

# Corporate **Social** Responsibility Strategy



Region of Peel investments create economic, social and environmental value for the Peel community by strengthening internal business practices related to social procurement, environmental stewardship, and an employer people-centred approach to social responsibility.

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## Introduction

This document establishes the Region of Peel's first Corporate Social Responsibility Strategy. Corporate Social Responsibility (CSR) has gained awareness and prominence as an effective approach to business management over the past few years. Broadly speaking, CSR includes a vast realm of topics including sustainable business practices, ethical labour practices, ethical interactions with stakeholders, philanthropy, ethical procurement, responsible resource development, and environmental stewardship.

The Region of Peel's CSR mandate is to support the environmental, economic and social well-being of the Peel community through our operating practices. The initial phase of the Strategy planning and implementation will underpin and inform a broader CSR Strategy in the future which will include and impact stakeholders, programs and services across the organization. This Strategy connects with planning efforts and strategies, including *Term of Council Priorities* and the Region's Strategic Plan.

## Background

The Region is engaged in a wide range of activities that are defined as CSR. It is important that we formalize these activities under a proper CSR framework so we can begin to track, measure and report on the shared value that we deliver to Peel residents and our stakeholders while managing the associated social, financial and environmental risks with greater insight, efficiency and effectiveness.



## Our Responsibility as an Anchor Institution

An 'anchor institution' is defined as a large public or not-for-profit organization such as municipal government, hospitals, school boards, universities, colleges, etc. Anchor institutions are rooted in the community and have economic influence to strengthen a community by aligning their own corporate objectives to the well-being of the surrounding community. The Region of Peel is an anchor institution by virtue of its size and annual economic impact of three billion dollars through our operations, delivery of programs and services.

The Region has a positive reputation of monitoring the impact of its operations on the surrounding economy, people and environment. Still, along the continuum of maturity as an anchor institution, the Region recognizes there is room for improvement. This is true when considering our stewardship as it relates to the environment, our people and our procurement processes. By engaging in a CSR Strategy, the Region can manage associated social, financial and environmental risks with greater insight, efficiency and effectiveness while fostering strong relationships with employees and other stakeholders.

To this end, the Region is embarking on a CSR Strategy addressing our internal business operations to improve the environmental, economic and social well-being of the community.



## Overview of Strategy

This CSR Strategy draws insight from best practice literature, local experiences, current and future CSR opportunities identified within our own organization. This Strategy creates a foundation to formally shift the Region's business practices including procurement over the long-term in order to improve how we procure and conduct our internal business operations. The Strategy provides Peel Regional Council with evidence-based information to underpin significant policy decisions which have an impact on our business operations. It ensures that the triple bottom line elements of environmental, economic and social implications are considered when making these decisions.

## Mandate

The Region of Peel's CSR mandate is:

*"to improve the environmental, economic and social well-being of the community through our operating practices."*

## Benefits

Implementation of the Strategy is of benefit to ensuring the Region of Peel's success as an anchor institution and our ability to support the local economy and improve the well-being of the community. The Strategy takes an integrated and sustainable approach to corporate initiatives pertaining to stewardship in the areas of social procurement, environmental protection and social responsibility. By engaging in the Strategy, the Region can manage associated social, financial and environmental risks with greater insight, efficiency and effectiveness while fostering strong relationships with employees and other stakeholders.



## Corporate Social Responsibility Principles

The CSR Strategy provides Regional Council and staff with a tool to help make decisions about policies, services and approaches to our internal business operations using a common, agreed-upon understanding anchored in the following three principles; **'Environment,'** **'Social and Economic'** and **'Our People'** to help the Region become a model anchor institution. Each CSR principle addresses a specific aspect of our internal operations.

**Environment:** The 'Environment' principle includes initiatives aimed at minimizing our environmental footprint. Examples of environmental initiatives are: decreasing corporate greenhouse gas emissions; increasing low impact development at our facilities; increasing water efficiency at facilities; as well as waste reduction and waste diversion in operating practices.

**Social and Economic:** The 'Social and Economic' principle encompasses initiatives to generate local social and economic value. The social and economic initiatives include ensuring local vendor development; and embedding community benefits into current vendor contracts.

