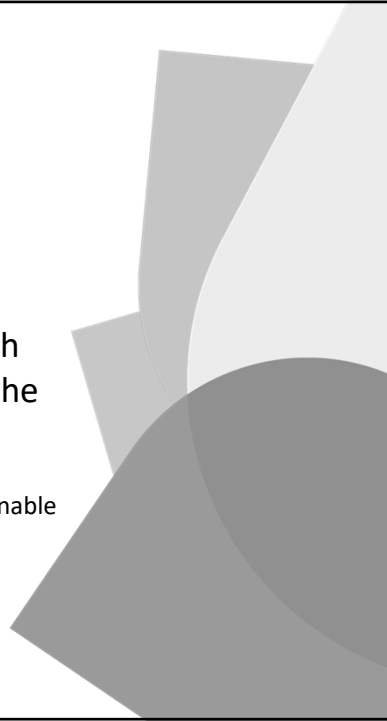



Journey to Flourishing


A story of transformation through
Sustainability & Engagement of the
Whole

Julie Reiter – V.P., Human Resources & Sustainable
Development, The Clarke Group, Inc.





Chapter 1:
**Pent-up
desire**



This is who we were.



This is what we were.

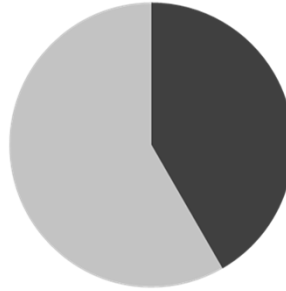


This is what we were known for...

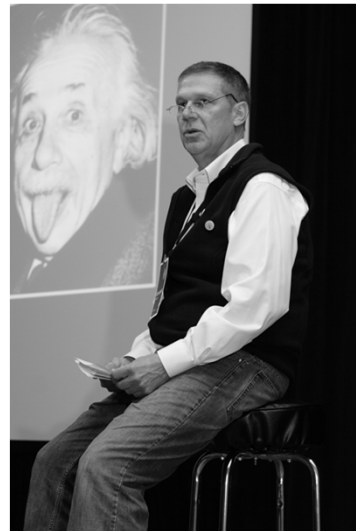


This is where we were.

- Significant market share
- Leader
- Respected

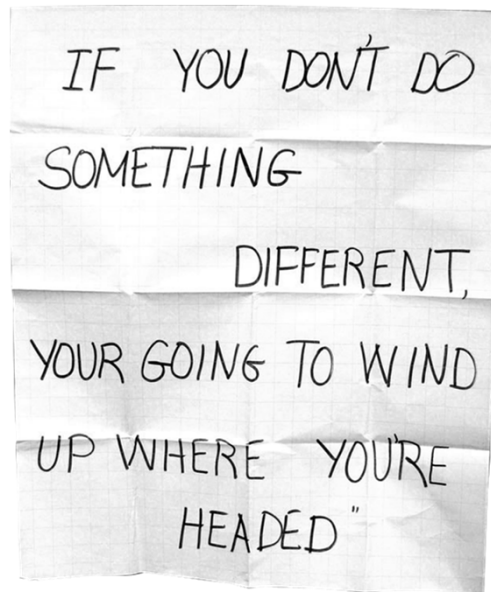


**Pent-up
desire for
a company
with greater
purpose.**



Five major factors...

