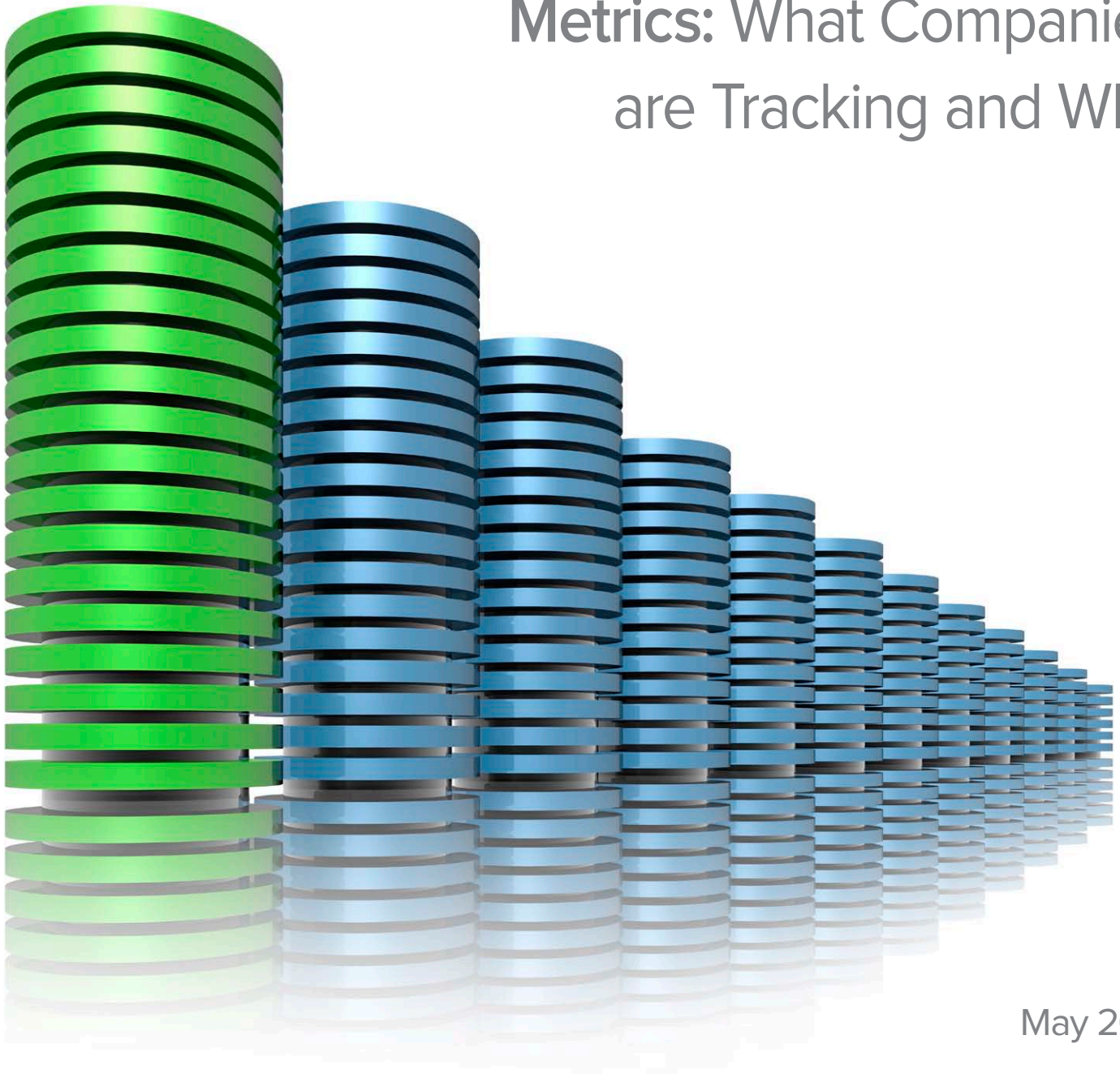


# Identifying Corporate EHS and Sustainability Metrics: What Companies are Tracking and Why



May 2011



## About this Report

The “Green Metrics that Matter” research initiative came from a conversation among NAEM’s corporate members about the management challenges of meeting the demand for sustainability reporting and corporate transparency. The idea was to benchmark how leadership companies track metrics internally, and initiate a dialogue with the environment, social and governance (ESG) research community around the limitations of the current reporting process.

As those responsible for managing, gathering and reporting environment, health and safety (EHS) metrics, NAEM’s members are the linchpins for external sustainability reporting. Indeed, more than 70 percent of those surveyed in our research take the lead role in responding to external data requests. Companies are investing significant time and resources to respond to information requests. At the same time, there is a general feeling among corporate leaders that many of the questions external entities pose are not necessarily appropriate or sufficient for illuminating actual EHS or sustainability performance.

NAEM believes that there is a need to balance the reasonable expectation for corporate transparency with our members’ professional responsibility to carefully manage legal, reputational and business risks. We also believe there is a need to better align internal and external perspectives with an eye toward developing a more limited, consistent set of metrics that are material to stakeholders.

There have been a lot of assertions about which metrics are predictive of EHS and sustainability performance, yet NAEM’s “Green Metrics that Matter” survey was the first to ask companies what they track and why. While companies are investing in a range of sustainability activities, the survey mainly focused on their efforts from an environment, health and safety standpoint. This report is therefore a reflection of that perspective; it is not an exhaustive document of the full range of corporate sustainability commitments, which likely include areas such as innovation, corporate social responsibility and governance.

It is deceptively difficult to define and agree on a common set of metrics that matter. But what this report does show is which metrics are used to demonstrate EHS-related sustainability performance, how data is used to define corporate value, and the relationships between the types of metrics and business purposes that they serve.

On behalf of NAEM, I hope that the information contained in this report will make a positive contribution to the conversation about corporate transparency and sustainability analytics.

Sincerely,



**Carol Singer Neuvelt**  
Executive Director  
NAEM

# Contents

1. Research Timeline .....	4
2. Commonly Used Terms.....	5
3. Methodology .....	6
4. Executive Summary .....	9
5. Presentation of Research Results	
a. Section I: How companies collect and report metrics internally .....	12
b. Section II: The external reporting process .....	17
6. Appendix .....	22
7. Acknowledgements .....	36

## About NAEM

The National Association for Environmental Management (NAEM) empowers corporate leaders to advance environmental stewardship, create safe and healthy workplaces, and promote global sustainability. As the largest professional community for EHS and sustainability decision-makers, we provide peer-led educational conferences and an active network for sharing solutions to today’s corporate EHS and sustainability management challenges. Visit NAEM online at [www.naem.org](http://www.naem.org).



# Research Timeline

The “Green Metrics that Matter” initiative is a multi-year research project to provide a voice for the business community in the broader conversation about environment, social and governance (ESG) metrics. The following is an overview of the successive phases of the project.

## Phase I: Audit of the ESG research landscape

- **Purpose:** To understand what EHS/ESG data external entities request, what products they create and how the data is used.
- **Methodology:** Quantitative survey targeting EHS/ESG researchers, analysts and data users.
- **Timing:** September 2010
- **Results:** For more information about Phase I of the “Green Metrics that Matter,” please visit: <http://www.naem.org/resource/resmgr/Docs/cp-data-gmtm-esg.pdf>

## Phase II: Identifying Corporate EHS and Sustainability Metrics: What Companies are Tracking and Why

- **Purpose:** To understand how companies are responding to external requests for EHS/ESG data; to identify which EHS/ESG metrics companies track and report internally; and to understand the use and value of EHS/ESG data within companies.
- **Methodology:** Quantitative survey of 75 members of the National Association for Environmental Management (NAEM).
- **Timing:** September 2010 and May 2011

## Phase III: Measuring Corporate Sustainability Stakeholder Dialogue

- **Purpose:** To discuss the challenges of ESG research from the perspective of business leaders, research analysts and the investment community; to identify recommendations for improving the ESG research process and the value of ESG data.
- **Format:** One day stakeholder dialogue with presentations by, and attendees representing, members of the NAEM Board of Regents, leading ESG research firms and Investor Relations professionals.
- **Timing:** May 2011
- **Results:** For a full report of the insights and recommendations from NAEM’s “Measuring Corporate Sustainability” stakeholder dialogue, please visit: [http://www.naem.org/?CP\\_SUS\\_meas\\_sust](http://www.naem.org/?CP_SUS_meas_sust)

## Phase IV: Identifying a Common Set of Green Metrics that Matter

- **Purpose:** To identify a set of metrics that are meaningful to both senior corporate decision-makers and investors; to identify potential gaps and understand why they exist
- **Methodology:** Map the data that ESG firms collect and compare those metrics with the results from Phase II of the “Green Metrics that Matter.” Supplemented by qualitative interviews with members of the NAEM Board of Regents.
- **Timing:** 2012

# Commonly Used Terms

**Board of Regents:** The leadership council of NAEM, composed of a representative from each corporate member company. Also referred to in this report as the Regents.

**C-level/C-Suite:** Refers to the highest management level within a company, usually the Chief Executive Officer, Chief Financial Officer and Chief Operations Officer.

**Companies:** Publicly-held businesses that produce and sell goods or services.

**CSR:** Corporate social responsibility; a term often used to describe a company's commitment to environmental stewardship, workplace safety and minimizing its impact on the communities where it operates. CSR initiatives may overlap with sustainability programs, or may be used interchangeably with the term 'sustainability' in common parlance.

**EHS:** Environment, Health and Safety; the business function that manages environmental, health and safety programs. EHS leaders also are responsible for ensuring regulatory compliance, tracking EHS performance metrics, and reporting sustainability progress. May also be responsible for leading or contributing to sustainability initiatives.

**ESG:** Environment, social, governance; the term used by the investment research community to describe the three categories of sustainability metrics they use to gain insight into a company's management practices.

**ESG firms:** Investment research firms that collect and analyze environmental, social and governance metrics for investor clients. In addition to research, firms may create ratings or rankings products based on proprietary algorithms.

**IR:** Investor Relations; the department responsible for communicating any information about a company's performance that could affect a buy-sell decision. Typical audiences include the Security and Exchange Commission, investors, investment analysts and members of the public.

**KPI's:** Key performance indicators; the core set of metrics that companies use to demonstrate progress against defined goals. These metrics may differ from company to company, based on the nature of their operations.

**Material:** Describes the influence information may have on business decisions or business performance.

**Materiality:** This refers to the value of a metric as judged in terms of its inherent nature, impact (influence), use and the circumstances in which it occurs.

**Sustainability:** A term that describes a company's strategies for acting as a responsible corporate citizen, ensuring its operations are financially sustainable and minimizing its environmental footprint. Sustainability initiatives may include natural resource reduction, supply chain management, worker safety & health initiatives, stakeholder engagement and external reporting. While managed by a range of leaders within an organization, many sustainability initiatives are led by the company's EHS function.

**SRI:** Socially responsible investment; an investment strategy that emphasizes a company's values and how they impact employees, customers, other stakeholders or the public good. Today's investors increasingly are also considering ESG performance and strategy in their analysis.

## Metrics Terms

To ensure that we used terminology that is meaningful to EHS professionals, these terms were borrowed from the Global Environmental Management Initiative's Metrics Navigator tool.

**Accountability:** In this context, 'accountability' refers to the process of holding employees responsible for business risks and performance. 'Other accountability purposes' are those that relate to the progress of programs, capital investments, procedures or personnel. They also may relate to the expectations of external stakeholders.

**Decision-making:** In this context, 'decision-making' designates the process of setting business strategies or making business decisions.

**Demonstration:** In this context, 'demonstration' designates the use of metrics to demonstrate results, evaluate feasibility, evaluate cost-effectiveness or provide assurance to internal or external stakeholders.

**Learning:** In this context, 'learning' designates insights that may be applied to produce future performance improvements.

# Methodology

## Background:

The world of sustainability performance analytics is exploding at a breakneck speed. What once was a niche field for socially responsible investment has transformed into a vast marketplace of environmental, social and governance (ESG) indices, ratings firms and mass-market editorial rankings. As the demand for information has grown, however, several issues have emerged that may be inhibiting more widespread transparency among publicly-held U.S. corporations:

1. **Internal Resources:** Companies are understandably struggling to keep up with the flood of research requests. This challenge is especially prevalent among publicly-held U.S. corporations, where the task primarily falls to the corporate EHS manager.
2. **Lack of Transparency:** Research firms do not typically disclose their methodology, the algorithms they use to derive ESG rankings, or their business partnerships.
3. **Questions about Relevancy:** Lengthy surveys have led many corporate leaders to question how certain data points are relevant to their analysis, and whether this data even accurately reflects strong environment, health and safety (EHS) and sustainability management within a company.
4. **Lack of ESG Research Standards:** There is a strong sense among companies that the ESG research process should be streamlined and standardized to include steps that allow companies to explain and validate the data firms use for their analysis.
5. **Unclear Value of Participation:** While leadership companies recognize the value of stakeholder engagement, it's often unclear whether participation with ESG surveys advances this goal. There is also limited understanding of who the requesting entities are, who the audience for the ESG information and the explicit benefits of participation.

In the fall of 2010, the National Association for Environmental Management (NAEM) launched its “Green Metrics that Matter” initiative as a way to understand and begin to address these issues for its members. Heretofore, the conversation about what defines a ‘sustainable’ company had been driven by external entities. This research was the first to successfully document how leadership companies define and manage sustainability metrics internally.

## Objectives:

A quantitative survey was developed in partnership with representatives from NAEM’s Board of Regents, the Association’s leadership council, to address the following objectives:

- To understand how companies track ESG metrics internally
- To determine the use and value of ESG data within companies
- To identify the key performance indicators EHS and sustainability leaders report to their C-Suite
- To document how companies are responding to external requests for ESG data
- To establish a foundation for identifying a core set of metrics that will be predictive of strong EHS and sustainability performance
- Provide a voice for the EHS manager in the broader conversation about sustainability and ESG metrics

# Methodology

## Respondents:

The survey yielded approximately 75 completed responses. Respondents represented a diverse group of mid-to-large cap companies, including those in the manufacturing, electronics, pharmaceutical/medical products, food/foodservice and the energy/utilities sectors. They primarily reflect the perspective of NAEM's Board of Regents, the Association's leadership council.

Most survey respondents hold senior leadership positions within the EHS/sustainability function: directors, managers and vice presidents.

## Survey Design:

The survey had two distinct parts, designed to identify the EHS and sustainability data companies track internally, and to understand their experience of interacting with the external ESG research community.

The questions in the first section focused on the specific metrics corporate EHS and sustainability managers collect, and the use and purpose of those metrics internally.

