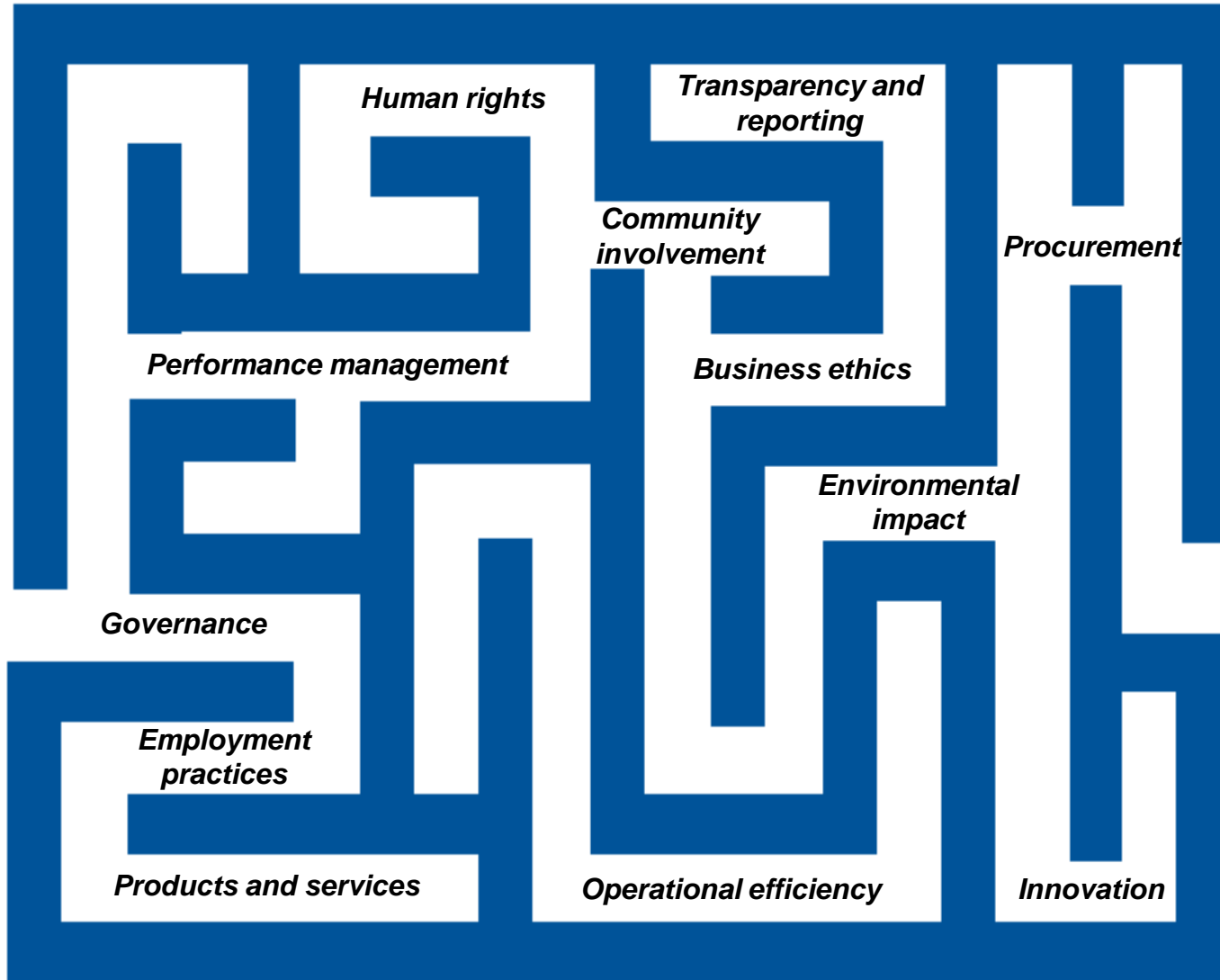


SUSTAINABILITY HEALTH CHECK

OVERVIEW



Navigating the Maze of Sustainability?



The Sustainability Health Check (SHC)

WHAT IS IT?

- A **quick and easy** online assessment tool designed to provide organisations with a rough assessment of:
 - their economic, social and environmental sustainability
 - the areas of sustainability in which they are relatively strong and/or weak

WHY USE IT?

