



CLEVELAND CLINIC HEALTH SYSTEM

# 2011 United Nations Global Compact Report

A communication on progress to our community



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Dear Friends:

We are pleased to present the 2011 Cleveland Clinic *United Nations Global Compact, Communication on Progress*, for your approval. Here, you'll find data on Cleveland Clinic's compliance with the 10 universal principles set forth in the United Nations Global Compact.

The United Nations Global Compact is a valuable document. We share its principles. These principles reflect our commitment to the health and well being of the communities we serve. They affirm our support for environmental sustainability, diversity, fairness and integrity.

The United Nations Global Compact enhances Cleveland Clinic's culture of caring. It enunciates worthwhile goals, promotes the exchange of best practices among enterprises, and reinforces good citizenship in the community and responsible stewardship of the environment.

In 2008, Cleveland Clinic became the first healthcare provider to sign the United Nations Global Compact. In 2011, we continue to support its goals and aspirations. This report will show you how far we have come in the intervening years, and what we plan to accomplish in the future. Thank you for reading and considering this *Communication on Progress*. I hope it will inspire you to improve our world.

Sincerely,

**Delos M. Cosgrove, MD**  
*CEO and President*  
Cleveland Clinic

This report was compiled with the participation of the following key internal structures focused on supporting the principles of the UN Global Compact:

- Office of Diversity
- Community Outreach
- Wellness Institute
- Office for a Healthy Environment
- Facilities, Construction and Real Estate
- Human Resources
- Compliance Office
- Government Relations
- Executive Administration

## The United Nations Global Compact

The United Nations Global Compact brings business together with UN agencies, labor, civil society and governments to advance 10 universal principles in the areas of human rights, labor, environment and anti-corruption. Through the power of collective action, the United Nations Global Compact seeks to mainstream these 10 principles in business activities around the world and to catalyze actions in support of broader UN goals. With 5,000 stakeholders from more than 120 countries, it is the world's largest voluntary corporate citizenship initiative. For more information, please visit: [www.unglobalcompact.org](http://www.unglobalcompact.org).



The Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labor standards, the environment and anti-corruption:

### HUMAN RIGHTS

- |                     |  |
|---------------------|--|
| <b>PRINCIPLE 1:</b> | Businesses should support and respect the protection of internationally proclaimed human rights. |
| <b>PRINCIPLE 2:</b> | Businesses make sure that they are not complicit in human rights abuses.                         |

### LABOR STANDARDS

- |                     |  |
|---------------------|--|
| <b>PRINCIPLE 3:</b> | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. |
| <b>PRINCIPLE 4:</b> | Businesses should uphold the elimination of all forms of forced and compulsory labor.                                    |
| <b>PRINCIPLE 5:</b> | Businesses should uphold the effective abolition of child labor.   |
| <b>PRINCIPLE 6:</b> | Businesses should uphold the elimination of discrimination in respect of employment and occupation.                      |

### ENVIRONMENT

- |                     |   |
|---------------------|---|
| <b>PRINCIPLE 7:</b> | Businesses should support a precautionary approach to environmental challenges.                     |
| <b>PRINCIPLE 8:</b> | Businesses should undertake initiatives to promote greater environmental responsibility.            |
| <b>PRINCIPLE 9:</b> | Businesses should encourage the development and diffusion of environmentally friendly technologies. |

### ANTI-CORRUPTION

- |                      |  |
|----------------------|--|
| <b>PRINCIPLE 10:</b> | Businesses should work against corruption in all its forms, including extortion and bribery. |
|----------------------|--|



# Human and Labor Rights

Cleveland Clinic is committed to protecting human rights, directly and indirectly, through our employment and business practices and community engagement. We respect and uphold the labor laws of the United States, including protections against workplace and employment discrimination, the freedom of association, the right to organized labor, and the elimination of child and compulsory labor. As the largest employer in Northeast Ohio, with enterprises in Greater Cleveland, Florida, Nevada, Canada and the Middle East, we strive to foster a healthy, respectful and inclusive workforce, and to bring its benefits to our stakeholders in every community we serve.

## Structural Support for Human and Labor Rights

To activate this commitment, we have established the Division of Community Relations and Diversity, a Wellness Institute and a robust and progressive Human Resources team. A sub-committee of the Board of Directors governs community and diversity strategies. A multi-stakeholder Supplier Diversity Council helps us find and nurture local and diverse businesses in our region. Numerous employee-led wellness teams and diversity councils throughout the enterprise enact strategies at our various facilities and engage our workforce directly. Our Human Resources business partners are embedded directly within workgroups to provide direct support to front-line managers and to ensure compliance with our comprehensive policies.

## Community Benefit

Cleveland Clinic believes that the health of a city begins with the health of its people. We're committed to promoting nutrition, fitness and healthy habits in Cleveland and its neighboring communities. We're empowering people with the tools and education they need to take responsibility for their health and safety. We're bringing neighbors, physicians and community organizations together to energize change, and to make Northeast Ohio a model of wellness for the nation. The community benefit we provide is wide-ranging, from providing healthcare for the neediest among us, to funding innovative medical research that leads to new treatments and cures. The Cleveland Clinic health system subsidizes or supports a



**More detailed description of our community, diversity, and healthy workplace measures, including formal reports, can be found online at:**

[clevelandclinic.org/about](http://clevelandclinic.org/about)  
[clevelandclinic.org/wellness](http://clevelandclinic.org/wellness)  
[clevelandclinic.org/diversity](http://clevelandclinic.org/diversity)  
[clevelandclinic.org/communitybenefit2009](http://clevelandclinic.org/communitybenefit2009)

[clevelandclinic.org/community](http://clevelandclinic.org/community)  
[clevelandclinic.org/2008\\_code\\_of\\_conduct](http://clevelandclinic.org/2008_code_of_conduct)  
[clevelandclinic.org/annual\\_reports](http://clevelandclinic.org/annual_reports)  
[clevelandclinic.org/sustainability](http://clevelandclinic.org/sustainability)

comprehensive array of benefits, including charity care, medical research and education, outreach programs, community partnerships and community contributions, all of which are designed to continue our longstanding tradition of serving others.

