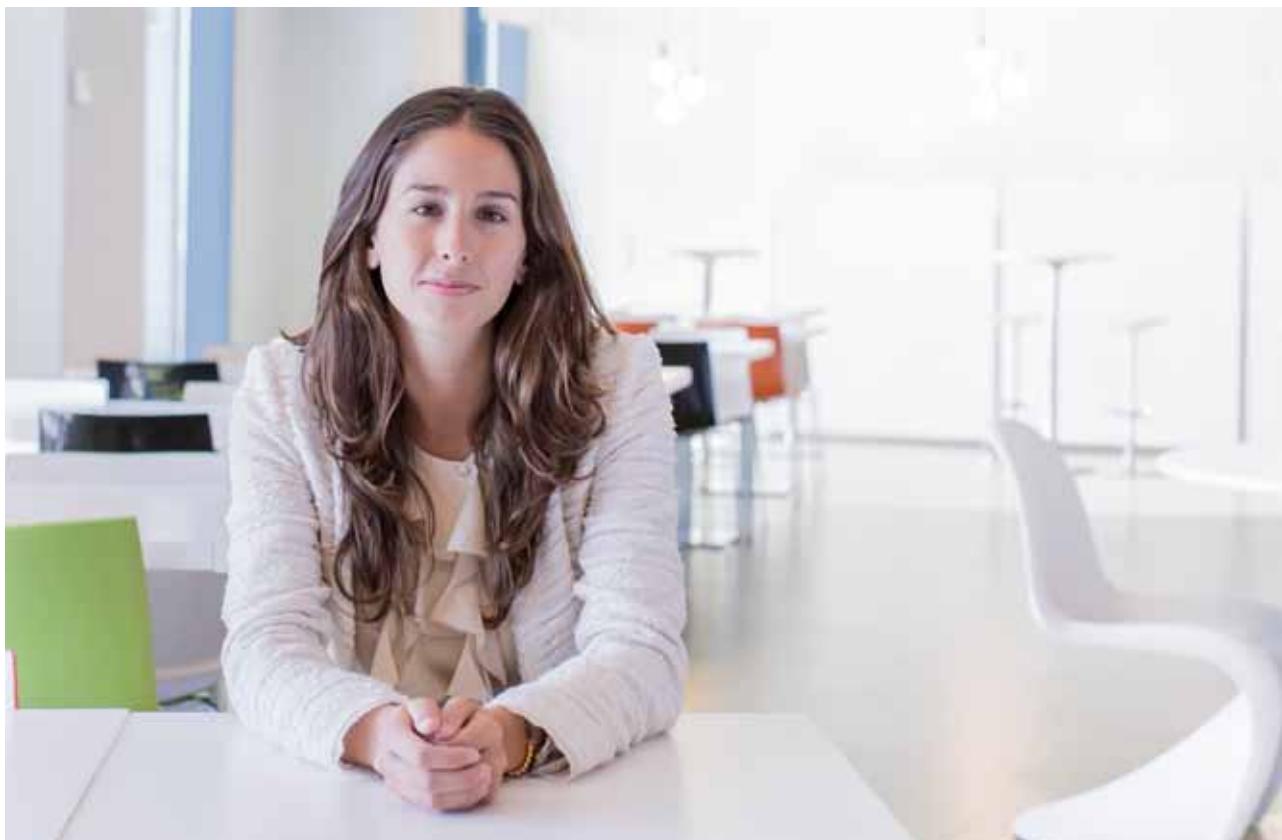
