The Civic 50: Strategic Stewards Tackle Societal Issues

2019

POINTS OF LIGHT
Table of Contents

3  ABOUT POINTS OF LIGHT
4  FOREWORD
5  THE CIVIC 50 AWARDS
6  2019 HONOREES OF THE CIVIC 50
7  SECTOR LEADERS
16  KEY METRICS & INSIGHTS
21  THE EMERGENCE OF STRATEGIC STEWARDSHIP

Cover: Across the country 50% of KeyBank’s workforce serves its communities on Neighbors Make the Difference Day
About Points of Light

Points of Light inspires, equips and mobilizes millions of people to take action that changes the world. Through affiliates in 250 cities across 37 countries and in partnership with thousands of nonprofits and corporations, Points of Light engages 5 million volunteers in 20 million hours of service each year. We bring the power of people to bear where it’s needed most.

At Points of Light, we believe that companies, their employee volunteers, vendors and customers can be transformative drivers of social change in communities around the world. We support the work of companies, from how people are asked, engaged and supported in delivering innovative solutions to educating and convening the sector on trends, best practices and evidence-based strategies for civic engagement, including leadership of The Civic 50.

For more information, visit www.pointsoflight.org.
Have you ever played with that simple dime-store game with a magnet wand that moved iron filings under a plastic barrier to put fur on a kitten or whiskers on a face? That visual—the image of a magnet drawing things toward itself, pulling those parts together to build stronger structures—seems particularly fitting for The Civic 50 this year.

Companies honored in The Civic 50 in 2019 are tapping a magnetic power that is shaping the relationship businesses have with their communities. Drawing on resources across their organizations, businesses are bringing new power and energy to address and champion social challenges by using their voices, capital and workforce.

At Points of Light, we see ourselves at the dawn of a new era—the Civic Century—in which everyone is fully engaged, connecting to each other’s strength and bringing new energy to building the world we wish to see. The strongest, most sustainable support for the Civic Century may come from companies. And why not?

We will spend about 90,000 hours—almost one third of our lives—working. Companies are using this opportunity to educate, influence, and improve attitudes, skills and behaviors that can break down barriers and build more connected communities, both inside their organizations and across the country. Points of Light is committed to supporting companies, and the communities where their employees work and live, to move beyond deep divides and unite in action to improve the world. Building on the magnetic power of our collective value and values is how we will create the world which we envision. The Civic 50 are leaders in the powerful force for good. We are delighted to celebrate their success.

Yours in service,

NATALYE PAQUIN
PRESIDENT AND CEO
POINTS OF LIGHT

JENNIFER LAWSON
CHIEF INNOVATION OFFICER
POINTS OF LIGHT
The Civic 50 Awards

The Civic 50 honors the most community-minded companies in the United States. Honorees are selected according to their performance on four dimensions of U.S. community engagement that were developed by a team of experts in 2014 and updated for 2019.

**INVESTMENT**
How extensively and strategically the company applies its resources to community engagement, including employee time and skills, cash, in-kind giving, and leadership.

**INTEGRATION**
How a company’s community engagement program supports business interests and integrates into business functions, or how it “does well by doing good.”

**INSTITUTIONALIZATION**
How the company supports community engagement through its institutional policies, systems and incentives.

**IMPACT**
How a company measures the social and business impact of its community engagement program.

Based entirely on responses to numerical and categorical questions, each applicant receives up to a possible 1,000 points in each dimension. The 50 applicants with the highest total score are awarded The Civic 50 honors, including sector leader recognition and three awards for excellence in volunteering. Human judging is not part of the determination. The 2019 honorees refer to companies’ community involvement in the United States during their 2018 reporting year.
2019 Honorees of The Civic 50

