GRI Guidelines for assurance of sustainability reports: Fortune Global 500 list 2010 analyses

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Outline

- Aims of the Presentation
- Literature review
- Methodology
- Situation of the Global Fortune 500 (2010)
- Recommendation

Aims of the Presentation

- Discuss current situation of the assurance process;

- Present percentage of organisations issuing a sustainability report, following the GRI framework and including an external assurance;

- Assess whether organisations which follow GRI's guidelines tend to adopt an assurance process;

- Provide suggestions to enhance transparency and to contribute toward improvement of the current assurance practices for GRI sustainability reports.

Literature Review

- Voluntary and not regulated in a majority of countries;

- Different assurance providers providing different types of assurance services with different types of assurance statements;

- Some stakeholders are not able to identify those differences and question the benefits of the assurance process in the way it has been provided.

Methodology

- Analyses of the organisations listed on the Global Fortune 2010 official website;

- Sustainability reports which:

  - Contain social and environmental performance;
  - Information in English;
  - Issued by corporative, holding or global organisations' representatives.

- 16 organisations were excluded from the analyses, resulting in a sample of 484.

Sustainability Reports

- All the sample provided some type of information regarding environmental and/or social performance;
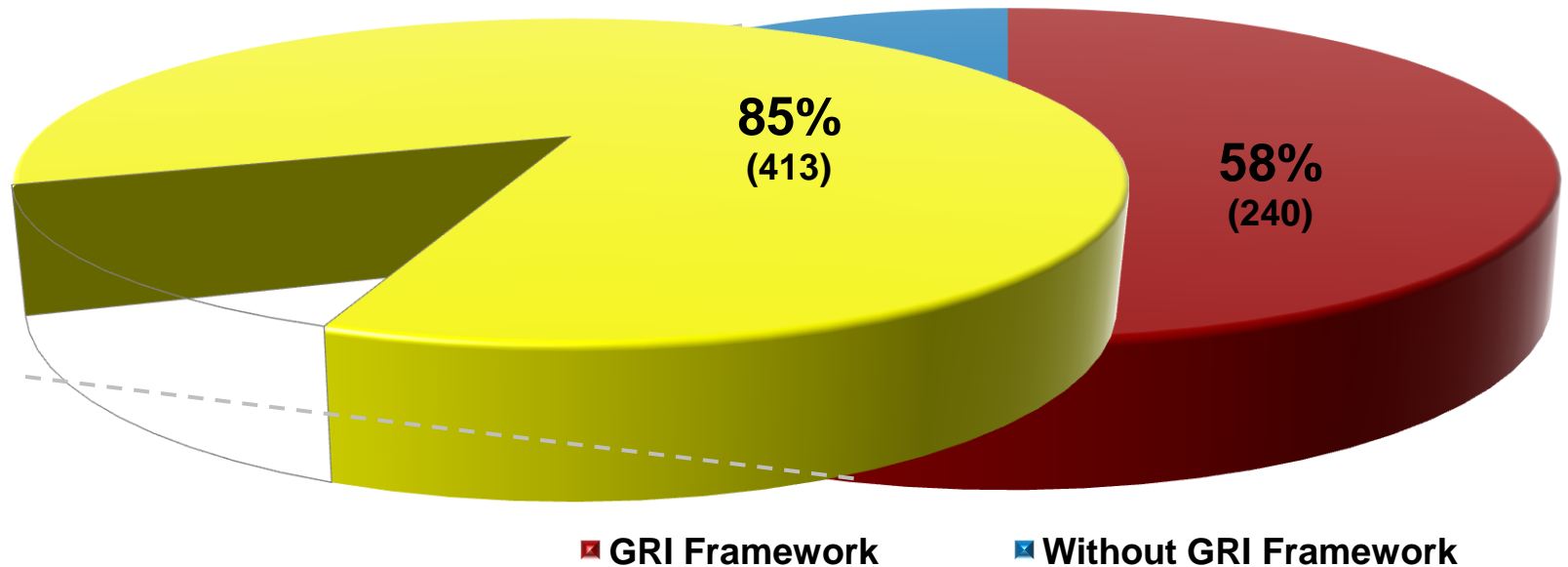