To assist the respondents, the survey was pre-populated with a total of about 59 metrics identified by NAEM members across six major subject areas:

### Resource Consumption (outputs):

- Electricity
- Energy (all sources)
- Energy (renewable sources)
- Raw materials
- Water

### Resource Conservation (inputs):

- Electricity
- Energy
- Water
- Paper
- Metals
- Plastic
- Packaging
- End-of-Life Electronics
- Raw Materials
- Land reclamation

### Emissions and Waste Management:

- Air Carcinogens
- Greenhouse gases
- Hazardous waste
- Nitrogen Oxides (NOx)
- Non-Hazardous waste
- Non-Methane volatile Organic Compounds (NMVOC)
- Sulfur Oxides (Sox)
- TRI Emissions (total)
- Water pollutants (e.g. COD, TSS, etc.)

### Health and Safety:

- Injuries and fatalities
- Lost day injuries
- More than Onsite First Aid injuries
- Near-misses
- Driving safety incidents
- Unsafe exposures
- Off-the-job injuries

### Compliance:

- Air and wastewater exceedances
- Consent orders
- Disciplinary actions
- Fines and penalties
- Lawsuits or other legal actions
- Notices of violation
- Remediation costs
- Spills and releases

### Management-Oriented Metrics:

- Community investment
- Customer/Consumer education
- EHS Management systems
- EHS/Sustainability-related capital improvements
- Employee diversity
- Employee training
- Ergonomics projects/initiatives
- Investments in renewable/alternative energy
- Philanthropy/charitable causes
- Product compliance with customer requirements
- Product innovations or sustainability-related services
- Programs audited and/or findings
- Savings from EHS improvements
- Stakeholder engagement
- Supplier diversity
- Supply chain performance
- Sustainability-related research and development
- Volunteerism
- VPP—or equal—Site status

# Methodology

---

Within each subject area, we asked respondents whether they tracked any of these pre-defined, commonly used metrics, and to add any that they use that were not listed. For each individual metric, the goal was to: understand whether the company has established one or more improvement targets; the primary purpose for tracking performance; the highest organizational level to which performance or progress toward target attainment is reported whether, and to what extent, performance is publicly disclosed; and the geographic scope of the associated data development and reporting activities. The survey also included open-ended questions to understand which sustainability metrics the respondents' deemed most important and to identify any additional metrics or issues that might warrant consideration.

The second section of the survey was designed to understand the external ESG reporting process. We began by asking respondents to tell us which factors drive their decisions about whether to respond to such requests, the function that leads the response effort and the perceived business benefits of responding to requests for ESG data. We also inquired about the experience of working with individual ESG research organizations and their level of satisfaction with the state of the ESG research and reporting process.

## Timing:

- An initial survey was conducted in September 2010 with a supplemental sample added in April 2011
- Reported selected findings at October 2010 EHS Management Forum



# Executive Summary

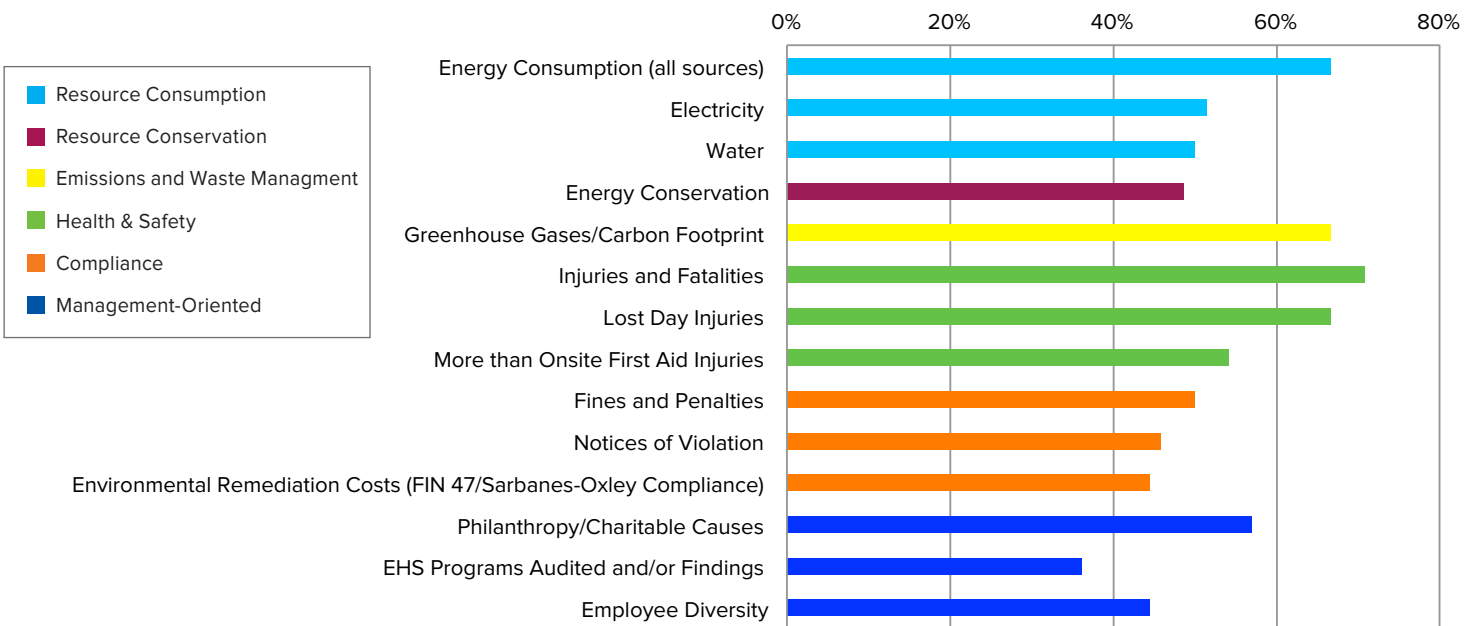
The “Identifying Corporate EHS and Sustainability Metrics: What Companies are Tracking and Why” report is the second phase of the “Green Metrics that Matter” initiative. The survey findings provide a snapshot of the metrics that companies track and report internally, as well as their experience of reporting this data externally. The following are highlights from the survey, which went out to the 75 members of NAEM’s Board of Regents.

## Companies are taking ESG issues seriously

- Among the companies we surveyed, most CEOs are receiving information about energy use, greenhouse gas emissions and water use.
- Engagement with external stakeholders about EHS and sustainability performance is growing. Most companies surveyed are disclosing a significant number of EHS and ESG data points.
- Electricity, energy (all sources) and water top the list of metrics that make it to the C-level or Board Committee.

**Metrics Most Commonly Reported to Company Senior Management**

Figure 1



- Companies are tracking a range of ESG metrics:
  - ▶ A typical company actively tracks between 35-40 ESG metrics, from resources consumption and greenhouse gas emissions, to health and safety incidents and management-oriented metrics such as supplier diversity and philanthropy. This tends to be consistent across sectors.

# Executive Summary

---

## EHS leaders are the linchpins when it comes to external ESG reporting

- More than 70 percent of corporate EHS managers take the lead role in responding to external requests for ESG data. More than 90 percent are “involved.”

## Metrics serve a variety of purposes

- Internal corporate metrics are developed to meet specific business needs. Inside a company, metrics are not just used for demonstrating progress or telling a good story. Metrics are used to gather information for future decisions, understanding how programs are working, and for accountability, especially when it comes to ensuring compliance with regulations and other expectations.

## Lots of metrics, but fewer targets

- Of the roughly 35-40 ESG metrics that companies (across sectors) typically track, most have specific targets for about only half of them. This likely reflects the variety of purposes that metrics serve within a company, from learning to accountability.
- On average, about 18 metrics get reported up to senior management. These are most often resource consumption metrics, such as energy, electricity usage and water consumption, although compliance related metrics also remain top priority.

## Safety, energy and water metrics are the highest internal priorities

- Lost day injuries, fatalities, and fines and penalties topped the list of the EHS issues that make it to the C-Suite.
- Energy, Accidents and near misses, water and greenhouse gases are the top-rated priorities internally.

## Companies are proactively managing emerging issues

- In addition to the compliance-driven and commonly requested ESG metrics, companies also track a number of leading indicators such as near-misses, unsafe exposures, supply chain performance and stakeholder engagement.

## Internal audiences use ESG data for different purposes than external audiences

- Whereas external audiences may use ESG data as a proxy for accountability, leadership and competitive advantage, internal audiences use EHS metrics and leading indicators for performance management, accountability, decision-making and organizational learning.

# Executive Summary

---

## Companies are investing significant resources in responding to data requests

- There's a growing interest in understanding what corporate sustainability means in terms of business performance, but responding to surveys takes up a lot of time. Some companies commit up to two full-time equivalent (FTE) of staff to responding to such requests.
- The decision about which surveys to respond to is determined by practical realities as well as the impact on business relationships and external perceptions

## Companies perceive barriers and potential risks to external reporting

- The barriers that limit more widespread disclosure of ESG metrics include unclear benefits of reporting, concerns about confidentiality and questions about the relevance of the requested data.

## Customer requirements are driving external reporting

- The biggest drivers for external reporting among those we surveyed are: satisfying customer requirements, attracting investor interest and creating competitive advantage, especially for consumer-facing businesses.

## The business benefits of external reporting are not yet clear

- Most respondents said it was “Too early to tell” whether external reporting delivered clear business benefits, such as increased access to capital, improved competitive positioning, investor interest and preferred supplier status.

Some companies commit up to two full-time equivalent (FTE) of staff to responding to external requests for data.

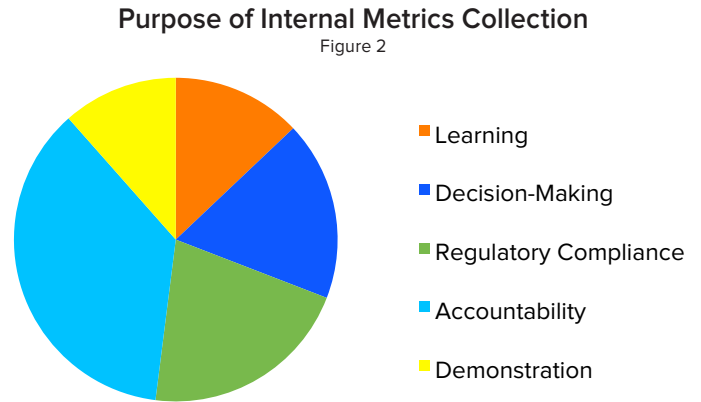
# Presentation of Research Results

## SECTION 1: How companies track and report metrics internally

The first section of the “Green Metrics that Matter” survey addressed the metrics companies track internally, the purpose of the data and the highest level to which the metrics are reported. For the complete list of charts from this section, please visit the Appendix.

### Companies track a range of ESG metrics across a variety of categories

- Most companies track ESG metrics related to (but not exclusive to):
  - ▶ Resource consumption
  - ▶ Resource conservation and recovery
  - ▶ Emissions and waste
  - ▶ Health and safety
  - ▶ Compliance
  - ▶ Management-oriented issues
- A typical company tracks between 35-40 ESG metrics at a management level, a finding that tends to be consistent across sectors.

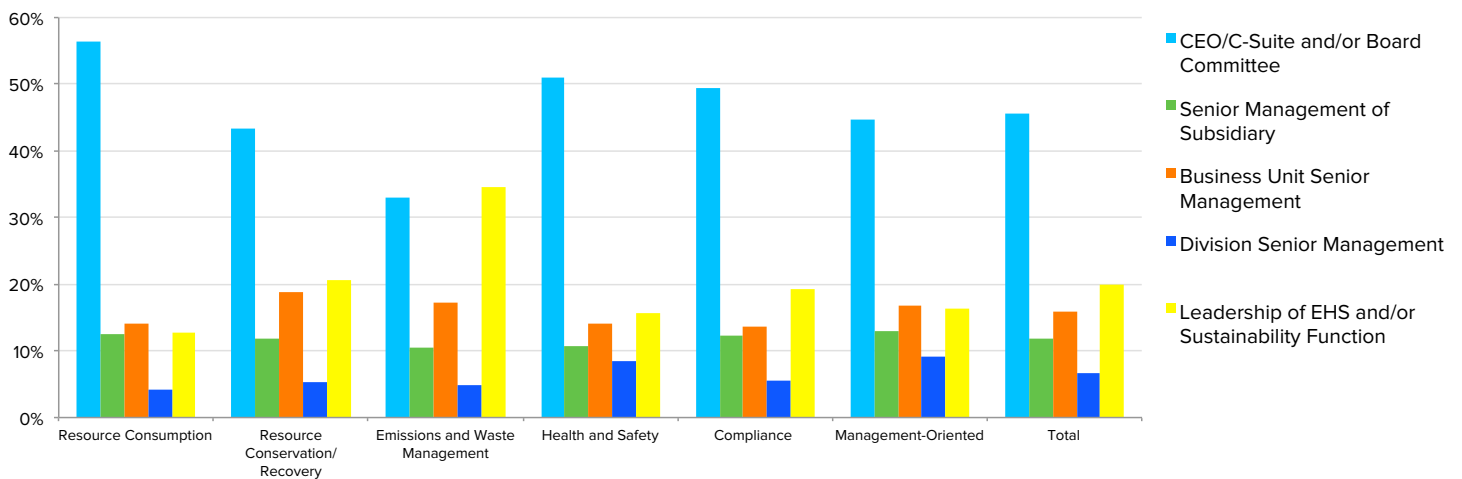


### CEOs are taking environmental issues seriously

- Among the companies we surveyed, most CEOs are receiving information about injuries, energy use, greenhouse gas emissions and water use.