AbbVie Inc.
Aflac
Allstate Insurance Company
Altria Group Inc.*
AT&T Inc.*
Barclays
Blue Cross Blue Shield of Louisiana
Caesars Entertainment
Capital One
Charles Schwab & Co. Inc.
Citigroup, Inc.
Clif Bar & Company
Comcast NBCUniversal
Comerica Bank
Conagra Brands
CSAA Insurance Group
CVS Health
Deloitte
Delta Air Lines
DTE Energy*
Entergy Corporation
FedEx*
Freeport-McMoRan*
General Mills Inc.*
Hasbro, Inc.*
Health Care Service Corporation*
Hewlett Packard Enterprise
Hogan Lovells**
Keurig Dr Pepper
KeyBank*
KPMG LLP*
Marriott International Inc
MGM Resorts International
PIMCO
Prudential Financial Inc.
PwC**
Raytheon Company
Regeneron Pharmaceuticals Inc.
S&P Global
State Street Corporation
Symantec Corporation
Tata Consultancy Services*
The Hershey Company
Toyota Financial Services
TSYS
UnitedHealth Group
Unum
Valero Energy Corporation*
WellCare Health Plans Inc.
Wells Fargo & Company

* Sector leader
** Volunteer Award Winners
Sector Leaders

Among The Civic 50, the following 10 companies distinguish themselves further by ranking first in their sector, and three companies honored for their overall volunteer investments.
Wisdom from the Sector Leaders and Volunteer Award Winners

The Civic 50 sector leaders and volunteer award winners were asked to provide advice to companies hoping to evolve their community involvement toward excellence, answering the following two questions:

1. What do you see as the driving force(s) behind your success and sector leadership?
2. What piece of advice do you have for your peers?

FedEx | Industrials Sector

Our philosophy and culture are our driving force.

Our founder built FedEx on our people-service-profit philosophy: the belief that by creating a positive working environment for team members, they will provide better service quality to customers, which will then lead to customers using FedEx products and services. One component of our positive environment is our FedEx Cares citizenship program, detailed on fedexcares.com.

The foundation of our culture is our Purple Promise: I will make every FedEx experience outstanding. This promise extends to our team members, customers and the communities we serve. The outcomes of delivering on this promise include being on Fortune Magazine’s 2019 100 Best Companies to Work For list, in the top 10 on Fortune’s Most Admired Companies list, and inclusion in the The Civic 50.

Applying these drivers to FedEx Cares has put us in a leadership position in solving some of the world’s most pressing problems.

Our advice to our peers is determine, engage and invest.

Determine what your company uniquely does best and apply it strategically to help solve a vividly important societal need.

FedEx has expertise in road safety. We apply it to help solve the world’s road crash crisis. According to the World Healthy Organization, 1.35 million people are killed and as many as 50 million are injured in road traffic crashes every year. These crashes are the No. 1 killer of young people worldwide.

Engage your team members.

Our team members take delivery vehicles to schools around the world to teach kids about blind spots and to help train kids about safe pedestrian behaviors. We’ve helped train more than 17 million kids. Our engineers have gone to schools and used their routing expertise to help local government make environmental improvements to keep kids safe around schools.

Invest in nonprofits with proven effectiveness. We’ve identified leading global road safety nonprofits and invest in increasing their capacity.
At HCSC, we know that we cannot address every single issue that affects our communities, so we are focusing on specific areas where we can make a sustainable impact. This focus enables us to make targeted, big-bet investments to tackle social determinants of health related to access to care, nutrition, exercise and mental health. With our investments, we are establishing outcomes measures. For example, our Feeding America investment is focused on increasing consumption of healthy foods such as dairy, protein and fresh produce among people who are food insecure.

We also use tools and resources unique to our business such as our claims data or the Blue Cross Blue Shield Institute’s Community Health Management Hub® to make the most strategic community investments that most closely align with our business priorities. Through this analysis, we can identify “hot spots” where there are gaps in care or food deserts.

