



SAS® for Sustainability Management

Identify and respond to environmental, social and economic risks and opportunities

Overview

As governments, businesses and the not-for-profit sector respond to the critical imperative of environmental responsibility – and discern its social and strategic importance – they are learning the vital steps of integrating and analyzing data to achieve new goals and transform their internal culture. Given the increasing complexity of environmental regulations, organizations face tremendous pressure to report key sustainability performance indicators accurately and completely or face significant social and financial ramifications.

Today in nearly every industry, organizational performance often integrates sustainability measures across social, environmental and economic factors. The most strategic enterprises will use this information to their competitive advantage – driving increased brand value through innovation, improving internal efficiencies and accountability, and engendering loyalty of consumers, employees and other stakeholders.

Proactive sustainability management requires the reliable measurement of “Triple Bottom Line” indicators on people, profit and planet. It also

requires the predictive abilities to validate strategies, identify causal relationships and forecast outcomes to commit to and prove corporate social responsibility and sustainability to citizenries and stakeholders.

The challenge is learning where to start: deciding which initiatives will have the greatest positive impact on achieving stated goals and how to turn complex information into effective, cost-conscious strategies. With accountability to myriad stakeholders, from green-thinking customers to regulatory bodies, forward-thinking organizations are formalizing their data tracking, accounting and reporting processes using business intelligence, balanced scorecards and advanced analytics.

With more than 30 years of experience, SAS addresses complex business issues through problem-specific models, proven methodologies and best practices – along with solutions that identify and support the relevant and critical sustainability strategies and outcomes for your organization.



Innovate to drive revenue and support sustainability goals

■ Challenges

- Measure emissions and consumption, physically and financially, throughout your enterprise value chain or product life cycle.
- Ensure regulatory compliance.
- Build new business strategies with proven return on investment.
- Stay ahead of the competition.
- Manage and forecast complex alignment of strategies, financial costs and resources across the organization.
- Improve performance by focusing on those metrics that will drive positive impacts on your Triple Bottom Line.
- Report ongoing performance to key stakeholders and regulatory agencies to improve the transparency of green operations and corporate stewardship initiatives.

“Focus on predicting the future.

SAS Institute has a leading capability in predictive analytics that can be leveraged to develop sophisticated forecasting processes and scenario-based planning. This capability complements a well-rounded and well-integrated set of business performance solutions.”

The Forrester Wave: Business Performance Solutions, Q4 2007 (October 2007)

The Strategic Path to Green

Effective strategy execution depends on a consistent, comprehensive understanding of what is happening across your organization – and the costs. Only then can all organizational activities and resources – as well as your planning processes – align to work toward common strategic goals.

SAS is working with leading international organizations to apply technology to the global issues of greenhouse gas emissions, as well as other environmental and social concerns. We understand the need to deliver reliable measurement of Triple Bottom Line indicators, as well as the predictive ability to validate strategies and costs, identify causal relationships, and forecast outcomes.

Know where your organization stands today. Accessing and trusting your data is the first crucial step in long-term sustainability management, and often the most difficult. Integrate data from multiple sources and stakeholders for analysis and determination of where

your organization stands both up and down the value chain in terms of environmental, social and economic factors.

Set goals and chart a plan. Once you have quantified key measures such as your carbon footprint and its cost, it is essential to prepare for changes in business strategy and regulations that may require careful management of your resources. Scenario modeling helps you fully understand opportunities and liabilities and enables strategic planning.

Manage risk. Protect one of your most valuable assets: your brand. Whether reducing potential areas of environmental exposure or anticipating competitive advantage, effective risk management of social and environmentally driven business strategies is critical.

Track performance against goals. Integrate your sustainability strategy into the culture and evaluate the outcomes. Facing more compressed decision or reporting cycles, measure compliance and progress towards strategic goals and be alerted to changes in key indicators on regulatory requirements, supplier risk, performance and material databases.