- The SHC will not provide all the answers, but will...
 - provide a better focus for further discussion and diagnosis
 - form the basis for development of a sustainability strategy / initiatives
- Identify potential source of differentiation
- Include risk and reputation focus, and extend beyond it
- Deliver business and social value



Key Features

- Easily **completed within short time-frame** – 3+ hours by a single person or small working group
- **Comprehensive** - covers all areas of sustainability
- Completed online and **results reported back within a week**
- **Based on thought leadership**, performance indicators and recommendations from various globally-respected authorities and organisations
- Be able to be used on a regular basis to **continually check and measure** a business's sustainability progress
- **Not require detailed quantitative input**, but will be based on the respondents view of existing practices
- **Not provide all the answers**, but will **allow the business to focus** on what is most critical

Sustainability Health Check – A Brief Overview

Complete online survey

Results and Reporting

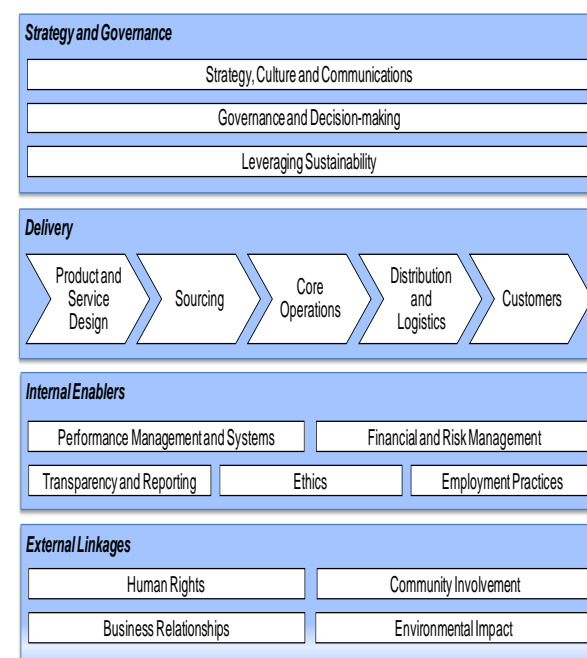
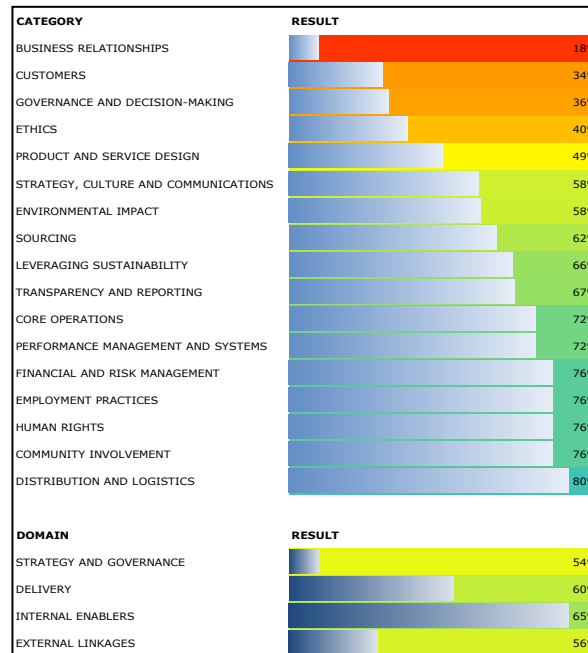
Develop sustainability strategy

Strategy, Culture and Communications

Category Definition: The extent to which strategy development, innovation, corporate culture and communications respond to the needs of current and future generations

To what extent do you agree with the following statements regarding Nikea?

	Strongly disagree	Disagree	Agree	Strongly agree
The organisation's economic, social and environmental impacts are considered as part of the strategic planning process	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Roles and responsibilities for managing economic, social and environmental impacts have been assigned in our strategic planning	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Clear responsibilities and adequate resources have been allocated to successfully manage sustainability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The organisation is aware of stakeholders' views and is able to respond to them and learn from them	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The organisation is committed to communicate regularly, both internally and externally, on sustainability matters related to our organisation's performance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The organisation has a clear vision and set of operating principles that incorporate social, economic and environmental factors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A corporate-wide sustainability analysis is regularly conducted to identify and act on key priorities, opportunities and initiatives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sustainability practices are integrated into policies, procedures, training and incentives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Wholly new and highly innovative business models are developed to meet customers' / society's needs in a sustainable fashion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The organisation connects with external stakeholders to create a network of people and organisations engaged in sustainability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The organisation has a clear vision and supporting strategy about how to become fully sustainable	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The organisation's overarching mission and associated objectives are based on addressing challenges in the global community	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



Survey consists of 204 statements across 17 categories - require simple agree / disagree responses

Scores generate a rating for each category:

High risk – **Credible** –
Efficient – **Innovative** –
Transformative

Results form the basis for further development of an integrated and value-creating sustainability strategy

Sustainability Model – 4 domains, 17 categories

Strategy and Governance

Strategy, Culture and Communications

Governance and Decision-making

Leveraging Sustainability

Delivery

Product and
Service
Design

Sourcing

Core
Operations

Distribution
and
Logistics

Customers

Internal Enablers

Performance Management and Systems

Financial and Risk Management

Transparency and Reporting

Ethics

Employment Practices

External Linkages

Human Rights

Community Involvement

Business Relationships

Environmental Impact

Domain Score Implications

A low score for this domain means the organisation could...