Our advice is to infuse community involvement into your culture in multiple ways. HCSC incorporates community involvement into the new employee orientation that every employee completes to begin employment. The first segment of orientation at each location is a presentation about the company’s overarching community involvement strategy, the many available opportunities in which to get involved and a volunteer activity for all the new employees. As part of the annual performance management process, we evaluate the leadership behaviors of all employees, including living our purpose through volunteerism. We also offer a volunteerism program led by state coordinators and local ambassadors who identify and promote volunteerism opportunities. Our employees who volunteer relate to a 14 percent increase in annual performance scores, and employees who spend 10 hours or more volunteering relate to a 50 percent increase in company retention.

Health Care Service Corporation employees volunteered more than 136,000 hours, generating nearly $570,000 in donations to community partners in 2018.
Hogan Lovells | Volunteer Leader Award

As a global law firm, we have a responsibility to dedicate our skills, talents, and resources toward the betterment of society. Drawing on our worldwide network, we are uniquely positioned to serve as a force for good by confronting injustice and inspiring a culture of civic engagement and inclusion.

We ask all of our people to contribute at least 25 hours toward this core value of good citizenship each year as part of their normal work duties. Our people provide pro bono legal services, volunteer to fundraise and work hands-on to enhance capacity of our NGO partner organizations, and help to drive internal measures related to environmental sustainability and diversity and inclusion.

Most importantly, our commitment is genuinely felt. While our citizenship program is company-sponsored, it's truly employee-driven. Our volunteers are encouraged to organize opportunities and engage colleagues on issues they care about that are of significance to our communities.

We strive to live our good citizenship value each day and integrate this commitment throughout our organization. It’s vital for our leaders to serve as model citizens, encouraging departments and teams to engage in citizenship throughout the year. Further, when recruiting new talent, we weave citizenship into every step of the process.

From the first introduction at job fairs or on our recruiting website, potential hires learn about our citizenship commitment through reports and case studies, and our recruitment team is well versed to have conversations about our citizenship program and expectations. Once welcomed to the firm, new hires meet with a member of the citizenship team to ask questions and learn about next steps for getting engaged. This helps to ensure that the people we attract and retain are aligned with our core good citizenship value and that they remain committed to enriching our culture of civic engagement and inclusion.

Hogan Lovells volunteers assist with a mural project as part of a broader beautification day at a domestic violence shelter.
At KeyBank, we are focused on our purpose: to help our clients and communities thrive. All of our actions are guided by that purpose. We bring the entire bank—our time, talent and resources—to bear in a very intentional, coordinated and systematic approach to community engagement.

This includes philanthropic investments in projects that are transforming the lives of underserved members of our communities. Our purpose is embedded in work across the country with developers who bring affordable housing to neighborhoods. KeyBank supports diverse entrepreneurs and small businesses on Main Street to succeed through lending and other services. And, it comes to life by ensuring all of our clients have the tools and guidance needed to be financially well.

KeyBank’s purpose drives our business strategy to address the unique needs of each place we call home, which ensures we bring the entire bank in an optimized way to help our communities thrive.

Our advice to our peers is to know your communities intimately. Nothing beats feet on the street and time taken to build meaningful relationships by meeting people where they are.

Getting to know the leaders and influencers driving real community change, along with the projects and initiatives strengthening our neighborhoods, will help you understand the needs and the gaps, threats and weaknesses that prevent a community from realizing its full potential.

To accomplish this, you need to take the time to listen. And then be relevant to what you heard. The most well thought-out and researched plan falls short without the relationships and deep understanding required to be an excellent community partner.
At PwC, we know what we do matters...but why we do it matters even more. **We take our purpose—to build trust in society and solve important problems—very seriously.** It is what drives our decisions as a firm, motivates our actions, and also what positions us as a leader. Being purpose-led means looking beyond the impact of our client work to the broader trends that are impacting our business, our people and our communities. To us, being a responsible business leader has always been about those two key components: leadership and responsibility. We use the business skills we have, the things we know, and the tools we possess to mind the opportunity gap—specifically for the underserved. We’re committed to finding thoughtful solutions to some of society’s toughest challenges and we’re doing so every day as part of the work we do.

