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INSTITUTE FOR  
**Sustainable  
Communities**

EHS<sup>+</sup> Network Summit Findings Report

# **Activating Supplier Leadership in Environment and Social Compliance**

March 18 – 19, 2015

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## Executive Summary

On March 18–19th, the Institute for Sustainable Communities (ISC) and its EHS<sup>+</sup> Network hosted an EHS summit in Hong Kong. Leading brands, including those from ISC’s EHS<sup>+</sup> Network Steering Committee, EHS experts, and members of the EHS<sup>+</sup> Center and ISC teams met as a community of stakeholders working to promote sustainable manufacturing, and to brainstorm new ideas to transform the supply chain. Prior to the Summit, 45 surveyed brands and EHS experts identified several factors that contribute to sub-standard EHS performance in suppliers:

- Lack of supplier executive support
- Target EHS audience is not trained
- Limited EHS expert peer learning
- Lack of EHS regulation enforcement
- Limited strong EHS cases
- Inconsistent supplier standards
- Lack of performance celebration
- Insufficient engagement strategies
- Audit-only interventions
- Difficulty diagnosing supplier EHS problems

During the Summit, participants discussed EHS training and non-training support that are currently used, could be improved, or could be developed in order to accelerate EHS leadership and performance of manufacturing.

Summit participants and surveyed EHS experts agreed that brands are likely to continue to lead transformation of EHS performance of the supply chain. They indicated several ways brand leadership could be more effective as individual companies or in coalitions.

Of all the types of support discussed, the three that surfaced as most important to participants were:

- The critical importance of activating supplier executives
- Using transparency and benchmarking to motivate EHS changes
- Brand coalitions can amplify impact on suppliers not as interested in EHS

Discussions indicated these types of support as potentially game changing, but underutilized or difficult to employ. Good examples exist of brands making use of these leverage points, but given their potential to transform the supply chain, we recommend that they receive more attention and support from EHS stakeholders.

Other supportive actions also contribute to improving supply chain EHS performance, and Summit participants shared best practice and new ideas that could be used by EHS stakeholders to improve their programs. These related to supplier engagement strategies, training requirements, peer learning and mentoring programs, incentives and celebration of EHS performance, tool development, and ways to partner with third-party organizations. The following table summarizes findings from the EHS<sup>+</sup> Network Summit, in order of importance by category (left-hand column):

GOOD PRACTICES IN ACTIVATING SUPPLIER LEADERSHIP	
1. Brand leadership comes first	<ul style="list-style-type: none"> <li>• Brands that walk the talk can transform the supply chain.</li> <li>• Brand procurement teams are key partners in enforcing EHS with suppliers.</li> <li>• Brand EHS staff capacity development is needed.</li> <li>• Brands who are EHS leaders should seek to improve EHS across their sector – scandals affect all.</li> </ul>
2. Activate supplier executives	<ul style="list-style-type: none"> <li>• Show executives that EHS is both desirable and feasible.</li> <li>• An authentic business case would be the most effective motivator, i.e. if brands awarded EHS performance with more business.</li> <li>• Reinforce that executives are capable of improving EHS performance.</li> <li>• Executive engagement could take the form of workshops, training, or peer learning, especially as linked to training programs being delivered to their employees.</li> </ul>
3. Brand coalitions can amplify impact	<ul style="list-style-type: none"> <li>• Coalitions can streamline EHS capacity expectations and training expectations for suppliers.</li> <li>• Coalitions should focus on building sufficient – not 100% – consensus.</li> <li>• Coalitions need to be careful of violating antitrust laws.</li> <li>• Brands can achieve different impacts acting individually as compared to in coalitions; both approaches are valuable.</li> </ul>
4. Focus on transparency and benchmarking	<ul style="list-style-type: none"> <li>• Transparency on EHS performance may be the most important motivator for suppliers (and brands).</li> <li>• Clear and transparent benchmarking can create positive tension between good and poorer EHS performing suppliers, motivating change.</li> <li>• Coalitions are in a better position than individual brands to establish benchmarks that will improve the status quo across the supply chain.</li> <li>• Worker voice can also effectively motivate EHS changes.</li> </ul>
5. Supplier engagement strategy matters	<ul style="list-style-type: none"> <li>• Effective support programs are informed by supplier assessments.</li> <li>• Support programs need to target and engage supplier executives in order to be successful.</li> <li>• Training programs should include mandatory and flexible elements.</li> <li>• Consider cascading engagement strategies for larger or deeper supply chains – e.g. brand trains first tier or better performing suppliers; then first tier suppliers work with second tier suppliers, etc.</li> <li>• Treating suppliers like partners leads to more effective supplier engagement and better EHS performance.</li> </ul>
6. Training requirements can and must be more effective	<ul style="list-style-type: none"> <li>• Mandatory minimum EHS training should be established for each role within a supplier: executives, EHS professions, supervisors, line workers, and new hires.</li> <li>• The availability of EHS certification can motivate leadership on EHS.</li> <li>• Training programs that require application of knowledge will be more effective than classroom-only approaches.</li> </ul>
7. Develop more peer learning and mentoring programs	<ul style="list-style-type: none"> <li>• Mentoring is effective but scale is a challenge for brands with large supply chains.</li> <li>• Peer-to-peer approaches may be more practical for most brands.</li> <li>• Consider having peers compete against each other.</li> <li>• Peers learn most from people in similar situations with common backgrounds.</li> </ul>
8. Use incentives and celebrate EHS performance	<ul style="list-style-type: none"> <li>• Supplier recognition programs are under-utilized.</li> <li>• Effective models exist, such as supplier conferences and business incentives.</li> <li>• Don't just celebrate the best; highlighting little wins makes EHS more accessible to the majority of the supply chain.</li> </ul>
9. Develop a portfolio of useful tools	<ul style="list-style-type: none"> <li>• Suppliers would be more successful if they had access to more tools.</li> <li>• Effective tools currently in use include benchmarking systems, clear audit guidelines, and management tools.</li> <li>• Suppliers would benefit from more informational tools that help them understand their factory's current EHS conditions, options for improvement, and external help that is available.</li> <li>• More e-learning tools would broaden the reach of EHS training.</li> </ul>

10. Partner with third-party organizations	<p>Many areas led or influenced by brands can be more effective if they partner with third-party organizations, including on:</p> <ul style="list-style-type: none"> <li>• training delivery</li> <li>• benchmarking and reporting systems that are universal across brands</li> <li>• transparency programs</li> <li>• certification development</li> <li>• coalition coordination</li> <li>• tool and toolkit development</li> <li>• activating brand commitment to EHS</li> <li>• exploring new areas for collaboration between brands on supplier influence</li> <li>• awareness-raising events</li> </ul>
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We anticipate that the insights and recommendations from the Summit participants, as reflected in this report, will help spur innovation among EHS stakeholders. ISC and its EHS Steering Committee will certainly be using the information to improve our EHS<sup>+</sup> program to improve environment, health and safety in the Asian supply chain.

ISC would like to thank our EHS<sup>+</sup> Network Steering Committee for their support and partnership. They are critical to the success of the EHS<sup>+</sup> Network. (See list of EHS<sup>+</sup> Network Steering Committee members, p. 30).



# EHS<sup>+</sup> Network Summit Findings: Activating Supplier Leadership in Environment and Social Compliance

**Introduction.** Improving the environment, health, and safety performance of supply chain factories is an ongoing challenge. Brands face increasing pressure to address environment, health and safety (EHS) issues in their supply chains, but it takes collaboration among many stakeholders to improve performance. The Institute for Sustainable Communities (ISC) designed an intimate, collaborative learning event to contribute to environment, health and safety (EHS) improvement efforts across the supply chain in Asia. The EHS<sup>+</sup> Network Summit took place March 18-19, 2015, in Hong Kong.