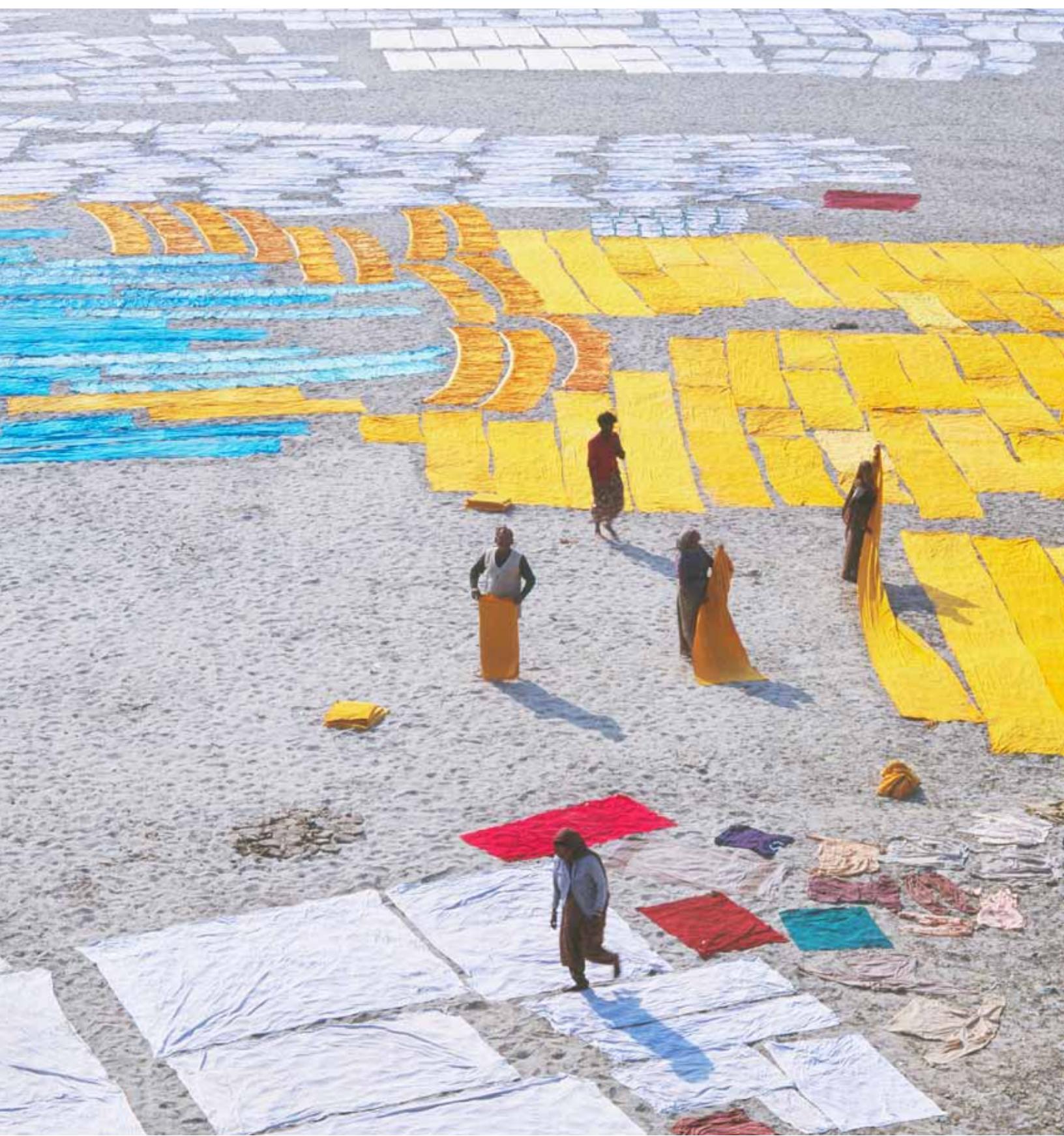


