
Corporate Social Responsibility: What's in a name?

Dell 2020 Legacy of Good Plan

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Corporate

Social

Responsibility

What about Dell?

› Learn more at dell.com/2020



Dell 2020 Legacy of Good Plan

Our strategy for bringing sustainability and business objectives together to benefit customers while simultaneously leaving a legacy of social and environmental good.



1 Promise: Creating a Legacy of Good

3

Action areas where we can make the most impact



Environment



Communities



People

10

Bold sustainability aspirations



21

Sustainability goals relating to our entire value chain, derived from these 10 bold aspirations.

100k+



Team members in 78 countries that are enabling our 21 goals to become a reality by the year 2020.

78

Countries spanning the globe



Guiding principles

The six principles that informed the creation of the 2020 Legacy of Good Plan

Focus on customers

Our sustainability strategy must be intertwined with the business strategy. That's what our customers want.

Innovate

Business as usual will not produce the results our customers want.

Scale

We must take advantage of our worldwide reach and view our activities with a global lens.

Transparency/Accountability

We will report on a regular basis openly and with clarity.

Collaborate

We cannot do this alone.

Leadership

We must become an advocate for social and environmental change.

Materiality informs our every decision



By 2020, the **good** that
will come from our
technology will be **10x**
what it takes to create
and use it.

Building a legacy of good.
Learn more at Dell.com/2020



Environment



Environment goals



Reduce greenhouse gas emissions from our facility and logistics operations by 50%



Develop and maintain sustainability initiatives in 100% of Dell-operated buildings



Reduce the energy intensity of our product portfolio by 80%



Phase out environmentally sensitive materials as viable alternatives exist



Reduce our water use in water-stressed regions by 20%



Demonstrate 100% transparency of key issues within our supply chain, working with suppliers to mitigate risks in those areas



Use 50 million pounds of recycled-content plastic and other sustainable materials in our products



Recover 2 billion pounds of used electronics



Ensure 90% of waste generated in Dell-operated buildings is diverted from landfills



Ensure 100% of product packaging is sourced from sustainable materials



Ensure 100% of Dell packaging is either recyclable or compostable



Identify and quantify the environmental benefits of Dell-developed solutions



Specific goal discussion:

Energy efficiency is more than saving money on wasted kilowatts

Reduce energy intensity of the product portfolio by 80%

Strategy

- › Focus on how all the components work together
- › Manage the process across the long-haul
- › Apply our approach to any new products or acquisitions
- › Maintain commitment to certifications like ENERGY STAR

Customer benefits

- › Creates certainty – applies to whole product portfolio
- › Provides roadmap for projections

How we'll measure

- › Likely provide a dashboard of aggregated measures
- › Will not be smooth across all product types due to differing roadmaps



Specific goal discussion:

Our technology solutions have a primary purpose, but many also have the added benefit of enabling more sustainable outcomes for customers. We want to measure that.

Identify and quantify the environmental benefits of Dell-developed solutions

Examples

- › Desktop virtualization
- › Electronic medical records

Process

- › Inventory all solutions for possible sustainability benefits
- › Identify customers for pilots
- › Develop solution-specific models
- › Communicate aggregate impact

Customer benefit

- › Identify scope of environmental savings
- › Opportunity for us to broaden value proposition, expand market for solutions



Specific goal discussion:

Two goals that together embody our packaging strategy: create no waste for our customers.

Zero-waste packaging
(100% sustainable,
100% recyclable)

Sourcing 100% sustainable packaging

- › Must be beneficial, safe and healthy throughout its lifecycle
- › Comes from either rapidly renewable (e.g., bamboo) or recycled (e.g. paper pulp) sources
- › Process, manufactured and used in efficient, safe ways
- › *Opportunities:* agricultural waste (wheat straw, mushroom food), customer education

100% recyclable or compostable packaging

- › Align with FTC's Green Guides (accepted in 60% of municipalities)
- › Align with ASTM standards for compostability

Customer benefit

- › Waste-free packaging will help customers de-clutter, increase their own recycling rates, and reduce tipping fees associated with trash



Specific goal discussion:

According to StEP (Solving the E-Waste Problem), an estimated 65.1 million tons of e-waste was discarded in 2012.

