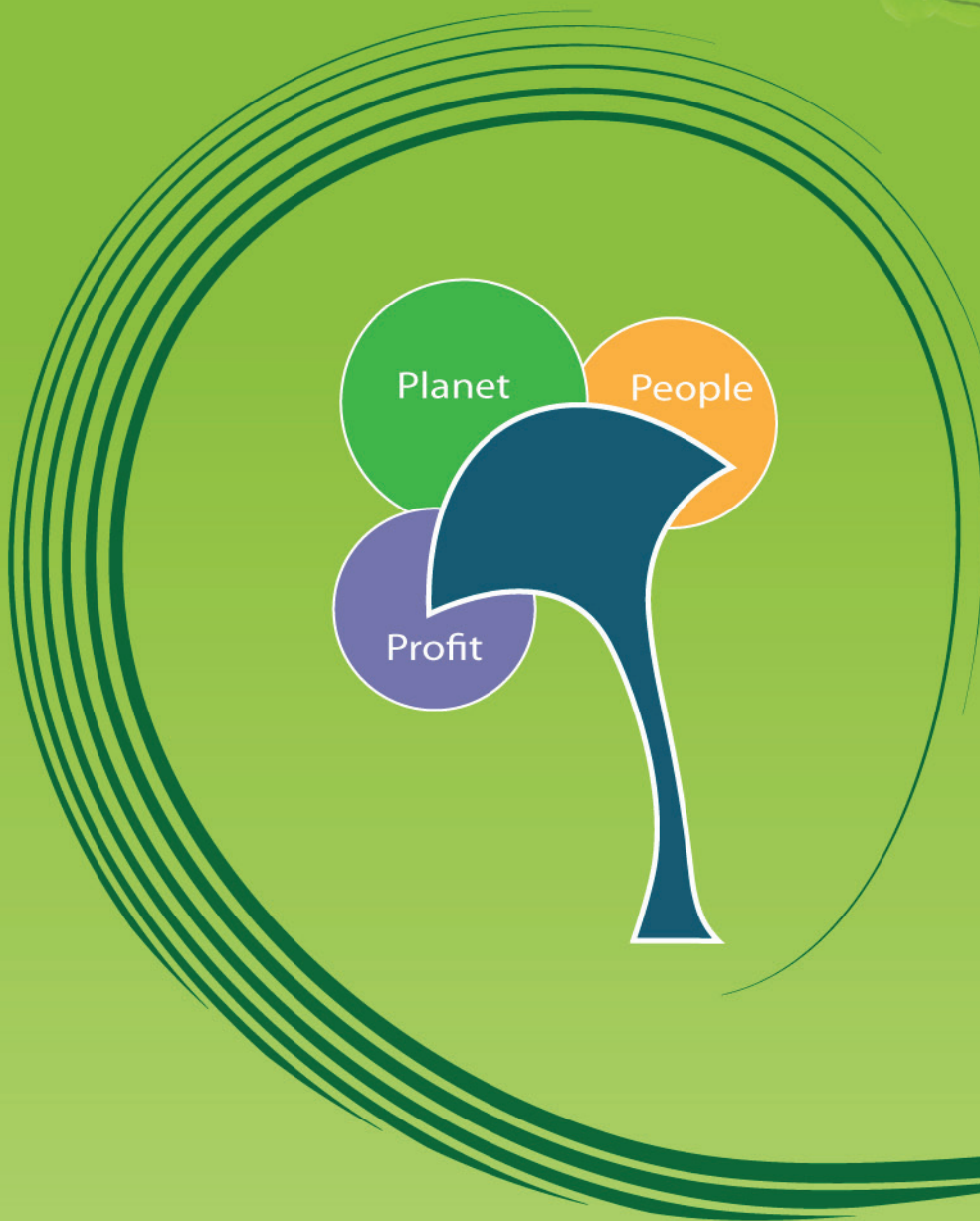


National Green Reporting System of Sri Lanka

Reporting Guidelines



Ministry of Environment - Sri Lanka



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Reporting Guidelines

June, 2011



Ministry of Environment

The Minister's Message

Today, emerging changes of the structure of the world economy coupled with its inextricable linkages to local economies demand the industry and service sectors to move beyond the traditional notion of environmental compliance.

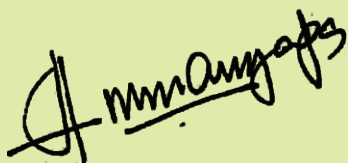
It has become necessary of doing business transforming end-of-pipe solutions to pollution prevention and reduction, and minimization of resource degradation in line with life cycle thinking to cope up with the limited carrying capacities of the ecosystems.

For the developing countries, challenges of sustainable development are many. We have to develop our economies within a shrinking global environmental and ecological space. In the context of Sri Lanka, the government has to ensure economic prosperity, ensuring that the benefits of development will filter down to all the people in the country within the framework of sustainable development.

In this context, self evaluation of sustainability performance by industry and service sectors is a significant milestone to facilitate improvements of environmental and socio-economic status of the country in a sustainable manner. This intern facilitates industries and service sectors to improve their corporate sustainability performance and stay in the global and local competitive market systems.

The National Green Reporting System established by the Ministry of Environment is a collaborative effort of many stakeholders to promote such sustainability performance and demonstrate environmental, social and economical performance of industry and service sectors. Such efforts will eventually facilitate our long-term vision of improving the quality of life of the present generation, leaving room for the future generation to meet their own needs.

I take this opportunity to express my sincere gratitude to the Ceylon Chambers of Commerce for the technical support provided in developing the reporting guidelines through the SWITCH-Asia program funded by European Union. The collaboration demonstrated by the key stakeholders to finalize the guidelines is also noted with high appreciation.



Anura Priyadarshana Yapa, M.P
Minister of Environment

Preface

Meeting the challenges of sustainable development needs innovative approaches in today's context. Nationally appropriate frameworks are necessary to promote such innovation in all socio-economic sectors of any country. Establishment of a national green reporting system is an important framework that can be used to promote reporting of sustainability performance in industry and services sectors. It enhances the capacity of these sectors to exert positive changes on the state of country's economic, environmental and social conditions.

I am happy to announce that the Ministry of Environment took steps to establish a National Green Reporting System for Sri Lanka in collaboration with the key stakeholders.

This document presents the guidelines for the green reporting system. These guidelines were prepared with the technical assistance of the Ceylon Chamber of Commerce through the SWITCH-Asia Programme funded by European Union and finalized in collaboration with the key stakeholders.

The institutional setup for the National Green Reporting System of Sri Lanka comprises of a Governing Council and a National Green Reporting Steering Committee. The Governing Council provides policy directions and guidance to ensure that organizations' activities are aligned with Sustainable Development. The Governing Council includes government entities responsible to setting policy guidelines for the Sri Lankan manufacturing and services sectors. A cross section of all stakeholders including departments and authorities, civil society organizations, standard setting organization and private and government sector industries shall be the members of the National Green Reporting Steering Committee. The Governing Council and the Steering Committee of the Green Reporting System will monitor the performance of the system and make arrangements to improve the efficiency of the performance of the system continuously.

I take this opportunity to extend our sincere gratitude to the Ceylon Chamber of Commerce for providing technical assistance to develop the guidelines through the SWITCH-Asia Programme. Our special thanks are due to all the key stakeholders for their assistance to finalize the guidelines.

Dr. R.H.S.Samaratunga
Secretary
Ministry of Environment

Forward

This publication provides information related to the National Green Reporting System of Sri Lanka and its reporting guidelines. The objective is to recognize, appreciate and reward the manufacturing and service sectors based on their sustainability performance, which would also facilitate them to compete with the international and local markets efficiently and effectively. The goal is to enhance the capacity of the country to address the challenges of economic development within the framework of sustainable development.

This Reporting System was initiated by the Ministry of Environment in line with the requirement set out under the Mission 09 (Greening the Industries) of the National Action Plan of the Haritha (Green) Lanka Programme launched in 2009. The outcome is a team effort of many stakeholders.

Initially, draft guidelines were developed with the technical assistance of the Ceylon Chamber of Commerce through SWITCH-Asia Programme funded by the European Union. The draft guidelines were then reviewed by key stakeholders including: the Ministry of Industry and Commerce, the Ministry of Finance & Planning, the Central Environmental Authority, the Board of Investment of Sri Lanka, Industrial Technology Institute, the National Engineering and Research Development Centre, Sri Lanka Standards Institution, the Employers' Federation of Ceylon, Department of Labour, and the National Cleaner Production Centre and the Ceylon Chamber of Commerce.

The reporting system is dynamic. It is envisaged that the Governing Council and the National Steering Committee of the Reporting System will monitor the progress regularly, and effectively guide the industry and service sectors to improve the performance of the reporting itself together with continuous improvements of the performance of production processes and provision of services in the country. Identification and addressing both policy and institutional failures will be the key to meet the objective, goals and vision of the reporting system.

It is my duty to extend my sincere gratitude to: *the Ceylon Chambers of Commerce for the technical assistance rendered for the development of this document through the SWITCH-Asia programme with the financial assistance of the European Union, all the key stakeholders mentioned above for their valuable guidance in finalizing the guidelines, Hon Minister of Environment, Deputy Minister of Environment, and to the Secretary of the Ministry of Environment for the guidance and directions provided, the other officers of the ministry for the support given, and to the Sustainable Development Division of the Ministry of Environment for the secretariat facilities provided throughout the process.*

This document is an outcome of the collaborative effort of all those mentioned above and many others who in various ways have contributed to this effort. The outcome would turn out to be an investment of considerable value in moving towards sustainable development.