Change brings opportunities

Turn sustainability into your competitive advantage







Our planet is changing and so is the way we need to conduct our business.

Phrases like sustainability, good corporate citizenship and going green are no longer simply a matter of corporate philanthropy—they're now an integral component of corporate agendas. Organizations that incorporate sustainable business practices into the very fabric of their processes, systems and supply chains are the ones who will be ahead of the curve in the twenty-first century.

Social and environmental impacts are increasingly being quantified and managed like any other business risk, with the same strategic insight, commercial logic, technical and professional expertise.

For many sectors and businesses, significant new opportunities are emerging, particularly as markets are created for lower carbon and more sustainable goods and services. The most agile companies will anticipate these changes and create new products and services. This allows businesses to turn their ethical, social and environmental expertise and credentials into a competitive advantage.

We work with you to create sustainable business value by evaluating the entire sustainability picture—both challenges and opportunities—and help develop effective solutions for:

- Corporate responsibility strategy, implementation, and reporting
- Climate change advisory and assurance
- Reporting and assurance of non-financial information
- Chain of custody/supply chain risk management
- Sustainability management systems

Information on how we can help your organization develop or improve strategies for a sustainable future are outlined in the next few pages.

Bruce McIntyre

National Leader, Sustainable Business Solutions

Providing solutions for sustainability and corporate responsibility

Our Sustainable Business Solutions professionals across the country have a wide range of experience and academic training in fields such as engineering, environmental studies, business, finance, accounting and assurance.

Our Canadian practice is part of a global sustainable solutions network comprised of over 500 practitioners in 40 countries.

For over 20 years, we've helped clients across a broad range of industries to:

- Strengthen corporate governance processes and improve enterprise-wide compliance
- Reduce business risks through the development of early warning systems, issue resolution, strategic positioning and crisis avoidance
- Enhance corporate reputation, market trust, brand value and credibility with stakeholders through increased transparency
- Benchmark and improve operational and administrative performance
- Build value and manage risks around sustainability performance and reporting
- Better manage the environmental footprint and use of natural resources to reduce associated costs
- Attract and retain top employees and improve productivity by providing a work environment that is aligned with personal values
- Increase innovation by proactively addressing corporate citizenship challenges



Corporate responsibility strategy, implementation and reporting

Corporate responsibility can encompass a broad range of issues that affect business — from pollution and climate change to education, poverty, health and human rights.

Because of its broad scope, many businesses are unsure where they should begin developing a well thought-out, credible and effective corporate responsibility strategy.

Many define corporate responsibility as the way in which organizations integrate social, environmental and economic concerns into their values, culture, decision-making processes, strategy and operations in a transparent and accountable manner. This definition extends to evaluating how these factors affect the business—including all of its stakeholders—and what risks and opportunities these situations present.

Corporate responsibility performance improvement

We've developed a systematic approach to help you implement and improve your corporate responsibility programs.

Our performance improvement methodology provides a framework that helps identify and select the change and improvement initiatives that deliver the most value to you. It's also designed to embed processes that help you realize the benefits from corporate responsibility projects which are an integral part of your activities.

How we can help

Our objective is to improve your organization's performance by helping you realize the benefits of corporate responsibility for the long term.

We help you develop and implement a range of strategic programs to manage business conduct, risks to reputation and corporate responsibility on an ongoing basis, including:

- Developing a corporate sustainability strategy
- Assessing sustainability risks

- Designing and selecting performance indicators
- Developing and implementing corporate responsibility programs
- Facilitating stakeholder engagement processes
- Providing advice and assurance on sustainability reports
- Designing and selecting socio-economic indicators intended to measure the economic impacts of an organization's activities and the effect of these outcomes on a broad range of stakeholders

'Two-thirds (66%) of transportation and logistics CEOs are worried about the potential threat to business growth as a result of increased carbon emissions regulation.'

11th Annual Global CEO Survey, PwC

Climate change advisory and assurance

Heightened public concern and international pressure make climate change one of the most significant sustainability issues facing Canada today.

The federal government's regulatory framework targets large greenhouse gas (GHG) emitters, and these pending regulations will create significant compliance and financial risks for these companies.

Several provinces have established their own approaches to sustainability. When the federal regulations are finalized, they will be complicated by an equivalency clause that will allow some of the provincial systems to coexist with the new federal system, which will require specialized guidance.

How we can help

Our Sustainable Business Solutions practice is monitoring developments at both the provincial and national levels and our wealth of industry-specific experience can help you determine how these regulations will be applicable to your organization. We can help you manage the impact of these regulatory requirements by assessing your business' risks and opportunities, and developing an effective short- and long-term plan for managing environmental regulatory compliance.

Our climate change advisory services include:

- Carbon management and climate change strategy development: we help evaluate the benefits and risks associated with climate change strategic options.
- GHG data management system assessments: we evaluate GHG data management systems, identify areas of strength and areas of weakness, and provide recommendations for improvement in your controls.