During the EHS<sup>+</sup> Network Summit, EHS professionals at multinational brands discussed current EHS support program best practices, key challenges, and new commitments and investments by stakeholders in the supportive ecosystem that could transform supply chain EHS performance. Insights and recommendations of the Summit participants are summarized in this findings report, which we anticipate will spur further discussion among stakeholders. ISC will be applying these findings to improve our EHS<sup>+</sup> program, under the guidance of the EHS<sup>+</sup> Network Steering Committee, comprised of representatives from our brand partners who are also EHS leaders in the field.

**Seeding the conversation.** Leading up to the Summit, ISC conducted one-on-one interviews with dozens of brand EHS professionals, administered a survey to 45 EHS experts in China, Bangladesh and India, and reviewed research, all with the goal of identifying and categorizing the most effective methods for improving supplier EHS performance. These efforts informed our design of Summit dialogue topics. The results of the survey can be found on the ISC website at [www.iscvt.org/ehs-summit](http://www.iscvt.org/ehs-summit).

**What you'll find in this report.** The Summit findings are grouped into two main sections and two appendices:

- **Brand Leadership Comes First.** Surveyed EHS experts agreed that brands, among the stakeholders, are most likely to lead the transformation of the supply chain over the next 10 years (see Figure 1). This section describes the many ways that brands are leading the transformation, as well as ways in which they can increase their EHS influence. (Page 7)
- **Methods to Activate Suppliers: Effective Current Practices and New Ideas.** In this section we present practices and new ideas we gleaned prior to and during the Summit in a comprehensive framework for accelerating leadership. The categories of the framework are *Identify, Educate, Equip, Connect & Sustain, Demonstrate, and Celebrate*. We have presented them in this framework to stimulate ideas for new ways to tackle old problems. (Page 12)
- **Activating Supplier Executives:** This appendix provides an overview of behavioral theories to help stakeholders design effective ways to motivate action by senior leadership, the most important stakeholder in a factory. (Page 24)
- **Role of Third-Party Organizations:** Over the course of the two-day Summit, many conversations between the participants surfaced roles that would be appropriately played by third-party organizations. This appendix summarizes these roles by main categories. (Page 27)

## Brand Leadership Comes First

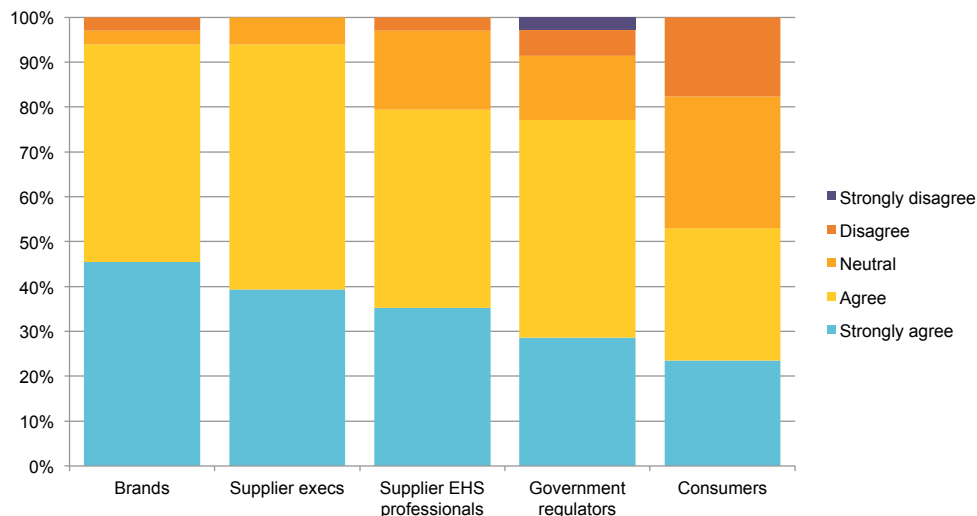


Figure 1: Expected driving force in supplier EHS performance over next 10 years.

*Brand procurement teams are key partners in enforcing EHS with suppliers*

### Brands that Walk the Talk Can Transform the Supply Chain

Summit attendees provided examples of brands that have had transformative effects on their supply chain because the brand itself is committed to EHS top-to-bottom, from its CEO to its procurement group. This commitment makes it much easier for a brand's EHS team to incorporate EHS into supplier vetting and management processes, which is required for effective enforcement. One brand shared that their procurement team is able to explain the brand's imperative of EHS performance to suppliers, and its members act as enforcement officers during routine supplier walk-throughs.

*Brand EHS staff capacity development is needed*

However, brand support capacities vary considerably. Over half of the brands we surveyed felt that insufficient internal resources at brands were an important challenge to supplier EHS capacity development. Relatedly, brands are not always staffed in such a way that they know how best to encourage EHS performance. Such brands "don't know what they don't know." EHS improvement of a given brand's supply chain is slowed further by the fact that the pool of EHS professionals in Asia is relatively small. One consequence is that professionals trained by one brand often leave for higher pay offered by other brands or even other sectors, e.g. moving from apparel to technology. As a result, Summit participants were in broad agreement that brands could more effectively support supply chain EHS improvements if they had their EHS professional and procurement staff attend EHS training appropriate to their role, such that they had better overall capacity to support supplier EHS.



*Brands who are EHS leaders should seek to improve EHS across their sector – scandals affect all*

*Coalitions can streamline EHS capacity and training expectations*

*Coalitions should focus on building sufficient – not necessarily 100% – consensus*

Beyond a brand's own supply chain, a few of the participants noted that it is in the interest of brands who are already EHS leaders to try to help raise the EHS performance norms of their sector, influencing other brands and the sector's supply chain. This is because public EHS scandals related to one company can have spillover effects on others in the same sector, even the ones with a strong EHS track record.

## Brand Coalitions Can Amplify Impact

Summit attendees drew attention to the potential of brand coalitions to introduce or amplify supply chain EHS standards and support. Examples of collaborative brand initiatives include the Sustainable Apparel Coalition, Zero Discharge of Hazardous Chemicals (apparel), Alliance for Fire and Building Safety (apparel in Bangladesh), Pharmaceutical Supply Chain Initiative, and Electronic Industry Citizenship Coalition.

Coalitions work to harmonize EHS communication and expectations across brands to make it easier for suppliers to pursue EHS, and make it more likely that they understand the value of high EHS performance. Aligned terminology, standards, public disclosure practices, training, and certification can all increase the likelihood that suppliers will come to treat EHS as a standard business practice. Many coalitions go further, raising awareness and building capacity among suppliers via workshops and trainings on their standards and how to achieve them.

Several Summit participants also pointed out that coalitions are uniquely positioned to increase capacity for supplier EHS by creating streamlined demand and expectations for such capacity in the factory. For example coalitions could specify minimum requirements for percentage of workforce trained<sup>1</sup> or certification standards for EHS professionals. Coalitions could then offer the corresponding certification training themselves or partner with third parties to do so. However, coalitions need to be careful of creating yet another standard; to avoid this, the coalition standard must replace older, independent ones.

Unfortunately, coalitions also face common coordination challenges. It is difficult for coalitions to secure consensus on inherently complicated issues across memberships of 10, 20, or in some instances even 100 brands. Activities may be driven by a subset of members in a way that alienates others. Or since they are voluntary initiatives, a subset of members may do most of the work and eventually withdraw their investment. Summit attendees suggested that coalitions should understand that 100% agreement is sometimes not possible, or desirable if it prohibits any progress to be made. For some issues, it may be worth considering acting in smaller coalitions, which can build consensus more easily.

