Meet our speaker



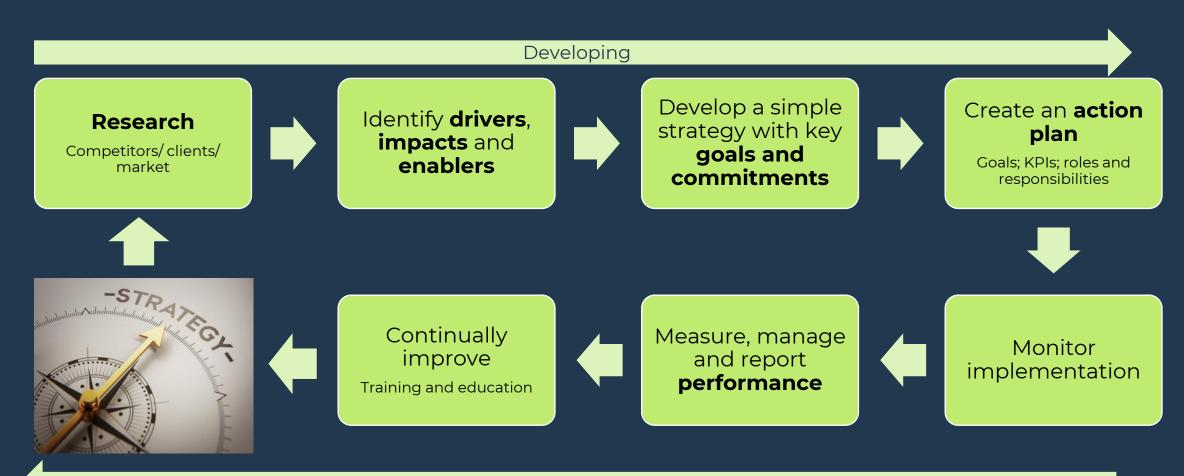
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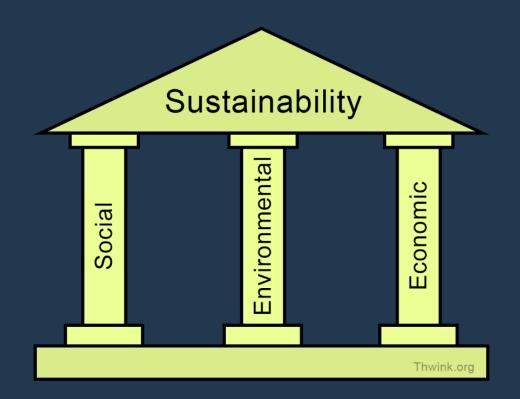
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Agenda: Strategy Cycle



Delivering

What is sustainability?





United Nations Sustainable Development Goals





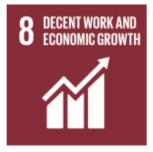
































Business Benefits of Sustainability

Improve the environment

Competitive advantage Save time

> **Improved** customer and

> > client

relationship

Work winning

Save costs

Improve employee wellbeing

Supply chain resilience

Improved relationship with local community

Compliance with regulations and legislation

Business resilience/ manage risks

Attract and retain talent and skills

Improve organisational ethics

Client Requirements

- Sustainability within tenders
- Sustainability on projects
- Evidence/data of sustainability improvements

Investor and shareholder confidence

Defining Sustainability Strategy

Outlines your organisations' plan of action to achieve your sustainability mission and objectives What are your sustainability <u>impacts</u> and how are you managing them SIMPLY: Sustainability Strategy Sustainable Social Value Carbon Strategy Procurement Strategy Framework **ADVANCED EXAMPLES:** Supply Chain Charter



Difference Between Strategy and Policy

Strategy:

- Vision and mission statements, goals, commitments and objectives/targets
- Plan of action for delivering the above
- What you need to do in your business processes
- Long-range perspective
- Deal with external factors

Policy:

- Sits within strategy
- Principles of action
- Set of rules for rational decision making
- Made for internal processes







HE Simm Group recognises that it has a responsibility to carry out the business activities we undertake in an environmentally and socially responsible manner, in accordance with the Group's Sustainability Strategy. Drivers such as the UN Sustainable Development Goals (UNSDGs), the need to deliver Social Value (PPN 06/20) and to decarbonise (UK Government's Net Zero Strategy) further the requirement to carry out activities In a sustainable way.