### Highest Level to Which Metrics are Reported (by Subject Area)

Figure 3



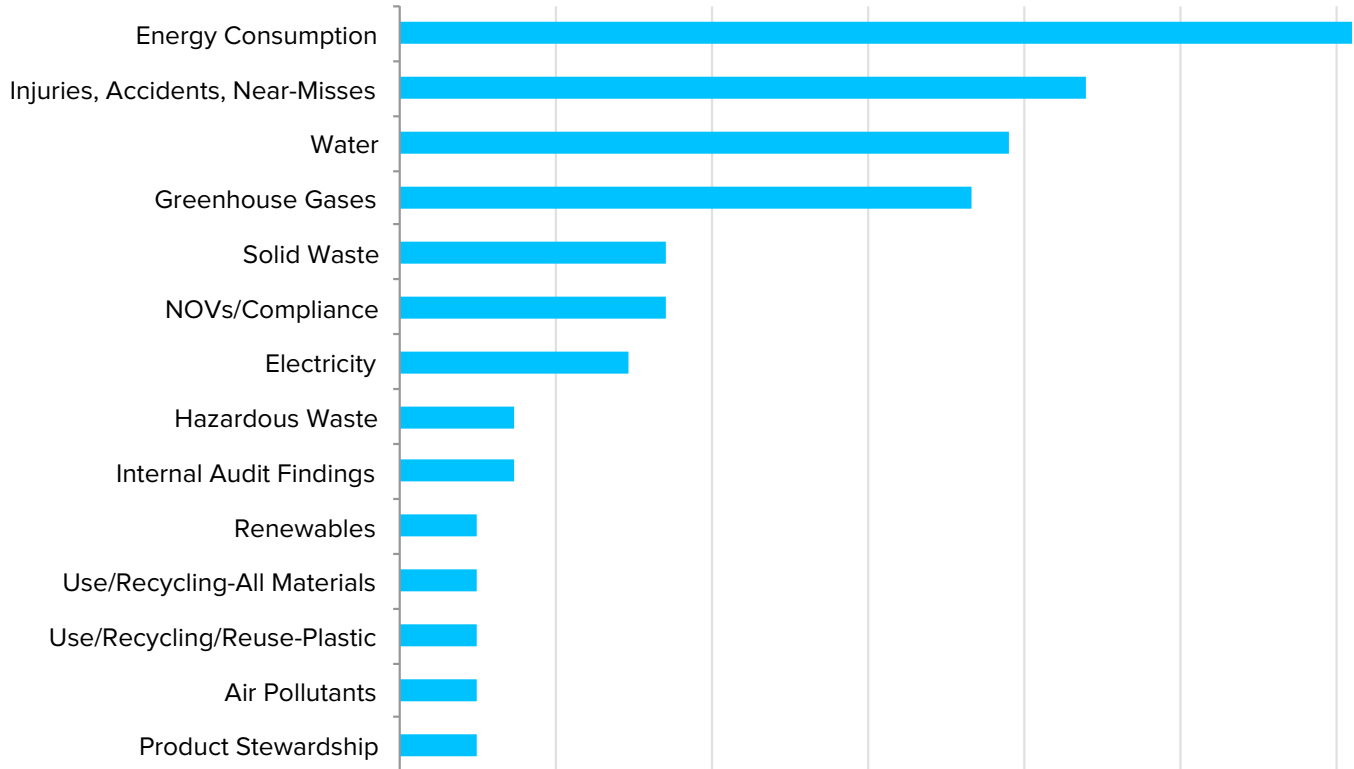
# Presentation of Research Results

## Resource consumption and safety issues are the top internal priorities

- Energy, lost day injuries, fatalities, water use and greenhouse gas emissions are the highest internal priorities. These also top the list of the metrics that make it to the C-Suite.

**Key Internal Priorities**

Figure 4



**Respondents Indicating Metric is Among 3-5 Highest Priority**

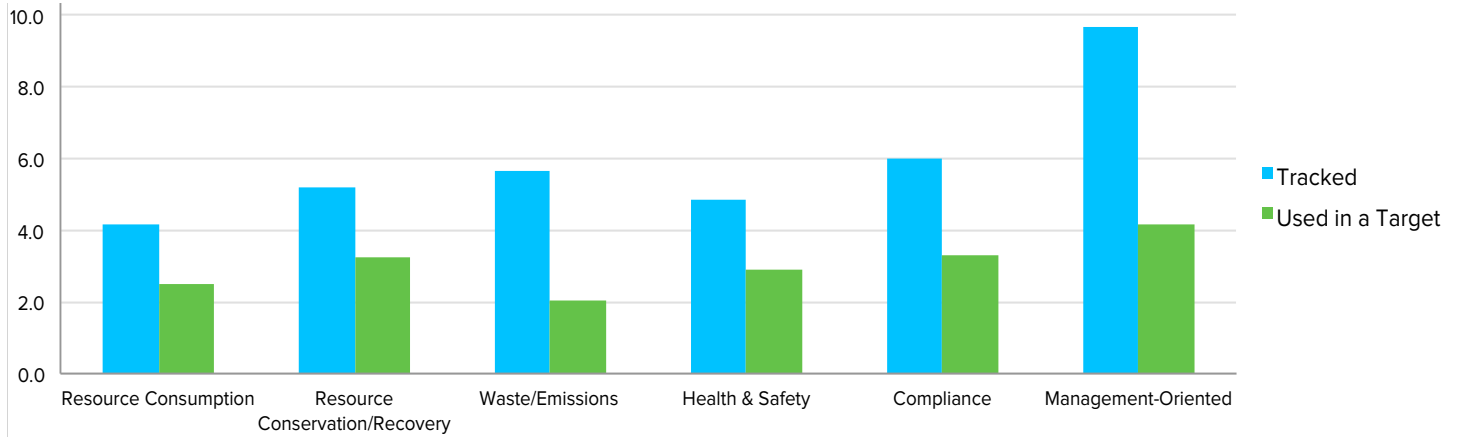
# Presentation of Research Results

## Lots of metrics, but fewer targets

- There's a lot of conversation about whether targets are a meaningful demonstration of value of the issue that is tracked. Of the roughly 35-40 metrics that companies (across sectors) typically track, most have specific targets for about only half of them. This likely reflects the variety of purposes that metrics serve within a company, from learning to accountability.

**Average Number of Metrics Tracked vs. Targeted**

Figure 5



- Only about 18 metrics get reported to senior management. These are most often resource consumption metrics, such as energy, electricity usage and water consumption.

**Numbers of Metrics Reported to Senior Management**

Figure 6

Metrics Category	Mean	Median	Maximum
Resource Consumption	2.7	3.0	6.0
Resource Conservation/Recovery	2.7	2.0	10.0
Waste/Emissions	2.4	2.0	9.0
Health & Safety	2.7	3.0	7.0
Compliance	3.3	3.0	8.0
Management-Oriented	5.0	5.0	17.0
<b>Total</b>	<b>18.9</b>	<b>17.5</b>	<b>56.0</b>

## A Note About Targets

It is worth noting that targets don't necessarily indicate importance: While we asked companies whether they had a target or not, what we learned was that the presence of targets are less illuminating than whether or not companies are tracking issues. Companies that have reduced their waste stream, for example, may not have a recycling target, since meeting such a target would require increasing waste. Also, a company with a strong commitment to health and safety may not set specific targets since the presumed target for safety incidents is zero. The presence of targets, therefore, is as much a reflection of a program's maturity as the company's commitment to improving its performance in these areas.

# Presentation of Research Results

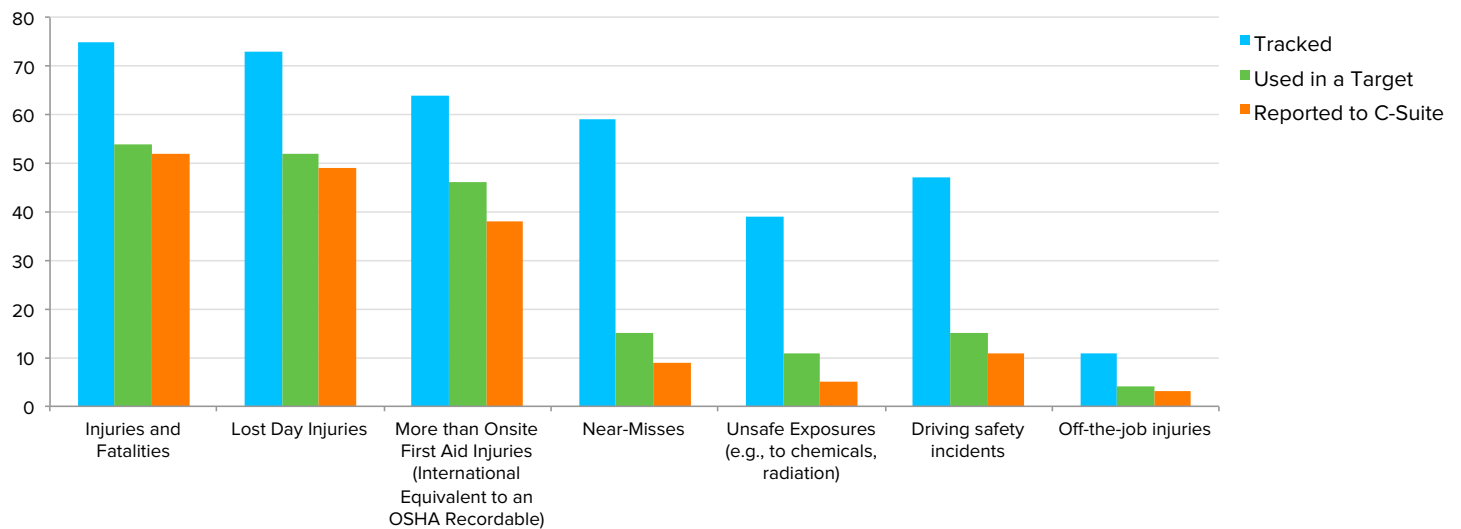
## Health and safety metrics are reported to the top

Safety remains a primary concern at most respondents' companies. While it may seem surprising that there isn't a universal target across fatalities and lost day injuries, this is an example of a case in which tracking is more important than a target. Respondents indicated that the tacit target for all injuries and fatalities is zero.

Within this set of metrics only three have corresponding targets at a majority of firms, likely because they are the ones that must be reported to regulatory agencies, at least in the United States. Other more forward-looking metrics such as near-misses and unsafe exposures, are monitored, but only targeted in rare cases.

Health & Safety Metrics Tracked, Targeted, and Reported to C-Suite

Figure 7



# Presentation of Research Results

## Management-oriented metrics provide glimpse into leadership companies

- The following metrics are not compliance-driven nor are they commonly reported externally. Thus said, they are being tracked at a senior management level within companies and may reflect what the companies themselves deem noteworthy.

Use of Management-Oriented Metrics

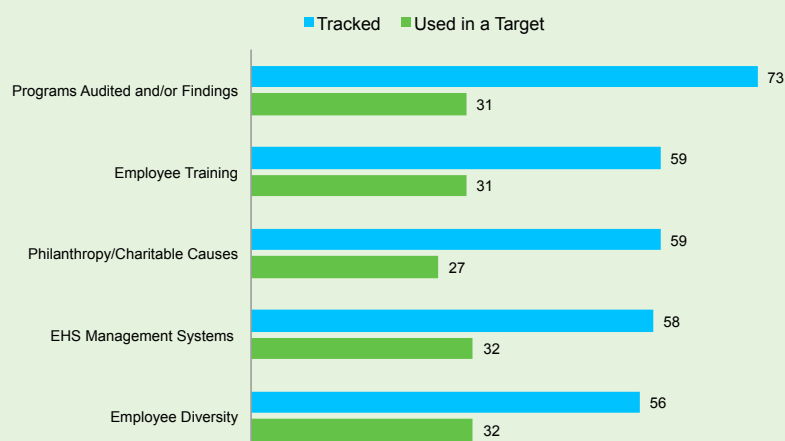
Figure 8

Metric	Percentage of Respondents that:	
	Track the Metric	Target the Metric
Employee Training	75.7%	39.2%
EHS Management Systems *	74.3%	40.5%
Near-Misses	74.3%	18.9%
Driving Safety Incidents	56.8%	21.6%
Unsafe Exposures *	48.6%	14.9%
Supply Chain Performance	47.3%	27.0%
Investments in EHS/Sustainability-Related Capital Improvements *	40.5%	9.5%
Investments in Renewable/Alternative Energy	39.2%	12.2%
Product Compliance with Customer Requirements	39.2%	17.6%
Product Innovations or Sustainability-Related Services *	37.8%	14.9%
Stakeholder Engagement *	35.1%	14.9%
VPP or Equal Site Status	35.1%	6.8%
Savings from EHS Improvements	32.4%	10.8%
Ergonomics Projects/Initiatives	32.4%	9.5%
Sustainability-Related R&D *	27.0%	6.8%
Customer/Consumer Education	18.9%	4.1%
Off-the-Job Injuries *	9.5%	4.1%

\* Metrics are reported to the CEO/Board level by more than half of the respondents tracking that metric

Top Five Management-Oriented Metrics Tracked by Respondents

Figure 9





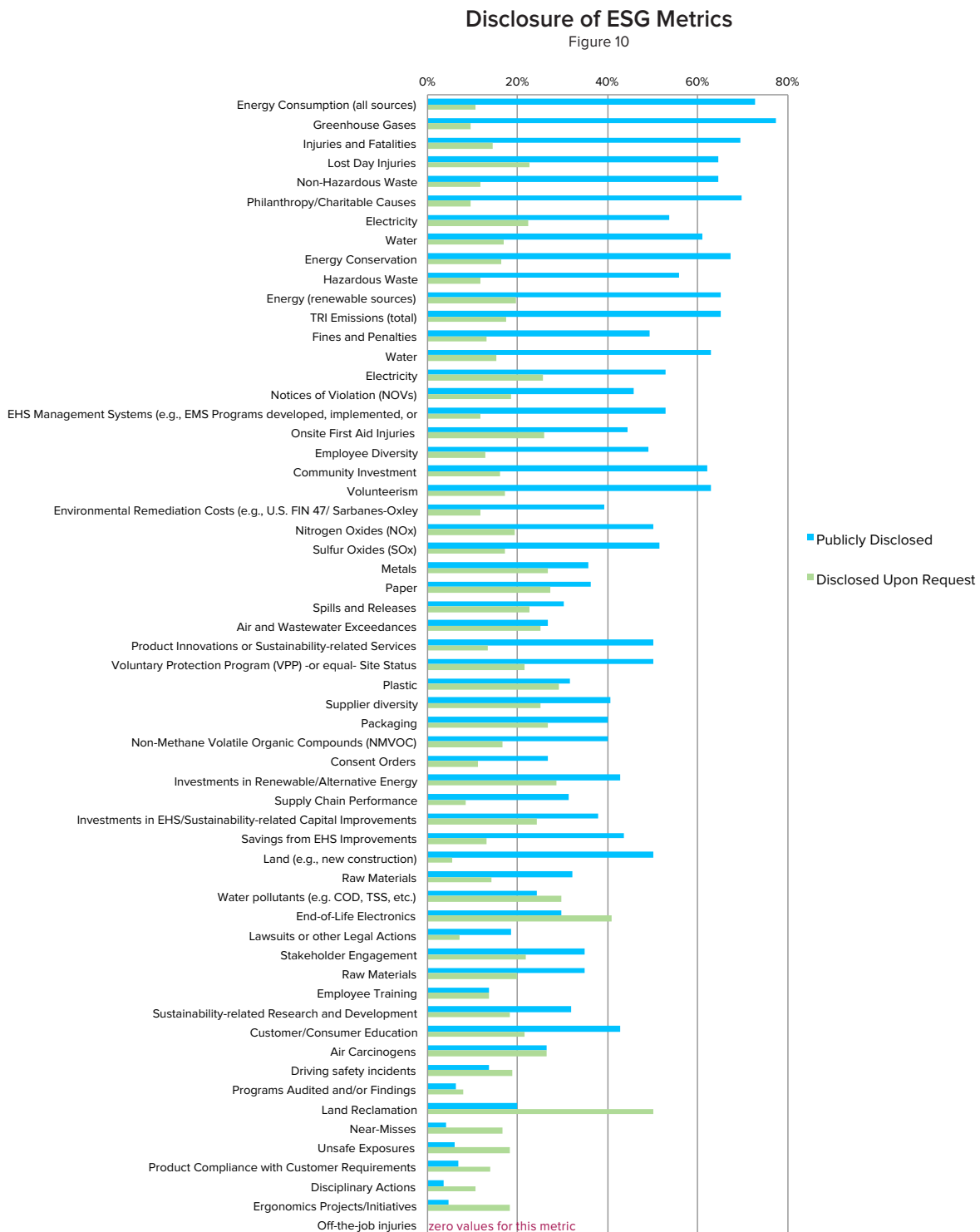
# Presentation of Research Results

## SECTION 2: The External Reporting Process

The second section of the “Green Metrics that Matter” survey addressed the external reporting process. Respondents were asked about their internal process for responding to requests, their experiences of working with external research firms, the metrics they reveal, and what, if anything, they’d like to change about the research process.