1. Self-awareness

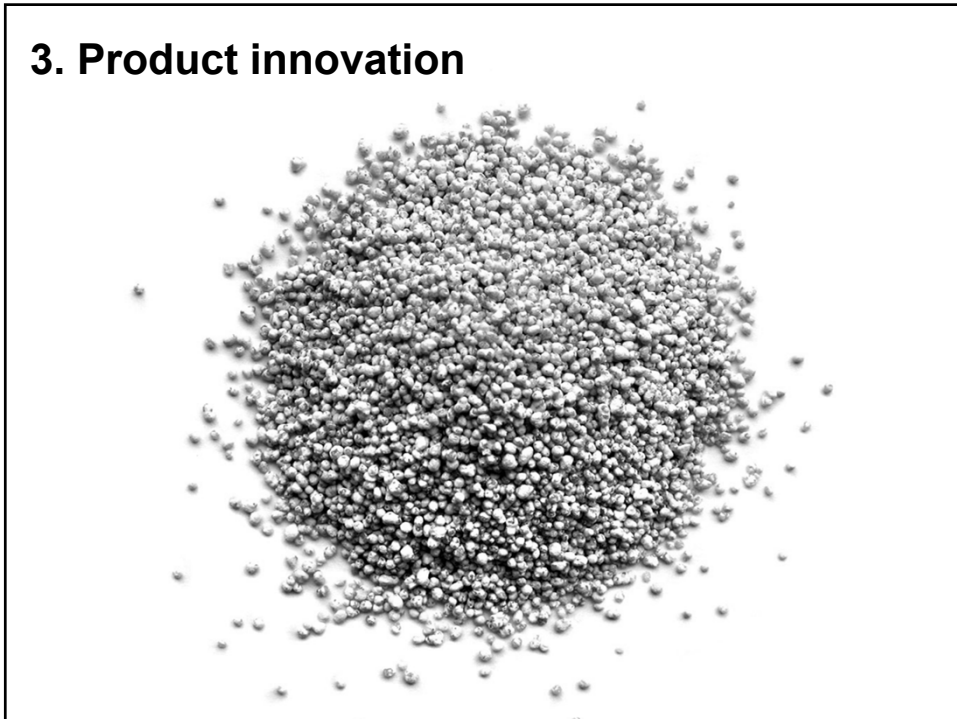
A piece of crumpled paper with handwritten text in black ink. The text is arranged in five lines, with some words on a line that is partially obscured by a fold. The paper is set against a white background.

IF YOU DON'T DO
SOMETHING
DIFFERENT,
YOUR GOING TO WIND
UP WHERE YOU'RE
HEADED "

2. Making a difference



3. Product innovation



4. Sustainable business model



5. The next generation



From: Patti Driscoll [mailto:pdriscoll@clarkemosquito.com]
Sent: Monday, July 21, 2008 7:49 AM
To: Andrew Tecson; Joe Drago; Kevin Magro; Joel Freundt; David McLaughlin; Julie Reiter; John Patty; Bill Calvano; Rod Flinn; Rod Flinn; Joe Naro; Terry Phillip; Frank Clarke; William Jany; Bob Domenz; Cate Hull; Pat Hallahan
Subject: URGENT - GALENA UPDATE
Importance: High

Lyell has requested that EVERYONE bring swimwear -- swimsuits, flip flops, etc. - to the meeting.

If you don't have any or have already left home, STOP and BUY them!!!

(I have no idea why --- so don't ask :)


Patti Driscoll
Executive Assistant
Climate Control

**“I want you to take a
leap of faith with me.”**



Chapter 2:

