

# MANAGING FUTURE UNCERTAINTY

The maturity map is designed to enable you to assess what you are currently doing and how you can advance to a leading position. It has been developed as a way to capture the different dimensions of Managing Future Uncertainty.

## Integrating risk resulting from macro-sustainability trends into business decision making

Do you understand the macro sustainability trends your organization is exposed to now and in the future? How are you making sure these risks and opportunities are identified, managed within your organization?

Strategy	Sustainability risks considered in business strategy and decisions to a limited extent	A range of sustainability risks considered in business strategy and decisions	Sustainability risks fully considered in business strategy and decisions
Level of understanding and timeframe	<ul style="list-style-type: none"> <li>Limited understanding of macro trends which have only been partially identified and assessed.</li> <li>Limited understanding of the likely business impact.</li> <li>Only considered short term horizons.</li> </ul>	<ul style="list-style-type: none"> <li>Moderate understanding of current trends impacting the organization and associated risk.</li> <li>Likely business impact only partially quantified.</li> <li>Considered over a short to medium time horizon.</li> </ul>	<ul style="list-style-type: none"> <li>Detailed understanding of current and emerging trends affecting the organization and the associated risks</li> <li>Periodic reviews of risks, timeframe and likely impacts undertaken.</li> <li>Considered over short, medium and long time horizons.</li> </ul>
Responsibility, level of collaboration and business support	<ul style="list-style-type: none"> <li>Limited collaboration within the organization to identify and respond to risks.</li> <li>Responsibility for risk management sits with the sustainability function.</li> <li>Limited senior management buy in.</li> </ul>	<ul style="list-style-type: none"> <li>Identification and monitoring is undertaken collaboratively between different functions across the business.</li> <li>Responsibility for risk management sits with the central risk management and internal audit functions with input from sustainability specialists.</li> <li>Some senior management buy in.</li> </ul>	<ul style="list-style-type: none"> <li>Collaboration between different business functions and external stakeholders supports identification of full suite of risks.</li> </ul>
Integration within risk management and control processes	<ul style="list-style-type: none"> <li>Risks are managed in silos with no link between sustainability and other risks.</li> <li>Limited internal control activities.</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability risks are included within the risk management internal audit plan.</li> <li>Informal controls are in place but are not always documented or consistently applied.</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability risks are fully embedded into key risk functions e.g. risk management, internal audit, compliance and legal.</li> <li>Strong internal controls framework.</li> </ul>
Integration within decision making	<ul style="list-style-type: none"> <li>Macro sustainability trends considered in business decisions on an ad hoc basis.</li> <li>Limited influence on outcome of decisions.</li> </ul>	<ul style="list-style-type: none"> <li>Macro-sustainability trends partially considered within strategy and the majority of relevant decisions.</li> <li>Some influence on business decisions on a project by project basis.</li> </ul>	<ul style="list-style-type: none"> <li>Material macro-sustainability trends fully considered within business strategy and decision-making across the organization.</li> <li>Influence business decisions where material impact expected.</li> </ul>
Board reporting	<ul style="list-style-type: none"> <li>Ad hoc reporting on single risks to selected Board members.</li> </ul>	<ul style="list-style-type: none"> <li>Ad hoc reporting to the board on a range of material risks.</li> </ul>	<ul style="list-style-type: none"> <li>Reporting on full suite of risks is integrated into regular upward and downward board communications and Board risk reviews.</li> </ul>
	Beginner	Intermediate	Leader