L.P. Batuwitige
Additional Secretary (Environment & Policy)
Ministry of Environment

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Part I: The Reporting System

1 Introduction

Sustainable Development, as defined in the Brundtland Report, is “development which meets the needs of the present without compromising the ability of future generations to meet their own needs.” With this aim in mind, and considering the present and emerging challenges in the path of sustainable development, the government of Sri Lanka developed a national program named ‘Haritha (Green) Lanka’ to achieve the sustainable development in the country. A National Action Plan for the Haritha (Green) Lanka Programme was developed and launched in 2009 accordingly. This Action Plan is divided into 10 different missions, focusing on different areas that should be addressed together to achieve the goal of sustainable development. Haritha (Green) Lanka Programme is administered by the National Council of Sustainable Development established under the presidential secretariat. The Ministry of Environment provides secretariat facilities for the council.

One of the Missions of the Haritha (Green) Lanka Programme is “Greening the Industries”. Under this mission, strategies and actions have been developed for greening the industrial and service sectors and to minimize environmental degradation caused by them, by promoting application of sustainable and cleaner production practices.

Today, there is an increasing trend of scrutinizing environmental and social impacts of organizations more thoroughly by their stakeholders as a result of which importance of sustainability performance is growing. Transparency in dealing with these impacts is becoming an essential component in the operations of an organization, which will be impacting on areas of the business such as stakeholder relationships and investment decisions.

In this vein of promoting transparency of an organization’s sustainability performance, the Ministry of Environment, being the Convener of the National Council for Sustainable Development, has taken the initiative to establish a National Green Reporting System in Sri Lanka, which is a framework for enabling organizations to become transparent through sustainability reporting. A Sustainability Report of an organization will enable it to measure, disclose and be accountable to both internal and external stakeholders with regard to its organizational performance in achieving sustainable development. The Sustainability Report should give a balanced account of the sustainability performance of the organization. The National Green Reporting System of Sri Lanka is based on the GRI¹ G3 Guidelines and suggests use of ISO 26000 Standard for Guidance on Social Responsibility for design & implementation of internal sustainability mechanisms.

2 Vision

Ecologically sustained healthy and prosperous Sri Lanka.

3 Mission

To promote the integration of environmental aspects into the socio-economic development process encouraging self-monitoring and reporting of the performance.

¹Global Reporting Initiative - A major international initiative of reporting

4 Goals

Goal No. 1:

To raise awareness among the state and private manufacturing and service sectors and the community on the need for integrating environmental aspects into socio economic development for their long term sustenance and the importance of taking responsibility and being transparent about their economic, environmental and social performance towards achieving sustainable development.

Goal No. 2:

To build the capacity of organizations/entities in the manufacturing and service sectors of the country to quantify and report on their sustainability performance, to reflect their continual improvement in the journey towards achieving sustainable development.

Goal No. 3:

To promote continual improvement among organizations/entities beyond compliance for sustainability.

5 Objective

To facilitate the manufacturing and service sectors to periodically measure and report their sustainability performance with respect to economic, environmental and social aspects in order to continually improve their production processes and services, relationship with stakeholders and enhance their image, while contributing towards the sustainable development of the country.

6 Benefits

The main business drivers for engaging in Sustainability Reporting include:

- **Improved operational performance** – Reduction in operating costs, optimum resources utility and improvement in operational efficiency.
- **Improved stakeholder relationships** – Building of trust and improved communication through continuous engagement with various interest groups.
- **Improved risk management** – Better understanding and dealing with non-financial risks appropriately saves organizations' time, money and avoids loss of reputation. IT also leads to a reduction of liabilities through integrated risk management.
- **Improved investor relationships** – As a result of growing demand for ethical investment funds, a sustainability report helps an organization to reach this aim through its practices of transparency and accountability.
- **Identification of new markets and/or business opportunities** – Development of innovative products and services for access to new markets.
- **Improved public value of organization** – Enhancement and maintenance of reputation and brand value.

7 Institutional setup

7.1 The Governing Council

A Governing Council for the National Green Reporting System shall be established to provide policy directions and guidance in order to ensure that organizational activities align with the commitment to Sustainable Development.

Membership of the Governing Council shall include government entities responsible for setting policy guidelines for the manufacturing and service sectors, and is expected to include, but be not limited to, the Ministries in charge of the following:

- Co-operatives and Internal Trade
- Economic Development
- Environment
- Export Development
- Ministry of Finance and Planning
- Industry & Commerce
- Labor Relations and Productivity Improvement
- Power & Energy
- Technology and Research
- Water Supply & Drainage

It is proposed that the Governing Council be chaired by the Secretary to the Ministry in charge of the subject of Environment with a co-chair selected by the Council from among the members, on a rotation basis, for a period of one year.

7.1.1 Objectives of the Governing Council

- 1. Network Facilitation -**
stimulate collaboration and promote cross- sectoral dialogue and alliance processes, formal and informal between government, private sector and civil society to agree to a shared vision on corporate sustainability management through National Green Reporting.
- 2. Mobilization of Change Agents -**
provide leadership for the change and introduce processes that strengthen capacity to implement the shared vision.
- 3. Strategy Development with a shared vision –**
Promote sustainable development strategy of Sri Lanka though facilitating, monitoring, managing and coordinating the National Green Reporting System and its implementation. This will include identification, assessment and prioritization of challenges and opportunities.
- 4. Awareness –**
Develop and increase internal and external stakeholder awareness of environmental, social and economic aspects as they relate to Corporate Governance.

7.1.2 Role and Responsibilities of the Governing Council

Specifically, the Governing Council shall be responsible for the following:

1. To play a critical role in setting the scene for the broad changes in directions and approaches to be taken to ensure sustainable green reporting.
2. To facilitate creating a partnership between the Government, the private sector and the community to contribute Sustainable Development.
3. To facilitate the setting up of the strategic and policy framework for Sustainability Reporting.
4. To facilitate and suggest to the government any changes in its institutional arrangements in order to ensure that the sustainability principles and objectives are taken into consideration in relevant policy making processes.
5. Creating and strengthening alliances with various national and international governmental and non-governmental organizations working on sustainability e.g. UNEP, the UN Commission for Sustainable Development, Convention on Biological Diversity and other Conventions, and other key partner organizations.
6. Monitor and evaluate the effectiveness of the National Green Reporting System and facilitate manufacturing and service sectors to ensure corporate sustainability management enhancing economic environment and social performance in an integrated manner.
7. Ensure Good Governance at all levels in the entire reporting system.

7.2 National Green Reporting Steering Committee

The National Green Reporting System will be operated by an Operational Entity, called the “National Green Reporting Steering Committee”.

The National Green Reporting Steering Committee shall be responsible for steering the National Green Reporting System of Sri Lanka and ensure that it meets the vision, mission, goals and objective of the reporting system under the direction of the Governing Council.

7.2.1 Composition of the National Green Reporting Steering Committee

A cross section of all stakeholders including departments and authorities, civil society organizations, standard setting organizations, and private and government sector industries shall be members of the National Green Reporting Steering Committee and chaired by the Additional Secretary (Environment and Policy), Ministry of Environment with a co-chair selected by the committee among the members, on a rotation basis, for a period of one year. The Composition of the Committee should include, but not be limited to the following:

- Board of Investment of Sri Lanka
- Central Environmental Authority
- Ceylon Chamber of Commerce
- Department of National Planning
- Department of Labor
- Employers' Federation
- Export Development Board
- Federation of Chambers Commerce of Industry of Sri Lanka
- Geological survey & mines bureau
- Industrial Development Board
- Industrial Technology Institute
- National Building Research Organization
- National Chamber of Commerce
- National Cleaner Production Center
- National Engineering Research and Development Centre
- Sri Lanka Standards Institution
- Sri Lanka Tourism Development Authority
- Sustainable Energy Authority

Each member of the National Green Reporting Steering Committee shall undertake best efforts to allocate adequate time and energy to the functioning of the body effectively and implementation of its decisions, including participation in meetings, input on items of discussion, identification of relevant information for distribution and participation on working groups or sub-committees as needed.

7.2.2 Functions of the National Green Reporting Steering Committee

The Functions of the National Green Reporting Committee include the following:

1. Steer the National Green Reporting System of Sri Lanka by engaging the manufacturing and service sectors organizations with the system and facilitating the process of periodical reporting by the organizations.
2. Establish thematic groups, working groups and specialist groups to study and report on matters of interest to the industry and the government with regard to relevant and emerging sustainability issues.
3. Build capacity among the state and private sector organizations on Greening the Industry (manufacturing and service sectors) and Sustainability Reporting by exchanging national and regional experiences and expertise.
4. Popularise the concepts of Sustainable Development and Sustainability Reporting among the industry, and drive the initiative of enabling organizations to become transparent and take responsibility for their impacts on society and the environment through joining the National Green Reporting System.
5. Disseminate information related to environmental, sustainable development and sustainability reporting through various forums, publications and develop user friendly communication models (including electronic data bases) to ensure wide-spread access to information on its performance.

6. Evaluate the Sustainability Reports of the organizations involved in the National Green Reporting System. The Committee should establish a division for evaluating and grading the Sustainability Reports of the organizations engaged with the National Green Reporting System, with members who have the capacity to objectively evaluate the Reports.
7. Be the driving force by interacting with respective government ministries, departments, private sector, NGO's, academicians and subject specialists and capture the issues related to performance of the green reporting system together with its ability to meet the vision, mission, goals and objectives of the reporting system and facilitate decision making that are mutually supportive.
8. Create and nurture regional and national networks and dialogue among various entities striving for sustainability in Sri Lanka.
9. Promote Intra-government linkages between various ministries, national committees and departments.
10. Ensure Good Governance at all levels in the entire reporting system.

7.3 National Green Reporting Unit

A National Green Reporting Unit is established within the Sustainable Development Division of the Ministry of Environment as the secretariat for the National Green Reporting System. This unit will be the point of contact for sustainability reporting matters and as the coordinator of responses for any inquiries from on issues related to sustainability reporting.

“Sustainability reporting is the practice of measuring, disclosing, and being accountable to internal and external stakeholders for organizational performance towards the goal of sustainable development” (GRI, Guidelines).