<sup>1</sup> Several participants were of the opinion that without a sufficient minimum number of trained professionals culture shift is likely impossible, but one brand participant did caution that specifying percentages can be seen as suspect by suppliers, who may think that the brand and third party trainer are trying to make money off of the supplier.



*Coalitions need to be careful of violating antitrust laws*

Coalitions may also face certain legal impediments in light of antitrust laws on certain industries; brands can get in trouble if they are not careful when collaborating with each other to their mutual advantage without making adequate disclosures and putting in place necessary safeguards.

The table below summarizes the relative strengths and weaknesses of individual brand leadership and brand coalition leadership across a variety of considerations.

	Individual brand leadership	Brand coalition leadership
<b>Scale of Influence</b>	Individual brand supply chain	Sector-wide supply chain, and greater influence on the EHS profession
<b>Effort needed by supplier</b>	Higher for those with multiple clients with different standards	Potentially reduced, insofar as member brands do not impose EHS criteria additional to their coalition standard
<b>Brand effort in the short term</b>	Lower relative to the individual brand's EHS program	Higher – especially on the part of those most vested – to build consensus around new common EHS program
<b>Brand autonomy</b>	Higher	Lower
<b>Legal risk</b>	Lower	Higher due to antitrust risks of collaboration, though manageable

Overall, the potential for greatly expanding an individual brand's influence on the sector-wide supply chain seems to outweigh the cost considerations of participating in an EHS coalition. The vast majority of brands who participated in the EHS<sup>+</sup> Network Summit were members of coalitions, and saw a clear role for coalitions among the group of stakeholders interested in seeing EHS performance improvement in the supply chain.

*Brands can achieve different impacts acting individually as compared to in coalitions; both approaches are valuable*

Acting in a coalition has benefits, but committed brands also maintain direct relationships with their own suppliers on EHS; standards are best enforced, and support more easily targeted, by individual brands. And given that internal dynamics vary from brand to brand, coalitions will never be able to supply a comprehensive one-size-fits-all approach.

### Supplier Engagement Strategies

Based on Summit discussions, brands might describe what they expect to see in a supplier that is committed to improving their EHS performance as having top-level executive support, sending the right people to receive training, and requiring that a significant number of their staff receive training. Such suppliers are currently rare in Asia. Summit participants shared stories of executives superficially meeting a brand client's training requirement by sending personnel but not requiring them to pass on the training, or not requiring the knowledge be applied to line production practices and management. The worst case cited was a supplier who hired people whose sole function was to attend trainings mandated by its brand clients.

Summit participants indicated that actively engaging suppliers yields much better results than passive approaches such as only providing tools of conduct. Instead,

*Effective support programs are informed by supplier assessments*

engagement strategies actively link supplier needs, processes and personnel with EHS goals and thus promote uptake.

In order to maximize the effect of EHS support to suppliers, engagement strategies must be tailored to the situation of a supplier. Examples of assessments that inform such tailoring provided by Summit participants included 1) analyzing and providing reports on management systems gaps. Reports included milestones to indicate the path to higher levels of performance, and 2) conducting cultural gap analysis with key factory stakeholders to highlight critical power level differences and assumptions.

*Support programs need to target and engage supplier executives in order to be successful*

Informed with a clear picture of the gap between where the factory is and where the brand would like it to be, what can brands and other stakeholders do to stimulate true commitment for change? Summit participants widely agreed that some form of engagement for senior executives of suppliers was critical, and that brands must support such engagements in order for them to yield results. Such engagements could include training, and would likely require ongoing engagement to transform attitudes and deep-seated biases. A peer-learning approach was suggested as possibly the most effective, such that less committed executives hear key messages from other senior executives who are EHS champions.

*Training programs should include mandatory and flexible elements*

From there, participants suggested that differentiated, flexible training programs would be likely to transform the EHS performance of a factory. Such programs would include different training content for EHS professionals and line managers, and would offer some non-negotiable but also negotiable content. Summit participants had different opinions regarding whether line workers should be trained by personnel external or internal to the factory, but all agreed that empowering such workers are important to the success of a factory EHS program. (See *Educate* section below for more discussion on training.)

*'Cascade' strategy for engaging deep supply chains*

While many brands may be expected to have the greatest influence and effect on their largest first tier suppliers, some brands benefit from "cascading strategies." When supply chains are especially large or deep (e.g., big box retailers with many products, or footwear and apparel sectors), it is helpful for brands to support cascading EHS supplier development programs. Such programs are characterized by a brand stipulating how its leading first tier suppliers should engage their suppliers. The role of the brand is to devise the program, train leading suppliers on their use and deployment, reinforce program consistency across implementing partners, and monitor aggregate program performance. Such programs tend to improve the ability of a brand to reach particularly distant suppliers, e.g. at the 2nd, 3rd and 4th tier, especially across wide international geographies.

*Brands treating suppliers like partners leads to more effective supplier engagement*

The approaches above may imply that supplier engagement programs should be led by the brand's perspective; however some Summit participants suggested for maximum engagement, that brands should think of themselves as "being on the same team" with suppliers. A partnership attitude can increase the effectiveness of the above approaches, or suggest new ones that would increase supplier buy-in and leadership on EHS.

In sum, Summit participants and surveyed experts agreed that brands can continue to lead the EHS transformation of the supply chain. They can amplify their impact by working in coalitions, especially on minimum certification standards and public disclosure approaches. It also matters how individual brands engage suppliers, in particular how they engage support supplier executives and EHS manager and line supervisor training, and that engagement strategy determines the effectiveness of supplier EHS support programs.



# Methods to Activate Suppliers: Effective Current Practices and New Ideas

As mentioned previously, ISC’s EHS+ team interviewed and surveyed EHS professionals prior to the Summit to discover current challenges and best practices. The results provided us a representative picture of current methods for improving supplier EHS performance. The results mapped quite well against a theoretical framework developed for another field, international economic development. Figure 3 summarizes the framework in the EHS context, which we have termed the “EHS Leadership Acceleration Process” framework. The table below defines the pillars of the framework and indicates current practices matching each pillar that surfaced in our exploratory interviews. The table reveals that some pillars that are key to promoting leadership in a different sector are less utilized in the supply chain EHS sector, and may be worth considering.