Strategy and Governance

Engage the Board and/or senior management in the high-level review of the overarching business strategy and business model taking sustainability factors into account

Delivery

Undertake a detailed analysis of the end-to-end value chain to identify opportunities to improve the sustainability of how products and services are designed, produced and delivered

Internal Enablers


Review policies, procedures, processes and systems to identify and address weaknesses

External Linkages

Collaborate more closely with external stakeholders to identify opportunities, raise standards and address social challenges

Suggested guidelines only. The approach should be developed on a case by case basis.

Survey Questions / Statements



Strategy, Culture and Communications

Category Definition: The extent to which strategy development, innovation, corporate culture and communications respond to the needs of current and future generations

To what extent do you agree with the following statements regarding Nikea?

	Strongly disagree	Disagree	Agree	Strongly agree
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- 12 questions / statements are posed within each category
- Statements all follow a similar format to allow for quick responses
- Statements are based on what is considered “best practice” sustainability by expert sources
- Statements cover requirements for both the compliant-efficiency and innovative-transformative level to ensure that not only is the organisation testing for basic compliance requirements and effectiveness, but also for innovative and transformative requirements

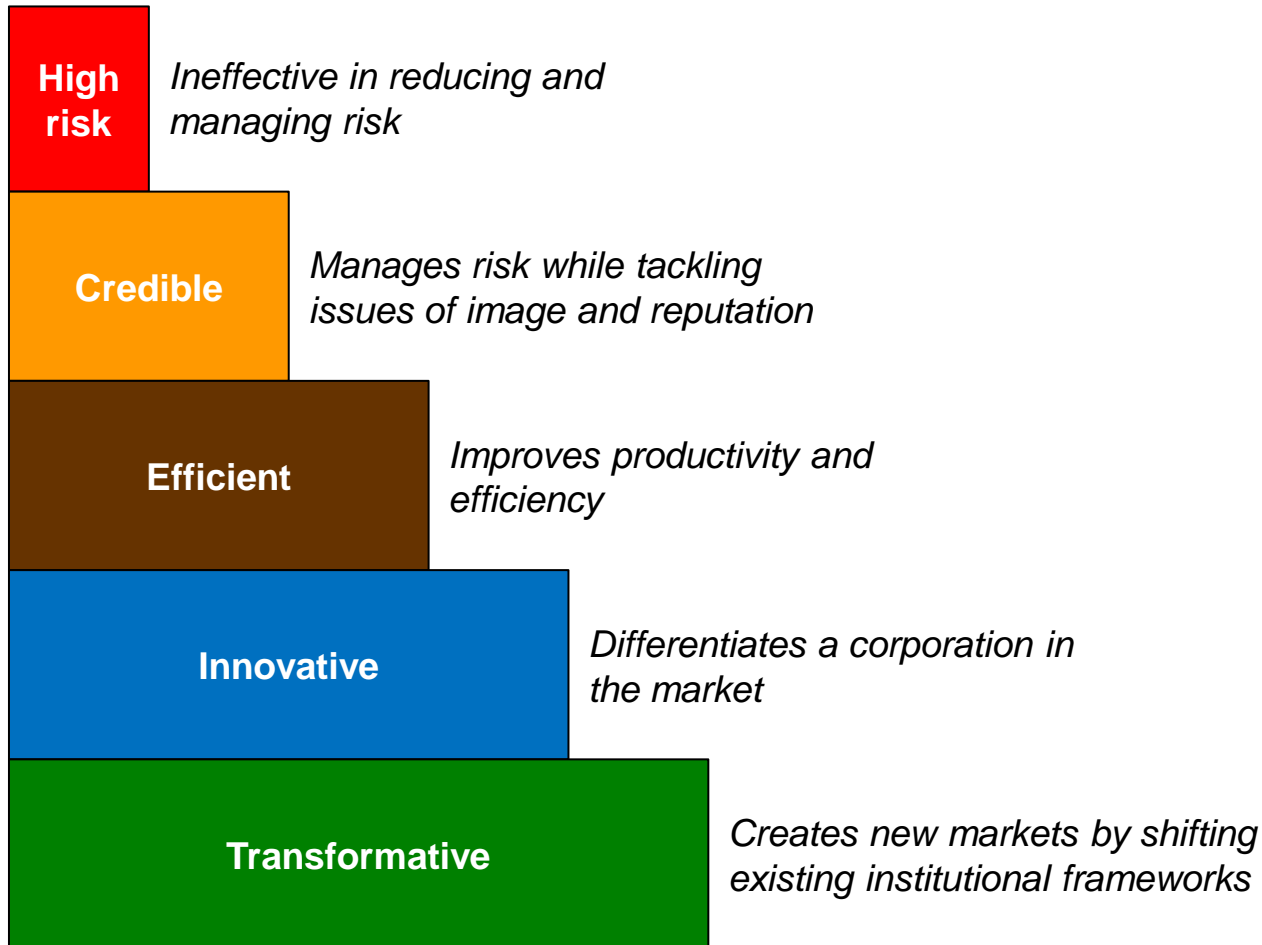
Content Sources Used

The following sources were used in the creation of the SHC questions:

- Global Reporting Initiative
- United Nations Global Compact
- International Finance Corporation (World Bank Group)
- Organisation for Economic Co-operation and Development
- SIGMA Project / Forum for the Future
- National Association of Socially Responsible Organisations
- Global Transparency Initiative
- Forum for the Future
- World Business Council for Sustainable Development
- Amnesty Business Group
- United Nations High Commissioner for Human Rights
