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## **Executive Summary**

- The Metrics Matter Foundation has been founded to accelerate the transition to a sustainable society.
- Global supply chains are responsible for all, if not all, current and future harm to climate and the environment.
- If left unchecked, ecosystems and climate will collapse, thereby negatively affecting the livelihoods of all generations after us.
- The foundation believes that climate change can only be mitigated if accurate ESG metrics underpin sustainability policy.
- The inaccessibility of this data is one of the major hurdles to formulate effective policy.

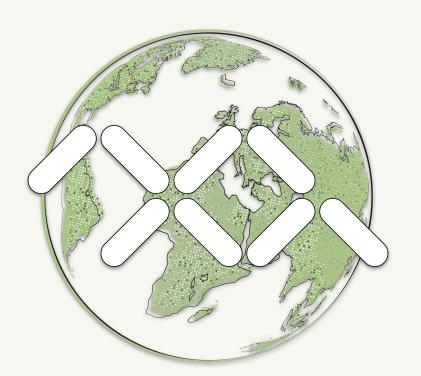
- The projects of the Metrics Matter Foundation support organisations to find, acquire, use and share the information needed to transition to a sustainable society:
  - Veriam.org provides the security infrastructure to exchange ESG (scope 3) information on a global scale;
  - The Ecosystem and Metrics Navigators help organisations worldwide to find the resources and metrics they need.
- The Metrics Matter Foundation works closely with legislators and other non-profits to accomplish its goals, and has a governance structure that included other non-profit organizations.





# Introduction

Metrics Matter for the transition to a sustainable society.



#### Introduction

Metrics Matter for the transition to a sustainable society.

Urgent action is needed to combat climate change and its impacts. The increasing global temperatures, rising sea levels, and unpredictable weather patterns seen today are clear indicators of the ongoing climate crisis. If left unchecked, these changes could lead to devastating consequences for both human and natural systems.

Metrics enable us to measure environmental impact and identify improvement areas. They help set measurable goals for emission reduction and track progress. By monitoring energy use, waste, water consumption, and carbon footprints, we can adjust strategies towards sustainability goals and make informed decisions to combat climate change.



#### Raw Raw Raw Raw Material Material Material Material Supplier Supplier Manufacturer Distributor Distributor Retailer Retailer Retailer Retailer

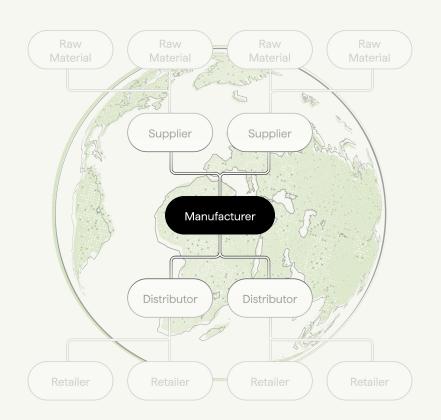
#### Introduction

Measuring impact of supply chains is imperative for successful transformation.

Supply chains play a significant role in climate change. They involve the production, transportation, and disposal of goods, all of which can contribute to greenhouse gas emissions. Industrial manufacturing, agriculture, and transportation — key components of many supply chains — are some of the biggest contributors to global emissions.

The impact of any product or service can only be properly accessed by understanding the supply chains and resources involved. The measurement of impacts in the supply chain, is therefor of pivotal importance to mitigate climate change and the transition to a sustainable society.





#### Introduction

# Ineffectively and inaccurately assessing supply chain metrics hinders progress.

Global supply chains suffer from a lack of transparency, complicating impact assessment. Even when Life Cycle Assessment (LCA) data is accessible, its utilisation can be difficult.

Generic LCA data frequently overlooks subtle improvements within specific supply chains. This lack of attention discourages organizations from investing in numerous minor innovations necessary for achieving net zero.

If these challenges aren't addressed, our efforts to reduce and mitigate climate change in a timely fashion are likely to fail.



#### Introduction

The Metrics Matter Foundation aims to accelerate the adoption of ESG metrics within supply chains.