We are at a complex and challenging time where inaction or even slow reaction is consciously or subconsciously scored by stakeholders. Action and inaction both can have meaning and dire consequences to the loyalty of employees, customers, clients, government and the general public. **Our advice to our peers is to take the time to reflect and strategically identify a north star around which their organization can galvanize to both derive business value and create social value, helping address myriad issues from infrastructure, to demographic shifts, to climate change and the dramatic influence of technology. That purpose is the guide that will allow businesses to address these different societal issues in a way that is unique to their offerings, products, people and skill sets. And that uniqueness is what will make their actions authentic and resonate with their stakeholders.**

PwC volunteers with Team Rubicon work to clear debris from a house following Hurricane Florence.
Valero | Energy Sector

The driving forces of our sector leadership are our company’s vision statement, which includes serving the needs of our communities, and our guiding principle on community. That principle emphasizes our mission to be a good neighbor by sharing our success with the communities where we live and work, through volunteerism, charitable giving and the economic support of being a good employer. Essentially, it expresses our commitment to improve the quality of life wherever we have major operations. This commitment is institutionalized at the highest level of leadership, as part of the company’s corporate governance guidelines. This support and example from the top filters throughout our employee base, and is reflected in our giving and activities companywide. Those activities serve predominantly disadvantaged children and families within four areas or pillars of support, including: education (39 percent), health care (28 percent), basic needs (21 percent) and civic (12 percent).

Valero’s success with community engagement initiatives is rooted in alignment with company values and consistent endorsement from executive leaders. Commitment to community has been a central theme in Valero’s culture for 39 years. Regardless of changes in leadership, support for community giving and volunteering, as well as nonprofit board service, are visible in the hallways on signage, reflected in photos and public quotes, centrally posted on internal portals and websites and most importantly, demonstrated through the actions of our CEO and his direct reports. Valero also has an annual recognition program for volunteers, includes board service as part of recommended actions in our employee development and succession plans, and provides latitude for volunteerism efforts in daily work schedules. Community involvement actions are celebrated, participation metrics are tracked and communications which reflect the company’s ongoing commitment to social responsibility have become an integral part of daily operations. Plain and simple, you must get your values off the walls and into the halls if you wish to cultivate and sustain success in civic leadership.
From our C-suite to our hourly employees, Freeport-McMoRan believes good citizenship is just as much about socially responsible behavior as it is about how we deploy our resources to create benefits in the communities in which we operate. Our commitment to a high standard of responsible behavior, transparency and collaboration underpins the way in which we engage with communities, invest in community benefit programs, identify opportunities to use our core business skills, and make decisions about our operations activities with community input as a key consideration. Further, we see our communities and stakeholders as experts in their own development, and we invest in their leadership and skill sets to create and enhance the foundation for long-term success and quality of life.

For Freeport-McMoRan, one of the most powerful tools in our corporate citizenship tool box has been a continuous commitment to listening to and engaging with both allies and critics in our communities, collaborating to solve community problems and issues key to quality of life, and addressing any potentially negative social impacts that may be created by our mining business while maximizing opportunities and positive benefits. Getting to this point took courage, transparency and a commitment to be responsive, but it is a practice that has been the driver of creating truly positive relationships and partnerships with our communities, yielding greater benefit for both community and company. We see ourselves as a learning organization and we take pride in the spirit of continuous improvement and collaboration that is embedded in our culture.

Students visit the Freeport-McMoRan Bagdad Mine as part of the company’s Dig Into Mining program that teaches STEM concepts through the story of copper.
One of the driving forces behind the success of our volunteerism initiatives is understanding the need of our employees. The passion is inherently there in each employee but understanding what motivates our employees as well as what might prevent them from volunteering is the key starting focal point. From keeping close tabs to how each business unit is performing, to continuously listening to feedback from employees via surveys, this crucial data enables us to understand where there are potential pinch points on an employee’s ability to give back and volunteer. Also offering up a wider variety of volunteerism types (e.g. speed, skills-based, virtual, etc.) helps cater to each employee's comfort level and amount of time they can commit. Finally, partnering with core nonprofit organizations that specialize in offering a wide variety of volunteerism activities helps ensure the experience is turnkey without too much strain on the precious resources we have.
DTE Energy | Utilities

