Building a Sustainable Region

INNOVATIVE PRACTICES FROM METRO CHICAGO’S GLOBAL CORPORATIONS
From small firms to major corporations, companies are discovering that environmental stewardship and business success go hand-in-hand. New markets are springing up as the public demands more environmentally friendly products and services. The best and brightest increasingly favor workplaces they can get to by foot, bike, bus or train. Local governments are offering tax and regulatory incentives to companies that reduce or offset their environmental impacts. Every day, it gets easier to make the business case for sustainable products and practices.

Many of Metro Chicago’s global enterprises are seizing these opportunities. Smart companies across the region are working on innovative approaches to environmental issues, and making notable advances worldwide. They’re conserving precious natural resources, acting to ensure cleaner air and water, and making their manufacturing processes more efficient.

Their initiatives underscore the pioneering programs underway in the nation’s third-largest metropolitan region, which covers Cook and five other counties and commands a $500 billion regional economy—the world’s fourth-largest as measured by gross domestic product. Our business community’s environmental stewardship is reinforcing the region’s position as a global business destination, and its global example is one of the reasons the U.S. Chamber Business Civic Leadership Center and Siemens Corporation honored Chicago with their 2012 Sustainable Community Award.

This regional report showcases concrete examples of the inventive ideas generated by our environmentally responsible corporations—including their results. A group of these companies began convening last spring under the auspices of Mayor Emanuel’s Green Ribbon Committee, which is helping implement his Sustainable Chicago 2015 roadmap. Members of the group share best practices and identify roles that they can play in shaping the region. Its members believe that our business community’s environmental stewardship helps position the region as a global business destination, and to support this, they have brought together the following set of snapshots. Together, these stories make it clear that something exciting in corporate sustainability is happening in Metro Chicago.

JOHN LIVINGSTON  
Co-Chair, Green Ribbon Committee  
Director, McKinsey & Company

HEPÍLITO ROLDÁN  
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President & CEO, Hispanic Housing Development Corporation

ADELE SIMMONS  
Co-Chair, Corporate Sustainability Working Group  
Member, Green Ribbon Committee  
Vice-Chair and Senior Executive, Metropolis Strategies
Metro Chicago supports its sustainable companies with an abundance of resources and infrastructure. A major national transportation hub, the region has been named a leader in sustainable transportation by the Institute for Sustainable Communities. A vibrant assembly of sustainability organizations is energizing networks and partnerships throughout the area. And all of this is happening in a metropolis with 5.5 million square feet of green roof space, 282 LEED-certified buildings and more than 2,600 LEED-credentialed employees. No wonder the Earthlab Foundation chose Chicago as the greenest city in America.

The Chicago region is rich in key ingredients for sustainable innovation, including R&D resources driven by federal labs and university research centers. Industry-specific incubators and support services for entrepreneurs help bring new ideas to market. And the region’s innovations aren’t limited to science and technology—the Chicago Infrastructure Trust is among the nation’s first public-private models for infrastructure financing. Retrofit Chicago, a wide-reaching energy-efficiency program, is one of the first projects the City plans to bring to the Trust.

Metro Chicago generates environmental pioneers. The Chicago Metropolitan Agency for Planning’s GO TO 2040 regional plan, the 2008 Chicago Climate Action Plan and Sustainable Chicago 2015 (now being implemented under the auspices of the Green Ribbon Committee) have raised the bar for sustainable urban planning. The region is a leader in green industries such as wind, biomass, construction and lighting, and the world’s largest environmental services company, Veolia Environment NA, calls Chicago home. The non-profit Clean Energy Trust’s incubator program is supporting ground-breaking clean-tech entrepreneurs. Local governments and civic organizations, such as the Chicagoland Chamber of Commerce and World Business Chicago (the City’s economic development agency), are helping these efforts grow.

Illinois and the region are attracting clean-economy jobs and the young talent to fill them. In 2011, the Brookings Institution evaluated 39 industry sectors and ranked Metro Chicago third in the nation for green jobs—its clean economy employed an estimated 139,800 people in 2012. It helps that Metro Chicago is the top destination for recent college graduates, according to GradsSpot.com. And its popularity as a site for sustainability-related industry events—like the Green Meetings Industry Council’s 2013 Global Conference or the Solar Power International trade show—keeps a spotlight on these growing opportunities.

Metro Chicago is also cultivating talent for a green future. The City’s innovative ThinkChicago program brings 100 students together to explore Chicago-based opportunities. The Center for Employment Training is qualifying workers to construct and maintain green buildings. The Center for Green Technology’s “Green Tech U” introduces participants to career paths in fields like Energy Systems and Building Science. And Roosevelt University’s annual Summer Academy places college students from around the country in jobs where they can work on ambitious sustainability initiatives, like turning O’Hare Airport into a leading green space. The airport now has the largest green roof in the U.S., and the nation’s first LEED-certified air traffic control tower.

