

Case Study - Cavium, Inc. Receives Sustainability Makeover

"Working with FirstCarbon Solutions has exceeded every expectation we had. While we expected them to help us establish our initial environmental sustainability program, we did not anticipate how quickly FCS would achieve incremental, measurable results."

- Theresa Mathews, Cavium, Inc

PROJECT NAME	Cavium, Inc. Sustainability Management
Client	Cavium, Inc.
Location	San Jose, CA
Industry	Fabless semiconductor
Products and Services	Sustainability
Deliverables and Results	<ul style="list-style-type: none"> • High-quality Due Diligence and Entitlement Services • Navigating the local permitting process
Benefits to the Client	<ul style="list-style-type: none"> • 50+ CDP disclosure score • Identified \$50,000 in initial savings • Initiated a Sustainable Management System • Report on Benchmarks for Environmental and Corporate Social Responsibility (CSR) Impacts • Addressing relevant sustainable and industry specific standards and regulations

Challenge

Most businesses want to improve sustainability performance, and for many, reaching that goal is challenging due to the lack of resources or subject matter expertise. Cavium, Inc. is no exception. They realized that in order to effectively, efficiently, and economically meet regulations and expectations set by customers, they needed a consultant that could help them develop and implement a Sustainable Management Program (SMP). Cavium, Inc. chose FirstCarbon Solutions (FCS) to assist in understanding, responding and improving their environmental performance, increasing their CDP score and implementing an SMP that would pull all of its processes and initiatives together under one cohesive strategy.

In addition to complying with a variety of regulations, such as conflict minerals, toxic substances, and hazardous wastes, Cavium, Inc. was being requested to disclose their climate change and other sustainability initiatives. Many of the client's major customers were using point ranking systems, and asking Cavium, Inc. to participate in CDP and EICC (Electronic Industry Citizenship Coalition). Cavium, Inc. needed to demonstrate significant progress and meet its goal of providing their customers, regulators, and stakeholders with the information they want and need.

Solution

Without the internal resources, Cavium, Inc. turned to FCS to help respond to CDP. Their initial goal was to achieve a minimum disclosure score of 50, and with FCS' assistance Cavium, Inc. scored well beyond expectations with a score in the 80s. Following that, Cavium, Inc. and FCS are working on setting targets to reduce energy, carbon, water, and waste and with anticipated savings of up to \$50,000 through the implementation of a full sustainable management system.

The FCS team began by evaluating processes that Cavium, Inc. already had in place to determine how best to communicate them to the different reporting standards. Using the applicable CDP and EICC standards, we evaluated what needed to be modified in order to meet the requirements. FCS also assisted Cavium, Inc. in calculating their emissions. We obtained utility data information from their global locations and calculated the base year emissions for scope 1 and 2 sources. Using the information and processes they already had in place, their upcoming plans and processes and their emissions, we were able

to complete their CDP questionnaire and increase their disclosure score four-fold - well exceeding the client's expectations.

In addition, we mapped out the framework and mission statement for Cavium, Inc.'s overall SMP, providing them with a guide to sustainable success. Our team used the Global Reporting Initiative (GRI) environmental sustainability reporting standards and EICC to develop Cavium, Inc.'s sustainable management framework. The next step is to work on improving Cavium, Inc.'s performance scores—which are based on the actions that companies are taking to mitigate their emissions and how well they are doing. This includes working with Cavium, Inc. to establish what needs to be done to meet all of the missing requirements, as well as developing an implementation strategy for continuous improvement. We are also establishing a reporting framework so they can publish their own CSR (Corporate Social Responsibility) report.

The FCS Advantage

Whether a large publicly traded corporation or a small business enterprise, most organizations are discovering that customers, investors, regulatory agencies, and the public at large are setting expectations about the sustainability of a business. As a result, businesses now have to exert the effort required to convince their stakeholders and regulators that they have embraced sustainability in their operations, products, or services.

Our team of consultants was able to identify an estimated \$50,000 in annual cost savings; and we can manage your strategy deployment to ensure you achieve each and every efficiency objective you've set - measure by measure - across your sustainability, energy, and supply chain programs. Our planning guidance allows for easier integration into your overall business planning activities. We'll identify the projects that will deliver the highest ROI, manage execution, and guide you toward sustainable performance and profitability. Only FCS fully integrates strategy deployment expertise with software, program management, and unmatched expertise in back office data processing.