The purpose of this policy is to outline the key priorities for HE Simm Group, which are: carbon, waste and resource efficiency; people, all quality and wellbeing; community, Each of the key areas have their individual leaders, working groups, vision statement, commitments and objectives. It is expected that all business activities support these areas to schleve the Group's austrainability to pictures.

For HE Simm to deliver the strategy successfully and to embed sustainability within business activities, the following pillars must be in place: leadership: education: responsibility: accountability: supply chain engagement and performance management

Sustainability Vision:

Carbon: We will be a net-zero carbon organisation

- . We will work with our clients and suppliers to
- We will develop and deliver innovative solutions that contribute to our clients' ambitions to mitigate and adapt to climate change through greater energy efficiency and lower carbon emissions

Waste and Resource Efficiency: We will be a zero

- · We will work with clients and suppliers to achieve zero waste to landfill by 2024 and zero avoidable waste on all sites by 2030.
- · We will eliminate avoidable single-use plastics by
- . We will determine and measure the impact of nremanufactured value (PMV) on waste gene
- We will adopt a circular economy review of all new project designs by 2025.

members to be the best they can be

- . We will be a signatory to the Industry's People improvements against the eight commitments: equality, diversity and inclusion; skills and training; workforce culture; living wage; due diligence; labou legal requirements; labour exploitation; payments.
- We will maintain Gold membership of the Supply Chain Sustainability School

Community: We will leave a lasting positive impact for . We will work with our clients and suppliers to

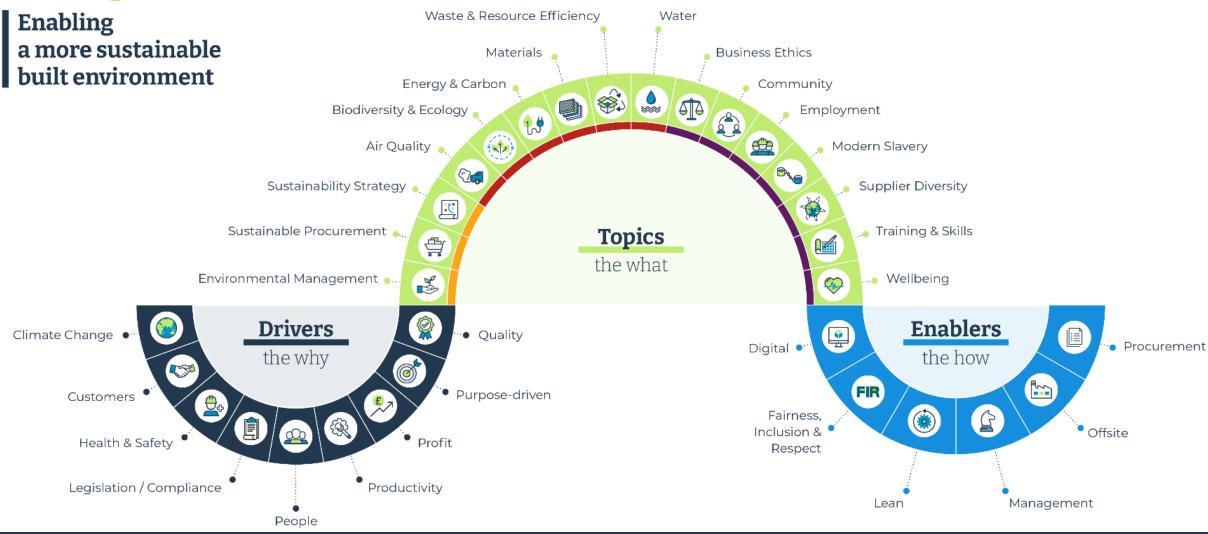
maximise, measure and report on positive social value outcomes for the communities in which we