We tackle these challenges through the following approaches:

- 1. Enhancing the accessibility and relevance of existing (scientific) data for organizations globally.
- Backing initiatives that speed up the use of actual impact data, requiring the exchange of supply chain data on an unparalleled scale.



# **Mission**



# **RESPONSIBLE CONSUMPTION AND PRODUCTION**

#### **Mission**

The Metrics Matter Foundation believes that sustainable and responsible consumption and production are vital to mitigate climate change and restore natural ecosystems.

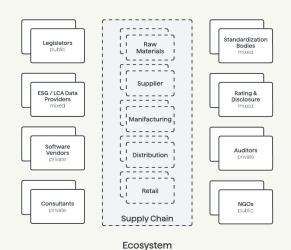
The foundation's objective aligns completely with the United Nations' Sustainable Development Goal 12: Ensure sustainable consumption and production patterns.

To realize this transformation, the foundation emphasizes the crucial role of exchanging ESG data across the supply chain.



#### **Mission**

#### Stakeholders



**Metrics Matter Foundation** 

# The Metrics Matter Foundation is uniquely positioned within the current ecosystem.

Although it shares the goal of sustainable and transparent supply chains with other stakeholders, it doesn't provide any existing ecosystem services, and has no conflicting interests.



#### **Mission**

The Metrics Matter Foundation is financed through donations, grants, and subsidies, while its minimal operational costs unrelated to projects are covered by commercial sponsors.

The foundation requests funding individually for each project, operating with a non-profit objective in all its activities. Each project has its own profit-and-loss statement, and, unless otherwise stated, donations are designated to specific projects.

The Metrics Matter Foundation allows (commercial) sponsors, including the Metrics Matter Company, to provide goods and services in kind. All contributions are accounted for in the annual report and publicly displayed on the website.



# Organization



## Organization

#### Supervisory Board



[registered non-profit]



Company

[open position] Member 2050 Foundation

**Executive Board** 



2050 Foundation & Metrics Matter



[registered non-profit]







non-profit]

Day to day operations



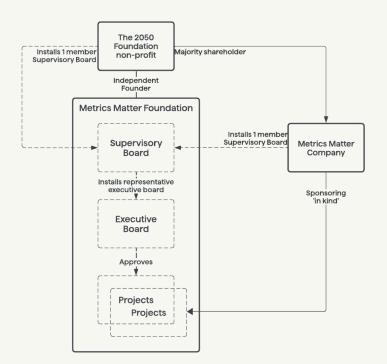


Metrics Matter Foundation is an independent, transparent non-profit organization aimed at global collaboration.

The Metrics Matter Foundation, founded by the 2050 Foundation in partnership with the Metrics Matter Company, operates independently with a specific emphasis on quantifying impact within the value chain.

The foundation collaborates extensively with other non-profit organizations, standardization bodies, and legislators across the globe. This close collaboration is mirrored in the composition of the foundation's Management and Supervisory Boards.





## Organization

The Metrics Matter Foundation operates independently from both its founder, the 2050 Foundation, and its namesake, the Metrics Matter Company.

The Metrics Matter Company is a venture capital-backed, mission-driven, for-profit technology powerhouse. Its ambitious objective is to contribute over 1 billion in philanthropic capital to its founder and principal shareholder, the 2050 Foundation (currently entitled to 84% of the profits).

The Metrics Matter Foundation was established to separate non-profit activities from the Metrics Matter Company.

Despite having shared goals, the 2050 Foundation, the Metrics Matter Company, and the Metrics Matter Foundation function independently.

This independence allows the Foundation to maintain its long-term commitment to social impact and ensures continuity for its non-profit stakeholders.



# **Projects**





Inspired by Effective Altruism, the Metrics Matter Foundation's projects aim to maximize counterfactual impact and focus on multiplier effects (www.effectivealtruism.org/).

The foundation avoids competition with projects or initiatives that other non-profit organizations can execute more effectively. This strategy helps to maximize its counterfactual impact and prevents the duplication of efforts.

The foundation invests in projects that benefit the entire ecosystem and partners with other initiatives. By doing so, it aims to create multiplier effects, enhancing the success of existing initiatives and making them accessible to a broader audience.





