



MetricStream Solutions for Corporate Social Responsibility

Corporations today strive to be socially responsible – wholesome and environmentally conscious entities looking to build reputation not only on profitability but on purpose. Corporate Social Responsibility (CSR) and Sustainability have therefore made their way to the top of the corporate agenda and non-financial criteria based on them are now being used by employees, investors, customers, suppliers, ratings agencies and the media to analyze and compare companies. While there are no standard benchmarks, some companies are already reporting on their CSR performance metrics and new indicators are being defined for inclusion in the annual reports of every public company in the coming years.

With appointments of Chief Sustainability Officers, practical measurements for energy efficiency, establishment of waste reduction targets, “pay for plastic bags” programs at checkout counters and preference for local suppliers - the Green DNA is manifesting in many ways.

As the requirements for CSR and sustainable growth become progressively more demanding in terms of their degree of transparency, reliability and ability to be audited, companies will need to look past the initial excitement and establish the infrastructure – resources, budgets, planning, IT support, etc. - to support them as ongoing enterprise wide programs. By definition, the true value of CSR and sustainability initiatives can be realized only after prolonged implementation long after the newspaper headlines have faded.

MetricStream is committed to developing and supporting best practices in CSR and sustainable development and helping to shape how global organizations can create an eco-friendly footprint and compliant growth. As a market leader in Governance, Risk and Compliance solutions, MetricStream provides comprehensive offerings to ensure success and results from CSR and sustainable development initiatives.

Emerging Directives for Carbon Management

International

- The Kyoto Protocol to the United Nations Framework Convention on Climate Change: 140 countries
- International Standards Organization: ISO 14064
- Chicago Climate Exchange: 300 members from all sectors

United States

- U.S. Department of Energy's Voluntary Reporting of Greenhouse Gases Program
- U.S. Environmental Protection Agency's Climate Leaders Program
- Global Climate Change Initiative
- Regional Greenhouse Gas Initiative: CT, DE, ME, NH, NJ, NY, VT
- Western Regional Climate Action Initiative: AZ, CA, NM, OR, WA, UT, and the Canadian Provinces of British Columbia and Manitoba
- Oregon Carbon Dioxide Standard for New Energy Facilities and The Climate Trust
- California Climate Action Registry; California Global Warming Solutions Act
- Greenhouse gas emissions targets: AZ, CA, CT, IL, MA, ME, MN, NH, NJ, NM, NY, OR, RI, VT, WA
- Carbon caps or offset requirements for power plants: CA, MA, NH, OR, WA

MetricStream Solution Highlights

- ✓ Emission Assessments and Profiling
- ✓ Risk Assessment and Analysis
- ✓ Action Plan Tracking
- ✓ Audit Scheduling and History
- ✓ Policy and Procedure Management
- ✓ Training Management
- ✓ Key Performance Indicators
- ✓ Regulatory Reporting

Critical CSR Initiatives

Sustainable Environment

Organizations around the world are being driven to launch climate-change programs by top and bottom-line concerns and issues arising from new emission standards to reduce Green House Gases (GHG) represent potential business risks and opportunities. Business efforts to reduce pollution include awareness of environmental issues, hiring environmental staff, initiating training and awareness programs and absorbing long term costs to ensure safe product development processes. Companies are seeking certification for the ISO 14001 standard and taking proactive ethical and actionable steps to bring about a greener world.

Some of drivers of climate change programs within corporations include the need to plan for risks emanating from new government regulations, industry standards and desire to preserve the corporate brand and image. Other drivers include reducing costs of energy, improving quality of products and services and commitment and responsibility to local communities where they operate. Complementing these forces are external factors such as demand for greener products, investor expectation need to gain a competitive edge through innovation.

MetricStream solutions can streamline key processes and enable organizations to implement best practices in programs such as Carbon Strategy Development. These include:

- Recording initial assessment of emissions profile and development of a complete inventory of direct and indirect GHG emissions from operations and supply chain.
- Assessing risks and opportunities posed by GHG emissions from operations and how they can be mitigated by optimizing climate-friendly or risk-reducing business lines.
- Developing and evaluating action plans to reduce GHGs that support core business objectives by conducting root-cause analysis, learning what options are available for reducing emissions and analyzing how your climate-

Direct and Indirect Emissions

Direct – Carbon from sources owned or controlled by your organization — such as emissions from boilers and fugitive emissions from refrigeration equipment.

- Stationary Combustion Sources (CEM, PEMS, emission factor based)
- Mobile Sources (fuel use or distance)
- Refrigerants – HFCs (detailed or simplified materials)
- Process / Fugitive Sources

Indirect - Carbon result from organizational activities, but occur offsite or are controlled by another company (e.g., purchased electricity consumed).

- Consumption of Purchased Electricity (eGRID, IEADS)
- Mobile Sources (Fuel use or Distance)
- Refrigerant Sources
- Steam, Hot Water, Chilled Water

related strategies can enhance top-line and bottom-line objectives through what-if analysis.

