



IT'S TIME FOR TODAY'S EHS AND SUSTAINABILITY PROFESSIONALS TO EMBRACE BIG DATA





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a UL EHS Sustainability White Paper

As sustainability becomes a more deep-rooted and active part of day-to-day business decision making, companies are increasingly moving towards a single, integrated platform to manage EHS, sustainability, and supply chain data.

Companies worldwide are working to improve their sustainability and environmental, health, and safety (EHS) performance and accurate data management has become a crucial and rapidly growing business requirement. Investment in data management systems is one of the fastest growing areas of many companies' EHS and sustainability spending. At the same time, companies are looking for increased visibility on their suppliers' performance and are investing in additional monitoring. The apparel industry is leading the way, followed increasingly by the food industry. Moreover, companies are beginning to tackle energy management in a more granular way, favoring automation and smart meters coupled with scenario planning.

Businesses gather a greater breadth and depth of data in a coherent, automated, and centralized way. Drilling down to understand and address specific challenges, information management must evolve to reflect the changing attitudes and needs of EHS and sustainability professionals.

Sustainability is becoming business as usual, with sustainability becoming ingrained in everyday thinking in the same way that health and safety cultures evolve. The challenge is keeping it present in people's minds. This white paper will explore how your business can have real, meaningful insights at its fingertips, how you will be able to spot trends developing ahead of time, identify issues, and predict future scenarios.





WHY SUSTAINABILITY PRACTITIONERS NEED TO EMBRACE BIG DATA

The information revolution has resulted in an enormous amount of data, some of it useful and some of it not. Amidst this noise, how can a company best determine which data matter and how to use that information for better business results?

With advances in connectivity and the power of technology to gather data, we have more information at our fingertips than ever before. According to IBM, there will be 300 times more information available to use by 2020 than there was in 2005 – a figure IBM puts at 43 trillion gigabytes of data. Corporate sustainability managers are beginning to realize the benefits that information can have in supporting their environmental and social impact reduction efforts. Typically, a company's largest impact on the planet sits outside its sphere of influence, along its supply chain. It is not uncommon for more than 80% of a company's total end-to-end carbon impact to be situated within the operations of its suppliers – and for its direct operational impacts to account for as little as 5% in many instances.

For these big businesses, supply chains are large and complex, made up of tens of thousands of suppliers across the world spending hundreds of millions of dollars. Understanding who those suppliers are and what impact they are having on the planet is crucially important if the company is to reduce its overall environmental impact.

But it's not easy. In fact, without the right data and information on those suppliers, it's very difficult indeed.

Companies have only just started to scratch the surface in understanding how they can gather, process, analyze, and make the best use of data that will help them save money, make money, build more resilient supply chains, and ultimately become more sustainable.

More organizations are turning to software providers to help them come to grips with the data that will help to unlock these savings. For example, the UK-based hotel and restaurant group Whitbread has been working with UL EHS Sustainability's supply chain software solution to help meet ambitious new sustainability targets. In May 2015, the company reassessed its CSR goals and developed responsible sourcing and commodity policies to ensure that by 2020, all of its suppliers improve their sustainability credentials and meet the standards set by the business.

The agile technology offers a centralized way to collate and manage data, and report on the sustainability performance of suppliers. By inviting suppliers to answer a series of questions, the software can automatically analyze the responses and identify potential risks within the supply chain. Now, with a bird's-eye view of its supply chain hotspots, Whitbread's sustainability team has access to clear and consistent information that allows them to work closely with suppliers to resolve issues and to educate them about the company's sourcing and commodity standards.

Of course, the software can also be used to encourage environmental impact reduction by asking suppliers to log carbon, energy, waste, and water data – and identifying areas where

improvements and savings could be made. A sophisticated EHS and sustainability management system allows you to collect all sorts of information – from incident management to code of conduct surveys to performance metrics for Scope 3 carbon reporting.

The use of data is also enabling companies to improve transparency. Ripples from the 2013 collapse of the Bangladesh Rana Plaza building are still being felt across the world. More than 1,100 people died in what was the deadliest garment-factory accident in history – and consumer attitudes towards supply chain issues, such as working conditions and forced labor, have changed in response. As with food that ends up on our plates, more people are interested in where their clothes and other consumer goods are coming from – and they want companies to be more transparent in providing that information.

Companies are realizing that having a full picture of their supply base, backed up by data that points to potential risk, will stand up to this increased scrutiny by consumers and the media – and help to protect valuable corporate reputation.

The practice of corporate sustainability and the use of advanced analytics have not always been perfect bedfellows. In the past, corporate responsibility professionals have been far happier to operate in the creative world of communicating via PowerPoint than to bury their heads in Excel documents and big, complex data.