- Business In The Community UK
- United Nations Environmental Programme
- The Natural Step
- Chartered Institute of Management Accountants

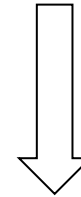
Ratings

RATINGS



FOCUS

FROM RISK









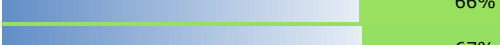

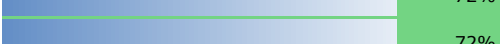
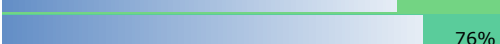
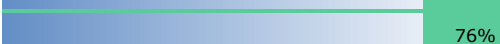
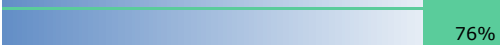
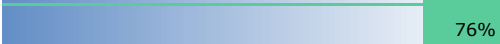








TO REPUTATION



TO REWARD

Results and Reporting

CATEGORY	RESULT	RATING	QUALITY	POTENTIAL NEXT STEPS
BUSINESS RELATIONSHIPS	 18%	HIGH RISK	HIGH	Address urgently
CUSTOMERS	 34%	CREDIBLE	HIGH	Reconsider current practices
GOVERNANCE AND DECISION-MAKING	 36%	CREDIBLE	VALID	Reconsider current practices
ETHICS	 40%	CREDIBLE	HIGH	Reconsider current practices
PRODUCT AND SERVICE DESIGN	 49%	EFFICIENT	VALID	Consider potential to build further
STRATEGY, CULTURE AND COMMUNICATIONS	 58%	EFFICIENT	VALID	Consider potential to build further
ENVIRONMENTAL IMPACT	 58%	EFFICIENT	HIGH	Consider potential to build further
SOURCING	 62%	INNOVATIVE	VALID	Leverage as competitive advantage
LEVERAGING SUSTAINABILITY	 66%	INNOVATIVE	HIGH	Leverage as competitive advantage
TRANSPARENCY AND REPORTING	 67%	INNOVATIVE	VALID	Leverage as competitive advantage
CORE OPERATIONS	 72%	INNOVATIVE	HIGH	Leverage as competitive advantage
PERFORMANCE MANAGEMENT AND SYSTEMS	 72%	INNOVATIVE	HIGH	Leverage as competitive advantage
FINANCIAL AND RISK MANAGEMENT	 76%	INNOVATIVE	HIGH	Leverage as competitive advantage
EMPLOYMENT PRACTICES	 76%	INNOVATIVE	HIGH	Leverage as competitive advantage
HUMAN RIGHTS	 76%	INNOVATIVE	HIGH	Leverage as competitive advantage
COMMUNITY INVOLVEMENT	 76%	INNOVATIVE	HIGH	Leverage as competitive advantage
DISTRIBUTION AND LOGISTICS	 80%	TRANSFORMATIVE	HIGH	Leverage as industry leader

DOMAIN	RESULT	RATING	RANK	POTENTIAL NEXT STEPS
STRATEGY AND GOVERNANCE	 54%	EFFICIENT	4	Engage the board / senior management to review business strategy and decision-making procedures
DELIVERY	 60%	EFFICIENT	2	
INTERNAL ENABLERS	 65%	INNOVATIVE	1	Partner with external stakeholders to develop opportunities, raise standards and address social
EXTERNAL LINKAGES	 56%	EFFICIENT	3	