## Community Engagement and Inclusion Initiatives

The structure of the Division of Community Relations and Diversity promotes wellness, education, economic empowerment, cultural competency and inclusion, and enriches the face of world-class care. In each area of work, we engage in research and community dialogue to determine need and materiality. Programs include:

### Community Outreach: Health, Wellness and Prevention

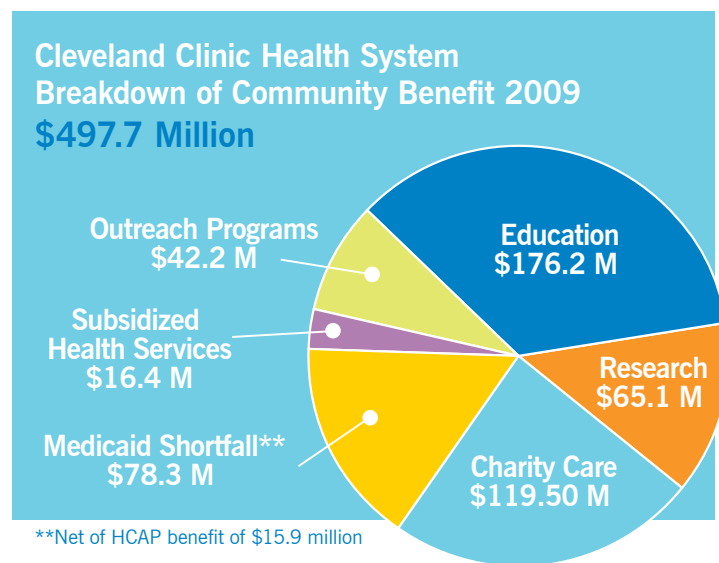
Our system is built in an area of unique neighborhoods, all of which are invited to develop an ongoing healthcare and community services relationship with Cleveland Clinic. Cleveland Clinic Community Outreach builds and supports relationships with these communities through a wide variety of health and wellness programs and educational opportunities. By bringing quality health screenings, education programs and our project-driven human resources to surrounding neighborhoods—in partnership with community groups and organizations—Cleveland Clinic helps individuals and neighborhoods to make positive health and wellness choices and engage in productive programs for the short and the long term.

### Employee Community Service

We encourage leaders to participate on community boards and all employees to engage in the communities we serve by offering a number of service opportunities throughout the Greater Cleveland area and beyond.

### Diversity & Inclusion

This department provides strategic support for creating an inclusive organizational culture. This is done through cultural competency education, pipeline development programs for women and underrepresented minorities, employee development and internal/external collaborations on diversity-related initiatives. Cleveland Clinic ranks as one of the top five hospitals for diversity and inclusion by DiversityInc. We cultivate strategic educational partnerships with the communities we serve; provide cultural competency training; and work toward decreasing health disparities by increasing



awareness of available healthcare services.

We leverage our major economic presence in Northeast Ohio to enhance equal access to potential business opportunities among qualified women-owned, minority-owned and small businesses. The supplier diversity program at Cleveland Clinic has two main objectives: develop a pool of diverse suppliers for increased participation in Cleveland Clinic's procurement opportunities and increase the number of local residents trained in skilled building trades and working on Cleveland Clinic construction sites. Cleveland Clinic received the 2010 Supplier Diversity award from the Northern Ohio Minority Supplier Development Council.

### Civic Education

The Office of Civic Education Initiatives was established to fulfill Cleveland Clinic's commitment to promote education throughout Northeast Ohio. In partnership with area schools, local businesses, and fellow nonprofit organizations, the Office creates innovative programs designed to enhance children's education in the areas of math, science, health and wellness, the arts, and innovation.

### Human Resources Policies and Metrics

We strive for consistent policies and practices across the Cleveland Clinic enterprise. Our organization has grown organically, and legacy policies and practices remain. At the current time, Human Resources is working to standardize the health system's policies and processes in order to provide a consistent employee experience



# Human and Labor Rights

across the entire Cleveland Clinic health system. Human Resources professionals are proactively retooling our policies to incorporate best practices and develop policies that apply universally. Work has been completed on the first components of a Human Capital Management system. A manager's dashboard has been implemented with key metrics for human resource management. The system for managing organization policy documents has been updated and made more accessible for employees. Process reengineering and standardization are under way in a number of HR business practices in anticipation of the next phase of software and reporting updates which are planned to go live in early 2012.

## Fair Labor Practices

The Cleveland Clinic health system's compensation system is designed to provide wages that are externally competitive and internally equitable; it includes a review process for any market-driven salary offer that has the potential to disrupt internal equity. Timekeeping systems and policies are designed to comply with applicable federal and state regulations regarding pay, including accurate calculation of overtime compensation. Hospital policies prohibit off-the-clock work for non-exempt employees as well as supervisory behavior that permits, encourages or requires off-the-clock work. Human Resources policies address appropriate use of independent contractors, student interns and hospital volunteers. Cleveland Clinic health system adheres to state regulations regarding working hours, duties and breaks for employees who are minors.