### Companies are disclosing a range of ESG metrics

- The breadth and depth of the information listed below reflects the commitment of leadership companies to disclose beyond legal requirements.



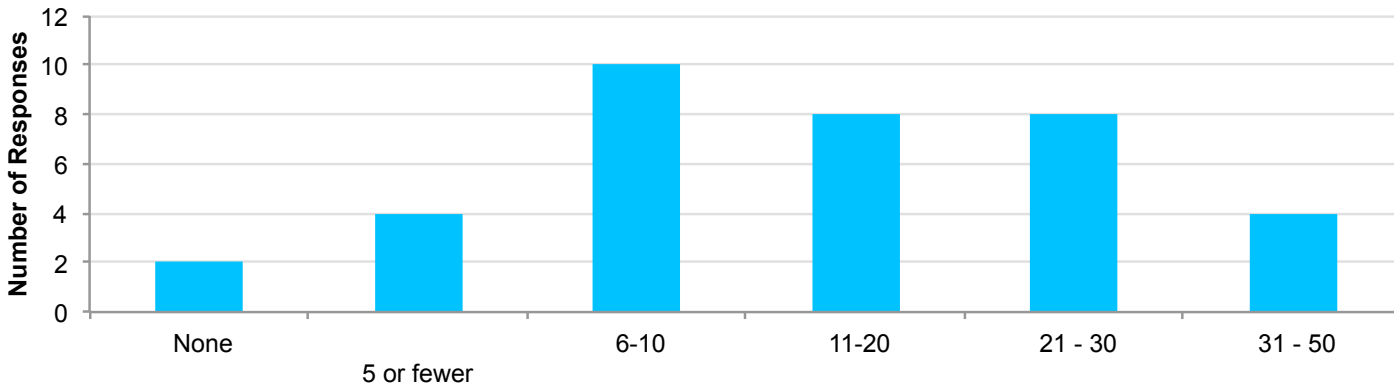
# Presentation of Research Results

## Companies are investing significant resources in responding to data requests

- Growing interest in understanding what corporate sustainability means in terms of business performance:

**External Requests for EHS/ESG Data (annually)**

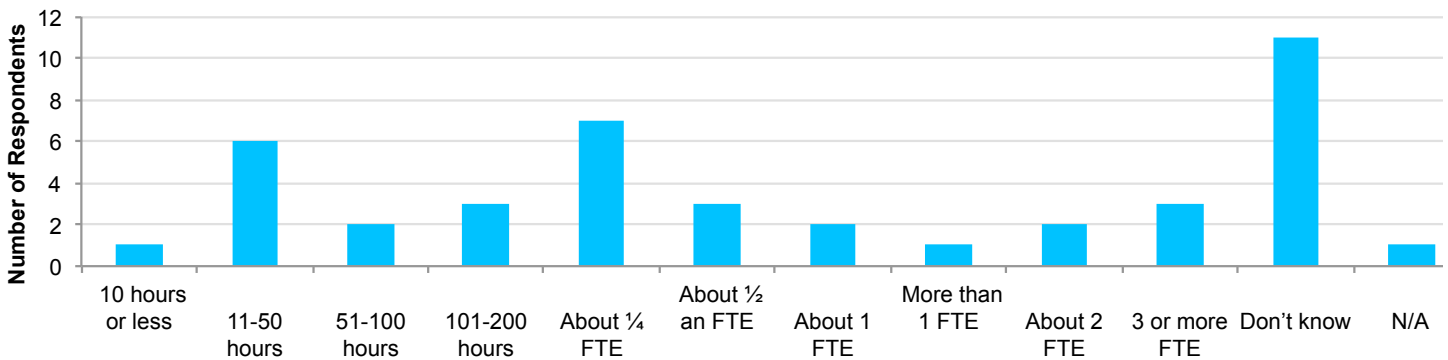
Figure 11



- Responding to surveys takes up a lot of time: Some companies spend up to two full-time equivalent (FTE) responding to external information requests.

**Annual Staff Time Spent Providing EHS/ESG Data**

Figure 12



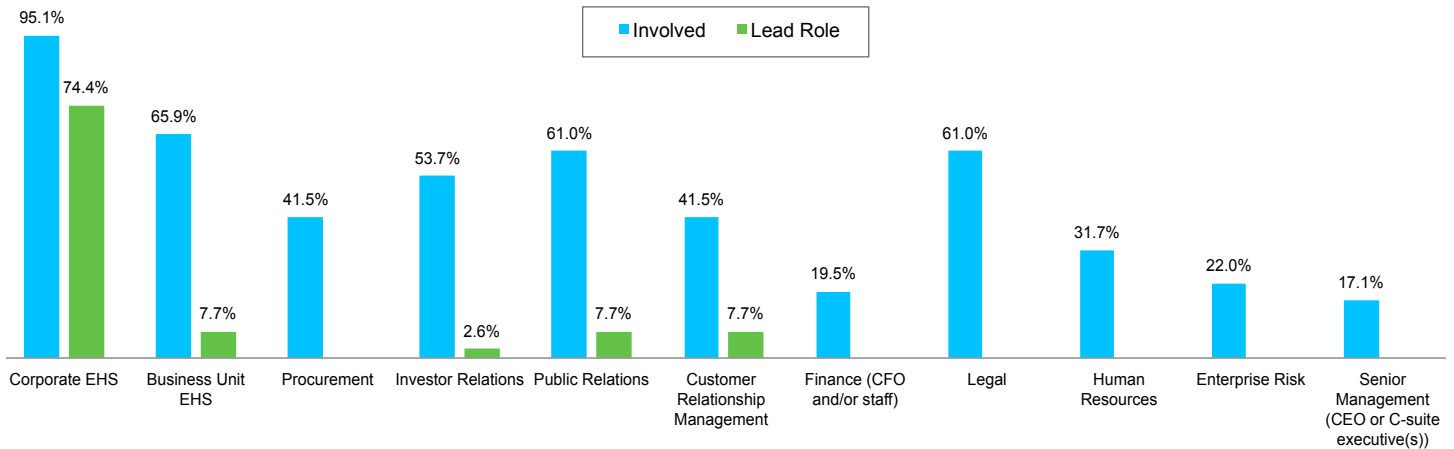
# Presentation of Research Results

## EHS leaders are the linchpins when it comes to external ESG reporting

- More than 90 percent of corporate EHS managers are “involved” with responding to external requests for ESG data. More than 70 percent take the lead role in responding to such requests.

**Involvement of Business Functions in Responding to EHS/ESG Data Requests**

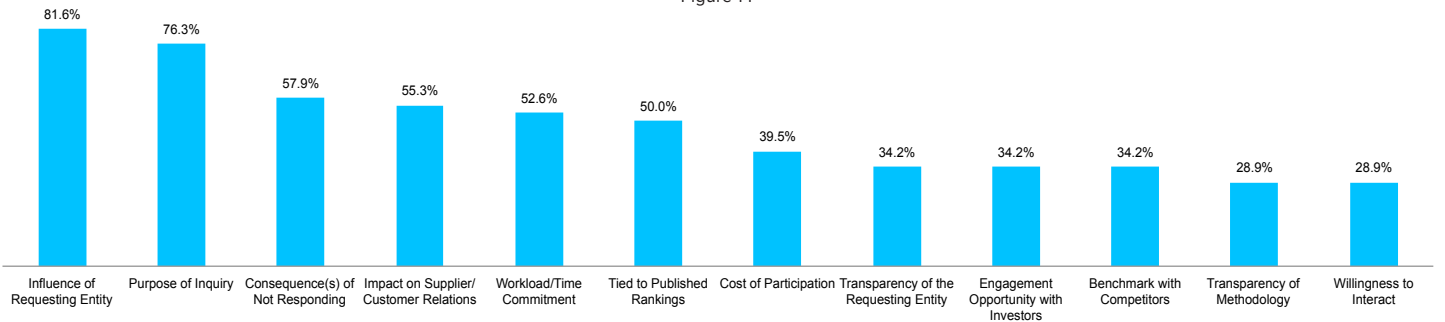
Figure 13



## The decision about which surveys to respond to is determined by practical realities

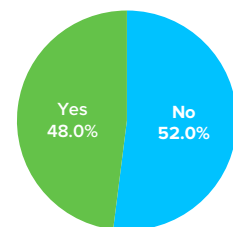
**Criteria Used to Decide Whether/How to Respond to Requests for EHS/ESG Data**

Figure 14



- As an additional indicator of the relevance of the business value chain, almost half of the respondents (48%) also indicated that they had initiated some kind of correspondence with their suppliers and customers. This also reflects that leadership companies have taken formal steps to engage with their supply chain.

**Q: “Does your company collect data and/or have established metrics to track the EHS or Sustainability performance of another company (e.g., a customer or supplier)?”** Figure 15



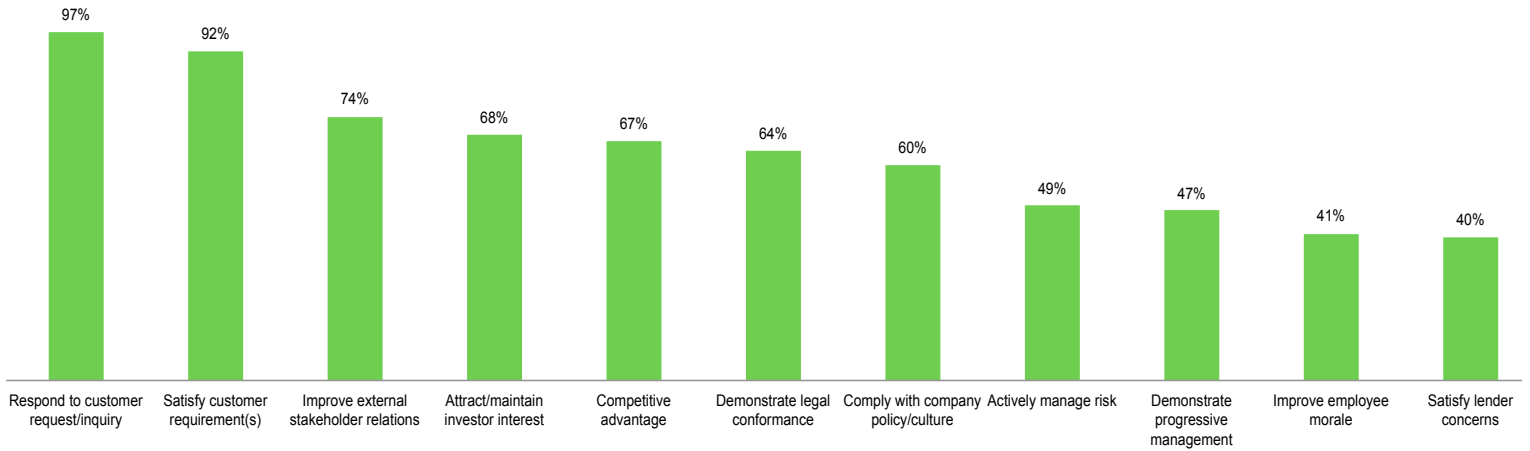
# Presentation of Research Results

## Customer requirements are driving external reporting

- The biggest drivers for external reporting among those we surveyed are: satisfying customer requirements:

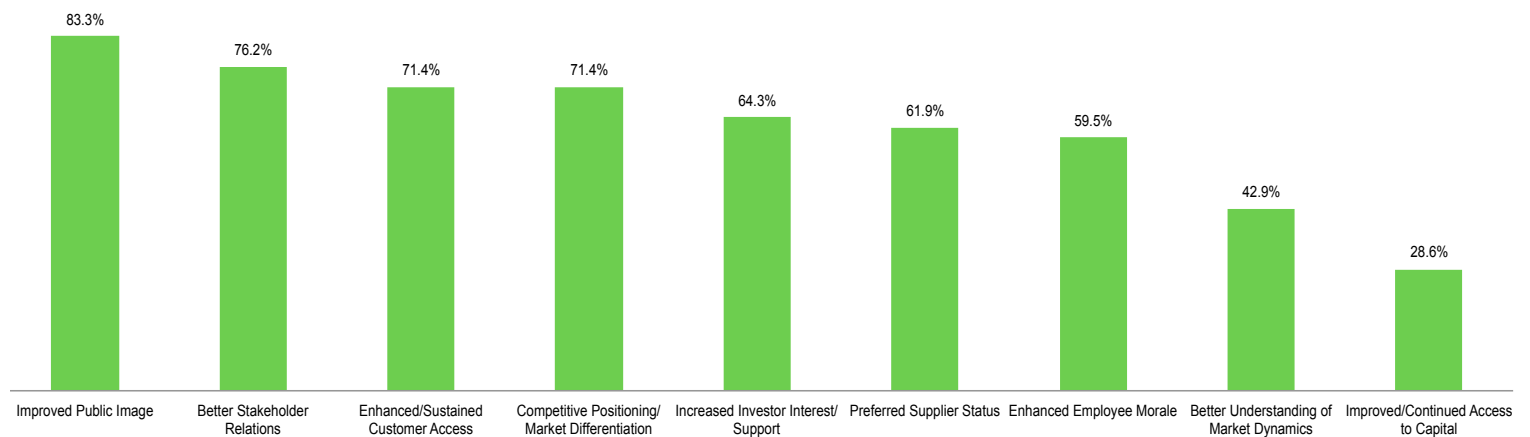
Importance of Business Drivers in Responding to EHS/ESG Data Requests