DTE’s success in advancing our aspiration to be a force for growth in the communities where we live and serve stems from it being rooted in our company values, priorities and business objectives. We operationalized our commitment by establishing Force for Growth as a corporate priority, led by our Executive Chairman and an executive committee who shape strategic direction and ensure tactical progress. **By aligning community needs with business objectives, this work is structurally integrated to assure a sustained presence in day-to-day work**, while empowering business units to reach deliverables measured by annual evaluations on set goals. To maintain progressive institutionalization among our workforce, 25 percent of time invested to onboarding employees is devoted to Force for Growth. Through this commitment, we’re resetting the bar on how to be a force for good in our communities and fulfill our mission to be the best-operated energy company in North America.

The most important part of instilling a community-minded focus to your company is building a culture that empowers your workforce to be active and engaged in the communities they live and serve. By investing quality time, effort and having overwhelming support of company leadership, you’ll be amazed by the passion and energy your workforce exhibits. In return, this commitment to culture improves the productivity of business operations and raises employee morale. Our efforts have been successful, earning seven consecutive Gallup Great Workplace Awards, and emphasizing just how much implementing a community-focused approach can impact ourselves, and more importantly, those we serve.

A first-of-its-kind tree trimming program established in partnership with the Michigan Department of Corrections to provide career opportunities for inmates.
The Civic 50: Key Metrics & Insights

**Generous giving.** On average, The Civic 50 companies donate more than twice as much as other U.S. companies: $283,000 for every $10 million in revenue earned as opposed to $130,000 (per CECP’s 2018 Giving in Numbers).

**Increasingly sophisticated investments.** Grants are getting more integrated. Nearly 50 percent of The Civic 50 companies make multi-faceted investments where their grants are providing additional support through volunteerism, in-kind goods, or multi-year pledges.

**Business function integration.** Community involvement programs are becoming increasingly integrated with other business functions. The business functions most commonly supported with community involvement are employee engagement (98 percent), marketing/PR (94 percent), and diversity and inclusion (90 percent).

**Board-level involvement.** The vast majority (86 percent) of The Civic 50 companies include community involvement in the agenda of at least one board meeting a year.

**Performance reviews and goal setting.** Sixty-two percent of The Civic 50 companies include community engagement in performance reviews, and 86 percent include it in department goals.

**Public leadership.** Sixty-eight percent of The Civic 50 companies take national leadership positions on at least six public policy issues.

**Social impact and outcome measurement.** A majority of The Civic 50 companies (66 percent) measure the outcomes and social impact of their grants as part of a regularly implemented data.

**Business impact and outcome measurement.** Civic 50 companies also measure the outcomes from integrating their community involvement with other business functions. More than half of the companies measure the outcomes of this integration with employee engagement, marketing/PR, and diversity and inclusion.
# The Civic 50: Key Metrics

## Cash Giving

<table>
<thead>
<tr>
<th>Metric</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cash contributions (billions)</td>
<td></td>
<td></td>
<td></td>
<td>$2.3</td>
</tr>
<tr>
<td>Total value of cash given for employee matches and Dollars-for-Doers grants (millions)</td>
<td></td>
<td></td>
<td></td>
<td>$152</td>
</tr>
</tbody>
</table>

## Employee Time and Talent

<table>
<thead>
<tr>
<th>Metric</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total volunteer hours (millions)</td>
<td></td>
<td></td>
<td></td>
<td>10.5</td>
</tr>
<tr>
<td>Average percentage of volunteer hours that are skills-based</td>
<td></td>
<td></td>
<td></td>
<td>28%</td>
</tr>
<tr>
<td>Average percentage of employees participating in externally-directed company volunteering (e.g., packing food for a local food shelter)</td>
<td></td>
<td></td>
<td></td>
<td>43%</td>
</tr>
<tr>
<td>Average volunteer hours per employee</td>
<td></td>
<td></td>
<td></td>
<td>7.1</td>
</tr>
<tr>
<td>Average participation of employees in any type of efforts internal to the company citizenship or social issue engagement (i.e. employee resource groups, company-sponsored issue education, training, awareness building)</td>
<td></td>
<td></td>
<td></td>
<td>36%</td>
</tr>
</tbody>
</table>