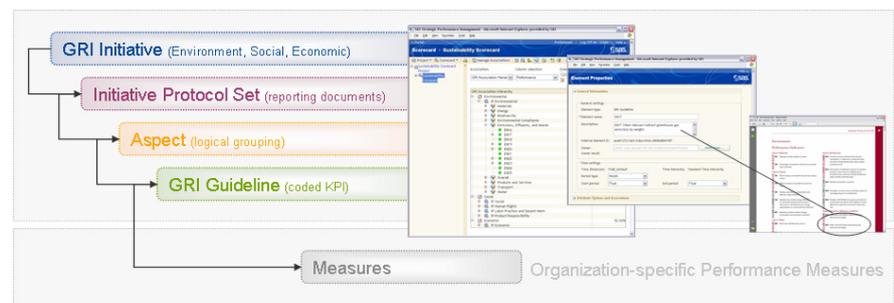


Figure 1: The SAS® for Sustainability Management scorecard template is flexible for industry accepted reporting standards.

Capabilities

Whether modeling cleaner generation of power, improving energy efficiency, promoting better utilization of critical resources to minimize waste, or assisting environmental protection agencies, SAS enables its customers to do well and to do good.

SAS provides software and services to help you:

Measure key sustainability activities using industry-accepted accounting protocols. You can trust the quality of data and resulting analysis from SAS' award-winning data integration and analytics capabilities which leverage your existing investments in operational systems and databases.

Report ongoing performance to ensure transparency with key stakeholders and compliance with regulatory agencies. By establishing an integrated, consistent source of quality information, you can bind initiatives to a common sustainability framework that allows consistency across all lines of business – from the data center to the water treatment facility.

Improve performance by identifying the metrics that have the greatest impact on goal attainment so you can make the most informed strategic decisions. Apply the power of SAS optimization, forecasting and data mining capabilities to analyze scenarios and run simulations to improve response and successful strategy execution.

A Publicly-owned Energy Company

With a decade-long history of SAS usage, an energy company deployed SAS® Strategic Performance Management to help target resources and manage its business more effectively. With scorecards powered by SAS, the system combines data on various events so that managers have more immediate access to accurate information.

With a regulated activity such as flaring – when oil or gas is burned off – goal setting is straightforward due to existing laws. In other areas of environmental reporting, such as garbage disposal, the SAS based system helps to ensure that internal targets for scrap metal and recycling are met.

The senior advisor stated: “SAS Strategic Performance Management is very versatile. You can put a lot into it and get meaningful results out. You can get information out extremely quickly, and it's very fast in terms of development and prototyping.”

