
SUSTAINABLE
growth



Report Parameters



This sustainability report covers 100% of Strategic Sustainability Consulting's fourth year of operations, from July 2008 to June 2009.

Once again, we have used the Global Reporting Initiative's G3 Guidelines as our reporting standard and as a guide for calculating our economic, environmental, and social impacts. Accordingly, the 2009 SSC Sustainability Report meets GRI's Application Level A, which indicates that we have reported on all core sustainability indicators (or explained why they were

omitted), but have not gone through an external assurance process. We have not restated any information from previous Sustainability Reports.

As in past years, we have used the GRI Boundary Protocol and the associated GRI Reporting Principle in deciding what to include in this report. We decided that all work-related activities carried out by SSC staff are "material" and are thus included in our calculations. In accounting for work done through the SSC Consultant Network, we have included only our direct impacts (such as energy used to host

monthly online networking events) and not our indirect impacts (such as the energy used by each attendee). However, when members of the SSC Consultant Network are hired by SSC for a specific project, their activities for that period are considered material and are reported accordingly.

This report is published on the Strategic Sustainability Consulting website and is freely available to the public. We hope that our stakeholders will take the opportunity to read it and give us feedback.

If you have any questions or comments about this report, please contact Jennifer K. Woofter at 1-202-470-3248 or jennifer@sustainabilityconsulting.com.

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Fig. 1

OUR SUSTAINABILITY PERFORMANCE AT A GLANCE

Aspects	Goals in 2008	Status in 2009	Note
Economic Impact	Develop a system for tracking the economic impact of our services at the client level.	Incomplete	This is harder than we thought! We're working on a system, but at this point it's mostly about regular client follow-up. It's a work in progress, so check back next year!
<i>2010 Goal: Develop a system for tracking the economic impact of our services at the client level.</i>			
Environmental Management	No increase in car miles	Incomplete	We drove 1,350 (44%) more miles than last year. That's okay with us, since it allowed us to drastically cut the number of air miles traveled (see below).
	No increase in air miles	Complete	We flew 35,900 (46%) fewer miles than last year—that's a reduction of almost 22 tons of carbon!
	No increase in carbon footprint	Complete	Our absolute carbon footprint decreased 44% from 2008 to 2009. Our footprint decreased 55% when adjusted for personnel growth, and decreased 70% when adjusted for revenue growth.
<i>2010 Goal: No increase in carbon footprint.</i>			
Labor Practices	Increase number of Certified SSC Green Auditors so that at least 50% of SSC Green Audits are conducted by local consultants.	Incomplete	The average distance traveled by an SSC Green Auditor was 901 miles. We ultimately hope to reduce that distance to 500 miles, but realize that goal we'll need to break it into smaller milestones over several years.
<i>2010 Goal: Increase number of Certified SSC Green Auditors so that the average distance traveled to a Green Audit client is less than 750 miles.</i>			

Message from the President

As I write this introduction to the 2009 SSC Sustainability Report, I'm sitting on an airplane en route to Hawaii for 10 days of vacation. It's mid-September, and I've had a few months to review SSC's fourth year of operations. Although I always intend to sit down and start on the sustainability report the first week in July, I ultimately find that it's helpful to give myself some space—sometimes the successes and challenges don't come into clarity right away. Now I find myself crowded into the economy cabin (in the middle seat, no less) and it seems the perfect time to reflect on where SSC has been over the past year and where we're going in the future.

I won't lie, this past year was challenging in many ways. The financial meltdown had several serious repercussions—including several clients that pulled out of big projects right before they began, a significant drop-off in new client inquiries, and a new pressure to produce short-term cost savings for clients (rather than our typical longer-range planning services). Fortunately, because SSC carries no debt and has been designed for extremely low overhead, our day-to-day operations were not greatly impacted. We were able to pay ourselves and our consultants on time and in full. I believe this to be a great accomplishment for a small business in this economy—and a great example of the intersection between financial and social responsibility.

Even more amazing, once all the numbers were crunched it turned out that we had our

best year ever. We served more clients, worked with more consultants, and ultimately brought in more revenue than ever before. That we managed to survive—even thrive—over the past year is a testament to our clients, who were able to see past the scary stock market numbers and commit to continuing their push for sustainability. I could not be more proud to work with them.

I'm also delighted to announce that—even as our business grew—our carbon footprint decreased both in absolute tons of GHG emissions (44% reduction) and also when adjusted for our growth (55% reduction in carbon per man-hour, and 70% reduction in carbon per \$ revenue). Being able to nearly halve our carbon footprint is directly related to our focus on local consultants—meaning that as we team up with local consultants we no longer have to fly people around the country (as much) to get to client sites. It's incredibly gratifying to see a strategy we implemented just a year ago pay off so quickly, and so dramatically.

As SSC enters its fifth year of business, I think it is safe to say that we are no longer a start-up company exploring new waters. SSC has demonstrated its competency in an increasingly competitive marketplace. The SSC Green Auditor certification, launched in August 2008, has proven to be wildly successful. With dozens of SSC-trained green auditors now located around the country, we are one step closer to our long-term goal of being able to provide superior consulting

services to under-resourced organizations. We've developed long-term relationships with key clients even as we're poised to take on several new and exciting projects. And the SSC Consultant Network now numbers more than 400 fabulous individuals, who are ready to step in and contribute to our ongoing success.

Looking to the future, my goals for SSC are these. First, we will look to keep our carbon footprint steady. Reviewing the numbers, I believe it will be hard to reduce our absolute carbon emissions any further, although there may be opportunity to reduce our adjusted footprint as we continue to find ways to promote a lean and green operating structure. This structure ties in directly to my second main goal, which is to find ways to better support the SSC Consultant Network. To do that we'll focus on providing support and training at a variety of price points, and continue to develop the SSC Green Auditor Certification so that we can see even more trained Green Auditors throughout the country. That will benefit us (we won't have to fly consultants across the country) and will benefit small businesses by providing a local resource that has rigorous training in green auditing practices.

