Key Performance Indicators 101

September 19, 2017
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To avoid any possible problems, communications and exchanges of information at, or attendant to, any Consortium-related proceeding should directly relate to the issues on the agenda.

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TSC Marketing Policy

TSC has embraced many different types of organizations across the value chain because we view all as critical stakeholders.

In order to maintain a professional environment where people feel open to sharing information and opinions, we ask that all participating companies refrain from discussion during TSC meetings that which could be construed by other members as direct selling of products and services.

If you feel that another member or participant is engaging in this behavior, please contact Euan Murray, CEO or Jon Johnson, Chairman of the Board.

Attribution Rule
Participants are free to use the information received, but statements shall not be attributed to speakers or participants unless permission has been granted.
Today’s Agenda

- TSC’s Approach
- Understanding TSC KPIs Design and How to Respond to Them
- Getting Business Value from the Results

“WITH ITS EXTENSIVE SET OF PARTNERS AND DATA, TSC OFFERS A UNIQUE VIEW ON HOW PROGRESS TOWARD SUSTAINABLE CONSUMPTION IS ACTUALLY GOING.”

—ANDREW WINSTON
The Sustainability Consortium

Founded in 2009

The mission of TSC is to transform the consumer goods industry, and make the mainstream consumer goods we buy every day better, more sustainable.
The Demand: Pressure is increasing to address product and supply chain visibility

- **Consumer Awareness**: Increasing consumer sensitivity to packaging, chemicals, deforestation, landfill waste, environmental degradation, GHG etc.
- **Retailers Implementing Sustainability Programs**: Most leading retailers have programs in place and will expect more of suppliers in the future.
- **Growth Potentially Limited by Resources**: Growth from increasing consumers potentially capped by resource constraints.
- **Regulators Increasingly Active**: Regulations on environmental and social compliance increasing and getting more stringent.
Addressing the ‘sustainability price tag’ of consumer goods is tied to supply chain visibility

As global economic development continues over the next few decades, nearly 2.5 billion people are expected to join the “consuming class”

To capture the growth opportunity the consumer goods industry has to decouple growth from the sustainability impact - which requires addressing supply chain sustainability and visibility

Source: TSC Impact Report, 2016, Greening Global Supply Chains
TSC’s Theory of change
Driving Impact by Unlocking the Value of the Supply Chain

Transparency of reporting
Harmonized and transparent system reduces complexity and **saves costs** throughout the supply chain

Standardization of metrics
Standard metrics enable suppliers and buyers to work together on the **same environmental and social goals**

Reduced cost and complexity
Reducing cost and complexity of sustainability research and reporting allows companies to tackle impact areas **faster and more efficiently**
Product Category-Level Reporting

- Scalability in both development and deployment
- Compatible with existing procurement practices for many retailers
- Works well for aligning with sector initiatives
- Focal point for engaging both supply chain and other stakeholders
- Can provide specific metrics for material, environmental, and social issues while covering much of a company’s activities
- Differentiation within a single supplier/manufacturer
- Reusability of reporting for multiple customers
Category Sustainability Profile (CSP)
- Scope of coverage
- Key Performance Indicators (KPIs)
- Details of KPIs
- Hotspots
- Improvement Opportunities
- Summary of the research used to identify the relevant issues

Sustainability Insight
A short summary of relevant issues, hotspots and improvement opportunities for a product category in an accessible overview.

Download:
https://www.sustainabilityconsortium.org/product-sustainability/productfinder/

Supply Chain Diagrams
Illustrations created to highlight relevant issues across the value chain. Members have access to more than 50 diagrams as a part of the Toolkit.
Full value-chain materiality based in science

1. Define the Product Category
2. Review Scientific Sources
3. Research Lifecycle Hotspots
4. Research Improvement Opportunities
5. Evaluate the Evidence
6. Design Key Performance Indicators
7. Multi-Stakeholder Review
8. Publish the Toolkit
9. Update and Revise the Toolkit
Behind the Metrics

Science-based

>3,325 citations to academic articles and peer reviewed studies

Aligned with Key Initiatives

>2,060 references to 431 Certifications, standards, and tools

Multi-stakeholder informed

In 2016 alone:

165 organizations

380 stakeholders

Scalable Impact

Covering >90% of Consumer Goods Impacts
• To date, more than a dozen different retailers are using TSC metrics in the US and Europe
• Over 2,500 major suppliers are already reporting the sustainability performance of goods worth over $200 billion in annual sales
Adoption

2500+

Companies from around the world are already **reporting to their retail customers using TSC KPIs on the SAP Product Stewardship Network**

>$200B

More than a dozen retailers have worked with TSC and/or are utilizing TSC Toolkits, including:

- Walmart
- Amazon
- Walgreens
- Kroger
- Marks & Spencer
- Ahold Delhaize
- Aldi
- Sligro
- Superunie
- Jumbo

Retail participants: CVS, Sephora, Target, Walgreens, Walmart

As well as projects with major retailers in Germany and the UK
Today’s Agenda

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“This group will help you identify issues before they become issues for you.”

- Unilever
Anatomy of a TSC Key Performance Indicator (KPI)

KPI 1: Certification - Virgin fiber sourcing

What percentage of your virgin fiber supply, by mass purchased or produced, was sourced in accordance with a third-party certification program in the last twelve months?

KPI Guidance

A Not applicable. We do not use virgin fiber in our products.

B We do not source fiber under a forest certification program.

C The following percentage of our fiber supply, by mass purchased, was sourced in accordance with a certification program in the last twelve months:

% of fiber supply, by dry mass, that is "non-certified forest content," i.e. sourced under FSC Controlled Wood, PEFC Due Diligence, or SFI Certified Sourcing.

% of fiber supply, by dry mass, that was "certified forest content" and tracked through a chain of custody certification (i.e. FSC certified, PEFC endorsed system certified).

KPI 2: Community rights - Virgin fiber sourcing

What are the outcomes of risk assessments conducted for the protection of traditional and civil rights of local indigenous peoples and community users performed on your virgin fiber supply?

KPI Guidance

A Not applicable. We do not use virgin fiber in our products.

B We are unable to determine at this time.

C The following percentages of our virgin fiber supply, by mass purchased, represent the outcomes of our risk assessment(s) for the protection of traditional and civil rights of community members:
# Question and Response Options

**Title:** contains information about both the impact and activity addressed by the KPI

## 12. ELECTRICITY CONSUMPTION - LINEAR FLUORESCENT USE

<table>
<thead>
<tr>
<th>Question</th>
<th>Response Options</th>
</tr>
</thead>
</table>
| What percentage of total linear fluorescent lamp units sold by your organization in the past year had a luminous efficacy greater than or equal to 85 lumens/Watt? | A. Not applicable. We did not manufacture linear fluorescent lamps in the past year.  
B. We are unable to determine at this time.  
C. The following percentage of linear fluorescent lamps sold had a luminous efficacy greater than or equal to 85 lumens/Watt:  
C1. ________%.

**Question:** A description of the measurement in the form of a question. Should be compared to guidance for complete understanding

**Response options:** The choices a company has for their response. Always at least one qualitative null answer, sometimes an “not applicable” and up to five other qualitative or quantitative options.
Anatomy of a TSC Key Performance Indicator (KPI)

**KPI 1: Certification - Virgin fiber sourcing**

What percentage of your virgin fiber supply, by mass purchased or produced, was sourced in accordance with a third-party certification program in the last twelve months?

**KPI Guidance**

- **A**: Not applicable. We do not use virgin fiber in our products.
- **B**: We do not source fiber under a forest certification program.
- **C**: The following percentage of our fiber supply, by mass purchased, was sourced in accordance with a certification program in the last twelve months:
  - % of fiber supply, by dry mass, that is "non-certified forest content," i.e. sourced under FSC Controlled Wood, PEFC Due Diligence, or SFI Certified Sourcing.
  - % of fiber supply, by dry mass, that was "certified forest content" and tracked through a chain of custody certification (i.e. FSC certified, PEFC endorsed system certified).

**KPI 2: Community rights - Virgin fiber sourcing**

What are the outcomes of risk assessments conducted for the protection of traditional and civil rights of local indigenous peoples and community users performed on your virgin fiber supply?