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Metro Chicago’s companies and organizations share a rich legacy of corporate-civic partnerships, and this willingness to collaborate produces unique creative opportunities. ChicagoNEXT, for example, brings together more than 60 leaders from government, industry, the academy and civic groups to foster growth in the region’s tech industries—with a special focus on clean tech. And a partnership between the City of Chicago, Office Depot, ICLEI (Local Governments for Sustainability) and the Delta Institute produced the annual Chicago Green Office Challenge, which has saved corporate participants $17.5 million in energy costs alone.

The results of these corporate-civic sustainability partnerships can be remarkable. Take electric vehicles—in a single week in December 2012:

- City, state and federal leaders unveiled a $15 million incentive program to encourage the adoption of electric trucks in private and public fleets.
- Smith Electric Vehicles U.S. Corporation announced it will open an electric vehicle manufacturing facility in Chicago.
- The City inaugurated a new procurement program that will encourage contractors to buy electric vehicles.

- A major expansion of the City’s commitment to build an energy-efficient fleet was announced.
- Argonne National Laboratory received a $120 million grant as part of a historic partnership for battery research and development.

Achievements like these have caught the attention of a growing number of companies. Metro Chicago offers a strong, supportive environment to companies that want to make outstanding environmental contributions to the region and the world.

“Sustainability has become a part of everyday business decisions in Chicago, and now, more than ever the region’s green culture is transparent to our residents and our visitors as well.”

ROBERT A. WISLOW | Chief Executive Officer, U.S. Equities Realty

“Sustainability is a competitive advantage in many businesses and as this report shows, it has great potential to enhance innovation and long-term growth throughout the region.”

SCOTT SWANSON | Chair, Chicagoland Chamber of Commerce
**Sustainability Snapshots**

The examples featured here are glimpses of a much larger whole, highlighting the environmental contributions that global corporations are making in the Chicago region. While some of these companies are further along than others in the development and implementation of comprehensive sustainability plans, all are actively involved and engaged.

Variety is one of the most exciting aspects of corporate sustainability in Metro Chicago, and the following snapshots demonstrate its scope. Manufacturing, energy, airlines, health and medical, financial services, and consumer products and services are all represented as industries. Some initiatives are over a decade old; some are new. The focus varies, and the methods differ dramatically.

Larger-scale solutions emerge from these diverse efforts. As each company learns and shares its expertise, and as successful partnerships strengthen and expand, individual projects develop a collective impact with even more power. The range of work mentioned here—from banks to breweries, from cardboard to hydraulic oil—is an index to their potential for creating positive change.

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**Architecture**

Chicago architecture is world-renowned (indeed, the first skyscraper was built here). The region’s architectural expertise is now becoming a global environmental stewardship resource, as firms design more sustainable buildings and communities throughout metropolitan Chicago, the U.S. and the world. Their projects are unique, setting fresh standards for sustainable development. Consider:

**Region**

Studio Gang created the Aqua Tower in Chicago, a skyscraper with a variety of green features. Curving balconies protect apartments from intense sunlight. Exterior high-performance glazing decreases solar load while allowing residents to take advantage of the views. An 80,000-square-foot planted garden on the roof—one of the largest green roofs in the city—reduces the urban heat-island effect. An electric-vehicle charging station, open to the public, is located in Aqua’s underground garage.

**U.S.**

Skidmore, Owings and Merrill is designing P.S. 62 Richmond, the first net-zero energy school in New York City and among the first of its kind worldwide. The building, which will harvest as much energy from renewable on-site sources as it uses on an annual basis, will be the New York City School Construction Authority’s first “sustainability lab.” It will help achieve PlaNYC goals for significant reductions in greenhouse gas emissions.

**World**

Adrian Smith + Gordon Gill Architecture has completed a master plan for Chengdu Tianfu District Great City outside of Chengdu, China. It is a self-sustaining, environmentally sensitive 1.3-square-kilometer satellite city on a nearly three-square-kilometer site. Great City serves as a model that can be replicated elsewhere throughout China. The project helps solve problems caused by overburdened infrastructure in many major Chinese urban centers, without contributing to the significant energy consumption and carbon emissions associated with suburban sprawl.

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“We strive to be leaders in all of our sustainability-related activities. We are as committed to helping solve today’s global sustainability challenges as we are to developing better products and therapies for patients.”

