



INFORMATION PRESSE

Cisco France

Véronique Jaffro – vejaffro@cisco.com
Tel : 01 58 04 31 90

Hill & Knowlton

Anne-Gaël Girard – anne-gael.girard@hillandknowlton.com
Tel : 01 41 05 44 48 / 29

Responsabilité sociale et développement durable, comment construire un modèle d'innovation et de collaboration pour les entreprises.

- Pendant plusieurs mois, un groupe composé d'experts et d'universitaires a pu se réunir régulièrement en TelePresence, évitant ainsi les déplacements, pour échanger leurs réflexions autour de la relation entre le développement durable et de la compétitivité des entreprises
- Avec le soutien de Cisco et de son partenaire BT, ce groupe a rédigé un livre blanc et émis des recommandations pour soutenir les efforts de croissance des entreprises dans une démarche guidée par le développement durable.
- www.biggerthinking.com/sustainability/innovation

Leading Global Academics Create New Corporate Sustainability Approach to Build Innovation and Global Collaboration

Recommended approach balances needs of investors, society and the environment

SAN JOSE, Calif., and LONDON - January 15, 2008 - Organisations that wish to grow profitably in the future must focus their efforts to benefit shareholders, society and the environment simultaneously. Concentrating on any one of these areas at the expense of the other two may compromise a business's long-term success. A focus on sustainability provides the best means to implement this triple-pronged strategy simultaneously, enabling organisations to innovate, differentiate themselves and succeed.

These are the key conclusions of a new paper published today by a group of international academic experts on corporate responsibility and sustainability, which offers a new approach to how sustainability can build innovation and global collaboration across organisations. The paper, "A New Mindset for Corporate Sustainability", was sponsored by Cisco and BT. Drawn from respected institutions in China, Singapore, Spain, the United Kingdom and United States, the academics offer business leaders concise advice based on a systematic

appraisal of case studies, including Cemex, Marks & Spencer and Shenzhen Water, and prevailing academic thinking on the subject worldwide. The paper also outlines the 10 steps required for organisations to become sustainability-driven innovators.*

Offering a new approach, which the academics have named S²AVE (Shareholder and Social Added Value with Environmental Restoration), emphasises the role of sustainability in increasing innovation across the business and maintains that sustainability should be a strategy rather than an objective. It concludes that the achievement of sustainability goals does not require extensive re-engineering of the corporate structure. Instead, it requires conviction and vision at the very highest levels of the organisation so that a set of values coherent with corporate responsibility and sustainability are instilled throughout.

While the academic team met in person several times, no international travel was required. Using Cisco TelePresence, the high-definition virtual meeting solution, the group was able to come together and discuss their research as though in a conventional face-to-face meeting, whilst reducing travel so as to minimise any negative environmental effects of the collaboration.

The following experts were involved in producing the paper:

- Professor David Grayson, director, Doughty Centre for Corporate Responsibility, Cranfield School of Management
- Professor Zhouying Jin, director, Center for Technology Innovation and Strategy Studies of Chinese Academy of Social Sciences; chairman, Future 500, China
- Dr Mark Lemon, Centre for Resource Management and Efficiency, Cranfield University
- Dr Miguel Angel Rodriguez, director of the Base of the Pyramid Learning Lab, and Lecturer in General Management, IESE Business School, University of Navarra, Spain
- Professor Sarah Slaughter, senior lecturer, Behavioral and Policy Sciences, Sloan Management School, Massachusetts Institute of Technology
- Professor Simon Tay, Singapore Institute for International Affairs, National University of Singapore

Professor Sarah Slaughter of Massachusetts Institute of Technology said: "The method by which this paper was produced gave all of us a unique opportunity to share views and collaborate in an entirely new way. Crucially, our ability to share experiences from around the globe enabled us to identify the importance of courageous, visionary leadership in achieving innovation through sustainability. The paper shows how, with the right direction, organisations can harness sustainability to open up and take the lead in markets that would otherwise have remained closed to them, securing their long-term future as they do so.