Our climate change assurance services include:

- Third-party verification of voluntary and regulatory organizational and facility-level emission reports
- Third-party verification of greenhouse gas offsets and reduction projects

We're an accredited verification body for the ISO 14065 standard. Our accreditation by the American National Standards Institute (ANSI) means we meet the highest standards for delivering independent third-party assurance on the reduction and removal of GHG emissions. It's important that regulators, investors and those that rely upon a GHG report know the assurance provider is competent, has systems in place to manage impartiality and is able to provide the required level of assurance on a consistent basis.

Reporting and assurance of non-financial information

Today's corporations are held to a higher standard of accountability than in the past and the days of simply reporting on financial performance are gone.

Stakeholders such as investors, employees, and activist groups now expect companies to also disclose information on their environmental and social performance. In response, more and more companies now issue annual sustainability reports (also known as corporate responsibility or triple bottom line reports).

Sustainability reporting is not a public relations exercise. These reports contain factual information about a company's policies, programs, and performance, as well as management's analyses and interpretations of that performance. The reports help the reader understand how the company's operations impact society and the natural environment, and what the company is doing to reduce the negative impacts.

Although sustainability reports are issued voluntarily, businesses are still subject to scrutiny by investors and securities regulators. Reports that contain errors and misinformation can result in more than just embarrassment to the company.

How we can help

We're amongst the leading providers of sustainability reporting and assurance services. Since 2001, we've assisted some of Canada's largest and most successful companies prepare high quality and credible sustainability reports, and many of our clients' reports have won awards or been recognized by Canadian and international organizations. Our assurance teams are comprised of scientists, engineers, accountants and other professionals with experience and training in all aspects of sustainability reporting and assurance. We're knowledgeable in the Global Reporting Initiative (GRI) Guidelines and our assurance work is performed in accordance with the International Standard for Assurance Engagements (ISAE 3000). We can help you to:

- Benchmark and evaluate best reporting practices within your industry or across industries
- Select and develop relevant performance indicators
- Develop and improve upon business and IT systems and processes that support non-financial reporting
- Validate and assure the performance information in your sustainability report



Informed decisions with performance indicators

Performance indicators inform management and external stakeholders on their progress towards goals, conditions of operations and developing trends for the future.

They're used to represent all aspects of the organization including financial, operational, environmental and social.

Performance indicators are a valuable tool, but if not properly selected they will provide too much or too little information, measure inappropriate information, or lag too far behind the decisions. Identifying the right indicators at the right level within the organization, at the right time and with the right cost/benefit ratio is critical.

How we can help

We can help you:

- Assess whether the current suite of performance indicators is aligned with your goals
- Assess whether the right performance information is being communicated at the right level in your organization
- Select indicators that are relevant to your industry and stakeholders
- Provide a process and structure to develop new indicators that address your unique and future needs
- Design and implement a system for tracking your performance indicators

Assessing sustainability data management systems

Data flow diagrams are an essential component of any data management system, particularly when the process extends across different levels, departments and business units within an organization. We find that documenting the data flow increases the understanding of the system, assists in maintaining data continuity and integrity, and decreases the risk of misreporting performance. We can help you:

- Design and assess data management systems
- Document controls
- Audit sustainability data

Chain of custody and supply chain risk management

With the increasing focus on environmental performance and sustainability, consumers and other stakeholders want proof that the organizations supplying products have implemented systems and controls that meet corporate, social and environmental objectives.

The challenge for most suppliers is ensuring they have the right processes that can effectively track and record each stage of the supply chain including sourcing raw materials, transportation, manufacturing and distribution. For example, a certified chain of custody (CoC) process helps forestry suppliers demonstrate that they have systems and controls in place to ensure that only responsibly sourced materials enter their supply chain. It also facilitates performance reporting to customers, employees and other stakeholders.

How we can help

We can help you establish a CoC process that enables you to document the origin of raw materials and track them throughout the supply chain. With a CoC, you can assure customers and other stakeholders that you have a process in place that meets both environmentally and socially sound practices and international certification requirements.