ROBERT L. PARKERSON, JR. | Chairman, and Chief Executive Officer, Baxter International Inc.
Abbott

Headquartered in north suburban Chicago, Abbott is one of the world’s largest diversified healthcare companies, serving people in more than 150 countries with science-based diagnostics, medical devices, nutritional products and branded generics.

Abbott’s sustainable packaging efforts start by considering the ways in which product packaging affects the environment—from the materials and energy required for its manufacture, through its use and disposal by the consumer. The company’s sustainable packaging team then looks for ways to reduce environmental impact, from reducing packaging materials and designing packaging for multiple re-use, to sourcing renewable materials and increasing use of recyclable materials. One example: by redesigning the shipping containers used for Abbott Nutrition products, the company reduced consumption of corrugated packaging by 740,000 pounds.

Abbott also works with leading academic institutions to advance broader packaging innovation. It participates as a founding member of an industry-academic consortium—the Center for Packaging Innovation & Sustainability at Michigan State University—and supports research at the University of Illinois on sustainable packaging in developing countries.

IMPACT Abbott has reduced the amount of packaging it uses and distributes to customers by 12.3 million pounds annually. This is equivalent to eliminating the trash created by approximately 4,500 U.S. families in a year.

ArcelorMittal

ArcelorMittal is the world’s leading steel and mining company, with its Americas headquarters in downtown Chicago and more than 10,000 employees in the Chicagoland/Northwest Indiana region.

ArcelorMittal manufactures safe, sustainable steel and is continually developing cleaner processes and greener products. Leading the steel industry challenge posed by the 54.5 MPG CAFE legislation, ArcelorMittal is developing new, lighter weight steel products and solutions to maximize steel’s body structure weight reduction potential.

These advancements in steel are benefits that are ultimately passed on to the consumer, as well, in the form of lower fuel costs.

IMPACT The advanced steel grades that ArcelorMittal provides today, together with grades currently in development, will create a vehicle with a lower life-cycle carbon footprint than one manufactured from other, competing materials. Together, the lightest solutions available today reduce CO2 emissions by 6.23 g/km during the vehicle use phase, and provide a 14 percent overall total life-cycle CO2 reduction. The company is also developing ultra-low CO2 steelmaking. This will make its products more sustainable and help the corporation and its customers reduce their environmental impact.

Exelon

Exelon, headquartered in Chicago, is the nation’s leading competitive energy provider, with approximately 35,000 megawatts of owned power generation and operations in 47 states, the District of Columbia and Canada.

Exelon is building a cleaner power generation portfolio through investments such as Exelon City Solar, in Chicago’s West Pullman neighborhood—the largest urban solar project in the U.S. It is also committed to reducing fossil-fuel emissions by investing in nuclear plant uprates, which help displace power from higher-cost, higher-emissions sources. The company’s Smart Grid and Smart Meter investments (at utility subsidiaries ComEd, PECO and BGE) represent an advanced set of improvements to the efficiency of its electricity delivery system.

IMPACT In 2012, Exelon added nearly 500 megawatts (MW) of new, clean generating capacity: 404 MW in new wind power projects, 31 MW in new solar projects and 63 MW through nuclear power uprates. City Solar displaces more than 30 million pounds of greenhouse gas emissions per year, the equivalent of taking more than 2,500 cars off the road. ComEd alone expects to invest more than $1 billion over the next 10 years to deploy Smart Meter and Smart Grid technologies.

MillerCoors

MillerCoors is a beverage brewing company that makes and markets more than 60 beers, including mega-brands like Miller Lite, Coors Light and Miller High Life. It moved to its new headquarters in Chicago in 2009.

MillerCoors has aggressive resource conservation targets at its breweries: innovative waterless rinsing and lubrication techniques conserve water and energy, and everything used to make beer is essentially repurposed.

Its Showcase Barley Farm in Silver Creek Valley, Idaho demonstrates riparian plantings and wetlands conservation, and innovative ways to save water and energy through conservation irrigation and the use of new barley varieties. Through this initiative, the company is simultaneously increasing barley yields, improving crop versatility and strengthening crop properties. In just its first year, the Showcase Barley Farm pilot initiative saved nearly 124.5 million gallons of water—enough to meet the needs of 850 families of four for more than a year. As of the end of 2012, aided by additional irrigation improvements, its total water savings for the two years is now more than 270 million gallons.