85% (413)

15% (71)
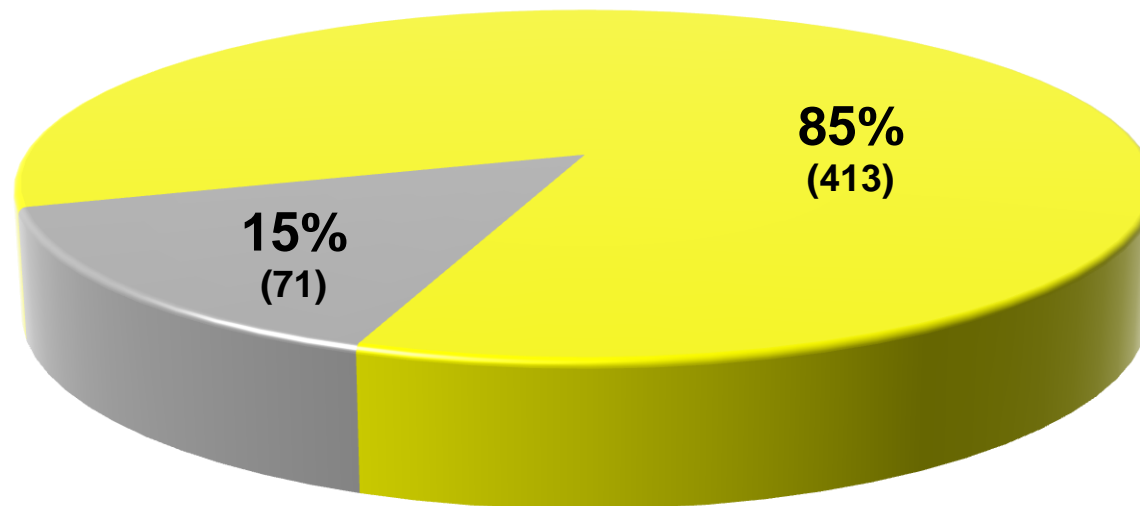
⬛ **Without formal report**   🟨 **With formal report**

GRI Framework

- 85% with formal Sustainability Report

85%
(413)

58%
(240)

⊠ **GRI Framework**   ⊠ **Without GRI Framework**

Assurance Process

Without GRI Framework

42%
(173)

91%
(158)

9%
(15)

■ With Assurance   ■ Without Assurance

GRI Framework

58%
(240)

43%
(103)

57%
(137)