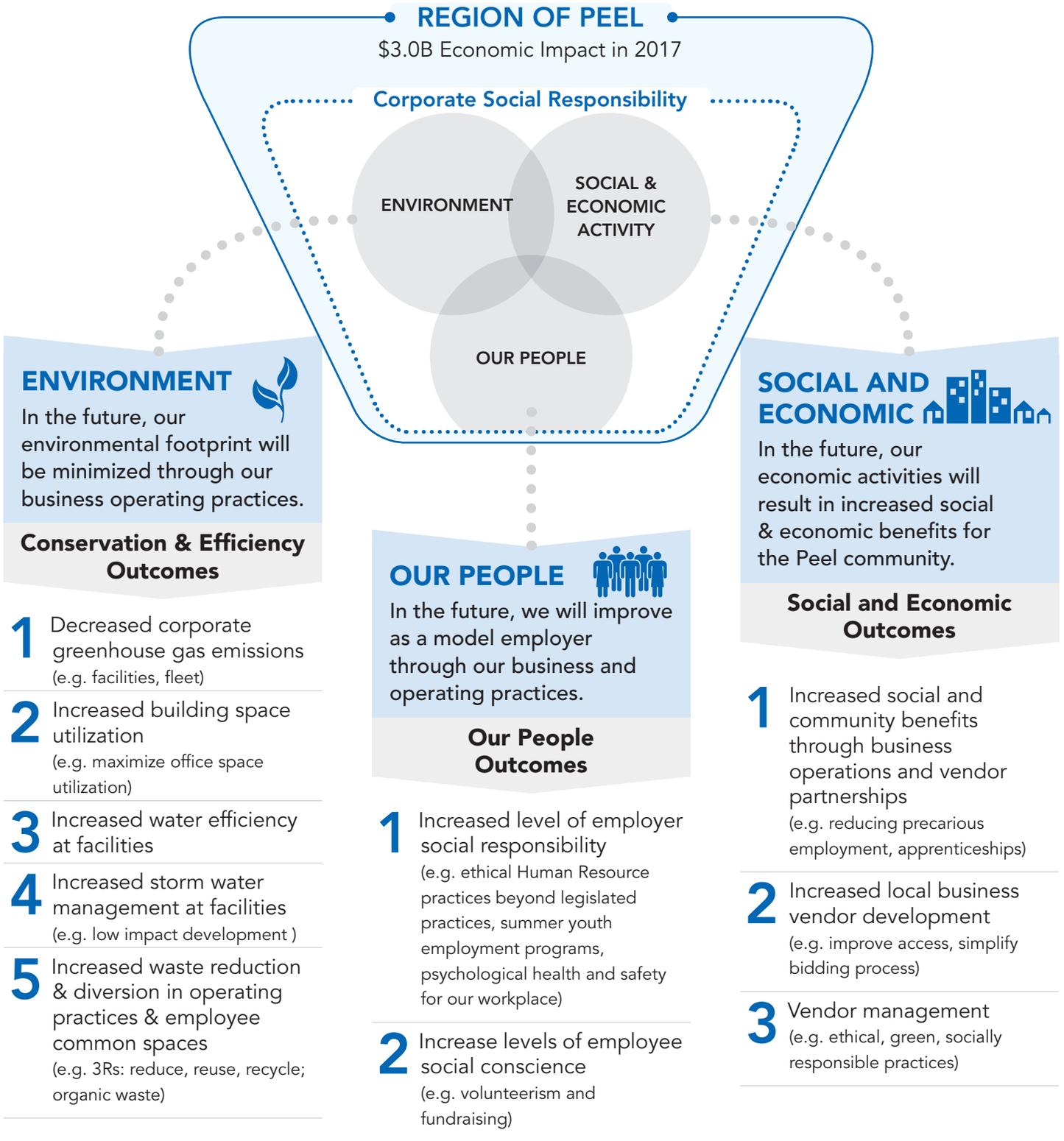
**Our People:** The principle 'Our People' includes efforts to inspire social responsibility in our employees. Initiatives include ethical human resource practices beyond those required by legislation; summer youth employment programs; psychological health and safety for our workforce; and employee volunteerism and fundraising.

