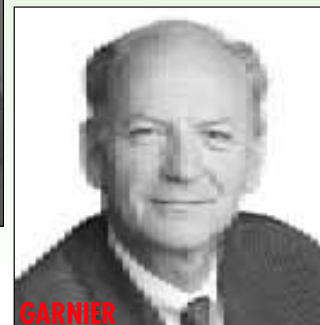


# Leaders in Corporate Philanthropy

Thoughts from select members of the Committee to Encourage Corporate Philanthropy's Board of Directors



Around the world, the power of networking is apparent in business, government, academia, and even philanthropy. Headquartered in New York, the Committee to Encourage Corporate Philanthropy (CECP)



was launched in November 1999, with renowned actor-director-philanthropist Paul Newman as its chairman. Soon afterwards, Ken Derr, retired chairman and chief executive officer of ChevronTexaco, joined Newman as co-chair.

By invitation only, CECP's membership is limited to CEOs and chairpersons of the most important and influential companies. The organization's membership has grown to over 100 members, whose philanthropic contributions represent as much as 45 percent of the U.S. total of reported corporate gifts. The amount of reported inflation-adjusted corporate giving has risen 41 percent in the last five years, from \$9.5 billion in 1998 to \$13.5 billion in 2003. Today, CECP is led by Sanford "Sandy" Weill, also chairman of Citigroup Inc., and has expanded its board of directors to include 21 active senior executives.

On the pages that follow, some of the CECP's notable directors share their thoughts on the value of the committee's work and the importance of corporate giving in general.



**GENE O'KELLY**

Chairman and Chief Executive Officer, KPMG LLP, New York

## SANFORD I. WEILL

Chairman, Citigroup Inc., New York

### How is CECP unique amongst other organizations designed to increase the public's interest in philanthropy?

The Committee to Encourage Corporate Philanthropy is the only national forum of corporate chief executive officers and chairpersons with an agenda exclusively focused on corporate philanthropy. In addition to the power of its network, the committee's strength is found in the shared commitment of its members to promote corporate philanthropy, overall corporate reputation, and the natural alignment of corporate philanthropy with business objectives.

## JEAN-PIERRE GARNIER

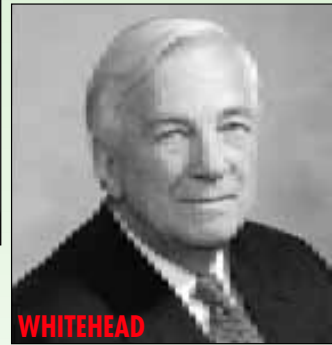
Chief Executive Officer, GlaxoSmithKline plc, London

### Does the CECP's work bring with it a significant value proposition?

My answer is a resounding "yes." In addition to the power of this elite network and in addition to our ability to identify and promote best practices in corporate philanthropy, we have spearheaded the development of a true Corporate Giving Standard (CGS) to provide companies and society alike with common metrics and definitions for measuring and benchmarking corporate contributions. The CGS is a web-based tool that transforms data to information to management reporting. Users can access a rich body of corporate contributions data and perform on-demand benchmarking and reporting. The committee's directors have enthusiastically backed this development from the start, and we are proud of and impressed with this empowerment.

### How have corporations reacted to CECP's emphasis on the measurement of philanthropy?

In the first place, CEOs have wanted consistent benchmarking with common metrics and definitions for years. Now, they have all of that and more. Community-affairs professionals like the survey for its fullness and ease of use. They also appreciate the robust reporting-module functionality because it empowers them to perform internal and external reporting and benchmarking between their companies and participating peers. That function saves time that was once spent manually collecting benchmarking data from peer companies. This new web-based CGS tool has superceded traditional measurement practices by providing a complete picture of contemporary corporate giving. Across their corporations, executives can take advantage of the breadth of cross-function management reporting that is now possible. Executives commonly react to the Corporate Giving Standard by saying that it gets to the heart of corporate giving through its unique ability to capture the motivations behind corporate contributions.



#### **TERRY MCGRAW III**

*Chairman, President and Chief Executive Officer, The McGraw-Hill Companies, New York*

#### **In what ways does CECP promote and advocate corporate philanthropy?**

As an advocacy group, CECP promotes corporate philanthropy and brings awareness to issues in the philanthropic arena through multiple activities. Our New Century Philanthropy newsletter provides members with an effective forum to showcase best practices and highlight the work that corporations are doing in their local and global communities, making our readership aware of the innovative and effective philanthropy programs that are thriving worldwide. Our annual Excellence in Corporate Philanthropy Awards, which recognizes outstanding leadership by the corporate and nonprofit sectors, has brought awareness to the importance and impact of strategic corporate grantmaking, CEO engagement, and innovation in corporate philanthropy. CECP also has led the way in developing a cutting-edge system for providing a uniform way to measure and benchmark corporate philanthropy. These and other CECP initiatives have helped guide corporations like The McGraw-Hill Companies in the development of increasingly strategic and effective philanthropic programs and activities.

#### **KEN THOMPSON**

*Chairman, President, and Chief Executive Officer, Wachovia Corporation, Charlotte, North Carolina*

#### **How engaged are CEOs in their corporate philanthropy programs?**

CEOs know it is our responsibility to invest in communities, because it is the community's investment in our companies that makes us successful. Many CEOs are personally involved in their companies' philanthropic programs, whether by chairing community campaigns, participating on civic boards, or helping shape the company's philanthropy strategy. The need for business leaders to play an active role in civic affairs is greater than ever. An engaged and involved CEO not only strengthens corporate philanthropy programs, but also sets the tone that encourages individual employees to contribute time, talents and money to help make the world a better place.

#### **KEN DERR**

*Former Chairman and Chief Executive Officer, ChevronTexaco, San Ramon, California*

#### **Does the committee have a global reach?**

Seven countries, in addition to the United States, are represented on the committee, and that diversity amongst the membership will increase. One of our goals is to increase the international giving of U.S.-based corporations. In my

view, corporate philanthropic giving is integral to corporate reputation, to employee morale, and to stakeholders at all levels. Companies that want to expand their business globally find themselves under review as to what they will do for these new communities. Corporate philanthropy has become part of a good strategic business plan.

#### **JOHN C. WHITEHEAD**

*Former Co-Chairman and Senior Partner, Goldman, Sachs & Co., New York; Former U.S. Deputy Secretary of State*

#### **Are there opportunities for global partnerships in philanthropy?**

Yes. The Committee has collaborated with multiple organizations to further promote its mission of advocating corporate philanthropy by connecting the public, private, and independent sectors around the world. In the last year, the CECP has collaborated on issues relating to global social responsibility with the World Bank Group, The Prince of Wales International Business Leaders Forum, the United Nations Fund for International Partnerships, and the Shanghai Charity Foundation. All of these collaborations challenge our members to address the needs of global society.

#### **SHELLY LAZARUS**

*Chairman and Chief Executive Officer, Ogilvy & Mather Worldwide, New York*

#### **How has corporate philanthropy changed in the 21st century?**

Corporate philanthropy has moved beyond grant making and check writing. Today, philanthropy is more ambitious, more strategic, and more global, and it demands results. Increasingly, corporate-giving programs are managed strategically with clear objectives, established metrics, and reporting structures to senior management, similar to other key business disciplines. Corporate philanthropy has come to be regarded as a sound business practice that is in the best interest of shareholders and stakeholders alike. It's often institutionalized as an integral part of a company's mission and business practices. ●