But the landscape is changing. Complex environmental and social challenges are increasing all the time, particularly



with supply chains located in parts of the world most at risk from issues such as climate change and water scarcity. As data management software gets more and more sophisticated, it aids performance management and strategic decision-making, rather than just pure reporting. This new knowledge is giving companies the power to effect positive change along the value chain.

THE BUSINESS BENEFITS OF USING EHS AND SUSTAINABILITY MANAGEMENT SOFTWARE

Complying with ever-evolving EHS regulations and integrating sustainability metrics presents an ongoing challenge. Many companies are now using advanced management systems to provide organizational benefits such as making fully-informed decisions across the full range of EHS and sustainability management.

Considering the increasing pressure due to fast evolving legal requirements,

using an extensive and well-deployed information management software will empower your company to navigate challenges, improve performance, mitigate risk, and successfully maintain compliance. What could be the main benefits for your business?

Streamline data collection:

Information can be logged against a predefined set of criteria, using online and offline forms. An elaborate system allows your company to be flexible in the data you collect, helping you to respond rapidly to new standards and regulations in reporting.

Log data on the move:

Using mobile applications to improve EHS and sustainability management and reporting is also increasingly popular. Tasks and actions can be added and completed on the move, and the information is synced directly with the database when next online.

Ensure data quality: Improving and automating the data collection process leads to more accurate, higher quality data. Integrating historical data and drawing on reliable, centralized information helps to produce more consistent reports and drive environmental performance.


Improve reporting efficiency: EHS and sustainability management software helps your organization streamline reporting by making it easier to track and store all information in an integrated system. Corrective and preventive actions ensure your business processes are improved and risks mitigated. Obtain meaningful real-time performance updates via detailed dashboards, and build accurate reports using flexible templates and straightforward capabilities

Comply with regulations: Meet commitments around OSHA while also collecting information to report your company-specific KPIs.




PLAN

- Identify EHS aspects and impacts; identify legal and other requirements; and establish company programs objectives and targets
- Establish or modify EHS management which provides the roadmap to successful completion of objectives and targets



DO

- Institute EHS organizational structure and responsibility
- Meet training needs
- Execute communication programs
- Establish a documentation control system
- Develop operational control and incident response procedures to minimize risks



CHECK

- Monitor and measure key parameters to control significant EHS risks/impacts
- Establish corrective action and nonconformance procedures



ACT

- Assess progress against objectives and standards and ensure the EHS management system is effective and appropriate
- Take appropriate action based on review
- Commit the necessary resources to advance the system (i.e. ensure continuous program improvement)



Keep track of suppliers: Effective supplier engagement is about more than compliance surveys and follow-up audits. Building successful long-term relationships with suppliers requires regular contact and a structured, collaborative approach to driving progress between annual assessments. Keeping track of progress on specific initiatives is easy with integrated project management tools whilst being able to access records of past interactions with any supplier – all in one secure location.

DEPLOYING ADVANCED INFORMATION MANAGEMENT SYSTEMS

With a wealth of options on offer from multiple vendors, including mobile capabilities, intuitive user interfaces and powerful analytical tools, how does an organization identify the best capabilities and most appropriate overall solution?

1. Recognize the need for change

Non-specialist tools such as spreadsheets, in-house systems and generic ERP systems can only take you so far when it comes to ensuring compliance and driving EHS performance. They often lack the ability to deliver comprehensive, real-time information in an easy-to-analyze format, are time-consuming and increases the risk of inaccuracies.

2. Be clear about your requirements

Recognizing your precise business needs and clearly articulating the challenges you're facing are important first steps towards selecting the right software solution. It is important to

align every request with a business need, keep in mind key goals such as reducing risk, fulfilling compliance requirements, and maintaining a healthy, efficient workplace.

3. Engage stakeholders

Identify and map out requirements, particularly those who will be using the system. What would help to make their job more efficient and drive progress in reducing incidents and managing corrective and preventive actions? Review in detail why specific processes take time to perform. And what are users looking for in terms of flexibility and ease-of-use? It's important to ensure that the needs of all users are appropriately considered.

4. It's all about a well-conceived deployment

Every system has to be configured and deployed individually and according to the needs of the organization. This includes migrating historical data into new systems to be able to compare performances and benchmark internal processes. If necessary, comprehensive training session for key employees and end users will ensure an efficient use of the system, improving reporting efficiency and engaging positively with users.



UL EHS Sustainability (formerly UL Workplace Health and Safety) is a division of Underwriters Laboratories ('UL'), the premier global independent safety science company that has championed progress for 120 years. In 2016, UL EHS Sustainability acquired cr360, a leader in Sustainability and EHS management software. UL EHS Sustainability empowers organizations to protect the well-being of workers, reduce risk, improve productivity, enhance compliance, and drive measurable business improvement through its EHS, occupational health, environmental, supply chain, sustainability, and corporate social responsibility platforms. Thousands of organizations in over 20 major industries including manufacturing, healthcare, and construction & energy, trust UL's tools to meet their expanding needs.