# // veriam

#### Veriam

Veriam aims to offer standardization bodies, legislators, and software developers a future-proof, standard-neutral, and interoperable solution for authentication and authorization for the exchange of ESG data.

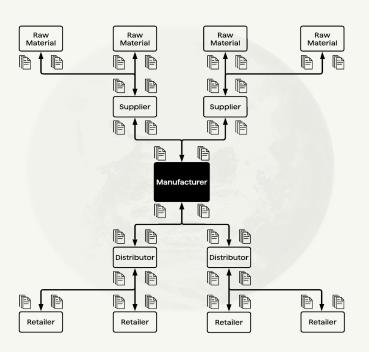
Interoperability between systems, standards, and legislation will continue to be a significant challenge for large-scale ESG data exchange in the upcoming decade and beyond.

Veriam.org ensures that this data exchange is secure, and that authorization requirements will be enforced consistently by all stakeholders.

https://veriam.org



#### **Problem statement**



Supply chains will need to exchange impact data on an unprecedented scale. This data is mission-critical, has a complex structure, is highly confidential, and often requires specific contractual agreements for disclosure to other stakeholders.

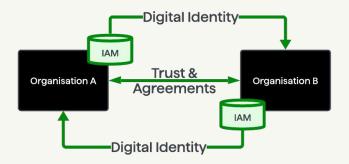
Many companies, non-profits, and legislators are addressing the intricate IT infrastructure, standards, and protocols required to enable this exchange.

These standards and software address trust and security challenges in unique ways. Consequently, each company worldwide is likely to encounter different systems for authentication and authorization, in order to securely exchange ESG data.

This approach is not scalable, incurs high total ownership costs, and, most significantly, leads to legal and security challenges that can hinder the necessary data exchange for a successful transition.



#### **Problem statement**



Establishing secure online communication between two organizations requires the creation of trust, such as through a KYC procedure or a manual process, crafting legal agreements (e.g., EULA), and registering user and system accounts. The management of these accounts involves substantial overhead.

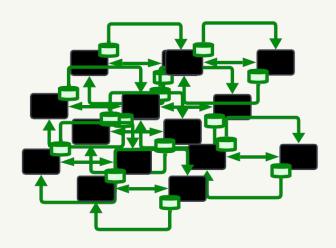
The data shared with upstream and downstream partners for adequate ESG reporting includes non-public strategic business information about strategy and production processes. Hence, maintaining the confidentiality of this information is crucial.

For the online exchange of this data, entities must create (login) accounts and set up appropriate authorizations. This process includes registration, maintenance, periodic review, credential management, and support. Due to the sensitive nature of the data, most companies will require additional agreements (e.g., NDAs) to be signed.

Managing this process manually and securely may require approximately one hour per account per year, with overhead costs estimated at 25 euros or more.



#### Problem statement



The complexity and costs of secure account management increase exponentially. If implemented globally, the total overhead is estimated at 10 billion euros annually.

In a typical supply chain, each partner is likely to be directly connected to an average of 20 other partners. This necessitates the creation of 40 accounts, on average, for secure upstream and downstream communication.

If implemented globally, approximately 10,000,000 companies will need to exchange ESG data. Each company would need on average 40 accounts to manage mutual trust relationships, translating into an overhead of 10 billion euros if done securely. This estimate does not include additional system development and maintenance costs.

Moreover, companies and software vendors may overlook secure account management, leading to data breaches and slowing down the adoption of exchanging ESG data.





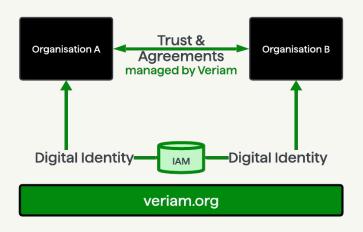
The Metrics Matter Foundation has developed Veriam, an secure reusable account for the exchange of ESG data. This platform is designed to work with existing IAM solutions and centrally manage trust relationships within the supply chain.

Veriam offers a solution that is freely available to all stakeholders interested in exchanging ESG metrics. By managing all authentication and authorization requirements, it allows non-profit organizations and other initiatives to focus on their unique contributions to the ESG data exchange.

