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NEWSLETTER

• IEF • GOLD MEDAL • CAPACITY BUILDING

LEADERSHIP & THE GOLD MEDAL:

“You can build long-term value for your shareholders. You can build hope with your people and trust with your customers by achieving the fragile balance of profitability and social conscience. So this award, more than anything else, is a validation to 100,000 people who work for Starbucks every day ...that we are on the right track, that we are doing the right thing.”

**Howard Schultz,
Chairman
of Starbucks
May 13, 2005**

For more on Starbucks receiving the 2005 Gold Medal Award, see page 2.



BEIJING, CHINA SUSTAINABLE PROSPERITY: SUCCESS THROUGH ENERGY & ENVIRONMENT BEST PRACTICES OCTOBER 18 & 19

As previously announced, the World Environment Center (WEC) will conduct an Asia-Pacific Roundtable in Beijing, China on October 18th and 19th. The subject of this workshop is “Sustainable Prosperity: Success through Energy & Environment Best Practices”. The Conference will be co-sponsored by the Chinese Enterprise Confederation (CEC), the key industry association in China representing over 436,000 enterprises.

China has experienced sustained economic growth and prosperity for the last two decades. This groundbreaking conference will explore approaches to how China can maintain sustainable industrial economic growth while protecting the environment and dealing with critical issues of energy and worker safety. We will hear presentations from Chinese and International experts from both the private and public sector. Topics will include:

- Implementation of Environmental Management Systems and Standards
- Human Capital Development
- Supply Chain Relationships and Management
- Creative Public-Private Partnerships



The Conference will involve policymakers and senior private sector representatives from China, Japan, North America and Europe.

The WEC's International Environment Forum (IEF) is composed of senior-level Environment, Health and Safety (EH&S) executives representing 40 multinational corporations from twelve different industry sectors. Since its inception the IEF has held over 100 meetings with environmental ministers or other high-level government officials, the United Nations, the Organization for Economic Cooperation and Development (OECD), the World Bank and other institutions. Corporate industry participants in turn gain access to and contact with a number of important populations, including a diverse international network of policy experts, environmental ministers, global managers and representatives of international organizations.

Please mark the dates of October 18 and 19 on your calendar and contact us for early registration. A block of guest rooms and meeting rooms has been reserved for attendees at Beijing's world-class Hotel Kempinski (<http://www.kempinski-beijing.com/>). We will be sending out more details in the upcoming months including the finalized agenda and registration forms.

We look forward to seeing you in Beijing. 1

UPCOMING IEF MEETINGS

SEPTEMBER 22-23 2005

ISLAND OF PORQUEROLLES,
FRANCE

“Biodiversity : Which Challenges for Industry? ”

Hosted by the Total Foundation for Biodiversity and the Sea, this European Roundtable on Biodiversity will address this highly challenging issue for multinational companies across all industry sectors. Achim Steiner, the Director General of the IUCN – The World Conservation Union, and Prof. Philippe Bouchet of the Museum National d’Histoire Naturelle will share their expert perspective on risks and costs associated with the loss of biodiversity. European Union’s policies on biodiversity as well as case studies from Total, Alcan, Cemex and Inco will be presented on how biodiversity affects companies and what companies are doing to address this growing concern.

OCTOBER 18-19 2005

BEIJING, CHINA

“Sustainable Prosperity: Success through Environment and Energy Best Practices”

This groundbreaking workshop will explore approaches to how China can maintain sustainable industrial economic growth while protecting the environment and dealing with critical issues of energy usage and worker health and safety.

Selected topics will include:

- Implementation of EMS Policies and Standards;
- Human Capital Development
- Supply Chain Relationships and Management;
- Creative Public/Private Partnerships.

STARBUCKS RECEIVES THE 21ST WEC GOLD MEDAL AWARD FOR INTERNATIONAL CORPORATE ACHIEVEMENT IN SUSTAINABLE DEVELOPMENT



Top from Left: John Mizroch-President of WEC, Howard Schultz-Chairman of Starbucks (2005 Gold Medal Award Recipient), Dub Hay-VP of Starbucks

Bottom from Left: Oscar Berger Perdomo-President of Guatemala, Elizabeth Lowery-VP of Environment and Energy, General Motors and Chair of WEC Board of Directors, John Barth-CEO of Johnson Controls, Inc (2004 Gold Medal Award Recipient).