Figure 16



Desired Business Value from Responding to EHS/ESG Requests

Figure 17



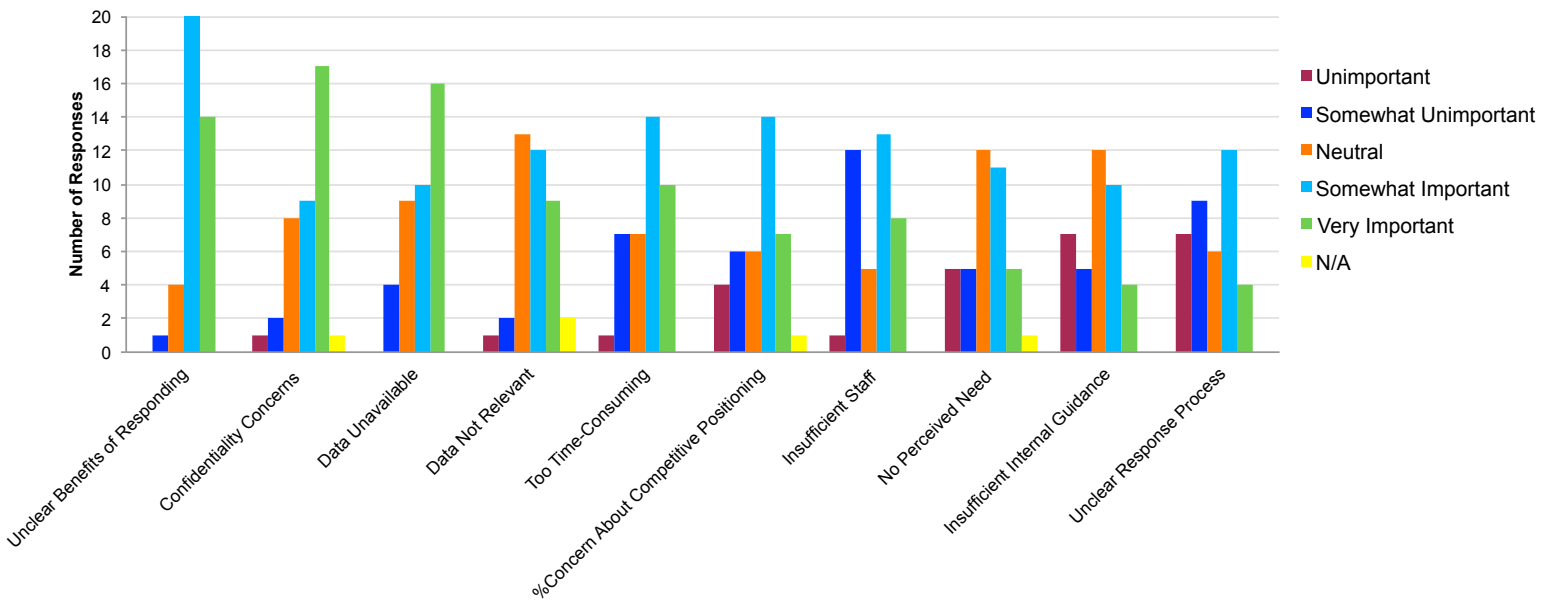
# Presentation of Research Results

## Companies perceive barriers and potential risks to external reporting

- Despite the increase in the number of requests for information, there are risks to more widespread disclosure. Among the barriers cited by respondents are the unclear benefits of participating (no clear value proposition), concerns about confidentiality and questions about the relevancy of the data relevance being requested.

Importance of Barriers to Limiting Responses to Requests for EHS/ESG Data

Figure 18

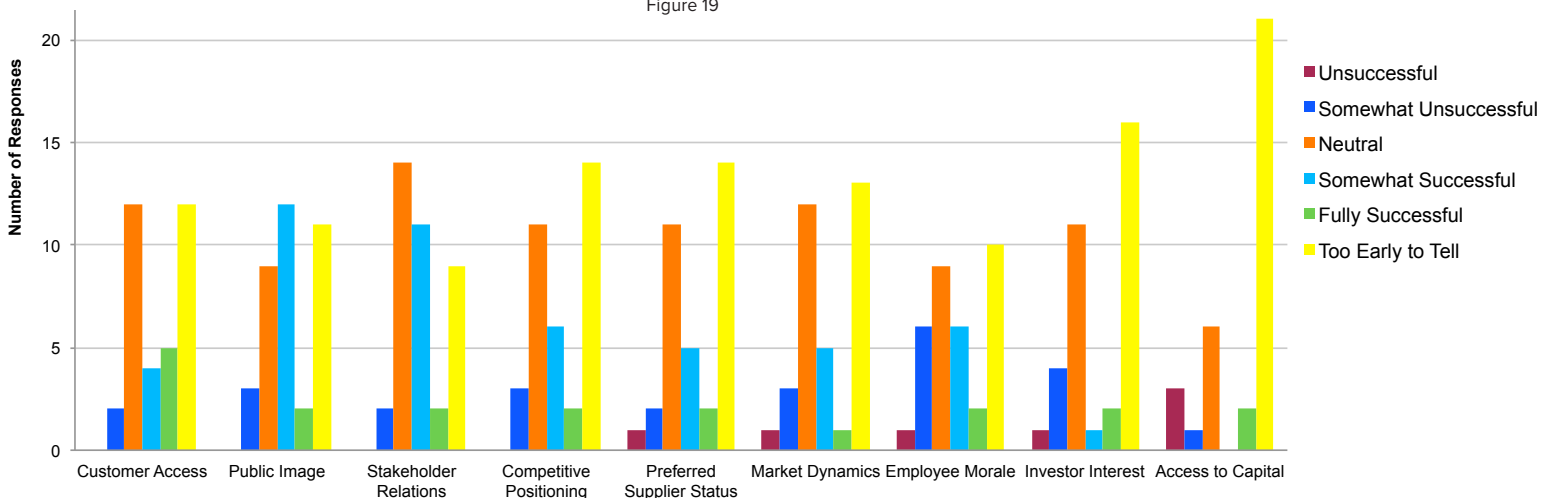


## The business benefits of external reporting are not yet clear

- Most respondents said it was “Too early to tell” whether external reporting delivered clear business benefits, such as increased access to capital, improved competitive positioning, investor interest and preferred supplier status.
- While growing, this indicates that the SRI investing is still a niche marketplace

Success in Capturing Business Benefits of External Reporting

Figure 19



## Summary Charts:

### Resource Consumption Metrics

- Resource Consumption Metrics Tracked/Targeted
- Highest Level to Which Resource Consumption Metrics Are Reported
- Primary Purpose of Resource Consumption Metrics

### Resource Conservation and Recycling Metrics

- Resource Conservation and Recycling Metrics Tracked/Targeted
- Highest Level to Which Resource Conservation and Recycling Metrics Are Reported
- Primary Purpose of Resource Conservation and Recycling Metrics

### Emissions and Waste Management Metrics

- Emissions and Waste Management Metrics Tracked/Targeted
- Highest Level to Which Emissions and Waste Management Metrics Are Reported
- Primary Purpose of Emissions and Waste Management Metrics

### Health and Safety Metrics

- Health and Safety Metrics Tracked/Targeted
- Highest Level to Which Health and Safety Metrics Are Reported
- Primary Purpose of Health and Safety Metrics

### Compliance Metrics

- Compliance Metrics Tracked/Targeted
- Highest Level to Which Compliance Metrics Are Reported
- Primary Purpose of Compliance Metrics

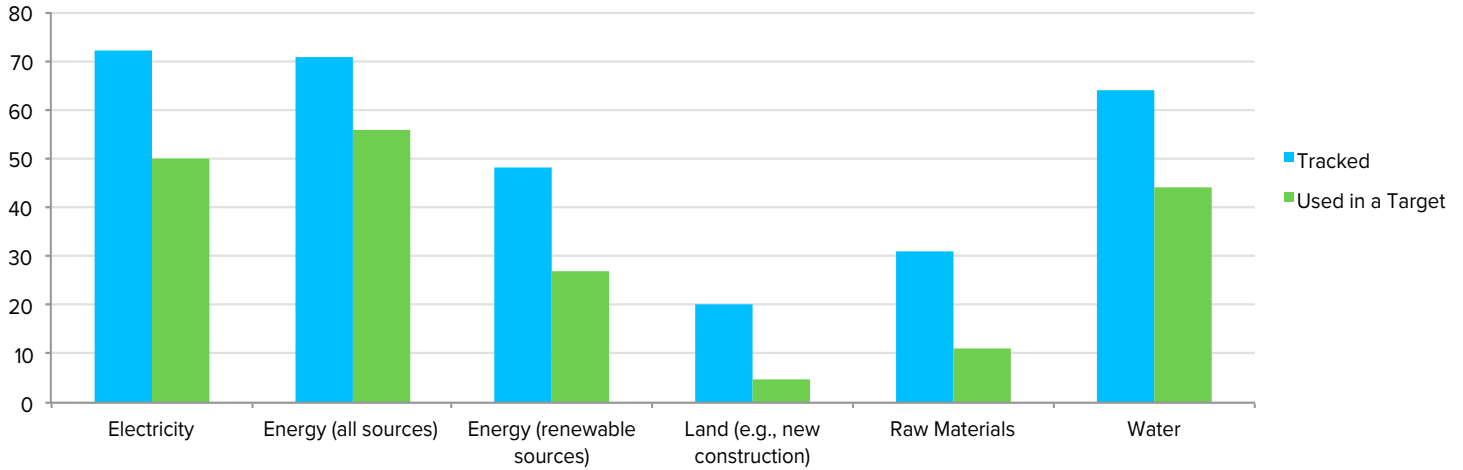
### Management-Oriented Metrics

- Management-Oriented Metrics Tracked/Targeted
- Highest Level to Which Management-Oriented Metrics Are Reported
- Primary Purpose of Management-Oriented Metrics

## Summary Charts: Resource Consumption Metrics

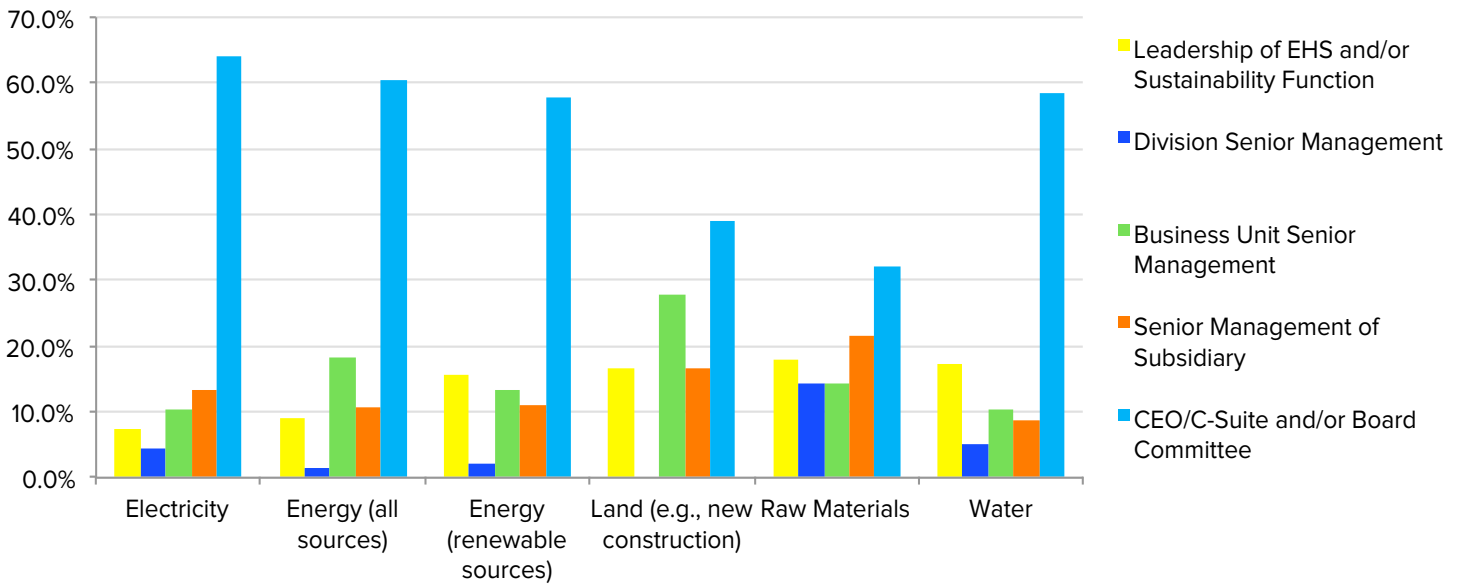
### Resource Consumption Metrics Tracked vs. Targeted

Figure 20



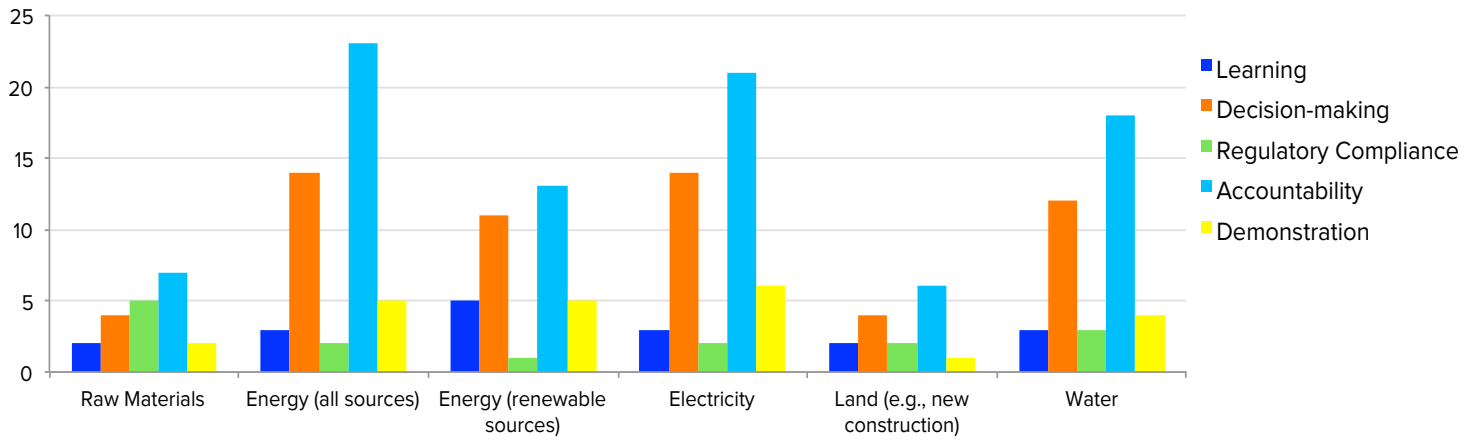
### Highest Level to Which Resource Consumption Metrics are Reported