■ With Assurance   ■ Without Assurance
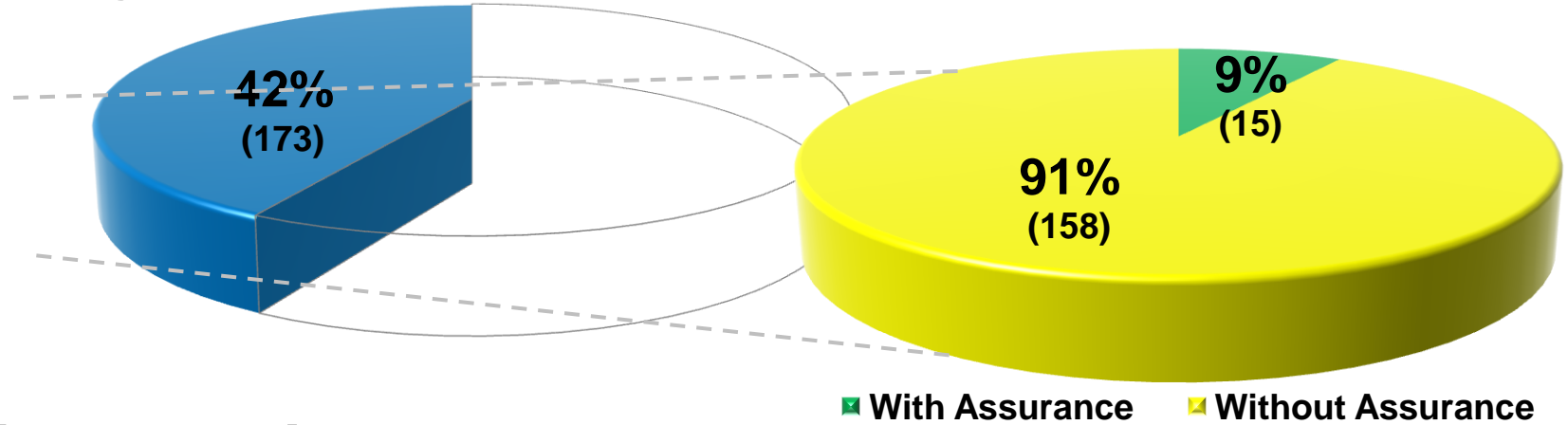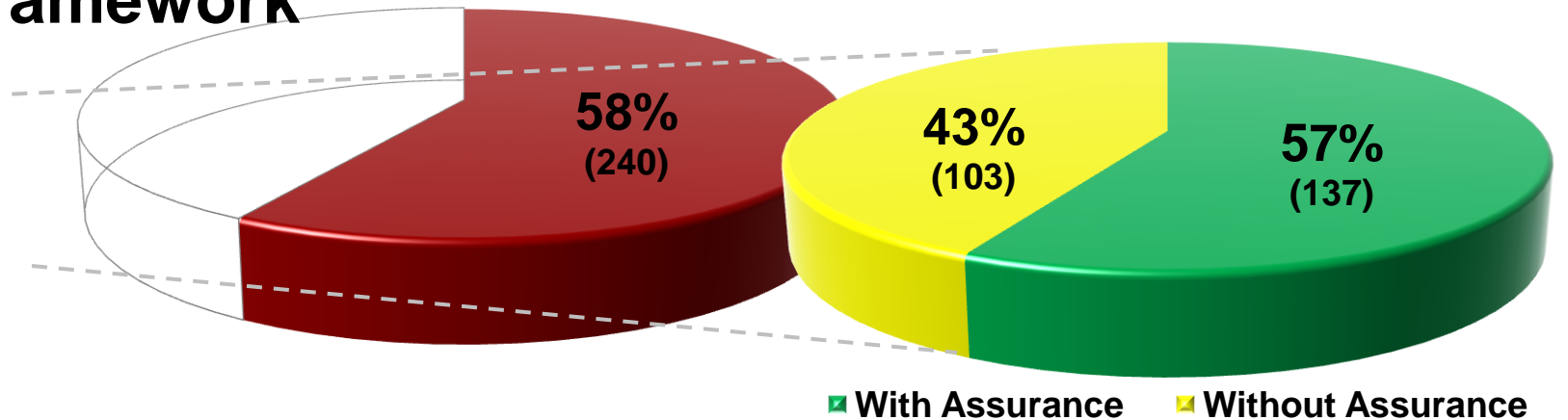
Type of Assurance Providers

	Accountants	Consultants	Mixed	Specialist
With GRI	58%	27%	5%	9%
Without GRI	40%	13%	0%	47%

Chart data labels: Accountants With GRI = 80, Without GRI = 6; Consultants With GRI = 37, Without GRI = 2; Mixed With GRI = 7; Specialist With GRI = 13, Without GRI = 7

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General Conclusions

- GRI recommends the use of external assurance;

- Organisations which follow the GRI framework tend to have their sustainability report assured;

- GRI plays an important role in the assurance process;

- GRI could suggest the use of a <u>content index to provide users with a quick overview of what has been analysed during the assurance process</u>.

Recommendation

- <u>Example of how the content index could be used</u>

GRI index table					
	GRI content	**Included**	**Page**	**Comments**	**External Assurance**
	Stakeholder Engagement				
4.14	List of stakeholder groups	Yes	19-20		✔
4.15	Identification and selection of stakeholders	Yes	19		✔
4.16	Approaches to stakeholder engagement	Yes	19-20		✔
4.17	Key topics raised through stakeholder engagement	Yes	22, 35-27		
	Environmental Performance Indicators				
EN1	Materials used by weight or volume	No			
EN2	Recycled material used	Yes	60-62		✔
EN3	Direct energy consumption	Yes	63		✔
EN4	Indirect energy consumption	Yes	63		

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