I'm excited to see where the next year takes us. I suspect that the financial road bumps are not over—and I am braced for the growing pains associated with running a successful small business. As always, I'm sure it will be a giddy, frustrating, exhilarating, and nerve-wracking year. I wouldn't have it any other way.



Jennifer K. Woofler
President
Strategic Sustainability Consulting

A handwritten signature in black ink that reads "Jennifer K. Woofler".



Organizational Profile

Strategic Sustainability Consulting (SSC) provides under-resourced organizations with the tools and expertise needed to manage their social and environmental impacts. Using a combination of traditional strategic planning techniques and cutting-edge sustainable development knowledge, we offer clients a highly customized approach to bridging the gap between organizational values and operational performance.

DURING THE 2009-2010 REPORTING PERIOD...	
We were...	Headquartered in the Washington, DC area Organized as a limited liability company A carbon-neutral company
We served...	3 small and midsize companies 2 large companies 23 non-profit organizations 171 webinar participants
We provided...	Sustainability planning, green office audits, carbon footprint analysis, supply chain management, sustainability reporting and communications, and stakeholder engagement
We were organized...	400+ sustainability professionals in the SSC consultant network 23 interns/volunteers A mix of e-business and shared office space
We traveled to...	United States, Canada, Mexico, Turkey
We were recognized...	American Graphic Design Awards – 2008 SSC Sustainability Report Interviewed and featured in the following publications: Greenbiz.com, The Examiner, Entrepreneur Magazine, Print Solutions Magazine, MSNBC, Workforce Management

OUR SUSTAINABILITY ASSESSMENT SUMMARY

*(main impacts are designated with *)*

<p>OUR STAKEHOLDERS</p> <p>SSC clients* SSC network consultants* Local community Sustainability and CSR networks</p>	<p>OUR ECONOMIC IMPACTS</p> <p>Competitive pricing of services* Cost savings suggestions to clients* Pro-bono services Taxes*</p>
<p>OUR ENVIRONMENTAL IMPACTS</p> <p>Environmental benefits for clients* Transportation to/from client locations* Energy use Waste/recycling*</p>	<p>OUR SOCIAL IMPACTS</p> <p>Social/community services to clients * Economic value distributed to consultants* Labor/human rights in supply chain*</p>
<p>MAJOR STRENGTHS</p> <p>SSC reputation and client testimonials* Network of sustainability consultants and experts* Business structure (Low overhead, ability to work remotely)</p>	<p>MAJOR WEAKNESSES</p> <p>Administrative burden of a growing company* Continued reliance on fossil-fuel-based transportation Need more time for business development</p>
<p>MAJOR OPPORTUNITIES</p> <p>Licensing our methodology* Repeat client engagements* Localized services through the SSC consultant network</p>	<p>MAJOR CHALLENGES</p> <p>Overall business environment Differentiating from competitors Measuring long-term impact of engagements</p>

Spotlight on the SSC Green Audit

SPOTLIGHT ON THE SSC GREEN AUDIT

The SSC Green Audit is a methodology developed by Strategic Sustainability Consulting, specifically designed for organizations that have made a commitment to “going green” but who need help in taking practical steps towards that goal. Each SSC Green Audit includes the following five components:

- Employee survey
- Office/building survey
- Onsite visit by auditor
- Carbon footprint analysis
- Final green audit report

SSC Green Auditors take clients through the process of collecting and analyzing data, understanding employee awareness around green issues, and creating a green action plan based on the organization’s carbon footprint results. Plus, we benchmark each client’s results against its peers, so clients understand how they compare to other organizations that are “going green”. Learn more at www.sustainabilityconsulting.com/greenaudit.

THE PROBLEM

The SSC Green Audit is our most popular service—but with clients spread out all over the United States the resulting travel had negative consequences for our consultants and our environmental footprint. In one instance, we had to fly from Washington, DC to Medford, Oregon (11 hours total, and two airplane stops), then drive another three hours—all to spend a single day with the client. And then our consultant had to do it all again to get home! We knew we had a problem—clients were happy, but our consultants were exhausted and our travel footprint was exorbitant. A secondary problem also lurked on the horizon: small clients couldn’t always afford to pay the necessary travel costs to bring a consultant 3,000 miles to their office, and because we don’t bill for travel time, SSC was losing precious revenue while sitting in a plane. So we were faced with a challenge: how do we create a system that allows small businesses to access the SSC Green Audit service on a tight budget, while keeping it a viable revenue-generator for SSC? And how could we do it while significantly reducing the travel time involved for consultants?

OUR SOLUTION

In the spring of 2008, we created the SSC Green Auditor certification, a three-day class that trains current and aspiring environmental consultants in our Green Audit methodology and gives them all the tools and templates necessary to guide a client through the process. Once certified, these SSC Green Auditors act as our local consultants and are also able to use the methodology with their own clients through a licensing agreement with SSC. Learn more at <http://www.sustainabilityconsulting.com/green-auditor-certification>.

THE RESULTS

We offered the SSC Green Auditor certification class three times in 2008-2009, and by the end of June had 41 certified green auditors located all across the United States. Drawing on local SSC Green Auditors for more than 20 green audits for SSC clients (in addition to auditors’ own client engagements), we were able to dramatically reduce our air travel for this reporting period. Clients got the advantage of working with local consultants, SSC was able to more effectively deploy its resources, and a new source of revenue was available for local consultants seeking to develop their own sustainability practices. We think it’s a pretty awesome solution all around.