Figure 21



## Primary Purpose of Resource Consumption Metrics

Figure 22

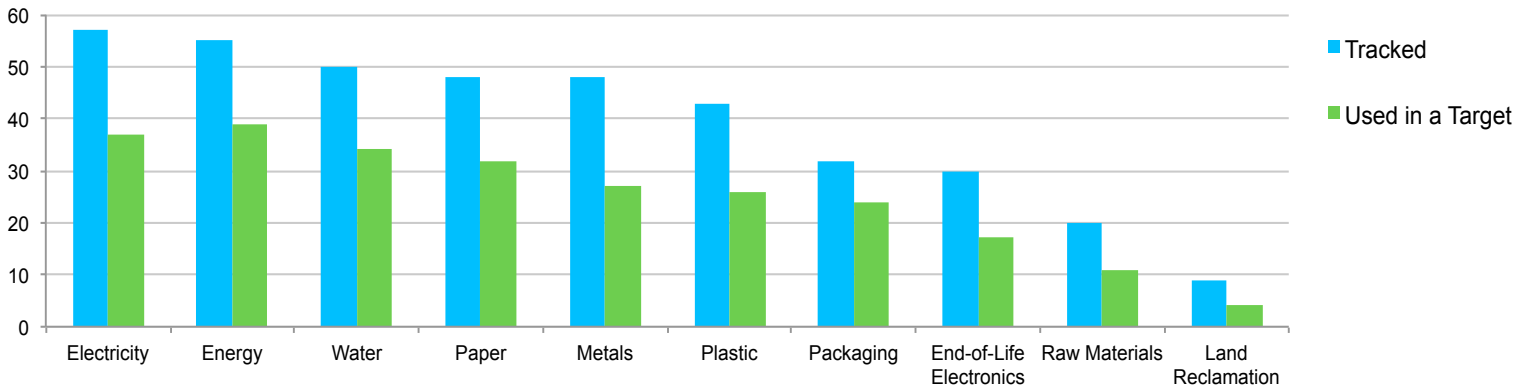




## Summary Charts: Resource Conservation and Recycling Metrics

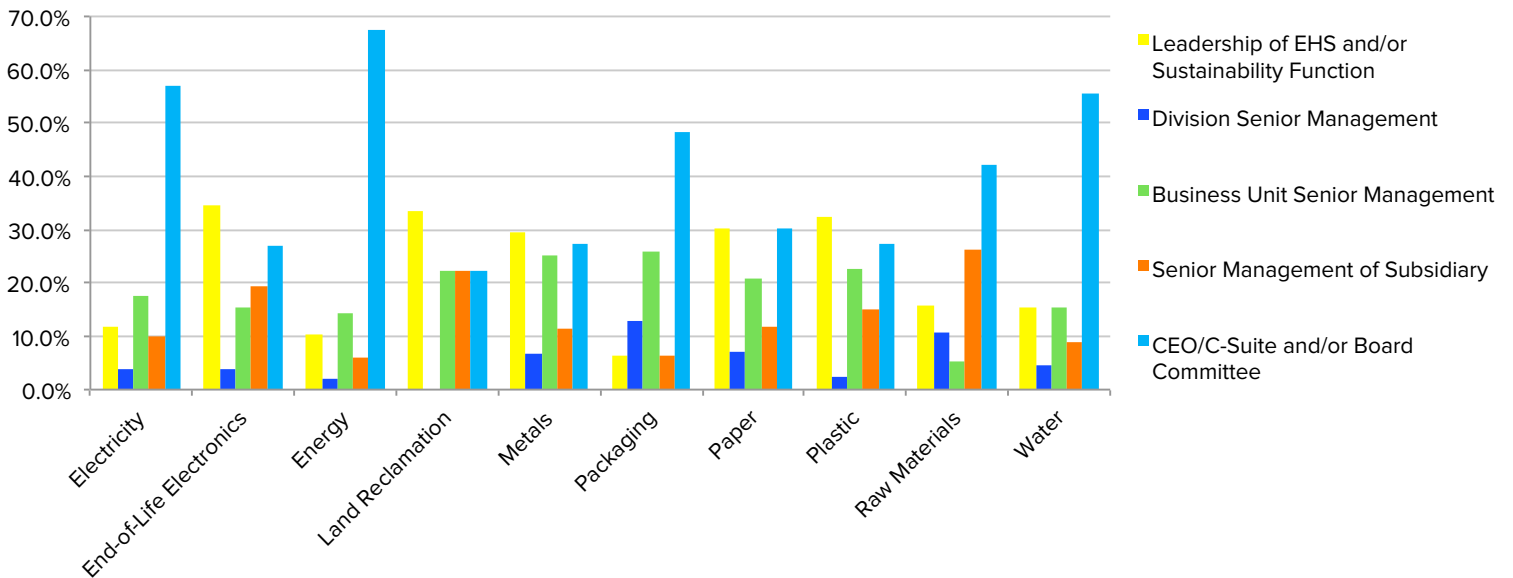
Resource Conservation and Recycling Metrics Tracked vs. Targeted

Figure 23



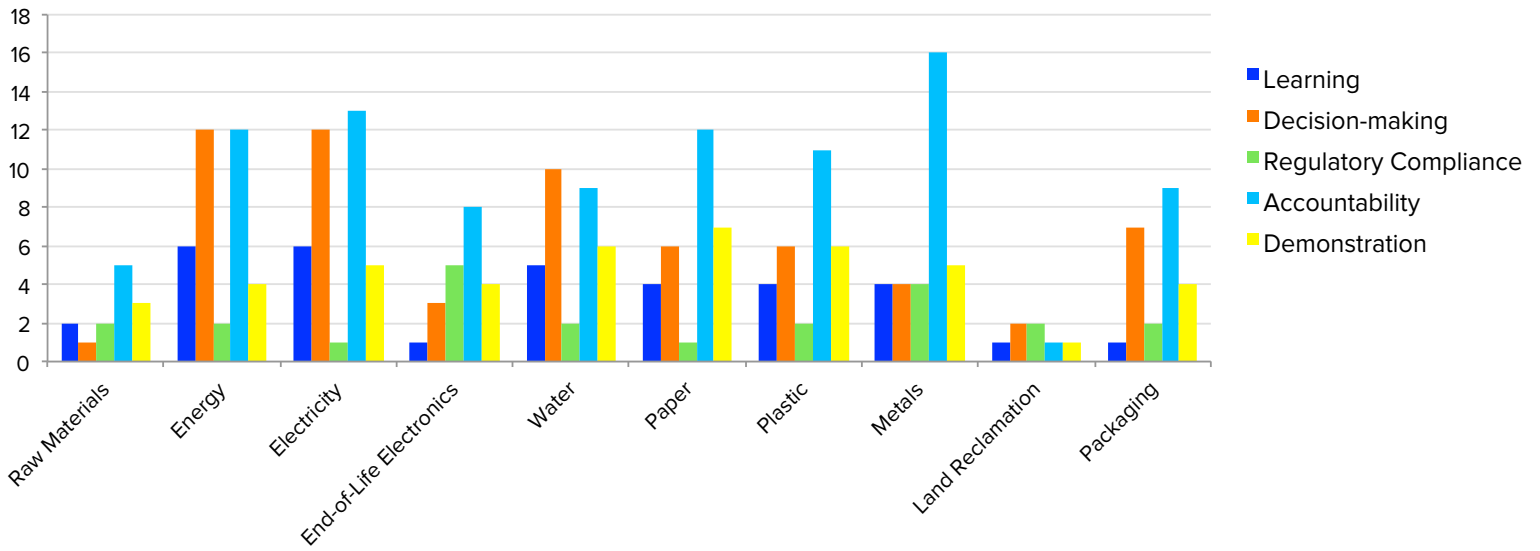
Highest Level to Which Resource Conservation and Recycling Metrics are Reported

Figure 24



## Primary Purpose of Resource Conservation and Recycling Metrics

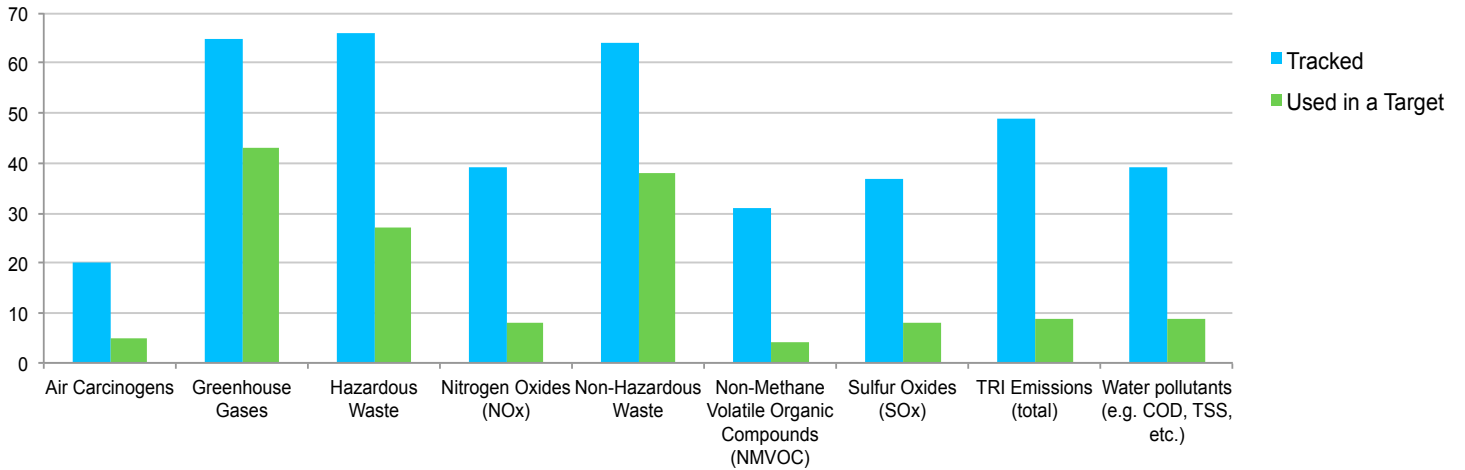
Figure 25



## Summary Charts: Emissions and Waste Management Metrics

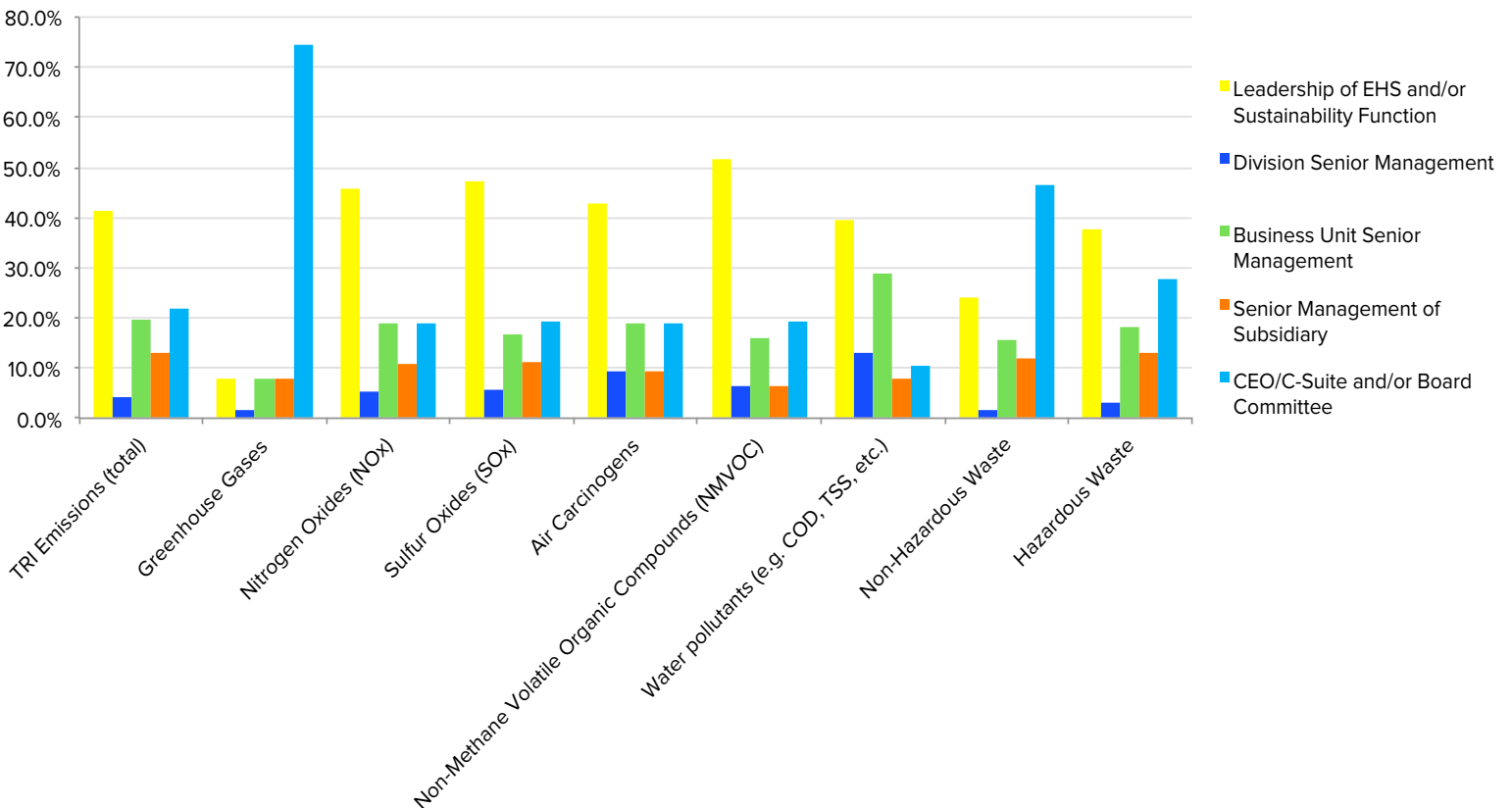
### Emissions and Waste Management Metrics Tracked vs. Targeted