IMPACT Four of MillerCoors’ eight major breweries are now 100 percent landfill-free for waste. In 2011, the company reduced its breweries’ water-to-beer ratio to 4.071—significantly below the U.S. industry standard—and dropped MillerCoors’ energy consumption by 4.3 percent compared to the company’s 2008 baseline. In the same year, improved barley yields saved 7.35 billion gallons of water compared to earlier harvesting standards throughout the company’s history.
S&C Electric Company

**SHRINKING ITS FOOTPRINT, ADVANCING THE SMART GRID**

**What** One of Chicago’s largest private companies, S&C Electric Company provides equipment and services for electric power systems that help its global customers achieve a higher level of environmental responsibility.

**What** S&C has gained wide recognition for its internal sustainability program—since 2000, it has succeeded in shrinking its environmental footprint sharply. For example, S&C actively pursues opportunities to integrate more sustainable materials into its production, switching to new top-coat paints that feature ultra-low volatile organic compound emissions, and eliminating the use of chlorinated solvents. S&C also models strong environmental citizenship as a Partner in the Green Suppliers Network, an EPA-funded collaborative program which helps manufacturers improve their business processes with higher energy efficiency and reduced waste.

**What** ITW recently celebrated 100 years as one of the region’s most important industrial manufacturing companies. Headquartered in Glenview, Illinois, it is now a global Fortune 200 provider of value-added consumables, specialty equipment and related business services.

**What** Designing for minimal environmental impact is a priority at Instron, a manufacturer of testing products and one of the larger businesses within ITW’s test and measurement group. One set of testing instruments, Electropuls, eliminates the use of hydraulic oil, which means it can be cooled by air rather than water, reducing energy usage and cost. The result is a better way to test the durability of everything from gym shoes to heart valves to airplane parts.

**What** Electropuls has reaped major gains for sustainability. Over five years, operating at 21 percent, the technology can save 40,000 kilowatt-hours of electricity and 369,841 gallons of cooling water.

**WHAT** Since 2000, S&C plants worldwide have decreased volatile organic compound emissions by 28 percent, water emissions by 31 percent and hazardous air pollutant emissions by 95 percent.

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**IMPACT** The technology can save 40,000 kilowatt-hours of electricity and 369,841 gallons of cooling water.

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CHICAGO’S OTHER GREEN FIELDS

**Restaurants**

Chicago restaurants are leading the sustainability drive. The Green Restaurant Association ranked Uncommon Ground’s two Chicago restaurants Number 1 and Number 2 on its list of the country’s greenest restaurants; they had each instituted more than 100 environmental steps. Celebrated chef Rick Bayless’ Frontera restaurants, among other initiatives, recycle glass, cardboard, plastics and organic material, and support sustainable agriculture through their food-buying.

The Green Chicago Restaurant Coalition exemplifies how companies in the Chicago region collaborate to achieve greater environmental sustainability. The Coalition helps make sustainable goods and services available and attainable. A catalog of sustainable products available on its website reduces costs. The organization also provides educational resources to local foodservice outlets and educates consumers about sustainable dining options.

Its long-term goal is to develop environmentally sound and cost-effective green certification standards for Chicago’s foodservice outlets. The Coalition is creating a badge that restaurants can adopt as an indicator of sustainable practices. Working together with academic institutions and nationally recognized green auditor GreenSeal, it has developed the “Guaranteed Green” certification standard, a designation educating consumers about sustainable dining. Nearly 40 Chicago-area restaurants have already adopted it. These restaurants must adhere to such practices as purchasing organic food, creating energy and water conservation plans, and managing waste responsibly.
**Allstate Insurance**

**FOCUSING ON PAPER REDUCTION**

**WHY** Allstate is the largest publicly held personal lines property and casualty insurer in America. From its headquarters in Northbrook, Illinois, it provides insurance products to 16 million households nationwide.

**WHAT** As part of its overall environmental stewardship program, Allstate is focused on reducing the volume of paper consumed by its customers and employees. The company is taking a systematic, incremental approach, with clear benchmarks and iterative goals. In mid-2009, for example, Allstate committed to decreasing its office paper use. Against a 2008 benchmark, it aimed at a 25 percent reduction by 2010. The company achieved its goal, with reductions of 41 percent at its corporate headquarters and more than 50 percent in its field offices—then re-set its goal and achieved a further decrease of 11.4 percent in 2011.

**IMPACT** By providing convenient, cost-effective and environmentally friendly digital options, such as EZPay, ebill and ePolicy, Allstate is extending its resource-conservation efforts. Its 2013 goal, against a 2009 benchmark, is to decrease the amount of paper sent to customers by 20 percent. The effort is well on its way. In 2011, Allstate reduced customer-focused paper use by 22.4 percent, saving an estimated 24 million pieces of paper.