This project is unique and has a significant counterfactual impact on the ecosystem. It also enhances the impact of other projects through its multiplier effects.

For supply chain partners, it greatly improves security and reduces the management and costs associated with exchanging ESG data. This will speed up adoption and free up much-needed resources.





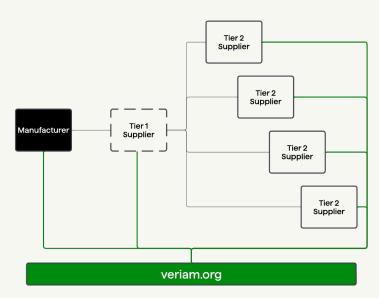
Veriam allows each user to establish a single trust relationship and account, reusable across all supply chain partners. This reduces the overhead of secure account management by 97.5%, freeing up 9.75 billion per year to decrease supply chain emissions.

Veriam serves as a central hub for managing trust relationships and accounts for the exchange of (ESG) supply chain data. This not only reduces overhead costs, but also enhances manageability and security.

Veriam spares supply chain partners and their software vendors from the costs, time, responsibility, and risks associated with developing their own identity and access management systems, thereby reducing development costs and time to market.

Employing a trusted and rigorously audited central solution provides assurance and trust to potential system users. Additionally, the use of an existing secure account can boost conversion rates and system adoption among supply chain partners.

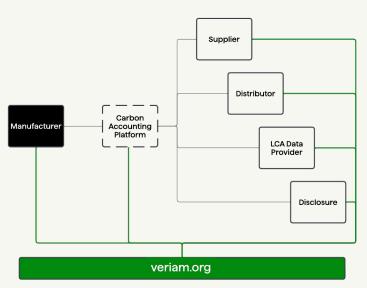




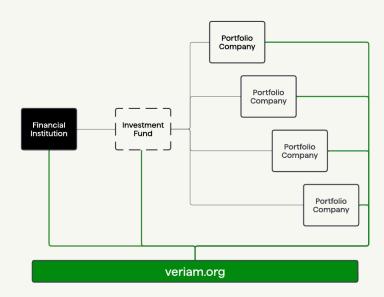
UC1. Collecting scope 3 emission data

Veriam has been designed explicitly to tackle the specific and complex use-cases that are required to manage Scope 3 emissions, and other supply chain impact data. In particular, this requires trust relationships between organisations that have no prior relationship.



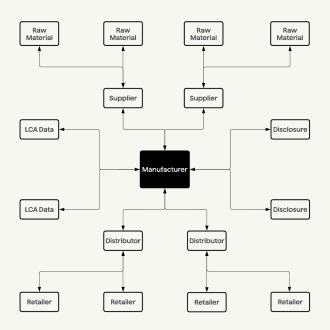


UC2. Collecting emission data from third parties through a (SaaS) Carbon Accounting Platform



UC3. Collecting emission data from portfolio companies in an investment fund.

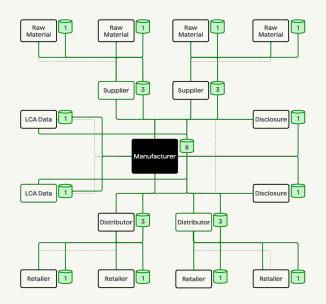




Consider an example where a single manufacturer needs to assess its total (upstream and downstream) impact with just four raw materials, two suppliers, two distributors, and four retailers.

In this example, the manufacturer retrieves Life Cycle Assessment (LCA) data from two providers and reports its impact to two different entities.



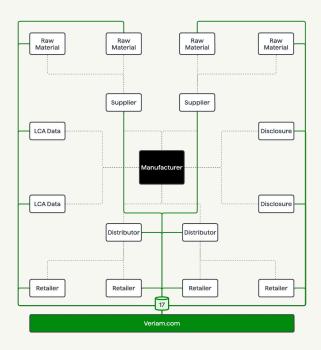


In this simple example, the overhead secure account management would cost at least 700 euro per year, not including the additional system development and maintenance costs for the access component.