Figure 26



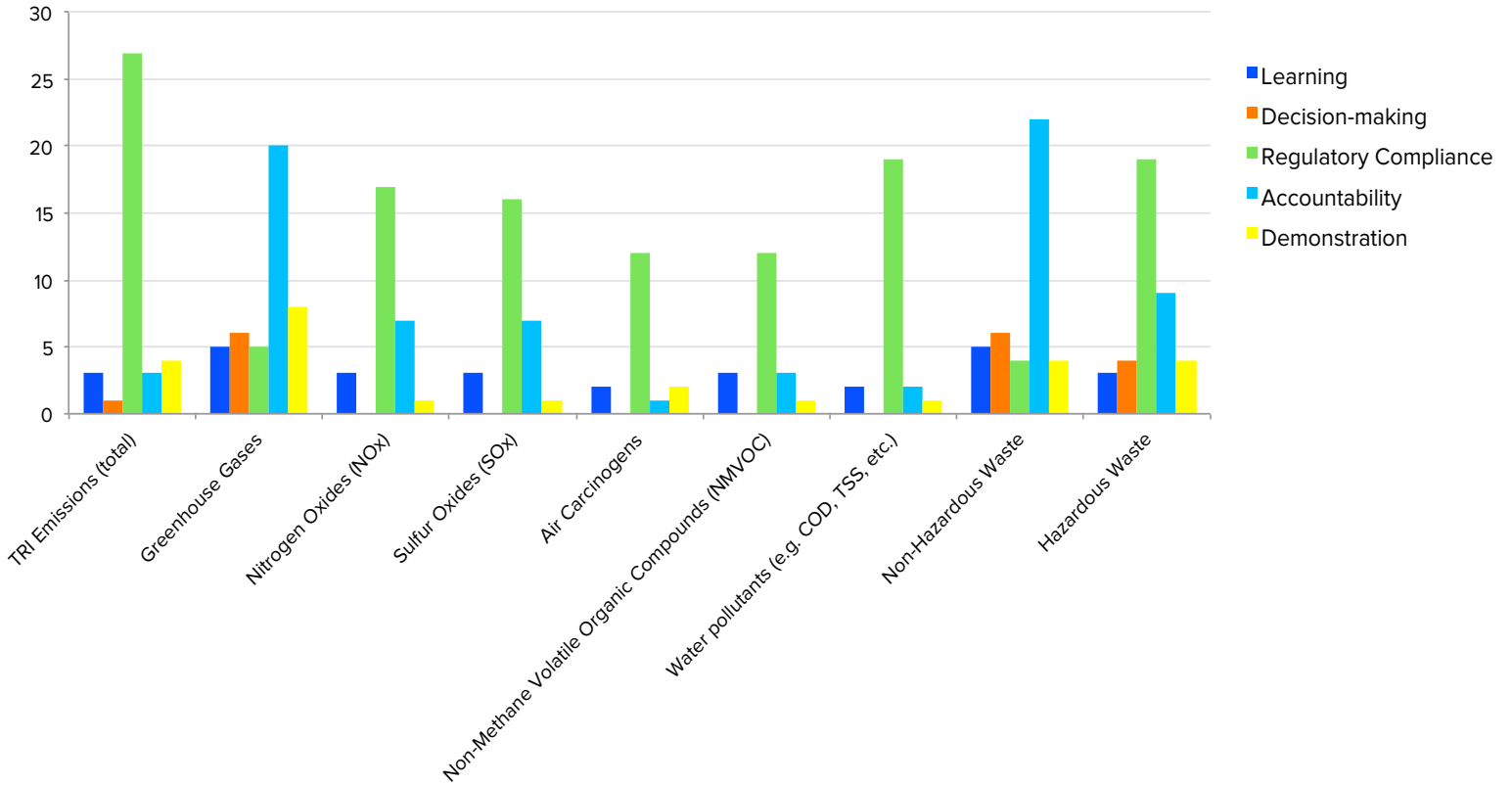
### Highest Level to Which Emissions and Waste Management Metrics are Reported

Figure 27



## Primary Purpose of Emissions and Waste Management Metrics

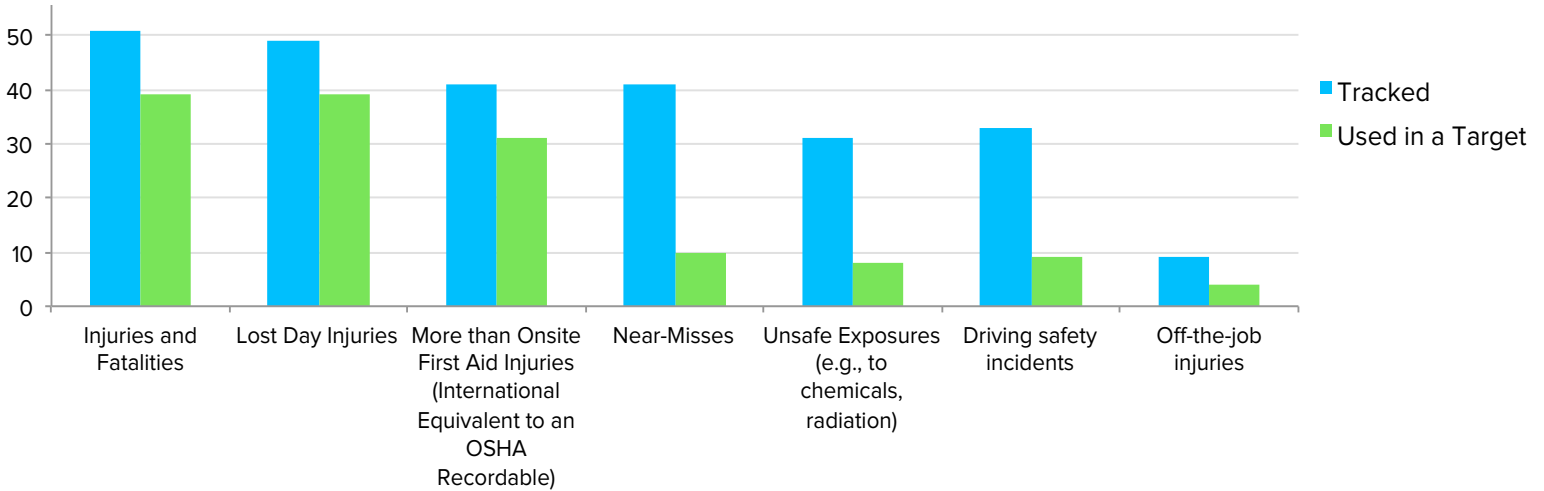
Figure 28



## Summary Charts: Health and Safety Metrics

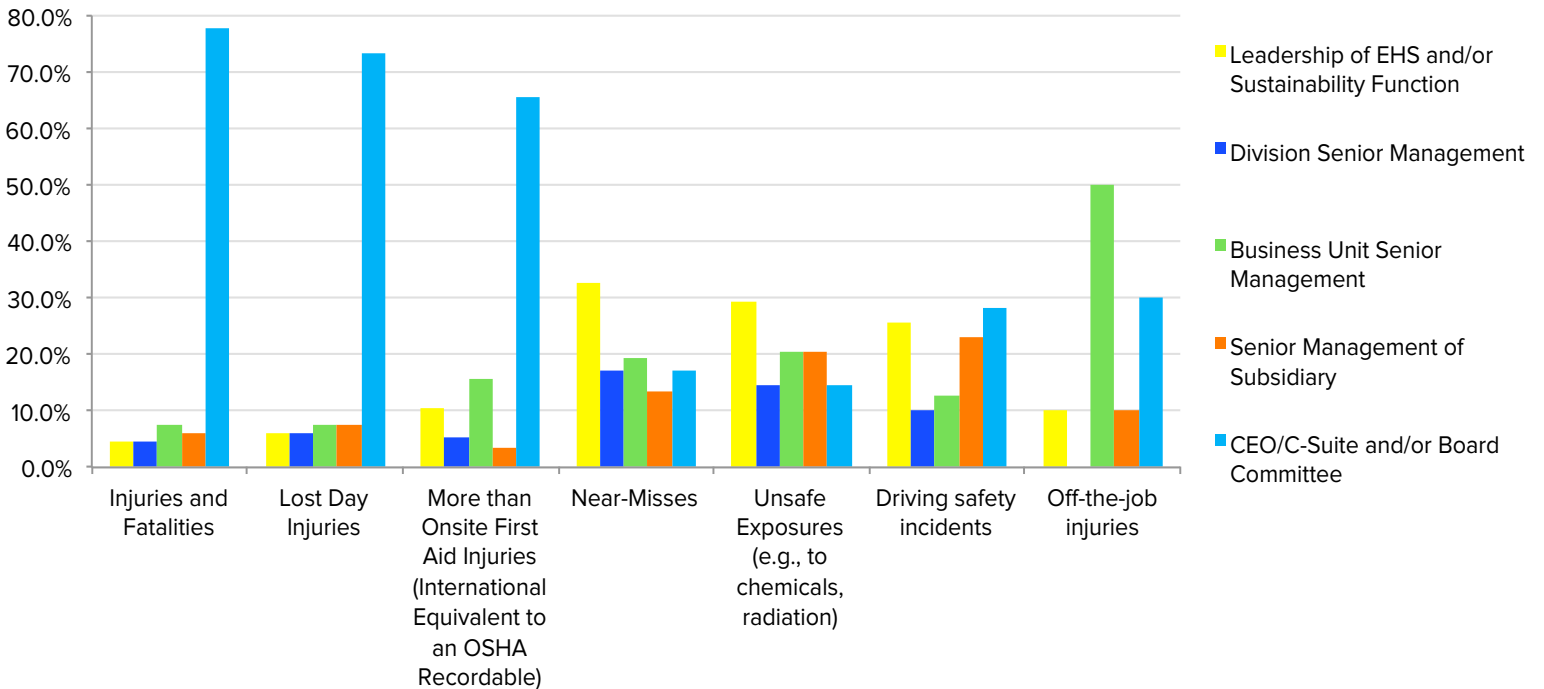
### Health & Safety Metrics Tracked vs. Targeted

Figure 29



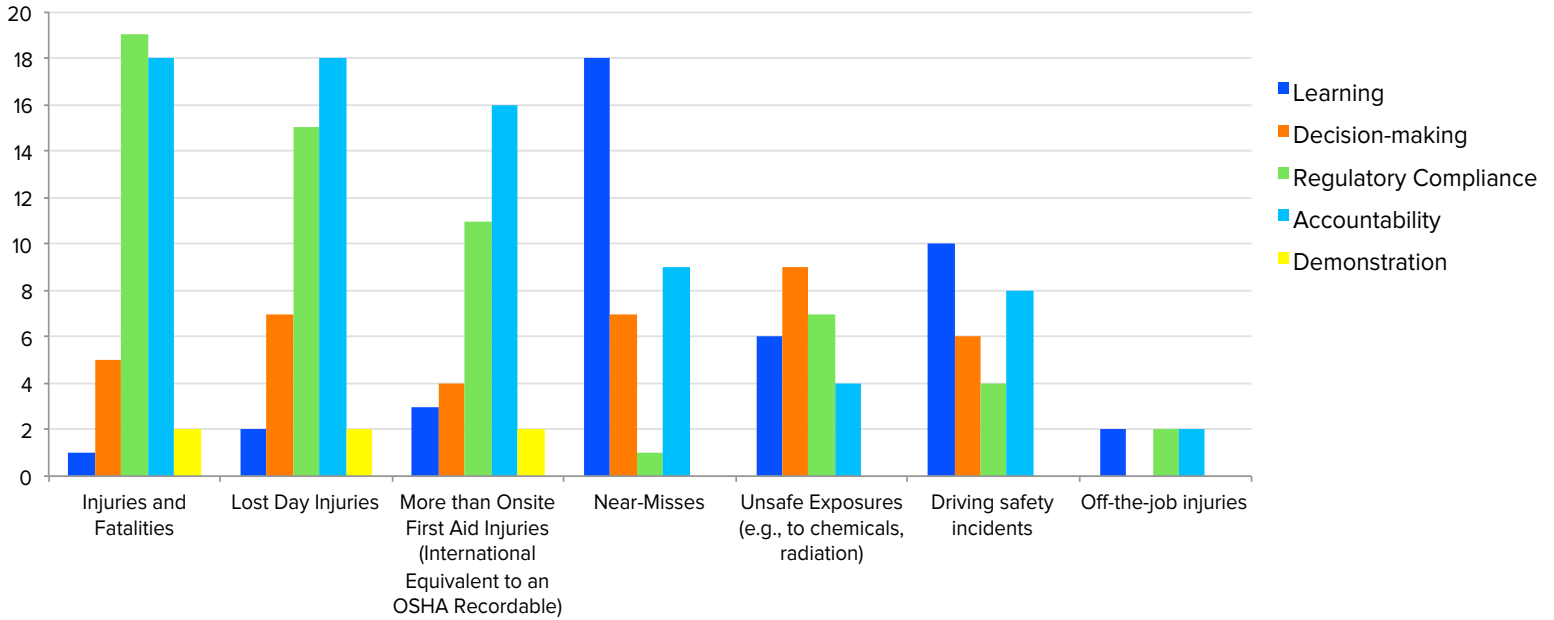
### Highest Level to Which Health & Safety Metrics are Reported

