



SUMMARY OF PROCEEDINGS | DECEMBER 2009

Restoring the Primacy of the Real Economy

JUNE 9-10, 2009 | BOSTON

New Principles for Corporate Design

1. The purpose of the corporation is to harness private interests to serve the public interest.
2. Corporations shall accrue fair returns for shareholders, but not at the expense of the legitimate interests of other stakeholders.
3. Corporations shall operate sustainably, meeting the needs of the present generation without compromising the ability of future generations to meet their needs.
4. Corporations shall distribute their wealth equitably among those who contribute to wealth creation.
5. Corporations shall be governed in a manner that is participatory, transparent, ethical, and accountable.
6. Corporations shall not infringe on the right of natural persons to govern themselves, nor infringe on other universal human rights.

For information on the development and context of these principles, visit www.corporation2020.org



December 2009

Dear Colleague:

This document presents a summary of the proceedings of the 2nd *Summit on the Future of the Corporation: Restoring the Primacy of the Real Economy*, Boston, June 9-10, 2009.

Amidst a severe global financial crisis and recession, an outstanding group of experts from business, civil society, finance, law, the media, and other constituencies convened to address the urgent question of how to reconstitute the financial sector to better serve the needs of the “real economy.” The emphasis throughout the event was on long-term, systemic solutions, whether through law and regulation or through internal transformation of organizations, to foster a sense of higher purpose beyond short-term profitability and shareholder value.

The 2nd Summit marked the fifth anniversary of the launch of Corporation 20/20. While the first phase of the initiative focused on dialogue and constructing new corporate designs, the next phase of the initiative will focus in equal share on bringing Corporation 20/20 ideas into public discourse and policy debates about the future of finance.

The need for transformational thinking has never been greater. Corporation 20/20 will continue to serve as a forum, visionary, and advocate to challenge conventional wisdoms, to help create a new intellectual foundation for business-society relations, and to translate ideas into action. We invite your participation in a range of upcoming activities during 2010. Notice of such activities will be communicated via email to the Corporation 20/20 network and posted on www.corporation2020.org.

Our sincerest appreciation to all speakers, moderators, and panelists who contributed to the success of the 2nd Summit. Special thanks also to Corporation 20/20 co-founder Marjorie Kelly for editing these proceedings and to Faye Camardo, Christi Electris, Orion Kriegman, and Nina Smolyar for their many contributions to the event.

Cordially,

Allen L. White
Director

Restoring the Primacy of the Real Economy

Agenda

DAY ONE, JUNE 9, 2009 – TUESDAY

8:30 WELCOME

Allen L. White, Director, Corporation 20/20

8:45 **KEYNOTE: A global perspective on restoring the primacy of the real economy**

The imperative of restoring the primacy of needs-oriented organizations committed to long-term wealth creation.

Robert Johnson, Member UN (Stiglitz) Commission of Experts, Reform of the International Monetary and Financial System; Former Chief Economist of the U.S. Senate Banking Committee

9:30 **PANEL 1: Principles for the 21st century economic and financial system**

Exploring the principles that should underlie a transformation to a just and sustainable economy.

Moderator: Aron Cramer, CEO, Business for Social Responsibility

Peter Blom, CEO and Chair, Triodos Bank, Netherlands

Raj Thamotheram, Director, Responsible Investment, AXA Investment Managers

Robert Johnson, UN Commission of Experts, Reform of the International Monetary and Financial System

Steve Lydenberg, Chief Investment Officer, Domini Social Investments

10:45 **BREAK**

11:15 **PANEL 2: Capital and corporations: scaling up social finance**

Creating a new infrastructure to expand the flow of capital to socially purposeful corporations.

Moderator: Tim Smith, Senior Vice President, Walden Asset Management

Ben Bingham, Benchmark Asset Managers

Leslie Christian, President, Portfolio 21 Investments, Inc.

Mark Goyder, Founder and Director, Tomorrow's Company, UK

Andrew Kassoy, Co-founder, B Corporation

12:45 **LUNCH**

1:45 **CAFÉ-STYLE BREAKOUTS**

Developing initial action agenda and policy recommendations. Multiple clusters address same topic and spontaneous groups cover other topics.

- Rebuilding global finance
- Is “too big to fail” also “too big to exist”?
- A new Wall Street – the emergence of social capital markets
- Next generation sustainability ratings

4:15 **REPORTS FROM BREAKOUTS**

5:00 **SUMMARY OF DAY ONE**

6:00 **RECEPTION**

DAY TWO, JUNE 10, 2009 – WEDNESDAY

8:30 **REFLECTIONS ON DAY ONE**

9:00 **PANEL 3: Beyond the crisis — foundations for a new regulatory regime to foster long-term wealth creation**

Pivotal issues and opportunities for reshaping law and regulation to align business practices with long-term wealth creation.

Moderator: Judith Samuelson, Executive Director, Aspen Institute Business and Society Program

Susan Mac Cormac, Partner, Morrison Foerster

Richard Rosen, Senior Fellow, Tellus Institute

Rebecca Darr, Senior Fellow, Aspen Institute Business and Society Program

10:30 **BREAK**

11:00 **PANEL 4: Building sustainability from within — harnessing capital to drive long-term horizons**

Strategies to neutralize short-term pressures and achieve alignment with long-term wealth creation.