Setting off on the journey

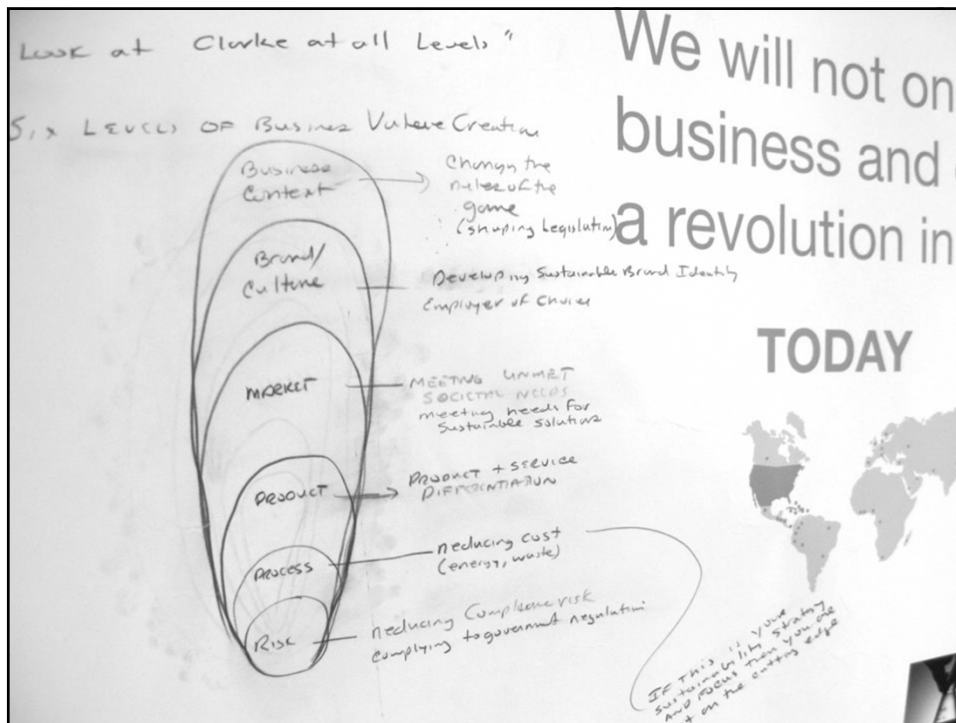




What we were...



What we aspired to be...



THE NEW CLARKE: Transformation today and tomorrow

1 WHY CHANGE?

We're not changing because of "one single" reason. We're changing because we want to, we must and we can. We're changing because we were built on change, and because leaders never become complacent.

We want to improve our company and ourselves, capitalize on the opportunities around us and discover new ones, and ensure we dramatically distance ourselves from our competition.

Equally importantly, we want to create a "Clarke" together—the most exciting and profitable environment for our employees and customers to come.

The Future
Our future growth depends on our ability to lead and innovate ahead of our peers. The company we build for the future depends on our commitment to the employees we hire today.

Our Culture
We have a deep desire to create an exciting, challenging, and meaningful work environment for our employees.

Our Purpose
We exist to serve our customers, and we are committed to providing them with the highest quality products and services.

Our Commitment
We are committed to our customers, our employees, and our communities. We are committed to the highest standards of integrity and ethical behavior.

Our Brand
We have a deep desire to create an exciting, challenging, and meaningful work environment for our employees.

2 WHAT ARE OUR MISSION, VALUES AND BELIEFS?

Together, we help make communities around the world more livable, safe and comfortable by:

- Pioneering, using and championing the most eco-responsible and advanced products, services and business practices possible.
- Providing support to as many communities as we can through *The Clarke Cares Foundation*.
- Living our mission through our daily words and action.
- Supporting our customers, partners and each other in this endeavor, and inspiring others to join us.

—THE CLARKE MISSION

OUR VALUES AND BELIEFS

Our values and beliefs reflect what is truly important to us as a company, and guide our business strategies, our corporate behavior, and our relationships with partners, customers, communities and each other.

These values remain constant across time, circumstances and relationships. They prevail even as the size and locations of our company expand. They represent the soul of our company and the underpinning of our culture.

WE...

Make a Difference
We are determined to seek ways to constantly improve and innovate—in our individual roles, in our business, for our customers and the communities they serve.

Work with Purpose
We seek to conduct our business and provide offerings that are the most effective, with the least negative impact on the environment while enriching the wellbeing of people.

Share Ideas
Engage co-workers, customers and partners to understand issues, solve problems and develop new ideas: we are more successful collectively than individually.

Lead by Example
We take pride in our work, strive for excellence, act responsibly and show respect for each other, our customers, partners, competitors and the earth.

Our mission is to make communities around the world more livable, safe and comfortable.

