

PMRE Steering Committee c/o PRME Secretariat United Nations Global Compact New York, USA

Milan, July 27th 2016

Renewal of Commitment to PRME

Dear All,

as a primary institution of higher education, we strongly believe in the importance of creating new generations of responsible managers and leaders.

We are thereby strongly committed to upholding the UN Global Compact principles on Responsible Management Education, and we are engaged in a continuous improvement process, aimed at increasing the relevance of ethical, social and sustainability related issues in all our research and teaching activities.

In this report we will provide a mapping of the current state of progress (with regard to the six fundamental principles), with a particular focus on the most important developments occurred in the last two years (i.e. since we joined PRME in 2014) and on the objectives that have been identified for the next two years.

Best wishes

Prof. Cristina Masella

Politecnico di Milano School of Management

Academic Director

The School of Management

The Politecnico di Milano School of Management (SoM) delivers an **end-to-end portfolio of services in research**, **education and high-level consultancy** within the field of management, economics, and industrial engineering.

It is composed by two tightly interconnected business units: DIG, a university Department employing tenured professors, research fellows and contract researchers. It concentrates within a single unit all research work in Management Engineering and the relative BSc, MSc and PhD courses; and MIP Politecnico di Milano Graduate School of Business, a not-for-profit private company in the legal form of a consortium company with share capital. MIP covers all postgraduate education, with MBAs, Specialising Masters, EMBAs, Executive Open Education, Corporate Education (including for the Public Administration sector).

At SoM students, teachers and staff are expected to abide by the very high standards of ethical values promoted by SoM. We are well-aware of the fundamental role that universities play in the education of young people and in the way they approach the labour market, and of the role of business schools in shaping the new generations who will be the managers of the future.

The aim of Politecnico di Milano is to be an international university while remaining strongly rooted in Italian culture, and to promote a more attractive eco-system through:

- ✓ our training approach that gives all graduates the best opportunity when applying for a job;
- ✓ our research potential that helps companies to innovate and enhance their level of quality;
- ✓ our focus on entrepreneurship, where students, graduates and researchers are motivated to become entrepreneurs within new business ventures;
- ✓ our continuous collaboration with institutions and society to create a "culturally open", creative, innovation oriented and responsible environment.

SoM has always endorsed these principles, which are set out in SoM's mission, vision and values. Our approach to sustainability is based on three elements, which are academic excellence, leading research and service to the community, and it is based on the values of integrity, respect and expertise.

The School and the six PRME principles

Principle 1. Purpose: We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.

The commitment of Politecnico di Milano School of Management to this issue is proved by the mission of the School itself, which is "to create and share knowledge at the intersection between technology, management and policy". This mission is pursued through excellent research and top quality education, as well as by a lot of complementary activities for the community. In particular, with regard to education, the objective of the School is to increase human capital by educating and training **responsible** future leaders, capable of assuming key managerial roles and of making the difference in the global landscape in both private and public sectors.

The attention paid to the ethical issues is confirmed by the fundamental values of Politecnico di Milano, namely:

- **Integrity**: faculty members, staff, students and our partners act in the full respect of the law, rules and practices.
- **Respect**: We expect faculty members, staff, students and our partners to show <u>full respect for other</u> <u>people's needs, the environment and society</u>. Respect is a prerequisite for valuing and supporting an

international environment in which diversities of gender, culture, beliefs, personalities, political ideas and backgrounds positively influence one another.

- **Expertise**: Research and education must both relate strongly to the economy and the corporate world in order to support an effective transfer of knowledge to the community.

In addition, the activities of the School are inspired by:

- A problem-solving mind-set: We adopt a problem-solving perspective typical of engineering to conduct creative and innovative research and to address the complex management, technological and social challenges of the world today.
- **Passion for technology, innovation and change**: We consider technology, innovation and change as key components for creating value, in both public and private sectors.
- Engaging and collaborative approach: We are committed towards helping to improve the quality of society, particularly with respect to <u>sustainability and innovation</u>. We seek corporate connections and institutional partnerships, as they are the means by which we can transfer knowledge effectively to the communities of practitioners, policy-makers and society at large.