Moderator: Peter Senge, Society for Organizational Learning and MIT

Jeffrey Hollender, CEO, Seventh Generation

Wayne Johnson, former VP University Relations, HP

Robert Saillant, former VP, Energy Transformation Systems Group, Ford Motor Co., and CEO, Plug Power

12:40 **LUNCH**

1:30 **CAFÉ-STYLE BREAKOUTS**

Developing an initial action agenda and policy recommendations. Multiple clusters addressing same topics and spontaneous groups covering other topics.

- What is a “fair” return to capital?
- Should government elevate its role in guiding investment practices?
- State innovations in reshaping corporate law
- Rethinking fiduciary duty
- Learning sustainability in corporations

3:30 **NEXT STEPS**

4:00 **ADJOURN**

Summary of Remarks

DAY ONE, JUNE 9, 2009 – TUESDAY

WELCOME AND OPENING REMARKS

Allen L. White, Director, Corporation 20/20, opened the Summit by emphasizing that the gathering will focus on the critical question of the relationship between capital and corporations, which is a key aspect of corporate design and an issue that lies at the heart of Corporation 20/20's mission. The current financial crisis has exposed the flaws and the fissures and the shortcomings of finance as we know it. Our goal is to explore the crisis and look into the future for ways of making the nexus of capital and corporations serve the purpose of achieving high standards of social mission among all enterprises.

The event marked the fifth anniversary of Corporation 20/20. From the outset, one overarching premise has animated the project's work: the need to deal with the root causes of corporate conduct, and not the symptoms. When we look at companies today – locally, nationally, and globally — we see issues of labor standards and sweat shops, we see issues of accountability and transparency, we see declining or stagnant real wages. But when one steps back and asks why do these problems exist in the first place, we are forced to confront the disturbing realization that we may be focusing on outcomes rather than causes. Further, approaching problems in a piecemeal fashion is a losing battle, because it does not provide a deep, enduring solution to systemic problems of certain forms of corporate conduct.

What are these root causes? They relate to corporate purpose, defined both *de jure* and *de facto*. To ownership and control structures. To governance and rewards and incentives. And, most relevant to this meeting, to capital structure. Corporation 20/20 has come to understand the deep flaws in the legal and regulatory environment created by governments worldwide. For the last five years, the project has confronted sacred cows and conventional wisdoms pertaining to many of these issues, along the way discovering and inventing new corporate designs that are aligned with a purpose higher than shareholder value, the mantra of contemporary business.

Corporation 20/20 has operated as a forum, a visionary, and an advocate in addressing these core issues. Since the onset of the financial crisis, attention has shifted to the influence of the financial sector as both an agent of systemic problems and an impediment to change. This Summit recognizes that the intersection of companies and capital must be a core element of any corporate redesign effort. How do we transform, how do we reconstitute, how do we restructure finance such that it acts as a servant to positive transformation of business? How, in short, do we turn the tide of “financialization” of the economy and restore the primacy of the real economy?

KEYNOTE: A global perspective on restoring the primacy of the real economy

The imperative of restoring the primacy of needs-oriented organizations committed to long-term wealth creation.

Robert Johnson, former Chief Economist of the U.S. Senate Banking Committee, delivered a keynote address focused on his recent experience as a member of the UN Commission of Experts on Reforms of the International Monetary and Financial System. Along with Joseph Stiglitz, the Nobel-Prize-winning economist, Johnson was one of two American members on the 18-person international committee, which began meeting in the wake of the global financial crisis.

At the outset, the committee felt compelled to declare that the ideological premises of free market fundamentalism had failed. The issues that really matter in politics are those that no one will talk about. What is not being talked about is that at the center of the world financial system stand enormous institutions that have nearly oligarchic political power. When the Obama administration looks at institutions such as Citibank and Bank of America, the issues seem too big to resolve. It is not only that these institutions are too big to fail; they are too big for government to do anything about them, other than rescue them with more public monies.

At work is what academics call a “two-period game.” In period one, large financial institutions demand deregulation. Then, in period two, they demand government bailouts, saying that otherwise the real economy will be taken down along with the financial institutions on which the economy depends. That is called mitigation of loss, and it means in period one that people take too much risk, if they think they have the political power in period two to induce society to mitigate their losses. This too-big-to-fail structure means, in the absence of systemic change, we are likely to have more crises like the recent one.

With the federal bailout of \$800 billion, the individuals who were truly bailed out were the unsecured debt holders of major institutions such as life insurance companies and pension funds. In a sense, the top five percent of wealth holders were the principal beneficiaries. The cost will be borne by taxes on future growth, the lost opportunity to build roads, bridges, schools, and hospitals, or the opportunity to offer senior aid. We rewarded the people who should have lost money, the people who created the financial mess, the people who fought off financial regulation.

Part of the problem is the large political donations by the leaders of Wall Street. Beholden to these donors, congressional leaders and President Barack Obama feel constrained from taking forceful action. Obama talks bold action, but he offers meek proposals that pander to the financial sector. We have to help Obama by becoming political. The issue is not that we need a tool kit of proposals. The issue is politics. People know what to do and we’re not doing it.

PANEL 1: Principles for the 21st century economic and financial system

Exploring the principles that should underlie a transformation to a just and sustainable economy.