24




CLARKE

Mission: *To be your trusted partner in mosquito control*

Mission: *To make communities more livable, safe and comfortable*

INNOVATION

Introducing revolutionary ideas



THE **MOST** experience and resources from one source

THE **ONLY** EPA Reduced Risk larvicide line: *Natular™*

THE **FASTEST** response team in the industry

2009 proprietary and confidential 26

COMMUNITY Helping people near and far



2009 proprietary and confidential 27

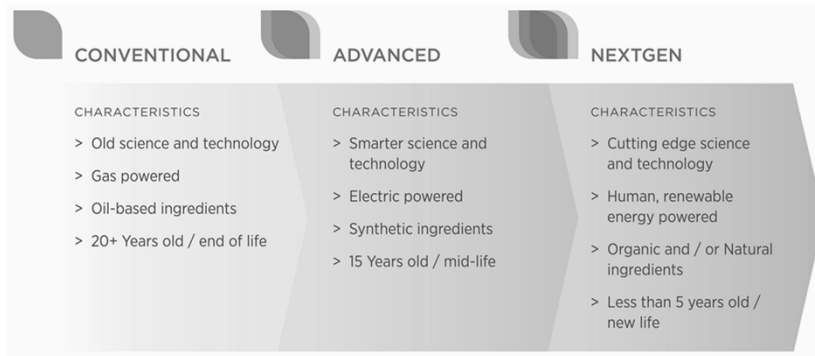
SUSTAINABILITY Lessening our impact on the earth



2009 proprietary and confidential 28

The Clarke Eco-Tier™ Index

This framework guides our development for future offerings, and allows our customers and their communities to understand that they have options



2009 proprietary and confidential


**Change didn't
happen overnight.**

**Not everyone believed.
Some chose to leave**




**Keys to
success**

- Authentic commitment (inspired by greater purpose)
- Senior leadership was willing to challenge old paradigms and take a risk
- We asked ourselves some tough questions
- We sought out and invited input from subject matter experts, thought leaders and outside experts



Chapter 3:
**Making it
stick**



**Engaging All
Employees**

Making it ours...



over **875** ideas

Sustainability goals (by 2014)

- Reduce our **Carbon Footprint** by 25%
- Utilize 20% of energy from **Renewable Energy** sources
- Reduce **Waste Stream** by 50%
- Attain **LEED certification** for all new facilities
- Generate 25% of revenues from **Next Generation Products/Services**
- Incorporate a **“cradle to cradle”** design philosophy in all product/service development efforts
- Donate or **Volunteer 2080 employee hours** to assist the communities in which we serve

The President's Sustainability Teams



MEMORANDUM

TO: All Clarke Employees
 DATE: January 19, 2009
 FROM: Lyell Clarke
 SUBJECT: Formation of a Sustainability Leadership Team

I am looking for 4 to 7 people who would be willing to work with me on a sustainability team. Ideally the team would represent a cross-section of the Clarke organization.

The goal of the team is to help me in driving this change to a more sustainable enterprise. I am looking for volunteers who have or are willing to develop knowledge in sustainability, are interested, motivated and passionate about developing a new sustainable business that is profitable yet is fully accountable to the environment and social impact it has on the world.

The assignment could be 1-3 years in length. It will require work above and beyond your existing job.

If this is something you might be interested in, please respond back by email. In your response please outline two things:

1. Why you would want to be considered for this assignment.
2. If you were a member, what would be your first steps? In other words, what would be your 30, 60, 90 day plans.

Selection for this team will be based on a number of criteria, including your answers to the above questions, your availability, the need for a diverse function group and the approval of your manager.

I need some people passionate about this topic to help in this endeavor. I can promise you this; it will be a rewarding and fulfilling experience.

I thank you in advance for your consideration on this matter.

From Sustainability Teams to Embedded Sustainability



Project Greater Purpose gave us the **organizational focus** to execute with purpose and in teams.

