

# 204 CheckS – Check Sustainability as a new tool for identifying materiality following the SDGs

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## CheckS helps to classify sustainability topics

One of the central requirements of sustainability reporting and of nearly all standards like GRI, DNK – the German Sustainability Code or ISO 26000 is the definition of a materiality analysis. With the CheckS B.A.U.M. has developed a tool, which makes it easier to identify materiality following the framework of the 17 Sustainable Development Goals (SDGs). The material topics form an ideal basis for developing a solid sustainability strategy.

**Keywords:** Sustainable Development Goals, materiality analysis, sustainability strategy, Boston-I portfolio, matrix of results

## SDGs: background and involvement of business

Defining materiality is difficult not only for SMEs. The question on which topics to concentrate within the core business as well as the consideration of the outside-in (relevant for the company) and the inside-out (relevant for sustainability) perspective and the stakeholders' views are inevitable steps to be taken towards a systematic materiality analysis. B.A.U.M has seen the chance to “translate” the complexity of sustainability to companies by relying on the internationally acknowledged SDGs. Therefore a catalogue of 188 “practical” questions, which makes the SDGs better understandable for companies as embedded in their day-to-day business was developed. So for example under “SDG 1 - no poverty” questions refer to salary structures of the company, fixed employment contracts, company pension scheme and opportunities for advancement etc.

The 17 Sustainable Development Goals (SDGs) were agreed upon in September 2015 by 193 countries at the United Nations General Assembly. They are addressed to everyone: politicians, civil society, business, science and each and every individual. At the political level, they provide the framework for policy action, and government delegations report annually to the UN High Level Political Forum on progress. The pivotal role of enterprises for a sustainable development, however, was underlined

from the beginning. "The private sector is an indispensable partner for achieving the Sustainable Development Goals. Businesses can contribute as part of their core business. We therefore call on companies around the world to measure the impact of their actions, set ambitious targets and communicate their progress transparently." Ban Ki-moon, former Secretary-General of the United Nations.

An interesting aspect was given by Prof. Dr. Johan Rockström, Head of the Potsdam Institute for Climate Impact Research, shown in figure 1 also called "wedding cake", in which the ecological SDGs form the basis and all other SDGs build on them (Diering, 2020). Whereas common concepts of sustainability consider all three dimensions equally important emphasized e.g. by the geometry of the sustainability triangle, Rockström's perspective is about the priority of planetary boundaries. "There are different opinions on the weighting of the dimensions. In addition, there are often conflicts of objectives, i.e. two objectives are difficult to reconcile or are even mutually exclusive. In such cases, it is necessary to weigh things or set priorities" (Kropp, 2019).

We will later describe in the evaluation of 43 CheckS enterprises from different branches and sizes whether in their results Rockström's theory is reflected.



Figure 1. Rockström et al 2015.

## CheckS workshop method and design

In a workshop with the top management the relevance of each of the 17 goals is discussed along 188 questions including the perspective of stakeholders and evaluated together by considering the experts' view from B.A.U.M. The results are recorded in an adapted Boston-I-portfolio. The workshop design is set up rather "haptic", as the 17 SDG cubes can be moved by the participants to and fro on the table and along the portfolio. At the end of the day company representatives get an excellent overview which of the goals are material and which ones are relevant for only one part (enterprise or stakeholder) or not relevant.

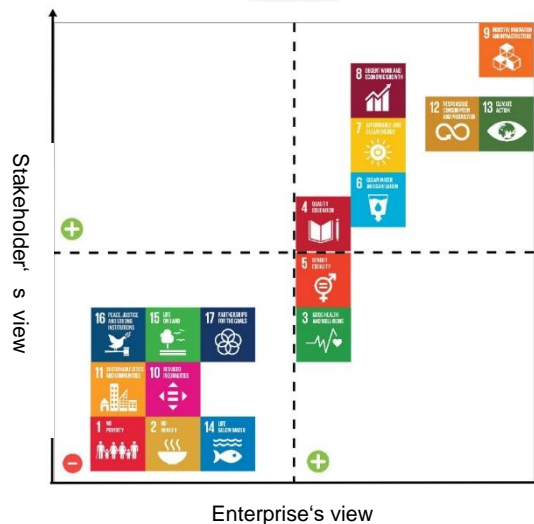


Figure 2. I-Boston portfolio with 7 material topics.

In the same process step weather symbols are used to assess the performance of the company in each of the material and relevant goals – from sunshine to tempest a four-point scale is used. As a warm-up to the workshop starts with a SWOT-analysis regarding sustainability which perfectly supports risk definition, another important requirement of sustainability standards.

The effects and results of the CheckS are manifold: companies get a reliable materiality analysis with a list of strategical directions of impact with first goal derivations as a basis of a sustainability strategy. An assignment of sustainable activities and projects as well as the assessment of the existing sustainability performance in a “matrix of results” comprising a table of implemented and planned measures are built up like it is shown in Figure 4. CheckS also is an effective awareness rising tool, a communication model as well as a good starting point for a more sustainable business model.

