

Alcatel-Lucent's CSR Council Embeds Sustainability Into Core Strategy

The Challenge

Information and communications technology (ICT) plays a critical role in enabling the transition to a low-carbon economy—and, increasingly, investors, consumers, and NGOs expect ICT companies to step up to the challenge. Alcatel-Lucent, a world leader in high-tech equipment for telecommunications networks, wanted to meet not just these expectations, but also to embed a strategy to anticipate future sustainability requirements.

Alcatel-Lucent's newly appointed CEO Ben Verwaayen called for bold sustainability objectives that would be integrated into the company's long-term business strategy. Verwaayen wanted to enable and inspire employees to lead, test the limits of what is physically and financially possible for the business, and define new concepts for growth and value creation. To meet these goals, Alcatel-Lucent turned to BSR to develop and guide the company's advisory body to focus the company's sustainability strategy, develop initiatives, and deploy them to the company's more than 77,000 employees in 130 countries worldwide.

Our Strategy

BSR worked with Alcatel-Lucent to set up and manage the CSR Council, an advisory board comprising C-level executives from each of Alcatel-Lucent's four business units as well as external sustainability experts. Aligning its focus with the company's most material sustainability issues, such as climate change and the role of ICT as an enabler for other companies to reduce their carbon emissions, the council sets CSR priorities and goals, reviews progress, and provides perspective on potential risks and opportunities related to emerging social and environmental issues.

We participated as one of two external experts in the council's quarterly meetings, leading discussions, sharing insights from our experience in key markets, and challenging assumptions. In addition, we provided support to the council activities by helping:

- Design the CSR Council and its governance based on a review and analysis of other similar efforts.
- Shape strategic priorities based on research and analysis of a range of market trends, and the role of innovation in sustainability within the sector.
- Define the company's 2020 goals on issues such as climate change and CSR in the supply chain through dialogue with sustainability leaders inside the company.
- Refine the concept underpinning Green Touch, a consortium that brings Alcatel-Lucent together with other leaders in industry, academia, and government labs. The initiative is designed to invent and deliver radical new approaches to energy efficiency that will help transition the world to a low-carbon economy.

Out Impact

Not long after the formation of the CSR Council, the strategy began yielding results. For example, Alcatel-Lucent has committed to reducing its carbon footprint by 50 percent of 2008 levels by 2020. To achieve this goal, the company is taking measures that involve the entire workforce and the full range of its activities, from facility operations and logistics to information technology and business travel.