"Our conclusion is that the 'triple bottom line' should no longer be a tangential activity, with shareholder value the main consideration. Instead, strategies should be focused on all three areas simultaneously as an integrated system because, as our case studies demonstrate, each strand can yield benefits for the other two," she said.

Professor Zhouying Jin of the Chinese Academy of Social Sciences comments: "This was a unique opportunity for us all to collaborate and produce a document of genuine use to organisations everywhere. It is clear from our discussions that if we can share sustainability best practices then organisations will gain commercial benefit faster. Sustainability should not

be seen as a cost to the business. Rather, it should be viewed as an opportunity. Indeed, we believe it provides the best route for organisations to innovate and safeguard their future."

A unique collaboration

Francois Barrault, CEO, BT Global Services, said, "BT and Cisco wanted to jointly create a project on a topic both companies felt strongly about. Also, we wanted it to be truly global, combining the technology solutions and infrastructure that we market together. We think that the academics' findings bring into clear focus the challenges facing BT, Cisco and other companies around the world. Not only should we make sustainability an integral part of our strategies, but doing this will make our companies better and more competitive as a result."

Phil Smith, VP for technology marketing at Cisco, added, "It's essential that sustainability is at the heart of the strategic direction that businesses and organisations need to follow. The ability to collaborate across virtual teams, globally, will be the practical step to make this direction a reality. As this 'world-first' project demonstrates, it is possible to create deep, innovative thinking across global teams using innovative new collaboration tools such as TelePresence."

To download the paper visit www.biggerthinking.com/sustainability/innovation.

About BT and Cisco: Working Together

BT and Cisco have a shared vision for the future of IP (Internet Protocol) services. Built on their insight as market leaders across a variety of networked IT and communications services, the two companies have an unrivalled offering across the globe to customers migrating towards convergence. Based on a relationship established in the early 1990s, BT and Cisco work together to offer world-leading IT and communications technology. Through the relationship, BT provides world-class Cisco technology backed up by market-leading integration services. And together, through their mutual understanding of complex network environments and solution provisioning, the relationship delivers superior capability, service and value for money.

About BT

BT is one of the world's leading providers of communications solutions and services operating in 170 countries. Its principal activities include networked IT services; local, national and international telecommunications services; higher-value broadband and internet products and services and converged fixed/mobile products and services. BT consists principally of four lines of business: BT Global Services, Openreach, BT Retail and BT Wholesale.

In the year ended 31 March 2007, BT Group plc's revenue was £20,223 million with profit before taxation of £2,484 million.

British Telecommunications plc (BT) is a wholly-owned subsidiary of BT Group and encompasses virtually all businesses and assets of the BT Group. BT Group plc is listed on stock exchanges in London and New York.

For more information, visit www.bt.com/aboutbt

About Cisco

Cisco, (NASDAQ: CSCO), is the worldwide leader in networking that transforms how people connect, communicate and collaborate. Information about Cisco can be found at <http://www.cisco.com>. For ongoing news, please go to <http://newsroom.cisco.com>

#

Cisco, the Cisco logo, and Cisco Systems are registered trademarks or trademarks of Cisco Systems, Inc. and/or its affiliates in the United States and certain other countries. All other trademarks mentioned in this document are the property of their respective owners. The use of the word partner does not imply a partnership relationship between Cisco and any other company. This document is Cisco Public Information.

Notes for Editors

About "A New Mindset for Corporate Sustainability"

The paper covers the following topics:

- How organisations in both developed and emerging markets have secured leading market positions through the innovations they have implemented through their sustainability initiatives
- What the impact of sustainability has been on businesses. The paper argues that sustainability should be seen as a strategy rather than an objective
- How management can introduce and encourage innovation through their sustainability programmes
- Which tools leaders can draw on to accelerate the permeation of sustainability throughout the organisation.

