resources are available to help consumers understand the important contribution they can make in taking even the smallest steps to conserve energy.

At Chevron, we believe working together we can meet our energy and environmental challenges, and with human energy we will find newer, smarter, cleaner ways to power the world.

David J. O’Reilly
Chairman and CEO
For 126 years, the Chubb Group of Insurance Companies has delivered products and services that support economic development and innovations that contribute to quality of life and the world’s well-being.

Insurance plays a critical role in the world economy. In the United States alone, insurance adds more than $300 billion to the gross domestic product and provides 2.3 million jobs. Chubb is the 11th-largest U.S.-based property and casualty insurer and has a worldwide network of some 120 offices in 28 countries staffed by 10,600 employees.

Beyond Chubb’s direct economic role, our property and casualty products help sustain a broad array of economic activities, such as construction, commercial financing, real estate development, shipping and transportation, development of new products (including pharmaceuticals, technology and “green energy”), and global commerce. This is achieved through risk-spreading mechanisms that are the foundation of the insurance transaction. Our business allows individuals and organizations to “hedge” against the risks inherent in economic activity, innovation and invention by providing ways to recover financially from economic loss.

Committed to sustainable energy, Chubb’s environmental stewardship is evident in our leadership role. In 1984, Chubb formed a specialized unit to focus on energy products and services. We began by insuring cogeneration facilities and wind turbines, and today, we offer a package of property and casualty products and risk-management services to the energy sector. We continue to build our underwriting expertise, and in 2008, we established a “Green Team” to support the continued development and growth of the alternative-energy marketplace and help reduce greenhouse gas emissions.

We also manage our own environmental footprint carefully by conducting energy audits of our facilities to identify new opportunities for conservation and efficiency. In 2006 and 2007, two of our four owned facilities received ENERGY STAR certifications.

Based on a founding principle, Chubb seeks to bring integrity to every transaction. We are highly regarded for our fair and expedient response to claims. Our decision to not invoke the war exclusion in insurance policies following the attack on the World Trade Center on September 11, 2001, helped to bring immediate financial relief to our customers and victims’ families. Our competitors followed our lead.

Chubb also respects and values its employees and their diversity. Through our diversity office, which was established in 1994 and reports to the CEO, we tap into different perspectives to bring positive change to our organization and society at large.

John D. Finnegan
Chairman, President and CEO
In May of 2007, Citi announced a $50 billion initiative of investments, financings and related activities to support the commercialization and growth of alternative energy and clean technology among the clients and markets we serve, as well as within our own businesses and operations. This initiative makes good business sense for our clients and for Citi and helps improve our natural environment.

According to the first annual accounting of results, we committed $5.7 billion in 2007 to deals that address climate change. Examples of these investments through 2008 include the largest wind-power financing completed in the United States ($741 million), the second-largest qualified institutional placement in India for that country’s leading wind turbine manufacturer and a private-equity placement in a California-based water-use management technology company.

Citi Cards U.S. initiated a customer-focused “Plant-A-Tree” initiative in collaboration with the National Arbor Day Foundation. For every U.S. cardholder that switches to paperless statements, Citi is planting a tree in national forests or in communities in need. In 2007, approximately 1.2 million trees were planted as a result of the Citi Cards program. In 2008, Citi Cards is on track to save an additional 8,000 trees and plant an incremental 1 million trees. A number of Citi businesses in the United States and worldwide subsequently initiated “Plant-A-Tree” programs in their local communities.

In 2008, Citi became a U.S. Environmental Protection Agency Climate Leaders partner, providing independent verification of success against our greenhouse gas reduction goal. Citi incorporates the sustainable principles of the U.S. Green Building Council’s Leadership in Energy and Environmental Design (LEED) rating system into every real estate project, including the first-ever volume-build program for our Citibank and CitiFinancial branches.

Citi also has an ongoing initiative to reduce our overall real estate footprint by reducing the employee-to-seat ratio through flexible and alternative workplace strategies. In 2008, Citi reduced 6 million square feet of office space as a result of this initiative. We are also working to mitigate the environmental impact of our technology through initiatives like the consolidation of data centers into more efficient facilities such as the newly constructed LEED Gold data center in Austin, TX. Platinum certification for Citi’s data center in Frankfurt, Germany, is pending.

These outstanding results are particularly impressive given current challenging market conditions and reduced expenditures by Citi on our own facilities. Despite these challenges, we are confident we will meet our 10-year goal. Going forward, annual updates will appear in the spring issuance of the Citi Corporate Citizenship report.

Vikram S. Pandit
CEO
In the midst of today’s global financial crisis, the economic implications of sustainability have never been more important. As business leaders, we are all being challenged to find innovative ways to make our products and services affordable and our supply chains economically beneficial to the communities we serve.

A few years ago, C.K. Prahalad, the noted corporate strategy expert at the University of Michigan, laid out a compelling business case for making products available, affordable and acceptable to the lowest-income consumers. He called it “the fortune at the bottom of the pyramid,” and it was indeed prescient work.

This is an area we are fortunate to be familiar with at Coca-Cola. Our strategy has always been to be the first to gain access to a market and to grow along with that market by providing jobs and economic opportunities.

In more than 200 countries where we operate, we produce locally, we market and sell locally, and we employ locally, directly and indirectly creating millions of jobs.

Our business in Brazil, and in many other markets throughout Latin America, is a great example. It took us many years to become profitable in Brazil, but we kept investing because we believed in that nation’s future. Today, of course, Brazil’s economy is among the most powerful in the world and has fueled one of the most successful markets in the entire Coca-Cola system.

Helping play a role in improving the economic development of the markets we serve has been another important strategy for growth in developing nations and regions. For instance, in Africa, where we are today the largest private employer and the No. 1 beverage brand, we are using innovative business models to drive our business and create more sustainable communities at the same time.

One of the most exciting is our manual distribution center network that’s been established across the continent from North Africa to South Africa. This program allows independent entrepreneurs — including many women — to set up distribution centers on behalf of the Coca-Cola system. Instead of trying to serve thousands of small retail outlets with small drop sizes, our bottling partners distribute to carefully selected manual distribution businesses that sell Coca-Cola products exclusively to retailers.

So far, more than 2,500 distribution centers have been set up by independent entrepreneurs across Africa, creating direct employment for more than 11,000 people. Our goal is to help create 1,500 to 2,000 additional distribution businesses across the continent — enterprises that could generate as many as 8,400 jobs and another half a billion dollars in revenue over the next three years. This program was recently recognized as an important contributor in the drive to achieve the Millennium Development Goals.

Another entrepreneurship venture that has proven to be successful is in Chile, where we have created thousands of jobs through an innovative street-vendor program that works with more than 3,000 retail outlets to increase availability of our products to on-the-go commuters.

In both the examples from Africa and Chile — as well as other markets throughout the world — our business has done well by doing good.

While environmental and workplace initiatives are typically the most often cited sustainability efforts being advanced by businesses today, we as Business Roundtable members must not overlook the economic development and job creation possibilities that are equally important to the global sustainability equation.

Muhtar Kent
President and CEO
There are serious challenges before us today: strengthening our economy and creating jobs, meeting our nation’s energy and transportation needs for today and tomorrow, and protecting our environment. CSX is committed to offering meaningful ways to help address these challenges.

**CSX provides the most environmentally friendly and energy-efficient mode of land transportation.** CSX trains can move a ton of freight 436 miles on a single gallon of fuel. The company’s efforts to deploy new technology and improve operating efficiency and fuel conservation have resulted in a more than 80 percent improvement in greenhouse gas intensity and fuel efficiency. To build on this progress, CSX was the first transportation company in the United States to join the U.S. Environmental Protection Agency (EPA)’s Climate Leaders program, and working with the EPA, environmental community and other stakeholders, CSX helped develop a federal rule aimed at cutting locomotive emissions by as much as 80 percent.

**CSX is providing America “green” jobs.** CSX employs 34,000 Americans in green jobs moving our nation’s freight in the most environmentally friendly manner possible. As the company partners with the public sector, CSX’s investments in its rail system will continue to serve as an economic stimulus tomorrow and into the future. The U.S. Department of Commerce data show that every dollar of freight-rail-system investment generates more than three dollars in total economic output. Each $1 billion of new rail investment would create an estimated 20,000 jobs nationwide.

**CSX is making green investments in America.** Current projections forecast a 67 percent growth in total freight traffic over the next 20 years. As part of the most capital-intensive industry in America, CSX plans to spend $5 billion by 2010 to help meet the nation’s transportation, environment, energy security and economic goals. These sustainable investments, in turn, will make tens of millions of dollars available for rail-system improvements, such as increasing rail capacity. Additional capacity allows for even more energy efficiency and environmental gains.

Operating in an environmentally sustainable manner is not only the right thing to do, but it is also a key component of CSX’s corporate identity. For the past 180 years, CSX has been working to meet the needs of the nation’s economy, and it is committed to operating in a way that will allow it to do so for generations to come.

Michael J. Ward
President, Chairman and CEO
Cummins’ Commitment to Creating a Cleaner, Healthier, Safer Environment

At Cummins Inc., we feel strongly about investing in new, more efficient diesel-engine-related products, practices and technologies that meet our customers’ needs and satisfy our environmental objectives. Our dedication to creating a cleaner, healthier, safer environment begins with a commitment from every employee and is reinforced by senior leaders, thus aligning all organizations under the sustainability umbrella.

Much of Cummins’ focus on seeking solutions that reduce greenhouse gas emissions is guided by the following key principles and activities:

- Collaborating with customers to ensure our products provide the most cost-effective and energy-efficient solutions;
- Developing new business to help reduce greenhouse gases;
- Increasing research and development to promote technological advancements that help meet climate goals;
- Advocating for responsible regulations and a balanced approach to climate change; and
- Encouraging the use of “green” power and efficiency standards in our global facilities.

As a participant in the U.S. Environmental Protection Agency’s Climate Leaders program, Cummins has pledged to reduce its corporatewide greenhouse gas emissions by 25 percent by 2010 against a base year of 2005. This goal is in addition to Cummins’ 20 percent reduction prior to the program’s start. Achieving this target requires a broad initiative, and Cummins is structured for success with both corporate-energy teams and grassroots-employee engagement.

In our products, the company’s leadership in combustion research, fuel systems, air handling, electronics, filtration and aftertreatment plays a critical role in reducing greenhouse gas emissions. Our wide range of products also allows us to achieve enhanced customer value by providing appropriate emissions controls for global markets.

Our efforts to reduce carbon emissions go beyond our own sphere of control. In collaboration with our customers, we use Six Sigma process-improvement tools to identify better ways to achieve fuel-economy benefits for their fleets. In 2007, in just one fleet, we achieved an improvement that resulted in lower fuel consumption (CO₂ emissions) and significant annual savings for our customer.

Finally, Cummins reuses or recycles more than 48 million pounds of material annually through its engine remanufacturing operations. Materials reclaimed result in energy savings sufficient to power 10,000 homes in the United States, with a corresponding greenhouse gas reduction.

Now more than ever, Cummins understands that operating with an eye toward sustainability is not only vital to our society and our environment, it also nourishes us as a company, enabling our growth today and in the future.

Theodore M. Solso
Chairman and CEO
For 172 years, John Deere has contributed to human flourishing. Deere is the world’s leading provider of advanced products and services for agriculture and forestry, and a major provider of advanced products and services for construction, lawn and turf care, landscaping, and irrigation. In doing so, John Deere offers solutions to those who produce our food, fiber and fuel; build our homes and infrastructure; and beautify and protect our environment.

As stewards of the land, we are committed to sound environmental practices and a reduced carbon footprint. We take enormous pride in our company’s sustainability efforts, including:

- A focus on machine productivity that allows a single John Deere combine to replace two to three outdated, less-efficient machines, especially in growing agricultural economies such as Russia, and cut-to-length forestry harvesting, which enables mills to meet requirements with greater accuracy and less waste.
- Advanced positioning, automation and irrigation technologies that increase precision, reduce inputs (water, fuel, fertilizer, seed and pesticides) and minimize passes through a field or inroads into a forest, reducing environmental impacts.
- Conservation tillage systems that limit soil disturbance, sequester carbon, improve soil quality, and conserve water, while frequently increasing crop yields.
- Researching and promoting alternative energy — besides using biodiesel to fuel new products and promoting its development and use, the company has significant interest in alternative energy sources, including wind energy and woody biomass technologies.

With operations in 32 countries, Deere’s focus on global growth is helping bring improved productivity and sustainability to customers throughout the world, including Brazil, China, India, Russia, Kazakhstan, Hungary and parts of Africa.

The John Deere Foundation, the company’s primary philanthropic arm, supports “Solutions for World Hunger” through:

- KickStart (manually operated irrigation pumps for subsistence farmers in Africa);
- World Food Prize (grants for major breakthroughs in feeding the world’s poor);
- HNGR (Wheaton College mission program to promote sound agricultural practices);
- Opportunity International (microloans for agricultural programs in Malawi and Mozambique); and
- BackPack Program (supplemental children’s food program in several John Deere communities in the United States).

Our mission of distinctively serving customers — those linked to the land — affects how we do business. As the company delivers quality products and services, we do so mindful of our commitment to serving global communities and society at large and to minimizing environmental impacts. By operating in this manner, we seek to ensure that our actions result in performance that endures.

Robert W. Lane
Chairman and CEO
Deloitte US (Deloitte) is a professional services organization and member firm of Deloitte Touche Tohmatsu (DTT).

Deloitte strives to reflect corporate responsibility (CR) in all that we do. Fiscal year 2007–08 represents a watershed as a board-approved CR policy was established, a chief responsibility officer was appointed, and a comprehensive sustainability initiative was launched. The highlights are chronicled in the inaugural CR report, “We are defined by our responsibilities,” at www.deloitte.com/us/crhome.

**Corporate responsibility policy.** The Deloitte CR policy, approved in August 2007, proclaimed our commitment to “promote human dignity and ethical behavior, advance learning and culture, and advocate the sustainable use of natural resources and the environment.”

Demonstrating strong advocacy on the part of leadership, the policy aligns with a long-standing culture and values that are at the center of all we do at Deloitte. The enthusiastic engagement and active participation of our people bring our shared values to life.

**Engagement and participation.** The engagement and participation of our people are evident among all aspects of CR.

As part of our Talent initiative, the innovative “mass-career customization” approach to career development was introduced in 2008. In the area of Ethics and Compliance, ethics training — providing learning and perspective — is required for everyone at Deloitte.

Our innovative community involvement initiatives reflect our commitment to responsible corporate citizenship. On IMPACT Day, a record number of colleagues — 32,500, three out of every four — joined together in over 700 projects in more than 70 communities. Our recently launched pro bono program will support up to $50 million in cross-functional endeavors over the next three years.

