

Stewardship Action Council (SAC)

Program Concept Document

WHAT IS SAC?

The Stewardship Action Council (SAC) seeks to drive sustainable and socially responsible business practices and results through encouragement and recognition of accomplishments that extend beyond or exceed those attainable through normal compliance activities; and through the design and implementation of a performance based index, created by a coalition of multi based stakeholders including academics, state and federal government, NGOs, investment groups and industry representatives.

WHAT DOES SAC DO?

Based at its core on the use of integrated management systems to identify, manage and reduce the risk of adverse impacts of their facility operations to the public, workers, and the environment, SAC seeks to both establish a basis for claims of sustainability and provide an incubator for advancing improved sustainable performance among its membership. Sustainability means many things to different people, and while a variety of organizations have undertaken addressing various aspects of sustainable practices, there is no one standard in existence against which efforts can be planned and progress measured. SAC seeks to provide:

1. A leadership standard that drives sustainable delivery of products and services.
2. A mechanism for the sharing of best practices (data base populated with data for member only use).
3. A way to identify environmental/social (workers and public) leaders and encourage others to follow.
4. Critical contacts with like-minded organizations across industry, academia, government, and non-government organizations.
5. An on-ramp for those developing and working towards a sustainable business model.
6. A platform for organizations to commit to, improve, and perpetuate their social/environmental performance, driving toward performance excellence.
7. Collaborative opportunities with willing partners.
8. A coordinating group for state excellence and other related government programs.
9. Opportunities to share results and explore innovative initiative towards performance excellence
10. Contacts for each participating facility to facilitate an active learning network for and among the membership.

SAC MEMBERSHIP CRITERIA (Guidance to be developed)

Criteria for membership in SAC include:

1. Complete and sign the SAC program application (Application documents to be prepared).
2. Sign the "SAC Commitments" outlining:
 - Use of formal independently validated management systems (ISO 14001, OHSMS 18000, etc.) (certification not required);
 - Commitment to continuous improvement, stakeholder engagement and transparency;
 - Commitment to collaboration with government, NGO, state or local organizations;
 - Commitment to publicly report on progress in meeting goals via annual update to SAC website ;
 - Commitment to openly communicate non proprietary results and processes for excellence to other SAC members;
 - Promote and protect human rights;

- Promote the safety of the Participant’s workforce;
- Maintain a strong record of sustained compliance that is self verified on a routine basis (No convictions for criminal offenses in the last 5 years or for civil offenses in the last 3 years)
- Renew membership annually, as desired

SAC membership falls into two Categories, Alliance Members and Participating Members. The Alliance Member category is for NGOs, states, academic institutions and others that want to support SAC in a manner other than as a Participating Member. Within the Participating Member Category, there are two subcategories (non industrial (Level 1), or industrial/commercial. The industrial/commercial category is further divided into three tiers: Level 2, Level 3, and Level 4.

- Alliance members do not set goals, but work with and assist participating members and SAC.
- Participating members set goals and report their progress in meeting their goals.
- Levels 2, 3, and 4 within the Industrial category reflect different levels of implementation and goal setting by the participating organizations. Levels 2 & 3 are facility based, Level 4 is corporate based.
- Level 4 organizations have implemented and are achieving facility based performance improvements across the corporation using an integrated ESH management system, and are now focusing efforts on broader organizational issues. Within Level 4, there are performance tiers based on what you do. (Level 4 is not being rolled out at this time; but will be developed early in 2010 in concert with SAC participating organizations.
- Alliance Members and Participating Members will be identified on the SAC website. Participating Members will be listed by Level, along with the goals they have set and their annual progress and supporting information.

PROGRAM FUNDING

Founding Members and Sponsors Organizations will have the opportunity to be recognized as the permanent Founding Members or Sponsors of the SAC. The list will include those who early on subscribed to the ideals and goals of the organization as members or sponsors prior to January 2010 in order to help ensure a robust start for the organization. Some founding members and sponsors may have chosen to remain anonymous.

