
SYMPOSIUM DISCUSSION
POSSIBLE SOLUTIONS
PETER STURM, CSSE PAST PRESIDENT
Global Sustainability Reporting: Health and Safety metrics around the globe!

- In recent years, international companies are beginning to report their health and safety performance as part of their "corporate sustainability reports".

- This session will address:
  - the evolution from traditional lagging internal indicators to becoming an integral part of a company's external overall corporate reporting
  - present metrics and company examples. Safety practitioners across North America are preparing to proactively meet this new health and safety corporate reporting.
ABC Company experienced 3 non-fatal lost-time injuries.
Ten or More Days Lost Due to Work-Related Injury or Illness:

ABC Company experienced 538 days lost due to work-related injury or illness.

Year-to-date (YTD) Days Lost represent days lost by all those who have lost time regardless of accident dates. Some lost days may be related to injuries that occurred in previous years.
Selection Criteria - Enhancement

Traditional Approaches?

- LTI counts
- Experience Rating Rebates
- Serious Injury prompts action
- Occupational Disease – not considered part of the equation
- Are we talking business language
- What about “sustainability” discussions around the world?
Sustainability? What is it?

- Reporting guidelines that set out the “Principles and Indicators” an organizations can use to measure and report their economic, environmental, and social performance
- “people, planet and profit” ...it is also described as “environment, social impact and profit.
- Simply stated ...“business approach that creates long term stakeholder value.”

Sustainability – GRI?
Sustainability

Report on a minimum of 20 Performance Indicators, at least one from each of the Economic, Environmental, Human Rights, Labour, Society, Product Responsibility
How is H&S sustainability measured?

OCCUPATIONAL HEALTH AND SAFETY
LA6: Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs.

LA7: Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.

LA8: Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.

LA9: Health and safety topics covered in formal agreements with trade unions.

CUSTOMER HEALTH AND SAFETY:
PR1: Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.

PR2: Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.
DART injury rate is a designation for on-the-job injuries originally developed in the United States. We have used it to measure injuries globally. “DART” stands for days away from work, restricted in activity, or transferred to another job due to injury. We have focused for many years on reducing injuries throughout our operations with a combination of training, adjustments in facilities and equipment, and ideas generated by our Comprehensive Health and Safety Process (CHSP) committees around the world. As a result, the DART injury rate has improved over the years.
## CASE STUDY: Actual Net Profit

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Incident Costs Ontario (Hidden Costs from Ontario)</th>
<th>Estimated Total Incident Costs Canada (Hidden Costs of Canada)</th>
<th>Revenue</th>
<th>Reported Net Profit</th>
<th>Operating Profit Margin%</th>
<th>Reported Gross Profit</th>
<th>Actual Net Profit 1 (Less Total Incident Costs Ontario)</th>
<th>Actual Net Profit 2 (Less Estimated Total Incident Costs Canada)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>$38.18</td>
<td>$109.09</td>
<td>$7,264</td>
<td>$119</td>
<td>2.00%</td>
<td>$145</td>
<td>$80.82</td>
<td>$9.91</td>
</tr>
<tr>
<td>2007</td>
<td>$48.60</td>
<td>$138.86</td>
<td>$7,474</td>
<td>$54</td>
<td>1.70%</td>
<td>$127</td>
<td>$5.40</td>
<td>($84.86)</td>
</tr>
<tr>
<td>2008</td>
<td>$62.99</td>
<td>$179.97</td>
<td>$7,729</td>
<td>$90</td>
<td>1.80%</td>
<td>$139</td>
<td>$27.01</td>
<td>($89.97)</td>
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<tr>
<td>2009</td>
<td>$74.73</td>
<td>$213.51</td>
<td>$7,312</td>
<td>$281</td>
<td>4.90%</td>
<td>$357</td>
<td>$206.27</td>
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<tr>
<td>2010</td>
<td>$72.72</td>
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<td>$7,453</td>
<td>$314</td>
<td>1.90%</td>
<td>$142</td>
<td>$241.28</td>
<td>$106.23</td>
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<tr>
<td>2011</td>
<td>$60.90</td>
<td>$174.00</td>
<td>$7,484</td>
<td>($188)</td>
<td>3.00%</td>
<td>($226)</td>
<td>($248.90)</td>
<td>($362.00)</td>
</tr>
</tbody>
</table>

- Estimated Total Incident Costs Canada (Hidden Costs of Canada) = (Estimated Total Incident Costs Ontario)/35% (in millions of dollars)
- Actual Net Profit 1 = (Reported Net Profit) – (Total Incident Costs Ontario)
- Actual Net Profit 2 = (Reported Net Profit) – (Total Incident Costs Canada)

### Actual Net Profit

![Actual Net Profit Chart]

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### CASE STUDY: Some Estimates

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Incident Costs (Hidden Costs)</th>
<th>Revenue</th>
<th>Reported Net Profit</th>
<th>Operating Profit Margin%</th>
<th>Reported Gross Profit</th>
<th>Actual Net Profit</th>
<th>Revenue Required to Recover (based on operating profit margin%)</th>
<th>Average Net Profit per working day</th>
<th>Number of working days to recover Total Incident costs</th>
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<tr>
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<td>$1.12</td>
<td>66</td>
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<td>$314</td>
<td>1.90%</td>
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<td>$241.28</td>
<td>$3,828</td>
<td>$1.26</td>
<td>58</td>
</tr>
<tr>
<td>2011</td>
<td>$60.90</td>
<td>$7,484</td>
<td>($188)</td>
<td>(3%)</td>
<td>($226)</td>
<td>($248)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

(In millions of dollars)

1. Revenue, Reported Gross Profit/Net Profit and Operating Profit Margin% are collected from Company CP Annual Report 2009 - 2011.
2. Actual Net Profit = (Reported Net Profit) – (Total Incident Costs).
3. Revenue Required to Recover = (Total Incident Costs) / (Operating Profit Margin%).
4. Actual Net Profit per Working Day = (Reported Net Profit) / 250 Working Days per year.
5. Number of working days to recover Total Incident Costs = (Total Incident Costs) / (Average Net Profit per working day).
6. ($188): Loss/Negative number.
So what does this mean?
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