Moderator, Aron Cramer, CEO, Business for Social Responsibility

Peter Blom, CEO and Chair, Triodos Bank, Netherlands

Raj Thamotheram, Director, Responsible Investment, AXA Investment Managers

Robert Johnson, UN Commission of Global Financial Reform

Steve Lydenberg, Chief Investment Officer, Domini

Moderator **Aron Cramer** opened the first panel with general remarks about how to begin thinking about new principles that ought to underlie an economy that works more effectively, with more stability, with more sustainability, for more people. He had arrived in Boston to begin college on January 20, 1981, the day Ronald Reagan was inaugurated as President and famously remarked that “Government is not a solution to our problem, government is the problem.” That date marked the arrival of a different point of view and a different set of values that would endure for the next quarter-century. But the world looks very different today than in 1981. We have a looming climate crisis, different demographics, a greater recognition of the importance of health care, and a new digitally connected world. In that context, how do we rebuild our economy, upon what principles?

Panelists said the foundational principle is that markets should serve societal needs. The only legitimate purpose of financial markets should be to create sustainable, long-term wealth. All corporations have an obligation to contribute to the public good, but financial corporations in particular have an obligation that goes beyond simply their own profit maximization. Other

principles are essentially mechanisms for how financial markets should go about contributing to the public good.

A great challenge is how to identify the public good, how to quantify it, and how to recognize when a corporation is in fact serving the public good. Because financial actors have not been cognizant of their broader impact on the society around them, they have treated risk with disrespect. Risk needs to be respected, and all market participants should be accountable for the risks they take on behalf of clients. Further, all investments have social and environmental consequences, and that fact points to a need for mandated disclosure of social and environmental information to help illuminate the external, or public, consequences of private investment decisions.

Governance at financial institutions is also in need of major improvement. If financial executives are not to be paid only for short-term profit maximization, their incentives need to be more clearly linked to long-term performance that creates both private and social value. There should be better alignment of rewards with the intended end beneficiaries, which includes both shareholders and the broader public good. As one alternative model, Triodos Bank in the Netherlands pays no bonuses and options, instead offering only fixed salaries. It also has a maximum ratio between highest to lowest salaries of 7.6. This pay structure is tied in to Triodos' focus on social and environmental benefit. Because the bank is exhibiting this ethical sensibility, it has succeeded in attracting more depositors. Outside the corporation, the process of how new rules are made is also important. Capitalism gets its moral legitimacy from being governed by democracy. But when rules are bought and sold on Capitol Hill like commodities, that moral legitimacy is destroyed.

DAY ONE: Suggested Café-style breakouts (partial list)

- Rebuilding global finance
- Is “too big to fail” also “too big to exist”?
- A new Wall Street – the emergence of social capital markets
- Next generation sustainability ratings

PANEL 2: Capital and corporations: scaling up social finance

Creating new infrastructure to expand the flow of capital to socially purposeful corporations.

Moderator: Tim Smith, Senior Vice President, Walden Asset Management
Ben Bingham, Benchmark Asset Managers LLC
Leslie Christian, President, Portfolio 21 Investments, Inc.
Mark Goyder, Founder Director, Tomorrow's Company, UK
Andrew Kassoy, Cofounder, B Corporation

Moderator Tim Smith led a wide-ranging discussion on the topic of social finance and how to create and expand new infrastructures to vastly increase the capital flowing to socially purposeful corporations. He emphasized that all panelists already were deeply involved in connecting the realities of the investment world to the larger challenge of building a more sustainable global society and planet.

Panelists said one central issue is the notion of viewing companies differently — seeing them not as bundles of contracts, but as organisms, as human associations with a soul. Governance should be about governing a living system. A diversified portfolio of investments can likewise be seen as a biodynamic farmer might see it, as a good crop rotation of investments — from direct private loans through public equities to high-yield bonds — which together create a full portfolio of all positive assets, with no toxic assets. The aim is to find the efficient frontier, the mix of investments that represents the leading edge of sustainable practices that are also financially efficient.

A number of panelists spoke of the importance of seeking out 100-percent-positive investments, rather than seeing social enterprise as a small allocation within a portfolio, while the rest is perceived to be “real investing.” But trying to create a wholly pure portfolio, containing only the companies that have adopted the Natural Step or some other normative framework, one finds only about 30 companies, all in Sweden. In seeking a broader portfolio of the best companies around the world, it’s important to remember there are no truly sustainable companies, though one can find those with a better chance of becoming sustainable.

One impediment to be overcome is that many ordinary investors cannot participate in investments limited to accredited investors (e.g., who must have \$1 million net worth or income of \$200,000 a year). That requires a regulatory solution. Directors’ duties should also be reformed, so that directors may exercise a duty to a broader group of stakeholders, including but beyond stockholders. Every pension fund should have a stewardship mandate.

Another approach to creating the appropriate legal infrastructure is to have new kinds of corporate charters in state law. In terms of information availability, one idea was for a Wikipedia of social and environmental information to be created, focused on the thousands of companies that fail to attract Wall Street interest. In an ideal world, ordinary investors should be able to open the *Financial Times* and see columns in the stock or mutual fund charts that rank performance on “stewardship,” or other common, transparent, comparable data on social and environmental performance. Much evidence suggests that investors care about these kinds of issues, so the challenge ahead is to build a rigorous, high-integrity system that allows them to act on their desires.