Fig. 3

Governance, Commitments, and Engagement

A VALUES-BASED GROWTH STRATEGY

Our growth strategy is determined by a careful balancing of priorities. Obviously, as a relatively new company, we are concerned about our own economic viability, but we are also careful to only choose growth opportunities that we believe are good for our clients, good for the environment, and good for society.

Strategic Sustainability Consulting is vertically organized, with all decisions going through the president. As such, there are no separate governance structures responsible for setting strategy or organizational oversight. The company does, however, set aside several days every six months for financial and sustainability planning purposes, and SSC staff and associated consultants are invited to participate in the process.

OUR GUIDING VALUES

At Strategic Sustainability Consulting, we believe that corporate social responsibility is not just the “right” thing to do, but also makes good business sense. With the goal of long-term sustainable development in mind, we commit to:

Integrity – we go beyond mere compliance with the law and look for ways to be more honest, more accountable, and more transparent in everything we do.

Positive Social Impact – we offer products and services that make the world a better place, including pro-bono work to clients who would otherwise be unable to fund CSR initiatives.

Environmental Responsibility – we choose environmentally-friendly alternatives, encourage e-meetings, and offset our carbon emissions.

Social Responsibility – we endorse the Universal Declaration of Human Rights and strive to buy only from suppliers who respect ILO Conventions.

Community Service – we participate in the local community through volunteerism and charitable giving.

STAKEHOLDER ENGAGEMENT

As a relatively new company in an emerging industry, there are no norms for what makes a good “sustainability consultancy”. We think that values like integrity, honesty, and accountability are the foundation of good business—but don’t necessarily tell us how to add value to our clients, our communities, and our natural environment. The process of discovering this path to triple bottom line success requires reaching out in a collaborative way with our stakeholders, to explore how we can build Strategic Sustainability Consulting into a company that creates meaningful change in the world. During the reporting period, we engaged with:

Our clients – being a boutique consultancy, we work very closely with our clients—getting feedback at each step of the engagement process. We also solicit feedback from our webinar participants, to tell us what’s going well and where we can improve. *(See the Product Responsibility section for those results.)*

Our consultants – the SSC Consultant Network grew substantially over the past year, and we’ve carefully cultivated our relationship with this group of 275+ sustainability professionals. *(See bottom for more information.)*

Our local community – we are involved with the local Washington, DC community primarily through memberships in the DC Net Impact (Professional Chapter) and the Sustainable Business Network of Washington (SBNOW). Our involvement has ranged from simply attending networking happy hours to judging a local socially responsible business plan competition. *(See the Economic section for more information.)*

MEMBERSHIPS AND ASSOCIATIONS

Sustainable Business Network of Washington (SBNOW)
Clean Energy Partnership
US EPA and US DOT “Best Workplace for Commuters”
EPA EnergyStar Small Business Partner
DC Net Impact Professional Chapter
Co-Op America

EXTERNAL GUIDANCE

Additionally, we use the following external charters, standards, and guidelines in formulating our business strategy and decision-making processes:

Universal Declaration of Human Rights
Global Reporting Initiative
ILO Standards on Labor Rights
UN Global Compact
AA 1000 Accountability Series

SSC CONSULTANT NETWORK HIGHLIGHTS

Below are a few of the topics discussed over the past year at SSC Consultant Network web conferences.

SOCIAL SUSTAINABILITY

With all the talk about “going green”, it’s easy to forget about the social side of sustainability. This month we’ll talk about sustainability in the workplace and community. What do terms like “social equity” and “social justice” mean to you and your work? Do the terms “social capital” and “human capital” ring relevant in your work with clients? How do you communicate the social leg of sustainability?

CEO OR LINE EMPLOYEES – WHO LEADS SUSTAINABILITY?

At one organization, there is a CEO that has decided “going green” is a great idea. At another company, there is a volunteer Green Team that hopes to convince management that sustainability is important. As consultants, we work with a variety of organizations wanting to pursue sustainability and corporate social responsibility—but often the leading proponent (C-suite, management, junior employees) doesn’t have the buy-in of the rest of the organization. What works best when it’s the CFO leading the charge? What about the administrative assistant down the hall?

THE “GREEN” STIMULUS

With the new Obama administration’s commitment to all things “green” and the \$789 billion stimulus package ready to be deployed, what does it all mean for sustainability consultants? Join SSC as we talk with Cat Shrier, Principal and Founder of Watercat Consulting LLC. Cat is actively involved in the sustainability industry—from engineering to public policy—and has her finger on the pulse of where that “green money” is going. Listen as we learn about how the green stimulus money will be split up, and how you can be positioned to take advantage of additional money in your area of expertise.

GREEN BUSINESS CERTIFICATIONS

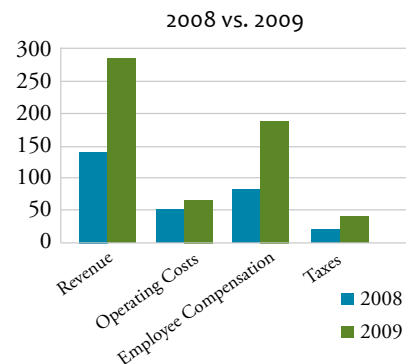
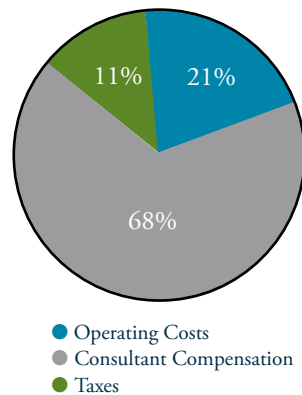
Green business certification programs provide, verify, and annually re-verify that businesses meet the highest standards of environmental performance. The number of available certifications has considerably increased in recent years. Although this development is certainly welcome, it becomes more and more difficult to understand the difference between these programs and their pros and cons. Come learn about the related opportunities and pitfalls, possible conflicts of interest, financing, benefits to members, etc.