- Setting goals, schedules and ownership for implementing action plans and recording expected cost savings from social responsibility and reputation enhancement that can be compared against actual realizations in the future.
- Engaging the organization through communication, training, policies and cross-functional teams for environmental programs.
- Ensuring a verifiable emission inventory through collection, management and reporting on carbon emissions based on industry standards (WRI/WBCSD, EU Emissions Scheme, California Registry, IPCC and others) including direct and indirect carbon.
- Maintaining auditable emission inventory data and analysis that meets complex reporting protocols and standards.

MetricStream Solution Highlights

- ✓ Document Management and Control
- ✓ Environmental Health & Safety Audits
- ✓ Issue and Incident Management
- ✓ Corrective and Preventive Actions
- ✓ Training Management
- ✓ Reporting and Dashboards

Sustainable Workplaces

Work culture and environment are emerging as two of the key areas of focus, not only towards providing basic health and safety for regulatory compliance, but also for ensuring respect for human rights in operating environments. New compliance norms on workplace safety such as the OSHA 28 CFR and OHSAS 18001 framework have resulted in traditional plant-level management systems giving way to enterprise-wide safety management policies and systems. Employees' well being is now seen as one of the most important aspects for an organization's smooth and effective functioning.

To streamline Environmental Health and Safety programs, support creation of sustainable workplaces and ensure compliance with various federal, state and local reporting requirements, companies are looking at new ways to strengthen environmental health and safety related processes. MetricStream's environmental health and safety solution enables organizations to effectively comply with internal policies and regulatory mandates by automating key procedures to discover and document safety issues and

also track, manage and close corrective actions.

The solution provides an integrated set of applications driving a closed loop process for reducing potential risk of safety incidents. Key capabilities of the solution include the ability to capture and report on incidents and provide information on hazardous materials, initiate and implement containment, corrective and preventive actions and powerful reporting and generate analytics based on a variety of parameters such as by incident, by plant and by division. Executive dashboards provide real-time visibility into key process indicators and email-based alerts and notifications ensure prompt response.



MetricStream Solution Highlights

- ✓ Supply Chain Risk Management
- ✓ Inspections Management
- ✓ Supplier Corrective Actions
- ✓ Alerts and Notifications
- ✓ Supplier Training
- ✓ Cost Recovery
- ✓ Supplier Performance Scorecards

Sustainable Supply Chains

You are only as green as your supply chain. As companies set green goals such as no landfill waste, no hazardous waste, no air or water emissions from manufacturing and the use of 100% green energy, the targets cannot be achieved without engaging all the suppliers. A business can only be environmentally sustainable through a holistic approach across the entire value chain.

These changes have created a need for organizations to put in place management systems to increase visibility into supplier processes and improve supplier accountability. Some of the best practices being employed by leading global manufacturers who are leveraging MetricStream solutions include conducting Supplier Quantification Process for formal environmental programs and active waste-reduction programs. Using the MetricStream solution, suppliers can be audited and rated according to how effectively they are enabling companies to attain their goals - from researching alternative materials to incorporating measurable targets into their flow charts.

The MetricStream solution enables automated review and approval workflows for environmental performance data in real-time by following a systematic process for collecting, plotting and analyzing inspection data to identify risk areas and corrective actions. Monitoring supplier performance on scorecards to proactively identify and implement timely corrective actions improves supplier performance. These

scorecards measure key performance indicators (KPI) in real-time and track improvements over time supporting sound decision-making based on data.

Conducting supplier audits to ensure that they are meeting established product and process specifications and requirements drives continuous improvement in the supply chain MetricStream provides capabilities to plan, schedule and conduct audits, enables the initiation of follow-up activities such as corrective action requests and re-audits.



Conclusion

With MetricStream, Corporate Social Responsibility, compliance and sustainability functions have the ability to align their operations with various internal policies as well as standards including SA8000, FLA, and GRI. The solution empowers managers with the tools and strategies to measure the efficacy of their organization's programs by centrally storing and managing data related to internal and external audits, certifications, training and corrective action plans. This includes being able to identify risk issues, prioritize corrective measures, capture and track operations across a number of functional areas, and improve the productivity of its employees involved in CSR programs. MetricStream incorporates powerful functionality that allows for an organization to manage and report on their Key Performance Indicators (KPIs) enabling companies to assure its stakeholders that their CSR initiatives meet their goals based on real-time scorecards of performance verses objectives.

About MetricStream

MetricStream is the leading provider of solutions for Governance, Risk, Compliance (GRC) and Quality Management. Organizations today need a systematic approach to defining and managing GRC initiatives and quality management programs through a sustainable and integrated process that is aligned with the corporate strategy instead of a series of unrelated tactical projects. MetricStream has enabled leading corporations in diverse industries to make the shift from isolated compliance initiatives and departmental silos of risk-related information to integrated enterprise-wide strategy for GRC and quality management.

For More Information

about MetricStream GRC and Quality Management Solutions
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