CheckN		Ergebnismatrix									
Ziel	1 GEMEINSCHAFT	2 KLIMA	3 GESUNDE ARBEITSGEBIETE	4 WISSEN	5 GLEICHHEIT	6 SAUBERE ENERGIE	7 SAUBERE WASSER UND MEERES ERDE	8 BEWAHRUNG DER BIOTOPDIVERSITÄT	9 ROSTIGES ERBEN		
Bewertung	☀️☁️	☀️	☀️☁️	☁️☔️	☀️	☁️	☀️☁️	☀️	☁️☔️		
bereits umgesetzte Maßnahmen	<ul style="list-style-type: none"> <li>• Aktivitäten über Mitarbeiter</li> <li>• Flexible Arbeitszeiten</li> <li>• Betriebliche Gesundheitsprojekte</li> </ul>	<ul style="list-style-type: none"> <li>• Kartenzahlung über Mitarbeiter</li> <li>• Lieferanten mit der Tafel</li> </ul>	<ul style="list-style-type: none"> <li>• Betrieblicher Gesundheitsmanagement</li> <li>• Zusammenarbeit mit der GGG</li> <li>• Arbeitschutz</li> <li>• Unfallversicherung</li> </ul>	<ul style="list-style-type: none"> <li>• Schulung von Mitarbeitern</li> <li>• Unterstützung der Kommunikation</li> <li>• Öffentlichkeitsarbeit</li> <li>• Betriebsrat</li> </ul>	<ul style="list-style-type: none"> <li>• Keine Diskriminierung</li> <li>• Mitarbeiterinnen</li> <li>• Frauenförderung</li> <li>• Home-Office</li> </ul>	<ul style="list-style-type: none"> <li>• Energieeffizienz</li> <li>• Erneuerbare Energien</li> <li>• Smart Grid</li> </ul>	<ul style="list-style-type: none"> <li>• gute Datenlage</li> <li>• Überwachung der Erdatmosphäre</li> </ul>	<ul style="list-style-type: none"> <li>• Gleichzeitigkeit</li> <li>• Überwachung der Lieferkette</li> <li>• Betriebliche Gesundheitsmanagement</li> </ul>	<ul style="list-style-type: none"> <li>• Industrie 4.0</li> <li>• Nachhaltigkeit</li> <li>• „Netzero“</li> <li>• Nachhaltige Beschaffung</li> </ul>		
geplante/ mögliche Maßnahmen	<ul style="list-style-type: none"> <li>• Vertikale Beschaffung</li> <li>• Nachhaltige Beschaffung</li> <li>• Integration der Nachhaltigkeit in internen Projekten</li> </ul>	<ul style="list-style-type: none"> <li>• Anpassung der Energieeffizienz</li> <li>• Energieeffizienz</li> </ul>	<ul style="list-style-type: none"> <li>• Einbindung der Mitarbeiter</li> <li>• Gesundheitsmanagement</li> <li>• Mitarbeiter</li> <li>• Einbindung der Mitarbeiter</li> </ul>	<ul style="list-style-type: none"> <li>• Weiterbildung</li> <li>• Mitarbeiter</li> <li>• Unterstützung der Kommunikation</li> <li>• Öffentlichkeitsarbeit</li> <li>• Einbindung der Mitarbeiter</li> <li>• Einbindung der Mitarbeiter</li> </ul>	<ul style="list-style-type: none"> <li>• alle körperlichen Fähigkeiten</li> <li>• Mitarbeiter</li> <li>• Mitarbeiter</li> <li>• Mitarbeiter</li> <li>• Mitarbeiter</li> <li>• Mitarbeiter</li> </ul>	<ul style="list-style-type: none"> <li>• auf den Energieeffizienz</li> <li>• auf den Energieeffizienz</li> <li>• auf den Energieeffizienz</li> </ul>	<ul style="list-style-type: none"> <li>• Umfassendere Datenlage</li> <li>• auf den Energieeffizienz</li> <li>• auf den Energieeffizienz</li> </ul>	<ul style="list-style-type: none"> <li>• Bearbeitung der Lieferkette</li> <li>• Nachhaltigkeit</li> <li>• Nachhaltigkeit</li> </ul>	<ul style="list-style-type: none"> <li>• Vertikale Beschaffung</li> <li>• Nachhaltigkeit</li> <li>• Nachhaltigkeit</li> <li>• Nachhaltigkeit</li> </ul>		

Figure 3. matrix of results.

## CheckS develops sustainability into strategy

While carrying out numerous CheckS workshops with different companies B.A.U.M. has developed a modified type of CheckS because especially big enterprises want to focus stronger on the strategic direction offered by the CheckS. So the process of

discussion why a goal has been rated material and what it means in the strategic context (what does this SDG mean for us and what does it not mean?) is more important than summing up implemented and planned projects shown in fig.3. To underline the strategic dimension of the CheckS, B.A.U.M. has matched the SDGs with the megatrend-map (zukunftsinstitut, 2021) in order to develop a future oriented company strategy which perfectly integrates sustainability and the “deep currents of change” represented by the megatrends.



Figure 5. matching SDGs with megatrends.