Major initiatives

Sustainable Business

Carbon Footprint Tracking & Reporting
 Transformational Energy – Facilities & Fleet
 Green Power
 Sustainable Packaging
 Cradle to Cradle / Design for the Environment
 Zero Waste

Good Earth

Earth Day Events
 Composting & Rain Barrels
 Recycling Drives

Social Responsibility

Charity Golf Outing & Fundraisers
 Volunteerism Events
 Annual Day of Caring

Communication, Awareness & Education

Sustainability Report
 Appreciative Inquiry Summit
 Speakers Program & Training
 Internal Communications
 External Communications
 Appreciative Inquiry Summits

Extraordinary Health & Happiness

Wellness Incentive Program
 Health Risk Assessment & Biometric Screening
 Health Care Benchmarking
 Health & Wellness Awareness
 Employee Safety Programs
 Healthy Strides Walking Program
 Community Supported Agriculture Program

- Leadership engagement
- Participation in Sustainability efforts was built into job descriptions, performance reviews and bonus goals
- 78% of employees actively participating in one or more committee/initiative




Keys to success

- Change is a contact sport – we got everyone involved.
- The executive leader and leadership team was very visible and clearly articulated the new direction
- Purpose and vision is built into management processes, operations and performance expectations
- We provided a broad array of opportunities – maximizing the opportunities for employees to get involved and to engage


**We'd made remarkable
progress.**

(But we still felt there was more.)



Chapter 4:

Change at the scale of the Whole



Appreciative Inquiry

- A strengths based approach to organizational change
- Identifies what works within an organization and leverages those strengths to intensify energy and vision for the future

“The task of leadership is to create an alignment of strengths—making a system’s weaknesses irrelevant.”

~ Peter F. Drucker

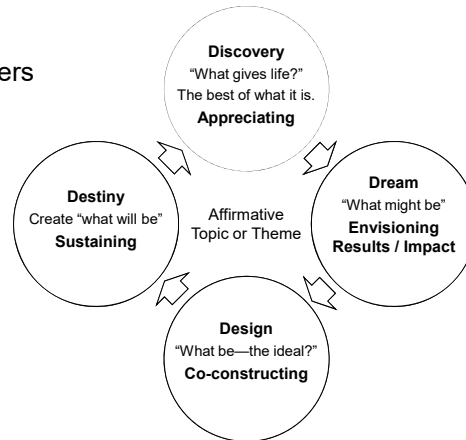
Pioneered by Dr. David Cooperrider and Dr. Ronald Fry of Case Western Reserve University's Weatherhead School of Management

Appreciative Inquiry Summit

- The Whole System
- Employees, Customers, Partners
- Everybody matters

The 4-D Process

- Discovering our strengths
- Dreaming of what's possible
- Designing our future
- Preparing for our Destiny



CLARKE 
ACCELERATING
SUSTAINABILITY
2012



Clarke+ Opportunity Areas

NET Zero Waste

Transformational
energy solutions

Extraordinary Health
and Happiness

How Clarke Cares

Radical Partnerships
and Alliances

Clarke Campus
of the Future

Bold Catalyst for
External Change

Elevated Customer
Experience

Accelerate
Next Generation

Water Resource
Management

Net Zero Waste

Zero Waste

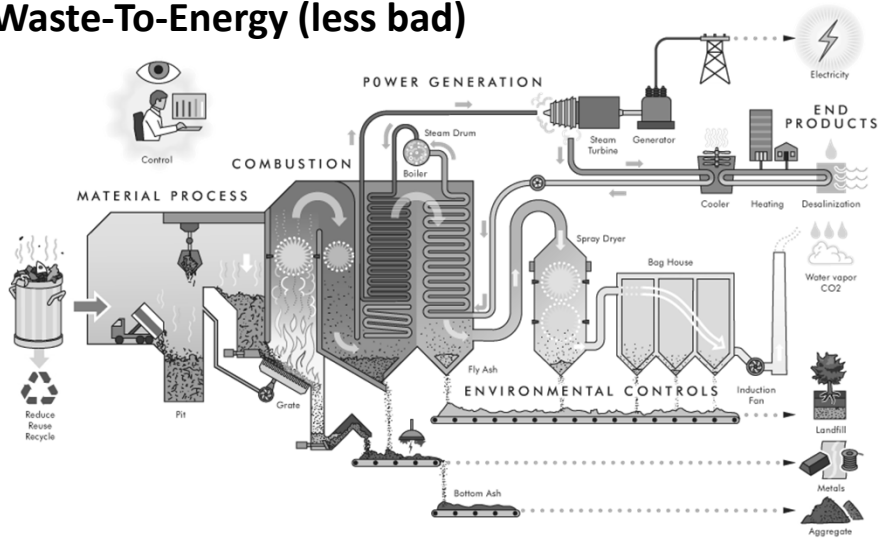
- Automation to reduce/eliminate paper
- Process improvements
- Return/Refillable Packaging
- Waste Champions
- Waste Stations
- Dumpster Dives
- Employee training
- Vendor & Service Provider training



Making communities around the world more livable, safe and comfortable.