To share and develop an awareness on sustainability among the SoM community, in 2015 the School launched the "Sustainable SoM" project, whose aim was to elaborate a consistent and integrated long-term strategy for all initiatives dealing with social responsibility, sustainability and ethical issues. The first step of the project consisted in the mapping of the "as is" picture, in which the different initiatives already in place were classified by nature (Teaching & Education; Research, etc.) and by type of beneficiary (Faculty/Staff, Students, Society, Environment). The analysis highlighted the following priorities:

- intensify our educational programmes for Faculty and staff;
- find other ways of involving and interacting with students in forms other than teaching;
- set up an appropriate external and internal communication programme;
- strengthen the network of contacts with the third-sector.

Consistently with these priorities, a 3 years' plan was elaborated, consisting in a set of projects addressing the identified priorities.

Principle 2. Values: We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.

The importance attributed to ethical behaviour and to the respect of fundamental principles (including those dealing with human rights, labour dignity, anti-corruption and environmental protection) is confirmed by the different codes of ethics/code of conducts that SoM has adopted. In particular:

- the code of ethics of Politecnico di Milano and of MIP Graduate School of Business;
- the code of conduct for public employees (aimed at preventing corruption and illegality, and applies to both to research and staff personnel);
- the code of conduct for the protection of Human dignity (which focuses on discrimination, mobbing, moral, sexual and psychological harassment);
- the code and rules of conduct for research integrity and good scientific practice (for faculty members)
- the code of conduct for students.

In addition, the School is continuously working to embed these values in teaching and other complementary activities for students, both in a formal and informal way (i.e., both by introducing courses or section of courses on business ethics and social/sustainability topics, and by raising awareness

among the faculty about the importance to underline the ethical and social implications of alternative managerial decisions). As a matter of fact, evidence of the values of social and corporate social responsibility can be found in many places throughout the curricula of the undergraduate, graduate and MBA programmes as well as in other academic activities.

A couple of examples of initiatives aimed at improving the degree of awareness on ethical issues:

- a cycle of seminars on ethics, which have been held at SoM taught by experts in the area. These seminars are one of the initiatives of Sustainable SoM project, and were devoted to SoM faculty and staff.
- The alumni evening seminars on business ethics and on sustainability/CSR. The alumni evening seminars are one of the initiatives that the School organises on a periodic basis (usually every two weeks) for its alumni community (composed by the M.Sc. in Management Engineering and by MBA/Executive MBA and other Master Programs) to discuss about hot topics, emerging themes in a continuous learning/lifelong education perspective. These events are open both to alumni and to current students).

Development aims (principles 1 and 2):

Consistently with the results reported above, the aims for the next years are:

- ✓ Intensify the Sustainable Breakfast Seminars programme, to increase awareness on this issues among faculty and staff
- ✓ Develop a communication plan on the different channels (website, newsletters, notice boards, etc).

Principle 3 | Method: We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.

At SoM the emphasis on sustainable development and responsible leadership is constantly growing and is confirmed by the growing presence of these topics in the syllabi of the different under and post-graduate programs. In particular, the following table lists the courses (or even whole streams) dedicated to ethics, sustainability and CSR topics in the M.Sc. in Management Engineering and in all the Master Programmes delivered by our Graduate School of Business:

Table 1: The courses on ethics, sustainability and CSR in SoM educational programmes

Programme name Course/stream name				
M.SC. in Management Engineering:	 Stream on "Sustainable Operations Management and Social Innovation" (including courses on "Advanced and Sustainable Manufacturing, Social Innovation", and a Laboratory on "Business In Transformation: Social And Sustainability Challenges") Stream on "Energy and Environmental Management" (with courses on Energy Management and Sustainability, Industrial Eco-Efficiency, Energy and Environmental Law, etc) Project works on social and sustainability issues (compulsory activity within the "Leadership and Innovation" course) "Responsabilità sociale d'Impresa" (Corporate Social Responsibility) course (taught in Italian language) "Etica digitale" (Ethical issues for IT) course (taught in Italian language) 			
MBA	■ Bootcamp on "Ethics and Sustainability in Business"			
Executive MBA	■ Elective on "Sustainability Management and Green Business"			
International Master in Industrial Management (IMIM)	 Sustainability And Ethics In Business 			
Executive Master in Fundraising and Performing Arts	 Create innovation ways to support the development of cultural sector Explore how Social Impact Investments may constitute an opportunity to gather additional funding 			
Master in Energy Management	Energy and sustainability			