Management Approach and Performance Indicators

KEY FINANCIAL METRICS (thousands of \$ USD)

Revenues	\$285
Operating Costs	- \$59
Employee Compensation	- \$186
Taxes	- \$31
Retained Earnings	\$9

2009 ECONOMIC VALUE GENERATED



ECONOMIC

Despite the financial meltdown and accompanying recession, SSC achieved its best financial results to date. Revenue nearly doubled, with virtually all of that increase going straight to consultant compensation—a result of our low overhead and administrative costs. Looking to the next several years, we anticipate taking on full time employees for the first time. While we plan to ultimately stay small and nimble, we also see growing evidence that SSC’s work can support in-house staff to oversee day-to-day operations. We will continue to rely on the SSC Consultant Network for its members’ depth and breadth of sustainability expertise, and on the SSC Green Auditors for their ability to provide local support to our small business clients around the country.

Last year we set the goal to create a system that would effectively measure our indirect economic impacts—that is, the financial impact of our work with clients. To be blunt, we did not meet that goal. Why not?

- Most of our engagements last year were with new clients, which means that we haven’t had enough time to measure “before” and “after”. Those clients who choose to work with us again in the future will have an opportunity to assess cost/benefits associated with our work.
- Some of our engagements were simple training and/or facilitation projects—meaning that our work didn’t actually involve assessment of any financial numbers.
- For many of our clients “cost savings” was not on their top list of desired outcomes. These clients were focused on responding to employee requests to “go green”, aligning their internal operations with their external mission, or simply doing the right thing. Cost savings for them was just icing on the cake—and they opted to spend their time and resources on making improvements, rather than tracking financial numbers.

In short, we have been more successful at helping clients measure changes in their social and environmental impact—but we recognize that the financial aspect of our work matters too! We will continue to explore ways to track the short- and long-term economic impacts to our clients—focusing on a standard set of metrics for our small business clients.

GRI INDICATOR	DESCRIPTION: ECONOMIC	OUR PERFORMANCE FROM 2007 – 2009
EC1	Economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	From 2005-2007, we did not disclose our financial performance. Beginning in 2008, we provided this information (see sidebar on page 12.)
EC2	Financial implications and other risks and opportunities for the organization’s activities due to climate change.	Our main financial risk from climate change is increasing energy costs associated with electricity and transportation (auto and airplane). As small business increasingly faces the realities of climate change, we see a business opportunity by offering strategies to improve efficiency and offset emissions.
EC3	Coverage of the organization’s defined benefit plan obligations.	None.
EC4	Significant financial assistance received from government.	None.
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	We do not have any employees, as all work is done via independent contractors through the SSC Consultant Network. For the most part, our consultant services are designed to bill at \$50 - \$150 an hour.
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Our major discretionary expenses are for graphic design and web development services, for which we use local companies.
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Our consulting network is designed to be national (and sometimes international). We don’t have a policy specifying a preference for local vs. non-local hires. However, we have made it a priority to match our green audit clients with local SSC Green Auditors. See page XX for more information.
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	None.
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	We donate approximately \$5,000 in pro-bono services to local groups each year.

OUR COMMUNITY GIVING

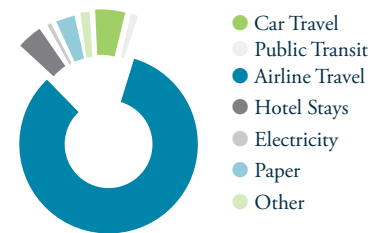
Our community giving program centers on our support for the William James Foundation’s annual Socially Responsible Business Plan Competition. For four years in a row we’ve acted as a judge in the competition, providing extensive feedback to participants on the structure and content of their plans. We’ve also acted as an in-kind sponsor, donating ten hours of sustainability consulting services to one of the winners. Learn more at www.williamjamesfoundation.org.

This year we also provided a matching grant of \$500 to the StratLeade Network, a non-profit organization that promotes education in Strategic Sustainable Development through tuition offsets, class trips, and guest lecturers. Learn more at www.stratleade.org.

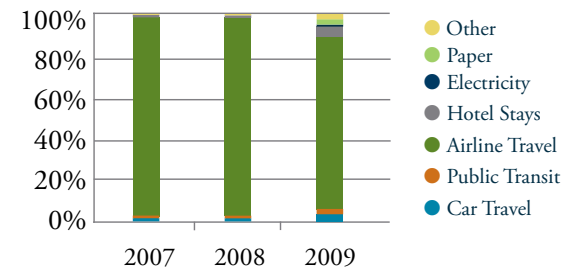
KEY ENVIRONMENTAL METRICS

In calculating our carbon footprint, we have only accounted for electricity used to power our computers, based on an estimate of 75 watts per hour per computer—since we don't maintain regular office space.