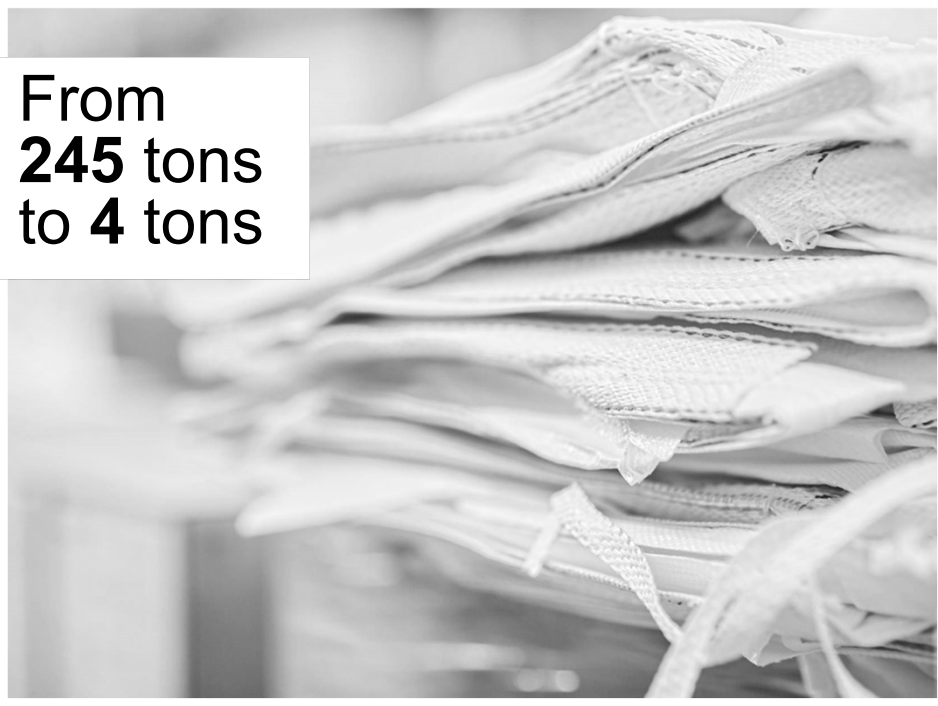
Zero Waste

Waste-To-Energy (less bad)



Making communities around the world more livable, safe and comfortable.

From
245 tons
to **4 tons**





Transformational Energy Solutions

(energy efficiency/carbon footprint)

Transformational Energy

- Facility & Lighting Improvements
- Fleet Routing Systems & Operational Improvements
- Conversion to hybrids and low impact fleet vehicles
- Green Power Contracts (Renewable Energy Credits)
- On-Site Solar Energy

