



Optimize Your Health and Safety Performance by Focusing on Three Key Areas

Today's EHS excellence is tomorrow's
ESG performance.



Introduction

Today's EHS Excellence Is Tomorrow's ESG Performance

Environment, health and safety (EHS) frameworks have long ensured that businesses properly manage risk and meet regulatory standards to keep workers, workplaces and communities free from harm. But success in today's business world demands that organizations go beyond compliance. Businesses are now focusing on performance improvement through environmental, social and governance (ESG).

ESG is a framework that enables businesses to manage and mitigate the risks they face today, as well as enhance their performance. Given the increasing frequency of severe weather events and concerns about climate change, attention is often focused on the E in ESG. But the social and governance aspects are also critical for sound performance. And with the growing emphasis on ESG, we see a natural convergence between EHS and ESG, which helps to ensure that health and safety programs are optimized to support ESG performance.

Health and safety teams have traditionally collected data across the enterprise on specific metrics like fatalities, incidents, training compliance and more. As ESG gains momentum, management and stakeholders are demanding more detailed data on health and safety risks and performance, and the focus is shifting from backward-looking reporting to improving safety performance. We see this as a crucial opportunity to develop and sharpen the profile of health and safety as a whole.

For organizations with mature health and safety programs, this is nothing new. What the ESG trend will help drive in the future is a focus on how organizations can more consistently disclose and improve their benchmarks for health and safety metrics, leading to an overall improvement in safety performance.

Based on Sphera's work with over 7,000 corporate customers around the world, this eBook gives business leaders a breakdown of today's top health and safety management challenges, as well as proven strategies to address those challenges and shape their organizations for the future.

Health and Safety Management Drives Value

Investing in health and safety management (HSM) delivers returns many times over. Not only does HSM reduce employee risk, but it also reduces regulatory and legal risk. It lowers costs directly by minimizing accidents and injuries and lowering insurance premiums. And it reduces costs indirectly by ensuring that business operations run as efficiently as possible. HSM protects workers and promotes safety culture, which, in turn, build internal and external brand reputation that attracts and retains workers. Together, these efficiencies increase business productivity, market value and stock prices. And now, HSM can help demonstrate ESG performance by enhancing the visibility of safety data and performance across an enterprise.



"The connection between a healthy workforce and superior marketplace performance is becoming increasingly clear. It is estimated that for every dollar saved in direct health care costs, employers save an extra \$2.30 in improved performance or productivity.¹"

Reference

The Challenge

A Dynamic EHS and ESG Environment Emphasizes the Need for Transformation

The health and safety landscape has become more complex in the world of ESG. The pressure is on health and safety leaders to produce EHS and ESG data. Yet, despite the importance of EHS and ESG, establishing an effective safety culture remains a major challenge in day-to-day practice. When health and safety aren't prioritized at every level of an organization, incidents, near misses and other safety observations may not be reported in a timely manner, or they may not be reported at all. In some cases, the data is locked up in siloed systems or analog formats. This limits real-time insights, blocks visibility of enterprise risk and impedes corrective action, essentially getting in the way of meaningful change.



How to Respond

A Multidimensional Approach to Health and Safety Management Is Key

Building a resilient health and safety strategy requires organizations to overcome these interconnected challenges. So, how can organizations lay the foundation for safety performance? There are three fundamental steps to optimizing health and safety data for EHS and ESG excellence.



01

Establish a safety culture.

A 360° view of an organization's safety risk is essential to EHS and ESG performance. This starts when organizations empower all employees, contractors and visitors to report incidents, near misses and other safety observations. This activates and sustains a robust safety culture across your organization, which creates real-time visibility of safety risk.

Creating this kind of safety culture starts with defining clear health and safety processes, communicating them to your workforce, taking action to improve safety based on insights and motivating commitment at all levels. The best processes are meaningless if nobody lives them.



Best Practice: Co-op

When Co-op, one of the world's largest consumer co-operatives, decided to establish a new incident reporting and management system, they understood employee engagement was critical. With Sphera's software and support, Co-op set up an HSM system that emphasized employee-led incident reporting with:

- Easy access to the incident-reporting tool for all colleagues and contractors.
- Mobile technology.
- Internal campaigns to enforce safety culture and compliance.