Recover 2 billion
pounds of used
electronics

Situation

- › Legacy of leadership, including e-waste export ban; reached “billion pound” goal in early 2013
- › Smaller form factors will make this goal harder to reach than the first billion

Strategy

- › Expand infrastructure, legislative push in developing countries
- › Continue successful programs (e.g., Dell Reconnect partnership with Goodwill)
- › Promote benefits of Asset Resale and Recovery services; offer trade-in programs

Customer benefit

- › Dell’s easy, convenient recycling options help customers dispose of their obsolete electronics responsibly



Specific goal discussion:

We expect our suppliers to perform at their best while adhering to our SER standards.

100% transparency of key issues within our supply chain

Key issues

- › Environmental: carbon, water, waste, material usage
- › Social: worker health and safety, human rights/dignity
- › Shared suppliers facing “audit overload” – trying to harmonize around EICC Code of Conduct standards
- › Building requirements into future contracts

Strategies

- › Publish 100% of aggregated audit results
- › Ensure 100% of Tier 1 suppliers publish a GRI-based sustainability report
- › Require all Tier 1 suppliers to produce a water risk mitigation plan

Customer benefit

- › By increasing traceability and transparency throughout our supply chain, we make it easier for customers to feel confident they have the insight they need.



Specific goal discussion:

Most of our goals are aimed at increasing the good we put into the world; this one reduces the bad.

Reduce GHG emissions from facilities and logistics operations by 50%

Situation

- › Nearly all Scope 1 and Scope 2 emissions are associated with office, manufacturing and data center buildings
- › Our Scope 3 emissions in our supply chain associated with moving materials dwarfs our Scope 1 and Scope 2 emissions, but we have less control over it

Targets, strategies

- › Increase sourcing of electricity from renewables to 50% of total
- › Reduce upstream transportation-related emissions by 50%
- › Continued energy efficiency initiatives at facilities
- › Logistics optimization, including routes, lead times, packing



Communities

Communities goals



Engage 75% of team members annually to provide 5 million hours of cumulative service to the communities in which we live and work



Apply our expertise and technology in underserved communities to help 3 million youth directly and support 10 million people indirectly to grow and thrive



Specific goal discussion:

Our definition of giving goes beyond monetary donations. We support non-profit organizations worldwide with our technology and expertise, too.

Engage 75% of team members annually to provide 5 million hours of cumulative service

Situation

- › We must facilitate volunteerism, making it easy for the more than 100,000 team members to share their talents around the globe
- › When team members apply their passion and unique skills toward social change, it amplifies the impact of our grants and accelerates results

Strategies

- › Leverage skills-based volunteering
- › Strengthen local leadership teams to bring programs to life around the world
- › Create virtual volunteer opportunities for the approximately 20% of team members working in a flexible capacity

Customer benefit

- › Dell is a good partner – beyond our environmental efforts, our giving and volunteering goals strengthen communities around the world.



Specific goal discussion:

As a global technology leader and a local citizen, we must be a powerful force for change, connecting today's youth with a more promising tomorrow.

Help 3 million youth
and 10 million overall
in underserved
communities

Situation

- › Around the globe, 72 million children are not in schools and lack access to facilities, teachers and technology they need to pursue their dreams.

Strategies

- › Build on the success of current programs, incl. youth learning and children's cancer care
- › Partner with innovative nonprofits in the communities
- › Evaluate how new Dell technology can support giving programs

Customer benefit

- › By helping close the learning gap, we prepare students for a 21st Century workforce where most every job involves some technology.



People



People goals



Increase engagement and drive inspirational leadership on Dell's strategies, priorities and goals through Dell's end-to-end Leadership Development Programs



Engage 40% of our global Dell team in employee resource groups



Be recognized as a best-in-class Employer of Choice



Engage 50% of eligible team members to participate in flexible work programs



Increase university hiring to a rate of 25% of all external hiring



Achieve 75% favorable responses (or higher) in team member satisfaction globally as measured through the annual employee satisfaction survey



Specific goal discussion:

Technology allows people to connect anytime, anywhere, to anyone in the world from almost any device. It has changed how we all work.