There are several methods of reporting on the contributions made by the companies in the area of their social and environmental obligations. A major international initiative in this regard is the Global Reporting Initiative (GRI). Sustainability is a business approach that creates long term shareholder value by embracing opportunities and managing risks derived from economic, environmental and social developments. Sustainability reporting offers companies a framework to help develop meaningful and credible reporting that meets the needs of various stakeholder groups and enhances business value.

Good Corporate Governance includes socially responsible business practices. A socially responsible approach to business would involve sensitivity to social, environmental and ethical issues by corporate entities. An organization’s sustainability report should clearly align with the overall business strategy and be directed to the target audience i.e. shareholders, government, general public etc.

The National Green Reporting System of Sri Lanka provides a framework for an organization to identify, prioritize and respond to its sustainability challenges, while assuring the following three characters of the report:

1. Materiality of Information

The reporting organizations should include in the report information about its Sustainability Performance required by its stakeholders for them to be able to make informed judgments, decisions and actions. Information is ‘material’ if its omission or misrepresentation in the report could influence the decisions and actions of the reporting organization’s stakeholders.

2. Completeness

Completeness of report requires the reporting organization to identify and understand its sustainability performance associated with activities, products, services, sites and subsidiaries, for which it has management and legal responsibility.

3. Responsiveness to stakeholder concerns

Responsiveness entails the reporting organization to demonstrate in its report what it has decided to do in response to specified stakeholder concerns and interests, and also provide adequate indicators of associated changes in sustainability performance.

8.1 Framework for the National Green Reporting System

The National Green Reporting System of Sri Lanka focuses on the following aspects:

Profit / Economic

Planet / Environment

People / Social

Organizations will be required to report on indicators that cover various facets of the above aspects, which are listed and explained in Part II of this document, in accordance with the level of reporting that the organization wishes to adhere to under the 5 Tier system explained below.

Tier 1: Industries Accept the Green Reporting System in Principle

This is the entry level to the System, where the manufacturing and service sectors are given the opportunity to gain admission to the National Green Reporting System and benefit from being a part of the network of organizations committed to attaining Sustainable Development, such as attending awareness programs, interaction with other members and exchange of ideas, access to capacity building opportunities etc.

Obligations of Tier 1:

Industries are required to sign a Declaration accepting to join the Green Reporting System in principle and could be in the Tier 1 only for a maximum period of 2 years.

Tier 2: Voluntary Reporting by Industries

At this level, the manufacturing and service entities are expected to be mature enough to understand the concepts and process of Green Reporting and interested in genuinely getting involved with Green Reporting.

Obligations of Tier 2:

Entities can choose **minimum of ten indicators at least one each from economic, environment and social indicators listed in the Green Reporting System** to qualify for listing in the system under Tier 2 and report on the selected number of indicators.

Tier 3: Mandatory Reporting by Industries based on Voluntary selection of parameters, measurable and verifiable

At this level, the Entities can select the reporting indicators that they are comfortable with and are able to measure and verify by an external agency.

Obligations of Tier 3:

Entities can choose **minimum of ten indicators at least one each from economic, environment and social indicators listed in the Green Reporting System** to qualify for listing in the system under Tier 3 and report on the selected number of indicators but need to be measured, verified and assured by an external agency.

Tier 4:

Mandatory Reporting by Industries - Reporting in accordance with a selected set of mandatory parameters measurable and verifiable

At this level, the Entities can select more number of reporting indicators that they are comfortable with and are able to measure and verify by an external agency.

Obligations of Tier 4:

Industries have to ensure that the report covers a **minimum of twenty indicators at least one from economic, three from environment and one from social indicators listed in the National Green Reporting System** which needs to be measured, verified and externally assured.

Tier 5:

Mandatory Reporting by Industries - Reporting in accordance with all the parameters listed in the reporting system measurable and verifiable

This is the highest level of reporting where the entities must select **all the indicators listed in the National Green Reporting System of Sri Lanka** and are able to measure and verify by an external agency.

Obligations of Tier 5:

Entities should ensure that the report covers all indicators listed in the National Green Reporting System which must be externally assured.

8.2 Guidelines for Reporting

Detailed Guidelines for Reporting according to the requirements of the National Green Reporting System of Sri Lanka are provided in Part II of this Document.

9 Organizational Systems

Entities are expected to incorporate economic, environmental and social considerations in their decision making and be accountable for the impacts of their decisions and activities on society and the environment. This implies both transparent and ethical behaviour that contributes to sustainable development.

In order to do so, certain structural and systematic changes need to be incorporated within the organizations where they should have systems pertaining to the parameters they report on. The systems should be instituted such that the information and results of the reported indicator shows continual improvement. Where applicable, systems should be in place for Economic Performance, Organizational Governance, Labour Practices, Environment, Society and Product Responsibility, as described in the following sections.

9.1 Organizational Governance

Organizational governance is a core function of every kind of organization/entity as it is the framework for decision making within the organization. Organizational governance is the most crucial factor in enabling an organization to take responsibility for the impacts of its decisions and activities and to integrate social responsibility throughout the organization and its relationships.

- 1. Accountability**
The Organization should account for the impacts of its decisions and activities on society, the environment and the economy, especially significant negative consequences; and the actions taken to prevent repetition of unintended and unforeseen negative impacts.
- 2. Transparency**
The Organization should be transparent in its decisions and activities that impact on society and the environment.
- 3. Ethical behavior**
The Organization's behaviour should be based on the values of honesty, equity and integrity.
- 4. Ensuring stakeholder interests**
The Organization should respect, consider and respond to the interests of its stakeholders.
- 5. Respect for rule of law and International norms of behaviour**
The Organization should respect international norms of behaviour, while adhering to the principle of respect for the rule of law.

9.2 Labor Practices

Labor practices of an organization encompass all policies and practices relating to work performed within, by, or on behalf of the organization, including subcontracted work.

- 1. Employment and employment relationships conditions of work**
Employment relationship confers rights and imposes obligations on both employers and employees in the interest of both the organization and society.
- 2. Social protection**
Social protection refers to all legal guarantees and organizational policies and practices to mitigate the reduction or loss of income in case of employment injury, illness, maternity, parenthood, old age, unemployment, disability or financial hardship and to provide medical care and family benefit.
- 3. Social Dialogue**
Social dialogue includes all types of negotiation, consultation or exchange of information between or among representatives of governments, employers and workers, on matters of common interest relating to economic and social concerns.
- 4. Health and safety at work**
Health and safety at work concerns the promotion and maintenance of the highest degree of physical, mental and social well-being of workers and prevention of harm to health caused by working conditions.
- 5. Training and skill up-gradation at workplace**
The Organization should have workplace policy and initiatives to increase the capacity and employability of individuals.

9.3 The Environment

All economic activities invariably have an impact on the environment. Organizations should adopt an integrated approach that takes into consideration the direct and indirect economic, social, health and environmental implications of their decisions and activities.

- 1. Pollution Prevention**
The Organization can improve its environmental performance by preventing pollution by identifying the aspects and impacts of its decisions and activities on the surrounding environment.
- 2. Sustainable Resource use**
To ensure the availability of resources in the future. Emphasis more on the usage of renewable sources of energy and reduction on dependence on non-renewable sources.
- 3. Climate Change mitigation and adaptation**
Organizations are to endeavor for both minimizing their own GHG emissions (mitigation) and planning for a changing climate (adaptation). Adapting to climate change has social implications in the form of impacts on health, prosperity and human rights.
- 4. Protection of environment, biodiversity and restoration of natural resources**
Organization can become more socially responsible by acting to protect the environment and restore natural habitats.

9.4 Society

An Organization's societal involvement goes beyond identifying and engaging stakeholders in regard to the impacts of an organization's activities; it encompasses support for and building a relationship with the community and striving for sustainable development.

1. **Responsible public policy participation**

Organizations can support public political processes and encourage the development of public policy that benefits society at large.

2. **Fair competition**

Fair competition stimulates innovation and efficiency, reduces the costs of products and services, and in the long run enhances economic growth and living standards.

3. **Responsible Community involvement**

The organization's community involvement should be such that it contributes to community development.

9.5 Product Responsibility

Organizations are expected to exercise due care in the design of their products and services to ensure they are fit for their intended use and do not pose unintended hazards to health and safety. An Organization's responsibility goes beyond manufacturing quality products and distributing them, they need to ensure that their products are safe for the consumers and the environment and also communicate clearly with consumers so that they can make an informed choice.

1. **Fair Marketing**

Organizations are to provide information about products and services in a manner that can be understood by consumers.

2. **Factual/unbiased information and fair contractual practices**

Organizations are to provide information about products and services in a manner that can be understood by consumers.

3. **Consumer Data protection and privacy**

Organizations are to safeguard consumers' rights of privacy by limiting the types of information gathered and the ways in which such information is obtained.

10 Evaluation of Sustainability Reports of Organizations

An organization's Sustainability Report is not merely a "report," and should not be prepared solely for public relations motives. Rather, it is a dynamic organizational learning process in which business and society are conceptualized as interdependent, so that both parties would benefit over the long term. The role of sustainability reporting has broadened with time; it is now being read by a diverse range of readers, such as organizations seeking to decide on potential partners, consumers wanting to choose which product or service to buy, students evaluating prospective employers, investors and financial analysts looking for information to make investment decisions etc.

Green Reports will be submitted by the organizations that are a part of the National Green Reporting System of Sri Lanka to the National Green Reporting Unit, which is the Secretariat. Evaluation and grading of the Reports will be carried out by this unit under the directions and guidance of the National Green Reporting Steering Committee. The members of this unit are expected to draw from a panel of subject specific experts equipped with sufficient knowledge and understanding on Sustainability Reporting in order to carry out an objective evaluation of the reports submitted.

10.1 Criteria for Evaluation of Sustainability Reports

A Sustainability Report submitted by an organization will be evaluated based on the following 6 criteria:

1. Does the Report communicate information effectively?
2. Are the key stakeholders' concerns and relevant issues identified properly?
3. Does the Report demonstrate the commitment of the top management and at every level of the organizational structure, their commitment towards sustainability?
4. Does the report describe the employee involvement and interaction with the community in the implementation of the Organization's Sustainable Development agenda?
5. Does the Report quantify the organization's performance in respect of the identified key stakeholders' concerns and issues, with acceptable data quality and accuracy, with trend analyses, targets and interpretation of performance results?
6. Does the Report provide sufficient information about stakeholder engagement, and does it cover the issues and concerns raised sufficiently, in order to provide a balanced and credible picture?