DAY TWO, JUNE 10, 2009 – WEDNESDAY

REFLECTIONS ON DAY ONE

Allen White began Day Two of the event with his reflections on the previous day. Are there emerging commonalities which may form the basis for action in the coming weeks, months, and years? One aim of the Summit was to develop a first version of an action agenda rooted in a common purpose so that this work can be carried forward in various ways but, at the same time, remain coherently grounded in a set of shared views or principles. In searching for this common purpose, one thread was *design*: design of institutions, design of policies. The current financial paradigm is all about a design for managing risk. But surely there is another entry point, which is about asking what we want institutions to achieve in relation to long-term human well-being and sustainable prosperity. If our goal is to provide safe work, then we could back out a set of institutions designed to accomplish that.

A second thread pertained to *language*, the need for better language to describe a new approach to investing and capital markets. Words like “empathy,” “trust,” and “justice” appeared in Day One. How do we build empathy in corporations and the financial institutions they depend on? What is the language that helps us break out of old ways of thinking where short-termism and uni-dimensional thinking about shareholder value prevails?

A third thread was *scale*. Bigness. Growth. Expansion. Can we have prosperity without growth? Are there models that demonstrate that this is possible? Still another thread was *control*. How do we harness enterprise for socially purposeful outcomes? Simply because a new financial product *can* be invented, *should* it be, if its commercialization exacerbates socially-harmful, systemic risk or is devoid of any substantive social purpose? Do we need a regulatory body that can just say no? A final thread had to do with *disclosure*. The future of disclosure is very promising; one can feel

the forces mounting through the actions of regulators, business news services, stock exchanges, and other vehicles for enriching environmental, social, and governance (ESG) content in the marketplace of information. But it's important to remember, disclosure itself is not the end game. Transformational change of companies and financial institutions is the big prize.

Selected issues raised during discussion by participants:

We're in the middle of a big test: how strong is the model of capitalism we've come to live with?

We're suffering from institutional fatigue. Students are ahead of faculty, consumers are ahead of companies, and institutions — from universities and corporations to governments — are having a difficult time trying to adapt.

Fear and greed are said to drive the market, but fear lies behind greed. What was felt in this room yesterday was a potent underlying force of love for the earth. Our love for the planet and for humanity is what is going to drive change.

All of the themes mentioned in the reflections had to do with an expanded sense of purpose. We need to make explicit our sense of what is valuable about life, and that serving life must be the ultimate purpose of finance.

PANEL 3: Beyond the crisis — foundations for a new regulatory regime to foster long-term wealth creation

Pivotal issues and opportunities for reshaping law and regulation to align business practices with long-term wealth creation.

Moderator: Judith Samuelson, Executive Director, Aspen Institute Business and Society Program

Susan Mac Cormac, Partner, Morrison and Foerster

Richard Rosen, Senior Fellow, Tellus Institute

Rebecca Darr, Senior Fellow, Aspen Institute Business and Society Program

Moderator **Judith Samuelson** opened the panel with remarks on how to begin thinking about a new regulatory regime designed to foster long-term wealth creation. Business is the most important institution of the day and, if we fail to capture the power, the capacity, and the talent of business, we are not utilizing the most important instrument we have for addressing global problems. But as Machiavelli said, "It must be considered that there is nothing more difficult to carry out, nor more doubtful of success, nor more dangerous to handle, than to initiate a new order of things." We need a powerful vision to guide us, and we must address root causes. Among these root causes are the need to repurpose the corporation, to address incentive systems, to tackle money in politics, and to incorporate externalities into business decision-making. With models such as mission-controlled corporations, there is also great potential for making progress in new corporate designs within the existing legal environment.

Panelists discussed the limits to voluntary action by corporations. If in the 1970s society had allowed companies to voluntarily decide how to minimize air pollution, based on disclosure, we would not have made the progress we have made with clean air laws. Recognizing that major investment decisions by private firms inevitably have major social repercussions, one may envision a new regulatory process that would apply to virtually every industry. Such a regime would oversee all major investments through a democratic process. This is already in place in the electric utility industry, where price increases and major investments by power companies must be approved by utility commissions which have mandatory procedures for input by public interest groups. A

similar regulatory board for the chemical industry, for example, could approve new facilities.

Another topic was directors' duties and the scope of freedom currently allowed under the law. Under the business judgment rule, companies have far more latitude to attend to social and environmental factors than most realize. The real problem may not be the structure of companies, but other factors such as executive compensation and taxes. Changing corporate structure must happen in concert with changing other frameworks and incentives. In California, a new corporate form is being developed for possible legislative adoption, which would create a safe harbor allowing companies to incorporate social and environmental purposes that have been agreed to by shareholders. The new entity incorporated under this optional, alternative charter mechanism also would have greater disclosure requirements. This new form would apply not only to small companies; Chevron could set up as this company.

Other discussion focused on short-termism — the tendency of public companies to focus on quarterly earnings — and what the characteristics of a preferred regulatory and disclosure system would be. One characteristic is to foster a new clarity of purpose — that companies provide excellent goods and services and do so in a way that creates long-term value. Another characteristic is a balance between short-term and long-term incentives, for both companies and investments. More patient capital should be encouraged, perhaps through a trading tax or capital gains taxes. The relentless focus on quarterly earnings should also be de-emphasized. Finally, redesign needs a systemic, not piecemeal, approach to create transformational, enduring change in the performance of companies.

PANEL 4: Building sustainability from within — harnessing capital to drive long-term horizons

Strategies to neutralize short-term pressures and achieve alignment with long-term wealth creation.