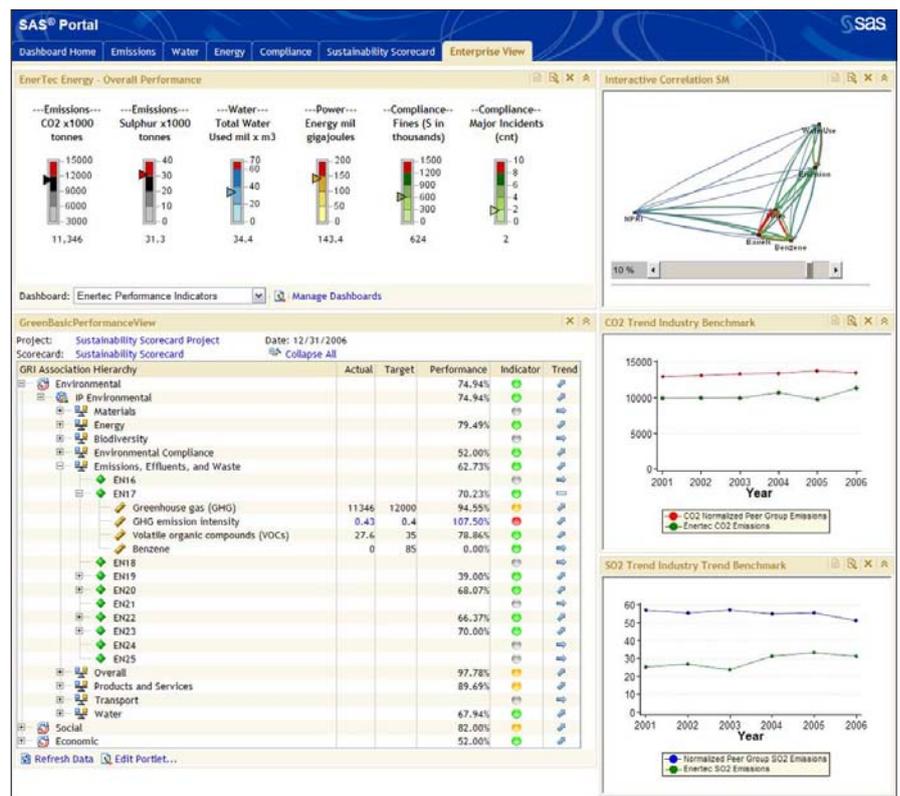


Figure 2: SAS® for Sustainability Management is an analytic performance management framework for measuring, analyzing and optimizing key sustainability indicators.

Manage and forecast the finances and resources needed to achieve the desired outcomes across the enterprise and within each department. Prioritize organizational strategies and align investments in new product innovation, program development and talent accordingly. Establish scorecards and strategy maps driven by the sustainability goals of the organization.

As the leader in business intelligence and predictive analytics, SAS is the critical enabler that allows you to meet your environmental objectives.

Why SAS?

To lead with confidence, reduce risk and outpace competitors in the emerging landscape of sustainability, you need to make better, faster decisions. Today it is not enough to talk green. SAS equips your organization to walk the walk and make reliable, fact-based decisions, improve profitability, and increase customer and constituent loyalty by helping you answer more questions, for more people, across more departments, than any other software vendor.

- Only SAS offers an integrated platform that provides performance management initiatives with a consistent, accurate view of information, from data to decisions to support.
- SAS' pre-defined sustainability performance management framework is based on generally accepted sustainability reporting metrics.

- SAS' analytic capabilities give insight into costs and cost drivers, as well as the financial impacts of green initiatives. Activity-based costing and capacity resource planning models help choose between alternatives, based on the predicted resources required.
- SAS delivers a variety of predictive analytics to help plan improvement strategies, avoid threats and measure results. SAS offers forecasting, simulation and correlation analysis for superior environmental impact predictions.

Other vendors provide business intelligence in the form of historical reports that give you hindsight, but limited insight. SAS is unique in that its data integration, reporting and analytics capabilities enable you to not only navigate today's environmental, social, and economic challenges, but also to capitalize on tomorrow's opportunities.

"Data-driven environmental management is becoming the norm. Companies that use indicators and information technology strategically stay a step ahead of the competition ... Good data lays the foundation for generating Eco-Advantage."

**Daniel C. Esty
and Andrew S. Winston**

Green to Gold: How Smart Companies Use Environmental Strategy to Innovate, Create Value, and Build Competitive Advantage. 2006

SAS Is Committed to Sustainable Development

SAS is an active and committed partner in the communities where we live, work and conduct business. At SAS, we recognize that environmental sustainability is a continuous effort that requires prudent use and preservation of our natural resources. Please visit our sustainability statement on our website at www.sas.com/corporate/corpgovernance.

About SAS

SAS is the leader in business intelligence and analytical software and services. Customers at 43,000 sites use SAS software to improve performance through insight from data, resulting in faster, more accurate business decisions; more profitable relationships with customers and suppliers; compliance with governmental regulations; research breakthroughs; and better products and processes. Only SAS offers leading data integration, storage, analytics and business intelligence applications within a comprehensive enterprise intelligence platform. Since 1976, SAS has been giving customers around the world THE POWER TO KNOW®.



THE
POWER
TO KNOW.

SAS Institute Inc. World Headquarters +1 919 677 8000

To contact your local SAS office, please visit: www.sas.com/offices

SAS and all other SAS Institute Inc. product or service names are registered trademarks or trademarks © indicates USA registration. Other brand and product names are trademarks of their respective companies. Copyright © 2007, SAS Institute Inc. All rights reserved. 103273_467832.1107



Please consider the environment before printing