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**Ecolab**

**DELIVERING POSITIVE ENVIRONMENTAL IMPACT**

**WHY** Ecolab is the global leader in water, hygiene, and energy technologies and services, which provide and protect important resources such as water, food and energy. The company delivers comprehensive programs and services to the food, energy, healthcare, industrial and hospitality markets. Ecolab subsidiaries include Nalco, in Naperville, Illinois, which focuses on more efficient water and energy use for its customers.

**WHAT** Within Ecolab, more than 1,300 scientists develop innovations that leverage chemistry, equipment, packaging, dispensing and expertise to help customers to do more with less. The company’s “Total Impact” approach evaluates the full impact of each product or service, and considers how that solution will help customers increase efficiency, minimize use of natural resources, and reduce waste—from sourcing and manufacturing to use and through disposal.

**IMPACT** Ecolab’s greatest positive impact takes effect through its more than 1 million global customer locations, where its products and services help customers optimize their water and energy use and reduce their waste streams. For example, since the inception of its online monitoring and detection program (3D TRASAR®), Ecolab has helped customers save more than 1.8 trillion liters of water.

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**Sears Holdings**

**INTEGRATING SUSTAINABILITY THROUGHOUT RETAIL ASSETS**

**WHY** Sears Holdings Corporation (SHC) is a leading integrated retailer, with over 2,600 full-line and specialty retail stores in the United States and Canada. Its headquarters are located in Hoffman Estates, Illinois.

**WHAT** SHC is integrating sustainability into its everyday business practices by maximizing the energy efficiency of its retail assets. SHC now has 422 ENERGY STAR-certified buildings, operates 27 propane-fueled home service vans as a pilot project in the Seattle market, and has recently completed the installation of 25 electric vehicle-charging stations across the country for complimentary use by customers and associates. Since 2006, SHC has also renovated 1,339 stores and auto centers, as well as nine distribution centers, with energy-efficient devices and processes.

**IMPACT** Among the assets that SHC has renovated since 2006, new efficiencies have decreased energy consumption 30 to 40 percent. The company’s Kmart stores, for example, achieved a 10 percent improvement in overall energy performance in 2011.

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**McDonald’s**

**CREATING A SUSTAINABLE SUPPLY CHAIN**

**WHY** Headquartered in Oak Brook, Illinois, McDonald’s is the world’s leading global foodservice retailer. Each day, its more than 34,000 locations serve approximately 69 million customers in 119 countries.

**WHAT** McDonald’s works to make its restaurants as environmentally efficient as possible, but it is also using its position as a major purchaser to improve “ethical, environmental and economic outcomes” in its supply chain. Its Environmental Scorecard tool, for example, helps suppliers quantify and track the environmental impact of their production. The McDonald’s Global Best of Green 2012 report recognizes 51 outstanding efforts in sustainability by its suppliers.

**IMPACT** Virtually all of the company’s fish (99 percent) now comes from Marine Stewardship Council-certified sources, reducing impact on the marine environment. By 2015, the firm will use only sustainable palm oil, supporting land conservation. McDonald’s is leading an effort to source sustainable beef, as well, through the Global Roundtable for Sustainable Beef.
United Airlines and Boeing

United Airlines is the world’s largest airline, with 5,500 daily flights serving over 60 countries. Boeing is the world’s largest aerospace company and leading manufacturer of commercial airplanes, and defense, space and security systems. Both companies are headquartered in Chicago. United, along with Boeing and others, spearheaded the creation of the Midwest Aviation Sustainable Biofuels Initiative (MASBI), a partnership of stakeholders working in the aviation biofuels arena. As home to the world’s largest airline, the Midwest is a natural fit for advanced aviation biofuels. It also has significant feedstock availability and viability, a concentration of clean technology leaders, a vibrant funding community, airports supporting sustainability and policymakers focused on advanced biofuels. This work builds on both companies’ strong track record for advancing innovation to improve the environmental performance of aircraft and fuel. Since 2006, Boeing has spearheaded key research and development work around the world to advance biofuel development for commercial use. In 2009, United worked with Boeing to conduct the first North American biofuel test flight and went on to perform the first U.S. commercial biofuel flight in November 2011. Both United and Boeing continue to forge ahead globally, advocating policies that support sustainable biofuel commercialization, conducting regional assessments and working with partners across the aviation biofuel value chain to promote and support commercial opportunities.

Impact: MASBI participants are working together to develop a comprehensive feasibility study, roadmap and action plan to accelerate development of the Midwest advanced aviation biofuels industry. Commercialization of this industry sector will result in economic development and job creation, and help reduce the environmental impacts of travel.

Walgreens

Walgreens is committed to reducing its total energy consumption by 20 percent by 2020.