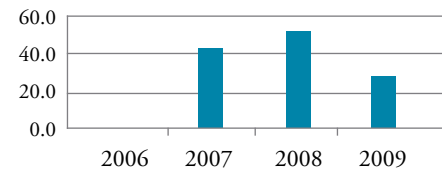
2009 CARBON BREAKDOWN



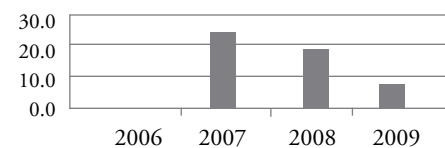
OUR CHANGING CARBON PROFILE



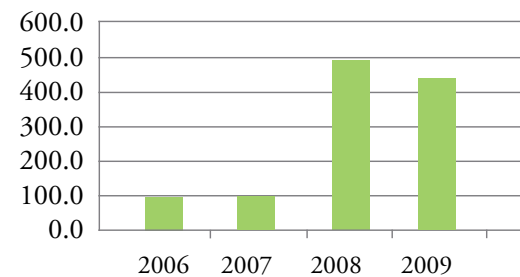
TOTAL CARBON EMISSIONS



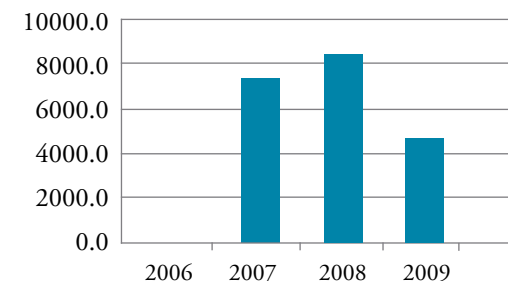
POUNDS OF CARBON PER WORK HOUR



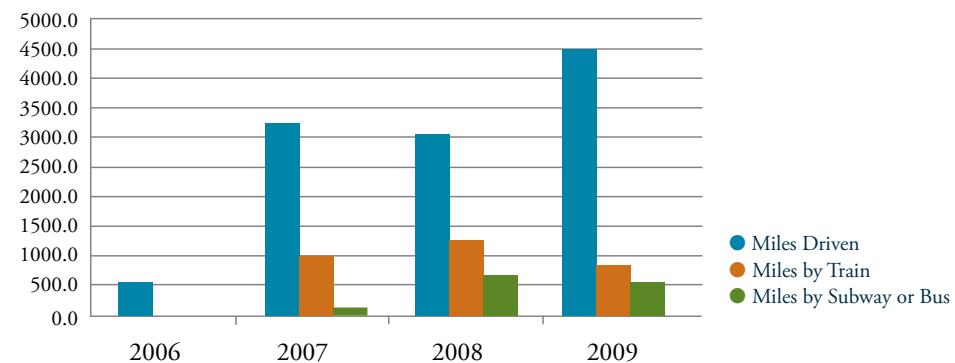
ELECTRICITY USED (KwH)



MILES FLOWN



GROUND TRAVEL



Over the past year, our business doubled—yet we cut our carbon footprint almost in half. We can't think of a better example of "practicing what we preach". The following section outlines how we made such a dramatic improvement as well as our environmental goals for the future.

A LOCAL FOCUS

We have clients all over the country (and a few outside of the United States too), and traveling to their sites can have a significant environmental impact. Over the past year we've carefully strategized and explored ways to match clients with local consultants whenever possible. Each project is led by an SSC in-house account manager, which lends consistency and rigor to our engagements. At the same time, local project managers and sustainability consultants bring unique insight into the regional challenges and opportunities facing our clients. In the coming years, we anticipate expanding our reach through the SSC Consultant Network, so that each client has the option to work with a consultant within 250 miles of their facilities.

Carbon Footprint – Over the past year, our carbon footprint decreased by 44% to 30.9 tons of greenhouse gas (GHG) emissions. That is a HUGE accomplishment by itself. Moreover, when you adjust for our growth in work-hours, we reduced our carbon footprint by a whopping 55%! Once again, we've gone carbon neutral with

high-quality offsets equivalent to 31 tons of carbon. (See page 24 for details on our carbon offsets.) In the long term, we see our absolute carbon footprint staying roughly the same (although fluctuating significantly over any 2-3 year period, as a single international trip can have a big impact in a given year). Ultimately, we hope to continue a modest reduction in adjusted carbon footprint—in essence, getting more work done for fewer GHG emissions.

Office Infrastructure – We continue to operate on an e-business model, which prevented approximately 22,300 commuting miles (based on the national commuting average of 11.1 miles each way)—and 8.6 tons of carbon. In the summer of 2008 we also took advantage of a shared office space for periodic face-to-face meetings with interns and consultants. This model allows us to maintain a low overhead—good for our finances and good for the environment.

Business Travel – Despite a focus on e-learning, web conferences, and phone-based consultations, travel to-and-from client sites continues to be our most significant environmental impact. However, due primarily to our new SSC Green Auditor certification program (see page 9), GHG emissions from air travel decreased from 95% of our total carbon footprint in 2007 and 2008 to 83% in 2009. Nonetheless, air travel is still (by far) the largest sources of our GHG emissions, and we anticipate this to remain true well into the future.

GRI INDICATOR	DESCRIPTION: ENVIRONMENT	2007	2008	2009
EN1	Materials used by weight or volume.	During the 2006-2007 reporting period we purchased approximately \$500 worth of office supplies (mainly paper products and ink cartridges), as well as approximately \$2,500 worth of marketing collateral (letterhead, folders, business cards, etc.). We do not plan to track our materials for the coming year.	In 2008, we decided that this category is of minimal environmental impact to our business and is generally mitigated with our green purchasing programs. We do not plan to track our materials for the coming year.	Not tracked.
EN2	Percentage of materials used that are recycled input materials.	Our office paper (our main material) was 30% PCW recycled content.	In 2008, we upgraded to office paper that is 100% PCW recycled content.	
EN3	Direct energy consumption by primary energy source.	None.		
EN4	Indirect energy consumption by primary source.	104.1 Kwh of electricity	487.9 Kwh of electricity	450 Kwh of electricity
EN5	Energy saved due to conservation and efficiency improvements.	We've implemented basic energy saving activities (turning out unneeded lights, setting computers to stand-by mode, buying EnergyStar office equipment) but have not quantified those energy savings.		
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Our Sustainability Assessment and Green Office Auditing services include energy efficiency and green energy components. In the coming years, we will be tracking the results of those services by surveying our clients' changing energy profiles.		
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Not tracked.		
EN8	Total water withdrawal by source.	Not tracked.		
EN9	Water sources significantly affected by withdrawal of water.	Not tracked.		
EN10	Percentage and total volume of water recycled and reused.	Not tracked.		
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	We don't have separate office space, but instead use our personal living space, collaborative work space and the occasional coffee shop to conduct the majority of our business. Thus, we don't have specific land impacts, but try to encourage work in multi-use space—it keeps our overhead low and our environmental impact at a minimum.		
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	None.		
EN13	Habitats protected or restored.	None.		
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	None.		

