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

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Outline

- Aims of the Presentation
- Literature review
- Methodology
- Recommendation
Aims of the Presentation

- Discuss current situation of the assurance process;
- Present percentage of organisations issuing a sustainability report, following the GRI framework and including an external assurance;
- Assess whether organisations which follow GRI’s guidelines tend to adopt an assurance process;
- Provide suggestions to enhance transparency and to contribute toward improvement of the current assurance practices for GRI sustainability reports.
Literature Review

- Voluntary and not regulated in a majority of countries;

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

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

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

- Sustainability reports which:
  - Contain social and environmental performance;
  - Information in English;
  - Issued by corporative, holding or global organisations’ representatives.

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

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

- **Without formal report**
  - 15% (71)

- **With formal report**
  - 85% (413)
GRI Framework

- 85% with formal Sustainability Report

**Diagram:**

- **GRI Framework:** 85% (413)
- **Without GRI Framework:** 58% (240)
Assurance Process

Without GRI Framework

- 42% (173) With Assurance
- 91% (158) Without Assurance

GRI Framework

- 58% (240) With Assurance
- 43% (103) Without Assurance
- 57% (137) Without Assurance
## Type of Assurance Providers

<table>
<thead>
<tr>
<th>Type</th>
<th>With GRI</th>
<th>Without GRI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accountants</td>
<td>58%</td>
<td>40%</td>
</tr>
<tr>
<td>Consultants</td>
<td>27%</td>
<td>13%</td>
</tr>
<tr>
<td>Mixed</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Specialist</td>
<td>9%</td>
<td>47%</td>
</tr>
</tbody>
</table>

**Diagram:**
- The diagram shows the percentage of assurance providers by type with and without GRI.
- **Accountants:**
  - With GRI: 80
  - Without GRI: 6
- **Consultants:**
  - With GRI: 37
  - Without GRI: 2
- **Mixed:**
  - With GRI: 7
  - Without GRI: 0
- **Specialist:**
  - With GRI: 7
  - Without GRI: 13
General Conclusions

- GRI recommends the use of external assurance;
- Organisations which follow the GRI framework tend to have their sustainability report assured;
- GRI plays an important role in the assurance process;
- GRI could suggest the use of a content index to provide users with a quick overview of what has been analysed during the assurance process.
**Recommendation**

- Example of how the content index could be used

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