Who: Founded in Chicago, Walgreens’ portfolio consists of 8,061 drugstores in all 50 states, including the District of Columbia and the Commonwealth of Puerto Rico. Its Take Care Health System subsidiary has become the nation’s largest and most comprehensive manager of workplace health and wellness centers and in-store care clinics.

What: Pure Walgreens, the company’s sustainability program, reduces energy use through capital investments such as refrigeration upgrades, proactive HVAC equipment replacement, preventive HVAC maintenance, lighting retrofits and implementation of the most comprehensive energy management system (EMS) in its industry sector. In Illinois alone, the company has installed 429 energy management systems, performed 980 rooftop unit replacements and completed 571 cooler retrofits. Walgreens has committed to reducing its total energy consumption by 20 percent by 2020, via the U.S. Department of Energy’s Better Buildings Challenge.

Impact: On average, rooftop solar systems provide 15 to 20 percent of the electricity used at specially equipped Walgreens’ locations. The company’s Oak Park, Illinois retail drugstore, the first in the country to feature a geothermal power system, has decreased its expected energy usage by 50 percent. Walgreens’ HVAC replacement program produced a 10 percent energy reduction for the buildings involved, and parts from the old units are being used to perform preventative maintenance on those not yet replaced. Remaining materials were recycled, keeping 996,000 pounds of waste out of the nation’s landfills. The company has also worked with GE to create a new 25-watt bulb for use in its stores—more energy-efficient than those used by any other retailer.

Hyatt

Hyatt is a Chicago-based global hospitality company with nearly 500 properties around the world.

Who: Hyatt associates play a starring role in the company’s drive to reach its 2050 environmental goals—to reduce energy use, greenhouse gas emissions and waste by 25 percent and to reduce water use by 20 percent. At nearly all its hotels, Hyatt has formed Green Teams to serve as environmental ambassadors, implementing locally led initiatives. The company has also designed interactive workshops that help associates identify ways to reduce waste and conserve water and energy at their hotels.

What: Most recently, the company launched My Green Touches, a program that provides five simple actions, by job function, that associates can use to integrate sustainability into daily operations.

Impact: Hotel Green Teams worldwide have helped the company to reduce energy use by 9 percent.

In Chicago alone, the team at Hyatt Regency Chicago donates roughly 200 pounds of used soaps and toiletries each month to be repurposed in local shelters, which helps the hotel give back while reducing its waste sent to landfills. At Hyatt Regency O’Hare, the installation of faucet aerators saves up to 3 million gallons of water per year.
“Chicago business has a long history of commitment to the community. This report clearly illustrates how that commitment extends to environmental leadership. By being a leader on sustainability our corporations help us attract new firms to the region who share the same concerns about issues of the future.”

MICHAEL SACKS | Vice Chairman World Business Chicago

Metro Chicago ranks among the world’s largest and most diversified economies. More than 400 major corporations call it home. The region employs some 4.3 million residents, and generates gross regional product in excess of half a trillion dollars. No single industry comprises more than 13 percent of employment.

The region boasts a robust talent pipeline, with two top business schools, 60 institutions of higher education and above-average education levels: 34 percent of area residents hold at least a Bachelor’s degree. Centrally located, the Chicago region offers a true transportation hub. Its airports provide nonstop service to more than 200 cities worldwide and its public transportation system is the second largest in the U.S.

It possesses an exceptional rail and freight network, and critical connections to U.S. waterways through the Chicago Area Waterway System and Lake Michigan. Roughly 450,000 tons of freight, valued at nearly $700 billion, move into, out of and through the Chicago freight system every year.

Sustainable transportation is good for business, and Metro Chicago is a leader in this field. The City’s bike infrastructure, for example, has more than 170 miles of bike lanes, and this number will grow to 600 by 2020. Already, Economist ranks Chicago as the fifth most bike-friendly city in the nation. Motorola Mobility, and other companies that have recently announced moves to Chicago, cite bikeways or public transportation as key reasons for relocating.

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THE CHICAGO REGION’S Resources for Growth

Baxter International

CREATING A CARBON-NEUTRAL CAMPUS

WHO Baxter International, a healthcare leader for over 80 years, has more than 2,450 staff at its suburban headquarters in Deerfield, Illinois.

WHAT Baxter International’s 654,000-square-foot headquarters complex has been “carbon neutral” since 2007 through the purchase of Green-e certified renewable-energy certificates (RECs) to offset all greenhouse gas emissions associated with the campus’ electricity use. A REC certificate is proof that one megawatt-hour (MWh) of electricity was generated from a renewable energy resource, and it can be sold on the open market as a commodity. The company also purchases carbon credits to offset the emissions associated with the facility’s use of natural gas, and its Northern Illinois Earth-Friendly Commuting Program supports employees who use more earth-friendly ways of commuting.