More details of the above 6 main criteria, further divided into sub criteria, are given under the section on Structure and Content of Evaluation.

10.2 Structure and Content of Evaluation

This section explains the basic requirements that the evaluators will be looking for in a Sustainability Report. Understanding the Process of Evaluation will help the organizations who are preparing the Reports to submit reports that will be easy to evaluate and grade.

10.2.1 Effective Communication

1. Basic Principles of Reporting

- Report should provide information about reporting period, reporting scope, reporting entity, related boundaries and target audiences.
- Report should also state reasons for omitting certain aspects of sustainability scope and specifies plans for more extensive coverage in the future.

2. Qualitative Reporting Characteristics

- The information provided in the report should fulfill the qualitative characteristics of accounting and sustainability reporting. The disclosed information should be relevant, reliable, clear, comparable, time bound, and verifiable.

3. Report structure

- The report should have a clear structure, comprehensible logic in the sequences of the chapters, and the reader is guided through the complex matter in a way that facilitates reading and assists understanding.
- Understanding should be supported by rationale for the structure and flow/sequence chosen.

4. Readability

- The report should use language, charts, pictures and necessary explanations, as well as other useful tools that help the reader navigate through the document.
- The report should contain executive summary and key indicators that allow readers to capture the most important message of the report.

10.2.2 Identification

a) Identification of key stakeholders and their concerns and challenges.

- The report should demonstrate that the reporting organizations have identified its key stakeholders and their major concerns and challenges.
- Report should also pertain how the organization is solving these problems and challenges.

b) Identification of key relevant issues

- The report should demonstrate and explain what the organization's relevant issues are and how they have identified them.

10.2.3 Demonstration of Commitment and Management Quality

a) Formulate Top Management Commitment

- The report should describe top management's involvement in release and implementation of the organization's principles, values and policies, e.g. through a CEO statement.

b) Responsibilities and Organizational Structures

- The report should describe the organization's structures that are in place on various levels and the allocation of roles and responsibilities to deal with sustainability matters as well as individual responsibilities or duties allocated to individual managers and members of the board.

10.2.4 Addressing the Sustainable Development Agenda

1. Employee Involvement and Relationship

- The report should describe how employees are included and encouraged to be actively involved in the organization's sustainability improvement programs and actions.
- Inclusion and active involvement of employees in sustainability programs tells a lot about the organization's approach to sustainability.

2. Interaction with the Community

- The report should describe the organization's contribution in terms of improvement programs for the local community and actions, measures on community related issues.

10.2.5 Quantifying Performance

1. Use of Metrics/Indicators

- The report should include quantitative performance information on all issues or aspects which the organization has classified as being relevant or significant to its stakeholders and its business.
- These help in decision-making and provide necessary information to stakeholders.

2. Data quality and Accuracy

- The quality of the data presented in the report should be characterized and accuracy and expected uncertainties are specified and assessed.
- Reporting on data quality and accuracy, describing what uncertainties are connected with the reported information are all part of making the report more reliable.

3. Trends over Time

- The report should include trends over time which improves the value of performance related information to users.

4. Targets

- The report includes targets that improve the value of the performance information and demonstrate the usefulness of indicators for decision-making, targets are valuable for management decision making and for reporting on quantitative and verifiable targets to clearly state whether a target has been achieved or not.

5. Interpretation and Benchmarks

- The report should include discussion on the performance results achieved and comparisons to better interpret results, improve understanding and allow for more valid conclusions on how to achieve progress.

10.2.6 Achievement of Credibility

1. Engagement with Stakeholders

- The report should include information of the organization's engagement with stakeholders and outcome of such dialogue on issues that are environmentally and socially relevant to them and to the organization.
- Engagement with stakeholders means interaction that allows the stakeholder an active role with the reporting organization.

2. Balance of Issues and Suitability

- The report should give a representative picture of the organization and its key sustainability issues and challenges and covers issues which are relevant to its performance, acceptance and progress in a balanced way so that it is useful for the targeted report audience.
- The issues that are covered should be in balance with respect to its key stakeholders and key relevant issues of the organization and industry.

10.3 Scorecard for Evaluation of Reporting by Organizations

A score card can be an important tool in assessing how organizations report and what they state in their reports. The score card is used to evaluate the quality of reporting, and not the performance of the respective reporting organization. The score card provides an opportunity to learn about reporting practices and to improve effectiveness and quality. It will also help for benchmarking of reports over time. A template that can be used as score card is given in Figure 7.1. A score card has to be prepared for each criterion used for evaluation of the report.

Fig. 7.1: Template for evaluation of sustainability reports

Title: Name of the criteria	
Description of the criteria	
Scores Characterization of the scores 0 to 4.	Explanations and characteristics This section provides additional explanations and definitions of terms and key expressions used to describe the criteria. Requirements of internationally accepted reporting practices/standards.
Examples Examples of practices applied for reporting Examples of reporting standards/guidelines Illustrative examples	

Each criterion is worth a score between 0 to 4 points, corresponding to the level of fulfillment.

Score	Generic score levels	Total(%)
0	No mention or very insufficient/ very little	0
1	Some/little/ partial mention or coverage little	25
2	Most important aspects covered, average	50
3	Above average, Current best internationally accepted practice of reporting	75
4	Creative new approach, best practice	100



Part II: Guidelines for Reporting

11 Introduction

This section provides guidelines for preparation of the Sustainable Report for an Organization according to the Requirements of the National Green Reporting System of Sri Lanka. The Report is an instrument through which the organization voluntarily discloses its commitment to Sustainable Development, by sharing data and objectively interpreted results of data analysis, showing its Performance in respect of Reporting Indicators selected from a list prescribed in these guidelines in a transparent and verifiable manner.

According to the Framework for Reporting as set out in Section 8.1 of this document, the organization may decide to join the Reporting System at any Tier and progress towards achieving a higher Tier over time. The Reporting obligations become more stringent as the Organization moves up the Tiers. However, the basic structure of the Report would remain similar for Tiers 2, 3, 4 and 5.

11.1 Contents of the Report

The Report is expected to contain the following sections (Disclosures)

Section 1 Strategy and Executive Summary

- 1.1. Statement from Top Management regarding the organization's Sustainable Development principles, values and policies
- 1.2. Summary of Report giving a description of the key impacts, risks and opportunities

Section 2 Corporate Context

- 2.1. Nature of business and activities
- 2.2. Main products/services
- 2.3. Major markets and organization's role and position
- 2.4. Major sites and operations (production places)
- 2.5. Legal Organization – including ownership, and subsidiary details
- 2.6. Organizational Structure
- 2.7. Geographic Spread and Scope of Activities

Section 3 Report Profile

- 3.1. Reporting Period
 - Period from which data and information in report is given;
 - Date/s of previous Report/s
- 3.2. Reporting Scope
 - Areas of concern, issues or activities that are covered by the report and respective limitations
 - Basis for selection of Reporting Indicators, data measurements and techniques
 - Any significant changes from previous reporting period
- 3.3. Reporting Entity
 - Parts of the reporting organization that refers to the reported aspects, activities and performance.

3.4. Boundaries and Limitations

- Restrictions or exclusions to the scope or entity, that allows for a clearer and better understandable description. Report should explain when it covers an area of limited scope or just a part of the organization and give reasons for omitting certain aspects of the scope or organization, such as basis for reporting on Joint Venture, multinationals or chains

3.5. Assurance

- Scope and basis for the external Assurance of the Report

Section 4 Content Index

This is a Table identifying the location (page number) of the sections of the Report as set out in this document, as shown below:

Report Section (Disclosure)	Page Number
1. Strategy and Executive Summary (1.1 – 1.2)	
2. Corporate Context (2.1 – 2.7)	
3. Report Profile (3.1 – 3.5)	
4. Content Index	
5. Stakeholder Engagement (5.1 – 5.4)	
6. Management Approach (6.1 - 6.4)	
7. Performance Indicators	

Section 5 Stakeholder Engagement

- 5.1. List of stakeholder groups engaged by the organization
- 5.2. Basis for identification of stakeholder groups
- 5.3. Approaches and frequency of engagement
- 5.4. Key topics and concerns and the Organization's response to them

Section 6 Management Approach

Brief overview of the Organization's management approach to the aspects defined under each category of indicators.

- 1.1 Profit / Economic
- 1.2 Planet / Environmental
- 1.3 People / Social

Section 7 Performance Indicators

Description of the performance of the organization, quantified and analyzed according to the methodology described in [Section 13](#) of this document, in respect of the core Reporting Indicators selected and listed by the Organization in Contents of the Report.

12 Reporting Indicators

An organization / entity joining the National Green Reporting System of Sri Lanka at Tier 2, 3, 4 or 5 has to report its Performance with respect to the Reporting Indicators as set out in this Section. The Reporting Indicators are categorized into Economic, Environmental and Social aspects. The Entity indicating can select any number of indicators with a minimum of 10 to report on, from all or some of the indicators, as long as data is available for those indicators to be quantified and analyzed to demonstrate its sustainability endeavours. However, in the evaluation of the report, as described in Section 10.2.5, the report is expected to quantify all issues or aspects which the entity has classified as being relevant or significant to its stakeholders and its business. As such, those Reports that have covered more significant indicators will get higher scores for that aspect. For Tier 3 too, the selection of reporting indicators is optional with a minimum of 10, the difference being that the Report has to be externally assured. For Tier 4, the minimum selection of reporting indicators is 20 and the report needs to be externally assured. Under Tier 5, all indicators listed in the National Green Reporting System need to be selected and reported. It is a requirement that the Reports for Tiers 3,4,5 are externally assured.