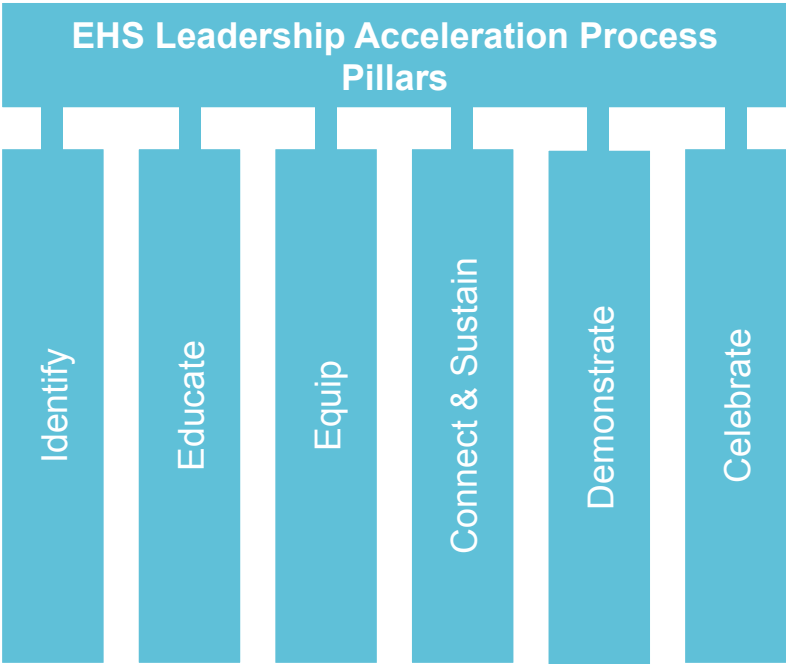


Figure 3: Programmatic pillars supporting EHS supplier capacity development

Pillar	Description	Surveyed Examples (prior to Summit)
<b>Identify</b>	Identifying the right areas of EHS support is the first step to enabling sustainable manufacturing. Such assessments need to be conducted of individual stakeholders, as well as of the management systems and EHS culture within a factory.	Audit against code of conduct, EHS evaluation by brand staff, supplier baseline data collection
<b>Educate</b>	Many EHS professionals and factory workers do not have access to EHS educational opportunities that allow them to gain the skills and knowledge they need to succeed in leading EHS compliant, not to mention changing their organization's EHS culture. To rectify this deficiency, it is crucial to foster EHS knowledge transfer and capacity building so manufacturers have EHS capability to change their organizations.	EHS training (by brand staff or third parties)
<b>Equip</b>	EHS professionals require management systems and tools to assess the relationship between EHS management systems and business/operational performance. New insights are required about what "forward-thinking action" is required to advance performance gains in both EHS and business operations. New cost models are required that help make the business case for EHS investments.	Provide code of conduct
<b>Connect &amp; Sustain</b>	The ability and need to build relationships between EHS professionals and mentors is increasing as EHS practices proliferate and their benefits increasingly felt. EHS professionals new to the field can gain invaluable assistance from more experienced EHS leaders to help them develop their EHS acumen and better steward factory EHS projects.	Project-based mentoring, supplier conferences
<b>Demonstrate</b>	The ability to change an organization's EHS culture depends upon being able to demonstrate impact and results from making successful EHS investments. Therefore, EHS professionals need to strategically select problems on which to focus, undertake projects that serve as individual proof points, encourage similar investments, and encourage widespread adoption of EHS principles.	Supplier conferences
<b>Celebrate</b>	Increased visibility of successful EHS professionals and practices builds enhanced awareness of their positive role in a factory, supply chain, and local community and encourages a multiplier effect to occur, resulting in more people becoming interested and engaged in EHS activities themselves.	Supplier recognition

During the one-and-a half-day Summit, we invited participants to discuss with each other current practices and new ideas with reference to the framework, both within and across the pillars. Participants surfaced more practices than shown in this table, raised new ideas for under-utilized support approaches, and proposed packages of supports for more systematic impacts.



*Transparency on EHS performance may be the most important motivator*

*Worker voice can also effectively motivate EHS changes*

Below, we present ideas from the Summit discussed during intensive small-group discussions and plenary discussions categorized in our “Leadership Acceleration Process” framework. The framework was not necessarily endorsed by the participants; neither the Summit by itself, nor this report, were designed to achieve comprehensive nor consensus recommendations. Instead our purpose in this presentation is to further stimulate discussion in the field regarding potentially under-utilized *types* of support, as well as what *packages* of support could be considered in the future. The report does indicate degree of agreement among participants for individual ideas.

### Identify: Focus on Transparency and Benchmarking

Several Summit participants felt strongly that the key to EHS performance and culture shift lies in stimulating the motivation to pursue EHS, and that the key motivation for the pursuit of EHS among suppliers, and even for brands, is transparency on EHS performance. Unless suppliers learn whether they fall – for example in the top 25%, middle 50%, or bottom 25% of a brand’s suppliers – it is unlikely that they will see the extent to which they have a problem and make necessary changes.

Already, some brands like Adidas, countries like Brazil, and nonprofit organizations like the Institute for Public and Environmental Affairs (IPE) in China are disclosing performance of supplier labor and environmental performance to good effect:

- Adidas makes performance against their brand EHS standards transparent among all of its suppliers
- Brazil publicizes EHS performance in newspapers against its national standards
- IPE uses a variety of virtual media channels to publicize factory-level performance also against China’s national standards.

Above examples suggest that large-scale transparency efforts are possible, although uptake and progress will be dependent on designing transparency efforts appropriate for each cultural context.

In addition to transparency efforts that exert pressure outside-in and top-down, participants discussed the role of ‘bottom-up transparency,’ i.e. efforts that lead to workers understanding good EHS practice and then putting pressure from the inside EHS systems and performance (see box on the next page for an example of one such program).

### How to Stimulate Bottom-Up Transparency: The Rapid Results Program (RRP)

The key elements of the Rapid Results Program, developed by the [Rapid Results Institute](#), are as follows:

1. An RRP project team works with multiple suppliers to organize a team of workers and a team of management in each supplier to independently discuss problems.
2. The two teams within each supplier are then convened together to share their results. Management is often surprised that what they think of as the problems are not what the workers think, and that workers have an useful view.
3. The suppliers then compete with each other in a 100-day challenge to improve conditions.

The Rapid Results Program has been implemented in Brazil, Africa, and Turkey. At least one brand is currently undertaking the program in China. One Summit participant noted that this approach is well suited to identifying and resolving risk areas; other approaches would be needed to address other goals, for example embedding EHS management systems would require a long-term management skill-building program.

*Clear and transparent benchmarking can create positive tension between good and poorer EHS performing suppliers, motivating change*

Participants discussed brand-supported transparency efforts in terms of benchmarking systems, and supplied many useful considerations for such systems:

- Supporting supplier benchmarking helps to catalyze new approaches to address EHS gaps, as well as with efforts to reward EHS excellence.
- Benchmarking is more effective when it is about data, not judgment. For example some third party organizations make data on suppliers publicly available without comment, letting readers draw their own conclusions.
- “Public” transparency can mean within and between suppliers for a given brand, or truly open disclosure on a brand’s website.
- A benchmarking tool should be objective and clear, simple and consistent; applicable for all suppliers; and not have a hidden agenda.
- Certain information could be kept anonymous if it helps inspire trust with suppliers.
- A benchmarking tool should seek to measure a limited number of common, key performance indicators, for example accident loss days. As with lean manufacturing, the idea behind benchmarking is to spotlight the most relevant outcomes to promote changes in performance.
- Use of benchmarking systems can be optional or mandatory.
- Where optional, brands can complement benchmarking tools with privileged access to other EHS support programs to encourage participation (see *Educate* and *Connect & Sustain* sections below for examples).



*Coalitions are in a better position than individual brands to establish benchmarks that will improve the status quo*

*Mandatory minimum EHS training should be established for each role within a supplier:*

- Executives
- EHS professionals
- Supervisors
- Line workers
- New hires

- All participants agreed that coalitions are likely to produce multiplier effects implementing benchmarking systems over individual brand implementation. This is because suppliers disqualified by individual brands for very poor EHS performance seldom go out of business, but continue manufacturing for other brands; coalitions can help increase the consequences of poor EHS performance by an individual supplier.

Without widespread transparency systems, it is more likely that suppliers – especially those deeper in the supply chain – will achieve only cosmetic improvements.

## Educate: Develop Smarter Training Requirements

Summit attendees widely agreed that brands should mandate some training for suppliers. Ideally the training engagement would start with an assessment of trainee needs and factory management systems as discussed in the *Identify* section above.

**Training requirements differentiated by role:** Participants also agreed that training programs should take into account the different training needs of different stakeholders within a supplier and that such differentiated training should complement each other to have the greatest overall effect, for example having supplier executive workshops that kick-off and close EHS specialist and line supervisor training programs. Summit discussion points by stakeholder group are described below:

**Supplier executives:** Supplier executive training was firmly agreed to be critical to improve top-down support for subsequent EHS investments, implementation success and sustained EHS performance, but such training is currently uncommon.