Case studies from around the world discussed in the paper include:

- Leading UK retailer Marks & Spencer has implemented a knowledge interchange with more than 12,000 suppliers to help it share best practices on sustainability
- Hyflux, Singapore's largest water company, has built a Singapore Stock Exchange-quoted business spanning Asia, the Middle-East and Africa, having exploited the country's requirement for alternative water supplies following its split from Malaysia in 1965
- Mexican cement manufacturer Cemex has created a business based on helping low-income people to build their own homes by providing them with credit, service and knowledge in addition to raw materials
- Shenzhen Water, which supplies more than 7 million tons of drinking water to homes around Shenzhen in China, has created initiatives in sewage treatment, decontamination of bed-load and water recycling that now contribute more than 21 per cent of the group's sales

*10 steps to turning your company into a sustainability-driven innovator
(source: *A New Mindset for Corporate Sustainability*)

1. Make innovating for sustainability a part of your company's vision

Update your company's stated visions, mission and list of values or principles to ensure that sustainability is at the heart, so that your company is publicly identified, both internally and externally, as sustainability-driven.

2. Formulate a strategy with sustainability at its heart

To really be effective, sustainability must be included in a new formulation of your business strategy. Simply bolting it on to an existing strategy is likely to leave it marginalised and insignificant.

3. Embed sustainability in every part of your business

Create an ongoing process for getting each part of the company to recognise and understand its environmental, economic and social impacts, and get each part thinking about how they can use that knowledge to innovate through a systematic and integrated approach.

4. Walk the talk

Top leadership in the business has to believe in it. Staff and other stakeholders need to hear their leaders explain regularly what responsibility and sustainability mean for the business and the innovation possibilities they hold, and see the actual programs implemented.

5. Set up a body with the power to make sustainability matter

Many of the leading sustainability-driven companies have a board committee devoted to ensuring that things move ahead. Others have a leading non-executive director in charge, while others still have a mixed committee of executives and non-executives. Whatever the arrangement, it is essential that the company regularly addresses sustainability and its strategic opportunities at the very highest level of decision making.

The most effective sustainability committees fulfil the following purposes: ¹

1. Consider, review, evaluate and supervise integrated environmental, social and ethical policies.

2. In collaboration with top management, make sure that responsibility and sustainability are taken into account during strategy formulations

3. Advise the board of directors on responsibility and sustainability issues.

¹ J.E. Ricart, M.A. Rodriguez, P. Sanchez and L. Ventoso, The Sustainable Enterprise: Learning from DJSI Leaders, Fundacion BBVA, 2005

6. Set firm rules

Establish a code of conduct on sustainability covering both your employees and other stakeholders in your business, stating clearly that anyone who doesn't adhere to it has no place in your company or connected to your company.

7. Bring your stakeholders on board

Identify all the stakeholders in your business - shareholders, employees, suppliers, customers, the communities in which you operate - and engage with them on thinking about sustainability. Actively encourage them to participate in your innovation and encourage them to develop sustainable opportunities themselves.

8. Use people power

Ensure that sustainability is a clearly stated value at every stage of your people management process, whether it's advertising for staff, hiring, induction, performance appraisal, remuneration or promotion. Create a training department that includes a strong focus on creativity and innovation based on sustainability.

9. Join the networks

A growing number of organisations, networks and other bodies dedicated to encouraging sustainable business are emerging. Get involved with groups such as the World Business Council for Sustainable Development, the UN Global Compact, the International Business Leaders Forum and similar local bodies. Take part in sustainability investment rankings and monitors such as the Dow Jones Sustainability Indexes and the Corporate Responsibility Index.

10. Think beyond reporting: Align all business systems with the company's vision of sustainability

Corporate social responsibility reporting helps focus the business on S2AVE, but it should not be viewed as an end in itself. Sustainability should run through every core system, from talent management to supplier evaluation, customer relationship management (CRM), and, of course, the balanced scorecard. This approach can turn focus into coordinated action that matters.