### Evaluation of CheckS: materiality and performance

Altogether 43 companies have to date carried out CheckS workshops together with B.A.U.M starting in March 2019. For each of them a report was written, a Boston I-portfolio was drawn and analysed, recommendations for follow-ups were given. Furthermore, a matrix of results assessing performance in each material or relevant goal was built up. Additionally, the participants have obtained a certificate.

The evaluation of all 43 CheckS has shown, that each of the 17 goals was covered by at least one company, the “top material SDG” being no. 4 “quality education”, followed by SDG 9 “industry, innovation and infrastructure” and followed ex aequo by SDG 13 “climate action” and SDG 3 “good health and wellbeing” as shown in table 1.

Table 1. Material SDGs by numbers.

Overview - material SDGs - distribution - all CheckS companies to date (n = 43)																	
	SDG 1	SDG 2	SDG 3	SDG 4	SDG 5	SDG 6	SDG 7	SDG 8	SDG 9	SDG 10	SDG 11	SDG 12	SDG 13	SDG 14	SDG 15	SDG 16	SDG 17
Material	24	8	30	39	16	13	26	24	32	10	15	27	30	2	10	12	17

Looking at the overall results which comprise also the relevant goals, i.e. the ones important for the company or for the stakeholders as well as the performance in each goal considering the weather symbols, the following figure 6 was drawn.

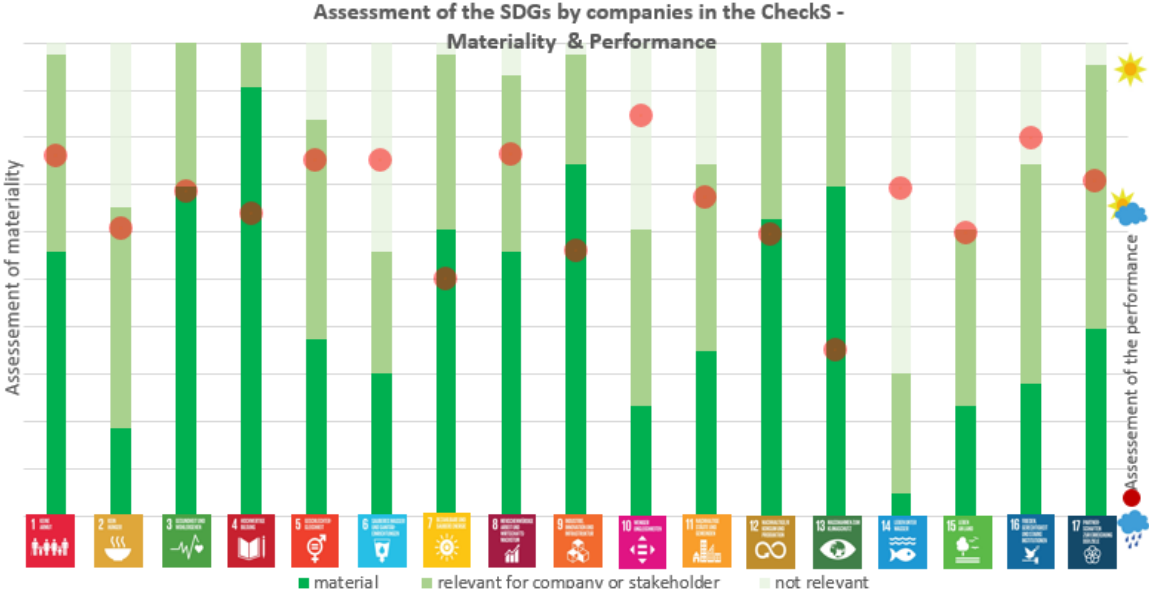


figure 6. overall evaluation of SDGs by 43 companies.

When we come back to Rockström and the necessary basis represented by biosphere and planet boundaries with reference to the SDGs no. 6, 13, 14 and 15 our evaluation in table 1 shows, that goal no. 13 “climate action” is considered by 30 out of 43 of the companies as material and goal no. 6 by 13 out of 43, 15 by 10 out of 43, whereas goal no.14 seems of little relevance to the companies. Overall higher rated by companies are the social SDGs like 3, 4 and 1.

We assume that more enterprises already promoted environmental topics while the social dimension of sustainability has been under-represented to date. As 74% percent of the CheckS companies are ECOPROFIT® companies in possession of an environmental management certificate they are “ecology leaders” who assess their performance in ecological goals rather high. The major role of SDG 9 points out that innovation is understood as a driver of sustainability by a big number of enterprises (30 out of 43).

The evaluation considers also differences between ECOPROFIT® companies and others and between producing and non- producing enterprises with more interesting results.

## Conclusions

The instrument of CheckS is well accepted by enterprises of different branches, sizes and with or without previous sustainability experience offering both an overview and introduction in sustainable practices as well as concentration and in depth dealing with this topic. Materiality analysis, assessment of the status quo, a summary of implemented and planned measures as well as a good basis for building up a sustainability strategy are the manifold applications of CheckS. The SDGs as future oriented agenda 2030 propagating the 5 Ps - **P**lanet, **P**eople, **P**erformance, **P**rosperity and **P**eace - represent a good framework not only for countries and regions but - if translated to business and it's requirements – also for companies and institutions.

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