12.1 Profit / Economic Performance Indicators

Indicator	Indicator Description
ECON 1	Direct Economic Value Generated
ECON 2	Coverage of the Organization's Defined Benefit Plan Obligations
ECON 3	Significant Financial Assistance Received from the Government
ECON 4	Policy Practices and Portion of Spending on Locally-Based Suppliers at Significant Locations of Operations
ECON 5	Development and Impact of Infrastructure Investment and Services Provided Primarily for Public Benefit through Commercial, In-kind or Pro-bono Engagement
ECON 6	Understanding and describing significant indirect economic impacts, including the extent of impacts

12.2 Planet / Environmental Performance Indicators

Indicator	Indicator Description
ENVT 1	Materials used by weight or volume
ENVT 2	Percentage of materials used that are recycled materials
ENVT 3	Direct energy consumption by primary energy source
ENVT 4	Indirect energy consumption by primary energy source
ENVT 5	Energy saved due to conservation and efficiency improvements
ENVT 6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives
ENVT 7	Initiatives to reduce indirect energy consumption and reductions achieved
ENVT 8	Total water withdrawal by source
ENVT 9	Water sources significantly affected by water usage
ENVT 10	Percentage of total water usage that is reused or recycled
ENVT 11	Location and size of land owned, leased or managed in, or adjacent to protected areas or areas of high biodiversity value outside protected areas
ENVT 12	Description of significant impacts of activities, products, and services on biodiversity in protected areas or areas of high biodiversity value outside protected areas
ENVT 13	Total direct and indirect GHG emissions by weight
ENVT 14	Initiatives to reduce greenhouse gas emissions and reductions achieved
ENVT 15	NO _x , SO _x and other significant air emissions by type and weight
ENVT 16	Total waste water discharge by quality of effluent and volume
ENVT 17	Total weight of solid waste by type and disposal method
ENVT 18	Total number and volume of significant spills
ENVT 19	Weight of transported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally
ENVT 20	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation
ENVT 21	Percentage of products sold and their packaging materials that are reclaimed by category
ENVT 22	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations
ENVT 23	Total environmental protection expenditures and investments by type
ENVT 24	Promotion of best practices of Sustainability Production and Consumption along the supply chain

12.3 People / Social Performance Indicators

Indicator	Indicator Description
SOCL 1	Total workforce by employment type, employment contract, and region
SOCL 2	Total number and rate of employee turnover by age group, gender, and region
SOCL 3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations
SOCL 4	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advice on occupational health and safety programs
SOCL 5	Rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities
SOCL 6	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases
SOCL 7	Average hours of training per year per employee by employee category
SOCL 8	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings
SOCL9	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity
SOCL 10	Public policy positions and participation in public policy development and lobbying
SOCL 11	Total value of financial and in-kind contributions to the supply chain
SOCL 12	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations
SOCL 13	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle by type of outcomes
SOCL 14	Type of product and services information required by procedures, and percentage of significant products and services subject to such information requirements
SOCL 15	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling by type of outcomes
SOCL 16	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction
SOCL 17	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship
SOCL 18	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes
SOCL 19	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services
SOCL 20	Life cycle stages in which health and safety impacts of products and services are assessed for improvement and percentage of significant products and services categories subject to such procedures.

13 Description of Indicators

Please note that unless otherwise specified, all the information must be given for the reporting period in question



13.1 Profit/Economic Performance Indicators

ECON 1: Direct Economic Value Generated

This indicator describes how the organization has created value for its various stakeholders. The value of transactions between the reporting organization and its stake holders will be a key component in an effort to measure sustainability. This shall create a useful picture about the value added to the local community.

The organization will have to:

- Document the direct economic value generated through revenue
- Document the economic value distributed through operating costs, employee wages and benefits, payments to providers of capital, payments to governments and community investments
- Document the economic value retained

ECON 2: Coverage of the Organization's Defined Benefit Plan Obligations

The retirement plan of a firm will have an impact on the long term economic well being of the society. This will affect employers in terms of obligations that they are supposed to make.

The organization will have to:

- Document the structure of the defined benefit plan if the plans are met with general resources of the company

ECON 3: Significant Financial Assistance Received from the Government

This indicator helps to create a balanced picture about transactions between the reporting organization and the government.

The firm will have to report

- Document the tax reliefs
- Document the subsidies
- Document the investment grants
- Document the financial incentives

ECON 4: Policy Practices and Portion of Spending on Locally-Based Suppliers at Significant Locations of Operations

This describes how the organization can indirectly contribute towards the local economy. It stabilizes the local economy and can be effective in a rural context.

The organization will have to:

- Document a written policy on local based purchasing
- Document the percentage of local purchasing budget

ECON 5: Development and Impact of Infrastructure Investment and Services Provided Primarily for Public Benefit through Commercial, In-kind or Pro-bono Engagement

This will demonstrate to which degree the firm has asserted an influence over the economy through infrastructure development. The measurement demonstrates the organization's capital contribution to the society.

The organization will have to:

- Document the extent and caliber of the development (size, cost and duration)
- Document the positive and negative impact on community and regional economy
- Document whether the firm has conducted a community need assessment

ECON 6: Understanding and describing significant indirect economic impacts including the extent of impacts

This will help to assess the impact which will take place in the society while the financial benefits are circulating in the economy. The direct impact of financial injections to the society has to be augmented by indirect measures to ensure the sustainability.

The organization will have to:

- Document the changes to the productivity of the firm (new management practices and Information technology)
- Document the contribution of the organization to eradicate poverty (number bread winners employed by the firm)
- Making available preferentially priced goods
- Document the efforts to enhance the skills and knowledge (professionalism) of the community
- Document the efforts taken to obtain an in-depth understanding of such issues



13.2 Planet/ Environmental Performance Indicators

ENVT 1: Materials used by weight or volume

This indicator describes the organization's material consumption where tracking its usage will allow an organization to increase the efficiency of its material utilization and reduce operational costs.

The Organization will have to:

- Identify and report the total amount, by weight or volume, of total materials used, by internal procurement of materials through captive means and materials purchased from external suppliers. This will include:
 - Raw materials
 - Non-renewable materials
 - Direct materials (Materials in the final product)
 - Process materials (Materials not in the final product but required for manufacturing the product)
 - Semi-manufactured materials
 - Materials for packaging

Material used	Weight	Direct / Non-Renewable
Raw Material	1	
	2	
Associated process material	1	
	2	
Semi Manufactured Goods	1	
	2	
Material for packaging purpose	1	
	2	

ENVT 2: Percentage of materials used that are recycled materials

This indicator describes the usage of recyclable materials in the organization's operations. Using recycled materials will help organizations to reduce material use and lower operational costs.

The Organization will have to:

- Identify the amount of recycled input materials for its operations. If the quantity provided is an estimate, the organization will have to detail the estimation method
- Calculate the percentage based on the total amount of materials used as reported in Indicator 1 and the amount of recycled materials used

ENVT 3: Direct energy consumption by primary energy source

This indicator describes the amount of direct energy and the source of the energy that an organization uses. Direct energy is forms of energy that is used within the organization's boundary or exported to other users. Forms of direct energy include coal, oil, natural gas, furnace oil, etc. The energy source and amount used by organizations has a direct significant impact on its environmental quality and also impacts its operational costs.

The Organization will have to:

- Identify the amount of primary energy purchased by the organization for consumption in its operations. Energy sources, renewable and non-renewable, and the amount of energy purchased for each source shall also have to be reported:
 - Direct non-renewable energy sources include coal, natural gas, LPG, etc.
 - Direct renewable energy sources include biofuel, solar, wind, etc.
- Identify the amount of primary energy generated, extracted or converted from other forms of energy by the organization. This may include energy sources that have already been identified as direct energy purchased
- Identify the amount of primary energy exported outside the reporting boundary in joules or multiples
- Calculate the total direct energy consumption through the following equation:
Direct energy purchased + Direct Energy Produced – Direct Energy Sold
- Report the direct energy consumption through renewable sources
- Report the direct energy consumption through non-renewable sources

ENVT 4: Indirect energy consumption by primary energy source

This indicator describes the amount of indirect energy and the source of the energy that an organization uses. Indirect energy is secondary energy that is produced outside the organization's boundary from a primary energy source, e.g. a power plant that produces electricity (secondary source) from natural gas (primary source). The energy source and amount used by organizations has a direct impact on its environmental quality and its operational costs.

The Organization will have to:

- Identify the amount of intermediate energy, renewable and non-renewable energy, purchased and consumed from external sources:
 - Intermediate energy from non-renewable energy sources includes electricity, heating and cooling, steam, other forms of procured energy
 - Intermediate energy from renewable energy sources includes solar, wind, hydro, etc.
- Identify the amount of primary fuels consumed to produce intermediate energy based on the total amount of energy purchased from external suppliers as given in ENV T 3, energy purchased. To estimate the fuels consumed to produce purchased energy organizations have to use either:
 - Fuel consumption data acquired from the electricity provider if these data are available
 - Default data for electricity and heat
 - Estimations where default figures are not available
- Report the total amount of indirect energy used by indirect non-renewable sources and indirect renewable sources in terms of intermediate energy and the corresponding primary energy consumed in its production.

Total Indirect Energy	Electricity Consumption
Jan-11	
Feb-11	
Mar-11	
Apr-11	
May-11	
Jun-11	
Jul-11	
Aug-11	
Sep-11	
Oct-11	
Nov-11	
Dec-11	
Total for the Reporting Period (2011)	

ENVT 5: Energy saved due to conservation and efficiency improvements

This indicator describes the efforts of the organization to improve energy efficiency through various means such as technological improvements. Greater energy efficiency will lead to reduce cost savings and is a key strategy for addressing climate change issues and other environmental impacts in organizations.