Air Quality and Wellbeing: We aspire to be the trusted partner to improve indoor air quality and occupier wellbeing

- We will work with our clients and suppliers to utilize appropriate technologies to enhance the indoor air quality of the services that we deliver to support and enhance people's physical and mental wellbeing. delivering better outcomes for our customers, our people and the communities that we serve.

ENGINEERING EXCELLENCE





Research

Purpose: Understand what good looks like in your market

	Our own organisation			Competitor 1			Competitor 2			Competitor 3		
	Score	Findings	Source	Score	Findings	Source	Score	Findings	Source	Score	Findings	Source
Sustainability strategy Do they have a clear strategy?		Comprehensive report	www. Example coluk		Set out clearly in their annual social value reports	Example ouk		This is in development.	www.Example.co.uk		 Clear in their responsible business charter 	www. Example.co.uk
Sustainability policy Do they have a clear policy?	3	ESG commitment/policy evidenced, but it is not signed off by leadership. They have a combined Health, Safety and Environment policy that is signed off by Group Chief Executive	www.examplees ecommitment.co _uk/2021		4 Sustainability policy evidenced	www. Example of		This is in development.	www.Example.co.uk		4 CSR group policy evidenced	www. Example.co.uk
Stated sustainability targets and objectives Do they have clearly stated targets and objectives? Do they link with a sustainability strategy? Are they meaningful and SMART?	3	Materiality assessment 2019 undertaken. Aligned with UN SDGs. There are some targets and goals, but there should be more detailed information on specific targets both short-term and long-term. The focus seems to be more on case studies.			3. Align with the UN SDGs. They have high-level targets, such as net- zero by 2025, as well as plans and more specific targets on how to achieve those high-level goals. They report on some progress targets, however there is room for improvement, for example by providing specific 2019/2020			This is in development.	www.Example.co.uk		4 High level ambition strategy, statements and goals stated. Also both short term and long term goals are defined.	10000V Example co.uk
Progress report, including: measurement and tracking Do they provide progress reports on how they are performing sustainably?	2	Progress measuring is detailed, however as there are not short term or long term targets defined, the progress is not measured against a target.	www.examplees gcommitment.co uk/2021		3 Their progress report is mature with tracking against targets, however they could also report of the granular level of data details	www. Example.		This is in development. Currently no evidence of this online.	www.Example.co.uk		4 Progress against targets defined, as well as recognition by international indices and rating agencies.	www.
Who is responsible for the vision, leadership and governance for sustainability? (e.g. RACI matrices)	3	Clearly stated leadership and governance. Less defined leadership and governance for sustainability and ESG. The ESG commitment is not signed off by	www.examplees gcommitment.co uk/2021		Social Value and Responsible Business (SV&RB) framework has three levels of governance: a Working Group, chaired by the Head of SV&RB, is overseen by a			As there is not currently a specific section for sustainability, there is no detail	www.Example.co.uk		Clearly defined general leadership and governance. CSR Policy states that the Board of Directors' Ethics, Environment and Sustainable.	YONOY
Training and upskilling (internal & with supply chain) Do they provide training? Is the training on relevant issues?	2	Commitment to developing employee skills. No evidence of commitment to upskill supply chain	www.examplees gcommitment.co _uk/2021		Training for employees evidenced including topical issues such as hosting training sessions in response to the widely-publicised death of George Floyd in May	www.		2 They are a partner of the Supply Chain Sustainability School, so get their			4 Training offered for employees. Require all suppliers to register with the Supply Chain Sustainability School to commit to	https://www.e ngie.co.uk/ab out- engie/supplie rs/existing-
Identification of key sustainability issues (e.g. heatmap, risks and opportunities)												
Environmental:												