Moreover, it is worth to underline that:

- students attending the Laboratory on "Business In Transformation: Social And Sustainability Challenges" are involved in real projects carried on by social business organizations, no profit entities, NGOs.
- the SoM has recently organized open debates on "Business Ethics", in which students meet the
 enterprises and the professors to discuss about the relationship between media and companies on
 public interest, the role of the University in the education regarding ethic's topic, the leverages
 managers have in order to influence the ethic profile of the company the work conditions and the
 environmental sustainability and social ethics;
- the SoM is involved in "Polisocial" (the social responsibility programme of Politecnico di Milano: http://www.polisocial.polimi.it/en/home-en/): indeed some of its M.SC. students are following an experimental programme that promotes interaction between the University's training activities and local communities to establish a link between theory and practice in this field (i.e. between teaching activities and direct intervention in the field)
- the SOM offers courses on Development economics in the International cooperation and development stream of the M.Sc. in Energy engineering
- the SOM is running the Honours Program in Engineering for Sustainable Development for outstanding students of the Engineering Master Programs (in collaboration with other departments of Politecnico di Milano)
- the SOM is producing a MOOC (Massive Open Online Course) on "Entrepreneurs without borders" in collaboration with UNCTAD (the United Nations Conference on Trade and Development) and METID (the e-learning centre of Politecnico di Milano). The course is an introduction to the principles and practice of entrepreneurship for young people from developing countries.

Development aims:

Consistently with the results reported above, the aims for the next years are:

- ✓ Inclusion the non-profit issues in other academic programs
- ✓ Continuation of open debate between students, professors and enterprises on ethic issues
- ✓ Reinforcement of social projects work
- ✓ Reinforcement of experimental programme for local communities

Principle 4 | Research: We will engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of corporations in the creation of sustainable social, environmental and economic value.

The following table reports all the on-going international and national research projects on CSR and sustainability topics at the School:

Table 2: The list of ongoing research projects on ethics, CSR and sustainability at SoM

FUNDING ENTITY	CALL (IF APPLICABLE)	ROLE OF SoM (IF APPLICABLE))	TITLE	RESPONSABILE (COGNOME)	anno
EU	FP7-2013-NMP-ICT-FOF	PARTNER	CTC - Local flexible manufacturing of green personalized furniture Close To the Customer in time, space and cost	Taisch	2013
EU	FP7-ENV-2013-two stage	PARTNER	ELICIT - Environmentally Low Impact Cooling Technology	Taisch	2013
EU	FP7-SSH-2013-1	PARTNER	InnovatE - Sustainable Lifestyle 2.0: End User Integration, Innovation and Entrepreneurship	Landoni	2013
EU	FP7-2013-NMP-ICT- FOF(RTD)	PARTNER	MAN MADE - MANufacturing through ergonoMic and safe Anthropocentric aDaptive workplacEs for context aware factories in EUROPE	Taisch	2013
EU	FP7	PARTNER	SMART H20 - Price measures for water conservation	Garrone	2014
EU	ERC	COORDINATOR	COBHAM - The role of consumer behavior and heterogeneity in the integrated assessment of energy and climate policies	Tavoni	2014
ASSOLOMBARDA (Association of Lombard Entrepreneurs)			Il recupero delle eccedenze alimentari nel contesto della città metropolitana (Food surplus managemetn in urban contexts)	Perego Melacini Garrone	2015
CARIPLO FOUNDATION	CARIPLO 2013	PARTNER	FOODSAVING - Innovazione sociale per il recupero delle eccedenze alimentari (Social Innovation for food surplus management)	Garrone	2014
CARIPLO FOUNDATION	CARIPLO 2013	PARTNER	TOUCHPLANT	Taisch	2014
FONDAZIONE POLITECNICO DI MILANO			ANALISI E RIPROGETTAZIONE DEI PROCESSI DI ACCOGLIENZA ED ASSISTENZIALI NELLE RSA SOCIO-SANITARIE	Masella	2013
ICE-Agenzia per la promozione all'estero e l'internazionalizzazione delle imprese (Italian Trade Promotion Agency)			Branding urbano, del territorio e del patrimonio artistico e connessa digitalizzazione,per lo sviluppo dei circuiti turistici e delle attività commerciali legate al turismo e Osservatorio Innovazione Digitale nel Turismo 2015	Corso Perego Rangone	2015
Politecnico di Milano	Polisocial Awards 2014	Coordinator	Young and sustainable entrepreneurship in developing countries	Garrone	2014
Provincia di Trento			Innovazione Sociale e Tecnologica (Social and Technological Innovation)	Calderini	2015
REGIONE LOMBARDIA (LOMARDY REGION)			Sostenibilita' quale leva di marketing per il commercio (Sustainability as a marketing tool in the trade sector)	Noci	2015
REGIONE LOMBARDIA (LOMBARDY REGION)	SMART CITIES	PARTNER	ABILITY - Telerehabilitation: Integrated platform Enabling the Remote Delivery and control of physical and cognitive Rehabilitation, and Self-Management	Trucco	2014
REGIONE LOMBARDIA (LOMBARDY REGION)	SMART CITIES	PARTNER	E-WASTE - The intelligent cycle	Azzone	2014
REGIONE LOMBARDIA (LOMBARDY REGION)	SMART CITIES	PARTNER	Attiv@bili - AssisTenza digiTale e InnoVazione sociAle in amBientI controLlatI (Digital aid and social innovation in controlled environments)	Masella	2014