**“Greening.”** Joining the more mature expressions of CR was our sustainability initiative at the start of 2008. While national direction was provided, success came through the opt-in/step-up grassroots involvement of the Green Champions and green teams at the local level.

Thus far, more than 27,000 colleagues have completed a survey to ascertain their level of “green-ness” as part of our “How green is your footprint?”™ campaign. And three-fourths of our offices have completed more than half of the toolkit projects. To maintain momentum and engagement, the Green Leadership Council — comprising representatives from each region — was initiated in August 2008.

**Looking outward.** Our professionals share their knowledge and experience by serving our clients in the areas of CR. The Enterprise Sustainability group, working with practitioners throughout Deloitte, has significantly increased the scope of their client relationships, conducted their first sustainability conference and collaborated to create more than 40 pieces of thought ware.

Lastly, Deloitte plays a leading role and benefits from working globally with other member firms of DTT.

James H. Quigley
CEO, Deloitte Touche Tohmatsu
At Dow, we have always believed that the role of chemistry is to do more good in the world. Our company’s mission is deeply rooted in the connection between science and human progress … between chemistry and what we call “The Human Element.”

We are working to address the global sustainable-development challenges that live at the intersection of the greatest need and the most significant business opportunities. This work is grounded in Dow’s 2015 Sustainability Goals, which are focused on fostering relationships with local communities, improving product stewardship and innovation, and reducing our global environmental footprint. Myriad product, technology and service innovations are moving us toward our goals and helping to improve lives around the world.

Dow is …

- Helping to provide pure water for both industrial and drinking water applications globally, through Dow Water Solutions. This business unit has developed world-class technologies that help to affordably alleviate water-supply problems in countries such as Australia, Saudi Arabia and India.
- Working with our joint venture partner, Crystalsev, to develop an energy-efficient, world-scale facility to manufacture polyethylene in Brazil. The facility will use ethanol derived from sugar cane, an annually renewable resource.
- Committing the innovative biotech resources of Dow AgroSciences, the agricultural subsidiary of Dow, to the development of drought-tolerant crops. These efforts can facilitate higher yields of corn, canola and other crops for millions of farmers across the globe, while also conserving water.
- Investing more than $100 million in research and development for solar photovoltaics, envisioning components that can be integrated into building materials such as roofing shingles and siding.
- Leveraging our expertise in energy efficiency, chemistry and innovation to deliver scalable alternative and renewable energy technology and solutions to the market.
- Collaborating and partnering with strategic organizations around the globe. Corporations, governments, nongovernmental organizations and others each have distinct skills and capabilities that, when applied in a collaborative, efficient manner, can help achieve common goals in improving the human condition economically, socially and environmentally.

By connecting chemistry and science with the principles of sustainability, Dow is bringing new hope for the preservation of our planet. We will continue fostering innovations that will drive our ongoing business success in harmony with that of our global community.

Andrew N. Liveris
Chairman and CEO
We have two aspirations that guide our planning and serve as a bridge to a low-carbon future: First, modernize and decarbonize our generation fleet, and second, help make the communities we serve the most energy efficient in the world. These aspirations are grounded in our commitment to provide our customers with energy that is clean, affordable and reliable. This approach underpins our commitment to sustainability, which is to do business in a way that is good for people, the planet and profits.

To achieve these aspirations, we are using a balanced-portfolio approach that uses the five available fuels to generate electricity — coal, nuclear, natural gas, renewables and energy efficiency. There is no perfect fuel; there are no silver bullets. To keep energy prices affordable and our economy competitive and to continue to reduce our environmental impact, all five fuels must be kept in our energy mix if we’re going to make the successful transition to the low-carbon future we know is coming.

We are building an advanced coal power plant and a clean-coal plant with the potential to capture and store carbon emissions. We are building new cleaner-burning, natural-gas-fired power plants, and we have proposed a new nuclear plant because nuclear power has zero greenhouse gas emissions. We already operate one of the largest networks of hydroelectric plants in the United States. We are adding new renewable energy capacity to our utility companies, including power generated from wind, solar and biomass. And on the commercial side, we have more than 5,000 megawatts of new wind capacity under development in the west and southwest United States.

We are pushing an innovative, energy-efficiency model that would let us earn a return on a portion of the costs we avoid from having to build new power plants through more aggressive energy efficiency and smart-grid initiatives.

We are taking these actions because we are in a time of rising commodity prices and increasing global competition for scarce resources, including food, water and energy. We believe that it’s not a question of if Congress will limit greenhouse gas emissions, but when. As such, we believe that the most successful economies in the future will be those that are the most energy efficient and those that have taken real action to address global climate change.

James E. Rogers
Chairman, President and CEO
In October 2006, DuPont announced our 2015 Sustainability Goals. These new goals signaled a major shift in how we view sustainability at DuPont.

When we announced our first set of goals in 1989, our focus was on reducing the environmental footprint of our manufacturing operations. The 2015 goals continue our drive toward a smaller footprint but also commit us to apply our science and innovation to deliver sustainable solutions to markets around the world.

Our market-facing goals identify opportunities where we can create new products and services that will help meet our customers’ needs. We are anticipating and responding to changes in the global marketplace that are driving demand for solutions to major challenges such as climate change, clean energy, water and ecosystem protection.

There are many reasons for this evolution in marketplace dynamics, but two stand out. One is the realization that the developed world’s consumption of energy and natural resources is not a successful model for the developing world to follow as it grows. The other, also related to consumption of energy resources, is the established consensus that climate change is a real concern and that action must be taken to address its potentially far-reaching consequences.

We are taking a holistic approach to sustainability that is fully integrated into our business models. It is a central factor in our research and development and our marketing and sales functions. Sustainability also remains a key component of how we work at our manufacturing sites, including design engineering.

While sustainable solutions need to be “holistic,” that does not mean “uniform.” At DuPont, we start with the specific needs of the customers and markets we are serving. For some businesses, the highest value that can be delivered is reducing the footprint of our operations, while for other businesses there is greater opportunity in bringing new products to the market. Recognizing and supporting these differences is a good thing because it has the overall effect of strengthening our business model, the products we manufacture and the services we provide.

We have always believed that safety is a vital component of sustainability. In fact, we are convinced that safety and sustainability are inseparable. Wherever there is one, we expect to see the other. We continue to work toward the goal of zero for all injuries, illnesses and incidents.

We are proud of the progress that we are making in implementing our 2015 Sustainability Goals.

Ellen J. Kullman
CEO
Over the years, our commitment to sustainability has enabled the company to achieve success in ways that are protective of people and the environment. We have a far-reaching respect for the environment and natural resources, value for others, and regard for a high quality of life. We work to operate all aspects of our business in a responsible manner.

Eastman has a strong sustainability team in place that coordinates activities on a companywide basis. Significant environmental benefits have been realized due to the company’s focus on operational excellence and the use of technology:

**Operational Excellence — Controlling Emissions and Conserving Energy**

Eastman strives to operate as efficiently as possible — as efficiency increases, waste decreases. Eastman has consistently made improvements in operations that result in lower emissions to the environment. Since most of the company’s greenhouse gas emissions result from energy consumption, Eastman has focused on reducing energy intensity at all locations. A corporate energy management team tracks progress and coordinates improvement efforts. Over the last 10 years, Eastman has improved its energy intensity by 36 percent and greenhouse gas emissions intensity by more than 27 percent. In 2002, a new goal was set to continue to reduce energy intensity by 2 percent per year through 2012, and that 2012 target was achieved in 2007.

**Technological Innovations — IntegRex™ Technology**

Eastman is focused on developing and implementing technologies for safer and more efficient processes and products. For example, Eastman’s innovative IntegRex™ technology is used to produce PET resins. This advanced technology makes efficient use of plant space and requires less fossil fuel for construction and operation. It also improves yield while reducing water and wastewater streams compared with traditional processes. The IntegRex™ manufacturing process uses substantially less energy (51 percent) than conventional PET production processes, and resins made using the IntegRex™ process are recyclable.

Eastman continually works to manage and improve energy efficiencies, reduce wastes, support communities, and find ways to better protect and improve the environment. Whether serving customers, or operating our facilities safely and reliably, or staying involved in the communities in which we operate, sustainability is at the heart of everything we do.

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James P. Rogers
President and CEO
Kodak has completed one of the most remarkable turnarounds in corporate history. We have emerged a new company with a large majority of our revenues now derived from digital businesses with strong growth prospects. As the world’s foremost imaging innovator, Kodak’s portfolio has evolved to include image capture and output devices; consumables; and systems and solutions for consumer, business and commercial printing. One constant amidst these changes has been our commitment to sustainability and our desire to drive business growth and stakeholder value in a responsible manner.

Our aggressive and voluntary Responsible Growth Goals demonstrate our commitment. They encompass the entire portfolio, acknowledge a growing supplier role and integrate strategic social aspects. Sustainable design principles guide product developers and identify opportunities to improve sustainability attributes throughout the life cycle of our products.

One example of innovation leading to more sustainable products is our dry lab technology. Our teams worked with customers to create a product system that eliminates water and chemical use during printing and significantly reduces electricity use compared to traditional wet photoprocessing. Likewise, Kodak’s OLED technology shows tremendous potential to improve the energy efficiency of panel displays and solid-state lighting with more efficient use of materials. For more than a decade, Kodak has offered valuable customer-assistance programs, such as the Printer’s EnviroServices Program, to meet customers’ compliance, sustainability and business objectives in a cost-effective manner.

Kodak’s sustainability strategies and activities benefit immeasurably from industry collaboration. Membership in the Electronics Industry Citizenship Coalition has strengthened our supplier process and aligned it with industry best practices. Participation in initiatives such as Climate RESOLVE and the U.S. Environmental Protection Agency’s Climate Leaders program has enabled us to reduce both our energy use and greenhouse gas emissions by more than 40 percent since 2002.

We are proud that our commitment and our progress have been widely recognized. In each of the last four years, Kodak has been named to the Dow Jones Sustainability Index, the FTSE4Good Index and the “Global 100 — Most Sustainable Corporations in the World” listing.

At the heart of Kodak’s commitment to sustainability is a singular objective: continuous improvement in everything we do. We remain unwavering in maintaining this commitment.

Antonio M. Perez
Chairman and CEO
At Eaton, sustainability isn’t an autonomous program or initiative. It’s how we do business — and it’s an increasing part of our business success. We have been living it for years as “doing business right,” and it is central to our vision to be a world leader for sustainability in our markets.

Our goal is to achieve great results, but we are guided by fundamental values. Eaton operations around the world adhere to one set of standards for policies such as ethics, greenhouse gas emissions, energy and water consumption, waste treatment, product quality, employee safety, and human resource practices. Our innovative products help improve the environment, save lives and conserve resources. Our employees are reaching out to make communities better places to live. And we’re building successful, sustainable businesses using the highest ethical standards in our workplace and our communities.

From an environmental standpoint, not only are we reducing our own emissions, energy and water consumption, and waste generation, but we are also helping our customers and suppliers reduce theirs. We’ve publicly committed to reduce our greenhouse gas emissions by 18 percent, indexed for sales, by 2012. In 2007, through process improvements, employee initiative and a growing mindset toward sustainability, we’ve already reduced emissions by 9.2 percent, indexed for sales.

Our customers and suppliers are using Eaton’s innovative products and services to help them utilize electrical, hydraulic and mechanical power more efficiently and safely. These include hybrid electric and hydraulic powertrains that boost fuel economy and reduce particulate emissions in trucks, buses and service vehicles; electrical power control systems for the efficient use of power in buildings, utilities and machinery; high-pressure hydraulic aircraft systems that reduce weight and improve fuel efficiency; automotive superchargers for enhanced fuel efficiency; and many others.

Our reputation as a sustainable company is growing. Customers are requesting Eaton’s assistance in developing their own sustainability programs. And our efforts are being recognized around the world with awards such as China’s “Most Committed Multinational Award” and Ethisphere Institute’s award as one of the “World’s Most Ethical Companies.”

Eaton’s success in sustainability has become a powerful tool in creating competitive advantage and making the world a better place. By doing business right, Eaton is striking a balance between performance and meeting the needs of all of our stakeholders, including communities, employees and future generations.

Alexander M. Cutler
Chairman, President and CEO
Energy is essential to the world’s economic growth. As populations around the world strive for higher standards of living, the global economy will need greater supplies of energy to heat schools and homes, build hospitals and provide health care, as well as fuel transport and trade.

ExxonMobil’s nearly 80,000 employees are working to meet the world’s growing energy needs — and we are doing so in a way that balances economic growth, environmental protection and social development over the long term. This commitment to sustainable development is part of ExxonMobil’s efforts to be good corporate citizens wherever we operate.

To address the challenge of sustainability, we have six citizenship focus areas. We are focused on corporate governance so that good citizenship is integral to our decisionmaking. We are protecting worker safety and health. We are integrating environmental performance into our business plans and metrics. We are working on ways to manage climate risk by reducing greenhouse gas emissions. We are supporting economic development. And we are promoting respect for human rights.

Our commitment to sustainability begins with our own operations. For instance, we are industry leaders in the use of cogeneration, the simultaneous production of electricity and steam, which can be nearly twice as efficient as traditional processes. From 2005 to 2008, this process and similar actions helped reduce greenhouse gas emissions by more than 7 million metric tons, which is equivalent to taking 1.4 million cars off the road in the United States.

Another example of our sustainability efforts is the development of technologies that can help consumers use energy more efficiently. Among the technologies we have developed is a new lithium-ion battery film separator which could enable more widespread use of hybrid and electric vehicles. We have also developed new plastics and tire-lining technologies that help make vehicles lighter and more efficient. And by working with leading automobile and engine manufacturers, ExxonMobil is researching ways of making internal-combustion engines significantly more efficient.

Our commitment to sustainability also includes supporting social, environmental and educational initiatives around the world. We have founded programs such as the National Math and Science Initiative, the Educating Women and Girls Initiative, and the Africa Health Initiative. These initiatives are improving quality of life and offering new hope. Additionally, ExxonMobil’s National Content strategy provides for workforce development, supplier development and strategic community investments in health care and education to ensure that the benefits from our worldwide projects make a positive impact on society.

At ExxonMobil, we believe that being a successful business over the long term requires a thoughtful, proactive approach to every aspect of sustainability. We recognize that good corporate citizenship decisions can contribute to ensuring better economic, environmental and social outcomes for all.

R. W. Tillerson  
Chairman and CEO
Through its extensive physical and digital networks, FedEx helps provide greater access for people, businesses and countries around the world. The result? More opportunity, growth and prosperity globally. Here is an example: A study prepared by the Campbell-Hill Aviation Group estimated the economic impact of the new FedEx hub for Asia-Pacific to be $98.2 billion of stimulated gross domestic products output and 807,100 new jobs by 2010. At the same time, with a presence across 220 countries, we recognize that we have an obligation to connect the world in responsible and resourceful ways.