The World Environment Center’s twenty-first annual WEC Gold Medal Award for International Corporate Achievement in Sustainable Development was presented to the Starbucks Coffee Company at a formal gala on Friday, May 13, 2005, at the historic National Building Museum in Washington, D.C. Over 400 guests representing multinational companies, the U.S. and foreign governments, environmental agencies, the international academic and scientific communities and the media enjoyed this spectacular ceremony.

Howard Schultz, Chairman of Starbucks, accepted the award from the President of Guatemala, The Honorable Oscar Berger Perdomo who noted that Starbucks is an important partner in coffee growing for Guatemala. The President shared his enthusiasm by saying, “I applaud and congratulate Starbucks and Mr. Schultz for their commitment to producers in Guatemala and the environment.”

The Signature Contribution on which the Gold Medal Jury based its award decision for Starbucks is the Coffee and Farmer Equity (C.A.F.E.) Practices - created in conjunction with Conservation International - which have contributed positively to the livelihoods of coffee farmers - specifically in Guatemala - through environmental conservation and supply chain transparency.

The 2006 Gold Medal Award nomination competition has started and the winner company will be announced in January 2006. For more information on the Gold Medal Award please visit: <http://www.wec.org/wecgm.htm>.

Don’t forget to mark May 12, 2006 on your calendar for next year’s Annual Award gala.

Future Roundtables are being prepared for the Spring of 2006 in both North America and Europe. Check back at www.wec.org for updates.



NANOTECHNOLOGY & EH&S ISSUES PRESENTED AT NEW YORK IEF MEETING

Thanks to the generous sponsorship of James Lime, VP EHS at Pfizer and benefactor member of WEC, the IEF North American Roundtable took place at Pfizer's headquarters in New York City on March 10-11, 2005 covering environment, health and safety (EH&S) issues, opportunities and risks of nanotechnology.

Renowned experts in nanotechnology ranging from government and science to investment funds and industry analysts presented on both the potential risks and the amazing advantages of new products comprising engineered nanomaterials. All presenters agreed that the evolution of nanotechnology will affect virtually all segments of manufacturing industry.

WEC members can access the members only exclusive web site for speaker information, presentations and other related documents at www.wec.org/login



IEF EUROPEAN ROUNDTABLE ON CLEANER PRODUCTION, APRIL 14-15 IN HAMBURG, GERMANY

The senior EH&S executives from 15 multinational companies gathered at Beiersdorf AG offices on April 14 & 15 for the Hamburg IEF European Roundtable to discuss cleaner production. The meeting was graciously hosted by Beiersdorf's Dr. Detlef Wiswe, VP of Corporate Environmental Protection and Peter Kleinschmidt, Beiersdorf's Executive Board Member for Human Resources, Administration and Environmental Protection. Presentations were made by experts across industry and academia on decreasing corporate environmental footprints, highlighting such issues as the European Union's environmental technologies action plan and UNEP's Eco-Design System, a pyramidal system designed to achieve sustainable consumption and production.

WEC IEF members also had the opportunity to learn from their peers about the practical and well-documented case studies by Tesa AG, Bristol-Myers Squibb, Schlumberger, Henkel and Johnson Controls, Inc., all of whom presented radically different approaches to tackling the issues related to cleaner production. These strategies include using breakthrough technologies through R&D, incorporating green chemistry processes, redesigning the energy and environmental reporting and managing highly productive stakeholder dialogues.



Graphic- Eco-design System Pyramid

All of the IEF Roundtable materials are available for WEC members to download on the WEC members only section at www.wec.org/login.htm. The World Environment Center encourages multinational companies to become part of the International Environment Forum. For more information, contact John Mizroch at john@wec.org.

2005 GOLD MEDAL COLLOQUIUM ADDRESSES THE SOCIAL ASPECTS OF SUSTAINABLE DEVELOPMENT

This year's Colloquium, entitled "Multinationals in Developing Communities: How Leadership Companies Build Social Capital," focused on the social components of sustainable development, a theme underscored by this year's Gold Medal Award recipient, Starbucks Coffee Company, and its Signature Contribution – the Coffee and Farmer Equity (C.A.F.E.) Practices. As is tradition every year, the WEC Colloquium precedes the 2005 Gold Medal Award Dinner – see page 2 – as a forum for the issues brought to light through the program and company that is awarded the Gold Medal.