## Code of Conduct

Setting clear expectations is key to creating a culture of compliance and respect. All employees are required to read and acknowledge our Code of Conduct, which outlines expectations for all employees, regardless of role. The Cleveland Clinic Code of Conduct is part of our overall program of corporate compliance. It states the ethical principles that rule our business and determine our actions in the workplace. Medical decisions can be complex.

The Code of Conduct at Cleveland Clinic is a plain guide to making the right decisions. All Cleveland Clinic Board members, staff, employees, volunteers and service providers are required to observe this Code of Conduct, abide by our legal and regulatory compliance policies, and conduct their activities in an ethical manner. The seven principles that are supported by the Code of Conduct include: Legal and Regulatory Compliance, Business Ethics, Conflict of Interest, Appropriate Use of Resources, Confidentiality, Professional Conduct, and Responsibility.

## Employee Wellness

At Cleveland Clinic, wellness is an important part of our culture. Our employee wellness programs are designed to enhance employee well-being and improve their quality of life. Every year, a million people die of diseases caused by poor lifestyle choices. More than 30 million Americans suffer from chronic disease as a result of smoking, lack of exercise, poor nutrition choices and substance abuse. Our wellness program offerings focus on smoking cessation, food choices and portions, increased physical activity and stress reduction to help prevent Cleveland Clinic employees from becoming part of those statistics.

Cleveland Clinic has demonstrated an ongoing commitment to the health of its patients and employees by not hiring smokers and by strictly prohibiting smoking or the use of any tobacco-related products at all Cleveland Clinic locations. A free Tobacco Cessation program is available to all employees. To promote nutritious eating habits, we eliminated trans fats from all public and patient menus, launched a weekly farmer's market for employees and the community to provide increased access to locally grown, fresh foods during the growing season, and most recently, eliminated sugared beverages in Cleveland Clinic cafeterias and vending machines. To engage employees in increasing physical activity, free memberships to Weight Watchers, Curves, and Cleveland Clinic-owned fitness centers are available. Additionally, we offer employees the opportunity to participate, at no charge, in Shape Up & Go!™, an ongoing team-based walking and fitness competition. To assist in

stress management, the Stress Free Now online program is available to Shape Up & Go! participants for a nominal fee, and yoga classes are offered at no cost to any group of five participants or more. Healthful behaviors are further encouraged through free Wellness Tips offered online at the Cleveland Clinic Wellness website, and through other online programs that promote exercise, stress management, and healthy, nutritious eating habits.

Cleveland Clinic recognizes that healthy employees are more productive, enjoy lower medical costs, and have more energy for our primary mission of putting patients first. Our 42,000 employees and their families represent a considerable part of Greater Cleveland. We continue to look for new ways to evolve our culture of wellness. By strengthening our commitment to a healthy lifestyle for our employees, we make a significant impact on the wellness of our community.

### Environmental Health and Safety

The personal safety and health of each employee, patient and visitor is of primary importance to Cleveland Clinic, as is the protection of the environment in each community we serve. It is our policy to maintain an environmental health and safety program conforming to all applicable local, state and federal environmental, health and safety standards and regulations. Since these standards and regulations only define minimum requirements, it is the position of Cleveland Clinic that every effort will be made to exceed them whenever practical.

The Environmental Health and Safety Programs are predicated upon sound engineering, training and education. We provide safe working conditions for all employees and make available, where necessary, special equipment for the prevention of accidents and personal injuries.

The responsibility for environmental health and safety at Cleveland Clinic extends through the entire supervisory force to every employee on the job. The prevention of accidents and injuries requires that each member of the organization accepts a full share of responsibility for safety. Each employee shall comply with environmental health and safety



standards and all rules and regulations which are applicable to his or her own actions. Only through a cooperative effort by supervisors and employees can an effective accident prevention program be established and preserved.

The Environmental Health and Safety (EHS) Department oversees a wide variety of programs that pertain to employee, patient and visitor safety and environmental protection, including: injury risk and exposure assessments, accident prevention and investigation, fire safety, laboratory safety, biosafety, radiation safety, and hazardous materials management, including hazard communication, waste disposal and transportation safety. In addition, EHS coordinates the implementation and sustainment activities of the 5S Program, a workplace organization methodology, which is being implemented throughout the enterprise. The 5S Program is aimed at assisting employees create clean, organized, waste-free work environments that improve efficiency and patient experience.



# Environmental Stewardship

Cleveland Clinic supports healthy environments for healthy communities. We understand that environmental health and human health are linked and that we have a responsibility to take a precautionary approach to environmental stewardship through our operations and our community leadership.

**Healthy Buildings:** We are committed to designing and building safe, green buildings using the U.S. Green Building Council's LEED system and evidence-based design, which results in healthier environments in which to work and heal.

**Healthy Operations:** In connection with creating a healthier built environment, we strive to design and implement operational processes that reduce waste and chemical use, improve energy efficiency and promote energy independence.

**Better Buying:** We are committed to using our buying power to help transform the healthcare sector and prevent waste at its source.

**Finding Champions and Innovators:** We are committed to engaging and educating our workforce and our visitors, while helping our region's communities become "Green Cities on a Blue Lake." We seek to pioneer sustainable healthcare on a national scale by leveraging Cleveland Clinic's brand equity and expertise in sustainable healthcare.