IMPACT As of 2012, all electricity used by Baxter International operations in Illinois, about 80,000 MWh annually, is generated from 100 percent renewable power via Green-e certified renewable-energy certificates.

Merchandise Mart

LEVERAGING LEED CERTIFICATION

WHO Merchandise Mart Properties owns and operates the world’s largest commercial building, located in downtown Chicago.

WHAT For Merchandise Mart, LEED-EB certification in 2007 served as an opportunity to build on exceptional operating practices, particularly in housekeeping and materials management, and to focus more on energy-efficiency and conservation. Certification also served as a stepping-stone for others: 16 showrooms and office tenants achieved LEED certification for commercial interiors. The Mart also piloted new programs that refine building standards for air quality, recycling, construction standards and material sourcing, and promotes lighting and water conservation.

IMPACT In two years alone, Merchandise Mart reduced energy usage for the entire property by 12 percent, and by almost 25 percent in the building’s common areas. Its efforts to improve the building’s efficiency have helped it draw tenants.
Creating a High-Efficiency Transportation Hub

Jones Lang LaSalle

WHO
Jones Lang LaSalle is a Chicago-based financial and professional services firm, specializing in commercial real estate services and investment management. The company employs more than 45,000 people in 1,000 locations.

WHAT
Chicago Union Station is one of Chicagoland’s most important transportation hubs. Built in 1925, the station serves more than 50,000 commuters each day. In a $24 million renovation project, JLL has been working with Amtrak since 2008 to make the station a sustainability showcase. Improvements include high-efficiency escalators, energy-efficient windows, demand-controlled ventilation and high-efficiency fixtures that improve lighting levels while reducing energy consumption.

IMPACT
The renovations have allowed Union Station to downsize planned chiller equipment by more than 30 percent. Amtrak was able to close its on-site steam plant, reducing natural gas consumption by 2 million therms annually, and various lighting projects have pared 3.7 million kilowatt hours from the station’s annual energy consumption.

U.S. Equities

FOSTERING THE FUTURE OF SUSTAINABLE BUILDINGS

WHAT
U.S. Equities is a privately held international commercial real estate services firm headquartered in Chicago. The firm’s headquarter buildings is a circa-1882 warehouse converted into a LEED gold certified high performing building with 100 percent of base building operations powered by renewable wind-energy credits.

WHAT
U.S. Equities was an early adopter of sustainable real estate development, starting in 1985 with an energy-efficient award-winning office tower. The company has completed LEED-certified commercial buildings for clients such as Google and Novartis in Latin America, as well as the iconic Chicago Willis Tower. The company is designing and implementing the first utility-based energy efficiency incentive for commercial building owners. The incentive aims to engage tenants in energy upgrades, making comprehensive upgrades more cost-effective.

IMPACT
At 310 N. State, a 690,000 square foot multi-tenant building, U.S. Equities reduced greenhouse gas emissions by 16%, water consumption by 20%, and achieved a recycling rate of 58%. The building received LEED gold certification for their efforts including chiller replacements, extensive lighting work, BAS upgrades, restroom renovations, cooling tower efficiency and tenant energy reductions. Tenants of the building can communicate these successes to their stakeholders.

Center for Neighborhood Technology (CNT)

This non-profit think-and-do tank promotes urban sustainability through its research and through initiatives on climate, energy, water, transportation and community development. CNT’s two affiliates make an impact in their own right. IGO Car Sharing has a fleet of low- or no-emission vehicles and, in partnership with the CTA, offers the only smart card that gives members access to both IGO cars and public transit. CNT Energy administers Illinois’ two Smart Meter-enabled hourly electricity-pricing programs, and runs a nationally recognized energy efficiency service that has rehabbed more than 10,000 housing units and created 400 jobs.

Center for Sustainability and Excellence

With its North American offices in Chicago, this sustainability consulting firm helps its global clients integrate the principles of sustainability into their culture, products and services. Established in 2004, the Centre also hosts training and roundtables with thought leaders and distinguished speakers from the public and private sectors, as well as academia. Its sustainability workshops have been attended more than 5,000 people worldwide.

Clean Energy Trust

Formed in 2010 to stimulate entrepreneurial activity in clean energy, the nonprofit Clean Energy Trust has become the Midwest’s leading clean-tech business accelerator. Its most recent coup: partnering with Argonne National Laboratory to win a $120 million U.S. Energy Department-funded battery and energy-storage hub. The Trust will work to bring new technology developed through the hub to market. It also produces an annual business contest and has awarded $400,000 to new clean-tech companies from across the Midwest in the past two years. These companies have gone on to raise over $23 million in private and public funding.