The Organization will have to:

- Identify total energy saved through initiatives to reduce energy use and increase energy efficiency. Reduced energy consumption from reduced production capacity or outsourcing should not be included in this Indicator.
- Report the total amount of energy and take into consideration energy saved due to:
 - Process redesign
 - Conversion and retrofitting of equipment
 - Changes in personnel behavior

ENVT 6: Initiatives to provide energy-efficient or renewable energy based products and services and reductions in energy requirements as a result of these initiatives

This indicator describes the initiative of a company in terms of product stewardship of which energy efficient products and services are a key component. Such products and services can lead to advantages over competitors and lead to reduced cost of goods and services.

The Organization will have to:

- Report their initiatives to reduce the energy requirements through energy conservation and efficiency programs of major products/product groups or services
- Report quantified reductions in the energy requirements of products and services achieved during the reporting period
- Report any assumptions about consumption patterns or normalization factors (e.g., 10% less energy use per average working day, assuming operation for 8 hours with changing processor load) Organizations must refer to available industry standards

ENVT 7: Initiatives to reduce indirect energy consumption and reductions achieved

This indicator is to describe the energy savings achieved in indirect energy consumption of the organization's activities. Indirect energy is an area where significant savings in energy can be achieved, if it is monitored closely. For this Indicator, exclude indirect energy use associated with the purchase of intermediate energy sources given in ENVT 4.

The Organization will have to:

- Identify relevant upstream/downstream indirect energy use in the following 3 areas:
 - Use of energy-intensive materials
 - Subcontracted production
 - Business-related travel and Employee commute
- Report initiatives to reduce indirect energy use
- Report the reductions in indirect energy use for the 3 areas
- Report assumptions and methodologies used to calculate other indirect energy use and indicate the source of information

ENVT 8: Total water withdrawal by source

This indicator helps to describe the scale of potential impacts and risks of the organization's water use. The level of water use can determine various factors of the organization including the size of its water intensiveness. Understanding its total water use will help the organization to improve its water efficiency.

The Organization will have to:

- Identify the total volume of water withdrawn from any water source directly by the reporting organization or through intermediaries such as water utilities.
- Report the total volume of water withdrawn from the following sources:
 - Surface water, including rivers and lakes
 - Ground water
 - Municipal water supplies or other water utilities
 - Rainwater collected by the organization
 - Waste water from another organization

Sources	Water Withdrawn
Surface water	
Ground water	
Rainwater collected & stored	
Waste water	
Municipal water supplies	

ENVT 9: Water sources significantly affected by water usage

This indicator describes the scale of impacts of the organization's water use. Withdrawal of water from different sources can affect the balance of environment in that area by reducing the amount of water available and reducing the water table. This can in turn benefit organizations by understanding the stability of their water sources.

The Organization will have to:

- Identify water sources significantly affected by water withdrawal by the reporting organization. Significant withdrawals meet one or more of the following criteria:
 - Withdrawals that account for an average of 5 percent or more of the annual average volume of a given water body
 - Withdrawals from water bodies that are recognized to be particularly sensitive
 - Any withdrawal from any national or international designated conservation area regardless of the rate of withdrawal
- Report the total number of significantly affected water sources by type according to the criteria above, indicating the following:
 - Size of water source
 - Whether or not the source is designated as a protected area
 - Biodiversity value (e.g., species diversity and endemism, number of protected species)

ENVT 10: Percentage of total water usage that is reused or recycled

The amount and rate of water that is reused and recycled is an important determinant of the scale of the organization's water use efficiency. Greater reuse and recycling will reduce water consumption which will in turn reduce costs and help in sustaining local, national and regional water bodies. This Indicator measures both water that was treated prior to reuse and water that was not treated prior to reuse.

The Organization will have to:

- Calculate the volume of recycled/reused water based on the volume of water demand satisfied by recycled/reused water rather than further withdrawals. For example, if the organization has a production cycle that requires 10 m³ of water per cycle, the organization withdraws 10 m³ of water for one production process cycle and then reuses it for an additional 4 cycles. The total volume of water recycled/reused for that process is 40m³.
- Report the total volume of water recycled/reused by the organization and also as a percentage of the total water withdrawal reported in ENVT 8

Sources	Quantity of water		
	Total Consumption	Recycled/Reused	Percentage (%)
Surface water			
Ground water			
Rainwater collected & stored			
Waste water			
Municipal water supplies			

ENVT 11: Location and size of land owned, leased or managed in or next to protected areas or areas of high biodiversity value outside protected areas

This indicator can assist an organization in identifying and understanding the risks it can pose on the biodiversity of the surrounding area. This can help organizations to manage their impacts on biodiversity.

The Organization will have to:

- Identify operational sites owned, leased, managed in, located in, adjacent to, or that contain protected areas and areas of high biodiversity value outside protected areas. Identified sites for future operations have to be included.
- Report the following information for each operational site identified above:
 - Geographic location
 - Position in relation to protected area (in the area, adjacent to, or containing portions of the protected area) and high biodiversity value area outside protected area
 - Type of operation at the site
 - Size of operational site
 - Biodiversity value characterized by the attributes of the protected area and high biodiversity value area outside designated protected areas and the listing of protected status

ENVT 12: Description of significant impacts of activities, products and services on biodiversity in protected areas or areas of high biodiversity value outside protected areas

This indicator describes the significant impacts of the organization on biodiversity and also helps as a background for the organization to manage their risks associated with biodiversity.

The Organization will have to:

- Identify significant impacts on biodiversity associated with activities, products, and services of the reporting organization, including both direct impacts as well as indirect impacts (e.g., in the supply chain)
- Report the nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following:
 - Construction or use of manufacturing plants, mines, and transport infrastructure
 - Pollution
 - Introduction of invasive species, pests, and pathogens
 - Reduction of species
 - Habitat conversion
 - Changes in ecological processes outside the natural range of variation (e.g., changes in groundwater level)
- Report significant direct and indirect positive and negative impacts with reference to the following:
 - Species affected
 - Extent of areas impacted
 - Duration of impacts
 - Reversibility or irreversibility of the impacts

ENVT 13: Total direct and indirect GHG emissions by weight

This indicator helps the organization to understand their impacts in terms of GHG emissions and can help in mitigating and reducing the level of its GHG emissions. This can determine the relative size and importance of the emissions compared to other organizations.

The Organization will have to:

- Indicate the standard used for the methodology to calculate GHG emissions. and indicate the methodology associated with the data with reference to the following categories:
 - Direct measurement (e.g., continuous online analyzers, etc.);
 - Calculation based on site specific data (e.g., for fuel composition analysis, etc.);
 - Calculation based on default data; and
 - Estimations, which are to be used due to a lack of default figures and where the basic figures obtained must be specified
- Identify direct emissions of greenhouse gases from all sources owned or controlled by the reporting organization, including:
 - Generation of electricity, heat, or steam
 - Other combustion processes
 - Physical or chemical processing
 - Transportation of materials, products, and waste
 - Venting
 - Fugitive emissions. Emissions from combustion processes and sources will correspond to the direct primary energy from non-renewable and renewable sources as reported in ENVT 3
- Identify indirect emissions of GHGs from purchased electricity, heat or steam as per the information reported under ENVT 4
- Report total greenhouse gas emissions as the sum of direct and indirect emissions in tonnes of CO₂ equivalent.

ENVT 14: Initiatives to reduce greenhouse gas emissions and reductions achieved

This indicator is to describe the GHG emissions savings achieved by the organization and to understand the initiatives in place to achieve these initiatives.

The Organization will have to:

- Identify GHG emissions reductions from all sources owned or controlled by the organization and resulting from indirect energy use and activities of the organization. Organizations must differentiate between mandatory and voluntary emissions reductions.
- Report initiatives to reduce greenhouse gas emissions. Areas where the initiatives have been implemented must be included.
- Report the reductions achieved for GHG emissions as a direct result of the initiatives

ENVT 15: NO_x, SO_x and other significant air emissions by type and weight

This indicator helps the organization to understand their impacts in terms of other significant air emissions and can help in mitigating and reducing the level of the emissions. This can determine the relative size and importance of the emissions compared to other organizations.

The Organization will have to:

- Identify significant air emissions and calculate their weight
- Report the methodology used for calculations, selecting one of the following approaches:
 - Direct measurement of emissions
 - Calculation based on site specific data
 - Calculation based on default data
 - Estimations, which are to be used due to a lack of default figures and where the basic figures obtained must be specified
- Report the weight of significant air emissions for each of the following categories
 - NO_x
 - SO_x
 - Persistent organic pollutants (POP)
 - Volatile organic compounds (VOC)
 - Hazardous air pollutants (HAP)
 - Stack and fugitive emissions
 - Particulate matter (PM)
 - Other standard categories of air emissions identified in regulations

ENVT 16: Total waste water discharge by quality of effluent and volume

This indicator describes the amount and quality of water that is discharged by the organization. This has a direct part regarding ecological impacts and operational costs. By increasing the quality of water discharged, the organization can reduce its impact on the surroundings.

The Organization will have to:

- Identify planned and unplanned waste water discharges (excluding collected rainwater and domestic sewage) by destination and indicate how it is treated
- Report the total volume of planned and unplanned waste water discharges by:
 - Destination
 - Treatment method
 - Whether it was reused by another organization or it self
- Report water quality in terms of total volumes of effluent using standard effluent parameters such as Biological Oxygen Demand (BOD), Total Suspended Solids (TSS), etc. The selection of parameters should be consistent with those used in the organization's sector.

Source of waste water	Discharge Amount from source	Type of discharge (through pipe lines, cemented drainage, normal drainage etc.)	Destination	Treatment method

Water Quality parameters	Limits	Source 1		Source 2	
		Before Treatment	After Treatment	Before Treatment	After Treatment
Quantity					
pH					
Total Suspended Solids (ppm)					
Biological Oxygen Demand (ppm)					
Oil & Gas (ppm)					
Total Dissolved Solids (ppm)					
Temperature					
Chemical Oxygen Demand (ppm)					

ENVT 17: Total weight of waste by type and disposal method

This indicator helps the organization in understanding the effectiveness of its waste reduction methods and practices and implementing initiatives to improve on them further. This can also lead to improvements in process efficiency and productivity.