**KPI Guidance**

- **A**: Not applicable. We do not use virgin fiber in our products.
- **B**: We are unable to determine at this time.
- **C**: The following percentages of our virgin fiber supply, by mass purchased, represent the outcomes of our risk assessment(s) for the protection of traditional and civil rights of community members.
Guidance: Calculation and Scope

Steps for calculating any metric or % response options

Calculate on the basis of compact fluorescent lamps manufactured alone. Calculate B1 as the total number of product units sold that had ENERGY STAR® certification divided by the total number of product units sold in this category, then multiply by 100. If unwilling to report, answer 0%.

Include only products certified to the version of the ENERGY STAR standard that was in force when the product was manufactured.

In markets not actively participating in the ENERGY STAR program (i.e., the United States and countries listed as ENERGY STAR International Partners), products may be counted toward this percentage if they meet the criteria in the appropriate ENERGY STAR standard, even if they are not "ENERGY STAR-certified".

Perform this calculation using data from a 12-month period that ended within 12 months of the date you respond to this question.

Scope clarification. Remember: product category!

Period from which respondent may use data to calculate their response
## Guidance: Resources

**Certifications, Standards & Tools**

**ENERGY STAR® Product Specification for Lamps**: Effective September 30, 2014, this specification defines the criteria for qualifying integrally-ballasted LED and CFL lamps for ENERGY STAR certification and replaces prior, separate specifications for the two lamp types.  

**Background Information**

**ENERGY STAR International Partners**: The EPA enters into agreements with foreign governments to use and/or recognize the ENERGY STAR standards and mark to help unify voluntary energy-efficiency initiatives globally.  

**ENERGY STAR® Qualified Products**: According to their website, “The ENERGY STAR label was established to reduce greenhouse gas emissions and other pollutants caused by the inefficient use of energy and make it easy for consumers to identify and purchase energy-efficient products that offer savings on energy bills without sacrificing performance, features, and comfort.” Standards are established by ENERGY STAR through a multi-stakeholder process and administered under the US EPA.  

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*Resources referenced in the calculation & scope section and others that can be used directly in calculating the response*

*Additional resources for information, more details on tools, definitions, etc.*
Guidance: Definitions and Hotspots

<table>
<thead>
<tr>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Product efficiency</strong>: The performance of a product with respect to the use of energy, water, or materials.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hotspots Addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>8. <strong>Electricity consumption - Product use</strong></td>
</tr>
</tbody>
</table>

Useful terms not otherwise defined in the Calculation & Scope are listed and defined in the Definitions section of the Guidance. Each KPI is linked to a hotspot included in the CSP.
Understanding How to Respond to TSC KPIs
A score of 100% is not the expectation.

A score of 100% does not mean “sustainable”.

The score is not an indicator of sustainability itself; it’s a measure of action taken on sustainability issues.
Scope: Global + Activity not Ownership

Two concepts often prove challenging but are fundamental to the system

Global

• All Toolkits and the KPIs they contain are designed to assess the global production of the respondent within the product category.
• This means all regions and customers, not just those related to the current survey.
• This is essential for the reusability of responses for multiple customers.
• It also gives users a more complete understanding of supplier performance.

Activity not Ownership

• All KPIs cover a specific activity or set of activities that occur in the supply chain regardless of ownership, financial, or operational control.
• This is done to give users a more accurate perspective on life cycle impact.
• For example, contract manufacturing is included in all KPIs that address issues that occur during manufacturing.
General types of KPIs

Qualitative KPIs

What level of disclosure does your organization require from your ingredient and raw material suppliers?

A. We require that a material safety data sheet accompany all raw materials and ingredients.

B. We require a list of all substances intentionally added to the ingredient or raw material, or have ensured that priority chemicals are identified in the composition.

C. In addition to (B), we require a list of all priority chemicals present at a level greater than 1000 ppm, whether intentionally added or not.

D. In addition to (C), we require a list of all priority chemicals present at a level greater than 100 ppm, whether intentionally added or not.

Single percentage KPIs

What percentage of your rice supply, by mass, was provided by farming operations that had a verifiable program to address microbial methane emissions from flooding of rice fields?

A. Not applicable. We do not produce rice or products that contain rice.

B. We are unable to determine at this time.

C. The following percentage of our rice supply, by mass, was provided by farming operations that had a verifiable program to address methane emissions from flooding of rice fields:

   C1. ________%.