The data collected by "MySafety," Co-op's health and safety system, helped drive measurable improvements in workplace safety and well-being that included:

- A 26% reduction in high-severity accidents.
- Significant cost benefits from less sick time/sick pay/extra resources.
- A better understanding of risk profile by sites and stores for future decisions.

"With a fast-moving retail environment, we needed a system that was easy to access by all, that would provide great data, and that was future-proof as we began to roll out mobile technology. For this reason, we chose Sphera."



02

Deliver real-time insights.

Organizations should design health and safety management systems with an end goal in mind. Start by identifying insights and the level of detail needed. Audit existing systems to identify gaps. Ask: Will this data help prevent and reduce events? Will it improve safety performance?

The best place to start is enterprise-wide incident reporting, including near misses and behavioral-based observations. These insights and findings are then used to inform the next steps of an appropriate health and safety program to implement a company's safety strategy:

- Turn insights from collected data into actions and report on progress.
- Set and assign actions to resolve, learn and prevent.
- Identify trends and feed back into risk assessments.
- Schedule regular audits and safety trainings.
- Apply learnings and prevent incidents from (re-)occurring.
- Manage impact of change to improve safety and ensure regulatory compliance.

A close-up, low-angle shot of a male worker wearing a bright blue hard hat and clear safety glasses. He is looking upwards and to the left, focused on a piece of industrial machinery. The machinery features a prominent red handwheel and various metal components. The background is blurred, showing an industrial setting with white pipes and structures.

Best Practice: Thames Water

HSM resilience relies on a solid understanding of organizational risk. To build more agility into HSM processes, Thames Water, the U.K.'s largest water and sewerage company, centralized its incident reporting, audit management and risk assessments across 900 locations in London and the Thames Valley.

SpheraCloud® Health and Safety Management helped Thames Water capture and centralize real-time data from more than 2,000 employees and contractors on incidents, near-misses, hazards and audits, establishing a single source of truth on health and safety. This transformational change enabled Thames Water to improve risk visibility, accelerate decision-making and allocate resources faster—helping it better navigate the competitive utilities sector. Thames Water increased risk and hazard reporting by 500%, cutting incident rates in half in one year.

03

Close the digitalization gap.

More than 50% of incidents are recorded on paper or siloed spreadsheets, according to Sphera's Safety Report 2021. Those potential insights may never reach the intended parties, limiting their value, creating waste and leaving organizations vulnerable to the same risks over and over again.

That's why it's critical for businesses to digitalize HSM activities with scalable, configurable software solutions like Sphera. Digital tools can eliminate data silos and streamline EHS and ESG functions on one platform.



Best Practice: UPM

UPM, a global manufacturer of sustainable materials and products, sought a digital safety solution to streamline environment, health and safety activities across the 12 countries in which it operates. The solution needed to meet the requirements of a complex web of international, national and local safety laws, regulations and rules. On top of that, UPM wanted a configurable platform that supported its own safety standards and objective of zero fatal and serious accidents.

UPM chose SpheraCloud® Health and Safety Management software to harmonize global safety processes and build a safety culture that supported the company's goals. With SpheraCloud®, UPM's OneSafety system achieved:

- Reduced manual work and fed real-time insights into safety KPIs for managers and occupational health and safety (OHS) network.
- Broad acceptance due to easy access.
- Seamless integration of global safety and environmental processes.
- Decision-making and reporting driven by data.