Without a central identity management solution, this straightforward scenario would result in:

- A minimum of 17 Identity and Access Management (IAM) systems, storing at least 28 different user and system accounts;
- At least 8 of these IAM systems would need to store an account for the manufacturer;
- A minimum of 4 different companies would have to create an account with the manufacturer's IAM system.





With veriam, all participants require just one account, and this results in a simplification of the overall system.

The reduction accomplished in this simple example:

- The number of different IAM systems is reduced from 17 to just one;
- The number of accounts is reduced from 28 to at most 17, without any duplicates;
- The manufacturer only has one account



Stakeholders who use Veriam to exchange ESG data will be able to use this platform for free, indefinitely, thanks to an agreement between the (non-profit) Metrics Matter Foundation and the (for profit) Metrics Matter Company.

To understand the logic behind this agreement, it is important to reiterate that both the Metrics Matter Foundation as well as the Metrics Matter (for profit) company have been founded and funded by the 2050 Foundation. This is part of the 2050 Foundation's theory of change to maximize its impact on society.

Through the Metrics Matter Foundation, this agreement can be independently enforced and governed by non-profit Stakeholders.





# **Ecosystem Navigator**

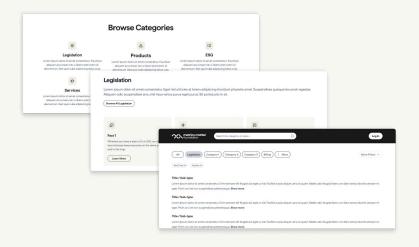
The Metrics Navigator assists organizations in locating the necessary legislation, standards, software, and other resources for transitioning towards sustainable strategy and operations.

The transition to a sustainable society demands significant changes in the operations of millions of global organizations. However, sustainability strategies and impact quantification often exceed these organizations' current expertise. The support ecosystem for this transition is still in its early stages and continuously evolving, making it difficult for many organizations to navigate effectively.

This complexity can create unnecessary hurdles for organizations aiming to incorporate sustainability measures and impact quantification into their operations.



# **Ecosystem Navigator**



The Ecosystem Navigator is a community-driven, moderated directory. It contains all the resources organizations require to efficiently incorporate sustainability into their strategies and operations. It provides organizations with a tailored view that matches their specific needs, reducing noise and facilitating effective decision-making.



# **Ecosystem Navigator**

Metrics Matter Company provides the technology and infrastructure for Ecosystem Navigator free of charge as part of its societal commitment. It is anticipated that a total of 100,000 euros in grants will cover the costs of content creation and moderation for the first three years.



# Metrics Navigator



# **Metrics Navigator**

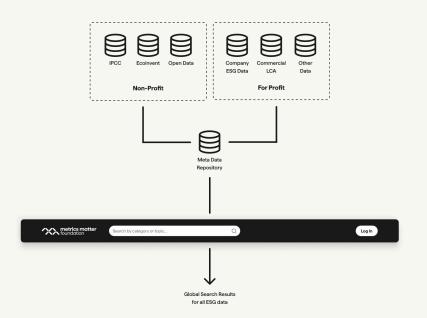
# The Metrics Navigator is an AI driven search engine for locating and comparing ESG and LCA data globally.

Hundreds of non-profits and companies provide data required for effective strategic decision making, both for supply chains and legislators. It is complex for organisations and hard to find and acquire the right data.

The free Metrics Navigator developed by the Metrics Matter Foundation should serve as startingpoint for all global decision makers that require ESG and LCA data to define effective strategies to mitigate to a sustainable society.



# **Metrics Navigator**



The Metrics Navigator searches (meta) data of all global sources for ESG data. It's driven by Al and supports multilingual fuzzy search, ensuring all data can be found.

It's first release will search structured (meta) data provided by organisations worldwide, including the data provided by IPCC (united nations) and hundreds of (non-profit) organisations globally.

Future releases may also search unstructured data, including metrics provided in research papers and policy documents.



# **Metrics Navigator**

The Metrics Navigator builts on top of the Ecosystem Navigator. The funding will be retrieved from public grants and sponsorship "in kind" from other organisations.