GRI INDICATOR	DESCRIPTION: ENVIRONMENT	2007	2008	2009
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Not tracked.		
EN16	Total direct and indirect greenhouse gas emissions by weight.	43.1 tons of carbon	55.2 tons of carbon	30.9 tons of carbon
EN17	Other relevant indirect greenhouse gas emissions by weight.	The carbon footprint reported in EN16 (above) includes greenhouse gas emissions resulting from our indirect impacts such as business travel.		
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	In 2008, we introduced the SSC Green Auditor Certification, a training program that allows us to contract local auditors to perform SSC Green Audit. We believe that will significantly reduce our air miles—and thus our carbon footprint—in the years to come.		
EN19	Emissions of ozone-depleting substances by weight.	None.		
EN20	NOx, SOx, and other significant air emissions by type and weight.	None.		
EN21	Total water discharge by quality and destination.	None.		
EN22	Total weight of waste by type and disposal method.	16.4 lbs paper, 100% recycled	26.5 lbs paper, 100% recycled	Not tracked.
EN23	Total number and volume of significant spills.	None.		
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	None.		
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Not applicable.		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	We are always seeking ways to improve the quality of our environmental services—including partnering with technical experts, collaboration with academics, and networking with relevant organizations.		
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Because we are a service-based company, we don't sell products per se. That said, all of our reports are printed on recycled paper or are delivered electronically.		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	We incurred no environmental compliance penalties, nor do we anticipate any fines or sanctions in the future.		
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	See page 14 for information on our business travel impacts.		
EN30	Total environmental protection expenditures and investments by type.	We spent approx. \$600 in carbon offsets.	We spent approx. \$775 in carbon offsets.	We spent approx. \$730 in carbon offsets.

LABOR PRACTICES AND DECENT WORK

One of the most innovative and exciting aspects of our business is the SSC Consultant Network. Rather than employ a small staff of sustainability generalists, we've instead opted to create a wide collaboration of sustainability specialists. As of June 2009, we had more than 400 consultants in the network. These professionals have a wide range of experience—from new college graduates to seasoned experts—and cover issues from sustainable forestry management in Southeast Asia to green product innovation in the automotive industry. We're delighted to have access to these strategists, facilitators, process innovators, labor and human rights specialists, and governance gurus. In addition to being an inspiration to each other, these consultants also allow SSC to put together a world-class team for any client project under the sun.

We've also continued to reap the benefits of our internship program. Three times a year (coinciding with the fall, spring, and summer semesters) we take on a handful of promising interns to help us with background research and analysis. They work approximately 20 hours a week on projects ranging from helping develop a client's sustainability action plan to calculating a company's carbon footprint, writing a white paper on sustainability standards for small business to developing a webinar on family-friendly workplaces. They get a taste of sustainability consulting, and we get to capitalize on their enthusiasm and dedication to the issues—a win-win for everyone involved.

The biggest change over the past year was the introduction of the SSC Green Auditor Certification. Because Green Audits have become such a core part of our business, we decided to take our



proprietary tools and methodology and create a formal certification program to train and license local auditors across the United States. By providing these professionals with the consistent and rigorous process we've developed over the past several years, they can deliver a high-quality Green Audit to local small businesses and we can reduce the need to travel great distances to client sites. (See page 9 for more information about the first year of this program!)

OUR PEOPLE*

Gender	2007	2008	2009
Women	7	19	22
Men	4	5	8
Age	2007	2008	2009
< 35	6	22	23
> 35	5	2	7
Region	2007	2008	2009
US	10	23	30
Other	1	1	0

* For the purposes of this report, we have only included labor indicators for consultants and interns that were hired for specific projects. It does not include joint business development initiatives that did not result in a contractual engagement during the reporting period. Similarly, it does not include consultants in the SSC Consultant Network who participated in our general networking activities, but did not actually work for us during the reporting period.

GRI INDICATOR	DESCRIPTION: LABOR	PERFORMANCE FROM 2007-2009
LA1	Total workforce by employment type, employment contract, and region.	See table at left.
LA2	Total number and rate of employee turnover by age group, gender, and region.	See table at left.
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Not applicable.
LA4	Percentage of employees covered by collective bargaining agreements.	Not applicable.
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Not applicable.
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.	Not applicable.
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	None.
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	None.
LA9	Health and safety topics covered in formal agreements with trade unions. (Additional)	Not applicable – we do not have employees or have any involvement with trade unions.
LA10	Average hours of training per year per employee by employee category.	Not tracked.
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Our interns are free to join any of our sustainability webinars for free, as a component of our professional development efforts. Members of our SSC Consultant Network are also encouraged to participate in our regular web meetings on a variety of professional topics (see Governance section).
LA12	Percentage of employees receiving regular performance and career development reviews.	All of our interns receive performance reviews at the conclusion of their internships.
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Not applicable – we have no separate governance bodies.
LA14	Ratio of basic salary of men to women by employee category.	Not applicable – individuals are paid on a project basis, depending on the scope of their involvement.