Our history of sustainability is marked by efforts to use innovation to meet business and social goals. Our alliance with the Environmental Defense Fund spurred the development and use of the first commercial hybrid delivery truck. Today, more than 70 companies have adopted the technology. This year, we began a shift to a more efficient aircraft — a change that is expected to reduce more than 350,000 metric tons of CO₂ emissions annually. After launching California’s then-largest solar-electric rooftop system at our Oakland hub in 2005, we’ve continued to invest in solar. The addition of two other solar installations avoids 2.9 million pounds of CO₂ emissions each year. We also began construction of a solar facility in Cologne, Germany, expected to almost double our production of clean energy.

FedEx extends its resources to provide community and disaster relief, contributing 1.1 percent of pretax profits to cash and in-kind donations. With nonprofit groups such as the American Red Cross, Salvation Army and Heart to Heart International, we use the speed, reach and reliability of the FedEx network to help victims affected by disaster, such as the Gulf Coast hurricanes and South Asian tsunamis. When a devastating earthquake struck Sichuan Province in May 2008, FedEx was the first company to provide airlift relief, transporting more than $1.5 million in supplies.

Every day, 290,000 FedEx team members help us fulfill our pledge to be a responsible company. In return, we invest in our people. Our record of consistently being named a great place to work, which we currently hold in more than 22 countries, reflects these efforts.

Recognizing the importance of transparent sustainable practices, FedEx has launched a Citizenship Blog. I invite you to visit blog.fedex.com and contribute your thoughts on how we can continue working toward a sustainable future.

Frederick W. Smith
Chairman, President and CEO
FPL Group is the nation’s leading producer of renewable energy from both wind and solar power. We estimate that the electricity generated by our wind farms offset more than 13 million tons of carbon dioxide in 2008, which is the equivalent of removing more than 2 million cars from our roads.

NextEra Energy Resources, a principal subsidiary of FPL Group, is the nation’s No. 1 producer of wind energy, with 65 projects in 16 states and Canada capable of producing nearly 6,400 megawatts (MW) of emissions-free electricity. That’s enough to supply the needs of more than 1.5 million homes and businesses. NextEra Energy Resources owns and operates the world’s largest wind farm, the Horse Hollow Wind Energy Center in Texas. In 2009, we plan to add approximately 1,100 MW to our wind portfolio.

NextEra Energy Resources is also the nation’s No. 1 producer of solar energy. We operate the largest solar thermal plants in the world in California’s Mojave Desert, which have a combined capacity of 310 MW, enough to supply emissions-free electricity to more than 230,000 homes at peak production during the day. And we’re not stopping there. In 2008, NextEra Energy Resources filed an application with the California Energy Commission to construct, own and operate a second major solar plant in the Mojave. And at Florida Power & Light Company (FPL), our rate-regulated electric utility, we are building 110 MW of emissions-free solar energy at three locations in the Sunshine State.

We don’t just produce energy; we help conserve it as well. FPL is No. 1 in the nation for energy efficiency and conservation, according to U.S. Department of Energy data. Our programs have avoided the need to construct 12 medium-sized power plants, more than any other utility in the country.

We are also a leader in making our existing fossil fuel assets cleaner. FPL has the most efficient fossil fuel fleet of any large electric power company in the nation. We have improved fleet fuel efficiency by 10 percent in the past five years and by 18 percent since 1990.

FPL Group has one of the lowest emissions profiles of any power company in the United States. More than 50 percent of our electricity comes from natural gas, more than a quarter from nuclear and 7 percent from wind. Just 5 percent comes from coal, compared with an average of 50 percent nationwide.

At FPL Group, we take the challenge of climate change seriously. Our investments in low- and no-carbon electricity generation are pointing the way to a sustainable future.

Lewis Hay, III
Chairman and CEO
For 130 years, GE has demonstrated that we can nimbly adapt to our customers’ needs — and those of the world. This ability to evolve and grow has strengthened the company over time, and it defines GE today.

To help earn the best possible returns for our shareowners, GE invests in strategic themes that can drive the company’s growth to the far horizon. We believe that each of these themes is essential in the development of the world and that GE investments can help deliver a rewarding future for our investors, our customers and society.

One of these major themes is environmental solutions — what we call ecomagination™. Ecomagination originated earlier this decade, the result of a growing view within GE that energy shortages and environmental concerns would challenge our customers and, more generally, society.

This sustainable business strategy is working. In 2005, we set an original goal to grow revenues from ecomagination products from $6 billion in 2004 to $20 billion in 2010. In 2008, we crossed $17 billion in revenues. Today, every GE business is participating in this burgeoning revenue and technology stream.

In the near future, GE will launch leading-edge technologies ranging from thin-film solar panels to a hybrid locomotive. We are building advanced coal gasification technology. We are investing $6 billion to finance renewable energy projects around the world. We have multiple projects under way to enable our global rail, airline and utility customers to outperform in highly regulated global markets.

Ecomagination is now a global brand, emblematic of GE’s never-ending quest for innovation and the best technology. It is the key that unlocks entirely new collaborations with world governments, projects supporting global customers and vital dialogues with critical stakeholders.

Jeffrey R. Immelt
Chairman and CEO
At GM, we recently celebrated our 100th anniversary, and in that time we have witnessed many changes in our industry. Perhaps none has been more transformative than what we face today in the world’s growing needs for energy and the environmental concerns accompanying those needs. To be successful, we must be at the forefront in offering sustainable personal transportation options to customers worldwide. This includes reducing the environmental impact of our manufacturing operations. Although we face extreme challenges as the U.S. economy and credit markets struggle to stabilize, we are confident that with resolution to these issues, GM will be able to lead the way in the transformation of the automobile.

Currently, GM is poised to develop and market a portfolio of next-generation vehicles that can run on many different alternative and renewable fuels — like ethanol and hydrogen. These vehicles alleviate dependence on petroleum and help to reduce CO₂ emissions to the atmosphere. The many E85 flexible-fuel vehicles we have on the road today and our hydrogen-fuel-cell vehicle market test, “Project Driveway,” are testaments to this commitment.

We are also developing vehicles driven either partially or entirely by electricity — this includes hybrids and the much-anticipated extended-range electric vehicle, the Chevrolet Volt. GM already offers several hybrid vehicles that improve fuel economy over their traditional models. The Chevrolet Volt will offer even greater improvements in fuel economy performance with a range of up to 40 miles on electricity alone. For many consumers, this would mean that they could complete their entire daily commute using just electricity. This is an exciting prospect for GM and our customers because it would mean a great reduction in dependence on petroleum and decreased vehicle emissions.

We are making great progress in manufacturing as well. All GM facilities track performance related to energy and water usage, greenhouse gas emissions, and waste. Key milestones include:

- Energy usage decreased worldwide by 21.5 percent between 2002 and 2007; some operations utilize renewable energy (solar, hydro and landfill gas);
- Water usage decreased worldwide by 15 percent in the last six years;
- CO₂ emissions reduced globally by nearly 22 percent in the last five years; and
- Worldwide facilities currently recycle 88 percent of the waste they generate.

For GM, a commitment to sustainability and continuous improvement is absolutely necessary to do our part in making the world a better place. We recognize this and are dedicated to taking the actions needed to make this happen.
The Ones Who Get It Done

As a leading broad-line supplier of maintenance products to facilities of all types, Grainger helps nearly 2 million customers run their facilities as efficiently, economically and sustainably as possible.

In North America, Asia and Panama, we serve industrial and commercial businesses, government entities and contractors through a vast network of branches, distribution centers and suppliers. By getting essential products to customers’ locations fast, we help the people who run facilities stay productive, reduce downtime and conserve resources.

Our focus on sustainability is two pronged. In our own operations, we’re constantly looking for ways to use resources wisely and reduce our impact on the environment. And we help our customers do the same by offering them a growing number of “green” products and services.

Leadership in Energy and Environmental Design (LEED)

Three of Grainger’s branches already are LEED certified, and the company is dedicated to meeting LEED standards as it brings new properties on line. As a result, two more are now under construction.

Also under construction is a LEED-certified distribution center in Monterrey, Mexico. Featuring sustainable construction materials, these sites are designed for environmental comforts, low energy consumption and improved operating efficiencies. We continue to work with the U.S. Green Building Council to help set new standards for sustainable, environmentally safe facilities.

Saving Resources, Promoting Sustainability

Engaging in green practices also is important to the people we serve. Grainger currently sells some 3,000 products geared to energy conservation, water conservation, green cleaning, indoor air quality, waste reduction and more.

Our offerings include products that meet Green Seal, GREENGUARD, NEMA and ENERGY STAR standards. They have environmentally preferable attributes that have less impact on the environment and can be used to help achieve LEED certification.

Putting Green within Every Facility’s Reach

To be sure, most organizations want to run their operations in environmentally sustainable ways. Yet it’s not always clear how to do that. To help guide customers, Grainger offers seminars on green solutions that apply to their specific operations.

We work closely with our suppliers to keep expanding our offering of sustainable products and services. And with all of our business associates, we encourage sharing smart ideas that can yield even more environmental benefits for customers and communities down the road.

James T. Ryan
President and CEO
The Hartford Financial Services Group, Inc.

The Hartford is a leading provider of investment products, life insurance and group benefits, automobile and homeowners products, and business property and casualty insurance. Our mission is to help our customers create a secure and prosperous future by anticipating their needs and providing superior financial solutions.

Ethical Leadership

The Hartford’s strength rests on the fact that we have kept our promises and honored our commitment to “do the right thing” for customers, employees and other stakeholders for nearly 200 years. In 2008, Ethisphere Institute designated The Hartford as one of the “World’s Most Ethical Companies.” In extending this award, the institute recognized the strength of our ethical culture as well as our accomplishments in corporate citizenship and responsibility, corporate governance, innovation, and executive leadership.

In 2008, The Hartford became one of the founding members of the Business Ethics Leadership Alliance, an initiative dedicated to fostering higher standards of corporate ethics and accountability.

Helping the Environment

The Hartford is committed to reducing our environmental impact. We have established a standing committee on climate change and issued a climate change statement. We participate in the Carbon Disclosure Project (CDP), an organization that seeks information on climate change and greenhouse gas emissions from the world’s largest companies. In 2008, CDP named The Hartford to its Carbon Disclosure Leadership Index. We are also one of 167 companies designated as a U.S. Environmental Protection Agency Climate Leader.

The Hartford’s ongoing environmental efforts include the recent construction of a major new office building built to Leadership in Energy and Environmental Design (LEED) Silver energy-efficiency standards and a companywide program to make existing buildings more energy efficient by reducing lighting, adjusting thermostats and installing energy-efficient light bulbs. We are also developing plans to reduce paper usage and air travel, facilitate telecommuting for employees, and increase the fuel efficiency of our corporate fleet.

Community Commitment

The Hartford and our employees partner with many nonprofit organizations whose missions align with ours. For example, we support financial education, cancer research and awareness, and programs that help individuals with disabilities achieve their full potential and quality of life.

In 2008, we began a five-year collaboration with the Wounded Warrior Project to support severely injured veterans of the Iraq and Afghanistan wars. We co-hosted the inaugural Wounded Warrior Project Leadership Summit, in which vets learned about personal finance, small business ownership and other subjects to help them succeed in business. Hartford employees volunteered to lead these sessions, as they do for numerous community projects throughout the country.

We invite you to learn more about The Hartford’s ethical, environmental and community leadership at www.thehartford.com.

Ramani Ayer
Chairman, President and CEO
Honeywell is dedicated to protecting the environment with a comprehensive and contemporary commitment. This is one of the central tenets of how Honeywell does business throughout the world.

Honeywell embraces its obligation of environmental stewardship through the pursuit of technology that is building a world that’s safer and more secure … more comfortable and energy efficient … more innovative and productive.

Environmental stewardship means acting in a way that is both productive and sustainable. In fact, Honeywell solutions and technologies expand sustainable capacity and improve the efficiency of products and processes, fostering “Sustainable Opportunity.”

We design products that help conserve energy, reduce waste, and protect our homes and offices. We help other companies become more efficient and productive with our products and solutions. Our corporatewide core processes identify and address risks and promote a culture of safety excellence.

Honeywell values its standing as a respected and responsible global business leader. Honeywell recognizes that environmental stewardship is behavior expected of corporate leaders today. It is a pillar of our reputation with the customers we serve.

Honeywell assists communities and companies in meeting the challenges posed by climate change policies and requirements by reducing the consumption of fossil fuels.

On May 16, 2007, Honeywell joined former President Bill Clinton and mayors of the world’s large cities to announce a global Energy Efficiency Building Retrofit Program, a project of the Clinton Climate Initiative.


We will continue to develop products and technologies that improve efficiency and lower greenhouse gas emissions. In 2007 Honeywell established five-year greenhouse gas and energy efficiency objectives for its internal operations. By 2012 Honeywell will reduce its greenhouse gas emissions by 30 percent and will increase its energy efficiency by 20 percent, both from a 2004 baseline year.

We participate in the U.S. Environmental Protection Agency’s Climate Leaders program. In December 2007, we joined the Chicago Climate Exchange, a voluntary, legally binding trading system.

Environmental responsibility is important to our long-term growth. Being a steward of the environment ensures economic sustainability for our shareowners and employees, and it enables continued development of products to meet the demands of an expanding global economy.

David M. Cote
Chairman, President and CEO
Commitment to sustainability. HSBC has a long-standing commitment to the environment. In 2005, HSBC was the first major bank to be carbon neutral, and in June 2006, the company won the first Financial Times “Sustainable Banking Award.” HSBC has a proven leadership commitment to the principles of corporate sustainability, which include sustained profitable growth, building enduring customer relationships, and managing the social and environmental performance of our operations.

HSBC has established targets to reduce energy and water use as well as waste generation and carbon emissions every year and purchases electricity in renewable sources to help increase the global supply of and investment in renewable energy. HSBC also invests in technology upgrades to increase energy efficiency.

Three key programs that highlight our corporate sustainability initiatives include:

HSBC Climate Partnership. The HSBC Climate Partnership (HCP), launched in 2007, is a groundbreaking five-year partnership between HSBC and four world-class environmental charities — The Climate Group, Earthwatch Institute, Smithsonian Tropical Research Institute and World Wildlife Fund. Together with these charities and thousands of our employees around the world, HSBC aims to combat the threat of climate change by inspiring action by individuals, businesses and governments worldwide.

HSBC has committed $100 million to this initiative. Our Partnership efforts will create “green”er cities, conduct the largest-ever field experiment on the long-term effects of climate change and how it will affect the world’s forests, protect some of the world’s largest rivers and the livelihood of people who rely on them, as well as create “Climate Champions” — employees who have committed to becoming leaders in HSBC’s effort to implement sustainable practices into the business.

