



CLEVELAND CLINIC HEALTH SYSTEM

# 2010 United Nations Global Compact Report

A communication on progress to our community

Dear Friends:

Welcome to Cleveland Clinic's first United Nations Global Compact Report. This document provides data on our compliance with the 10 universal principles of the United Nations Global Compact.

Cleveland Clinic was proud to be the first healthcare provider to sign the United Nations Global Compact in 2008. We support the United Nations Global Compact and all that it stands for. Its principles reflect our commitment to the health and well-being of the communities we serve. They affirm our commitment to environmental sustainability, diversity, fairness and integrity.

The United Nations Global Compact is a good thing for Cleveland Clinic. It helps us to live up to our ideals; it allows us to share best practices with businesses around the world and it gives us goals that reflect our aspiration to be a good citizen of our community and our planet.

We are proud of how much we've accomplished in line with the United Nations Global Compact. We look forward to continuing improvement. I hope you find this communication on progress inspiring and informative.

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

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

### LABOR STANDARDS

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

### ENVIRONMENT

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

### ANTI-CORRUPTION

- Principle 10: 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

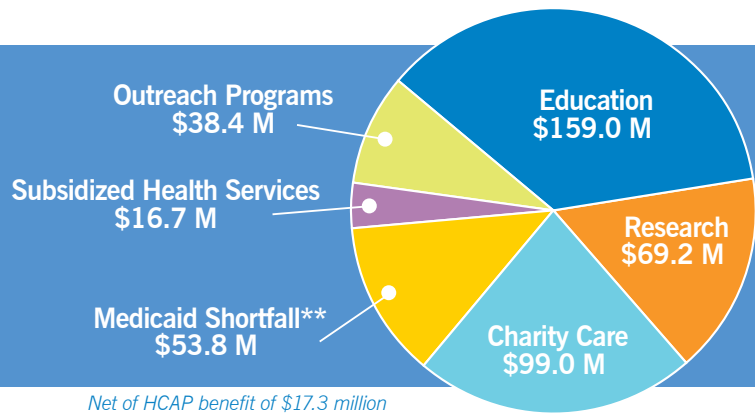
To activate this commitment, we have established the Division of Community Relations and Diversity, a Wellness Institute and a robust and progressive Human Resources team. A sub-committee of the Board of Directors governs community and diversity strategies. A multistakeholder Supplier Diversity Council 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 ensure compliance with our comprehensive policies.

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

[clevelandclinic.org/about](http://clevelandclinic.org/about)  
[clevelandclinic.org/2008\\_diversity\\_report](http://clevelandclinic.org/2008_diversity_report)  
[clevelandclinic.org/2008\\_code\\_of\\_conduct](http://clevelandclinic.org/2008_code_of_conduct)

[clevelandclinic.org/wellness](http://clevelandclinic.org/wellness)  
[clevelandclinic.org/2008\\_community\\_report](http://clevelandclinic.org/2008_community_report)  
[clevelandclinic.org/annual\\_reports](http://clevelandclinic.org/annual_reports)

## CLEVELAND CLINIC HEALTH SYSTEM BREAKDOWN OF COMMUNITY BENEFIT 2008 \$436.1 MILLION



### 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 Health and Wellness:** Cleveland Clinic Community Outreach provides health and wellness programs, including quality health screenings and education for people in surrounding neighborhoods.
- **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.
- **Education:** 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.
- **Civic Engagement:** We encourage leaders to participate on community boards and offer community service opportunities to all employees in the neighborhoods in which they live and work.
- **Supplier Diversity:** 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.

### 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 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. Following the full implementation of a planned new Human Capital Management system, it is expected that the standardization process will be completed. We are also actively working to improve our ability to track our progress through more robust metrics. To that end, the initial components of a new Human Resources information system are planned for 2010 implementation.



## FAIR LABOR PRACTICES

The Cleveland Clinic health system's compensation system is designed to provide wages that are externally competitive and internally equitable, and 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 of Directors, 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

The mission of Employee Wellness at Cleveland Clinic is to help employees achieve optimal well-being so they can enhance their quality of life and better serve patients. The three major goals of Employee Wellness at Cleveland Clinic are to: one, make this the best place to work and the healthiest work environment; two, improve the health of our community and the communities we serve; and three, foster optimum health and wellness for ourselves and everyone we touch. Some of the initiatives supporting Employee Wellness include free employee fitness centers, discounts for local fitness centers, Shape Up and Go program for employees of all fitness levels, Cleveland Clinic YOGA, Wellness Grand Rounds (monthly expert lectures), Wellness Connection (monthly short lectures on timely wellness issues), Cleveland Clinic WALKS, Cleveland Clinic BIKES, and nutrition resources such as healthy "Go! Foods" (see also: [clevelandclinic.org/wellness](http://clevelandclinic.org/wellness)).