FUNDING ENTITY	CALL (IF APPLICABLE)	ROLE OF SOM (IF APPLICABLE))	TITLE	RESPONSABILE (COGNOME)	anno
ARSAN CAMPANIA			Innovazione digitale in sanita' (Social Innovation in the Health Care Sector)	Corso	2015
CONSORZIO VERO VOLLEY			Sport? Si, grazie! – indagine sul valore educativo dello sport nell'età evolutiva e opportunità di ingaggio delle famiglie su tali tematiche (Study on the educational value of sports in the young age and on related families engagement opportunities)	Noci	2015
COOPI (NGO)			Sviluppo Imprenditoriale Partecipato per l'Ottimizzazione della Filiera dell'Anacardio in Sierra Leone (Azzone	2015
Fondazione Centro Studi ENEL (ENEL Foundation)			Analisi della filiera dell'efficienza energetica in Italia e proposte di politiche industriali per un nuovo sviluppo del Sistema Paese	Chiesa	2014
Fondazione Centro Studi ENEL (ENEL Foundation)			Analisi della filiera dell'efficienza energetica in Italia e proposte di politiche industriali per un nuovo sviluppo del Sistema Paese	Chiesa	2014
Panasonic House			"Sustainibility Cooperation Project"	Miragliotta, Perego	2014
PERMICRO SPA			Misurazione del valore socio-economico generato da Permicro (The measurement of social and economic value created by Permicro)	Calderini	2015
Rcs MediaGroup S.P.A			Osservatorio Mamme sull'alimentazione 2015 (2015 Mums' Observatory on Food)	Noci	2015
Sony Europe ltd			Sustainibility Cooperation Project	Miragliotta, Perego	2014

Moreover, the School in the last fifteen years has launched a large number of Applied Research Centres (the "Observatories") in the ICT and Energy sector. The Observatories reflect the characteristic style of the School of Management of Politecnico di Milano (that is, combining detailed "experimental" analysis of the real cases with the attempt to construct a credible synthetic framework of the evolution of these sectors (structure of the industry, demand of products and services, structure of the supply chain, impact of legislation, etc.). Some of these Observatories deal with social and sustainability issues (such as the use of ICT to address social issues – in the health and care sector, for example, the impact of the use of renewables on environmental pollution, circular economy, etc.).

Principle 5 | Partnership: We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.