## Public Leadership

<table>
<thead>
<tr>
<th>Metric</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage taking national leadership positions on four or more public education or policy efforts</td>
<td></td>
<td></td>
<td></td>
<td>68%</td>
</tr>
</tbody>
</table>

## Multi-Faceted Investments

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>38%</td>
</tr>
<tr>
<td>2017</td>
<td>43%</td>
</tr>
<tr>
<td>2018</td>
<td>44%</td>
</tr>
<tr>
<td>2019</td>
<td>49%</td>
</tr>
</tbody>
</table>

Over the past four years, the percentage of The Civic 50 companies that support partner nonprofits through multiple methods has steadily increased.
Integration

This dimension measures how a company’s U.S. community engagement program supports business interests and integrates into business functions, or how the company “does well by doing good.”

Top business functions The Civic 50 companies support with their community engagement:

2019

- Employee Engagement: 98%
- Marketing/PR: 94%
- Diversity and Inclusion: 90%
- Skill Development: 84%
- Recruiting: 76%
- Stakeholder Relations: 70%
### POLICIES AND PROGRAMS

<table>
<thead>
<tr>
<th>Practice</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Include community engagement on performance reviews</td>
<td>62%</td>
</tr>
<tr>
<td>Volunteer time off</td>
<td>72%</td>
</tr>
<tr>
<td>Volunteer recognition</td>
<td>96%</td>
</tr>
<tr>
<td>Matching grants</td>
<td>84%</td>
</tr>
<tr>
<td>Volunteer/Dollars for Doers grants</td>
<td>66%</td>
</tr>
<tr>
<td>Department goals for community engagement</td>
<td>86%</td>
</tr>
</tbody>
</table>

### LEADERSHIP SUPPORT

<table>
<thead>
<tr>
<th>Practice</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership encourages employee participation in community activities at least 12 times a year</td>
<td>76%</td>
</tr>
<tr>
<td>Leadership participates in U.S. company community activities at least 12 times a year</td>
<td>74%</td>
</tr>
<tr>
<td>Leadership presents on the company’s community engagement to the company’s board at least once per year</td>
<td>86%</td>
</tr>
</tbody>
</table>
Impact

This dimension evaluates how a company measures the social and business value of its community engagement program, studying outcome and output measures specifically.

Percentage of The Civic 50 companies that measure social outcomes as part of a regularly implemented data collection process for the community engagement function:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>66%</td>
</tr>
<tr>
<td>Volunteerism</td>
<td>44%</td>
</tr>
<tr>
<td>Social cause leadership/advocacy</td>
<td>40%</td>
</tr>
<tr>
<td>In-kind</td>
<td>14%</td>
</tr>
</tbody>
</table>

Percentage of The Civic 50 companies that measure the business outcomes as part of a regularly implemented data collection process:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee engagement</td>
<td>66%</td>
</tr>
<tr>
<td>Diversity and inclusion</td>
<td>54%</td>
</tr>
<tr>
<td>Marketing/PR</td>
<td>50%</td>
</tr>
<tr>
<td>Skill development</td>
<td>32%</td>
</tr>
<tr>
<td>Stakeholder relations</td>
<td>20%</td>
</tr>
<tr>
<td>Recruitment</td>
<td>20%</td>
</tr>
</tbody>
</table>
The Emergence of Strategic Stewardship

Two words describe the community involvement of The Civic 50 companies this year: strategic stewardship.

Last year’s report documented how The Civic 50 honorees were evolving from being “supporters” of those who take responsibility for advancing societal causes to becoming “stewards” of societal causes by accepting responsibility for addressing/tackling such social issues. This trend continues, as companies play an increasingly active and accountable role, moving from the fringes to the center of societal causes.