Multiple percentages

What percentage of your pork supply, by, originated from animal farm operations that apply air emission reduction techniques?

A. We are unable to determine at this time.

B. The following percentages of our pork supply, by mass, was produced by animal farm operations that employ air emission reduction techniques at each of the following activities:

   B1. ________% in housing systems.

   B2. ________% during manure storage.

   B3. ________% during manure application.

Intensity metrics

What was the water use intensity in company-owned or contract manufacturing facilities that manufactured your final product?

A. We are unable to determine at this time.

B. Our water use intensity over was:

   B1. ________ liters per liter of product.

   B2. ________% of our product, by volume, is represented by the number reported above.
Reading Response Option Text

Be careful to make sure that all the stated criteria are being met

Question
What percentage of the sales packaging for your final products, by mass, was recyclable, was formally assessed for material and process efficiency and weight or volume optimization, and for which quantified environmental impact reduction can be demonstrated?

The question contains a list of four things:
1. recyclability
2. material and process efficiency
3. weight or volume optimization
4. Environmental impact reduction

Note the “and”
Note the “or”
Weighted averages in KPI responses

Calculate B1 as the average of the most recent nitrogen (N) use intensities from the growing operations that produced your crop supply, weighted by the mass of crop supplied by each growing operation.

<table>
<thead>
<tr>
<th>Supplier</th>
<th>Mass of crop supplied</th>
<th>Nitrogen use intensity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>49</td>
<td>11</td>
</tr>
<tr>
<td>2</td>
<td>47</td>
<td>20</td>
</tr>
<tr>
<td>3</td>
<td>150</td>
<td>5</td>
</tr>
</tbody>
</table>

Simple Average

$$\frac{11 + 20 + 5}{3} = 12$$

Weighted Average

$$\frac{(49 \times 11) + (47 \times 20) + (150 \times 5)}{49 + 47 + 150} = 9$$

A simple average is incorrect because it does not account for the scale of the supply and thus is a less accurate picture of actual nitrogen use.

Note that nitrogen use is a ratio itself (kg/tonne), and it is assumed that farms supply the data in this form.
12 month reporting periods

Almost all KPIs that require calculations contain a phrase similar to: *Perform this calculation using data from a 12-month period that ended within 12 months of the date you respond to this question.*

This allows you to, for example, use the same data as your annual sustainability report provided it covered a recent period.

12 month window for reporting end dates

- **Right on the fence. Might be OK! (Oct 2, 2016)**
- **Data too old, cannot be used (Sept 2, 2016)**
- **Within the last 12 months: OK! (Jan 2, 2017)**
- **Within the last 12 months: OK! (Jul 2, 2017)**
- **Reporting date (Oct 2, 2017)**
General Guidance Content
- The Sustainability Consortium (TSC)
- Product Sustainability Toolkits
- Key Performance Indicators
- Scope of Toolkits and KPIs
- Responding to KPIs
  - Rounding
  - “Not applicable” and “unable to determine”
  - Reporting period
  - Weighted averages
  - Primary and regional data
- Other Resources

Extended Guidance Content
- Learning about the category
- Thinking about the types of KPIs
  - Category KPIs
  - Facility KPIs
  - Supply Chain KPIs
- Steps for responding to KPIs
  - For Category KPIs
  - For Facility KPIs
  - For Supply Chain KPIs

Tips from TSC Members

Map categories
- match your products to listed TSC product categories with TSC’s ProductFinder
- download all relevant Toolkits. The CSPs can be accessed in the Content Library of your PSN account. You can download the Sustainability Insights from TSC’s ProductFinder

Develop process for preparing the business

Questions to ask:
- Where do I find the data?
- Who do I contact?
- Who in each team will be my contact (e.g., Sustainability team, Procurement team, and Sales team)?