Delta Institute

Delta Institute, a 15-year-old nonprofit organization, is a leader in finding market-based solutions to tough sustainability problems. Delta helped secure a coal-free energy supply for Chicago residents; worked with manufacturing firms to meet supplier environmental requirements; got LEED certification for some of Chicago’s iconic market-leading commercial buildings; and is helping CMAP with administration of a residential energy efficiency program. Delta has a reputation for high-quality technical work, making it an important resource to both the public and private sectors.

Environmental Law & Policy Center (ELPC)

ELPC is the Midwest’s leading environmental legal advocacy and eco-business innovation organization. This non-profit pursues environmental progress and economic development together, advancing clean energy, cleaner air and smart transportation. ELPC works with wind industry leaders to promote strong state and federal renewable energy policies. Its attorneys successfully led the legal challenges to two highly polluting coal plants in Chicago, and in partnership with the City of Chicago, ELPC is removing obstacles to the rooftop deployment of solar energy panels. ELPC is also working to accelerate the development of a Midwest high-speed rail network that improves mobility, reduces pollution, creates jobs and spurs economic growth.

Metro Chicago

Chicago-area organizations are building the sustainability networks that spur change. They include:

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Chicago Region Corporate Sustainability Working Group

As global corporations in a common location, we learn from each other’s practices, and this further strengthens the region. While we recognize that sustainability is a journey, we hope that this report identifies the diverse and innovative ways in which both businesses, and civic organizations collaborating with them, are committed to environmental stewardship. I extend my thanks to the sustainability leaders of the corporations and civic organizations listed below for participating in the development of this report. This group of leaders will continue to collaborate, finding ways in which we can, working with others, best support a healthy and green Chicago region. Thank you to all who have provided time and thought leadership for this effort.

Heather Loebner
Co-Chair, Corporate Sustainability Working Group
Abbott Laboratories
Adrian Smith + Gordon Gill Architecture
Allstate Corporation
ArcelorMittal
Baker & McKenzie
Baxter International Inc.
The Boeing Company
Chicagoland Chamber of Commerce
City of Chicago
Civic Consulting Alliance
Clean Energy Trust
Ecotab
Edelman
Exelon Corporation
Hyatt Hotels Corporation
McDonald’s Corporation
McKinsey & Company
Merchandise Mart Properties
Metropolis Strategies
RW Ventures
S&C Electric Company
Sidley Austin
Skidmore, Owings & Merrill
United Airlines
U.S. Equities Realty
World Business Chicago

Green Ribbon Committee

John Livingston
Co-Chair, Green Ribbon Committee
Director, McKinsey & Co.

William Abolt
Vice-President, Energy & Sustainability, Shaw Environmental & Infrastructure, Inc.

Ellen Alberding
President, Joyce Foundation

Paula Allen-Meares
Chancellor, University of Illinois at Chicago

Lee Bay
Executive Director, Chicago Central Area Committee

John Canning
Chairman, Madison Dearborn Partners LLC

Stephanie Comer
President, Comer Foundation

Sunil Garg
Senior Vice-President, Chief Information and Innovation Office, Exelon Corporation

Chris Kennedy
Former President, Merchandise Mart Properties

Bernard Loyd
Chairman, President, and CEO, Greater Auburn-Gresham Development Corporation

Carlos Nelson
Executive Director, Greater Auburn-Gresham Development Corporation

Adelle Simmons
Vice-Chair and Senior Executive, Metropolis Strategies

Robert Wislow
Chairman and CEO, U.S. Equities Realty

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SO WHAT MAKES THE CHICAGO REGION Sustainable?

Innovating companies like ArcelorMittal and Abbott Laboratories, which create products and processes that make it easier and cheaper to be sustainable.

Pioneering projects that raise the bar on the scale and scope of environmental stewardship, like McDonald’s global sustainable supply chain.

Engaging programs, like Hyatt Thrive or the groundbreaking Midwest Aviation Sustainable Biofuels Initiative, which recruit new people and resources to the cause of environmental stewardship.

And in the city that invented the skyscraper, sustainability has deep roots in green buildings, as well.

A region that can support these forces for change with a network of partnerships between business, government, non-profit organizations and civic groups has everything it needs to take—and hold—the lead in sustainability.

Metro Chicago has all these things. The corporate sustainability work featured here is driving a movement, and this is just the beginning. Expect more to come.