The principles are not prioritized and have strong interdependencies. The principles will guide Regional Council and staff when making decisions related to service and program planning. To achieve improvements in overall CSR, advancements need to be realized under each principle.

The following framework depicts the three principles, long-term and short-term outcomes.



# Corporate Social Responsibility Framework



## Strategy Approach

The CSR Strategy will be considered within the context of the Region's Strategic Plan as well as the Region's Long Term Financial Planning Strategy. The Strategy provides a consistent approach to ensure the plan is sustainable. A Strategy measurement tool will be developed to help evaluate the impact of all initiatives laid out within the Strategy.

The Strategy execution will be driven within the organization by:

- Fostering internal employee engagement and collaboration then focusing on external networks and partnerships to determine and communicate local environmental, economic and social (people) opportunities and solutions;
- Facilitating dialogue and engagement for vendor development;
- Seeking to understand stakeholder expectations; and
- Promoting and advancing the CSR Principles within the corporation through effective planning and embedding initiatives into performance objectives.



## Outcomes

The long-term outcome of the overall Strategy is to ensure that the Region's operating practices achieve social, economic and environmental benefits for the Peel community. These benefits are described below as outcomes.

### Principle #1: Environment



**In the future, our environmental footprint will be minimized through our business operating practices.**

Conservation and Efficiency Outcomes for Regional Facilities and Programs:

1. We will decrease corporate greenhouse gas emissions;
2. We will increase building space utilization;
3. We will increase water efficiency;
4. We will increase storm water management at facilities; and
5. We will increase waste reduction and diversion in operating practices and employee common spaces.

### Principle #2: Social and Economic



**In the future, our economic activities will result in increased social and economic benefits for the Peel community.**

Social and Economic Outcomes:

1. We will achieve increased social and community benefits through our business operations and vendor partnerships;
2. We will increase local business vendor development opportunities to simplify and improve access to bidding process; and
3. We will increase vendor management to ensure ethical, green, and socially responsible vendor practices.

### Principle #3: Our People



**In the future, we will improve as a model employer through our business and operating practices.**

Our People Outcomes:

1. We will increase the level of employer social responsibility; and
2. We will increase levels of employee social conscience.

## Measurement

Monitoring and reporting will inform future directions of the CSR Strategy. The Region of Peel current state will be assessed according to the desired outcomes for the three CSR principles. Staff will report annually on progress, challenges/barriers, and refinement and or realignment of the outcomes of this Strategy. The Region will also share its CSR experiences with other anchor institutions stakeholders within the Region of Peel to improve CSR performance regionally. The Strategy will be reviewed every five years.

The chart below outlines the metrics used to measure the strategic initiatives undertaken.

## Metrics for Corporate Social Responsibility Outcomes

ENVIRONMENT	
In the future, our environmental footprint will be minimized through our business operating practices.	
Outcomes	Metrics
1 Decreased greenhouse gas emissions	<ul style="list-style-type: none"> <li>Amount of corporate greenhouse gas emissions                             <ul style="list-style-type: none"> <li>Energy consumption</li> <li>Fleet fuel consumption</li> </ul> </li> </ul>
2 Increased building space utilization	<ul style="list-style-type: none"> <li>Maximize percent space utilization</li> </ul>
3 Increased water efficiency	<ul style="list-style-type: none"> <li>Water efficiencies implemented in new and renovated facilities</li> </ul>
4 Increased storm water management at facilities	<ul style="list-style-type: none"> <li>Number of low impact development projects on Peel sites</li> </ul>
5 Increased waste reduction and diversion in operating practices and employee common spaces	<ul style="list-style-type: none"> <li>Waste diversion rate for 10 Peel Centre Drive and 7120 Hurontario Street</li> <li>Organic waste diversion at five Long Term Care Homes</li> <li>Number of papers printed</li> </ul>



## SOCIAL AND ECONOMIC

In the future, our economic activities will result in increased social and economic benefits for the Peel community.