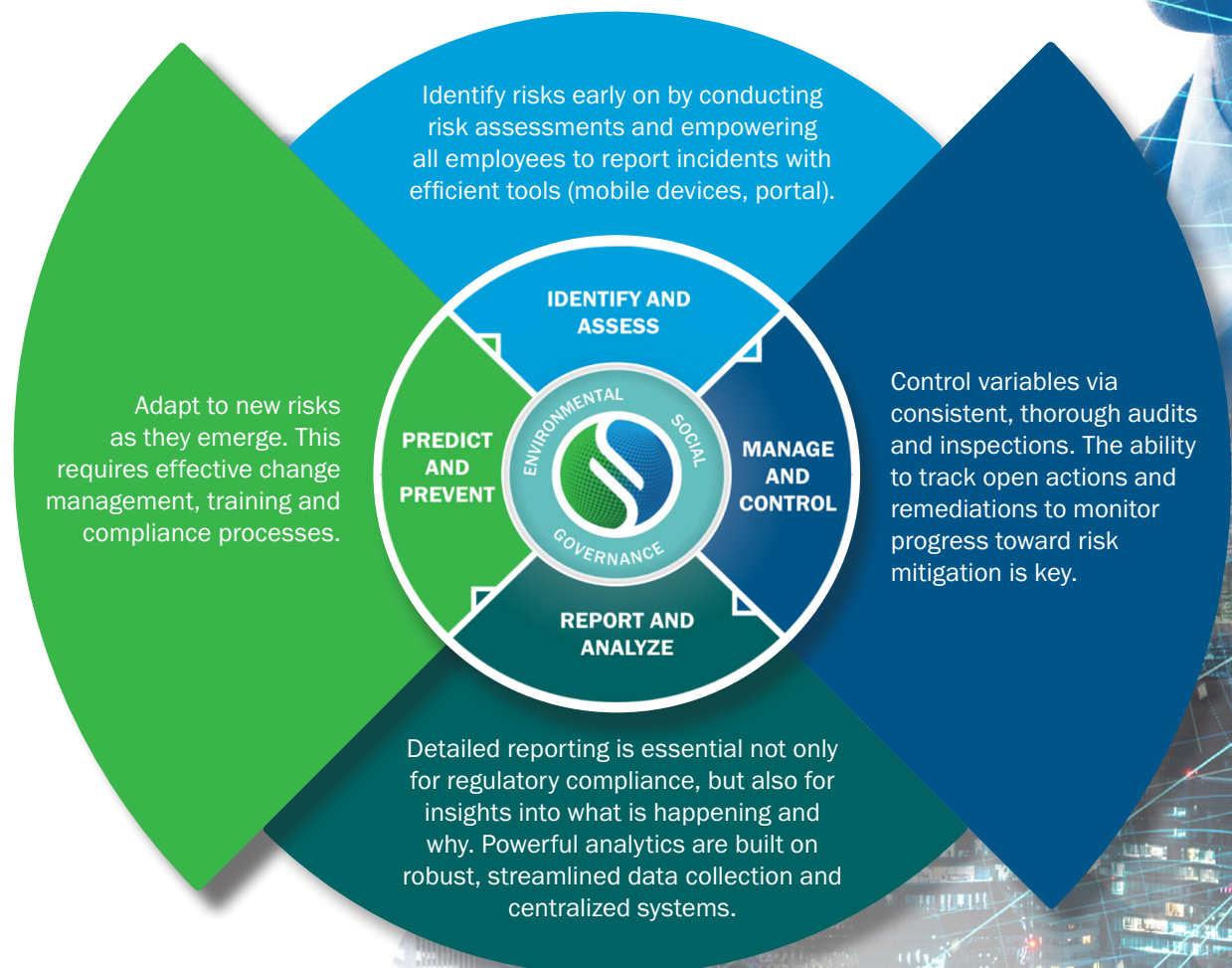


"OneSafety is a very open system that has helped to harmonize global safety and environmental processes, supports the continuous integration of new and enhanced tools and allows us to include the whole company in safety activities, essentially contributing to building the UPM safety culture."

A Smarter Approach

Leverage Technology to Catalyze Health and Safety Transformation

Accelerate health and safety performance with Sphera. Our enterprise-wide, fully integrated SpheraCloud software reduces the likelihood of events and operational losses and provides a variety of purpose-built software tools to manage and improve your health and safety performance.



Conclusion

Invest in Health and Safety for a Better Tomorrow

ESG metrics can do more than mitigate risk and satisfy stakeholders. Forward-thinking business leaders are increasingly using the momentum behind ESG to gain a competitive advantage. They are developing this advantage by streamlining EHS data collection to lay the groundwork for performance improvement. But this transformation relies on people, processes and technology. It starts with establishing a strong safety culture; grows with the right data and insights; and scales real change with software technology. A multidimensional approach to EHS excellence is the cornerstone for ESG readiness.



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ABOUT SPHERA

Sphera is the leading global provider of Integrated Risk Management software and information services with a focus on Environment Health, Safety & Sustainability (EHS&S), Operational Risk Management and Product Stewardship. Sphera has advanced Operational Excellence for more than 30 years, serving companies and customers across the globe to create a safer, more sustainable and productive world.