One of the strength points of the School consists in the strict connection with the business community. In some cases, this relationship is formalised: it is the case of partnerships with Politecnico di Milano, or of MIP Graduate School of Business shareholders. The collaboration can be both on teaching and on research activities. Here are some examples of currently on-going applied research projects on sustainability and social issues:

- ENI project, whose objective are:
 - The assessment of reputational risk associated to environmental, social and economic events
 - The analysis of the stakeholders system
 - The identification of key reputational risks
 - A qualitative and quantitative evaluation of related impacts
- IREN project. Objectives:
 - Support to the development of guidelines to enhance the sustainability of the multi-utility practices
 - Definition of innovative models to foster local communities' engagement and reduce resources' consumption
- PerMicro and Fondazione Cometa projects, aimed at:
 - Measuring the socio-economic impact of the organization.
 - A critical screening about instruments available to measure Social Impact according the specific characteristic of the organization
 - Building a methodology to evaluate socio-economic impact of PerMicro tailored on its needs and peculiarities
 - Testing the methodology
- The E-waste project aimed to maximize the value of WEEE recycling through the definition of alternative business models for recycling / industrial reconversion.
- S.I. P.O.' F.A. in Sierra Leone. The project aims to strengthen the research capacity of the Sierra Leonean universities, through partnership activation and the research structure reinforcement, in order to better respond to the local demand through the development of social business model for the food chain.

Development aims:

Consistently with the results reported above, the aims for the next years are:

- ✓ Special prizes for the undergraduate and PhD theses on topics of social impact
- ✓ Strengthen links with NGOs and not-for-profit organisations for project work, joint initiatives and charity dinners.

Principle 6 | Dialogue: We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organisations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.

The School is deeply involved in the debate with all stakeholders aimed at trying to solve some global social and sustainability challenges. The interactions take several forms (from one-to-one collaborations to the

participation to multi-stakeholder forums to joint projects). Some examples:

- G8 Social Impact Investment Taskforce: this taskforce (SIIT) aims to catalyse the development of a global social impact investment market. SoM participates to the activities of working group and coordinates the activities of the national operative bodies
- Advisory for Public Institutions. Some examples:
 - Advisoring activity to Ministero dello Sviluppo Economico in developing the new Law on Innovative Start-up Companies with Social aims.
 - Advisoring activity to Regione Lombardia in developing the new health care regional law.
 - Guidelines to measure Social Impact
- Social Value Italia: a network aimed at translating at the Italian national level the merging of SROI Network International e SIAA Social Impact Analysts Association
- Piano Nazionale Comunità Intelligenti (Smart Communities Committee project): Smart Communities Committee aims to translate the potentialities of Smart Cities projects, and the commitment in supporting them, into real benefits for citizens, by foster the scalability and integrations of existing prototypes. A research group is in charge of coordinating and manage the development of a national plan for Smart Communities
- PA Open Community (PAOC) 2020 project, whose purpose is the development and start-up of an Innovation Community to support the creation and implementation of a network of entities committed to Italian and European best practices with regard to the management of Cohesion Policy.
- Partnership with Confindustria (the main Italian Association of manufacturing and service companies) to set up a program of initiatives aimed at raising companies awareness about social innovation and social impact finance.

Gianluca Spina Association

The Association was created in Professor at DIG and former MIP Graduate School of Business President, who passed away prematurely in 2015) to act as a catalyst for SoM's social initiatives. Founded immediately following his death, today the Association has several partners (MIP, the Politecnico Foundation and Gianluca Spina's family) and supporters who took part in the crowdfunding campaign launched in May. The idea is to start a fund-raising project to achieve some of the objectives the Gianluca cared most about:

- attract international Faculty to Milan who can carry forward research and training projects in the fields he held dear and in which he had worked for most of his academic life;
- give people the opportunity of studying at the School of Management by providing scholarships and grants based on merit; and
- improve the accommodation offered to our students in the Bovisa campus.

Development aims:

In order to facilitate and involve the stakeholders in the Sustainable activities of the School, SoM is developing an initiative to strengthen links between SoM and external players (NGOs, not-for-profit organisations, institutions) that are involved in these topics, with the purpose of:

- ✓ Creating new opportunities for collaboration (within the context of research and training internships, degree theses, presentations, etc.);
- ✓ Creating new opportunities for our graduates;
- ✓ Encouraging our Faculty and staff to undertake individual voluntary work.

We are specifically studying a charter of services for stakeholders, with the aim to strengthen cooperation between the school and other important players (institutions, NGOs, etc) in this field.