A CoC can help you:

- Improve access to markets where CoC certification is part of the purchasing criteria
- Provide assurance for your certified product claims, including the environmental performance of your suppliers
- Facilitate a well-managed supply chain that continues to improve operational performance
- Strengthen your corporate reputation and demonstrate a practical commitment to corporate responsibility

If you produce forest-based products, we can certify that your CoC system meets recognized standards, including:

- PwC's Independent Chain of Custody Standard™: 2005 (PwC-ICoC™: 2005)
- Sustainable Forestry Initiative® (SFI)
- Programme for the Endorsement of Forest Certification Schemes (PEFC)
- Forest Stewardship Council (FSC) CoC and Controlled Wood Standards

This level of supply transparency is of key importance to the forest products industry, as its customers are asking for credible information on product attributes such as the origin of fibre and amount of recycled content.

Management systems and certification

Knowledgeable customers are now demanding products and services from suppliers that meet specific quality and environmental criteria while corporate reputation is increasingly influencing customers' decisions.

Management systems enable organizations to effectively manage and improve performance in the complex aspects of quality, environmental and health and safety issues. Additionally management systems can help identify applicable legislative requirements, monitor performance and supplement a due diligence program. All of this enhances and protects an organization's reputation, opens new market opportunities and creates value for shareholders, employees, customers and other stakeholders.

Certification to international management standards such as those developed by the International Organization for Standardization (ISO) can demonstrate your commitment to continual improvement, managing risk and improving client satisfaction. Certification can also help your organization establish an internationally recognized approach to managing your business activities, including the sustainability of your business practices, the quality of your products, and the safety and well-being of your employees.

We're an accredited, independent, third-party provider of certification services to the ISO quality management and environmental management systems standards, including:

ISO 9001: This standard forms the management system foundation for strong quality principles and is an internationally accepted benchmark for quality management systems. The implementation of a sound ISO 9001 management system enables direct performance improvements such as more efficient and effective practices and is compatible with Six Sigma programs. It can also help drive down operating costs, build market share and improve customer loyalty.

ISO 14001: This standard is an internationally accepted designation for your company's environmental management system. It helps organizations manage the risk of negative impacts that various business processes can have on the environment and demonstrates due diligence and compliance with various local, national and international laws pertaining to sustainability and environmental protection.

We also provide certification for:

OHSAS 18001: This is an international occupational health and safety (OHS) management standard that enables your organization to manage its OHS risks and improve its OHS performance.

Standards designed specifically for the forestry industry: These standards include CAN/CSA Z809, Sustainable Forestry Initiative (SFI), American Forest Foundation (AFF) Standards of Sustainability for Forest Certification, and American Tree Farm System (ATFS) Standard Operating Procedures for Independently Managed Groups, which help forest, paper and packaging companies embed sustainable business practices into their forest management systems.



When should you seek certification of your management system?

Many of our clients turn to us when they would like to receive external recognition of their management systems, or are concerned about the value of their existing certification. In some cases, we find the clients' management systems have outgrown the audit/certification process, or the management systems that have been in place for a number of years, have lost their ability to drive improvement and change. In such cases, our clients rely on us to assist in either moving their management system to the next level or in re-energizing the existing management systems and certification process.

Many clients also come to us reactively, after they've had some reputational issues involving quality, environment or health and safety. If this is the case for your organization, our management systems services can help start rebuilding your reputation among customers and stakeholders by putting in place the systems that prove you take these concerns seriously.

How we can help

We're recognized as a high-quality certification body that takes a unique approach to the certification experience. Our management system specialists use a phased systems audit methodology that focuses on key risk management issues in the context of your major business drivers. We understand there's a broad range of interpretation of international standards. What sets us apart is our strong emphasis on business integration, risk and a collaborative approach to driving change and improvements. We take a common-sense approach to get management systems to work for you while simultaneously supporting the needs of your business.

Our team has in-depth knowledge and experience with complex registrations and integrated management systems in a broad range of sectors and management system standards, and we will work with you to plan a smooth and consistent audit process. We'll facilitate consistent project management that reduces variances in interpretation, help establish standard industry practices across departments and make the assessment team aware of relevant strategic and operational issues.

We're also comfortable with conducting registration audits for individual standards and integrated audits for multiple standards. Our methodologies and tools to audit integrated management systems recognize the similarities in the underlying principles of the standards and we customize that knowledge to your requirements.

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