The maximum score is 48		Overall Score						
Our own organisation		Competitor 1	Competitor 2	Competitor 3				
Score	18	33	35	43				

Leadership

Competitor 1 ensure all members of the UK Executive have done sustainability leadership training and all UK Directors to have done Unconscious Bias awareness raising

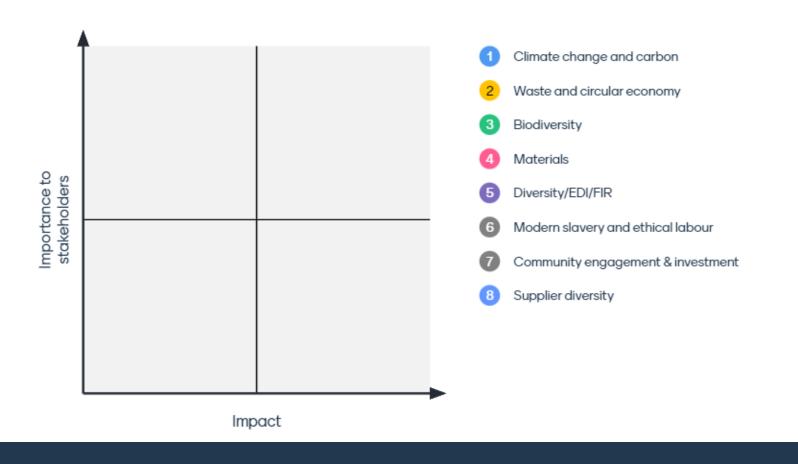
Drivers

- Climate change
 - E.g. Net Zero by 2045
- Circular Economy
- Skills agenda
- Supply chain resilience
- Efficient business operations
- Legislation/compliance
- Customers
- Health and safety
- People
- Productivity
- Profit



Prioritising your key impacts

Risk and Opportunity/Materiality



Enablers



What do we need to bring together?

- ✓ Key sustainability impacts
- ✓ Benchmarking research and understanding of market
- ✓ Key drivers for our organisation

Setting Goals, Commitments and Targets

H E Simm Group



• We will be a net-zero carbon organisation by 2030



We will be a zero avoidable waste organisation by 2030



 Through a culture of striving 'to be the best' we will enable all colleagues and supply chain members to be the best they can be



 We aspire to be the trusted partner to improve indoor air quality and occupier wellbeing



We will leave a lasting positive impact for the communities in which we operate

Develop Action Plans



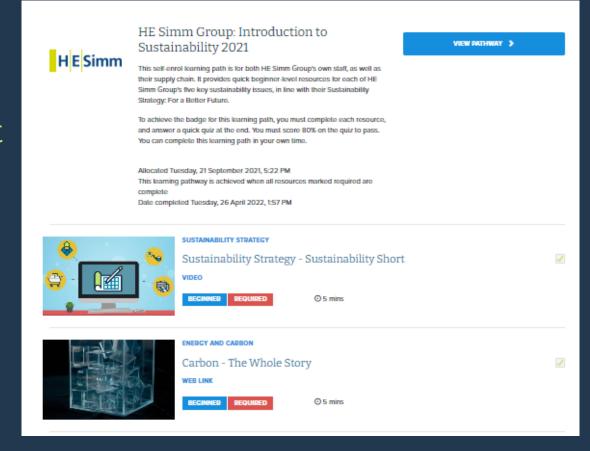
- Internal requirements
- Working with customers
- Support from supply chain
- Performance management

Training, Education and Engagement

- Ambition workshops with colleagues
- Priority workshops with clients
- Awareness workshops with supply chain

Training needs analysis:

- Who needs to know what?
- When do they need to know it by?
- How much available time do they have to complete it?
- What resources exist already?
- What resources need to be developed?