Figure 30



## Primary Purpose of Health & Safety Metrics

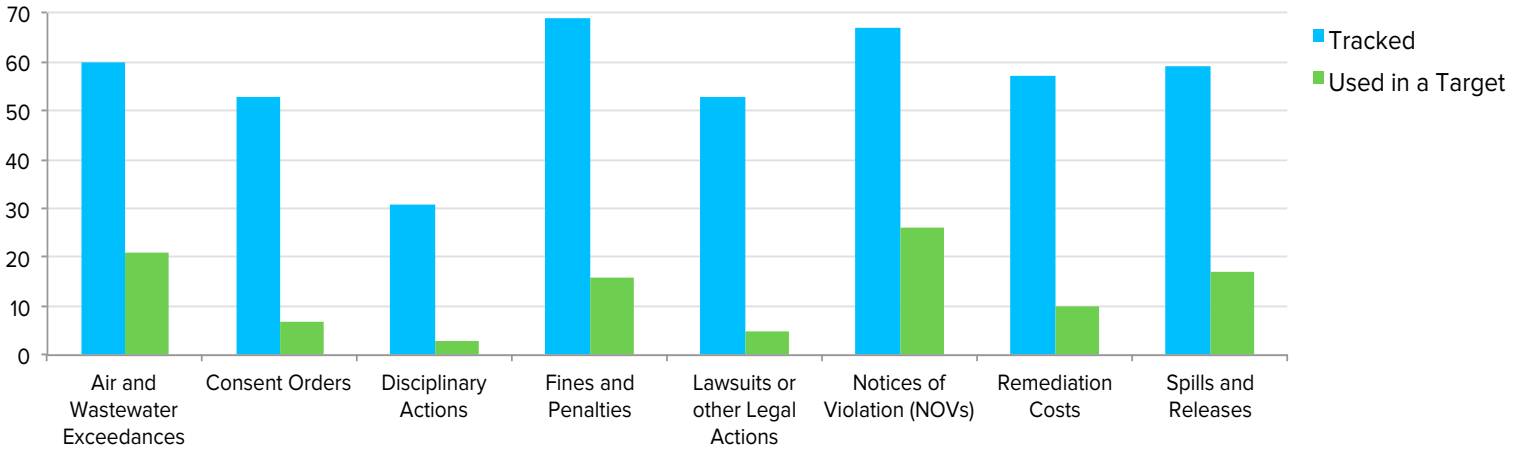
Figure 31



## Summary Charts: Compliance Metrics

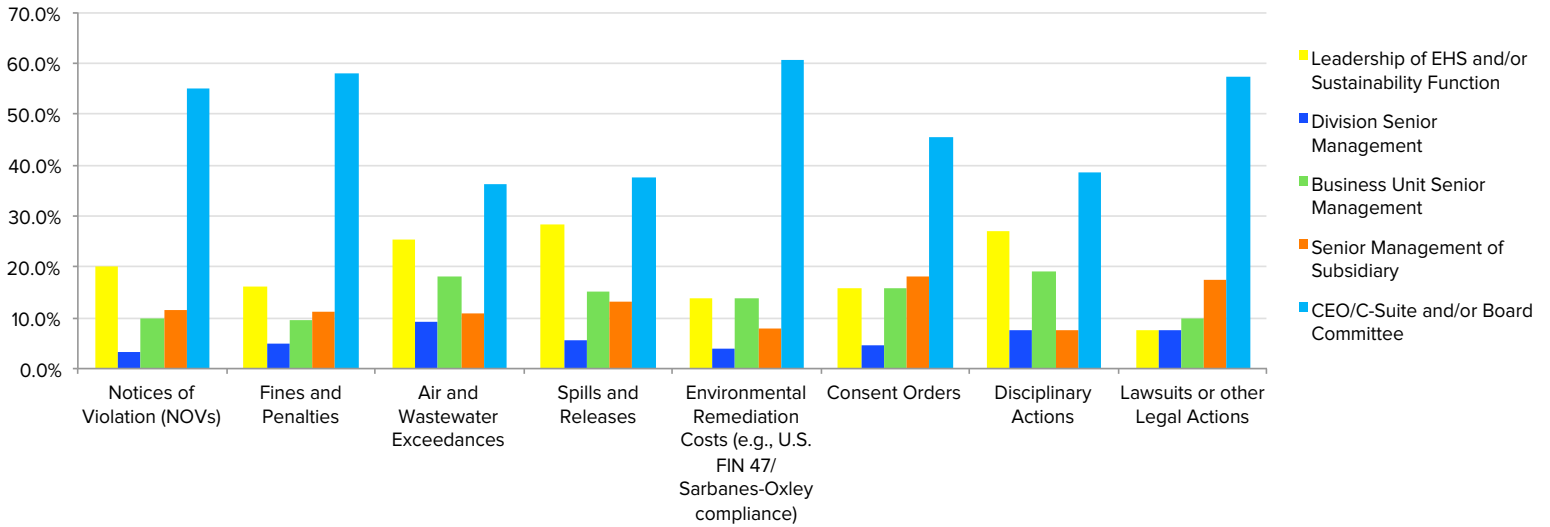
### Compliance Metrics Tracked vs. Targeted

Figure 32



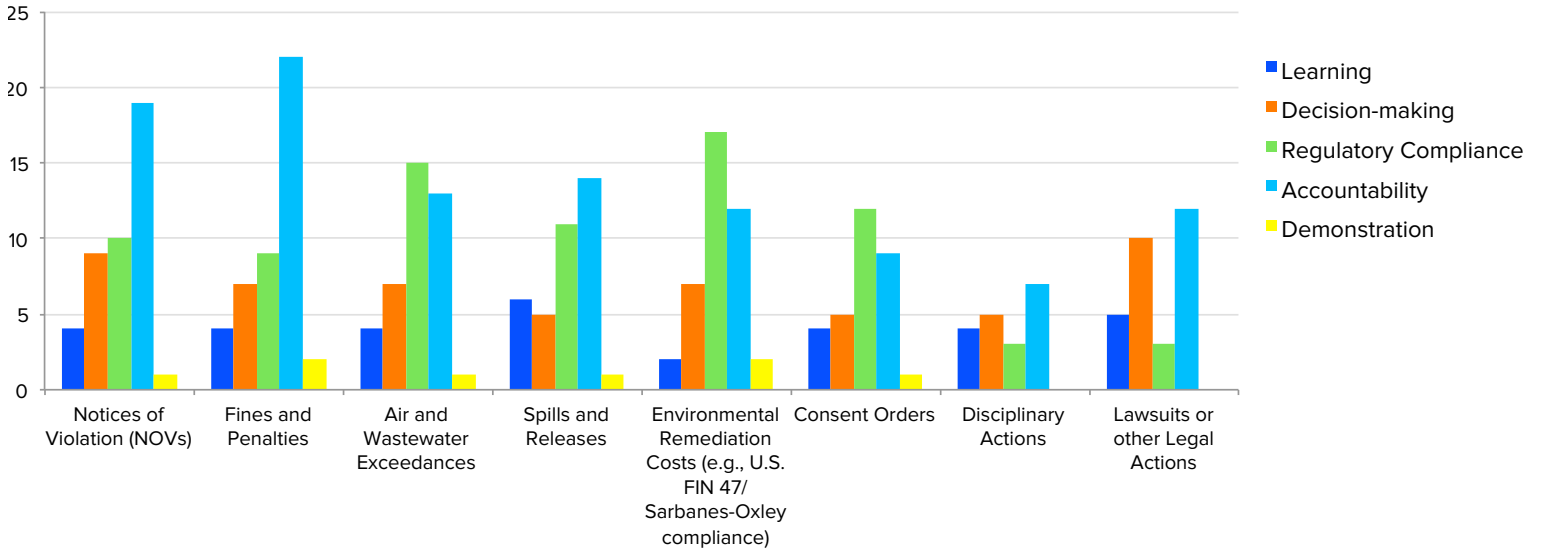
### Highest Level to Which Compliance Metrics are Reported

Figure 33



## Purpose of Compliance Metrics

Figure 34

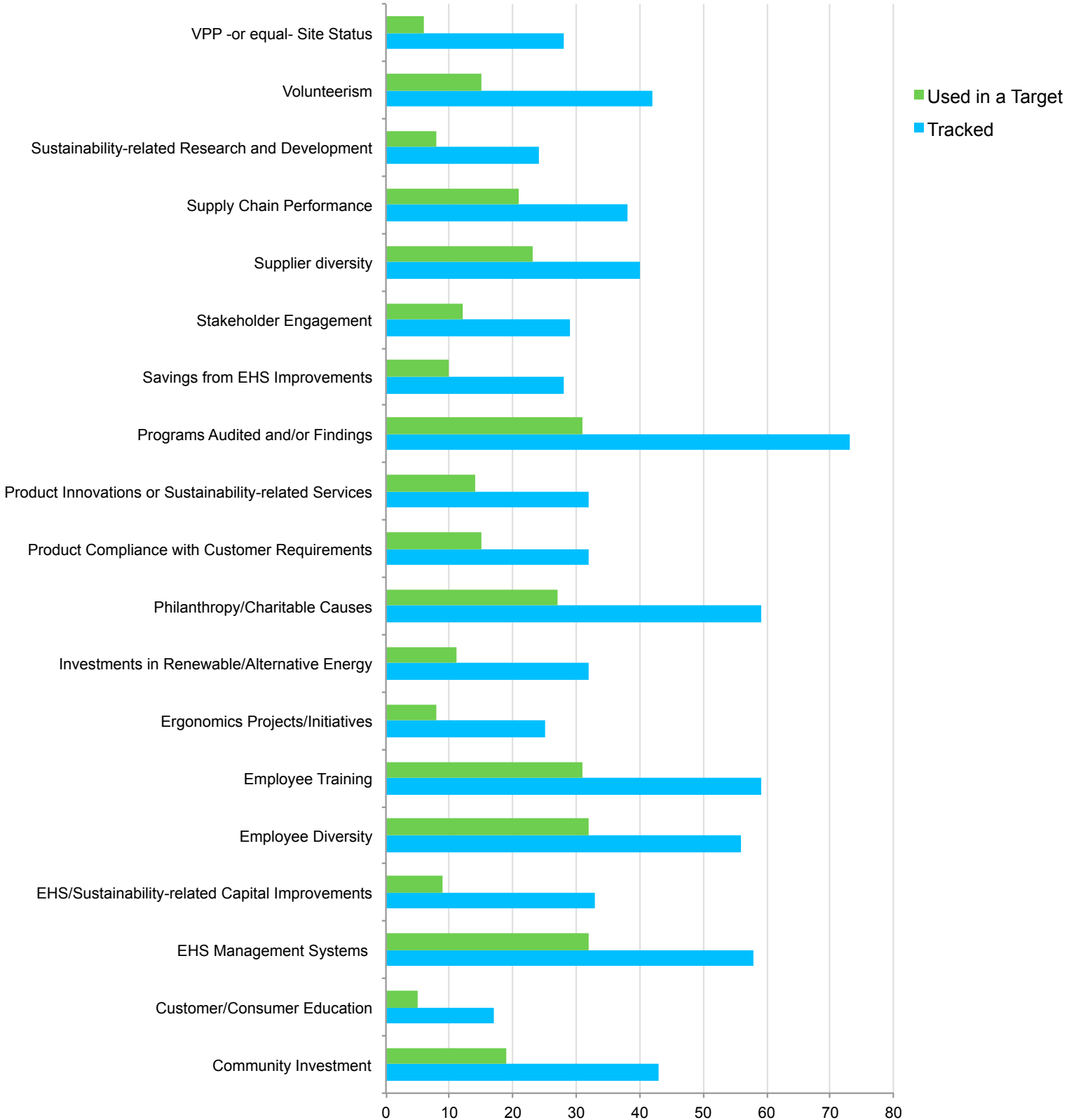




## Summary Charts: Management-Oriented Metrics

Management-Oriented Metrics Tracked vs. Targeted

Figure 35



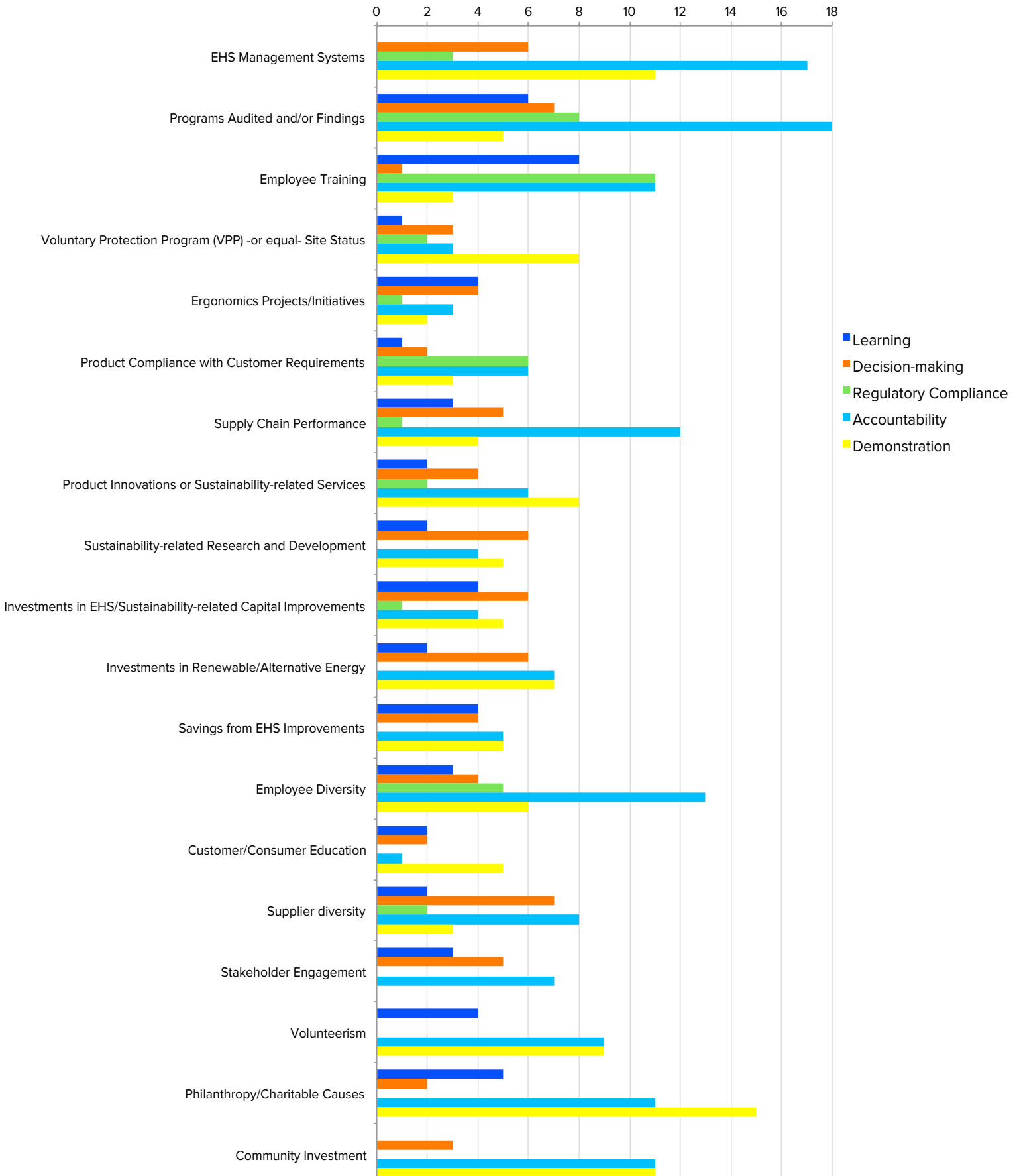
## Highest Level to Which Management-Oriented Metrics are Reported

Figure 36



## Primary Purpose of Management-Oriented Metrics

Figure 37



# Acknowledgements

---

## Publisher

### **The National Association for Environmental Management (NAEM)**

1612 K St., NW Suite 1002

Washington, D.C. 20006

(202)986-6616

[www.naem.org](http://www.naem.org)

@thegreentie

[www.facebook.com/NAEM.org](http://www.facebook.com/NAEM.org)

[www.youtube.com/NAEMorgTV](http://www.youtube.com/NAEMorgTV)

## Contributors

NAEM would like to acknowledge all of the members who completed the “Green Metrics that Matter” survey, and extends a special thank you to the members of the NAEM Board of Regents Benchmarking committee, including: Leslie Montgomery, Mark Hause, Rick Taylor, Stephen Evanoff, Kris Morico, Debbie Hammond and Edan Dionne. In addition, NAEM would also like to recognize Peter Soyka, and NAEM staff members Carol Singer Neuvelt and Elizabeth Ryan, who supported the development of the final report.

## For more information, please contact:

### **Elizabeth Ryan**

Director of Interactive Media and Communications

(202) 986-6616 x109

[elizabeth@naem.org](mailto:elizabeth@naem.org)