HCP also commissioned global surveys in 2007 and 2008 to gauge consumer attitude toward climate change and influence public policy and action on environmental issues.

Global Environmental Efficiency Program. The Global Environmental Efficiency Program is a $90 million program, launched in June 2007, to help HSBC reduce carbon footprints of its operations through environmental innovation. One example is building an HSBC zero-carbon branch in Greece, NY. The design consists of solar panels, geothermal heating and cooling, intelligent lighting systems, recycled construction materials, and rainwater recycling.

HSBC-north America has been awarded Leadership in Energy and Environmental Design (LEED) Gold certification by the U.S. Green Building Council for its new headquarters building in the Chicago suburb of Mettawa.

Responsible lending practices. In 2004, HSBC began to implement guidelines to address industry sectors, including forest land and forest products, freshwater infrastructure, chemicals, energy, and mining and metals that could have high-potential impacts on the environment and communities. Each of these sector guidelines aims to manage risk effectively and support global clients in their efforts to develop sustainable business practices.

Brendan McDonagh
CEO
Environment/Workplace Solutions

Humana’s sustainable workplace solutions benefit the environment, our associates and our business operations. Humana’s Environmental Sustainability Roadmap describes our ongoing strategy to improve energy efficiency and reduce the environmental impact of our business operations. For example, our Carbon Inventory Project is measuring Humana’s Scope 1 and Scope 2 greenhouse gas emissions and recommending ways to reduce them. In addition, our Sustainable Real Estate Portfolio Strategy identifies opportunities to drive environmental sustainability in Humana properties. These programs, along with recycling and lighting retrofitting, reduce costs while promoting associate engagement and environmental responsibility.

Humana is proud to be part of local environmental leadership programs such as the Kentucky Excellence in Environmental Leadership (KY EXCEL) program and Kilowatt Crackdown Louisville. Nationally, Humana is a member of the U.S. Green Building Council, and our Chicago market office is Leadership in Energy and Environmental Design (LEED) Silver certified. In addition, as a partner in the national ENERGY STAR program, Humana has committed to benchmarking energy use, improving energy performance, and educating associates and the public about ENERGY STAR. In response to the ENERGY STAR partnership, associate-led Green Teams have become catalysts for recycling, copy paper reduction and e-waste recycle days.

Social/Eco-Health

Humana supports activities that promote healthy lives and healthy communities. Our HorsePower Challenge combines physical activity, education and game technology to promote active and healthy lifestyles for middle school students. Humana’s Freewheelin bicycle-sharing program reduces carbon footprints, traffic, parking congestion and transportation costs while simultaneously improving health and reducing obesity. In the summer of 2008, Humana and Bikes Belong brought Freewheelin to the Democratic and Republican National Conventions. Recently, the National Park Service (NPS) and Humana introduced a new Bike Share program that allows NPS employees to bicycle between three NPS locations in Washington, DC. The program will help reduce fleet car use, decrease auto emissions and help NPS employees stay physically active.

The Humana Foundation improves health and health literacy through programs and contributions to nonprofit organizations. In 2007, The Humana Foundation contributed $5.7 million to communities where our company has a significant presence. Programs such as The Wellness Information Zone™ connect individuals and their families to free, reliable health information through a Web site, kiosks and trained guides.

Governance

Humana is committed to maintaining high ethical standards in the conduct of company business. Associates work in an atmosphere where ethics are integral to day-to-day operations. Humana maintains these standards by building trust, acting with integrity and doing the right thing, from the top down. In recognition of our efforts, Corporate Responsibility Officer magazine ranked Humana number one in the Corporate Governance category in its Best Corporate Citizens by Industry survey in 2007.

Humana takes our social, environmental and financial responsibility to our stakeholders very seriously. We are committed to enhancing our performance in all three areas, which will make Humana an even stronger and more effective corporate citizen.

Michael B. McCallister
President and CEO
As Thomas J. Watson Jr. stated in the IBM Principles back in 1969, “We want to be in the forefront of those companies that are working to make our world a better place.” The same is still true of IBM today, and the challenges and opportunities have never been greater.

One example is the critical issue of energy and climate. Some companies are talking about this subject and taking action for the first time. IBM has not only been focused on energy and climate protection for decades, our early leadership and action has provided significant results:

- Between 1990 and 2007, we saved 4.6 billion kilowatt hours (kWh) of electricity and avoided nearly 3.1 million metric tons of CO₂ emissions (equal to 45 percent of IBM’s 1990 global CO₂ emissions) through our annual energy conservation actions.

Our Product Stewardship program, formally established in 1991, brought additional focus on developing products with improved energy efficiency and other environmental attributes. IBM’s innovations continue to enable its products to deliver more computing power for each kWh of electricity used with each new generation or model.

IBM’s commitment and rich history of innovation — in products, services and solutions — is also transforming companies and helping the world develop in a more sustainable manner.

Partnering with The Nature Conservancy on “Water for Tomorrow,” we are building a computer modeling framework with simulation, visualization and scenario-forecasting tools to better understand impacts and facilitate more sustainable management of the world’s great rivers.

IBM’s Intelligent Utility Network solutions can connect all parts of the utility, including equipment control systems, applications, employees and customers — reducing energy costs by up to 25 percent per household. Our Intelligent Transportation System solutions are optimizing travel flows while reducing traffic congestion and greenhouse gas emissions. IBM’s data-center solutions have helped more than 2,000 clients reduce data-center energy consumption and cut energy costs by an average of 40 percent.

Scientists in IBM Research are also working to improve the efficiency of solar cells, exploring the use of nanotechnology to build better water filtration membranes and developing the next generation of energy-storage devices, called ultracapacitors.

IBM’s commitment to pursuing innovation that matters — for our company and the world — has never been more important.

Samuel J. Palmisano
Chairman, President and CEO
Ingersoll Rand is a global diversified industrial firm providing products, services and solutions to enhance the quality and comfort of homes and buildings, to transport and protect food and perishables, to secure homes and commercial properties, and to improve industrial productivity and efficiency. After 100 years in business, we are accustomed to taking a long-term approach. Today, our approach to sustainability and the triple bottom line can be summed up in three words: “green,” giving and growing.

**Green.** We share the world’s growing concern for the planet and are committed to driving environmental progress.

**Giving.** We recognize our company’s social responsibilities through monetary and other donations by our company and employees; we are creating a meaningful difference in the communities we touch.

**Growing.** We deliver solutions that enable positive environmental progress, address customer needs and create economic benefits for our customers, shareholders, employees and society.

Through our innovations and dedication to corporate citizenship and sustainability, we seek to create a positive impact on societies throughout the world. Our products help conserve energy, improve user safety, enhance economic growth and provide a host of other benefits to society. We have established an enterprise-wide productivity goal to achieve 5 percent higher output each year using the same amount of input. Focusing on this simple target will have far-reaching effects as we generate less waste and fewer emissions, require fewer and more environmentally benign materials, and use less energy and water to meet the growing demand for our products and services.

A key part of our efforts is our *Progress is greener™ with Ingersoll Rand* initiative. What started as a commercial initiative — to highlight products and services that help our customers achieve their sustainability goals — has transformed into a vehicle for culture change across the company. The initiative has expanded into something much bigger than ever envisioned, including the establishment of facility-based green teams focused on identifying and implementing environmental improvements in the workplace and encouraging environmental responsibility at work and at home.

At Ingersoll Rand, we continue to identify ways to meet our social commitments and improve the work we do and the products we make. In the midst of a challenging and potentially distracting period in our economy, this is a critical time for Ingersoll Rand to help our employees, our customers, our communities and shareholders stay focused on the long-term benefits of sustainability.

*Herbert L. Henkel*
Chairman and CEO
International Paper is proud of the products we make and the way we make them. It is our passion and commitment to deliver the products our customers want while ensuring responsible stewardship of natural resources today and for generations to come. For more than 110 years, our company has been one of the most environmentally responsible companies in the world. We have always taken a sustainable approach to business that balances environmental, social and economic needs. This approach has served our company and society well.

To International Paper, sustainability means:

- Caring for the environment and our business;
- Caring for present and future needs;
- Continuing to use resources wisely; and
- Creating a smaller footprint.

Translating our meaning into action, we are focused on three key platform areas:

- Managing our natural resources;
- Reducing our environmental footprint; and
- Building strategic partnerships.

Specifically, as it relates to reducing our environmental footprint, we are reducing our existing carbon emissions, efficiently generating energy and continuing to make products from renewable resources. Throughout the life cycle process, we ensure that all of our wood fiber comes from trees that have been responsibly harvested. During the manufacturing process, we support energy efficiency in our facilities.

Since 2003, International Paper has invested more than $180 million in supplemental energy initiatives, and more than 70 percent of our fuel supply is renewable. As a founding partner of the Chicago Climate Exchange and as a member of the U.S. Environmental Protection Agency’s Climate Leaders program, we’re ahead in our 10-year commitment to voluntarily reduce greenhouse gas emissions by 15 percent. We also look for ways to reduce our footprint beyond our manufacturing facilities.

Also, over the past two years, we have reduced our miles shipped to get product from our paper mills to customers by about 20 million miles, decreased fuel consumption by some 1.5 million gallons and reduced our carbon emissions by more than 15,000 tons on an annualized basis.

Today and going forward, we are committed to stretching our imaginations, engaging the creativity of our employees, and working with our customers and partners to discover new approaches and innovative solutions. We recognize that we must continuously improve. That’s why we are always open to fresh thinking and gauging our progress. The core of our sustainability philosophy is that we must work together to drive business success while sustaining a better world for generations.

John V. Faraci, Jr.
Chairman and CEO
At ITT, we do essential things in extraordinary ways. There is nothing more essential than the well-being of the planet and the people who live on it. As a global multi-industry company and one of the world’s 1,000 largest businesses, ITT impacts a large number of employees, customers, product users, investors, suppliers and communities. We embrace our corporate responsibility and have made an extraordinary commitment to be a positive force on a global scale to all of these stakeholders.

Our people and products play a vital role in developing sustainable solutions to many of the pressing issues facing the world today — from water scarcity to global security to population growth. Our people are building highly efficient ultraviolet water treatment systems that use no chemicals and do not create harmful byproducts. Our engineers are modernizing air-traffic control to reduce passenger delays and speed global commerce. And our company is literally saving lives with technology that helps soldiers see in the dark and foils deadly roadside bombs.

In 2008, we added another dimension to our efforts by introducing ITT Watermark, our new corporate philanthropy initiative. In establishing this program, we set out to bring together our talented and caring employees, technological capabilities, and financial resources to make a difference in people’s lives in a sustainable way. ITT Watermark does precisely that.

This three-year, $4 million effort is designed to provide safe water solutions and hygiene education for children in 300 schools in developing communities and to provide emergency relief with water technology when crises occur around the globe.

It’s the start of something important. Safe water and sanitation are issues that have been too often overlooked by governments and industry alike. It’s a global crisis, and just as we are doing on a business level, we can use our position as a global solutions provider to make the world a better place.

Steven R. Loranger
Chairman, President and CEO
We are a proud leader of sustainability dating back to 1883, with the invention of the first electric room thermostat, controlling energy use, by Warren S. Johnson. Sustainability is the essence of Johnson Controls and is integral in serving our customers and to our vision of creating a more comfortable, safe and sustainable world. Business highlights include:

- **Building Efficiency** continues to be highly successful in delivering energy efficiency and renewable energy solutions that reduce greenhouse gases (GHG). We are active in the Clinton Climate Initiative, a program dedicated to helping large cities around the world reduce their GHG emissions by improving energy efficiency in nonresidential buildings. We are leaders in performance contracting, our approach for making energy efficiency and renewable energy infrastructure improvements financed through guaranteed-energy savings. These projects in North America alone have saved over 11 million metric tons of GHG emissions since 2000.

- **Automotive Experience** has focused on the light-weighting of vehicles to make them more fuel efficient along with the introduction of eco-friendly materials such as the use of soy fiber for automotive interiors.

- **Power Solutions** has invested in pollution control and technology processes. Our proprietary PowerFrame™ grid technology for automotive batteries reduces pollutant emissions, consumes 20 to 30 percent less energy than other similar processes, improves the quality and performance of batteries, and improves plant safety. Decades ago, we led development of a reverse distribution collection infrastructure and worked with other industries, retailers and consumers to promote battery recycling. Today, lead-acid automotive batteries are one of the most highly recycled consumer products, with return rates frequently exceeding 95 percent.

- Within our organization we continue to engage our employees and communicate to them our sustainability focus. Our signature **Vision Week** in 2008 focused on sustainability, with presentations, discussion and dialogue globally among our more than 140,000 employees. Collectively, throughout the world, we seek to find new ways to enhance our position and further our sustainability agenda.

**Reducing the GHG footprint of our global operations.** Globally, we are committed to reducing our own GHG emissions by 30 percent per dollar revenue from 2002 to 2012. We are adding hybrids to our service fleet, improving energy efficiency in our plants and revitalizing manufacturing processes to reduce emissions and scrap. We are renovating our corporate headquarters with the facility targeted for Leadership in Energy and Environmental Design (LEED) Platinum certification. Our headquarters will be a showcase for resource efficiency and renewable energy, including solar power, geothermal energy, and gray water capture and reuse.

**“Green”ing the supply chain.** We are working to adjust the company’s supply-chain management policies and processes to support our sustainability goals. Our sourcing functions are incorporating sustainability into their supplier requirements, scorecards and evaluations.

We are proud of our leadership position on sustainability and are confident that our continued focus will promote a healthier environment.

*Stephen A. Roell*
CEO
As a responsible corporate citizen, KPMG LLP has made a commitment to reduce the amount of waste it generates, natural resources it consumes and the firm’s carbon footprint by making environmentally sound choices through coordinated actions in the way KPMG conducts its business. Environmentally friendly goals for the next three years include reducing the carbon footprint by 25 percent, paper by 15 percent, energy by 5 percent and waste by 10 percent. The goal to reduce the carbon footprint is a global initiative for all KPMG member firms, and the firm has implemented a dedicated measurement system to monitor performance against the objective.

**Advanced Technology Data Center**

To keep up with the U.S. firm’s growing operational and client service demands, the need to upgrade the Central Data Center became mission critical.

The centerpiece of the new data center is 14 gas microturbines that cogenerate the data center’s electricity. These power units run on natural gas, provide exceptional energy efficiency, and produce ultra-low carbon dioxide and particulate emissions. KPMG is among the early adopters in the United States to use these state-of-the-art, natural-gas-powered microturbines in its data center.