The Organization will have to:

- Identify the amount of waste created by the organization's operations, by:
 - Hazardous waste
 - Non-hazardous waste
- Report the total amount of waste as identified above for each of the following disposal methods:
 - Composting
 - Reuse
 - Recycling
 - Recovery
 - Incineration (or use as fuel)
 - Controlled Landfill
 - Producing energy (Bio Gas)
 - On-site storage
 - Other (to be specified by the reporting organization)
- Report how the method of disposal has been determined

Type of wastes		Quantity (in tonnes)	Disposal method	Categorization as per disposal method
Non – hazardous waste	S.No.			
	1			Composting/Reuse/Recycling/
	2			Incineration
	3			Landfill
Hazardous waste	S.No.			
	1			Deep Well Injection
	2			On Stage Storage
	3			Others

ENVT 18: Total number and volume of significant spills

This indicator helps to understand the level of risk related to spills. Spills of varying types can lead to significant negative impacts to the surrounding environment.

The Organization will have to:

- Identify all recorded significant spills, the material of the spills (oil, fuel, waste, etc.) and the volume of these spills
- Report the total number and total volume of recorded significant spills.
- Report the impacts of significant spills

ENVT 19: Weight of transported, exported or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste ship internationally

This indicator helps to describe the practices in place for hazardous waste management. Hazardous waste management is an area of key concern where improper transportation can lead to harm towards the environment and human health.

The Organization will have to:

- Identify hazardous wastes transported by the organization
- Identify the total weight of transported hazardous waste
- Identify the proportion and quantity of the total amount of transported hazardous waste that is transported from the organization to locations abroad. Waste transported between different locations of the organization is not counted as imported.
- Identify the proportion of the total amount of transported and exported hazardous waste that the organization has treated
- Identify the proportion of the total amount of hazardous waste treated by external sources/suppliers, that has been transported or exported by the organization
- Report the following information in kilograms or tonnes:
 - Total weight of hazardous waste transported
 - Total weight of exported hazardous waste
 - Total weight of treated hazardous waste

ENVT 20: Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation

This indicator describes the actions an organization has taken to reduce the negative environmental impacts and enhance the positive impacts of its product and service design and delivery.

The Organization will have to:

- Report initiatives in the reporting period to mitigate the most significant environmental impacts of products/service groups in relation to:
 - Materials use
 - Water use
 - Emissions
 - Effluents
 - Noise
 - Waste
- Report quantitatively the extent to which environmental impacts of products and services have been mitigated. Indicate any assumptions regarding consumption patterns or normalization factors that have been used.

ENVT 21: Percentage of products sold and their packaging materials that are reclaimed by category

This Indicator describes the extent to which an organization's products, components, or materials are collected and converted into useful materials for new production processes and insight into the organization's practices in designing products and packages that can be recycled or reused.

The Organization will have to:

- Identify the amount of products and their packaging materials reclaimed at the end of their useful life. Rejects and recalls of products should not be counted. Recycling or reuse of packaging should also be reported separately.
- Report the percentage of reclaimed products and their packaging materials for each category of products (i.e., a group of related products sharing a common, managed set of features that satisfy the specific needs of a selected market)
- Report how the data for this Indicator has been collected

ENVT 22: Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations

This indicator helps to describe the effectiveness of the organization's internal controls with regards to the environment. Where the reporting organization has not identified any non-compliance with regulations and voluntary codes, a brief statement to this fact is sufficient.

The Organization will have to:

- Identify administrative or judicial sanctions for failure to comply with environmental laws and regulations, including:
 - International declarations/conventions/treaties and national, sub-national, regional, and local regulations
 - Voluntary environmental agreements with regulating authorities that are considered binding and developed as a substitute for implementing new regulations
 - Cases brought against the organization through the use of international dispute mechanisms or national dispute mechanisms supervised by government authorities
- Report significant fines and non-monetary sanctions in terms of:
 - Total monetary value of significant fines
 - Number of non-monetary sanctions
 - Cases brought through dispute resolution mechanisms

ENVT 23: Total environmental protection expenditures and investments by type

This indicator helps to describe the efficiency of an organization's environmental initiatives through measuring environmental mitigation and protection expenditures where this provides insight to how effectively resources are used to improve performance.

The Organization will have to:

- Identify waste disposal, emissions treatment and remediation costs based on expenditures related to the following items:
 - Treatment and disposal of waste
 - Treatment of emissions
 - Expenditures for the purchase and use of emissions certificates
 - Depreciation of related equipment, maintenance, and operating material and services and related personnel costs
 - Insurance for environmental liability
 - Clean-up costs, including costs for remediation of spills as reported in ENVT 19
- Identify prevention and environmental management costs based on expenditures related to the following items:
 - Personnel employed for education and training
 - External services for environmental management
 - External certification of management systems
 - Personnel for general environmental management activities
 - Research and development
 - Extra expenditures to install cleaner technologies
 - Extra expenditures on green purchases
 - Other environmental management costs
- Report total environmental protection expenditures broken down by:
 - Waste disposal, emissions treatment, and remediation costs
 - Prevention and environmental management cost

ENVT 24: Promotion of best practices of Sustainability Production and Consumption along the supply chain

This indicator describes the biggest impact on the environment which comes from the supply chain and is mainly on sourcing of raw materials required for the entities. The entities should be accountable and make their suppliers commit to optimize the usage of natural resources namely raw materials, energy and water by the suppliers for their production where tracking its usage will allow their suppliers to increase the efficiency of its utilization of natural resources and reduce operational costs.

Report on their suppliers who adopt best practices of Sustainable Consumption and Production (SCP). Report of each supplier to include the following;

- Reduction on raw material usage
- Quantity of raw material reused
- Quantity of raw material re-cycled
- Reduction on the usage of Energy
- Usage of Renewable energy
- Reduction of Greenhouse Gas / CO₂ Emission
- Reduction on the water usage
- Quantity of water reused
- Quantity of water recycled
- Reduction of waste water generated



13.3 People / Social Performance Indicators

SOCL 1: Total workforce by employment type, employment contract and region

This indicator helps to describe the scale of impacts due to labour issues. The classification of an organization's workforce helps to demonstrate how it structures its human resources to achieve its overall strategy. Variations in net employment over time are a useful indicator of the organization's contribution to the overall economic development and sustainability of the workforce.

The Organization will have to:

- Identify the total workforce (employees and supervised workers) working for the reporting organization at the end of the reporting period. Supply chain workers are not included in this Indicator.
- Identify the contract type and full-time and part-time status of employees based on the definitions under the national laws of the country where they are based
- Report the total workforce broken down by employees and supervised workers
- If a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, this should be reported
- Report the total number of employees broken down by type of employment contract
- Report the total number of permanent employees broken down by employment type
- Report the total workforce broken down by region, using a geographic breakdown based on the scale of the organization's operations
- If applicable, explain any significant seasonal variations in employment numbers (e.g., in the tourism or agricultural industries)

SOCL 2: Total number and rate of employee turnover by age group, gender and region

This indicator helps to describe the turnover in the organization where a high rate can be an indication of dissatisfaction among employees or a fault in the internal structure of the organization.

The Organization will have to:

- Identify the total number of employees leaving employment
- Report the total number and rate of employees leaving employment, broken down by gender, age group (e.g., <30; 30-50; >50), and region. Rates should be calculated using the total employee numbers at the end of the reporting period.

SOCL 3: Benefits provided to full-time employees that are not provided to temporary or part-time employees by major operations

The indicator provides information on the organization's investment to its human resources and helps to give a picture of the investment in different areas of the workforce. Standard benefits refer to those typically offered to at least the majority of full-time employees. This should not be interpreted as being offered to every single full-time employee of the organization. The intention of the Indicator is to disclose what full-time employees can reasonably expect.

The Organization will have to:

- Identify benefits offered to all employees.
- Report which of the following benefits are standard for full-time employees of the organization but are not provided to temporary or part-time employees, by major operations:
 - Life insurance
 - Health care
 - Disability/invalidity coverage
 - Maternity/paternity leave
 - Retirement provision
 - Stock ownership
 - Others (Organization has to specify this)

SOCL 4: Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs

This indicator describes the level of employee involvement in health safety in the organization.

The Organization will have to:

- Identify health and safety committees, that are integrated in organization's structure to help monitor and advise on occupational safety programs at the facility level or higher with joint management/labor representation
- Report the percentage of the total workforce represented in formal joint management-worker health and safety committees:
 - None
 - Up to 25%
 - Between 25% and 50%
 - Between 50% and 75%
 - Over 75%
- Report the level(s) at which the committee(s) typically operates (e.g., at facility level and/or at multi-facility, region, group, or company levels). This may either be a result of a formal policy, procedure, or informal practice within the organization.

SOCL 5: Rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities

This indicator describes the effectiveness of an organization's health and safety practices and programs. Low injury and absentee rates are beneficial for an organization's productivity and staff morale.

The Organization will have to:

- Report the following indicators:
 - Injury rate – The injury rate should capture fatalities
 - Occupational diseases rate
 - Lost day rate
 - Absentee rate
- This Indicator should provide for the following:
 - The total workforce
 - Independent contractors working on-site to whom the organization is liable for the general safety of the working environment
- Since some reporting organizations include minor (first-aid level) injuries in their data, indicate whether such injuries are included or excluded.
- In calculating 'lost days' indicate whether 'days' means 'calendar days' or 'scheduled work days' and at what point the 'lost days' count begins.

Employee Category	Lost Day Rate			
	Fatal	Reportable	Non - Reportable	Total

Employee Category	Man Days Lost			
	Fatal	Reportable	Non - Reportable	Total

Employee Category	% of Total Man Days Available	Unauthorized Absentee Man Days

SOCL 6: Education, training, counseling, prevention and risk-control programs in place to assist workforce members, their families or community members regarding serious diseases

This indicator describes the extent to which health and safety issues have been addressed by the organization. The indicator is relevant for any organization as it can be viewed as a preventive strategy for managing the health and safety of its workforce.