Moderator: Peter Senge, MIT and the Society for Organizational Learning

Jeffrey Hollender, CEO, Seventh Generation

Wayne Johnson, former VP University Relations, HP

Robert Saillant, former VP, Energy Transformation Systems Group, Ford Motor Co., and CEO, Plug Power

Moderator **Peter Senge** kicked off the panel with an overview of working for change from within the system. There are a lot of positive changes within organizations — places like Seventh Generation and Plug Power — and it's important to share these stories. But the next question is: What is *not* happening? A system that can only justify itself by a few exceptions is not a very good system. The word "system" itself can be problematic, because it connotes something big and out of our individual control. Another way to view a system is like a family or a network. The system is us. It is the embedded habits of thought, habits of action, and ways of doing things. If we regard a corporation as a living system, a social system that is continually being created by its participants based on assumptions, habits, images, tradition, and imagination, then we have a different view of the word "system." We can learn from innovators and ask: what would it take for that to spread? It is important to remember that even the most visible, explicit rules in any social system are just artifacts. Whether they have impact depends on the larger functioning of the human living system.

Panelists discussed the fact that, in recent years, many of the best minds have been going to Wall Street to design new financial products rather than designing products and services that serve society through the real economy. There is a need to make a long-term societal investment in science and technology, and there are signs this is beginning to occur. Instead of telling people what to invest in, there should be grand challenges posed, so people feel inspired to tackle them. Make

solar energy economical. Manage the nitrogen cycle. Restore and improve urban infrastructure. This creates a pull that can organize and animate science and investment. Rather than thinking of investment as we've been thinking of it for decades — "What's the return on my money?" — we should be thinking about what kinds of physical, social, and human capital need to be developed to enrich societal well-being.

Seventh Generation is one sustainable company that has been growing rapidly — 45 to 50 percent a year — within a landscape filled with disincentives to be responsible and sustainable. Its success has inspired other consumer products companies to move in the same direction, but they lack a deep understanding of sustainability and pathways to achieve it. Wal-Mart, for example, is trying to sell more green products, while it continues to embrace a purpose that is antithetical to the changes it is making — to sell products at the lowest prices.

Structural and systemic anchors to the past run deep. Companies are too often focused on incremental change at a time when we can't afford to be merely incremental. When a green company seeks investments from young MBAs who work for mainstream financial firms — or even from firms with an explicit commitment to responsible investing — they often remain totally indifferent to the idea of sustainability and social responsibility. It boils down to, how soon will the company be profitable? How big is its margin? In general, if you want to see investors at mainstream firms roll their eyes, talk about social responsibility.

It's important not to be naïve about this. Still, progress is being made on many fronts, although it remains fragmented. We need to find a way to aggregate the momentum, the power, and the interest that exists to create a movement that unifies various strands of activity within a framework of a common higher purpose.

DAY TWO, Suggested Café-style breakouts (partial list)

Developing initial action agenda and policy recommendations. Multiple clusters addressing same topics and spontaneous groups covering other topics.

- What is a "fair" return to capital?
- Should government elevate its role in guiding investment practices?
- State innovations in reshaping corporate law
- Rethinking fiduciary duty
- Learning sustainability in corporations

Speaker Biographies

Benjamin Bingham

Ben Bingham is Managing Director of Benchmark Asset Managers, which was re-founded in January 2007 as a preeminent player in the management of 100 percent socially responsible or ESG (Environmental, Social and Governance) screened and high impact global/public and local/private portfolios for High Net Worth and Institutional Investors. Educated at Yale and Emerson College in England, in other lives he has been a visionary artist, biodynamic farmer, founder of a Camphill Community and Waldorf teacher as well as an entrepreneur and social investor. Beginning his career in money management eight years ago, his focus is to find and invest in undervalued, non-correlated global stocks of companies that contribute vital solutions for a sustainable world. With experienced colleagues, he builds portfolios that provide top decile performance in down markets and market returns in up markets through sophisticated asset allocation and hedging strategies (see www.benchmarkam.com).

Peter Blom

Currently, the CEO and Chairman of the Executive Board of Triodos Bank, Peter Blom joined Triodos Bank's management board in 1988. As well as developing the Bank in The Netherlands, he pioneered wind project finance when the sector was still in its infancy. He also promoted and helped implement tax incentives for "green" investments in The Netherlands and involved Triodos Bank in microfinance before any other bank was interested. In the nineties, he was responsible for the international expansion of the bank to Belgium (1993), the UK (1995), Spain (2004) and Germany (2006). He promoted the collaborations with sister banks in Europe, became the president of the international association of social banks (INAISE), and co-founder of Social Venture Network Europe. Since 1997, he has chaired Triodos Bank's executive board, leading Triodos Bank Group through a 25 percent annual growth from an aspirational start-up to become a global bank with almost € 4 billion assets under management. Mr. Blom was recently awarded the Dutch Royal distinction of Knight of Orange Nassau for his contribution to social banking and sustainability.

Leslie E. Christian

Leslie Christian, CFA, is President of Portfolio 21 Investments, a Northwest investment firm that specializes in socially and environmentally responsible investing. Ms. Christian has more than 30 years of experience in the investment field, including nine years in New York as a Director with Salomon Brothers Inc. In addition to her ongoing responsibilities as President of Portfolio 21 Investments, Ms. Christian co-founded Portfolio 21 (www.portfolio21.com), a global mutual fund committed to investing in companies that are incorporating environmental sustainability strategies into their businesses, and heads its management team. Ms. Christian has been instrumental in the startup of Upstream 21 (www.upstream21.com), a regional holding company dedicated to building local living economies, and she serves as the Chair of its Board of Directors. Ms. Christian received her Bachelor's degree from the University of Washington and her MBA in Finance from the University of California, Berkeley. She serves as Chair of the Board of Plymouth Housing Group (Seattle, WA), a nonprofit organization committed to providing permanent housing for homeless people (www.plymouthhousing.org).