Engage 50% of eligible team members to participate in flexible work programs

Situation

- › Flexible work programs help team members attain better work-life balance
- › Also facilitates better collaboration with colleagues dispersed across time zones, countries and even continents
- › Helps reduce employee transportation while maximizing productivity

Strategies

- › Train managers to successfully lead global, virtual teams
- › Expand availability, technology for solutions to increase participation
- › Add employee resource group to champion a flexible, collaborative environment

Benefits

- › Flexible work programs yield greater employee satisfaction.
- › Last year, helped avoid same carbon emissions as would be absorbed by 5,500 acres of forest; also saved more than \$14 million in annualized expenses



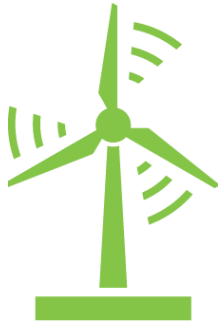
Highlights from FY13



FY13 highlights: environment



Our environmental programs and initiatives help Dell and our customers to reduce consumption and minimize environmental impact.



Green electricity purchases:

expanded number of facilities purchasing 100% renewably generated electricity to 16 – more than double last year.



Expanded the use of **recycled-content plastics**: used 7.8M pounds for the backing of monitors and the housing for OptiPlex desktops.



Introduced boxes made from wheat straw – an agricultural waste normally burned by farmers. The process uses less energy and produces fewer carbon emissions, and the boxes recycle like any cardboard.

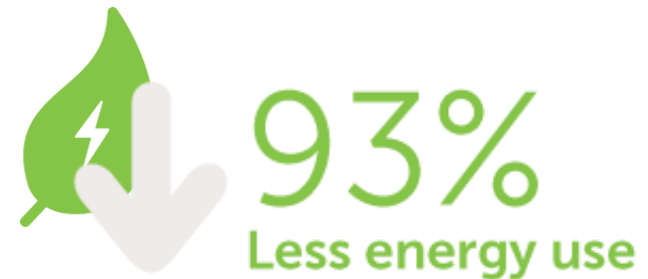


FY13 highlights: environment



Our environmental programs and initiatives help Dell and our customers to reduce consumption and minimize environmental impact.

More than 1 billion pounds of electronics recycled, roughly the equivalent of 46 million average desktops – enough to fill London’s Royal Albert Hall twice.



Dell Wyse thin clients with desktop virtualization helped the University of Nebraska-Omaha earn Gold LEED status for the College of Business Administration and reduced energy use by 93%.



#7 on Interbrand’s Best Global Green Brands list, #4 on Newsweek’s Greenest Companies in the U.S

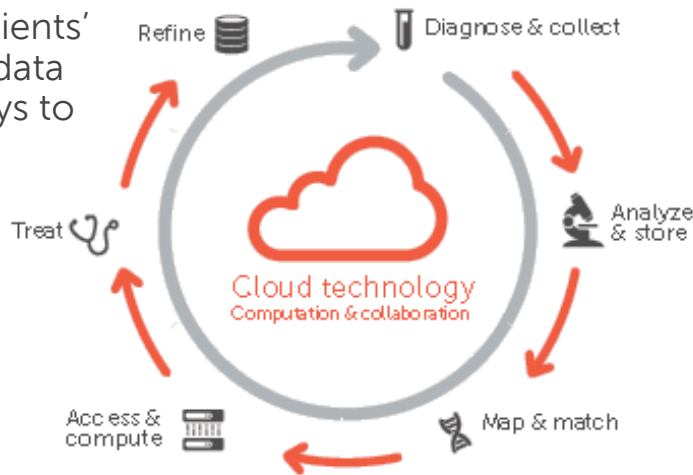


FY13 highlights: communities



Working with community and nonprofit organizations, we go beyond funding to apply technology, expertise and volunteerism toward solving pressing social challenges.

Through our commitment of technology and volunteerism with the Translational Genomics Research Institute, we're helping cancer researchers, reduce the time it takes to analyze patients' molecular data from 10 days to six hours.



Dell donated technology and training to help the Red Cross launch the world's first social media command center for humanitarian aid. During Hurricane Sandy alone, the Red Cross tracked more than 2 million posts.



707,000
volunteer
hours



56% team
member
participation



#7 on FORTUNE China's Top 100 Most Responsible Companies



FY13 highlights: people



We continually invest in worldwide programs and partnerships to attract, develop and retain talented people who reflect our diverse marketplace.



Cited as **the 2012 Top Company for Resource Groups by DiversityInc**, we now have 95 chapters globally with more than 10,000 team members engaged in at least one group.

1 in 5 global team members at 37 locations in 26 countries work in some flexible capacity; in addition to creating greater work-life balance, the program also avoided an est. 13M kWh of energy, 6,785 metric tons of greenhouse gas emissions (as CO₂e – roughly the same absorbed by 5,500 acres of forest) and more than **\$14 million** in annualized expenses.



Thank you

