



**metavû**  
Creating a Return on Environment<sup>SM</sup>

## The RoE Benchmark<sup>TM</sup> : Comparing Sustainability Performance to Industry Peers



Sustainability and environmental performance excellence are increasingly perceived by investors as leading indicators for long-term shareholder value creation. Effective corporate sustainability strategies, including those intended to reduce an organization's environmental footprint, engage stakeholders through effective sustainability reporting, and incorporate the core tenets of sustainable innovation are all elements of a success sustainability strategy. Revenues, operational costs, risk profiles, and capital costs are all advanced by the purposeful development and implementation of sustainable business strategies. Increasingly, **Shareholder Value Add** – the primary performance – based metric indicating an organization's worth – can be directly mapped to sustainability efforts and their associated positive impacts on profitability and and capital costs as illustrated below.



Historically, sustainability and environmental performance have been difficult to measure in a methodical, repeatable, and objective manner. Universally recognized reporting standards such as those recommended by the Global Reporting Initiative are helpful, though with respect to sustainable performance measurement they can be characterized with the following limitations:

- ❖ They do not adequately recognize sustainable performance differences between industries;
- ❖ They are not defined in a way that enables operational and strategic decision support;
- ❖ They do not address market risks and market opportunities related to performance in sustainability and environmental impact and;
- ❖ They do not sufficiently address legacy liability and other operational management practices.

To address these inherent limitations MetaVu created the RoE (Return On Environment) Index. Drawing from a broad depth of operating standards (including GRI, ISO 14001, and GEMI as well as industry-specific measures), and based on seven years of applied client experience and research, the RoE Index is an objective measurement methodology organizations can use to quantify and benchmark performance in sustainability and environmental excellence. RoE Indices are available specifically for industries with heavy environmental footprints including agriculture, consumer products, chemicals, manufacturing, mining, oil and gas, pulp and paper, transportation, and utilities.

### The RoE Benchmark™

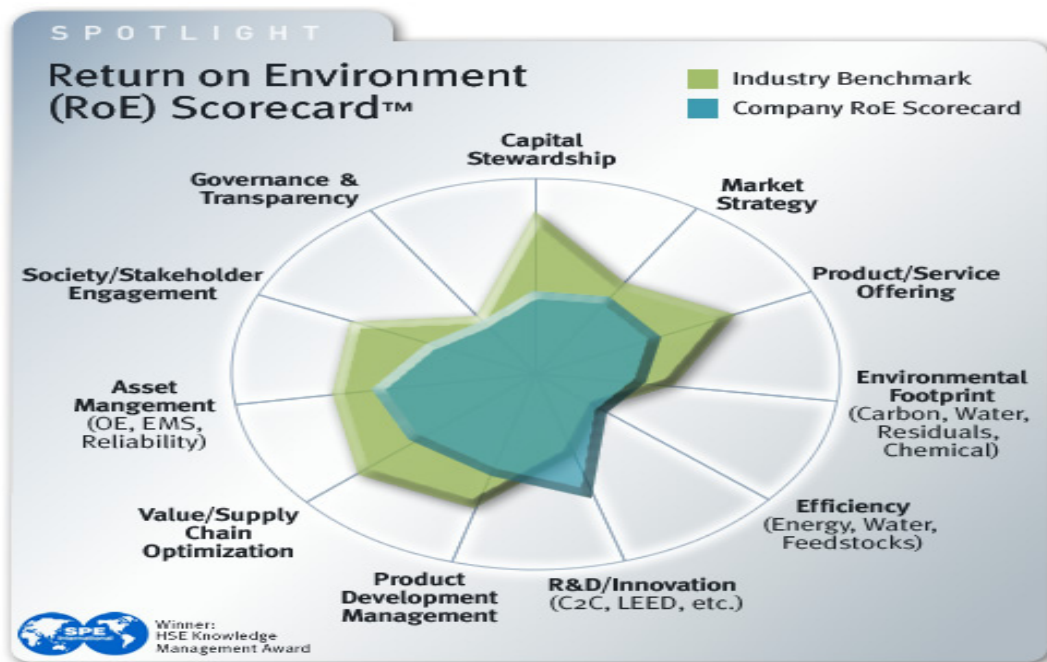
In 2005, after delivering the RoE Index successfully for several clients and industries, MetaVu organized its first Sustainability Performance Benchmarking project for the Oil and Gas industry. Using a 'lite' version of the RoE Index, MetaVu compared the results of its assessments for each of 10 participating clients to anonymous results for the entire group.

The results were presented in a 2-day workshop where participants were able to discuss common challenges, share best demonstrated practices, outline participant-specific action plans, and establish valuable peer relationships. The initial Benchmark proved so successful that MetaVu now completes several Benchmark projects annually in multiple industries.



### How Does MetaVu Deliver the RoE Benchmark?

The RoE Benchmark is implemented in a manner similar to the client-specific RoE Index but in a less detailed manner. MetaVu conducts an inventory and review of existing strategies and tactics, performance measures, business processes, governance models, systems, and tools. It also conducts an organizational readiness to change assessment focusing on culture, human capital, skills, and competencies. MetaVu utilizes its award winning and patented methodology to collect data from each participant and then presents the results in the context of industry peer performance.



MetaVu's RoE Benchmark has proven to be a valuable tool for scores of clients in many different industries, informing sustainability strategies and prioritizing implementation efforts. For more information on the Benchmarking process or to learn the dates of the next Benchmark for a particular industry, **please contact Paul Alvarez at 303-679-8340.**