### Outcomes

### Metrics

- |  |   |
|--|---|
| <b>1</b> Increased social and community benefits through business operations and vendor partnerships | <ul style="list-style-type: none"><li>• Number of contracts with community benefits</li></ul>   |
| <b>2</b> Increased local business vendor development   | <ul style="list-style-type: none"><li>• Proportion of contracts to local vendors</li><li>• Percentage of contracts of low value</li></ul>                                   |
| <b>3</b> Increased vendor management   | <ul style="list-style-type: none"><li>• Percentage of vendor contract scorecards demonstrating sustainable environmental, ethical and or social outcomes achieved</li></ul> |

## OUR PEOPLE

In the future, we will improve as a model employer through our business and operating practices.



### Outcomes

### Metrics

- |  |  |
|--|--|
| <b>1</b> Increased level of employer social responsibility | <ul style="list-style-type: none"><li>• Percentage of employees that perceive the Region as a socially responsible employer (survey results)</li></ul>   |
| <b>2</b> Increased levels of employee social conscience    | <ul style="list-style-type: none"><li>• percentage of employees volunteering in the community (self-reported)</li><li>• percentage of employees donating to the Employee United Way Campaign and or employee-sponsored charities</li></ul> |

## High-level Implementation Plan

A high-level, a five-year implementation plan will be developed and include initiatives listed below:

### Short-term Plan (1 to 2 years):

- Implement the CSR Strategy communications plan and change management plan to ensure employee awareness and engagement
- Develop a CSR policy with clear CSR decision-making guidelines
- Develop and implement a CSR Evaluation framework including monitoring and reporting procedures
- Update the Purchasing By-Law including policy and guideline changes and opportunities as they relate to sustainable, environmental and social procurement
- Develop, implement and build upon strategies to increase the level of employee social conscience
- Implement recently developed building efficiency standards (e.g. LEED)

### Medium-term Plan (2 to 3 years):

- Transform existing Sustainable Procurement Considerations into guidelines for implementation and evaluation
- Implement and evaluate community benefits with vendors to support unemployed individuals living in Peel
- Amend and implement existing Vendor Code of Conduct and vendor performance management program to align with CSR principles
- Investigate opportunities to achieve CSR-related certification and determine implications for the Region
- Establish the Peel Anchor Institution Network (see Appendix for details)

### Medium to Long-term Plan (3 to 5 years):

- Investigate the topics of living wage, wage security, fair wage, and improving employment security for potential future consideration as the strategy progresses
- Explore additional social procurement opportunities to determine the breadth and depth of needs, opportunities, costs and impact for Peel



- Investigate topic of precarious employment by the Region of Peel and vendors/contractors for Regional contracts as findings will inform future policy development
- Continue to research the benefits and costs of Certificate of Recognition (COR) certification as a mandatory procurement requirement for contractors bidding on Regional work. Lessons learned from other similar municipal, government entities and utilities will be an important consideration.

### Connections to Other Planning Efforts and Strategies

There is strong strategic alignment of the CSR Strategy to the Region’s Strategic Plan and current *Term of Council Priorities* (ToCP). The Strategy compliments our approach to organizational effectiveness and our *Working with You* brand. The Strategy supports the following ToCPs and strategies:

- ToCP Adapt to and Mitigate the Effects of Climate Change;
- Energy Conservation Demand Management Plan (2014-2019);
- ToCP Increase Waste Diversion;
- ToCP Reduce Poverty;
- ToCP Promote Healthy and Age-friendly Built Environments;
- ToCP Increase Stable Employment; and
- ToCP Attract and Retain Top Talent.

The Federal and Provincial governments have long expected Canadian organizations to integrate CSR efforts in their business operations. This CSR Strategy also aligns with local municipal, provincial and federal acts, regulations, strategies and efforts to address social responsibility, including:

- Ontario’s Infrastructure for Jobs and Prosperity Act (2015);
- Golden Horseshoe Food & Farming: An Action Plan 2021; and
- The Canadian Business Ethics Research Network (CBERN).