"Cleveland Clinic has a responsibility to create and maintain programs that contribute to improvements in our environment."

– Delos M. Cosgrove, MD, CEO and President

# ENVIRONMENTAL STEWARDSHIP

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

**Healthy Buildings:** We are committed to designing and building safe, green buildings using the US 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 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. Employee-led green teams are located at all major facilities in the system, and team leaders report up to a system-level green team to allow sharing of best practices and consistent approaches enterprise-wide. Each green team is accountable for progress, metrics and program implementation at our sites across the enterprise. In addition, in 2008 a new enterprise-wide Energy Committee was formed to provide multistakeholder 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 US Green Building Council, and an active participant in Sustainable Cleveland 2019.



## ENVIRONMENTAL STEWARDSHIP IN ACTION

### Waste

In addition to standard practices of waste management and traditional recycling programs, we are taking the lead in our community by working with local businesses and authorities to develop recycling markets to divert materials from landfills. We work collaboratively with our supply chain to reduce the amount of waste generated from product consumption and are donating and repurposing materials to in-need populations. Our main campus recycling program has exceeded our 2009 goal of diverting 25 percent of our total waste from our landfills, with a 29.7 percent rate for the year. In 2009, we began capturing baseline data for our regional sites, and we plan to share an enterprise diversion rate beginning in our 2011 report.

### Transportation

We are taking steps to ensure the responsible management of our transportation fleet by adopting advanced technology and helping our employees and patients reduce the environmental impact of their transportation. We offer rebates and discounted parking to our employees who purchase qualified low-emission vehicles, as well as other incentives to stimulate low-carbon commuter behavior. In 2009, we deployed our first electric vehicles and implemented a comprehensive emissions-reduction strategy in our main campus receiving area. A 2010 goal is to increase transit emphasis and program enrollment.

### Energy

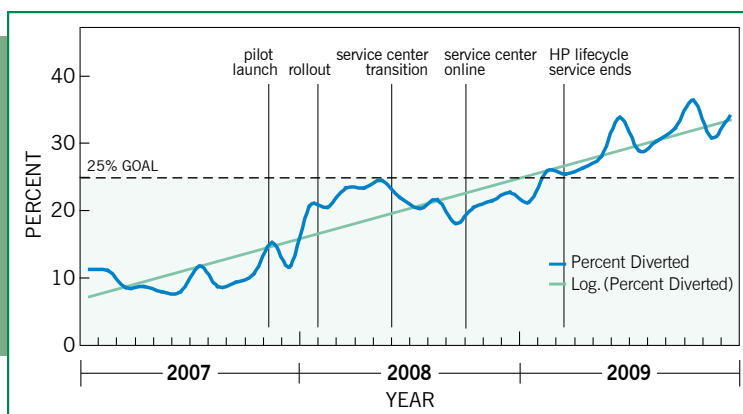
As the result of infrastructure investment, including adoption of advanced energy technologies, we've realized a more than 9 percent per square foot reduction of energy use in only two years. We have received four Energy Star awards in 2009 from the US EPA, acknowledging buildings that operate in the top 25 percent of comparable buildings nationwide in terms of energy performance. We educate employees on energy-saving opportunities and have entered into a contract for our first solar installation in 2010 through a new employee-owned power purchase agreement.

### Local Food

Food production and transportation is credited with 19 percent of the total US greenhouse gas contribution. To reduce this impact, stimulate our regional agribusiness and promote a healthier diet, we began a local farmers market in 2008. The weekly market, held throughout the summer, features produce from certified local farms and helps promote the benefits of local eating.

### Healthy Buildings

In 2009, we received our first two LEED certifications, both of which were LEED-CI Silver, and we have more than a dozen additional projects in the pipeline. All new major construction projects follow LEED standards, with certification as our minimum and silver certification as our target. We send all our facilities and construction debris on projects large and small to be recycled, and we



## 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 2010.



## 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 weekly grower-certified farmers market is held on its main campus during the growing season. In 2010, markets at additional Cleveland Clinic locations (Hillcrest Hospital and Solon Family Health Center) are planned.

are achieving 76 percent to 98 percent diversion rates. We executed our first two responsible demolition projects in 2009, diverting 76 percent or more of each building's total debris.