## Structure for Environmental Stewardship

Cleveland Clinic's Office for a Healthy Environment (OHE) was created in 2007 in response to a heightened awareness of our organization's impact on our regional environment and on climate change at large. This office sets the strategic direction for environmental stewardship at Cleveland Clinic, provides operational support, and directs employee engagement in pursuit of improving the

environmental performance of the organization's operations. OHE is supported by employee-led green teams located at all major facilities in the system. Green team leaders report up to a system-level green team to allow for a shared approach to sustainability at all locations.

In 2010, recognizing that progress varied by location, the OHE engaged our green teams in a concerted effort to drive consistency in participation and practice, with the



goal of a unified approach to sustainability across our organization. Broadly defined, the functional principles underlying this effort include:

- A single strategy with uniform deployment to ensure that the sustainability objectives of the organization are matched by related efforts at each location.
- Consistency in project oversight and quality to standardize the process of implementing operational improvements.
- Standardized programming and messaging so that sustainability at Cleveland Clinic looks and feels the same to all our patients and employees regardless of which hospital they visit or work in.
- Standardized and centralized metrics and external reporting so that all sites speak the same language and manage to common metrics to promote system-wide accountability.
- Broad-based cultural integration and employee engagement to drive transformative organizational change through individual “ownership” from each caregiver at Cleveland Clinic.

As a first step in this journey, a multi-disciplinary team—with representation from each major location—collaboratively outlined a baseline for sustainability at Cleveland Clinic to which all sites should be held accountable. Installing and optimizing this baseline for sustainability is a major initiative for 2011.

In addition to our network of green teams, we have put together an enterprise-wide Energy Committee to provide multi-stakeholder guidance for energy contracts and energy efficiency investments. Among other affiliations, Cleveland Clinic is an Energy Star Partner, a member of Practice Greenhealth and the U.S. Green Building Council, and an active participant in Sustainable Cleveland 2019.

## Stewardship in Action

### Waste

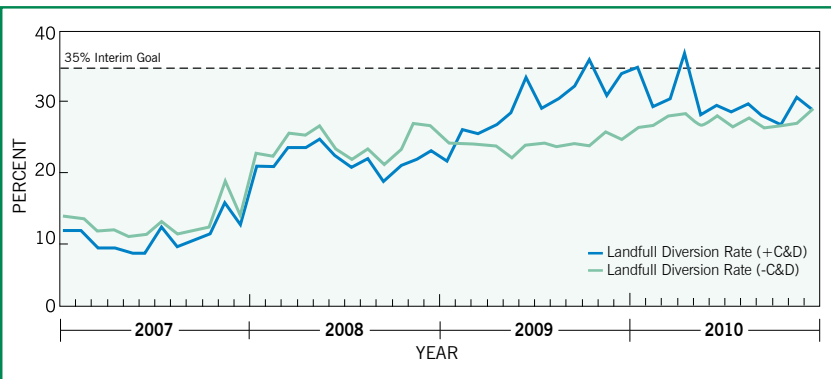
Waste management is a critical challenge to the healthcare sector and we continue to work collaboratively with our supply chain to reduce the amount of waste generated from our operations. In 2010, our main campus recycling program diverted 30 percent of the total waste we generated from landfills. One major success at this site has been our paper recycling program which has achieved a 58 percent increase in recycled paper over the last two years. Last year, we indicated that we would report a landfill diversion rate for the enterprise beginning this year. This metric is a top priority, and we will soon transition to a new environmental data management platform that will enable us to begin compiling this data.

In addition to minimizing waste byproducts from our product consumption, we actively repurpose a good amount of internal materials. This includes the reuse of 49 tons of furniture during this reporting period, and a donation of 34 tons of medical supplies and other materials to in-need populations in 2010.

As we optimize our conventional waste management and recycling practices, we are working to make further reductions in the waste we generate by working with local businesses and authorities to develop recycling markets for materials unique to our industry.

### Transportation

Cleveland Clinic operates a fleet of 247 vehicles that includes passenger shuttles and police and courier vehicles. In 2010, we realized a 9 percent improvement in the overall fuel efficiency of this fleet, conserving an estimated 25,000 gallons of fuel. This success is attributable, in part, to an anti-idling policy that was adopted in 2009, as well as the acquisition of more fuel-efficient vehicles. We have drafted



### MAIN CAMPUS LANDFILL DIVERSION RATE

*We measure all of our varied waste streams to calculate our landfill diversion rate, which includes recycling, reuse and donation. The data are key measures of our total waste impact. We are developing this metric at an enterprise level in 2011.*