Coordination:
- Create a spreadsheet with a tab per product and columns including:
  - Summary of each KPI
  - Data needed
  - Where data might lie within your systems
  - Who I need to meet with to get the data
- Schedule meetings with sales teams, requiring the Sustainability Insights as mandatory pre-reads and the CSPs as optional
- Get to know facility managers on a first name basis
- Get to know contracted facility managers on a first name basis
Guide: Toolkit Name and Scope changes from 2016 - 2017

<table>
<thead>
<tr>
<th>Former Toolkit Name</th>
<th>Current Toolkit Name</th>
<th>Name change only</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adhesive Bandages</td>
<td>First Aid and Health Supplies</td>
<td>Board Games</td>
</tr>
<tr>
<td>Apples</td>
<td>Apples and Pears</td>
<td>Cotton</td>
</tr>
<tr>
<td>Bananas</td>
<td>Tropical and Specialty Fruits</td>
<td>Cotton Polyester Blend Textiles</td>
</tr>
<tr>
<td>Copy Paper</td>
<td>Copy and Printer Paper</td>
<td>Feminine and Nursing Hygiene</td>
</tr>
<tr>
<td>Cucumbers</td>
<td>Cucumbers, Melons, and Squash</td>
<td>General Purpose Synthetic Footwear</td>
</tr>
<tr>
<td>Dentifrice</td>
<td>Oral Care Products</td>
<td>Household Papers</td>
</tr>
<tr>
<td>Dimensional Lumber</td>
<td>Sawn and Milled Lumber Products</td>
<td>Leather Papers</td>
</tr>
<tr>
<td>Laundry Detergent</td>
<td>Laundry Care Products</td>
<td>Mixed Material Textiles</td>
</tr>
<tr>
<td>Leave-On Skin Products</td>
<td>Leave-on Personal Care Products</td>
<td>Household Paper Products</td>
</tr>
<tr>
<td>Nuts</td>
<td>Nuts and Seeds</td>
<td>Disposable Wipes</td>
</tr>
<tr>
<td>Pharmaceutical Drugs</td>
<td>Pharmaceutical Products</td>
<td></td>
</tr>
<tr>
<td>Potatoes</td>
<td>Root Vegetables</td>
<td></td>
</tr>
<tr>
<td>Showering Products</td>
<td>Rinse-off Personal Care Products</td>
<td></td>
</tr>
<tr>
<td>Surface Cleaners</td>
<td>Household Cleaning Products</td>
<td></td>
</tr>
<tr>
<td>Sweet and Savory Bakery Items</td>
<td>Cookies and Baked Goods</td>
<td></td>
</tr>
<tr>
<td>Tomatoes</td>
<td>Tomatoes, Peppers, and Eggplant</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Former Toolkit Name</th>
<th>Current Toolkit Name</th>
</tr>
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<tbody>
<tr>
<td>Board Games</td>
<td>Games and Puzzles</td>
</tr>
<tr>
<td>Cotton</td>
<td>Cotton</td>
</tr>
<tr>
<td>Cotton Polyester Blend Textiles</td>
<td>Synthetic Material Footwear</td>
</tr>
<tr>
<td>Feminine and Nursing Hygiene</td>
<td>Household Paper Products</td>
</tr>
<tr>
<td>General Purpose Synthetic Footwear</td>
<td>Leather Goods and Footwear</td>
</tr>
<tr>
<td>Household Papers</td>
<td>Apparel and Home Textiles</td>
</tr>
<tr>
<td>Leather Goods</td>
<td>Disposable Wipes</td>
</tr>
<tr>
<td>Mixed Material Textiles</td>
<td></td>
</tr>
<tr>
<td>Wipes</td>
<td></td>
</tr>
</tbody>
</table>

Updated scope language, but no name or scope changes

- Adhesive Tapes
- Animal Welfare (all 6)
- Animal-Based Foods
- Antifreeze
- Automotive Fuels
- Automotive Oils
- Automotive Tires
- Beer
- Bicycles
- Books and Magazines
- CDs and DVDs
- Ceramic Products
- Chocolate
- Cocoa
- Coffee
- Company-level Supplement
- Complex Foods and Beverages
- Computers
- Corn Syrup
- Cotton Textiles
- Diapers
- Disposable Paper Food and Drink Containers
- Electronics
- Farmed Fish
- Farmed Shellfish
- Flowers
- Ornamentals
- and Garden Plants
- Fluorescent Lamps
- Formulated Goods
- General Merchandise
- Generic Product
- Generic Service
- Glass Products
- Grains
- Hair Coloring Products
- Household Pesticides
- Incandescent Lamps
- Jams and Jellies
- Lead-Acid Batteries
- Light Emitting Diode Lamps
- Metal and Plastic Products
- Metal Toys
- Mobile Devices
- Non-Dairy Products
- Nylon Textiles
- Packaging
- Palm and Vegetable Oils
- Paper and Wood Products
- Plant-Based Foods
- Plastic Products
- Plastic Toys
- Plush Toys
- Polyester Textiles
- Printer Ink
- Printers
- Rayon Textiles
- Refrigerating Appliances
- Seafood
- Small Appliances
- Small Batteries
- Spirits and Liquors
- Sugar
- Tea (Non-herbal)
- Textiles and Footwear
- Transportation
- Video Game Consoles
- Washing Appliances
- Wild-Caught Fish
- Wild-Caught Shellfish
- Wooden Furniture
- Wooden Pencils
- Wooden Toys