The Organization will have to:

- Report the programs related to assisting workforce members, their families, or community members regarding serious diseases through the following methods:
 - Education/training
 - Counseling
 - Prevention/Risk Control
 - Treatment
- Report whether there are workers who are involved in occupational activities who have a high incidence or high risk of specific diseases

SOCL 7: Average hours of training per year per employee by employee category

This indicator describes three scale of the organization's investment in maintaining and improving its workforce through trainings that expand the knowledge base of its employees.

The Organization will have to:

- Identify the total number of employees in each employment category across the organization's operations at the end of the reporting year (e.g., senior management, middle management, professional, technical, administrative, production, maintenance, etc.)
- Identify total hours devoted to training personnel within each employee category
- Report the average number of hours of training per year per employee by employee category

Employee Category	No of training programs			Training Mandays (no. of mandays)			No. of participants	Average Training Mandays
	In house	External	In company	In house	External	In company		
Total								

SOCL 8: Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings

This indicator describes the organization's commitment in implementing programs to equip employees to meet strategic targets in an ever changing work environment. A more skilled workforce enhances the organization performance.

The Organization will have to:

- Identify whether employee training or assistance programs to upgrade skills provide any of the following:
 - Internal training courses
 - Funding support for external training or education
 - The provision of sabbatical periods with guaranteed return to employment
- Identify whether transition assistance programs to support employees who are retiring or who have been terminated provide any of the following:
 - Pre-retirement planning for intended retirees
 - Retraining for those intending to continue working
 - Severance pay
 - If severance pay is provided, does it take into account employee age and years of service
 - Job placement services
 - Assistance (e.g., training, counseling) on transitioning to a non-working life

SOCL 9: Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity

This indicator provides a measure of the diversity within an organization which provides an insight to its human capital.

The Organization will have to:

- Identify diversity indicators, if any, used by the reporting organization in its own monitoring and recording that may be relevant for reporting
- Identify the total number of employees in each employee category (e.g., board, senior management, middle management, administrative, production, etc.)
- Report the percentage of employees in each of the following categories:
 - Gender: Female / Male
 - Minority groups
 - Age groups: Under 30 years old, 30-50 years old, over 50 years old
- Report the percentage of individuals within the organization's governance bodies (e.g., the board of directors, management committee, or similar body for non-corporate reporting organizations) in each of the following categories:
 - Gender: Female / Male
 - Minority groups
 - Age groups: Under 30 years old, 30-50 years old, over 50 years old

SOCL 10: Public policy positions and participation in public policy development and lobbying

This indicator describes the level that public policy on sustainability is implemented across the organization, and where applicable, the organization's different units. Participation refers to efforts where the organization has taken a formal position or activities where participation has been formally recognized. While this could include activities through trade associations, roundtables, task forces, and other forms of lobbying with public policymakers, the disclosure relates to the position of the organization and not that of the bodies in which it is involved.

The Organization will have to:

- Report the significant issues that are the focus of the organization's participation in public policy development and lobbying
- Report the core positions held on each of the reported issues above and explain any significant differences between lobbying positions and stated policies, sustainability goals, or other public positions

SOCL 11: Total value of financial and in-kind contributions to the supply chain

This indicator reflects the scale of the organization's contribution to its supply chain and transparency of given assistance to the supply chain to provide better/quality supply services and good business relationship with their partners.

The Organization will have to:

- Identify the total monetary value of financial and in-kind contributions committed by the reporting organization during the reporting period. The value of in-kind contributions should be estimated and reported.
- Calculate contributions in accordance with total expenditure and revenues
- Number of suppliers in the supply chain contributed in the National Green Reporting System, in terms of
 - Energy efficiency measures
 - Waste Management practices
 - Efficiency use of water
 - Efficiency use of raw materials
 - Measures taken to minimize Pollution control

SOCL 12: Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations

This indicator describes the significant fines and non-monetary sanctions under laws and regulations such as accounting fraud, corruption, etc., not including laws related to the environment as that is covered under other indicators. Where the reporting organization has not identified any non-compliance with laws or regulations, a brief statement to this fact is sufficient.

The Organization will have to:

- Identify administrative or judicial sanctions levied against the organization for failure to comply with laws or regulations, including:
 - International declarations/conventions/treaties, and national, sub-national, regional, and local regulations
 - Cases brought against the organization through the use of international dispute mechanisms or national dispute mechanisms supervised by government authorities
- Report significant fines and non-monetary sanctions in terms of:
 - Total monetary value of significant fines
 - Number of non-monetary sanctions
 - Cases brought through dispute resolution mechanisms

SOCL 13: Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes

This indicator helps to describe the effectiveness of the organization's internal controls with regards to health and safety. This Indicator addresses the life cycle of the product or service once it is available for use and therefore subject to regulations concerning the health and safety of products and services. Where the reporting organization has not identified any non-compliance with regulations and voluntary codes, a brief statement to this fact is sufficient. Incidents of non-compliance in which the organization was determined not to be at fault are not counted in this Indicator.

The Organization will have to:

- Identify the total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety of products and services during the reporting period
- Report the total number of incidents of non-compliance with the health and safety of products and services, broken down by:
 - Incidents of non-compliance with regulations resulting in a fine or penalty
 - Incidents of non-compliance with regulations resulting in a warning
 - Incidents of non-compliance with voluntary codes

SOCL 14: Type of products and services information required by procedures and percentage of significant products and services subject to such information requirements

This indicator describes the degree to which information and labeling indicates the sustainability impact of an organization's products or services.

The Organization will have to:

- Report whether the following product and service information is required by the organization's procedures for product and service information and labeling:
 - Sourcing of components of products or services
 - Content of products or services with particular regard to substances that can have environmental or social impacts
 - Safe use of products or services
 - Disposal of products and corresponding environmental or social impacts
 - Any other product or service information labeling
- Report the proportion of significant product or service areas covered by and assessed for compliance with these organizational procedures

SOCL 15: Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes

This indicator helps to describe the effectiveness of the organization's internal controls with regards to product and services information and labeling. Where the reporting organization has not identified any non-compliance with regulations and voluntary codes, a brief statement to this fact is sufficient. Incidents of non-compliance in which the organization was determined not to be at fault are not counted in this Indicator.

The Organization will have to:

- Identify the total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling
- Report the total number of incidents of non-compliance with regulations concerning product and service information and labeling, broken down by:
 - Incidents of non-compliance with regulations resulting in a fine or penalty
 - Incidents of non-compliance with regulations resulting in a warning
 - Incidents of non-compliance with voluntary codes

SOCL 16: Practices related to customer satisfaction, including results of surveys measuring customer satisfaction

This indicator helps to provide insights into the level an organization considers the needs of customers who are crucial and important stakeholders.

The Organization will have to:

- Report on organization-wide practices in place to assess and maintain customer satisfaction, such as:
 - Frequency of measuring customer satisfaction
 - Standard requirements regarding methodologies of surveys
 - Mechanisms for customers to provide feedback
- Report the results or key conclusions of surveys (based on statistically relevant sample sizes) conducted in the reporting period that were related to information about:
 - The organization as a whole
 - A major product/service category
 - Significant locations of operation
- For any survey results reported, identify the product/service category or locations of operations to which they apply

SOCL 17: Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion and sponsorship

This indicator describes the approach of an organization in terms of marketing which influence opinions and purchasing decisions. Marketing communications that do not conform to laws and standards can lead to significant problems for an organization as it will affect relationships with stakeholders.

The Organization will have to:

- Report any codes or voluntary standards relating to marketing communications applied across the organization
- Report the frequency with which the organization reviews its compliance with these standards or codes
- Report whether the organization sells products that are:
 - Banned in certain markets
 - The subject of stakeholder questions or public debate
- Report how the organization has responded to questions or concerns regarding these products

SOCL 18: Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship by type of outcomes

This indicator helps to describe the effectiveness of the organization's internal controls with regards to marketing communications. Where the reporting organization has not identified any non-compliance with regulations and voluntary codes, a brief statement to this fact is sufficient. Incidents of non-compliance in which the organization was determined not to be at fault are not counted in this indicator.

The Organization will have to:

- Identify the total number of incidents of non-compliance with regulations concerning marketing communications
- Report the total number of incidents of non-compliance with regulations concerning marketing communications, broken down by:
 - Incidents of non-compliance with regulations resulting in a fine or penalty;
 - Incidents of non-compliance with regulations resulting in a warning; and
 - Incidents of non-compliance with voluntary codes.

SOCL 19: Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services

This indicator helps to describe the effectiveness of the organization's internal controls with regards to marketing communications. Where the reporting organization has not identified any non-compliance with regulations and voluntary codes, a brief statement to this fact is sufficient.

The Organization will have to:

- Identify administrative or judicial sanctions levied against the organization for failure to comply with laws or regulations, including international declarations/ conventions/ treaties and national, sub-national, regional and local regulations concerning the provision and use of the reporting organization's products and services
- Report total monetary value of significant fines
- Number of fines against the court cases and remedial actions has been taken to improve the efficiency that in the year of reporting

SOCL 20: Life cycle stages in which health and safety impacts of products and services are assessed for improvement and percentage of significant products and services categories subject to such procedures

This indicator describes the existence and the level of practices to address health and safety issues throughout the life cycle process of a product or service. Such practices have direct impacts on financial and legal risks of the organization.

The Organization will have to:

- In each of the following life cycle stages, report whether the health and safety impacts of products and services are assessed for improvement:
 - Development of Product Content
 - Research & Design
 - Certification
 - Manufacturing and Production
 - Marketing and Promotion
 - Storage Distribution and Supply
 - Use and Service
 - Disposal, Reuse or Recycling
- Report the percentage of significant product or service categories that are covered by and assessed for compliance with such procedure

Life Cycle Stage	Yes	No
Development of product		
R & D		
Certification		
Manufacturing & Production		
Marketing & Promotion		
Storage distribution & Supply		
Use & Service		
Disposal, use & Recycle		

14 References

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