# Environmental Stewardship

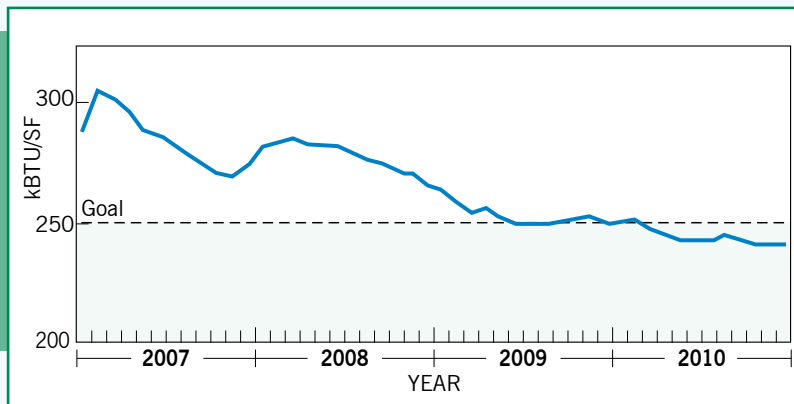
a new vehicle procurement policy that emphasizes hybrid and low emission vehicles whenever it is cost effective. As a result, we now have five hybrid vehicles in the fleet. We will rely heavily on this policy as we pursue an aggressive goal of 20 percent improvement in fuel efficiency for 2011. Additionally, the Cleveland Clinic Police Department supplements patrols with bicycle and electric vehicle mounted officers to provide security without emissions, and our parking patrol vehicles have been entirely transitioned to all-electric GEM cars. In 2011, we anticipate the installation of our first electric car charging station at our main campus for use by our fleet operators as well as employees.

In addition to improving the way we manage the environmental impact of our fleet, we are taking steps to encourage low-carbon employee commuting behavior. We offer rebates to our employees who purchase qualified low-emission vehicles, and we offer discounted parking rates to employees who drive hybrid or fuel-efficient vehicles and to those who carpool. However, our employee base is heavily reliant on single occupancy vehicles to commute to work, and we are focused on getting better at encouraging alternative commuting behavior overall. Last year, we reported that a 2010 goal was to increase transit emphasis and program enrollment. To that end, we conducted an extensive survey of our employee base to understand current commuting behavior and identify areas where we might better support those who are open to making a shift in their commuting practices. We look forward to acting on these insights in 2011.

## Energy

Cleveland Clinic approaches energy management with our patients foremost in mind as we strive to reduce the cost of healthcare delivery. Beyond reducing costs to our patients, our energy programs are viewed as a direct contributor to the overall health of the community. Although currently not the case, Northeast Ohio is often listed as a non-attainment area for air quality due to particulate matter. Electricity generation in our area is heavily dependent on coal. We can, however, directly affect community health by reducing the need to build new plants or by eliminating the need for older, less efficient plants.

We have taken leadership roles on a number of levels in order to broadly communicate this message. Locally, we are a founding member of the Cleveland Energy Alliance and we are excited to participate in Sustainable Cleveland 2019, a 10-year strategic initiative to re-envision the Cleveland region, by among other things, celebrating the Year of Energy Efficiency in 2011. Regionally, we are a founding member of the Ohio Energy Efficiency Collaborative and helped drive one of the most aggressive state energy efficiency portfolios through testimony and engagement with our Public Utilities Commission. Nationally, we chair the U.S. Department of Energy's Healthcare Energy Alliance and the Commercial Building Alliance's High Efficiency Lighting Committee, and we are working directly with manufacturers to design more sustainable and efficient products. Internationally, Cleveland Clinic is proud to be the only healthcare organization represented in the Clean Energy Ministerial's Global Superior Energy Performance program.



## ENTERPRISE ENERGY UTILIZATION INDEX

*The Energy Utilization Index (EUI) is a measure of the total energy consumed per square foot of our building portfolio. It is a measure of efficiency that allows us to benchmark our performance against like facilities.*

Cleveland Clinic became an ENERGY STAR Partner in March 2008, and as part of this formal commitment, we appointed an Energy Director with specific duties that mirror those recommended by Energy Star's Guidelines for Energy Management Overview. Our progress to date has culminated in our recognition as an Energy Star Partner of the Year by the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE). This recognition highlighted the outstanding contribution we made to protect the environment through energy efficiency. We also added two new Energy Star awards during the 2010 reporting period which acknowledge buildings that operate in the top 25 percent of comparable buildings nationwide in terms of energy performance; this brings our portfolio total to six. In addition, Cleveland Clinic's Solon Family Health Center participated in the inaugural EPA National Building Competition as the only healthcare facility and placed sixth in a field of 14 commercial building participants; Solon achieved a 14 percent reduction in energy usage over the course of the competition.

We continue to approach energy conservation through both infrastructure investment and employee engagement. As a result, we demonstrated a 5 percent decrease in electricity usage and an 8 percent decrease in natural gas usage in 2010 despite an overall increase in the square footage of our portfolio. For 2011, we are evaluating a number of potential locations for solar installations in an effort to continue to expand our alternative energy generation portfolio.

### Local Food

It remains our commitment to improve the healing environment with appropriate and responsible food selection, professional preparation standards and a rigorous dedication to consistency and service. Food production and transportation is recognized as a significant contributor to total U.S. greenhouse gas emissions. To reduce this impact, stimulate our regional agribusiness, and promote a healthier diet for our patients, employees, visitors and community members, we continue to offer a number of seasonal local farmers markets throughout our health system. In addition, we have further expanded the amount of locally sourced foods that are incorporated into the retail buffets and inpatient food service we offer at our locations. Using the Green Guide to Healthcare as guidance on local procurement, we are in the process of developing local food



### Cleveland Clinic Community Farmers Markets

Farmers markets support our local economy; provide increased access to fresh, healthy produce; encourage biodiverse, small scale farming; and reduce the environmental impact of food transportation. A joint project with Community Outreach, the Wellness Institute and the Office for a Healthy Environment, Cleveland Clinic's flagship weekly grower-certified farmers market is held on its main campus during the growing season. New in 2010, in an effort to provide healthy local foods for those in need, our farmers market began accepting coupons from government agencies for qualifying individuals through USDA Senior Farmers Market Nutrition Program, Cuyahoga County Women, Infant and Children (WIC) Program and Supplemental Nutrition Assistance Program (SNAP). Also in 2010, we started farmers markets at four additional locations in our health system.

procurement standards with a goal of purchasing at least 10 percent of annual food supplies from sources within a 200 mile radius of Cleveland Clinic in 2011.