## Glossary of Terms for the CSR Strategy

Term	Definition
<b>Anchor Institution</b>	An anchor institution is a large public or not-for-profit organization such as municipal governments, hospitals, school boards, universities, colleges, etc. that are rooted in the community and has economic influence to strengthen a community.
<b>Apprenticeships</b>	Apprenticeship is a workplace-based program that teaches people the skills they need in the trades in combination with related classroom instruction under the supervision of a journey-level craft person or trade professional. Apprentices learn the practical and theoretical aspects of a highly skilled occupation to perform tasks to industry standards (Canadian Apprenticeship Forum).
<b>By-law</b>	A By-law is a private law or regulation made by a corporation for its own government.
<b>Community Benefits Agreements</b>	A Community Benefit Agreement is a contract signed by a coalition of community groups, an organization(s) and a contractor(s) that requires the contractor(s), alone or in partnership, to provide specific improvements, employment opportunities, or amenities to the local community or neighborhood where the contracted work is taking place. The community groups support the improvement project (helping with project planning and implementation, not opposing the effort).
<b>Fair Wage</b>	The term Fair Wage refers to establishing reasonable rates of pay for specific types of work and is common terminology in some areas of the labour sector. The goal of Fair Wage policies is to ensure consistent wages between organized labour and unorganized labour.
<b>Greenhouse Gas Emissions</b>	Greenhouse Gas Emissions include any atmospheric gases that absorb infrared radiation produced by solar warming of Earth's surface, resulting in a greenhouse effect around Earth. The gases include carbon dioxide (CO <sub>2</sub> ), methane (CH <sub>4</sub> ), nitrous oxide (NO <sub>2</sub> ), and water vapour.
<b>Internships</b>	Interns are often college or university students, high school students, or post-graduate adults. These positions may be paid or unpaid and are usually temporary. Generally, an internship consists of an exchange of services for experience between the intern and an organization.
<b>Living Wage</b>	Living Wage is a calculated wage rate, based on what individuals must earn in order to meet their basic needs while living in a particular geographic location. The living wage varies from one locality to the next and is intended to ensure a basic level of economic security for individuals.

## Glossary of Terms for the CSR Strategy

<b>Term</b>	<b>Definition</b>
<b>Local Business</b>	For the purposes of this strategy, a local business is located within the Greater Toronto Area
<b>Local Food</b>	Food is considered local when it is procured within or in close proximity to the Region of Peel.
<b>Low Impact Development</b>	Low impact development refers to land development planning and engineering design aimed at managing stormwater runoff while ensuring good water quality and conservation of natural environmental features.
<b>Outcome</b>	An outcome is a desired change in the level of need (e.g., intended result, effect, or consequences) attributable in part or fully to the execution of a program or project.
<b>Precarious Employment</b>	Precarious employment is poorly paid, insecure, unprotected, and cannot support a household.
<b>Social Conscience</b>	Social conscience refers to embracing a sense of mutual responsibility for social well-being and enabling equitable opportunities for all in the community. Both the act of volunteering and fundraising for the community demonstrate social conscience.
<b>Social Enterprise</b>	A Social Enterprise is an organization (usually not-for-profit) that applies commercial strategies to maximize improvements in social and environmental well-being for its employees and the local community.
<b>Social Procurement</b>	Social Procurement refers to a wide range of practices aimed at leveraging an organization's spending power for socially responsible gains. Examples of social procurement efforts might include: social enterprise, local vendor development, community benefits agreements, procuring local food, and establishing local vendor guidelines to address apprenticeships, internships and precarious employment.
<b>Vendor</b>	Vendor means an individual, firm, partnership, corporation, association or related person as defined in the Ontario Business Corporations Act, that provides any goods (e.g. equipment), service (i.e. consulting or non-consulting), and/or construction activity to an organization or service provider (Infrastructure Ontario).
<b>Volunteering</b>	Employee volunteering falls into two categories: employer-supported volunteerism (time paid, often during work hours) and individual volunteerism (on own time, own dime).
<b>Waste Diversion</b>	The process of diverting waste from landfill.

## APPENDIX

### Peel Anchor Institution Network

An 'anchor institution' is defined as a large public or not-for-profit organization such as municipal governments, hospitals, school boards, universities, colleges, etc. Every anchor institution is rooted in the community and has economic clout to strengthen a community by aligning its own corporate objectives to the well-being of the surrounding community.

The proposed Peel Anchor Institution Network might include but not be limited to other large public and not-for-profit organizations in Peel Region.

The purpose of the Anchor Institution Network in Peel is for organizational leaders to meet periodically for information sharing about ideas, issues, lessons learned, and opportunities regarding Corporate Social Responsibility.