Aron Cramer

As President and CEO of Business for Social Responsibility, Aron Cramer works closely with BSR's 250 member companies, providing advice and counsel on the full spectrum of social and environmental issues. Under his leadership, BSR has grown its staff by 50 percent and significantly expanded its global presence. Mr. Cramer joined BSR in 1995 as the founding director of its Business and Human Rights Program, and later opened BSR's Paris office in 2002, where he worked until becoming President and CEO in 2004. A globally recognized expert in the field of CSR, Mr. Cramer speaks frequently at business forums such as the World Economic Forum and UN meetings, and is widely quoted in media such as *The New York Times*, *Financial Times*, *The Wall Street Journal*, *La Tribune* (France), and *The Financial Express* (India). He serves on the Board of Directors of the Institute for the Future, Forum EMPRESA and the Center for Responsible Business at the Haas School of Business at the University of California, Berkeley. Prior to joining BSR, Mr. Cramer practiced law in San Francisco, and worked as a journalist at ABC News in New York.

Rebecca Darr

Rebecca Darr is Senior Fellow Corporate Programs with the Aspen Institute Business and Society Program, involved with the Corporate Values Strategy Group. Since 2003, this project has regularly convened working groups of CEO-level executives of Fortune 500 companies and institutional investors to explore the business practices that lead to malfeasance and short-sighted decision-making. Its particular focus was "short-termism," the focus on quarterly earnings and neglect of the long-term consequences of corporate actions. In 2007, the project released the Aspen Principles for Long-Term Value Creation. Darr co-authored the 2009 paper series, "Beyond the Crisis: Policies to Foster Long-Termism in Financial Markets," which examines the range of public policy ideas that emerged through conversations with the Corporate Values Strategy Group. Darr is also principal consultant at r3, a management consulting firm providing services to leadership of small to medium enterprises in Asia and North America. Formerly, she was manager Global Corporate Responsibility at Deloitte Touche Tohmatsu.

Mark Goyder

Mark Goyder is Founder Director of Tomorrow's Company, a business-led think-tank which engages business leaders in difficult issues for the future. Current projects are Tomorrow's Owners – stewardship of tomorrow's company, Tomorrow's Green Economy, and Tomorrow's Global Talent. Previous reports include "Tomorrow's Global Company – challenges and choices" (2007), "Sooner, Sharper, Simpler - on the agenda for integrated company reporting and UK reporting reforms (1998)", "Redefining CSR" (2002) and "Restoring Trust: investment in the twenty-first century" (2004). Mark initiated the Tomorrow's Company inquiry into 'the role of business in a changing world' in 1993. For 15 years he was a manager in paper, printing, and electronics. He has had advisory roles with British Airways, British Telecommunications, Camelot, and Co-operative Financial Services. Mark writes and broadcasts regularly and speaks to business audiences all over the world. He won the Institute of Management Studies (IMS) Tillers Millennium Trophy for best speaker. He was *Director Magazine's* Director of the Month in June 2004.

Jeffrey Hollender

President and Chief Inspired Protagonist of Seventh Generation, Jeffrey Hollender is a respected leader in the social and environmental responsibility communities. After his tenure as president of Warner Audio Publishing, Mr. Hollender acquired a small mail order catalog of energy conservation products, Renew America, which eventually blossomed into Seventh Generation. Mr. Hollender has led Seventh Generation from its humble beginnings to its current position as the leading and fastest-growing brand of natural products for the home. He has become the leading authority on issues related to making a positive difference in the health of the planet and its inhabitants through individuals' everyday choices. He frequently addresses social and environmental responsibility at regional, national, and international venues, and often consults to other companies to sustainability. Mr. Hollender has served as President of The Rainforest Foundation USA from 1992 to 1996, an organization created to protect the rainforest and the human rights of its indigenous peoples. Currently he serves on the Board of Directors of Greenpeace USA, Verité, Healthy Child Healthy World (formerly Children's Health Environmental Coalition), Vermont Businesses for Social Responsibility, and Alloy Inc., a publicly traded company.

Robert Johnson

Robert Johnson is an international investor and consultant to investment funds on issues of portfolio strategy. He currently serves on the United Nations Commission of Experts on International Monetary Reform under the Chairmanship of Joseph Stiglitz. Dr. Johnson is also the Director of Economic Policy for the Franklin and Eleanor Roosevelt Institute (FERI) in New York. Dr. Johnson was previously a managing director at Soros Fund Management where he managed a global currency, bond, and equity portfolio specializing in emerging markets. He served as Chief Economist of the U.S. Senate Banking Committee under the leadership of Chairman William Proxmire (D. Wisconsin) and, before that, as Senior Economist of the U.S. Senate Budget Committee under the leadership of Chairman Pete Domenici. (R. New Mexico) Dr. Johnson received his Ph.D. and M.A. degrees in Economics from Princeton University and a B.S. degree in both Electrical Engineering and Economics from the Massachusetts Institute of Technology. He currently sits on the Board of Directors of the Economic Policy Institute and the Campaign for America's Future.