The firm has adopted many “green” IT leading practices, including an increase in its server virtualization to 45 percent, storage consolidation, and adoption of U.S. Green Building Council practices to plan and construct the facility. Environmentally friendly building materials have been used in the center, such as recycled concrete, low-volatile organic content paint, and metal and wood reused from the pre-existing structure.

As advisors to Fortune 1000 companies, it is essential that we live the values and understand sustainability programming firsthand. We have been able to take the learnings from our own experiences and assist clients in the development, building and reporting of sustainability programming. Among other things, our green IT approach can help organizations reduce energy and water consumption and waste generation, adopt leading energy-management practices, establish key performance indicators and baseline measurements, create a monitoring program to drive continuous improvement, and identify and comply with existing and emerging standards and regulations.

**Leadership in Energy and Environmental Design (LEED)**

KPMG opened its first LEED-certified office in Nashville, TN, in November 2008. The firm has made a commitment that all new construction and major office renovations going forward will be LEED certified.

Timothy P. Flynn
Chairman
The McGraw-Hill Companies has long been committed to responsible business practices that enhance the economic, social and environmental well-being of the communities where we work and live.

Today, the dedication of our employees to environmental programs that make the world more sustainable is seen in many ways. Our employee “Green Teams,” for example, are helping reduce our environmental footprint by raising awareness and leading by example. Their efforts helped McGraw-Hill recycle nearly 2 million pounds of paper in the United States alone last year. We are also driving sustainability through our operations, ranging from facilities management to paper procurement. As a result, we have reduced our magazine and book publishing-related paper consumption by nearly 3 million pounds. Finally, we are using our grantmaking to foster sustainability in our communities through our support of financial literacy and microfinance programs.

One of our recent achievements in terms of our commitment to sustainability was the opening of our eco-friendly higher education facility in Dubuque, IA, in 2007. We are delighted that the facility has been Leadership in Energy and Environmental Design (LEED) Silver certified by the U.S. Green Building Council, making it the first building in the city of Dubuque to receive LEED certification and only one of six in the state of Iowa to be LEED Silver certified. The building was constructed using regionally manufactured and recycled materials and features preferred hybrid-vehicle parking, a white roof to reduce solar-heat absorption and plumbing fixtures that reduce water consumption by 30 percent.

In a world of limited natural resources and with a focus on environmental sustainability, The McGraw-Hill Companies is also increasingly offering “green” products and services to meet the needs of customers. For example:

- The S&P Global Clean Energy Index provides investors with exposure to the leading publicly listed companies in the global clean-energy business;
- *BusinessWeek* offers Green Biz, which is a special section devoted to green developments;
- McGraw-Hill Higher Education has a new “Green Series” of textbooks; and

We are deeply proud of our environmental programs and the ways in which our businesses and employees strive to improve the world around them every day. These efforts speak to much more than our bottom line; they speak to who we are — responsible corporate citizens who understand the importance of giving back to our communities and of practices that support their growth and sustainability.

Harold McGraw III  
Chairman, President and CEO
McKesson Corporation has been taking care forward for the health care industry for more than 175 years. As the nation’s oldest and largest health care services company, we provide pharmaceuticals, medical supplies and health care information technologies that make health care safer while reducing costs.

Our vision is to help create a health care system where quality is higher, mistakes are fewer and costs are lower. This mission inherently serves to make the world a better place by serving our customers in their efforts to improve their patients’ quality of life.

While our services and products have a relatively small environmental footprint, we recognize that our company operations have an impact on the planet. To that end, we aim to conduct business in a way that’s sustainable for both the company and the environment. By integrating environmental sustainability principles into the way we do business, we hope to ensure a healthy, vibrant company and planet for generations to come.

In 2008, we launched 10 McKesson Employee Environmental Councils that seek opportunities to mitigate the local environmental impacts of our business operations. For those environmental projects that impact the entire company, formal executive-led initiatives complement the grassroots efforts of local councils.

We’ve also focused our environmental efforts in the four areas where we believe our operations can make the most significant positive impact:

- Transportation and emissions;
- Recycling and waste;
- Energy efficiency; and
- Encouraging sustainability.

One example of how we’re putting all four of these areas into practice is in examining the impact of the buildings we occupy. McKesson’s headquarters building’s ENERGY STAR rating is an 84, which means it is in the top 25 percent of the nation in terms of energy efficiency. We are currently working to secure Leadership in Energy and Environmental Design (LEED) certification for our headquarters building and for a new distribution center under construction.

Increasingly, the challenges that companies must address to be successful in the long term are intertwined with the challenges that broader society must address to improve the quality of life in our communities. McKesson’s commitment to good corporate citizenship is a fundamental part of creating sustained value for both society and our company.

John H. Hammergren
Chairman, President and CEO
I joined Merck more than 35 years ago because of the company’s long-standing commitment to find innovative ways to solve the many medical and scientific challenges in the fight against disease worldwide. For me, this was an opportunity to make dramatic improvements in the lives of millions.

This commitment continues today. As a global research-based pharmaceutical company, Merck believes it has an important responsibility in improving access to medicines, vaccines and quality health care worldwide. Because of the links between health and economic development, we are also helping to make the world more sustainable.

Our primary role is to discover and develop innovative products that treat and prevent unmet medical needs such as HIV and AIDS, vaccine-preventable illnesses, diabetes, and heart disease.

We also have a role to play in helping to ensure that our products are accessible and affordable to those in need, and we are working very hard through a number of initiatives and partnerships to achieve this objective.

For example, in 2007, we adopted a new developing-world pricing policy through which we will offer our newest vaccines at significantly discounted or not-for-profit prices. This complements the existing differential-pricing policy for our HIV medicines.

Last year also marked the 20th anniversary of our MECTIZAN® Donation Program, which delivers MECTIZAN® (ivermectin) to more than 100 million people each year to treat river blindness and prevent lymphatic filariasis in 35 developing countries. We have seen important successes along the way. In 2007, transmission of river blindness was halted in Colombia, the first time that the disease has been eliminated as a public health problem on a countrywide basis anywhere in the world.

We are building on this commitment to improve global health by systematically facilitating the widespread adoption of our new vaccines. We are creating replicable examples to demonstrate the ease of introduction and the benefits of these vaccines in resource-constrained settings.

Despite the progress that has been made, however, the enormity of the challenge is far greater than our ability alone to address it. Barriers such as the lack of trained health care professionals, weak infrastructure, civil strife and dearth of safe drinking water in many parts of the world make even basic health care delivery difficult at best. We believe our role in addressing these challenges is to work with others — governments, patient organizations, health care professionals, nongovernmental organizations, multilateral organizations and others in the private sector — to lend our expertise and knowledge.

I am confident that by doing this, we will continue to succeed in our most fundamental responsibility — discovering and developing medicines and vaccines that make a difference in people’s lives.

For more information, please visit www.merck.com/cr.

Richard T. Clark
Chairman, President and CEO
As a company built on 80 years of technology innovation and a strong commitment to doing the right thing in all aspects of our business, we are excited about the many opportunities for Motorola’s products, technology and services to make the world a better place.

**Climate Change**

Motorola recognizes that climate change is perhaps the greatest challenge facing the world today and is working to be part of the solution.

We are exploring alternative energy sources to power our products. Working with network operator MTC Namibia and the GSMA Development Fund, we implemented our wind- and solar-powered cellular base station in Namibia, where approximately 90 percent of citizens live in rural areas that mostly are unconnected to the electricity grid. This solution offers a cost-effective, rapidly deployed and environmentally friendly alternative to traditional fuel-based energy.

Our new MOTO™ W233 Renew mobile phone makes environmental responsibility affordable for consumers everywhere. The phone’s housing is made with plastics containing recycled water bottles, and the best-in-class talk time conserves energy by reducing charging time. In addition, Motorola offsets the carbon dioxide emissions resulting from manufacture, distribution and use of the phone through investments in renewable energy sources and reforestation.

While we work to improve the energy efficiency of our products and operations, we also recognize the larger influence we can have in enabling energy efficiencies for our customers. Motorola’s innovative applications are being adopted across many sectors, improving efficiency, productivity and competitiveness. Logistics technologies reduce vehicle miles, remote monitoring reduces travel, and advances such as technological convergence and broadband lead to dematerialization.

**Social Impact**

Motorola products increase connectivity in both developed and developing countries, bolstering access to health, education, safety and other social services while enabling entrepreneurial opportunities and reducing costs.

WiMAX broadband technology provides coverage across large rural or urban areas, avoiding the need for fixed lines. For example, through Wateen Telecom, we deployed Motorola WiMAX in Pakistan, delivering broadband services to nearly 1 million subscribers in a country where previously fewer than 100,000 broadband lines were available.

Through the Phones for Health program, field health workers use a mobile phone-based application to file patient reports and check drug supplies, transferring the information to a central database. Reports of disease outbreaks or shortages of medicine enable the national and international health communities to respond to the emergence of pandemics and send life-saving drugs to needy areas across Africa.

We invite you to learn more about Motorola’s corporate responsibility initiatives at www.motorola.com/responsibility.

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Gregory Q. Brown  
President and Co-CEO

Sanjay K. Jha  
Co-CEO
National Gypsum is a “green” manufacturer by choice, committed to the development and implementation of sustainable green building policies, standards and practices and to attaining the highest level of ecological responsibility and energy-efficient technology.

As an active member of the U.S. Green Building Council, National Gypsum Company fully endorses the Council’s four “Rs” calling for the reduction, reuse, recycling and renewal of our natural resources and materials.

National Gypsum Company employs sustainable manufacturing practices and processes throughout its network of plants in order to minimize its environmental footprint.

- Company paper plants manufacture wallboard facer paper using exclusively recycled paper products.
- Where available, National Gypsum uses byproduct gypsum as the primary raw material at its wallboard manufacturing plants. Byproduct gypsum is produced when coal-fired power companies scrub their emissions to remove sulfur dioxide. The byproduct of this process is calcium sulfate, or gypsum, which National Gypsum can use to produce wallboard. This frees landfills of thousands of tons of byproduct waste annually. Wallboard plants recycle virtually all off-specification wallboard, all plant-process wastewater and all dust captured in plant air-pollution control systems. We utilize Energy Optimization Systems on our plant wallboard dryers, which has resulted in improved board-drying efficiencies by 20+ percent, as well as reducing the company’s greenhouse gas emissions.
- National Gypsum cement backerboard plants use waste power plant fly ash to meet 20 percent of their raw material aggregate needs. This fly ash would otherwise be destined for land disposal.
- The company’s products are exclusively protected against mold and moisture using the most advanced mold fighting technology available today. We’ve achieved the most stringent indoor air-quality certifications, including GREENGUARD for Building Construction, and are active members of The Responsible Solutions to Mold Coalition.
- In various areas of the country, the company is reclaiming wallboard waste from new construction sites and reprocessing the material. Currently, National Gypsum is using third-party processors to grind waste for use in its plants in New England and near Chicago. Its plant near San Francisco is grinding waste from selected builders for agricultural markets.
- National Gypsum works to reduce the miles board travels to a customer. The company ships approximately 250,000 orders annually. Through an efficient network of plants, we are able to optimize our transportation costs and have decreased mileage for outbound freight shipments by 9 percent in the past year.

Thomas C. Nelson
Chairman, President and CEO
Navistar is committed to innovative sustainability in management and in all our operations. This commitment plays out at three levels — products, operations and people.

Navistar makes great products — engines, trucks and school buses — that help drive the economy. Our products have consistently met or beaten federal goals for cleaning up diesel emissions. We were the first to meet tough goals for 2007 engines and vehicles, and we will meet the additional standards set for 2010 products. We also are taking the lead in hybrid technology, introducing the first U.S. school buses and commercial vehicles with hybrid-electric powertrains. Our hydraulic hybrid vehicles promise to achieve fuel economy gains of 45 to 50 percent, while reducing carbon dioxide emissions by 40 percent. WestStart-CALSTART has recognized our leadership in hybrid technology with its Blue Sky award. Our long-haul tractors use advanced aerodynamics to deliver a fuel economy advantage over their counterparts.

Our manufacturing facilities operate in a way that continuously enhances energy efficiency, reduces use of materials, and uses recycling and other innovative practices to eliminate environmental impacts and reduce cost. We were the first truck equipment manufacturer to be certified by the U.S. Environmental Protection Agency as both a SmartWay Transport Partner and a SmartWay Manufacturer. We are proud to be active in Business Roundtable’s Climate RESOLVE program, which helps us focus on monitoring and reducing greenhouse gas emissions from our facilities and products. As a member of the Wildlife Habitat Council, we have established wildlife management teams composed of employee volunteers who are working to create and restore wildlife projects on areas of open land.

Our concentration on employee health is not only a personal benefit to our workforce and management; it has the added benefit of lower absenteeism, improved productivity and reduced health care costs that benefit the entire organization. For the eighth straight year, Navistar received the Gold Well Workplace Award from the Wellness Council of America.

Sustainability is a long-term, continuously advancing process in which commitment to innovation keeps improving the outcome for us now and for the future.

Daniel C. Ustian
Chairman, President and CEO
As a key railroad link in the logistics chain that moves raw, intermediate and finished goods around the globe, Norfolk Southern (NS) seeks to ensure that our business practices are in harmony with the world in which we operate.

In 2008, NS dedicated significant internal resources to embark upon our sustainability initiative, starting with the naming of our first Corporate Sustainability Officer (CSO) and continuing with the publication of our first comprehensive Sustainability Report. Those efforts underscore our commitment to ensure that NS’ actions have a positive effect on society and the economy while minimizing impact on the environment.

During 2009, our CSO will continue to work toward integrating sustainability throughout NS’ business activities. We remain committed to becoming a rail-industry leader in fuel conservation, emissions reduction, efficient energy use, recycling, use of renewable materials and environmental partnerships. For 2009, this means NS will take steps to deploy additional technologies to reduce diesel-fuel consumption, complete our energy-saving lighting retrofit project, expand recycling of materials from office and field operations, and continue to look for partnerships like our recent donation of a conservation easement on 12,500 ecologically significant acres to the Low Country Open Land Trust in South Carolina.

Among the specific activities that top the NS priority list are:

- Maintaining a strong focus on safety for the protection of our employees and communities;
- Continuing our participation in the U.S. Environmental Protection Agency’s SmartWay Transport program, which focuses on the rail operations, emissions reductions and fuel economy that are at the core of our business;
- Deploying additional new technology — such as generator set locomotives, idle reduction technology and computer-assisted locomotive handling — to reduce fuel consumption and emissions while improving operating efficiency; and
- Focusing on reducing congestion on highways and pollution in the air by working with governments and transportation partners to improve the freight transportation infrastructure, while supporting the needs of the economy.

These are ambitious undertakings, but the Norfolk Southern Thoroughbred Spirit is strong. I am confident our people are up to the challenge of protecting and respecting the environment as we meet the needs of our customers, shareholders and communities with safe, reliable and economical rail transportation.

