

# The MVP Sustainable Supply Chain Program & Grant Application

How **Sustainable** is Your Supply Chain



The MVP Sustainability Supply Chain and Grant Program was created to help companies with the new mandated disclosures around conflict minerals & labor rights violations. Other areas of focus are on disclosures to the Carbon Disclosure Project, the identification of sustainability and intangible value driver baselines and communicating a company's sustainability efforts out to stakeholders and potential investors. The Program is designed to create more sustainable, profitable and risk averse businesses and empower them to help solve some of our human, environmental, and societal challenges.

#### **Consortium Member Benefits:**

- Sharing best practices and advancing disclosure progress and awareness
- Facilitating access to funding & unique resources specific to supply chain company needs i.e. disclosures, company value creation and risk mitigation
- Creating a network for consulting support and a forum for innovation and activism
- Leveraging the process to improve supply chain transparency and performance on a large scale
- Demonstrating ongoing improvements in conflict mineral filings
- Creating a community that supports
   efficient Dodd-Frank conflict mineral
   reporting and is prepared for new
   supply chain disclosure requirements
   i.e. human trafficking/forced labor

### **Overall Company Benefits:**

- Preparing for enforcement and reducing the risk of penalties or damage to reputation
- Trainings and education on the importance of sustainability strategies to the bottom
   line
- Elevating your brand and increase your ability to gain more market share
- Increasing access to capital
- Strengthening the compliance of your own supply chain and mitigating supply chain risk
- Demonstrating social responsibility for stakeholders & investors
- Creating a streamlined process to verify disclosure accuracy & transparency
- Access to thought-leaders who are
   proactively prepared for additional supply
   chain disclosure requirements & integrated
   reporting



## MVP Sustainable Supply Chain Grant Process Step One

#### (1) MVP Sustainability Training & Needs Assessment

The MVP Sustainability Training is geared to give a broad overview of sustainability—issues and trends to help the management teams identify the intangible value and risk drivers that are associated with their business. The needs assessment begins the process of identifying industry specific areas of focus and KPI's (Key Performance Indicators) that are material to the company. The sustainability data points track with SASB (Sustainability Accounting Standards Board) which is the organization tasked with creating the minimum materiality disclosure standards by industry for publicly traded companies to help them comply with the SEC mandate on materiality disclosure. Increasingly publicly traded companies are requesting similar types of disclosures and focus on sustainability strategies of privately held supply chain companies. The MVP Needs Assessment will also enable companies to identify other areas for necessary training that apply to sustainability as well as business development and marketshare opportunities.

#### Step Two

#### (2) Formal KPI Identification and the ROI Workbook Training

This module consists of training around data gathering and the ROI workbook. The training facilitates the identification of the specific KPI's that are relevant to the company and the metrics and scoring protocols that will be used to track and report progress on the company's sustainability strategies.

Sustainability baselines are established and goals and targets are set. There is also a training component on the SDG's (Sustainable Development Goals) to help the company ascertain which goal(s) to work on. The ROI workbook training enables the company to quantify the ROI on these initiatives and the impact these initiatives are having on society and the environment.

#### **Step Three**

## (3) Disclosures of Material Risk and Performance Drivers i.e. Conflict Minerals, Forced Labor and Human Trafficking

In 2010, Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act. Under the Act, the Securities and Exchange Commission adopted rules in August 2012 requiring public companies that use conflict minerals to submit sourcing information on the 10K report to the SEC. In order for publicly traded companies to fulfill this reporting obligation they are required to obtain information from their

**suppliers** on the conflict minerals in the components and raw materials they provide. Similar disclosures are now being required around human trafficking and forced labor issues in the supply chain.

#### **Step Four**

# (4) Requested Disclosure to the Carbon Disclosure Project – Material Risk and Performance Drivers i.e. Climate Change, Natural Resource Intensity, Carbon, Water and Supply Chain Questionnaire

Through CDP over 822 institutional investors managing \$95 trillion US assets are requesting disclosure of material carbon, climate change, and water and deforestation risks of publicly traded companies. There is increasing investor pressure for companies to disclose performance data on the impacts and risk exposure in their business and in their supply chains. Investors are also requesting information about a company's strategy for risk reduction and mitigation surrounding these sustainability issues. Disclosure and improvement on sustainability-related performance is becoming a requirement for doing business. As companies prepare to respond to these investor requirements they are expecting their suppliers to provide critical data and information which small companies are often ill-prepared to provide.

Risks to suppliers that are not able to respond to Disclosure requests include: loss of marketshare and brand competitiveness, inability to remain in the supply chain of publicly traded companies and rejection of price increase requests made to customers due to inaction around mitigating energy, climate and natural resource intensity risks.

#### **Step Five**

#### (5) MVP/EKOS Rapid Prototyping Training Workshop and the Sustainability & Business CSR Stewardship Report

During the Rapid Prototyping training activities, a crossfunctional team will generate the framework and design features for a comprehensive CSR report aimed at disclosing relevant data and telling the company's holistic "sustainability" story. Identification of key messages, success stories, performance and risk mitigation data will be compiled.

The training will also focus on creating the company's sustainability dashboard to communicate out the yearly progress on their sustainability goals and objectives.

This CSR report will enable a company to clearly articulate their commitment to reducing business costs and risks and increasing their performance as well as creating positive environmental, social and economic impacts, to primary stakeholders, customers and potential investors.



For More Information on the MVP Sustainable Supply Chain Program & Grant Opportunities Contact: joyppoland@aol.com

"We cannot solve the problems we face today from the same level of thinking we were at when we created them"