Wayne C. Johnson

Wayne C. Johnson is currently an educational consultant working with the National Science Foundation (NSF) as the management integrator for their Corporate Alliance. In addition, he is representing the Kauffman Foundation as their lead Board member for the iBridge Network strategic partnership in Washington D.C. Previously, he was Vice President of University Relations Worldwide for Hewlett Packard (HP). Widely recognized as a thought leader and global influencer, Mr. Johnson was a delegate to the Clinton Global Initiative in September 2007. He also has been quoted in the press as a subject matter expert on the topic of engineering education and global capacity building. Mr. Johnson was one of five members of an expert panel, which provided Congressional Testimony to the United States House of Representatives (Subcommittee on Technology and Innovation, Committee on Science and Technology on July 17, 2007) regarding "Bayh-Dole – the Next 25 Years," significant legislation, which seeks to address issues of Intellectual Property (IP). Mr. Johnson joined HP in 2001 from Microsoft's University Relations department where he managed program managers and administrative staff across a customer base of 50 tier-one universities. From 1967-2000, he held a variety of positions at the Raytheon Company in Waltham. He serves on the Board of Trustees of Wentworth Institute and the Thurgood Marshall College Fund, and is the Chair of Franklin W. Olin College of Engineering's President's Council.

Andrew Kassoy

Andrew Kassoy is a co-founder of B Lab, the non-profit organization that certifies and promotes B Corporations™, as well as capital markets and policy initiatives to accelerate growth of this emerging sector of the economy. B Corporations™ are a new type of corporation which use the power of business to create public benefit, meeting comprehensive and transparent social and environmental performance standards. Prior to co-founding B Lab, Mr. Kassoy spent 16 years in the private equity business: as a Partner at MSD Real Estate Capital, an affiliate of MSD Capital, the \$12 billion investment vehicle for Michael Dell, and as Managing Director in Credit Suisse First Boston's Private Equity Department, a founding partner of DLJ Real Estate Capital Partners, and President of its international business. He is a Board Member of the Freelancers Union and the Freelancers Union Insurance Company, a Board Member of Echoing Green, an Advisory Board member of Wall St. Without Walls, a member of the investment committee of the Patient Capital Collaborative, and an Advisor to the NYU Reynolds Fellows Program. He was raised in Boulder, Colorado and now lives in New York City with his two sons, the Emperor Maximilian (five years) and the Boy King Jediah (two years).

Steven D. Lydenberg

Steven Lydenberg is Chief Investment Officer for Domini Social Investments LLC. He has been active in social investing for 30 years as Director of Corporate Accountability Research with the Council on Economic Priorities, Investment Associate with Franklin Research and Development Corporation (now Trillium Asset Management), and Director of Research with Kinder, Lydenberg, Domini & Co. (now KLD Research & Analytics). Mr. Lydenberg is the co-author of *Rating America's Corporate Conscience* (Addison-Wesley Publishing, 1986) and *Investing for Good* (Harper Collins, 1993), a guide for socially responsible investors, and co-editor of *The Social Investment Almanac* (Henry Holt & Co., 1992). He is the author of *Corporations and the Public Interest: Guiding the Invisible Hand*, published by Berrett-Koehler in early 2005. He holds degrees from Columbia College and Cornell University and is a Chartered Financial Analyst (CFA).

Susan Mac Cormac

For the clients Susan Mac Cormac represents, it's not just the equity and debt financing deals, mergers, acquisitions, reorganizations, or joint ventures that make Morrison & Foerster so highly valued. For many, it is the day-in, day-out legal counsel Ms. Mac Cormac provides – timely, creative, pragmatic advice on everything from structuring the legal entity of the organization, to dealing with corporate governance, sustainability, and corporate social responsibility issues. For many of the start-up to late-stage private companies, established public companies, as well as nonprofit and venture fund clients, Ms. Mac Cormac serves as their outside in-house counsel. Clients look to her for advice as they run their organizations as well as adroit legal counsel that helps avoid litigation. She works with attorneys from the environmental, energy, intellectual property, finance, tax, and other practices to provide comprehensive legal advice to companies in the sustainable or clean-tech space. Further, for socially responsible companies, she is working to create unique new corporate forms to take advantage of the profit and non-profit codes, helping these clients achieve both their goals for success and profit growth as well as fulfilling a social or environmental mission.

Richard Rosen

Richard Rosen is Executive Vice-President and a founding member of Tellus Institute. He has thirty years of experience in energy sector resource planning and management and environmental compliance. In recent years, Dr. Rosen's research has focused on the economics and feasibility of restructuring the electricity utility industry. In a variety of regulatory and public planning settings, he has presented detailed analyses of alternative supply options, renewable resources, environmental impacts, conservation, and integrated power plans in both market and regulated contexts. Dr. Rosen's current research focus is on alternative economic visions and models for the global economy, including new approaches to capital markets, regulation, and design of the production unit. He is also active on these issues through the Great Transition Initiative and Corporation 20/20 networks of Tellus Institute.

Roger Saillant

Roger Saillant has served in senior executive positions at The Ford Motor Company, Visteon Corporation, and, most recently, Plug Power where he was the CEO for more than seven years. In each of those positions, his behavior could be characterized as both challenging others to learn and grow while delivering strong results to the bottom line and the community. He is deeply committed to promoting improvements in the way businesses are agents of change in the world both socially and environmentally. He presently serves on several NGO boards and the boards of two start-up companies in the energy field and teaches climate change at the Marlboro Graduate School in Brattleboro, Vermont. He is a strong advocate for sustainability, speaks frequently on various environmental topics, and has just completed his first novel with an energy theme. He holds an AB from Bowdoin College, a PhD in chemistry from Indiana University, a postdoctoral degree from UCLA in organometallic chemistry, and was awarded an honorary doctorate of science from SUNY Cobleskill.