Charles W. Moorman IV
Chairman, President and CEO
Office Depot has a global environmental vision to “increasingly buy green, be green and sell green.” Every year the Company introduces new and innovative products, services and programs to help make the world and business environment a better and “greener” place. The year 2008 was no exception for Office Depot. During 2008, we focused our efforts in three areas relevant to S.E.E. Change and Climate RESOLVE: green product branding, green store design and simplifying technology recycling.

**Green Product Branding**

In April 2008, Office Depot launched the office products industry’s first private brand of environmentally preferable office products. Office Depot Green™ is a brand that now features a wide range of products, including copy paper, file folders and compact fluorescent bulbs. Additionally, Office Depot Green packaging is designed to simplify the green purchasing process and educate our customers on environmental attributes and benefits of their purchases.

**Green Store Design**

In 2008, Office Depot became the first retailer worldwide to have its store prototype certified by the U.S. Green Building Council. Additionally, we built and opened our first environmentally preferable green store in summer 2008 and achieved the impressive Leadership in Energy and Environmental Design (LEED) Gold certification for both the store and Office Depot’s retail prototype. As a result, we have successfully embedded low-carbon principles into the design blueprint of our most significant source of carbon — our retail store footprint. The new prototype is estimated to be 20 percent more energy efficient than our already energy-efficient stores.

**Simplifying Technology Recycling**

In 2008, Office Depot launched a simple in-store technology recycling solution dubbed the Office Depot Tech Recycling Service. We also launched an online Tech Trade-In program through which our customers can send in their technology products and get paid for the residual value. Through both of these programs, Office Depot has successfully helped divert nearly 2 million pounds of electronics from landfills.

**U.S. Environmental Protection Agency (EPA) SmartWay Transport Partnership Award**

Office Depot was the first office products company to join the U.S. EPA’s SmartWay Transport Partnership program and is the only company to win an award for excellence based on our efforts in the area of energy efficiency. Office Depot reduced absolute carbon emissions from transportation in the United States by more than 11 percent in 2006 and nearly 10 percent in 2007. We achieved these impressive results by investing heavily in fuel-efficient delivery “Sprinter” vans and utilizing innovative technology to optimize our transportation network.

In 2009, we will aim to further reduce our carbon output by improving efficiency. We are committed to increasing our marketing of green products through Office Depot’s award-winning Green Book catalog. Finally, we will continue to educate our customers on how to cost-effectively create greener offices.

*Stephen A. Odland*

Chairman and CEO
Our commitment to sustainability. At Owens Corning, we define sustainability as meeting the needs of the present without compromising the world that we leave to the future. This approach to our business energizes our people, creates growth opportunities for our customers and drives value for our shareholders.

Sustainability is a core business strategy of Owens Corning. We are focused on three strategic initiatives to achieve our goals:

1. Greening our operations
2. Greening our products
3. Accelerating energy-efficiency improvements in the built environment

We call this integrated business and communication strategy PINK is Green™.

Our operations. In Owens Corning’s operations, we are focused on continued environmental-footprint reductions through employee engagement, capital investments and breakthrough manufacturing technologies. Over the past five years, we have reduced our global energy intensity by 16 percent. Our new manufacturing processes for fiberglass use advanced glass melting and formulation technology that contributes to this reduction in energy use, greenhouse gas and other emissions.

Our products. Owens Corning’s products have a significant positive impact on the environment. We are a leader in energy efficiency. The company’s insulation is the single most cost-effective technology to save energy in buildings. In its first year of use, Owens Corning fiberglass insulation saves 12 times the energy it takes to manufacture it and continues that energy savings for the life of the building.

Owens Corning’s composites business makes fiberglass reinforcements that enable more fuel-efficient transportation and more durable infrastructure. Owens Corning is the world’s largest supplier of glass reinforcements for wind turbine blades — a growing source of renewable energy.

Accelerating energy efficiency. Buildings are the largest energy-consuming segment of our economy, more than industry and more than transportation. Our goal is to increase the energy efficiency of new and existing buildings by at least 50 percent. To achieve this, Owens Corning is working closely with its customers and partners to accelerate the market demand for energy efficiency and a greener built environment.

Our opportunity. In the United States alone, buildings consume 40 percent of energy and account for more than 40 percent of greenhouse gas emissions. Energy efficiency in buildings is the most cost-effective alternative fuel. We can unlock this fuel source by ensuring that all new and existing homes and commercial buildings consume at least 50 percent less energy than they do today with the goal of zero net energy consuming buildings by 2020.

Michael H. Thaman
Chairman and CEO
Pfizer is proud to support Business Roundtable’s S.E.E. Change initiative, and I am pleased to share with you several of our projects that support our shared goals of sustainability and developing products and services that improve society.

**Global Health Fellows**

Pfizer Global Health Fellows are employees called upon to apply their professional skills to help improve access to health care in local communities throughout the developing world. The program was launched to help meet the need for stronger health systems and infrastructure that address pressing challenges such as HIV/AIDS, malaria, tuberculosis and other devastating diseases. The fellowships last for a period of three to six months, allowing Fellows time to integrate into the local organization and make genuine contributions. During their assignments, Fellows train and support their local counterparts, transferring skills so that the contributions they make are sustainable over time. Since 2003, 171 Fellows have worked with 26 nongovernmental organizations in 31 countries to deliver health care and health-system support to those most in need.

**Global Health Partnerships: Advancing Cancer Prevention and Tobacco Control**

Pfizer and the Pfizer Foundation are investing $47 million over four years to address emerging challenges in cancer and tobacco control. Global Health Partnerships support innovative regional and global cancer and tobacco-control partnerships in 46 countries across Asia, Africa, Europe, Latin America, the Middle East and North America. These partnerships are advancing national tobacco- and cancer-control campaigns, training health care professionals, strengthening patient organizations, and expanding patient services. The ultimate goal is to develop successful programs that will serve as models for improving cancer-related health outcomes, supporting cancer prevention and early detection efforts, and/or encouraging tobacco independence.

**Energy and Climate Change**

The U.S. Environmental Protection Agency (EPA) recognized Pfizer for the company’s Energy and Climate Change Program, which reduced total greenhouse gas (GHG) emissions by 43 percent per million dollars of revenue from 2000 to 2007. The reductions exceeded Pfizer’s original goal of 35 percent and were achieved as part of its commitment under the EPA’s Climate Leaders program and by implementing more than 1,000 projects during the lifecycle of the goal. Projects included the installation of systems that combine heating and power (Singapore), use geothermal energy (Germany), and harness the sun (photovoltaic) (California). Pfizer has implemented programs toward “green”ing its sales fleet and recently pledged a second-generation goal to reduce total global GHG emissions by 20 percent on an absolute basis from 2008 to 2012.

Jeffrey B. Kindler
Chairman and CEO
Making Our Planet More Productive

Praxair has used the tag line “making our planet more productive” since the mid-1990s, and it defines the value Praxair has offered its customers around the world throughout its 100-year history. By transforming air into useful products and applying them with smart technologies, Praxair improves the efficiency and environmental performance of industrial processes in a myriad of ways. More recently, the phrase reflects the role we are playing in sustainable growth by reducing greenhouse gases, energy consumption and waste while supporting developers of renewable energy sources.

For example, Praxair has long been recognized as a leader in improving the efficiency of combustion processes. Our latest technology offering is designed to capture up to 98 percent of the carbon dioxide emitted from coal-burning power plants. Until sufficient renewable energy capacity is developed, this country’s vast coal resources will continue to meet growing energy demand, and our oxygen-based technology, combined with carbon dioxide sequestration, promises to significantly reduce the volume of greenhouse gases going to the atmosphere. We have submitted a proposal to the U.S. Department of Energy to demonstrate our technology at a power plant in Jamestown, NY, and we are working on similar projects in Spain and Germany.

In other areas, water treatment customers are benefiting from Praxair's ozone-based water-treatment technology, which substantially reduces waste sludge generation. Praxair also supplies hydrogen to second-generation biofuels refiners and advanced materials to producers of photovoltaics used in the production of solar panels.

Our strong environmental performance is complemented by our highly rated governance practices, employee development programs, outstanding safety record and community involvement initiatives around the world. That is why Praxair has been chosen as a component of the Dow Jones Sustainability World Index for six consecutive years.

"Making our planet more productive" is a major commitment for Praxair as we serve our customers around the globe.

Steve Angel
Chairman, President and CEO
At the Principal Financial Group®, we are committed to helping growing businesses, individuals and institutional clients achieve financial security and success. We make every effort to balance business performance with activities that create a positive impact on our environment and society. To follow are a few key projects:

**Sustainability in Business**

Principal Real Estate Investors embraces the movement toward environmentally sustainable or “green” buildings for properties in which we invest on behalf of our investment clients. Green buildings have less impact on the natural environment and offer economic benefits intended to produce long-term savings for our clients.

We define and measure green features using the U.S. Green Building Council Leadership in Energy and Environmental Design (LEED) Green Building Rating System™. Principal Real Estate Investors has 18 properties currently under development for our clients, totaling $1.7 billion, that are in the process of obtaining LEED certification. More than 40 client properties are pursuing LEED-EB (Existing Building) certification, totaling approximately $2.8 billion.

**Paying It Forward**

The Principal serves as a responsible corporate citizen by giving to those in need in a variety of ways, including matching employee gifts given during the annual United Way campaign; encouraging employee volunteerism; and supporting education, health and human services, and cultural efforts.

These efforts help to sustain quality of life in communities where we do business and our employees and customers live and work.

**Environmental Stewardship**

The Principal is proud of our increased efforts to reduce our carbon footprint. In 2007, the Principal Financial Group began calculating the greenhouse gas emission reduction for its Corporate Campus using the U.S. Environmental Protection Agency’s ENERGY STAR Commercial Real Estate Portfolio Manager — a program to track energy and greenhouse gas emissions — on a monthly basis. Currently, The Principal is 25 percent lower than the average similar office user.

In addition, we’re taking the following steps to protect the environment:

- Using outdoor air to cool many of our buildings saves enough energy annually to heat and cool 330 homes.
- Employee subsidies for public transportation and ride share programs encourage the use of mass transit.
- Delivering 2008 annual meeting materials to shareholders electronically saved more than 1,000 trees.
- The Principal Child Development Center (opened in 2008) includes the use of recycled and reused materials. Environmentally friendly practices are incorporated into the learning curriculum.

We are very proud of the progress The Principal has made, to date, and look forward to continued efforts supporting environmental sustainability and social responsibility.

Larry D. Zimpleman
President and CEO

www.principal.com
Sustainable development is a very simple idea. It’s about ensuring a better quality of life for everyone, now and for generations to come. This idea is at the heart of P&G’s purpose, which for 171 years has been focused on improving people’s lives with branded products and services they use every day.

Last year, as we celebrated P&G’s 170th anniversary, we renewed our commitment to sustainability through two significant actions.

First, we made sustainability an explicit part of the company’s Statement of Purpose. This embedded sustainability into the rhythm of our business and placed it at the center of P&G’s business conduct, decisionmaking and employee engagement.

Second, we renewed P&G’s sustainability strategy to focus on five areas where we believe P&G can make the greatest difference: products, operations, social responsibility, employee engagement and external partnerships. We also developed specific five-year goals and, as we reported in P&G’s 2008 Sustainability Report, we are on track to meet or exceed all these goals. In fact, given this progress, and to reflect our continued commitment to sustainability, we recently announced an increase to each of these targets. Our progress and new goals are outlined below.

- We’ve meaningfully improved the environmental profile of several P&G products and have generated more than $2 billion in sales of these “sustainable innovation products” toward our five-year goal of $50 billion in cumulative sales. (Our previous goal was $20 billion in cumulative sales.)
- We’ve reduced energy 6 percent, carbon dioxide 8 percent, disposed solid waste 21 percent and water usage 7 percent in the company’s operations against a five-year goal of 20 percent reduction per unit of production. (Our previous goal was 10 percent reduction per unit of production.)
- Our corporate Live, Learn and Thrive™ program, which is focused on improving the lives of children in need, reached more than 60 million children through efforts such as the Pampers/UNICEF program, which is helping to eliminate maternal and neonatal tetanus, and our Children’s Safe Drinking Water program, which delivered more than 430 million liters of safe drinking water this past fiscal year. By 2012, we have committed to reach 300 million children and deliver 3 billion liters of water. (Previously, we were targeting 250 million children and 2 billion liters of water.)

We believe innovation is the primary driver of sustainability benefits in our business, and sustainable innovation matters more today than ever. Most consumers want to make sustainable choices but are not willing to accept trade-offs in performance or price, especially in tough economic times. We can make the greatest difference by winning with mainstream consumers through innovation that delivers superior performance, value and sustainability benefits.

Sustainability is a business strategy at P&G. It’s a focus of our innovation strategy and an important part of how we have designed P&G to grow consistently, today and for generations to come.

A.G. Lafley
Chairman and CEO
Sustainable Solutions for Today and Tomorrow

As the leader in enterprise-resource planning, SAP helps customers improve their sustainability by transforming and optimizing their business processes. SAP has a dual mission in sustainability: to continuously improve our own performance and to help our customers improve theirs.

Sustainability in SAP’s Operations

SAP seeks to manage social, environmental and economic issues holistically for enhanced profitability, reputation and compliance, so that SAP and all of its stakeholders will benefit.

For example, in 2007, a comprehensive internal review found that SAP’s main environmental impacts stem from business travel and energy use in our facilities. Now SAP is investing in teleconferencing systems and reducing our vehicle fleet emissions by adopting the European Union’s engine-performance standards. In our facilities, solar panels generate nearly 185,000 kilowatt hours (kWh) of electricity per year, with another 400,000 kWh on the way. New data-center technology is reducing cooling demand. We are striving for Silver Leadership in Energy and Environmental Design (LEED) certification in all SAP buildings, and new offices are being built to the Gold and Platinum standards. SAP voluntarily discloses its annual CO₂ emissions, and we are committed to targeted reductions that we will announce in 2009.

SAP routinely engages with a range of civil-society stakeholders, employees, customers, partners and investors to collaborate on sustainability issues. For example, SAP is working with Business for Social Responsibility and other leading software companies to determine the contributions that software can make to sustainable development. We also invest in the community through programs such as our University Alliances, employee volunteer service projects and corporate giving in the areas of education and governance. SAP also has an excellent reputation for corporate ethics, transparency and fair dealing.

Sustainability in Products and Services

By far, SAP’s greatest contribution to sustainability is through our information technology solutions, helping customers be more profitable and sustainable in areas such as enterprise-resource planning; governance, risk and compliance; environmental, health and safety processes; energy, transportation and supply-chain processes; and human-capital management.