HUMAN RIGHTS

As a professional services company operating primarily in the United States without full-time employees, we don't have much of a human rights impact. Aside from publicly supporting international conventions and standards such as the Universal Declaration of Human Rights and the ILO Conventions on fair labor practices, the main way we promote respect

for human rights is through our consulting services. We include a human rights screening component in our Supply Chain services, and help our clients identify fair trade options in their purchasing policy. We also help clients understand what a commitment to human rights standards (such as the UN Global Compact) means in principle, and in practice.

SOCIETY PERFORMANCE

Over the past two years, we've worked to formalize our SSC Consultant Network. In 2007, we created a Code of Ethics, and in 2008 we developed a database that categorizes and ranks consultants on their skills and area of expertise. The introduction

of our SSC Green Auditor certification has further refined our ability to ensure delivery of high-quality services by consultants committed to our values of integrity and accountability.



GRI INDICATOR	DESCRIPTION: HUMAN RIGHTS	OUR PERFORMANCE FROM 2007 – 2009
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening. (Core)	We have not made any significant investment agreement.
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken. (Core)	We screened our major suppliers (office supplies, computer hardware, and graphic design) for human rights issues—all met our requirements.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. (Additional)	We make sure that our consultants are familiar with relevant human rights and labor agreements (such as the UDH), which are covered in our Code of Ethics.
HR4	Total number of incidents of discrimination and actions taken. (Core)	None—and we make a specific effort to work with diverse clients, consultants, and networks.
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights. (Core)	We explicitly support the right of workers to exercise freedom of association and collective bargaining, and encourage our clients to do the same.
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor. (Core)	In addition to supporting ILO provisions on child labor, our business model requires a highly skilled labor pool. Our auditing services also seek to ensure that no child labor occurs in our clients' supply chains.
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of forced or compulsory labor. (Core)	In addition to supporting ILO provisions on forced/compulsory labor, we also encourage our clients to specifically prohibit the use of such labor throughout their supply chains.
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations. (Additional)	Not applicable – we do not have security personnel.
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken. (Additional)	None.

GRI INDICATOR	DESCRIPTION: HUMAN RIGHTS	2007	2008	2009
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	We're committed to focusing on the local community—working with local businesses, supporting local organizations, partnering with local universities, and contributing to local foundations that promote socially responsible business. Our ongoing goal is to derive 10% of revenues from DC-area clients.		
SO2	Percentage and total number of business units analyzed for risks related to corruption.	None.		
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	In 2007, we formalized a Code of Ethics which specifies our policies relating to bribery and corruption. All SSC consultants sign the Code of Ethics before commencing work with us.		
SO4	Actions taken in response to incidents of corruption.	We haven't had any incidents of corruption, and no expectations of problems in the future.		
SO5	Public policy positions and participation in public policy development and lobbying. (Core)	SSC was a member of the Clean Energy Partnership, a non-partisan, not-for-profit business group that lobbies for more sustainable energy policies. In addition to our CEP membership, in 2007 we also provided input into a major US presidential candidate's energy platform. In 2008, we were not active in public policy or lobbying.	None.	In 2009, we publicly supported the Employee Free Choice Act (EFCA) legislation that will make it easier for workers to form collective bargaining agreements.
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	SSC does not make political contributions, nor will it do so in the future. Individual consultants, however, are encouraged to be active in the political process.		
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	None.		
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	None.		

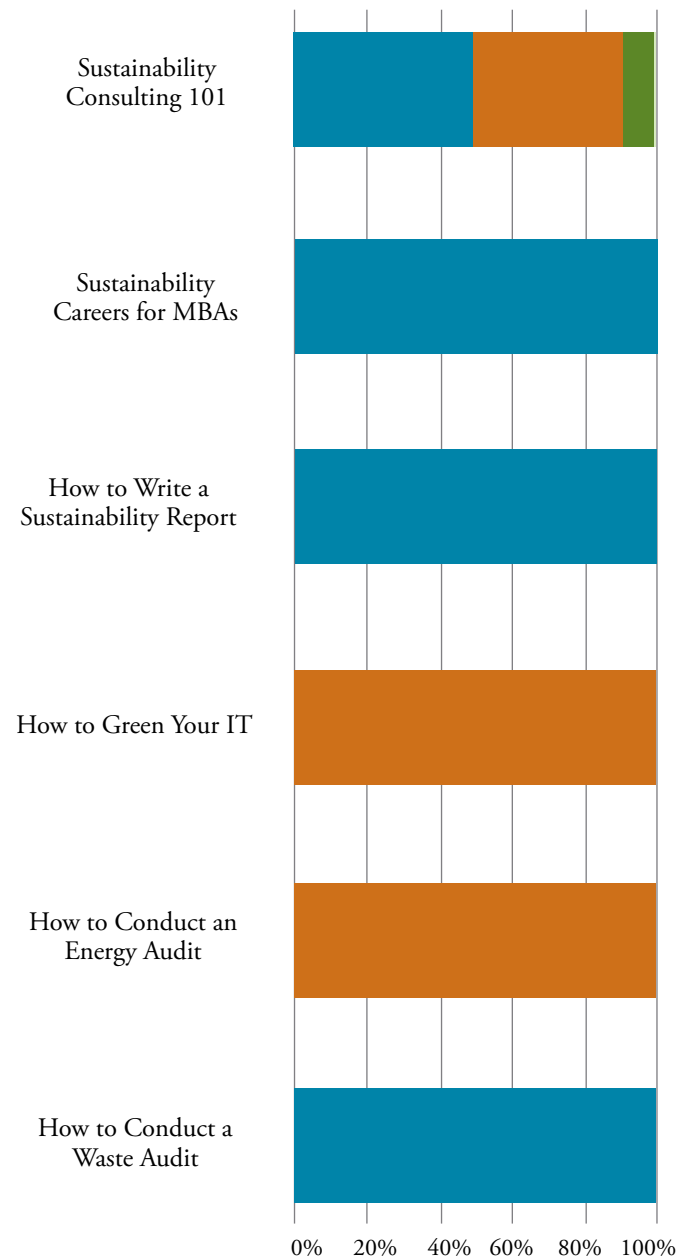
PRODUCT RESPONSIBILITY

As a consulting company, our “product responsibility” record is determined by the quality of the services we provide to our clients. When we help a small business create a sustainability plan, calculate a non-profit’s carbon footprint, or coach a social entrepreneur on how to succeed in the “green” marketplace—our success is directly related to our clients’ success.