### 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. In 2010, we strive to generate a new metric for PVC-DEHP reduction in our clinical supply portfolio.

## CLIMATE CHANGE ACTION

Cleveland Clinic health system is developing its first greenhouse gas inventory for its US operations and is tracking direct GHG emissions from our main campus plant. Over time, we hope to expand the scope of this project to include our international sites. We also endeavor to educate our employees, patients and community on the public health effects of climate change.

## AWARDS

Cleveland Clinic health system has earned numerous national awards for environmental stewardship from Practice Greenhealth, a member organization dedicated to sustainable transformation of the healthcare sector. In 2008, we received 13 national awards; in 2009, we received an additional 13 awards; and in 2010, we received 22 awards. Our awards include:

### Environmental Leadership Award

Our main campus was honored with this topmost-level award in 2010. Winners must maintain at least a 25 percent recycling rate, be virtually mercury-free and show progress in all areas of environmental stewardship.

### Partner for Change

Several of our hospitals and family health centers have 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

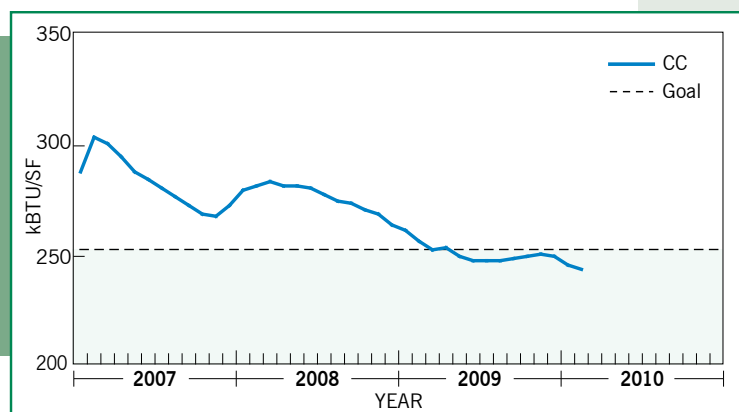
Several of our hospitals and family health centers have received this honor, which recognizes facilities that have organized for change and have made progress in several areas.

### Making Medicine Mercury-Free

This one-time award recognizes our hospitals and family health centers that have made a commitment to and implemented mercury management and minimization best practices.

### System for Change

Our enterprise has been recognized in both 2009 and 2010 for our system-level approach and structure that has generated progress in each of our facilities.



## 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.*



# 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 operating a whistle-blowing hotline. The officer also oversees a 10-FTE corporate compliance department that ensures compliance with federal, state and local laws and regulations. An annual risk assessment is performed to identify risks in the healthcare industry; identify internal awareness through interviewing approximately 100 employees; and communicate findings by generating a risk matrix.

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 the government to promote health and wellness, and shed light on the challenges and opportunities within our sector. 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 lobbying 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. 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 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, and includes having oversight of the Professional Staff Conflict of Interest Committee. The Conflict of Interest Office and the Chief Governance Officer through the Office of General Counsel coordinate 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 (78 calls in 2009) and email accounts (17 emails in 2009), for a total of 95 compliance-related reports, from alleged Human Resources breaches, to issues of privacy and business ethics. All reports are broken down by type and location. In addition to formal hotline calls, Corporate Compliance staff directly received over 500 compliance related inquiries in 2009, further evidence that our organization has a culture of integrity. All reports and inquiries are broken down by type and location, and responded to on a timely basis.



In recognition of Cleveland Clinic's world class culture of integrity supported by ethical standards, policies and practices, Cleveland Clinic was named one of *Ethisphere's 100 Most Ethical Companies* in 2009 and again in 2010.

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 first, United Nations Global Compact Report.



WE SUPPORT



Supporting and more detailed documentation available on the web at:

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

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

[clevelandclinic.org/2008\\_diversity\\_report](http://clevelandclinic.org/2008_diversity_report)

[clevelandclinic.org/2008\\_community\\_report](http://clevelandclinic.org/2008_community_report)

[clevelandclinic.org/2008\\_code\\_of\\_conduct](http://clevelandclinic.org/2008_code_of_conduct)

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



9500 Euclid Avenue, Cleveland, OH 44195

Cleveland Clinic is a nonprofit, multispecialty academic medical center. Founded in 1921, it is dedicated to providing quality specialized care and includes an outpatient clinic, a hospital with more than 1,300 staffed beds, an education institute and a research institute.

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