### Healthy Buildings

In 2009, anticipating the possible construction of two major buildings on our main campus, Cleveland Clinic embarked on a master planning process to ensure that near-term construction would be a wise long-term investment for the future. The campus is 170 acres with 13,000,000 square feet in 50 structures where 20,000 employees work. We quickly realized that we were master planning not only a medical campus, but a small city.

# Environmental Stewardship



*"Cleveland Clinic's outstanding accomplishments demonstrate that improved energy performance can benefit the bottom line and protect the environment at the same time. Your commitment to smart energy management, your ability to track and measure your progress, and your effort to communicate the importance of energy efficiency to a wide audience distinguishes Cleveland Clinic as an industry leader."*

— Jean Lupinacci, Chief ENERGY STAR Commercial and Industrial Branch United States Environmental Protection Agency

Goals were established to direct plan development that included the enhancement of patient care, improved operational efficiency, removal of obsolete buildings, improved wayfinding, sustainability, and the creation of an inviting outdoor environment.

Creating healthier built environments for our patients and our employees was of the utmost importance. In addition to current construction standards that promote the use of environmentally preferable building materials and non-toxic finishes (as well as building system design practices that prioritize indoor air quality), evidence-based design concepts to support healing and enhance the patient experience were integrated into the plan. The master plan promotes future building designs that feature patient

rooms with views and corridors that are located along the edge of buildings to bring in natural light. The plan also identifies the need for multiple indoor and outdoor courtyards to create calming views, places of rest, and areas for group activities.

As the campus is developed, buildings will be designed to minimize the operating impact on natural resources. The plan promotes building orientation and façade design that takes advantage of sunlight inside and in adjacent courtyards. We envision using solar energy to help heat the buildings; roofs may be green or used to capture energy with solar panels. Efficient fixtures in buildings will reduce water consumption. Rainwater will support native plants while bio-swales manage water run-off.

The master plan is a road map for the future and it is a living document that will be revised as the future unfolds. Experience and research will present new information about better ways to heal and new approaches to manage our impact on the environment.

Currently, all new major construction projects follow LEED standards, with certification as our minimum and silver certification as our target. We have more than a dozen projects in the pipeline, a number of which are on target for LEED certification in 2011 or 2012. Additionally, for all new construction projects, demolition projects, and facility renovations we send all debris to be recycled, and we are achieving 76 percent to 98 percent diversion rates on those loads.

## Toxics

Taking a precautionary approach, we are reducing patient and employee exposure to toxics by: maintaining a virtually mercury-free environment; procuring Green Seal-Certified cleaning products that have the minimum human and environmental health impacts, while maintaining hospital-grade effectiveness; furthering our latex-safe environment; reducing PVC and DEHP exposure; and reducing food-to-plastic contact. We also are reducing the toxicity in our built environment through the use of safer adhesives, sealants, furnishings and finishes. Last year, we indicated a goal for 2010 of developing a metric for PVC-DEHP



## Awards

reduction in our clinical supply portfolio. We endeavor to develop a number of metrics to measure the impact of our environmentally preferable purchasing activities. We expect that a new environmental data management platform being implemented will allow us to build out this suite of indicators over the coming years.



### Climate Change Action

Cleveland Clinic health system has developed its first greenhouse gas inventory for its U.S. operations and is tracking direct GHG emissions from our main campus plant. This inventory revealed that 82 percent of our scope one and scope two emissions result from our consumption of electricity. As we have recognized that our biggest opportunity to lessen our carbon footprint lies in reducing our electricity consumption, our climate change action is focused primarily on improving the energy efficiency of our operations. Over time, we hope to expand the boundary of our greenhouse gas inventory to include our international sites. We also endeavor to educate our employees, patients and the community on the public health effects of climate change. One way we have begun to take the lead in our industry is by commissioning a study to better understand the role that the healthcare industry has both as a contributor and a first responder to climate change. We hope to share this work in late 2011.

Cleveland Clinic health system has earned numerous national awards for environmental stewardship from the U.S. Environmental Protection Agency and Practice Greenhealth, a nonprofit membership organization founded on the principles of positive environmental stewardship and best practices by organizations in the healthcare community. In 2010, we received the following awards:

### ENERGY STAR Partner of the Year

Cleveland Clinic was named an ENERGY STAR Partner of the Year by the U.S. Environmental Protection Agency and the U.S. Department of Energy for performance during the 2010 reporting year. We were one of 40 organizations, selected from more than 20,000 ENERGY STAR partner organizations nationwide, to be named Energy Star Partner of the Year for strategically and comprehensively managing our energy use.

### Practice Greenhealth Environmental Excellence Awards

#### Environmental Leadership Award

This award is the premier and most competitive award recognizing facilities that exemplify environmental excellence and are setting the highest standards for environmental practices and sustainability in healthcare. Our main campus was honored with this award for the 2010 reporting year.

#### Partner for Change

Eight of our hospitals and eight of our family health centers received this honor, which recognizes top performers that maintain at least a 15 percent recycling rate and show progress in most other areas.

#### Partner Recognition

Two of our hospitals and one of our family health centers received this honor, which recognizes facilities that have organized for change and made progress in several areas.