1. **Founding Full Corporate Members** – A contribution of \$5,000 to help start-up the organization.
2. **Founding Associate Corporate Members** - A contribution of \$2,500 to help start-up the organization.
3. **Founding Corporate Sponsor** - A contribution of \$500 to help start-up the organization.
4. **Founding Alliance Member – Sign Alliance member commitments; no fee required.**

Participating Members and Alliance Members Organizations that choose to participate in the SAC will be recognized as Participating Members or Alliance Members. There is no fee for Alliance Members. General activities of the organization will be funded by yearly membership dues from SAC participating members. Annual dues for the organization will vary depending on size of the organization.

<u>Organization Employee Count</u>	<u>Dues</u>
_____ under 50	\$ 200
_____ 51- 100	750
_____ 500+ employees	1,500

For More Information: If you would like more information about SAC, please contact Anne Vogel-Marr at (301) 482-2523, steplightly@verizon.net, or John Flatley at (202) 530-5910, jflatley@amsnavista.com.

PROGRAM TIERS

PARTICIPATING MEMBERS

Level 1 – Level 1 (Non industrial/non commercial) Organizations must:

- Commit to working with SAC to further the goals of the organization
- Complete participant application
- Implement at least one community project (may be in concert with one or more other SAC members)
- Set one goal for improvement that goes beyond what is required by regulatory requirements, or in an area that is outside of regulatory framework
- Sign the Participant Commitments

Level 2 – Level 2 facilities must:

- Sign Participant Commitments
- Commit to implement a management system that meets program requirements
- Establish two improvement goals to address operational footprint and report on them annually. One should be carbon (If carbon is or is likely to be considered to be a significant aspect).
- Post appropriate policies to the SAC website as developed.
- Commit to work with NGOs in partnership effort to address an issue/concern of mutual interest.
- Complete participant application which provides basic information on facility operations, including what NGO partnerships currently exists, and areas where facility would like to explore additional partnership efforts
- Commit to exploring participation in state excellence program, if one exists

Level 3 – Level 3 facilities must have met level 1 requirement and:

- Have management system in place and verified by a third party
- Establish 4 improvement goals to address operational footprint; two which are significant aspects, and one which is linked to an aspect of local/national/international importance.
- Participate in State program, if so choose.
- Have at least one partnership effort with an outside organization in place

Level 4 – Corporate Level (To be developed in 2010) Corporations/companies must:

- Must set 3 quantifiable goals at corporate level to address significant aspects across business and report on progress. (climate, suppliers, worker and public safety, stakeholder engagement, footprint reductions, etc Time frame and goal determined by company)
- Demonstrate that the company has in place a system to manage ESH issues at the corporate level. This system must address the implications of corporate functions that have a significant impact on ESH performance; and be able to ensure that the company's facilities meet corporate-level ESH requirements;
- Have a strong record of sustained regulatory compliance across the company's operations, particularly its manufacturing or "major" facilities;
- Identify and post relevant policies on SAC website: At a minimum and if applicable, these should include policies on:
 - Health and safety
 - Environment
 - Climate
 - Human rights
 - Labor practices
- Annually report progress on all applicable elements (Elements to be developed in 2010)

ALLIANCE MEMBERS

- Sign and meet Alliance Member Commitments

REASONS TO SUPPORT SAC

Why would states like this?

- Networking with other states
- Networking with leading companies in their states
- Different costs at conference for states that participate vs. those that do not
- Recognition program for states that are leading in this arena (need criteria for how this is judged – roundtable determine criteria??)
- Limited resource demands
- Better communication and links to regulated communities
- Organization is an incubator for new initiatives and ideas
- Resource area of website open to state members only to share ideas

Why would academics like this?

- Research opportunities with the data
- Opportunity to engage students in real life exercise aimed at driving sustainable business practices
- Opportunity to have students network with leading companies
- Opportunity to help design and guide a program to drive CSR
- Resource area of website open to academics to share ideas

Why would NGOs like this?

- Opportunity to identify companies interested in working on issues of mutual interest (via interactive database with members)
- Opportunity to help design and implement program used by industry to direct and drive more sustainable business practices
- Opportunity to network with companies and facilities that have demonstrated commitment to improving their operations from a sustainability standpoint

Why would financial institutions like this?

- Demonstrates companies desiring to lead
- Provides additional information that can be used to assess company performance
- Other?