Participants agreed on the following aspects for supplier executive training:

- Raising EHS awareness among executives on EHS is an important first step.
- EHS training for suppliers is likely to have a better impact if initiated with brand-sponsored supplier-executive training.
- Case studies should be developed and presented that address common areas of executive concern, especially those that make the business case. For example reducing and avoiding risk relevant to different business models is one general area of common concern; although specific exposure will vary by company (e.g. related to volume or production type).
- Supplier executive training should not exceed 1-2 days at a time to increase likelihood of their attendance.

Other possibilities for supplier executive training discussed included:

- A small group of executives could be consulted prior to designing an executive training or comprehensive supplier engagement program.

- Provide management system tenets and practices such as goal setting, feedback systems, incentive programs, constant messaging, factory management having regular EHS group meetings, and key performance indicators.
- Formats could include training, presentation, and peer case sharing.

***EHS professionals:*** An EHS professional is someone with the responsibility and skills to effect EHS improvement within their scope of influence. Participants agreed that defining what these skills should be is ideally the role of governments for maximum portability across employers, whereas brands (especially in coalitions, as mentioned previously) are well-positioned to reinforce EHS professional certification where it exists and promote EHS training.

However, since government leadership on EHS professional certification in Asia is unlikely in the short term, participants agreed that brands – especially in coalitions – can lead the development of EHS capacity in the supply chain. They can lead by promoting supplier success stories, creating demand for EHS professionals, and developing – or working with third-party organizations to develop – EHS professional certification.

Key training topics for this audience raised by participants related to how to make them more practical and effective change agents, rather than just technically competent in EHS:

- Understanding details of factory processes, and EHS hazards in each step of those processes.
- Management systems, including key performance indicators; how to manage people; and understanding organizational structure.

***Supervisors within factories:*** Line supervisor buy-in was widely indicated as another area of critical importance to advancing EHS practice. Participants explained that training is needed for this audience especially where executive and EHS professional training is not enough to change a factory's organizational culture.

Summit participants identified key considerations in designing palatable and useful trainings for this audience, including:

- Any supplier-wide supervisor training program cannot overly disrupt production, e.g. suppliers would be unwilling to pull more than 5% of their line supervisors to attend training at any one time.
- Whether onsite or offsite, training should last at least 1 day in order to adequately capture their attention.
- Impacts can be improved if this audience, perhaps more than other audiences, receives regular (e.g. annual) refresher training, especially on updated regulations and practices.

- In many cases this audience may be the best target for Training of Trainers (ToTs), as line supervisors are directly responsible for the performance of line workers, the employees most at risk of EHS incidents.
- Linking EHS content to other internal management systems of the factory to promote integration and sustained improvement would be ideal; this would require a high level of engagement and assessment by the supplier and the trainers.

**Line workers:** Workers also need training; this could be done by line supervisors appropriately prepared via ToTs (see above), or by external providers. Training materials must take special consideration of line worker demographics. Summit participants noted that the workforce is on average between 18 and 25 years old, with a broad range in ability to understand how EHS concepts and best practices relate to their day-to-day work. Line worker training would be very basic compared to other training described above, with liberal use and provision of practical video and print materials for easy retention and reference regarding their rights, expectations, and practices. These materials could be used by the factory to orient new employees.

It should be noted that some participants felt strongly that factories, executives, and managers should put in place mechanisms for workers to give feedback on EHS, rather than simply train or provide materials to workers. Such mechanisms have been more likely to result in real change (see the inset box on **Rapid Results Program**, page 15, for an example).

**Certification.** Some Summit participants discussed that certification could motivate individual EHS leadership of not just EHS professionals, but also supervisors, line workers, and others, who in turn could drive factory EHS leadership from within. The basis of certification could be provided by governments or by indices with high levels of industry adoption. Such certification, transportable between employers, can help mobile EHS-certified factory staff drive EHS commitment across the supply chain.

**Application of training knowledge.** To help ensure that training is implemented in a factory, some participants felt that brands should provide some form of ongoing handholding and technical support to suppliers that participate in training programs. Finally, hands-on, practice-based training makes for a richer and more effective learning experience, and surveyed EHS experts are nearly wholly in agreement that it could produce robust training transfer outcomes versus classroom only education.

### Equip: Develop New Tools

Participants discussed a variety of informational tools that could motivate or enable suppliers to implement EHS improvements.

Effective tools in current use include:

- As mentioned above, brand-led benchmarking systems that enable supplier comparisons on EHS performance.

*The availability of EHS certification can motivate leadership on EHS*

*Training programs that require application of knowledge will be more effective*

*Effective tools currently in use include benchmarking systems, clear audit guidelines, and management tools*

*Suppliers would benefit from more informational tools that help them understand their current factory conditions, options for improvement, and external help that is available*

*More e-learning tools would broaden the reach of EHS training*

*Mentoring is effective but scale can be a challenge for brands with large supply chains*

*Peer-to-peer approaches may be more practical for most brands; many models exist*

- Brand-provided, clear audit guidelines, audit reference guides, corporate responsibility guidelines and standards.
- Management tools to help more advanced suppliers promote shifts in EHS culture and limit the risks suppliers face during the turnover of key EHS professionals.<sup>2</sup>

New informational tools that participants would like third parties such as ISC to develop and make available to their suppliers include:

- Real-time monitoring toolkits, which suppliers could use for meaningful EHS decision-making.
- Scenario generators – e-tools that help suppliers decide between various best in class support options based on cost, feasibility, etc. A scenario generator would allow EHS professionals to plug in numbers and see which solutions are most compelling and feasible.
- Public information systems, or online access to reference databases that clarify local regulatory frameworks.
- Directories of EHS training or consulting providers, auditing firms, and other related service providers.
- Repository of EHS best practices that would draw attention to both good and bad EHS projects and practices that shape positive and negative shifts in EHS culture.
- E-learning platforms that improve access to supplier best practices. Alternative communication channels – audio, video, online courses, etc. – are easy ways to broaden the reach of training on key EHS topics. These may be especially effective among the young workforce.

## Connect & Sustain: Increase Mentoring and Peer Learning Opportunities

**Connect & sustain** approaches with the most support in the survey were mentoring and peer learning. However, whereas EHS experts surveyed and who attended the Summit indicated that mentoring is likely to result in suppliers exceeding EHS standards, Summit attendees widely agreed that mentoring is too labor-intensive and not viable for many brands to implement. In comparison many ideas were shared on peer-learning strategies that could be practical and effective, listed here in order from light-touch to intensive:

- Organize **informal seminars** to encourage like-suppliers to share information.
- Encourage **“EHS Clubs”** for similar professionals from suppliers. A brand could host events for club members so they can share EHS best practices. In Vietnam, these EHS learning communities have taken on a life of their own.

<sup>2</sup> One participant noted that providing management tools could conceivably leave a brand open to certain liabilities, so such risks need to be managed.

*Consider having peers compete against each other*

*Peers learn better from others in similar situations with similar backgrounds*

*Hands-on, practice-based learning more effective than classroom-only approaches*

- **Foster competition** between peer groups across suppliers. For example, competition to become one of 20 mid-level EHS professionals of the year within specific geography or industry, and recognize winners publicly.
- Fun and educational game-show style **radio competition** on EHS issues on stations listened to by workers; this format was organized by industry associations and very successful in Cambodia regarding labor law.
- Target supplier communities at the lowest level of EHS maturity and organize them into **peer groups for training**.

While peer learning was agreed to be an excellent and practical method for improving supplier EHS performance, in practice, it is difficult to organize peer groups of like individuals. First, the EHS function is often poorly defined within a supplier. An EHS professional may be high ranking at one supplier, and low ranking at another. They may come from different functional perspectives as well; e.g. production versus human resources. An EHS professional in many factories is a human resource professional that dedicates less than 10% of their time to EHS. As a result of their heterogeneous nature, professionals can struggle to learn from other professionals. Learning between peers is most likely when the professionals have a lot in common, for example coming from similar industries, locations, and influence levels.