#### Making Medicine Mercury-Free

This one-time award was granted to one of our family health centers that made a commitment to and implemented mercury management and minimization best practices. We have seven other facilities that have achieved this recognition in years past.

#### System for Change

Our enterprise was recognized with this award in 2010 for the third straight year for our system-level approach and structure which has generated progress at each of our facilities.



# Anti-Corruption

Cleveland Clinic is committed to an ethical, transparent business environment, discouraging corruption in all its forms.

## Structural Support for Anti-Corruption

Cleveland Clinic has a designated Chief Integrity Officer who reports directly to the Board of Directors. This officer oversees a 20-FTE internal audit office, which is responsible for auditing expenses and invoicing every year; checking that protective services conducts background checks; ensuring foreign corrupt-practices training; and audits directed at detecting fraud. The officer also oversees a 12-FTE Corporate Compliance department that ensures compliance with federal, state and local laws and regulations, and operates a whistle-blowing hotline. An annual risk assessment is performed to identify risks in the health system. This involves interviewing approximately 100 employees and communicating findings and mitigation efforts to management and the Board using a risk matrix.

In 2010, Cleveland Clinic sponsored a Northeast Ohio business ethics forum, which brought together more than 200 area companies to focus on ethical business

practices and pledge to act in an ethical manner. We also held two onsite forums with hundreds of Cleveland Clinic vendors in attendance, which included a focus on ethical business practices.

Cleveland Clinic has a Chief Government Affairs Officer who oversees a team of government relations professionals. This team collaborates with elected officials at all levels of government to promote health and wellness and shed light on the challenges and opportunities within our sector. As part of the development of federal healthcare reform, Cleveland Clinic management assisted government officials in understanding our medical practice model which has been recognized as a best practice. We ensure that ethical practices are maintained by completing detailed reports of contact with elected officials and government agencies, and by filing federal lobbying reports for the money and time spent by individuals from the Office of Government Relations and Cleveland Clinic for advocacy efforts.

## Structural Support for Conflict of Interest

Since its founding in 1921, Cleveland Clinic has been a leading medical innovator. Discoveries made here have saved millions of patients' lives, and many innovations are standard practice in medicine today. Cleveland Clinic believes that medical innovation significantly benefits patient care. At the same time, we recognize that innovation must be managed with extraordinary sensitivity and transparency. We are fully committed to a process that ensures integrity in innovation and places the interests of our patients first.

To assure professional and commercial integrity in all matters, Cleveland Clinic maintains a comprehensive conflict of interest program for staff physicians, other employees and trustees that is designed to ensure that all potential conflicts, including institutional conflicts, are transparent and properly addressed. We were the first academic medical center to openly disclose the industry ties of our physicians via our public website. Our policies require regular reporting and updating of interests that may present a conflict. These interests are then formally reviewed by one or more authorities within Cleveland Clinic, such as the Conflict of Interest committees of the Professional Staff and/or the Board of Directors. The Board of Directors promotes a culture of awareness and sensitivity at all levels to potential conflicts of interest, recognizing that it is ultimately responsible for maintaining and preserving a balance between innovation and transparency. The Conflict of Interest Committee of the Board of Trustees oversees conflict of interest matters at Cleveland Clinic; this includes having oversight of the Professional Staff Conflict of Interest Committee. The

Conflict of Interest Office and the Chief Governance Officer, through the Law Department, coordinates with these committees to administer the conflict of interest program.

## Regulatory Compliance

Cleveland Clinic is committed to a formal Corporate Compliance program that is intended to ensure that employees, contractors and vendors conduct activities in full compliance with applicable federal, state and local laws, regulations, policies and ethical standards. In May 1996, the Board of Directors formally adopted the program and, in June 1998, the Office of Corporate Compliance was established under the direction of the Chief Integrity Officer. In January 2003, the responsibilities were expanded to include the Privacy Office, established in response to the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

## A Culture of Transparency

Employees are encouraged to hold one another and our leadership to our Code of Conduct, regulations and ethical and safe workplace policies. We operate anonymous hotlines (115 calls in 2010) and email accounts (34 emails in 2010), for a total of 149 compliance-related reports, from alleged Human Resources breaches, to issues of privacy and business ethics. In addition to formal hotline calls, Corporate Compliance staff directly received more than 500 compliance-related inquiries in 2010, further evidence that our organization has a culture of integrity. All reports and inquiries are broken down by type and location, and responded to in a timely manner.

As a leader in healthcare, Cleveland Clinic views our responsibility to the health and well-being of our communities and beyond as an extension of our healthcare mission. We are privileged to highlight our accomplishments around human and labor rights, environmental stewardship and anti-corruption in this, our second, United Nations Global Compact *Communication on Progress*.





# Putting the Compact to Work



Cleveland Clinic strives to embrace, support and enact the core values expressed by the 10 founding principles of the UN Global Compact. Our second *Communication on Progress* highlights some of the myriad ways in which we as an organization are working to support Cleveland Clinic's mission of *better care of the sick, investigation into their problems, and further education of those who serve*, while also seeking to meet our responsibilities as a corporate citizen. Cleveland Clinic's numerous and wide-ranging activities in this arena are embedded in our daily operations. The way we manage our supply chain exemplifies this approach.

The Cleveland Clinic Supply Chain Management team brings together caregivers from across the organization to effect positive changes that enhance Cleveland Clinic's ability to deliver quality patient care, improve efficiency and reduce expenses. At the same time, Supply Chain Management endeavors to cultivate a diverse organization and supplier base that operates ethically and upholds the Global Compact's core values of Human Rights, Labor Rights, Environmental Stewardship and Anti-corruption.