Supporters of societal causes:
- Leave it to nonprofit and government entities to understand and define society’s pressing issues
- Limit their involvement to joining existing social sector efforts
- Hold themselves accountable only to contribution goals (number of dollars, volunteer hours, etc.)
- Stay clear of controversial societal issues

Stewards of societal causes:
- Play an active role in helping to frame and evolve the societal issues they affect or are affected by
- Co-design or design social programs
- Hold themselves accountable to positive social impact
- Strive to influence controversial societal issues
The data from The Civic 50 this year shows continued progress in company evolution from supporters to stewards of societal issues. What’s notable is how strategic their stewardship of social issues has become. Specifically, 2019’s honorees are a pantheon of applying the concept of materiality, which states that companies consider the overall opportunities and risks in determining what causes to support and how to support them. The Civic 50 demonstrate that there are numerous options in serving as stewards of societal issues in a manner that is material to the business, as detailed below.

**Strengthening suppliers**

Community involvement can help remedy weaknesses in the supply chain. For example, organic ingredients are essential to Clif Bar products. Yet, organic farmers face a lack of seeds bred to thrive in organic conditions. To help fill the void, Clif Bar has become the largest private funder of organic research in the United States, funding 17 graduate fellowships in organic plant breeding and committing to raise $10 million to fund endowed chairs in organic plant breeding at leading U.S. public universities.

**Reducing costs**

Some societal issues represent a business cost. By choosing to alleviate societal issues that overlap as a corporate expense, companies can achieve win-win community involvement. For example, the health insurer Health Care Service Corporation has a partnership with the American Lung Association that addresses costly hospitalizations and emergency room visits.

The HCSC-ALA program improves the quality of care for children with asthma by using HCSC claims data to identify health centers serving high-risk patients with asthma. Strategic community investments provide an opportunity for HCSC to hold itself accountable for the effectiveness of its programs by monitoring the outcomes closely and building upon each program based on metrics. Its work with the ALA is estimated to have reached more than 645,000 individuals through nearly 160 clinic locations across the states where HCSC operated through 2018. Moreover, results from the first three years of the program demonstrate a more than 50 percent reduction overall in emergency department visits and hospitalization stays for children and adults with asthma, which improves quality of life for children and their families and contributes to lowering the cost of care for both communities and the company.

Dr. Steve Jones, Clif Bar & King Arthur Endowed Chair in Organic Grain Breeding & Innovation, from Washington State University’s The Bread Lab
Minimizing product-related risk

As retailers of the pharmaceutical products that, unfortunately, resulted in an opioid abuse epidemic, pharmacies face unique risks. Smartly, CVS Health is proactively addressing these reputational, regulatory and operational risks through, for example, its Pharmacists Teach prevention education program. As part of this program, pharmacists go from behind the counter to the front of classrooms to educate teens and parents on the dangers of misusing prescription drugs. In 2018 alone, CVS retail pharmacists volunteered nearly 2,500 hours to deliver presentations to more than 100,000 students in classrooms across the country educating them and nearly 3,000 parents on the dangers of misusing prescription drugs.

Minimizing operational risk

With 180,000 fleet vehicles delivering 15 million packages per day, FedEx needs to take the risk of pedestrian traffic accidents seriously. And it does. FedEx sponsors Walk Friendly Communities, a national recognition program developed to encourage towns and cities across the United States to establish or recommit to a high priority for supporting safer walking environments. The program is supported by the Pedestrian and Bicycle Information Center and operated by the UNC Highway Safety Research Center.

Specifically, Walk Friendly Communities celebrates U.S. cities putting pedestrians first in planning and designing their transportation networks. These cities invest resources in designing and building streets that maximize pedestrian safety and deliver education programs that reinforce the benefits of walking. A recent analysis confirmed that involved communities were
meeting the two primary goals of the program: increasing levels of walking while also improving safety for pedestrians.