Structure the process

- ✓ Use the results to influence decisions that will improve performance
- ✓ **Implement** projects to deliver the benefits

- ✓ Report and discuss findings with stakeholders, obtaining input on how to continuously improve
- Monitor and measure performance against metrics, indicators and targets
- ✓ Analyse performance to measure value delivered and identify opportunities



- Define your sustainability strategy and identify scope and stakeholders
- ✓ Identify what to measure, manage and report
- Establish indicators, metrics, targets in accordance with policies and strategies
- ✓ Establish the **processes and tools** to help manage
 performance
- ✓ Identify roles and responsibilities
- ✓ Identify **frequency** at which performance will be measured

✓ Collect relevant and accurate data

The Language of Performance Management

Goal

Reduce the amount of waste being sent to landfill, resulting in environment al and cost benefits

Target

90% waste diverted from landfill

The specific aim you are trying to



Indicator

% waste diverted from landfill

Metrics

Total waste diverted from landfill (tonnes)

Total waste generated (tonnes)

Indicates the progress against the target



A standard of measurement that simply tracks performance, used to create the indicator



The overall aim or desired result



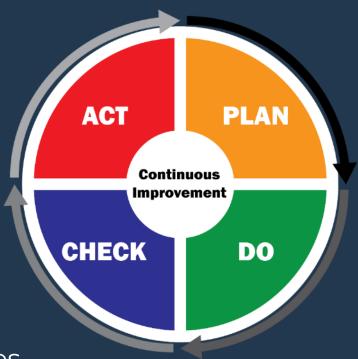
Using data to inform decisions

Outputs

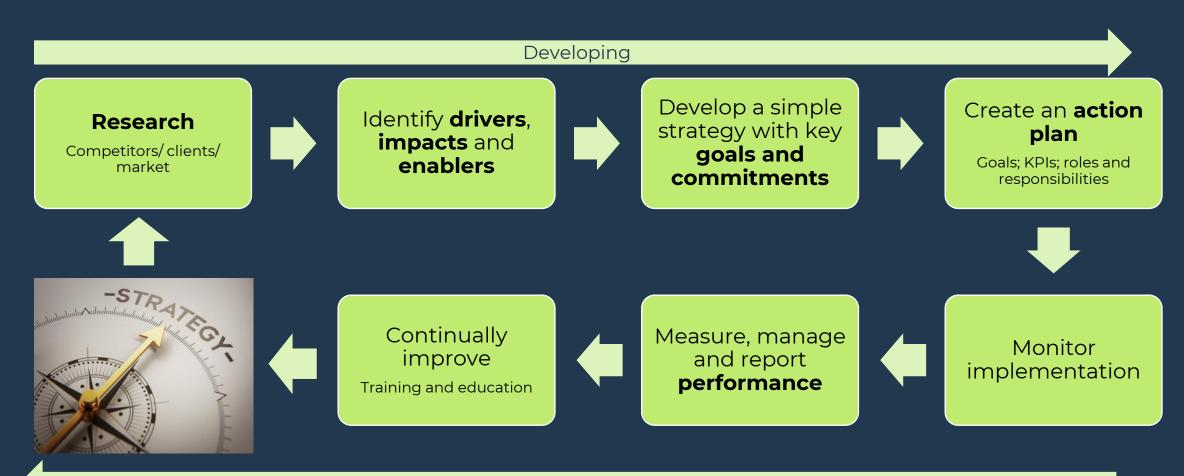
- Progress reports
- Governance group meetings
- Annual sustainability report

Delivery mechanisms:

- Determine performance against targets
- Gather data on impacts and reduction activities
- Identify hotspots and best practice
- Use the information to inform and update strategies and performance



Agenda: Strategy Cycle



Delivering

Key Takeaways

Prioritise Develop Action Plans Measure Baseline Train and educate

Questions?

Feedback form please!

Thank you



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https://www.supplychainschool.co.uk/topics/sustainability/sustainability-strategy/