### Demonstrate: Require Training That Includes In-Factory Practice

Both the EHS experts who participated in the survey and those that attended the Summit agreed that demonstrating benefits, especially via active learning approaches, is an important component of a supply chain EHS performance improvement program.

The benefits of a training program that includes projects are not just that individuals better internalize what they learned, but that the projects tangibly demonstrate to the stakeholders in their factories and to each other the value of EHS improvement. Brands are in a unique position to encourage suppliers to undertake EHS projects as part of EHS training; some even habitually require it. Alternatively, brands could organize peer learning or mentorship programming around EHS projects. Summit attendees recommended that for any project, brands encourage collaboration between EHS professionals and professionals in other departments within the same factory.

One caveat is that the support needed from a brand that wants to see demonstration projects in its suppliers is considerable, such that less-resourced brands, or brands with very large numbers of suppliers, are likely to struggle with monitoring diverse supplier projects. Organizing peer mentoring could be a solution for some; 'cascading' mentoring down the supply chain (as described on page 10) may work for others, especially those with suppliers concerned about intellectual property.

*Supplier recognition programs are under-utilized*

*Effective models for supplier recognition and incentives exist*

## Celebrate: Increase Reward and Incentive Programs

Summit attendees believed that celebration programs would be most effective if they use incentives to encourage supplier EHS performance, and that celebration programs should showcase these incentive beneficiaries, generating a positive tension among peers that promotes systematic improvements.

Participants expressed that currently there is not much ‘celebration’ or recognition of supplier EHS performance due to many challenges are associated with it, including lack of awareness among brands of the business value of EHS and unavailability of benchmarks.

Effective supplier incentives currently employed by brands include:

- Celebrating high performers at supplier conferences.
- Transparent benchmarking across suppliers that also celebrates high performers.
- Rewarding performance with more business.
- Rewarding performance with “a seat at the table” in brand business planning, so that high EHS performers have a voice in deciding what best practices should be.

New incentive ideas proposed by participants included:

- Supplier rating scorecards – used to vet suppliers and consider supplier costs, quality, delivery, attitude, etc. – could expand to include EHS performance indicators.
- Supplier qualification could be more stringent on EHS; for example by including 1) “no-go” criteria such as unimproved EHS subcontracting, or 2) qualification based on the presence of EHS systems, rather than the absence of EHS audit findings.
- Benchmarking and scorecard tracking systems that inspire suppliers to make continuous EHS improvements as a condition for continued business.
- Recognition of excellence at multiple levels to create a reinforcing ecosystem for EHS performance, e.g. a three-dimensional approach with recognition at the individual, supplier, and industry levels.
- Celebration via media to increase the incentive for and impact of high EHS performance.
- Ask trainees how they want to be celebrated.

It is worth noting that important counterpoints to celebration overall were raised by a few participants.



*Don't just celebrate the best; highlight little wins in order to make EHS more accessible*

Because the practices of the highest performing suppliers are out of reach for many – even the majority – of the supply chain, celebrating these practices can have the effect of alienating much of the supply chain. Instead, some participants suggested that drawing attention to the many cases of small EHS advancement made by their suppliers, by making it feel achievable, would go further towards improving the supply chain as a whole.

Other participants noted that celebrating what's good only goes so far – as indicated above in the *Identify* section, transparency of poor EHS performance is the more universally effective motivator because it is more directly tied to the bottom line of business risk.

## Summary of Major Categories and Recommendations

Summit participants shared how various stakeholders – in particular brands acting individually or in coalitions, suppliers and factory managers, but also governments, service providers, industry associations, consumers, and governments – are changing and may be able to transform EHS performance in suppliers. The model looks something like this:

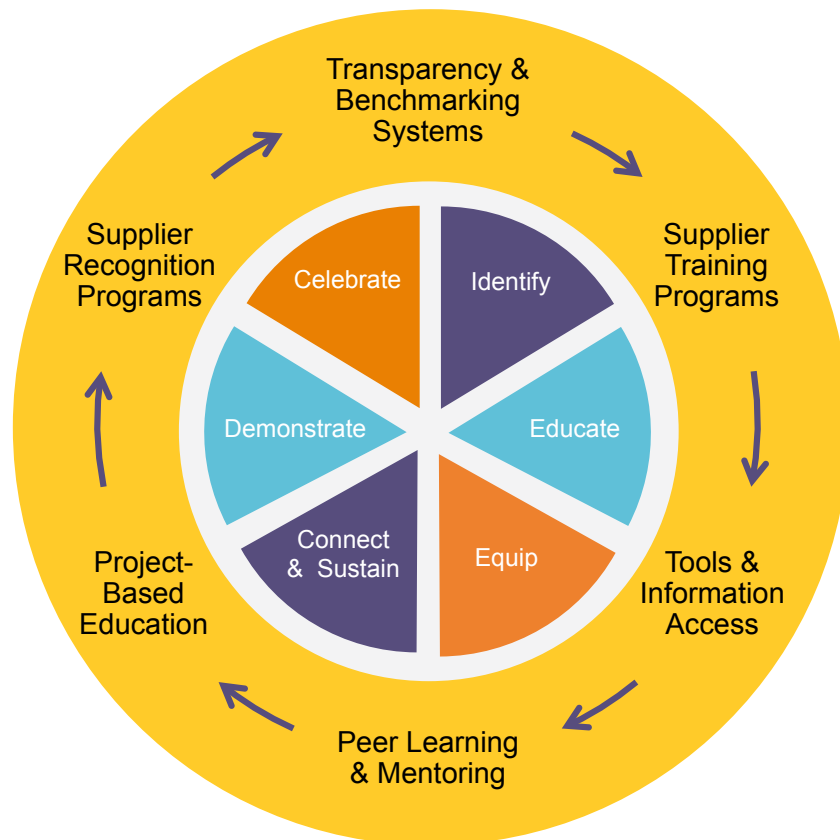
$$\Delta \text{ towards Sustainable Manufacturing} = \Delta \text{ in Brand Championship} + \Delta \text{ in Supplier Championship} + \Delta \text{ in Manager Championship}$$

$$\left( + \Delta \text{ in Government Championship} + \Delta \text{ in Consumer Championship} + \Delta \text{ in Third-Party Organization Championship} \right)$$





ISC pooled and tallied the main recommendations on support programs from the notes taken during breakout discussions and report-outs in order to arrive at this Summit findings report. Figure 6 summarizes the results, with reference to the EHS Leadership Acceleration Process Framework described on pages 12-13.



*Figure 6: The most popular interventions by EHS Leadership Acceleration Process Pillar in one view, suggestive of a comprehensive supplier engagement approach.*

Because this figure emerged during the process of analyzing information from the Summit, it was not explicitly discussed at the Summit. But it suggests that support programs could be packaged into a comprehensive supplier engagement approach which ISC will discuss further with its stakeholders and partners in our shared effort to transform the EHS performance of the supply chain in Asia.

## Appendix A: Activating Supplier Executives

Supplier executives have significant power to influence their factory's EHS culture. As such, many brands are interested to learn what they can do to help activate supplier executives, so they can better lead their factories in improving EHS performance.

To this end, behavioral change theories can help explain why and how supplier executives change their behaviors and suggest new EHS support programming.

