

Sustain Group: Statement of Social Investment Performance FY 2012-13: Appendix 1A to the UNGC COP: 9/9/13

Introduction:

This is the first statement of social investment performance that the Sustain Group has issued and is for the 2012-13 financial year. In doing so we want our stakeholders to understand how serious our commitments are to the organisations we support and the social value we bring in order to help them grow and develop capability as well as capacity. In terms of calculating our social investment performance we identify the initiative and whether direct financial support and pro-bono hours have been provided. In some cases it may be a combination of both. We identify what specific expertise or support has been provided to the organisation and what baseline impact this has had in the year the support was provided. In the following 2013-14 year this will be expanded to look at both the medium and long term performance of the business in terms of social impacts via the initiatives supported.

We have also gone a step further in clearly indicating whether any sales have been derived as a result of our support or direct interaction through the initiative. For example, has our involvement in a program led to a sale for a service we may offer? The next step, once all of that data has been collected, is to subtract any income directly gained or attributable to the interaction from the value of the direct and indirect financial and pro-bono support provided. In terms of calculating the hours of work undertaken we have used the following method:

Role type = \$ value of an hour X by the number of hours provided = \$value of total hours provided X 2 (the opportunity cost: whereby time expended could have led to direct revenue gained across service lines of the business) = Total value of the invested time.

It is important to the company that we subtract the value of any work won that can be attributed to our support as we believe the true social investment would otherwise be skewed and, the business is clear about transparency and managing conflicts of interest.

Key facts:

- ≥ Number of core initiatives supported: **5**
- ≥ Number of subsidiary programs supported but not accounted for in this statement: **7**
- ≥ Number of pro-bono hours provided: **1614**
- ≥ Value of direct financial support provided: **\$41,000.00**
- ≥ Value of in-kind and pro-bono support provided: **\$1,097,260.00**

This report should be read alongside our latest Communication on Progress that has been submitted to the United Nations Global Compact on the 9th of September 2013. As Chief Executive Officer of Sustain I am very proud of the work my people undertake. We do things because we believe in them and while on some occasions that may result in a monetary return to the business the fact is we are more interested in giving what we can than in receiving. As the owner of Sustain Group my passion, and the passion of my people, is to make a change and a difference in the lives of those less fortunate than we are – if this can be done through the prism of business leadership then so be it. I submit our social investment performance to our stakeholders for scrutiny.

Matthew Tukaki
CEO and Executive Chairman

Indirect Social Investments and Pro-Bono Support: 2012-13

Core Initiative	Support	Hours Provided	Monetary Value	Impact
United Nations Global Compact (Network Australia)	Our CEO providing his time for free as the Australian Network Representative	ⁱ 1040 hours	\$800,800.00	Playing a key role in developing the Local Network / helping to build capability and support
	Administrative and Event Management Support	ⁱⁱ 104 hours	\$5,400.00	Assisting with event management and on the day support
	Website and IT Support	60 hours	\$9,360.00	Assisting with the development of the website and managing content
United Nations Global Compact (Global)	Our CEO providing his time for free as a Board Member of the UNGC and Chair of the Local Networks Advisory group	ⁱⁱⁱ 50 hours	\$38,500.00	Development, in partnership with the Local Network Advisory Group and the UNGC, a new strategy for capability and capacity building
Suicide Prevention Australia	Our CEO providing his time for free for Board meetings and the Chairmanship of two sub-committees of the Board	260 hours	\$200,200.00	The role of our CEO, alongside other Board members, has been instrumental in the redevelopment of the organisation and the implementation of its new strategy.
	Recruitment Services	50 hours	\$4,500.00	Sustain managed, free of charge, the recruitment process for three key roles within the organisation
The Australian Indigenous Chamber of Commerce	Our CEO has been engaged with the Chamber as a Board member, providing his time for free	50 hours	\$38,500.00	Playing a key role in the reform of the AICC and its program of work
Total number of pro-bono hours provided		1614		
Total social investment commitment in pro-bono dollar terms			\$1,097,260.00	

Direct Financial Support: 2012-13

Deakin University	Direct investment of \$40,000 into a research project to test and evaluate social investment principles	\$40,000.00	This has led to the development of a new evaluation framework that is now able to review and develop a narrative around an organisations social investment performance
Serang School, Indonesia	Support of the addition of a new curriculum element for the school related to sustainability	\$1,000.00	New curriculum elements have been introduced and a competition run for students to develop an understanding of how sustainability is important to local community life
Total of direct dollars invested		\$41,000.00	

Direct Sales and Revenue Gained: 2012-13

Asia Pulp and Paper	Project work signed with APP to evaluate social investment performance	\$85,0000.00	
Total dollar value of direct contracts awarded		\$85,0000.00	

Total Social Investment Performance: 2012-13

Total number of pro-bono hours provided	1614	
Total social investment commitment in pro-bono dollar terms	\$1,097,260.00	
Total of direct dollars invested	\$41,000.00	
Total dollar value of direct contracts awarded		85,000.00
Total of all direct and indirect investments made	\$1,056,260.00	
Less directly attributable work gained		\$85,000.00
Total Social Investment Performance for 2012-13 in both direct cash and pro-bono support		\$971,260.00

ⁱ Calculation is 20 Hours per week X 52 weeks in the year = 1040 X the hourly rate of Matthew Tukaki (\$385.00) + the Opportunity Cost of 1040 hours at an additional \$385 per hour = \$800,800.00

ⁱⁱ Calculation is based on \$45 per hour X 2 to take into account the opportunity cost of the provision of work

ⁱⁱⁱ This is based on hours undertaken between May and August of the reporting period

Notes: this assessment does not take into account the costs paid for by Sustain such as travel and accommodation, attendance at general functions or leadership groups (UNGCA). This document has not been assured and will be set as a benchmark to refer to for the 2013-14 year and include a social impact assessment for the first time.