Scope changes, no name change

- Beans, Lentils, and Peas
- Beef
- Chicken
- Dairy
- Eggs
- Hand Tools
- Juice
- Paint
- Pork
- Soda and Sports Drinks
- Soy, Stone Fruit
- Vitamins and Supplements
- Wine
## Guide: Toolkit Name and Scope changes from 2016 - 2017

<table>
<thead>
<tr>
<th>Former Toolkit Names</th>
<th>Current Toolkit Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fibrous Wood Panels + Structural Wood Products</td>
<td>Engineered Wood Products</td>
</tr>
<tr>
<td>Frozen Convenience Meals + Soup</td>
<td>Soup and Convenience Meals</td>
</tr>
<tr>
<td>Bread + Pasta + Packaged Cereals</td>
<td>Grain-based Foods</td>
</tr>
<tr>
<td>Aerosol Air Fresheners + Non-Aerosol Air Fresheners</td>
<td>Air Fresheners</td>
</tr>
<tr>
<td>Televisions + Monitors</td>
<td>Displays</td>
</tr>
<tr>
<td>Prepared Salads + Leafy Vegetables</td>
<td>Lettuce and Leafy Vegetables</td>
</tr>
<tr>
<td>Stationery Paper + Greeting Cards</td>
<td>Stationery and Paper Supplies</td>
</tr>
<tr>
<td>Metal Products + Flatware, Cutlery, and Utensils</td>
<td>Metal Products</td>
</tr>
<tr>
<td>Wet Pet Food + Dry Pet Food</td>
<td>Pet Food</td>
</tr>
<tr>
<td>Electronics Accessories + Consumer Electronics Peripherals</td>
<td>Electronics Peripherals and Accessories</td>
</tr>
<tr>
<td>Processed Citrus + Citrus</td>
<td>Citrus</td>
</tr>
<tr>
<td>Table Grapes + Berries + Processed Berries</td>
<td>Berries and Grapes</td>
</tr>
</tbody>
</table>
Since the 2016 retailer surveys, several KPIs have undergone revisions based on TSC member change requests, supplier feedback, and KPI performance analysis.

As a high level guide to these changes, revised KPIs have been grouped by their type (e.g., deforestation) and the Toolkit’s sector (e.g., PPF indicates a Toolkit for a paper product category contains a revised KPI).

Note the sectors listed do not indicate that all Toolkits in that sector had KPIs affected. For example, only the Metal Products and Plastic Products Toolkits in General Merchandise (GM) had edits to their GHG emissions KPI.

Sector Acronyms
CFT: Clothing, Footwear & Textiles
FBA: Food, Beverage & Agriculture
GM: General Merchandise
HPC: Home & Personal Care
PPF: Paper, Pulp & Forestry
IMPLEMENTATION SERVICES

SUPPLIER RESOURCES AND TOOLS

- TSC Respondent Tools: https://www.sustainabilityconsortium.org/what-we-offer/measurement-reporting-system/respondenttools/
- TSC Methodology: https://www.sustainabilityconsortium.org/what-we-offer/measurement-reporting-system/methodology/
- TSC Sustainability Insights: https://www.sustainabilityconsortium.org/product-sustainability/productfinder/
- TSC FAQs: https://www.sustainabilityconsortium.org/about/faq/
- PSN login: https://accounts.sap.com/saml2/idp/sso/accounts.sap.com
- Help Desk: index@walmart.com
  - If the Index support team cannot answer your PSN-related question, they will forward your inquiry to PSN Support
  - If the Index support team cannot answer your TSC Key Performance Indicator-related question, they will forward your inquiry to TSC Support