### Behavioral Theory and Activating Leadership

The theory of reasoned action<sup>3</sup> is one such behavior change theory. Using reasoned action theory as a framework suggests that supplier executives consider the consequences of a new EHS behavior before they consider making new EHS investments. As a result, the relative strength of *intention* for EHS improvement of an executive is an important factor in determining whether his or her factory will make EHS improvements. It further suggests that a supplier executive's behavioral intention about EHS depends on the desirability of the EHS behavior as well as its feasibility. An executive's voluntary support for EHS is thus predicted by their overall attitude toward EHS and how they think other people will view them if they increase their support for EHS.

According to this theory of organizational change, brands can affect a change in supplier executive behavior in three phases: 1) elicit new beliefs for supplier executives to support EHS; 2) change their intentions by changing their most important beliefs about EHS; and 3) change their EHS behavior by changing intentions and increasing EHS skills or decreasing environmental barriers, such as an untrained workforce. The basic idea behind selecting any potential change method is that a supplier executive's salient beliefs have to change.

Figure A shows the major elements of this intention model.

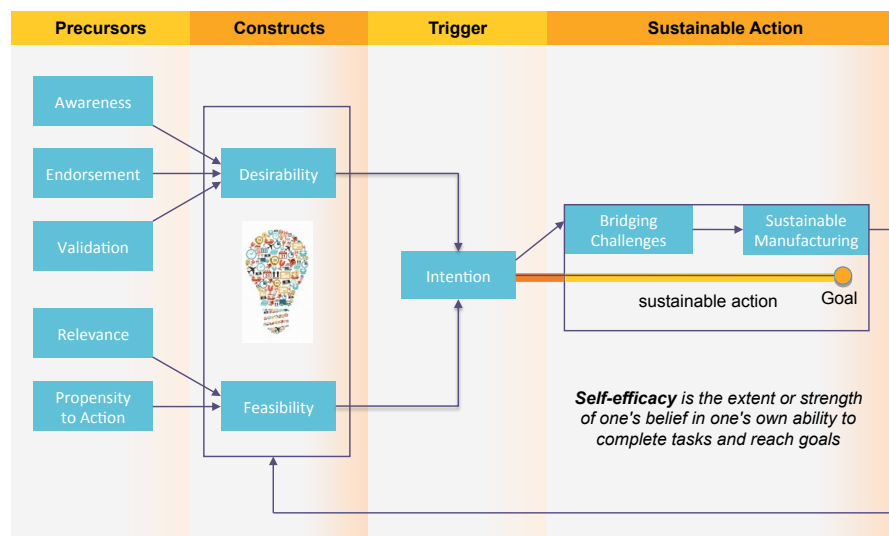


Figure A: The Reasoned-Action Model for stimulating EHS intention and behavioral change.

<sup>3</sup> According to Icek Ajzen, intentions develop from an individual's perception of a behavior as positive or negative together with the individual's impression of the way their society perceives the same behavior. Thus, personal attitude and social pressure shape intention, which is essential to performance of a behavior and consequently behavioral change. See further: Fishbein, M., & Ajzen, I. (2010). *Predicting and changing Behavior: The Reasoned Action Approach*. New York: Taylor & Francis. Also, Fishbein, M., & Ajzen, I. (1975). *Belief, attitude, intention and behavior: An introduction to theory and research*. Reading, MA: Addison Wesley. Also, Ajzen, I., 1991. *The theory of planned behavior*. *Organizational Behavior and Human Decision Processes*, 50, 179–211.


Adjusting to refer to EHS, the components of reasoned action theory would be:

- **Desirability (or attitudes):** A tendency for supplier executives to respond with some degree of favorableness to EHS performance. An executive may have the beliefs that EHS is good for their factory's overall sustainability; that worker voice, reduced emissions, zero waste, and stronger employee health and safety are important valuable ends in their own right, but necessary investments can be expensive and affect their factory's pricing competitiveness. The more persuasive the argument and demonstrations on desirability and benefits of EHS, the more an executive is likely to intend to make factory improvements.
- **Feasibility (or social norms):** The executive's perception of the degree to which they are capable of, or have control over, implementing and maintaining new EHS systems. An executive might know other factory executives who prioritize EHS and are thus constantly encouraged to adopt similar practices because of the demonstration of both feasibility and normality. Brands should also reinforce practical managerial approaches that make EHS investments feasible.
- **Intention:** A supplier executive's perceptions of the degree to which they are capable of, or have control over, performing EHS across their factory. An executive's desire for EHS performance combined with their perception about its feasibility, will lead them to the intention to support EHS, which will then lead to EHS behaviors.
- **EHS Self-efficacy:** An executive's impression of their own ability to perform challenging EHS tasks, such as supporting the implementation and socialization of a new EHS management system. EHS self-efficacy encompasses the amount of effort an executive will expend in initiating and maintaining factory-wide EHS behavioral changes. Self-efficacy, according to behavior psychologists, is the most important precondition for behavioral change, since it determines adequate coping behavior to overcome challenges.

All this suggests that brands need to intentionally create a combination of messages and supplier support programs that influence executive intention, by establishing the desirability and feasibility for EHS performance:

- **To establish desirability,** a brand should promote EHS **awareness** messaging and programs that foster supplier executive belief in EHS as an intrinsically valuable factory undertaking. They should reinforce the value of EHS investments, by **validating** good (or sanctioning bad) EHS behavior; in doing so, brands should help to show executives how to evaluate good and bad EHS behaviors. Finally, brands should help supplier executives see that other stakeholders also recognize and **endorse** good (or bad) EHS performance. Together, *Awareness, Validation and Endorsement* messaging and programming can help supplier executives to see factory EHS investment as more desirable.
- **To establish the feasibility** of new EHS performance, a brand should promote messaging and programs most **relevant** for the supplier's unique EHS requirements. Designing perfectly tailored programming for each individual executive may not be feasible, but appeals to rational behavior may be sufficient to promote **Propensity to Action**. Messages that reinforce *Relevance* and *Propensity to Action* are likely to help a supplier executive see new EHS investments as feasible.
- **To establish sustainable actions,** brands should help the factory executive and employees overcome difficulties of implementation and institutionalization, or **bridging challenges**.

The table (Figure B) on the following page re-categorizes relevant support programming from the Summit Findings Report into the Reasoned-Action framework, in hopes of inspiring new, and new combinations of, program ideas.



DESIRABILITY			FEASIBILITY		SUSTAINABLE ACTION
AWARENESS	ENDORSEMENT	VALIDATION	RELEVANT	PROPENSITY TO ACTION	BRIDGING CHALLENGES
Mandatory Supplier executive training  Supplier benchmarking and transparency  Best practice repositories	Brand coalition endorsement / usage  Brand recognition of EHS training certifications  Government recognition of EHS training certifications	Business cases  Brand coalitions using one EHS standard  Supplier recognition (scorecard points) for EHS excellence  More business from brand for EHS excellent	Benchmarking  Management systems gap analysis  EHS cultural gap analysis  Focus on relevant EHS projects first  Active, individualized brand engagement  Training and trainee needs assessments	Business cases (attractive ROI)  Subsidized support and other brand incentives (lower cost)  Supplier status recognition for leading EHS scorecard scores  Name and shame "public watch list" for underperforming suppliers	Mandatory certification training programs for EHS professionals  Supervisor training  Workforce training and messaging systems  Peer learning strategies  Brand mentorship support (where possible)  New supplier tools and toolkits  Management system inspired training

Figure B: Support Programming in a Reasoned-Action Framework for supplier executive leadership on EHS.