While it’s too soon to tell whether or not our work is changing the world, there are smaller indications that we’re on the right track. The majority of our organizational clients (businesses, NGOs, associations) have come back for a second (or third) engagement, and a significant number of our webinar participants have signed up for more sessions.

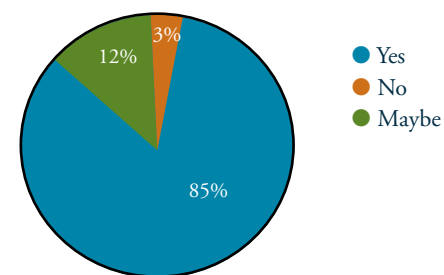
Looking to the future, we’re keen to measure the impact of our services from a sustainability perspective. The first step is to help our clients calculate the social and environmental benefits of working with us. Whether it’s reducing energy and water use, or improving employee satisfaction, we are working on ways to quantify the triple bottom line impacts of hiring a sustainability consultant. These numbers will speak to our efficiency, our “value add”, and will direct us to more strategically design our services to align with our clients’ needs.

HOW WOULD YOU RANK THIS WEBINAR?



● Excellent ● Good ● Fair ● Bad ● Terrible

WOULD YOU RECOMMEND THIS WEBINAR TO OTHERS?



● Yes
● No
● Maybe

GRI INDICATOR	DESCRIPTION: PRODUCT RESPONSIBILITY	PERFORMANCE FROM 2007-2009
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.	Our Sustainability Assessment services include an examination of the organization’s health and safety policies, programs, and performance.
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.	None.
PR3	Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements.	Although we don’t have specific procedures for labeling, our policy is to be as transparent and accountable as possible. We encourage stakeholders to contact us with questions or concerns about information we disclose.
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	None.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Because we work with clients on a project-by-project basis, we get very specific, immediate feedback. To gauge the success of our webinars, we have a feedback survey (see chart at left for results.)
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	We are in compliance with all marketing communications, and go above legal requirements by using international best practices like the Global Reporting Initiative (GRI) for sustainability reporting.
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	None.
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	None.
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	None.

Our Carbon Neutral Pledge



Fig. 6

We take very seriously our environmental impact, especially our carbon emissions. Despite having few carbon inputs (*no office space to heat and cool, no commuting every day to work*), we still have substantial greenhouse gas (GHG) emissions. For this reporting year, our activities generated 30.9 tons of carbon—83% of which came as a result of air travel to client sites. In the coming year, we will continue to place a priority on engaging local consultants to reduce the amount of air travel needed to deliver our services.

In the meantime, however, we remain committed to neutralizing our unavoidable carbon emissions. As in previous years, we have purchased the highest-quality carbon offsets equal to 100% of our carbon impact. This effectively makes us a “carbon neutral” organization.

2009 OFFSETS

PROJECT DESCRIPTION

This year our offsets come from two different sources. The first is a project across India to develop a network of franchisees throughout the country for the sale, installation, and service of solar water heaters, solar electricity units, and energy efficiency appliances. The project raises awareness of renewable energy as a practical reality for home and small business power generation and reduces dependency on the unreliable grid supply, which is mostly fed by coal power plants. It builds local business and professional skills in the community and creates new jobs whilst encouraging the widespread dissemination of low carbon technologies.

The second project is the Aliaga Wind Farm in western Turkey. Encouraging clean energy generation is of utmost importance in Turkey as consumer demand for power is rapidly increasing. Currently Turkey’s electricity grid consists primarily of coal fired generation and a number of large scale hydro schemes. Fossil fuelled power is becoming more dominant—almost all

of the new capacity added to the grid over the last 10 years has been from coal fired generation. There is great potential for wind power in Turkey with many regions enjoying high year round wind speeds. The wind farm will create a number of employment opportunities both skilled and unskilled at the construction and operation stages of its development.

CERTIFICATION

The offsets we purchase are Verified Emission Reductions (VERs), market-based commodities representing one metric ton of carbon dioxide equivalent (CO₂e) calculated using Global Warming Potentials and developed in accordance with procedures, criteria and methodologies of the Clean Development Mechanism (CDM) under the Kyoto Protocol, with respect to its stipulations for greenhouse gas emissions reductions to be real, for the projects to not have happened without the investment that carbon credits provide, for the production of project-related social, economic and environmental benefits as well as emissions reductions.

All projects are inspected and validated by CDM accredited Designated Operational Entities (DOEs), such as The Gold Standard, which are independent, third-parties accepted by the United Nations. VERs are certified to The Gold Standard or in the process of undergoing Gold Standard assessment.

OFFSET PROVIDER

We purchased these offsets from TheGreenOffice.com, a company based in San Francisco that goes beyond business as usual by sourcing credits from projects that not only neutralize carbon but contribute to local community and economic development and result in zero collateral damages to the environment. TheGreenOffice.com sources VERs that meet rigorous criteria for quality. VERs are sourced from specific projects that result in real, quantifiable, permanent, and additional greenhouse gas emission reductions and are third-party verified against objective, credible, and transparent standards.



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