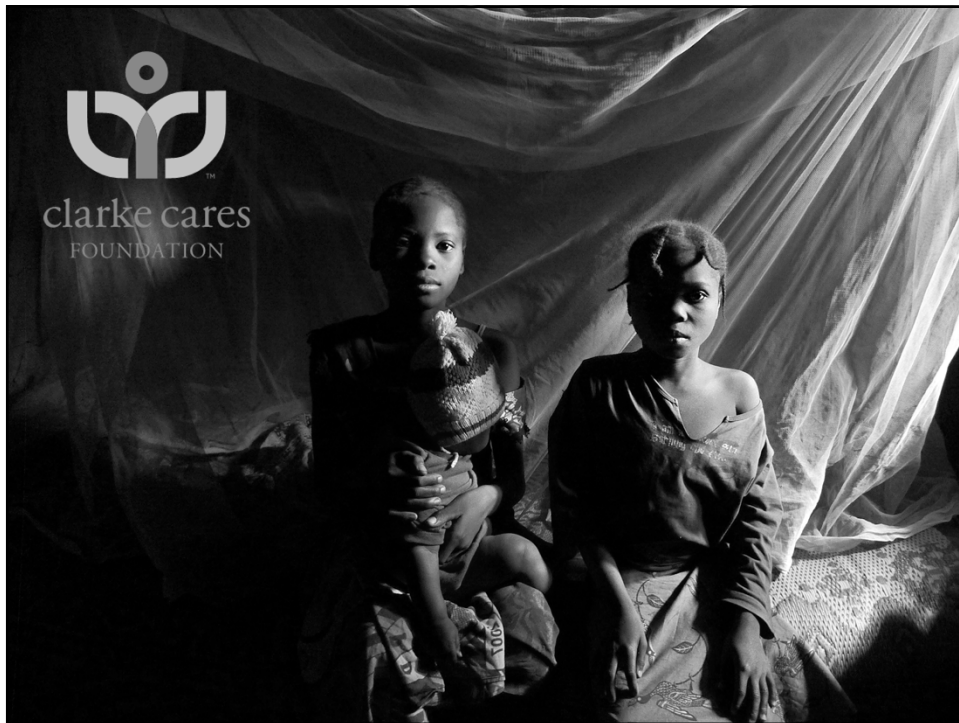




25%
carbon
reduction



How Clarke Cares




**%ONE
FOR
TOMORROW™**

**Clarke Campus
of the Future**




**Keys to
success**

- Leverage our strengths and dreamed bold dreams
- Engaged employees in goal setting
- Established practices and processes to ensure follow-through on innovative ideas
- Leadership got out of the way!



Chapter 5:
**The next
level**



**Sustainable to
Flourishing**

*Where business prospers,
employees thrive, and
nature flourishes*

CLARKE+ 2016

BIGGER, BRAVER, BOLDER.

Igniting our passion and imagination to realize a prosperous and flourishing world.

- Create spaces and systems that empower a fully and euphorically engaged workforce
- Establish a community of beliefs that guide our growth, our purpose and our contributions to the world.
- Illuminate our dynamic and signature strengths to bring the “heart of Clarke” to the world in a manner that inspires and transforms others.

How might we?

New Opportunities

Agent of World Health Benefit

Culture of Euphoric Engagement

Exceptional Customer Brand Experience

Guiding Principles

The Heart of Clarke

International Market Opportunity

Movement of Social Generosity

National Leader in Aquatic Habitat Management

Pervasive Innovation

Voice for our Industry

CLARKE⁺ 2016

BIGGER, BRAVER, BOLDER.



The “Flourishing” Garden




- Illinois Service Center, Roselle, IL
- October, 2017
- A *Regenerative* building, projected to be first **Net Positive** commercial facility in IL
- Designed by employees and Serena Sturm Architects

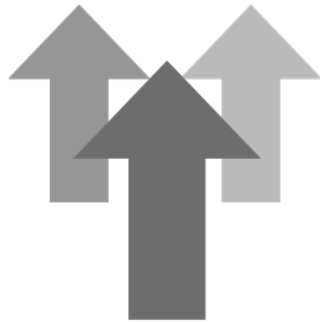


This is who we were.





- **Period expenses**
- **Costs**
- **Turnover**
- **Environmental impact**



- **Culture**
- **Recruiting**
- **Customer & Community engagement**
- **Brand awareness**
- **Innovation**

Key takeaways

- Finding our purpose gave us clarity and alignment
- Engaging employees made it ours – not top down, not bottom up
- Creating a deliberate structure with diverse opportunities helped to embed sustainability
- The journey from simply being Sustainable to Flourishing has sparked increased innovation and elevated performance

The Clarke Group, Inc.
Julie Reiter
V.P. Human Resources & Sustainable
Development
jreiter@clarke.com
www.clarke.com