Sustainability Tomorrow

Looking ahead, SAP is committed to a host of sustainability initiatives in 2009 and beyond, including an externally audited report to the Global Reporting Initiative’s B+ standard, a strategy for sustainability solutions and more sustainability best practices.

In short, SAP believes sustainability is part of the fundamental formula for business success in the 21st-century economy. For more information, please see the SAP Sustainability Report 2007–08 at www.sap.com/about/pdf/0411_OM_Sustainability_Report.pdf.

Bill McDermott
President and CEO
The heart of what we do is summarized by our mission — “to simply delight you … every day.” For many years, Sara Lee has done just that by providing high-quality consumer goods throughout the world. Our products are a part of people’s lives — from shining their shoes with Kiwi shoe polish, to serving a Sara Lee cake or pie at a party, to sharing a moment with a friend over a cup of Douwe Egberts coffee.

Just as our products take care of certain needs, we also have a history of taking care of the needs of our employees, consumers, customers, communities and the environment. Though we have not always called it sustainability by name, as a company we have always felt the responsibility to make the world a better place.

One of the ways we do this is through our sustainability efforts. We have initiatives around the world to help preserve the environment by reducing waste, energy and water usage and focusing on using renewable resources. For example, we reduced our water intake 22 percent over the last four years.

In addition, we have many social responsibility initiatives under way. For instance, we are committed to improving long-term sustainable coffee sourcing and the living condition of coffee farmers, which is why we have achieved an eight-fold increase in sustainable coffee volumes from 2004 to 2008.

Sara Lee is also committed to offering a growing variety of wholesome, quality foods and beverages. Our approach to developing new products and improving existing ones is supported by two main objectives. First, we strive to support a balanced lifestyle by working to remove or reduce ingredients that are known to have adverse health effects, including calories, sugar, fat, preservatives or portion size. Secondly, we are working to enhance the wellness and nutrition of our products by adding ingredients with recognized health benefits.

We believe that sustainability is a journey, not a destination, so while we are proud of what we have accomplished, we know we have more to do. We know that we will face hurdles, and we are committed to addressing issues as they arise and working together to become more sustainable. We look forward to continuing to work with our employees, consumers, customers, partners and stakeholders to reach out toward a more sustainable future.

Brenda C. Barnes
Chairman and CEO
Since SAS began in 1976, sustainability has been one of our core values driving innovation. SAS must provide value to our customers, to our employees and to the greater community.

Sustainability means more than being “green.” It means SAS takes a long-term view when we make business decisions, whether they involve attracting, retaining and motivating the best employees; serving our customers; or caring for our physical environment.

SAS values sustainable employee relationships. From our first onsite daycare center in 1981 to our onsite health care centers, to our efforts to be a global employer of choice, we have always felt that if you treat employees as though they make a difference, they will make a difference. Satisfied employees lead to sustainable customer relationships.

SAS values the sustainability of our environment. We have instituted environmentally friendly practices worldwide, including our Leadership in Energy and Environmental Design (LEED)-certified SAS Canada headquarters, the green energy that powers our Netherlands office, and the use of office supplies made from recycled materials in Japan. A five-acre solar farm, constructed in 2008 at our headquarters in Cary, NC, will reduce carbon dioxide emissions by more than 1,600 tons annually — the equivalent of burning 167,000 gallons of gasoline. Our newest building in Cary will be built to LEED standards, incorporating environmentally friendly features including heat- and water-recovery systems and regenerative drive elevators.

SAS values the economic sustainability of our communities. Our longstanding commitment to education contributes to a sustainable economy by better preparing our future work force to innovate and compete.

SAS values sustainable customer relationships. Today that means helping our customers see the strategic and bottom-line value of sustainability itself. They must comply with emerging greenhouse gas regulations, navigate the uncertainty of carbon markets, and succeed in attracting new customers, talent and capital. With SAS for Sustainability Management, organizations can measure, but more importantly manage, the strategic elements of their environmental strategies to reduce risks and costs and increase shareholder value.

Finally, I challenge you to consider how environmental sustainability and financial sustainability are codependent. Our consumption habits have the potential to affect our climate and national security and threaten the resources businesses require to operate. Long-term business sustainability is inextricably linked with environmental sustainability.

At SAS, we value sustainability because sustainability provides real value — to our employees, our customers and our communities.

James Goodnight
Chairman, President and CEO
Siemens’ innovations in the fields of energy, industry and health care have contributed to the increased quality of life for generations of Americans and people around the world. Siemens is proud to have been included in the Dow Jones Sustainability Index every year since its launch in 1999, and we have also committed to reducing our own CO₂ emissions by 20 percent relative to sales by 2011. Today, more than ever, the 68,000 employees of Siemens USA, together with our investments in research and development — including more than $1 billion worldwide in 2007 for environmentally related technologies — are playing an important role in addressing the challenge of sustainable development.

In the area of power generation, for example, we recently expanded production at our wind-turbine blade plant in Fort Madison, IA, to meet growing customer demand. Siemens is a leader in developing new coal gasification technologies and carbon capture and storage for conventional power plants, and we manufacture many of the world’s most efficient gas generators. We’re also providers of intelligent, self-healing power grids that reduce transmission-related energy loss.

In the industry sector, we are proud to be the number one supplier of light rail cars in America. These highly efficient vehicles help reduce congestion, generate electricity via regenerative braking technology and help make the country’s cities more livable. Highly efficient lighting from OSRAM Sylvania — a Siemens company — helps businesses and households reduce their electric bills and conserve energy with technologies such as light-emitting diodes, which use 80 percent less energy than standard lighting.

We’re also pleased to offer Energy Saving Performance Contracting, which results in lower operating and maintenance costs for building owners, with energy savings up to 20 percent on average. Investments in more efficient building technologies are paid for over time with the savings achieved through lower energy costs.

Advanced water systems that reduce waste released into the environment are another important area where Siemens’ technology benefits the environment. And our life-saving health care technologies such as health IT and diagnostics help make a dramatic difference in the quality of life for millions of Americans every day.

Siemens is also committed to developing the next generation of innovators through the initiatives of the Siemens Foundation, including the Siemens Competition in Math, Science and Technology. We invite you to learn more about how we are working to enhance sustainability by visiting our Web site at www.siemens.com/responsibility.

George Nolen
President and CEO
Southern Company’s commitment to help make the world a better place is a natural extension of our core business, which provides 4.4 million customers in the Southeast with reliable, affordable energy.

Electricity plays an essential role in our quality of life and standard of living. We have a special responsibility as one of the world’s largest producers to operate our business in a way that benefits society.

Our focus has always been finding ways to serve a growing demand for electricity while reducing the impact of its production and use on the environment. We’re addressing that challenge in a number of ways.

First, we are expanding our efforts to encourage the efficient use of electricity and help our customers to use less when possible. We’re growing our energy-efficiency options, adding to programs that already help customers save money and protect the environment. We’ve installed 1 million “smart meters” — we’ll add 3 million more — giving customers another tool for using electricity in a more efficient and environmentally friendly way.

Another priority continues to be the development and implementation of advanced generation technologies. We are at the forefront of several research projects to better understand the workings of carbon capture and sequestration to reduce greenhouse gas emissions from coal-based electricity generation. And we are seeking regulatory approval to build, with the U.S. Department of Energy and other partners, a commercial-scale coal gasification plant in Mississippi that would include carbon capture and reuse.

We also are advancing new nuclear technology, which is the only zero-emission supply option that can meet round-the-clock demand. We are in the licensing process to build two new nuclear units in Georgia.

In the area of renewable energy, we plan to convert an existing coal plant into one that would be among the nation’s largest biomass generation facilities, and we’re considering similar conversions at other sites.

Any mention of Southern Company’s part in making the world a better place must include the individual actions of our 26,000 employees, who carry on a tradition of community involvement that includes participation and leadership in conservation, education, civic improvement and other activities too numerous to list here.

Southern Company is proud to be represented with the other outstanding companies in Business Roundtable that are committed to making positive contributions to society.

David M. Ratcliffe
Chairman, President and CEO
Our mission at State Farm Insurance Companies® is to help people manage the risks of everyday life, recover from the unexpected and realize their dreams. Our core business is based on a simple principle: keeping the promises that we make to our customers. In all of our operations, we are fundamentally committed to the best interests of our policyholders and our communities.

To this end, State Farm maintains partnerships with the following organizations, among many others, who share our values:

- We partner with The Children’s Hospital of Philadelphia and the Insurance Institute for Highway Safety on child passenger and teen driver programs, enhanced graduated driver licensing, and auto safety research. We know that these efforts help to prevent crashes and save lives.
- We partner with the Institute for Building and Home Safety and the Federal Alliance for Safe Homes to educate consumers on the need for stronger, safer homes that reduce property damage and the related financial impact that can result from natural disasters.
- We partner with NeighborWorks America, Local Initiatives Support Corporation, Habitat for Humanity and Neighborhood Housing Services of America to promote affordable housing and economic development opportunities.
- We partner with America’s Promise Alliance, the nation’s largest collaborative program dedicated to the well-being of children and youth, and we will continue to sponsor high school dropout prevention summits throughout 2009.

With respect to the environment, State Farm believes “A good neighbor is a green neighbor.”™

- We have already exceeded our 2012 greenhouse gas reduction goal and continue to pursue reductions across the company.
- Our Austin Operations Center is now 100 percent powered with renewable energy, and we have increased our average ENERGY STAR efficiency rating for all major facilities to 85.
- In 2008, State Farm became a founding member of the Center for Renewable Energy at Illinois State University, which will support applied research, public outreach programs and a major in renewable energy.

These are just a few examples that demonstrate State Farm’s “good neighbor” heritage and future. State Farm remains a corporate leader because our daily business operations and community partnerships are based on financially sound, socially responsible and sustainable business practices.

Edward B. Rust, Jr.
Chairman and CEO
As a leading U.S. property and casualty insurer, Travelers provides a wide variety of products and services to help our customers manage risk and adapt to changing economic, societal and environmental trends. Recognizing that companies “can do well by doing good,” Travelers also strives to be a leader in demonstrating corporate responsibility in our local and global communities.

**Environmental Stewardship**

Travelers is committed to supporting initiatives and actions for our company and customers that mitigate the negative impacts of climate change, encourage environmentally responsible behavior and conserve natural resources. Through quality insurance products and services, we help our customers protect against financial losses while encouraging environmentally responsible behavior. Such products include premium discounts for hybrid autos and boats as well as insurance designed for “green” buildings.

Additionally, working in partnership with regulatory entities, trade associations and nongovernmental coalitions, Travelers is engaged in efforts to influence and develop public and private policies that support effective climate change adaptation strategies and promote environmentally responsible practices.

Within our own corporate operations and facilities, Travelers is working to further reduce energy consumption through sustainable design and operations solutions and environmentally friendly heating and cooling methods. This commitment has led us to work with the U.S. Environmental Protection Agency’s Climate Leaders program to establish a goal of reducing our emissions by 7 percent over the next six years.

**Community Support**

For decades, Travelers has been active in the communities where it does business, investing in organizations committed to education, community development, and arts and culture. By supporting nonprofit organizations and their work serving others, Travelers ensures that the threads of our communities’ social fabric have both strength and resilience.

One example of this commitment to community is the Travelers Education Access Initiative. Through partnerships with colleges, universities and community-based organizations, this initiative increases access to higher education and provides underrepresented students with the opportunity to excel.

In addition, Travelers is involved in initiatives that create new opportunities in housing, employment and economic development. The company provides support to organizations that empower individuals from urban, low-income and underserved areas to become self-sufficient, productive members of their communities.

Together with our core principle of providing risk management solutions for our customers, Travelers is committed to leading by example through initiatives that support the development of resilient and prosperous communities.

Jay S. Fishman  
Chairman and CEO
Tyco International is a diversified, global company that provides vital products and services to customers in more than 60 countries. Every day, we help make the world safer, more secure and more productive, and for our 110,000 employees around the world, protecting the environment is vitally important.

Our global manufacturing operations continuously implement measures to reduce energy consumption and greenhouse gas emissions. In 2008, several of our manufacturing and distribution facilities completed lighting replacement projects, compressed air use optimization efforts and natural gas process modifications. These initiatives alone reduced annual energy consumption by 8.5 megawatt hours. Additional projects are planned for 2009.

Tyco also took a number of steps in our service businesses to reduce fuel consumption and corresponding greenhouse gas emissions in our ADT and SimplexGrinnell businesses. For example, we replaced more than 450 light-duty trucks with more fuel-efficient minivans in North America.

We also explore opportunities for which our products can help customers meet their environmental goals. Following are just a few examples.

- As part of a European public/private energy consortium, Tyco is employing cutting-edge technology to help reduce the greenhouse gas impacts associated with power generation. At a power plant in Scholven, Germany, we’re testing our newly designed steam valve, which will allow coal-fired power plants to operate at much higher temperatures, thereby increasing operating efficiency by about 11 percent. We expect the plant will produce more energy while using the same amount of fossil fuel, reducing its emission of greenhouse gases.
- In Australia, our flow control business designed and installed hydroelectric turbines with a total generating capacity of 55,000 megawatts. These turbines convert the renewable energy of water into electricity and produce no greenhouse gas emissions.
- Tyco’s electrical and metal products business manufactures the support structures routinely used to install solar collectors. The superior strength of these structures creates durable frames that span greater distances while using less material, resulting in a lighter system with fewer roof penetrations, a key factor in such an installation.

Tyco’s company-wide environmental effort is bolstered by our employees’ commitment and enthusiasm. Campaigns aligned with Tyco’s overall environmental strategy are being implemented across our company to encourage employees’ energy-saving and waste-reduction ideas.

At Tyco, we understand that doing our part to conserve energy and reduce greenhouse gas emissions is a shared responsibility, and it’s the right thing to do.

Edward D. Breen
Chairman and CEO
When Abraham Lincoln is a founding father of your company, people expect great things from you. Lincoln had a vision for building America, and Union Pacific’s dedication to fulfilling his vision is stronger than ever.

Trains carry nearly everything families and businesses depend on — raw materials such as lumber and steel, chemicals to purify drinking water, and finished goods such as TVs and refrigerators. Railroads haul America’s food supply, 70 percent of U.S.-produced automobiles and 70 percent of the coal that produces more than half the nation’s electricity.

**The “Green” Transportation Solution**

Union Pacific is the green transportation solution. Our locomotives move one ton 830 miles on one gallon of diesel, which would be the same as your automobile getting more than 400 miles per gallon. Each ton-mile of freight moved by rail rather than highway reduces greenhouse gas emissions by two-thirds or more.

We pioneered the Genset switcher locomotive, now an industry standard. The Genset reduces smog-forming nitrogen oxide by up to 80 percent while using up to 37 percent less fuel than older switching locomotives. We have more than 160 Gensets in service, with plans to add more soon.