Anticipate needing assistance in responding to TSC KPIs or improving your sustainability performance based on your Index results? TSC has trained service providers as a resource for you. Learn More: https://www.sustainabilityconsortium.org/what-we-offer/implementation-services/resources-tools-suppliers/
Today’s Agenda

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- Understanding TSC KPIs Design and How to Respond to Them
- Getting Business Value from the Results

“A SIMPLE WAY TO UNDERSTAND IMPACT AND PRIORITIZE WHAT YOU WANT TO GO AFTER.”

-PepsiCo
Suppliers: PSN-generated scorecards

Working with TSC KPIs on the SAP Product Stewardship Network, suppliers can quickly assess the performance of their product categories compared to suppliers reporting in the same group....
Suppliers: PSN-generated scorecards

...and evaluate your performance on your retail customers’ strategic priority KPIs.
Important benefits exist in improving supply chain visibility

"My customers **expect me** to behave sustainably

"My customers want more **sustainable products**

"Sustainability and cost savings go hand in hand

"Switching to sustainable resources prevents my factor costs to increase in future

"Making my supply chain more sustainable reduces **supply disruption risks**

"A more sustainable supply chain lowers risks of institutions **acting against** me
Business Value of Sustainable Supply Chains

Capturing value in three key areas:

- Innovation and new products
- Composition of business portfolio
- Reaching new customers and markets
- Growth
- Green sales and marketing
- Sustainable value chains
- Operational-risk management
- Sustainable operations (e.g., reducing emissions, energy, waste, water)
- Risk management
- Reputation management
- Returns on capital
- Regulatory management
- Long-term investors look for resiliency
- Corporate values and brand purpose

Why this work matters:

- Business Longevity
- Customers expect leadership
- Long-term investors look for resiliency
- Corporate values and brand purpose

Growth and Returns on Capital

Outperform competitors in stock market by **11%**

**$100B USD**

 Combined annual revenue


In 2016 our Sustainable Living brands grew 50% faster than the rest of the business

#sustliving po.st/V7baET

Jonathan Atwood
VP, Sustainable Business & Comms, Unilever

More and more consumers think about sustainability when buying products. Through consumer research Unilever has found that over half of all consumers already buy or want to buy sustainably.
Upcoming Support Opportunities
Join TSC for a free overview of new respondent tools that are now available and a deep dive into Key Performance Indicators (KPIs) that are more complex in terms of data collection and reporting.

**Responding to Complex KPIs**
*Wednesday, September 20  1:00pm - 2:00pm CT*

Webinar Registration:  
https://uasustainability.webex.com/uasustainability/onstage/g.php?MTID=e18e1061ea475e2f8a0b5961c68857838

Join SAP for a free tutorial on using your Product Stewardship Network (PSN) account and ensuring your TSC Product Sustainability Toolkit license is updated and active on PSN.

**Using the SAP Product Stewarding Network**
*Thursday, September 21  10:00am - 11:00am CT*

Webinar Registration:  
https://uasustainability.webex.com/uasustainability/onstage/g.php?MTID=e5b99cacbf1b539403a3b4892f7422a9f
TSC is offering an in-person training for suppliers participating in Walmart’s Sustainability Index. The training will give participants an opportunity to go in-depth with responding to complex TSC Key Performance Indicators in terms of data collection and reporting. Additionally, participants will have an opportunity to work one-on-one with TSC staff for 30 minutes to privately address specific questions one may have about their reporting.

Space is limited! Register today: https://www.sustainabilityconsortium.org/events/sustainability-index-supplier-training/
Coming in November 2017!

Webinar topics are designed around issues TSC has seen retailers indicate as priority, including:

- Deforestation
- Energy – Greenhouse Gas Emissions
- Packaging
- Priority Chemicals
- Social Compliance
- Sustainable Agriculture

Registration opens in October. Monitor TSC’s Supplier Resources and Tools webpage for more detail!
Sustainable Products for a Sustainable Planet

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The Sustainability Consortium® is jointly administered by Arizona State University and University of Arkansas with additional operations at Wageningen UR in the Netherlands and Tianjin, China.