## Hallmarks of Activated Supplier Leadership

According to Summit participants, a supplier's executive who is truly committed to EHS is more likely to have a factory where:

- Brand procurement officers or supplier EHS professionals should be able to shut down a production line immediately when it's necessary; if they cannot, then the supplier executive team does not prioritize EHS.
- Top-to-bottom EHS roles: if EHS responsibilities stop at the EHS manager, then the supplier is not fully committed. Also, if there is no evidence of worker voice and worker-level EHS enforcement, it is unlikely that the supplier's executive team is committed.
- A strong culture of open communication is a key indicator and driver of EHS performance; a factory where managers and workers talk regularly, understand the issues, and deal with them, and workers are comfortable raising issues with their managers, is more likely to support and achieve strong EHS performance. Practices that build on and reinforce a communication culture include interdepartmental EHS committees and no-retribution feedback systems that encourage line workers to confidently surface EHS weaknesses.
- Supplier EHS committees can bridge communication gaps and are more likely to be effective at improving overall EHS performance and addressing systematic issues as compared to isolated EHS professionals.

Unless such signs are present in a supplier, it is likely that more efforts must be made to activate the EHS commitment of the supplier's executive.

## Appendix B: Role of Third-Party Organizations

Throughout Summit discussions, participants indicated areas where third-party organizations could or do add value to brand and supplier efforts. In no particular order, those mentioned included:

### 1. **Training delivery:**

- For suppliers: The vast majority of brands do not have the resources to deliver effective training required to accelerate EHS leadership by suppliers to their executives, EHS professionals, line supervisors, and line workers. Third-party service providers are often engaged to provide part or all of the training deemed needed for suppliers by the brands.
- For brands: Brand EHS professionals and brand procurement professionals also need capacity building; not all brands or sectors have the ability to provide this. Third-party service providers could be engaged for this purpose.

### 2. **Benchmarking and reporting systems for suppliers that are universal across brands:** Brands find it challenging to reach agreement on key performance indicators, especially across sectors. However there may be leverage points that are universal across sectors, such as a few key performance indicators, which could help drive the overall supply chain. A third-party organization with good networks across sectors is better placed than brands to explore such leverage points.

### 3. **Transparency programs:** Problematic EHS performance made public is a key motivator for brand or supplier commitment to EHS improvement. The Summit Findings Report discussed how brands can use transparency to drive EHS improvement among their suppliers; third party advocacy organizations and the media have played a role in increasing commitment of brands to EHS improvement. Service providers that specialize in benchmarking also have a role to play.

### 4. **Certification development:** Third-party nonprofit organizations can act as a mission-driven facilitator and coordinator of certification development by a brand or brand coalitions, a liaison between brands and governments in consultatively developing certifications, or an advocate to governments to develop certifications.

### 5. **Coalition coordination:** Given the coordination challenges faced by brand coalitions, some participants suggested that a third party could provide coalition management services. These could include advice or training on governance and management; facilitation of strategic scoping of coalition work, decision making, and the development of coalition-wide standards; or supporting the identification and development of solutions to common challenges.

### 6. **Tool and toolkit development:** Brands could engage third parties to develop or implement tailored assessment tools like training needs assessments, management systems assessments, or EHS culture assessments to improve supplier engagement and problem identification processes. Third parties can also improve supplier access to information tools and databases to improve EHS systems development.

- 7. Activating brand commitment to EHS:** Brands not already committed to EHS typically need to understand why to pursue EHS improvements, and in many cases need more support to engage their suppliers on EHS. A third-party organization can help bring along these brands. For example they can make the case by connecting EHS issues to issues these brands already care about, such as product quality, exposure to risk, or labor issues. Third-party service providers can also negotiate with EHS-committed brands to provide access for less-resourced brands to existing services sponsored by EHS-committed brands, and develop other collaborative solutions that can bridge the gap between EHS leading-brands and those less committed to EHS.
- 8. Exploring new areas for collaboration on suppliers:** Third-party mission-driven organizations may be better-placed than brands or governments to explore where collaborative approaches between brands or sectors of society can leverage more change. Examples raised by Summit participants included exploring what Tier 2 suppliers need – those suppliers that are not in direct contact with brands, and have many clients; and what supplier executives need to buy in to EHS.
- 9. Awareness-raising events:** Various types of third-party organizations can facilitate different types of public events in partnership with brands or brand coalitions to improve supplier awareness of the importance of EHS, and the value of participating in EHS support programs.

## EHS<sup>+</sup> Network Summit Participants

The Institute for Sustainable Communities gratefully acknowledges the generous participation, support, and insights from the Summit participants:

Adidas Group	Bill Anderson
Apple	Bob Bainbridge
Apple	Jim McCollough
Apple	Rebecca Su
Bristol-Myers Squibb	Lamy Bao
C&A Foundation	Sumeet Bhatti
C&A Foundation	Jill Tucker
Clothing Industry Training	Jo Poon
Edelman	Ashley Hegland
Fossil	Dorothy Kwok
GAP	Aaron Tam
GE	Waldo Wu
H&M	Joyce Tsoi
H&M	Sheila Shek
Hewlett Packard Corp	Ernest Wong
Lindex	Lars Doemer
Target	Ninh Trinh
Walmart	Jeff Lough
The Walt Disney Company	Jim Leung
UL	Ching Yi Pau



## About ISC and the EHS<sup>+</sup> Network

The Institute for Sustainable Communities' (ISC's) purpose in creating the EHS<sup>+</sup> Network (the "Network") has been to create a sustainable system across manufacturing centers in Asia for driving continuous improvement toward environment, health, safety and sustainability (EHS) excellence in manufacturing facilities. ISC's EHS<sup>+</sup> Centers are industrial training centers that equip practicing manufacturing professionals with the understanding, skills and confidence they need to increase compliance; improve operational efficiencies; and understand the financial, economic and strategic advantages of adopting sustainable business practices. The Network curriculum is designed to move factories along the continuum from basic compliance to more forward thinking, holistic and ultimately sustainable practices. The EHS<sup>+</sup> Network will develop standards to ensure consistent quality and cutting-edge curriculum across all EHS<sup>+</sup> Centers ("Centers"), engage in cross-Network marketing, and monitor results and impact. The two EHS<sup>+</sup> Centers in China and one each in Bangladesh and India are the foundation of ISC's global EHS<sup>+</sup> Network. Through the Network, the Centers share a common commitment to strengthening the EHS<sup>+</sup> field by improving best practices, curriculum, trainers, case studies, and professional networking.

The training leverages ISC's successful EHS<sup>+</sup> Center model, and is already proven in China. ISC's EHS<sup>+</sup> Network is comprised of local industrial training centers that significantly increase the pool of qualified EHS and sustainability specialists serving the manufacturing sector. Through the Network, ISC aims to ensure that everyone from owners to plant managers, factory engineers to line workers, embraces sustainable practices that safeguard the health and well-being of employees, communities, and the global ecosystem. To achieve this, the EHS<sup>+</sup> Centers in China equip practicing manufacturing professionals with the understanding, skills and confidence they need to increase compliance; improve operational efficiencies; and understand the business advantages of adopting more sustainable practices.

EHS<sup>+</sup> Centers are developed through partnerships with diverse public and private sector, international and local partners, and draw on the expertise and support of diverse stakeholders. Partnering with a local institution to house the Center ensures the program is firmly grounded in and adapted to the local context and language. ISC's local partner assumes increasing responsibility for the Center as it transitions to an independent, sustainable hub for driving continuous improvement in EHS<sup>+</sup> after the initial program is complete.

Each EHS<sup>+</sup> Center offers a curriculum comprised of EHS and energy/carbon management courses that offer skills managers can apply immediately in their facilities. In China, 85% of EHS<sup>+</sup> Center trainees asked reported successfully advocating for and implementing positive changes in practice in their facilities as a result of their participation.

### EHS<sup>+</sup> Network Steering Committee

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Pfizer  
Walmart  
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INSTITUTE FOR  
**Sustainable  
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