Union Pacific has the greenest locomotive fleet in North America. More than two-thirds of our 8,400 locomotives are certified under U.S. Environmental Protection Agency Tier 0, Tier 1 and Tier 2 standards.

**Investing in America**

The railroad is the only transportation mode that pays for its own infrastructure. Union Pacific builds and maintains our own steel highways, with 32,000 route-miles covering 23 states. We have invested more than $14 billion in our rail system since 2004 to increase our already high performance standards, improve customer service and support growth.

Another way we invest in America is through our signature giving program, the Principals’ Partnership. Research showed that highly skilled principals are a critical factor in the success of high school students. Union Pacific enlisted education professionals to design a principals’ program that emphasizes leadership development, encourages information sharing and promotes innovative strategies to improve public education. Principals’ Partnership has grown to include 1,000 public high school principals in 21 states.

**Dedicated To Serve**

Railroads provide the safest, most fuel-efficient and environmentally responsible mode of ground freight transportation. As we celebrate Lincoln’s 200th birthday in 2009, we at Union Pacific are proud of our heritage and committed to continuing our mission to serve America.

Jim Young
Chairman, CEO and President
At United Technologies Corporation (UTC), we operate under the belief that successful businesses improve the human condition. This means embracing the highest ethical, environmental and safety standards everywhere while constantly working to lessen negative impacts and increase positive returns.

Sustainability is a priority in both our operations and products in service. Internally, UTC has set goals for improved environmental performance and has reported on our progress for nearly two decades. Since 1997, we have reduced absolute energy consumption by 22 percent, while revenues more than doubled. Absolute water use is down 50 percent over the same time period.

UTC’s products set new standards in energy efficiency. Our high-technology innovations help make life in cities, and travel between them, possible — all while using energy more efficiently. For one example, Otis’ newest elevators use up to 75 percent less energy than comparable models a decade ago. For another, Pratt & Whitney’s Geared Turbofan engine delivers significant savings compared to today’s engines, including at least 12 percent reduction in fuel burn, 55 percent reduction in nitrous oxide emissions and 50 percent reduction in engine noise.

While we believe conservation through greater energy efficiency is the most immediate way to address climate change, we also support new, cleaner forms of energy. UTC has been in the fuel cell business for 50 years. In addition to developing the first commercially available hydrogen fuel cells, we have equipped every U.S. manned space mission since the 1960s with one or more UTC fuel cells. Fuel cells are one of the cleanest, quietest and most energy-efficient on-site power-generating technologies available. UTC Power’s newest 400-kilowatt fuel cell delivers power for large commercial buildings with high energy demands.

UTC’s efforts have been recognized externally, and we’ve been named to the Dow Jones Sustainability Index every year since 1999. We’re proud to have achieved results like this while maintaining principles of good corporate citizenship. At UTC, sustainability is not limited to the environmental agenda. It’s a part of everything we do — from innovation to customer focus to shareholder value. We’ve made great progress thanks to our continuous improvement culture, which encourages us to ask questions, seek answers and make changes. We know we can always do better, and we do.

Louis R. Chênevert
President and CEO
Verizon’s broadband, wireless and global IP networks touch millions of customers every day. We believe deeply in the power of these communications networks to change people’s lives for the better. In fact, we have only scratched the surface in discovering how high-speed digital networks — and the services they enable — can give individuals more control over their lives and make businesses and societies more sustainable. Our goal is to make these empowering technologies as widely available as possible and use our leadership and resources to help address the planet’s most pressing social challenges.

This is more than just rhetoric. A study for the Global eSustainability Initiative (GeSI) concluded that while the world’s information, communications and telecom industries contribute 2 percent of worldwide greenhouse gas emissions, we have the potential to reduce overall emissions by 15 percent by 2020.

We are taking several actions to reduce our own carbon footprint and explore how greater use of broadband can reduce energy consumption and create a “green”er world.

For example, Verizon operates one of the largest private fleets of vehicles in the United States. By focusing on reducing unnecessary engine idling and increasing our use of hybrid vehicles, we’re saving hundreds of thousands of gallons of fuel. We recycle more than 1 million cell phones every year, part of a waste-prevention program that has earned us several awards from the U.S. Environmental Protection Agency. We have enlisted our more than 230,000 employees in urging their families and friends to adopt electronic billing as part of a campaign that is eliminating some 100 million paper bills. We are working with our customers to offer broadband solutions to offset travel and improve business processes. More broadly, we are exploring how to use our technology to make health care more efficient, improve educational outcomes and drive growth in the information economy. And we are working with global partners such as GeSI to maximize our impact in making the world’s environment more sustainable.

For Verizon, a disciplined approach to sustainability is deeply embedded in our business. We strive to have clear goals and measurable outcomes. Our progress is tracked at the highest levels of the company, and we expect results, just as we do with any critical business initiative. (For details, see our Corporate Responsibility Web page at http://responsibility.verizon.com.)

Healthy societies and healthy companies are mutually dependent. By helping create a sustainable environment, we’re helping to ensure our own future.

Ivan G. Seidenberg
Chairman and CEO
The Western & Southern Financial Group is committed to environmentally responsible business practices and policies and is currently studying implementation of an even wider range of “green” initiatives for our enterprise. Through our investments and leadership in the area of sustainable technology and services, Western & Southern has demonstrated a commitment to making the world in which we do business a better place for our clients and many others in the communities we serve. One such example of this commitment to sustainable technology can be found in our construction of the first Leadership in Energy and Environmental Design (LEED)-certified (green) office building in downtown Cincinnati, as certified by the U.S. Green Building Council.

Queen City Square, upon completion in 2011, will rise 41 stories and be Cincinnati’s tallest building. It is the first high-rise office building constructed in Cincinnati in almost 20 years, and its construction will provide a significant economic impact to the region. LEED buildings provide sustainable benefits including energy savings, reduced carbon emissions, water-use savings, health benefits and enhanced productivity. Among the notable LEED features included and under consideration are charging stations for all-electric and hybrid cars, bicycle storage and showers, high-efficiency plumbing features, high-efficiency HVAC systems, heat-recovery systems for exhaust, heat-transfer systems to bypass chillers on cool days, air monitors to optimally regulate fresh air, and high-efficiency MERV 13 air filters. As a LEED-certified building, 80 percent of demolition debris will be recycled, and 50 percent of the construction waste will be recycled. Recycled products will also be used widely in construction of the building.

We are optimistic that construction of Cincinnati’s first LEED-certified building will encourage the use of sustainable technology in future buildings constructed here. We commend Business Roundtable’s initiative in the area of sustainability and appreciate the opportunity to participate in this report.

John F. Barrett
Chairman, President and CEO
How do we make the world a better place? Every day the trees in our care take carbon from the atmosphere. That carbon is stored in the long-lived wood products we make. During 2007, we sequestered about 3.6 times more carbon dioxide in our forests and products than we emitted, effectively removing approximately 9.8 million metric tons of carbon dioxide from the atmosphere. We replant the trees. The cycle maintains the benefit.

Trees have defined us for more than 100 years. In bringing them to market we are assisted by the natural process that defines life on earth — photosynthesis. Its regenerative power is the basis of our renewable resource. Our future will combine ingenuity and discipline with innovation, sustainable forestry and unparalleled land stewardship.

A tree is a convenient package of cellulose and lignin. Together and separately, these fiber elements can be fashioned into many things. Anything made from petroleum today could conceivably be made from renewable, wood-based fiber.

Through our Catchlight Energy joint venture with Chevron, we’re working to develop fuel from sustainable nonfood fiber. In our own operations, we’ve steadily reduced our direct greenhouse gas emissions into the atmosphere, down 15 percent in 2007 compared with 2000 levels. Our goal is to reduce emissions 40 percent compared with 2000 by the year 2020.

Another company contribution to a low-carbon future is Lyocell, a cellulose-based nonwoven textile that has the potential to replace or partly replace petroleum-based fabrics used in everything from baby wipes to blankets and even clothing. Our partnership with the Lenzing Group will identify and bring more Lyocell-based applications to market.

Climate change isn’t the only environmental issue we’re tackling. In support of our S.E.E. Change membership, we’ve set a goal to reduce water use in those mills 20 percent by 2012, using a 2007 baseline.

Growing a tree takes time. We keep the long view in mind — for the health of our business and the planet. Patience, backed by science, bright people and a bold vision, will continue to improve our efficiency. Research and development will yield new products. From 2 x 4s to rayon, to diapers, to cellulosic fuel, to carbon fiber, we see no limit to what this renewable resource can do.

I invite you to learn more about how Weyerhaeuser uses science and technology to protect the environment while creating what customers demand by visiting www.wy.com/sustainability.

Daniel S. Fulton
President and CEO
At Whirlpool Corporation, we know the long-term success of the company is tied to the health and well-being of society. Thus we strive to make a sustainable difference in everything we do and touch. We are guiding the course of the company in ways that restore and enhance all forms of capital — human, natural and financial — to meet consumer needs, generate shareholder value and contribute to the well-being of current and future generations.

Our vision of Every Home … Everywhere is built on the foundation that our society can only improve community by community, neighborhood by neighborhood — beginning with one home, one family at a time.

Whirlpool Corporation has given back to the communities in which it operates since 1911, long before corporate social responsibility and corporate governance became a focus of business and society. We have long matched employee gifts to the United Way and are a national corporate partner with United Way of America.

Since 1999, Whirlpool has donated more than 97,000 appliances globally for nearly 50,000 families through Habitat for Humanity International. We plan to support every Habitat home built globally by 2011 through product donations, cash or home sponsorship.

In Latin America, we developed the Consulado da Mulher program, which has improved the lives of more than 150,000 low-income women in Brazil.

At Whirlpool, we take our environmental responsibilities seriously. For nearly 40 years, we have played a leading role in the development of home appliances for consumers throughout the world that incorporate innovative technologies and help conserve energy and water resources.

Whirlpool was the world’s first appliance manufacturer to announce a global greenhouse gas reduction target. In the United States, Whirlpool has been an active partner of the ENERGY STAR program since 1998 and produces hundreds of ENERGY STAR-qualified appliances in the United States and Canada; PROCEL appliances in Brazil; and A, A+ and A++ class appliances in Europe.

We believe that focusing on energy, water and the environment isn’t about narrowing the field of choices; it’s about broadening horizons. That’s why we bring an across-the-board focus to energy and water efficiency, contributing sustainable solutions from product design to manufacturing, delivery and end of product life cycle.

We continually strive to understand and manage the environmental effects of our business by creating new and innovative products that consume less energy and water and by improving our processes and using materials that minimize the impact on the planet.

Jeff M. Fettig
Chairman and CEO
Our country faces many energy challenges, including reducing our dependence on foreign oil, improving energy efficiency and encouraging cleaner forms of renewable energy. Natural gas plays a major role in advancing all of these objectives.

While Williams’ expertise in producing, processing and transporting natural gas contributes to these goals, we also believe it’s important to accomplish those objectives in the right way. Increasing energy efficiency, utilizing best practices and engaging our stakeholders are three significant drivers of Williams’ commitment to corporate responsibility.

We’re improving our energy efficiency by reviewing operations to identify projects that can reduce the fuel we use, resulting in decreased CO₂ emissions. For instance, we’re utilizing new methods and technologies, like “green completions” on our natural gas wells, to protect air quality, conserve energy and recycle fluids. In Colorado, Williams uses high-efficiency rigs that can drill up to 22 wells from a single well pad, thereby reducing the overall time a rig is in place and decreasing wildlife and surface disturbance. We’re also beginning to use hybrid trucks in our field operations to reduce fuel consumption and automotive emissions. In our office buildings, Williams has generated energy efficiencies through various steps, from changing lighting to replacing windows in our 52-story headquarters building.

Innovative best practices in surface mitigation and habitat preservation begin with a holistic approach. For instance, clustered planning and development is a new way of producing natural gas reserves that plans all the infrastructure it will take to develop multiple well sites, including pads, rigs, completions, compressors, piping, water needs and mitigation measures for wildlife and reclamation. The results are fewer environmental impacts, less truck traffic and operational efficiencies.

Williams’ commitment to stakeholder relations has generated results in a number of areas, including: greater transparency in corporate governance issues, holding public discussions in areas where we work, boosting the diversity of our workforce and making meaningful contributions to the communities where we have operations.

Williams has a long tradition of being a responsible corporate citizen — a commitment that is deeply embedded in the company’s culture. Williams’ policies and operational practices help return value to the economy, the environment and all the communities where we live and work.

Steven J. Malcolm
Chairman, President and CEO
At Xerox, we believe that sustainability is not just a nice-to-do. It’s about valuing our employees and communities, preserving our environment, and returning value to our shareholders … now and for the future.

For 40 years, a focus on “green” innovation enabled us to introduce the first office equipment with automatic power-down mode and two-sided copying. We helped create the U.S. Environmental Protection Agency’s ENERGY STAR program and have since launched more than 500 products meeting that program’s increasingly stringent standards. Our solid ink technology reduces waste by 90 percent compared to color laser printing, and our breakthrough High Yield Business paper uses half the trees of conventional office paper.

But our work is not finished. Looking to the future, we are aligning efforts around four commitment areas where we will innovate and partner to build a more sustainable business:

**Climate protection and energy reduction.** We invest in technologies that reduce the carbon footprint of our operations and the document-management solutions we offer to our customers. We are on track to achieve a 25 percent reduction in companywide carbon emissions from 2002 to 2012. Xerox’s Sustainability Calculator — an industry first — helps our customers measure and reduce the environmental footprint of their office.

**Preserving biodiversity and the world’s forests.** We work with our customers, suppliers and other stakeholders to support the development of a sustainable paper cycle through paper-sourcing guidelines, environmentally sound paper offerings, and products and services that decrease offices’ dependency on paper. Our three-year, $1 million partnership with The Nature Conservancy is strengthening and advancing practices used to conserve the world’s forests.

**Preserving clean air and water.** We strive to eliminate the use of toxic materials throughout the supply chain. We have reduced emissions of regulated pollutants by 94 percent since 1991 and are working to improve working conditions and reduce environmental impacts in the electronics supply chain through our membership in the Electronics Industry Citizenship Coalition.

**Preventing and managing waste.** Our goal is to produce waste-free products in waste-free facilities that promote waste-free customer workplaces. Xerox diverts more than 100 million pounds of waste from landfills annually with its recycling and remanufacturing programs. Since 1991, we’ve diverted over 2 billion pounds of waste.

To us, sustainable development is a race with no finish line. It is a journey that requires leadership, clear direction and innovation that pushes through to the next frontier of what is possible.

Anne M. Mulcahy
Chairman and CEO
For more information on the development of this report, contact Marian Hopkins, mhopkins@businessroundtable.org.