Judith Samuelson

In 1998, Judith Samuelson created the Aspen Institute Business and Society Program (Aspen BSP), which employs research and dialogue among business leaders to build a sustainable global society. Aspen BSP targets innovators and works with business managers at all levels, from MBA students to Fortune 500 CEOs. Among its signature programs are Beyond Grey Pinstripes (a global data base and report card on MBA business education), and the Corporate Values Strategy Group (a forum for business leaders to promote change in policy and business practice in pursuit of long-term value creation). Judith recently helped spearhead the creation of the Aspen Principles, a set of guidelines for long-term value creation for companies and institutional investors. From 1989 to 1996, Judith led the Ford Foundation's office of Program Related-Investments. From 1982-1989 she managed a sales and lending team at Bankers Trust Company. From 1974-1980 she worked in Sacramento as a lobbyist and legislative aid on California state health and education issues and in the Governor's office of Planning and Research.

Peter M. Senge

Peter M. Senge is a senior lecturer at the Massachusetts Institute of Technology. He is founding chair of the Society for Organizational Learning (SoL), a global community of corporations, researchers, and consultants dedicated to the “interdependent development of people and their institutions.” He is the author of the widely acclaimed book, *The Fifth Discipline: The Art and Practice of The Learning Organization* (1990, revised edition published in 2006) and, has co-authored many other titles popular in the field. Dr. Senge has lectured extensively, translating the abstract ideas of systems theory into tools for increased understanding of economic and organizational change. His areas of special interest focus on decentralizing the role of leadership in organizations so as to enhance the capacity of all people to work productively toward common goals. Dr. Senge’s work articulates a cornerstone position of human values in the workplace; namely, that vision, purpose, reflectiveness, and systems thinking are essential if organizations are to realize their potential. *The Fifth Discipline Fieldbook* was developed in response to questions from readers of *The Fifth Discipline* who wanted more help with tools, methods and practical experiences in developing enhanced learning capabilities within their own companies. In 2008, Dr. Senge was named by the *Wall Street Journal* among the top 20 most influential business thinkers.

Timothy Smith

Timothy Smith joined Walden Asset Management in October 2000, and is currently the Senior Vice President of its Environment, Social and Governance Group. His primary responsibilities include overseeing shareholder advocacy, public policy, assisting in client services and acting as the spokesperson for Walden on social issues. Walden Asset Management manages approximately \$1.7 billion for individual and institutional clients. Walden Asset Management is the socially responsible investment division of Boston Trust & Investment Management, an employee-owned firm based in Boston. Walden has been a national leader in responsible investing for over 35 years working on dozens of issues such as the environment, sweatshops, and climate change, Apartheid in South Africa, executive compensation, corporate governance and equal employment opportunity in the U.S. among others. Previously, Mr. Smith served as Executive Director of the Interfaith Center on Corporate Responsibility (ICCR) for 24 years. Mr. Smith is immediate past Chair of the Board of Social Investment Forum, the industry association for socially concerned investors where he served for 5 years. He serves on the boards of Shared Interest, a South Africa Development Fund, World Neighbors, an international development organization, and is a member of the newly created Kimberly-Clark Sustainability Advisory Board. In December 2007, Mr. Smith was named by Ethisphere Institute as one of top 100 most influential people in Business Ethics.

Raj Thamotheram

Raj Thamotheram joined AXA Investment Managers (AXA IM) in June 2006 as a Director, Responsible Investment (RI). Prior to joining AXA IM, he was the senior advisor for RI at Universities Superannuation Scheme, the second largest UK pension fund for nearly six years (2000 – 2006). In this role, he helped to launch the Marathon Club and the Enhanced Analytics Initiative. Mr. Thamotheram has also been consultant for corporate responsibility (1998 – 2000) and his clients have included British government, the UN Secretary General’s Office and major multinationals. Mr. Thamotheram holds a BSC in Pharmacology and a MBCHB from the Bristol University (1984).

Allen White

Allen L. White is Vice President and Senior Fellow, at the Tellus Institute in Boston, and directs the Institute's corporate redesign program. Dr. White co-founded the Global Reporting Initiative in 1997 and served as its Chief Executive through 2002. In 2004, he co-founded and now directs *Corporation 20/20*, an initiative focused on designing future corporations to sustain social purpose. He advises multilaterals, foundations, corporations, and NGOs on corporate responsibility and sustainability strategy, policy, and practice. He has held faculty and research positions at the University of Connecticut, Clark University, Tufts University, and Battelle Laboratories, is a former Fulbright Scholar in Peru, and served the Peace Corps in Nicaragua. Dr. White has served on advisory boards and committees of the International Corporate Governance Network, ISO, Civic Capital and Instituto Ethos (Brazil). He is former Chair of iScale, a non-profit dedicated to building capacity and the movement in support of global, multi-stakeholder organizations. Dr. White is a member of the Steering Committee of the Institute for Responsible Investment, Boston College Center for Corporate Citizenship and, since 2004, has served as Senior Advisor to Business for Social Responsibility. He has published and spoken widely on corporate responsibility, corporate governance and business-society relations.



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