Protecting customer purchasing power

A successful business needs its customer base to have sufficient purchasing power to afford its products. In the case of the electric utility Entergy Corporation, customer lack of ability to purchase its product is also a social issue. In fact, Entergy’s No. 1 priority is to keep the power flowing and, in the event of an outage restore power as quickly as possible. Entergy, therefore, engages all of its key stakeholders—its owners, customers, employees and community partners to keep the power flowing for households vulnerable to an outage due to economic circumstances. Entergy’s program engages a team of employees it calls “low-income champions,” who work hand-in-hand with community partners to advocate at the local, state and federal level for crisis-assistance funding. Entergy employees, customers and shareholders raised more than $2.5 million last year to provide assistance to vulnerable households.

Entergy also supports other programs that help place customers on the path to economic self-sufficiency. In 2018, for example, 2,500 employees served at 300 Volunteer Income Tax Assistance sites in four states helping to put almost $35 million back into the pockets of its low-income customers annually. VITA has helped thousands of customers grow their savings, decrease their debt and improve their credit ratings.

Securing a workforce pipeline

As a technology company requiring a highly skilled workforce, Hewlett Packard Enterprise is mindful of building a strong and diverse talent pipeline. HP Co.’s Women Innovation Council conceived of the Curated Pathways to Innovation program, and HPE Foundation became the founding funder of a partnership with the YWCA Silicon Valley, Santa Clara University and Purdue University. The initiative, now funded by a dozen other companies, partners and organizations, helps set all students, but especially girls and underrepresented minorities, on the path to STEM/computing careers through an AI and machine-learning app. CPI ran pilots with middle schools in San Jose, California, scaling to
high school this past year and is expanding to Houston, with the aim to scale nationally. CPI received AI for Good/Innovate for Good national awards in competition for use of AI to advance social change. Furthermore, supported by a prestigious award from the National Science Foundation, CPI hosted a conference at Santa Clara University to deepen its work and convene additional partners for collective impact. Thus far CPI has moved students with little knowledge of, and no interest in, computer-related careers to 25 percent of students expressing interest and actively pursuing next steps in preparation, well above the national and local averages. And, of most significance, CPI’s researchers have proven that this program is reversing the trend for girls, improving their motivation and persistence in these fields at a time when we see significant drop-off for females in the STEM+C space.

**Improving business partner relationships**

Businesses need to work with various entities, including government, nonprofits, neighbors and other businesses. Whether these relationships are collaborative or conflictual, friendly or litigious, or otherwise positive or negative, affects business success. Freeport-McMoRan’s community involvement is one way the company tries to ensure it has positive relationships with key external stakeholders.

Freeport-McMoRan has business partnerships with six federally recognized Native American tribes in the American southwest. Over the past several years, the company has worked diligently to establish a foundation built on trust and transparency with the tribes, through engagement, investment, and collaboration. By engaging in regular transparent and respectful dialogue, seeking input, respecting cultural heritage, acknowledging tribal sovereignty, and co-designing initiatives to meet mutual needs and interests, the company has implemented a range of programs and opportunities for these tribal partners. These include a Native American Partnership Fund, a Native American Scholarship Program, a women’s entrepreneurship training program called DreamCatcher, and a trade/technical training institute to serve the San Carlos Apache Tribe for those interested in pursuing well-paying jobs in mining and related industries. The ongoing engagement as well as maintenance of these programs has led to improved relationships, mutually beneficial agreements, and opportunities for the tribes to further address local needs critical to the quality of life on their reservations. Through these programs, Freeport-McMoRan has invested more than $65 million over the past five years, awarded 243 scholarships, trained 1,312 tribal members and placed 326 in trade jobs, and trained 36 women entrepreneurs to start or grow small businesses on their reservations.

In summary, The Civic 50 honorees lead the way in strategic stewardship through which the company holds itself responsible for demonstrable improvements in a societal cause that, in turn, naturally promotes the company’s ability to succeed.
The Civic 50 Honorees