Starbucks presented its Signature Contribution, the Gold Medal Award-winning C.A.F.E. Practices, highlighting its innovative approach, in partnership with Conservation International, for solid practices in conservation and fair pricing in coffee producing countries around the world.

The two-day meeting featured inspiring keynote addresses by Assistant Administrator for the US Agency for International Development, Fred Schieck, and the Assistant US Trade Representative for Trade Capacity, Mary Ryckman.

Innovative/ Compelling industry case studies included best practices of members of the International Environment Forum (IEF), worldwide leaders such as Johnson Controls, Inc; Boehringer Ingelheim; InterGen Energy and Alcoa.

The full collection of presentations from the Colloquium and previous WEC meetings are available to IEF members on WEC's member page at www.wec.org/login.htm.

CONTACT

Washington DC

Headquarters

1300 Pennsylvania Ave, NW

Suite 550, Box 142

Washington, DC 20004

Tel 202.312.1370

Fx 202.682.1682

WEC Europe

University of Augsburg

Universitaetsstrasse 1

D-86159 Augsburg, Germany

Tel +49.821.598.3563

Fx +49.821.598.3559

www.wec.org

FOLLOW UP ON GREENING THE SUPPLY CHAIN PROJECT IN MEXICO

The WEC's Greening the Supply Chain Project is a successful example of combining the resources of WEC members, the WEC itself, USAID and small to medium suppliers to promote the adoption of cleaner production and energy efficiency techniques in developing countries.

One of the pilot projects was launched with Alcoa Fujikura Ltd. (AFL) in Mexico and inaugurated with a workshop held in Monterrey, Mexico in the summer of 2004 for select AFL suppliers. The WEC's local technical assistance provider made one-day follow-up visits to participating AFL suppliers to make sure that they had selected appropriate process improvements and were making sufficient progress toward implementing those improvements.

As a follow up to the project, the WEC visited Monterrey, Nuevo Leon in Mexico in April, 2005 to attend a meeting that Alcoa (AFL) called with the participants in the supply chain project. Five of the nine participating companies sent representatives and presented impressive Cleaner Production/Energy Efficiency improvements that were profitable, clean and replicable within their other facilities and that would be applicable in similar operations at other companies.

Some preliminary results from the pilot projects in both Brazil and Mexico include:

- A food processing company saving \$42,000 and 10 million gallons of water a year from an initial investment of \$8,000 in a water recycling and reuse system;



- A savings of 100,000 gallons of water a year (one of many savings) from a packaging company that was already ISO 9001 and ISO 14001 registered; and

- A chemical company on track to save over \$25,000 a year and eliminate over 300 tons a year of CO2 emissions.

WEC will be working with the North American Commission on Environmental Cooperation and the U.S. Mexico Chamber of Commerce to develop new projects with member companies in Mexico. A GSC project is also currently under development in China with General Motors. We are continuing to develop case studies, examples and materials that are demonstrating the importance and efficacy of this project. We want to thank the WEC member companies who have agreed to pilot this project with us for their leadership and vision and we look forward to working with many more of our members in the future. A detailed description of this project can be found on the WEC website at www.wec.org/cbfe.



NEW FUNCTIONALITY TO WEC'S MEMBER SITE

As part of WEC's continuous effort to provide members with high level access to information, and networking with each other, several improvements have been made to the WEC member site (www.wec.org/login.htm).

The information provided at the Roundtable meetings is often rare data and insights from industry experts. To that end, WEC provides IEF members with access to past Colloquium and Roundtable presentations and related articles. WEC staff has updated the document viewing page so that the presentations are chronologically ordered under their corresponding meeting. WEC is reviewing the feasibility of building an enhanced search format that allows the users to find documents by date, title, location and a predetermined set of search topics.

In the upcoming months, WEC staff will be reviewing the possibility of several ideas that have been brought up by WEC members, such as a popular suggestion of regular, although not burdensome, communication amongst the members through the website.



WEC will continue to keep members posted of the latest improvements to their private site and welcomes any feedback or suggestions from members in order to maximize the value of the site.