## ► HUMAN RIGHTS AND LABOR RIGHTS

Cleveland Clinic recognizes that individuals and populations both inside and external to our organization are affected by the products and services the organization purchases. Supply Chain Management strives to make financially responsible procurement decisions that support products and services that are produced and sold ethically. Approximately 66 percent of our total annual spend of \$1.9 billion is for clinical products and services. In keeping with Cleveland Clinic's philosophy of "Patients First" and the organization's position as a leader in quality and innovation, Supply Chain Management takes great care to ensure that all clinical products and services are consistent with

our mission of delivering world-class care. Supply Chain Management engages with clinical leaders across medical specialties to ensure appropriate assessment of new technology, full evaluation of new products and thorough clinical testing of equipment prior to purchase.

Cleveland Clinic also strives through our purchasing policies to support the health and human rights of our employees, as well as those who provide products and services to Cleveland Clinic. Cleveland Clinic successfully changed primary cleaning chemicals used throughout the hospitals to non-toxic alternatives that not only protect our patients' safety and health but also reduce potentially toxic exposure for our Environmental Services employees. During



bid processes, Supply Chain requires vendors to answer questions about workplace safety, employee benefits and their employee selection process, where appropriate.

Supply Chain is committed to a diverse supplier base and tracks and manages purchasing practices so that organizations holding special business status, such as female- and minority-owned and small businesses, have equal opportunity to bid. The most recent quarterly data available shows that, including both purchasing practices and construction contracting, Cleveland Clinic did business with 224 female-owned enterprises and 84 minority-owned enterprises. These metrics are reported quarterly to an Advisory Council comprised of the Cleveland Clinic Office of Diversity, Operations division, and external community partners that hold us accountable to continuous improvement in these areas. This venue provides for two-way communication and for Cleveland Clinic to express current and forecast future needs to community business development groups; these groups, in turn, can assist local, small, female- and minority-owned businesses in positioning themselves as viable options for future consideration as suppliers.

### ► ENVIRONMENTAL STEWARDSHIP

Purchasing decisions are critical to sustainability at Cleveland Clinic and have significant potential to reduce our environmental impact. We work in partnership with vendors to stop waste at its source by identifying products with reduced, recyclable or reusable packaging; recycled content and/or energy-efficient attributes. In 2010, Cleveland Clinic conducted a large-scale transition of photocopiers throughout the organization and worked with our supplier to design a “zero-waste” delivery process in which all packaging waste from the project was collected and recycled. We also continue to seek out non-hazardous alternatives to conventional products; our ongoing search for new approaches to reducing patient exposure to PVC in medical products is one such example.

We are confident that Cleveland Clinic can continue to work with suppliers to develop innovative solutions for reducing waste, cost, energy consumption and risk while improving service, transparency, patient experience and safety by making more sustainable choices. We also focus internally on improving our efficiency in using products and resources. Our Supply Chain team has adopted the philosophy that “Every Piece Counts” to stress the importance of individual behaviors and choices in preventing waste.

### ► ANTI-CORRUPTION

Cleveland Clinic vendors play a key role in the organization's growth and success in delivering world-class care. Together with our vendor partners, it is important to stay focused on our goal of supporting the Cleveland Clinic mission. Supply Chain routinely evaluates new and existing vendors to ensure they meet our criteria and are not listed as Federal excluded parties. Additionally, Cleveland Clinic utilizes a third-party vendor management company to conduct background checks and training on the Cleveland Clinic code of conduct, conflict of interest and other vendor-related policies and procedures.



Cleveland Clinic's conflict of interest policy and purchasing procedures are provided for vendors during their initial orientation; they are also included as standard language in contract terms and conditions. Under terms of the policies, no employee is to ask for or receive anything of value from the vendor that could influence the judgment of the employee in the execution of the supplier relationship. Vendors are given specific steps to follow to ensure compliance with this policy, and vendors and employees are asked to report any violations to the Chief Integrity Officer or the Law Department. As another check against potential conflict of interest, both the vendor and internal parties involved in making a purchasing recommendation or decision must report any affiliations a Cleveland Clinic employee or immediate family member has with the vendor. Any potential conflict of interest that arises from that discovery process is dealt with using a clearly defined process.

We also work to identify any potential institutional conflict of interest that may arise as a result of an institutional financial interest (including Board of Directors/Trustees member interests) in a vendor. To monitor this potential for conflict, Supply Chain Management supplies the Law Department with a quarterly purchase history report.



Supporting and more detailed documentation is available on the web at:

[clevelandclinic.org/about](http://clevelandclinic.org/about)

[clevelandclinic.org/wellness](http://clevelandclinic.org/wellness)

[clevelandclinic.org/diversity](http://clevelandclinic.org/diversity)

[clevelandclinic.org/community](http://clevelandclinic.org/community)

[clevelandclinic.org/annual\\_reports](http://clevelandclinic.org/annual_reports)

[clevelandclinic.org/sustainability](http://clevelandclinic.org/sustainability)



**Every life deserves world class care.**

9500 Euclid Avenue, Cleveland, OH 44195

Cleveland Clinic is a top-ranked nonprofit academic medical center founded in 1921. With more than 1,300 staffed beds, as well as research and education institutes, the organization is dedicated to providing expert inpatient and hospital care through innovation, quality, teamwork and service.

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