

# Accountability

## relevant information for assessing corporations

globalization and economic development,  
the role of corporations in the 21<sup>st</sup> century

Forum Barcelona 2004

Ernst Ligteringen  
Chief Executive

# transparency ... an old concept



Friedrich von Schiller (1759-1805)

*"It is wise to report  
what cannot be  
concealed."*

# sustainability

stakeholders:  
clients,  
investors,  
employees, and  
neighbors want  
to know what  
companies do  
about it



# stakeholders' interests

## TRUST

### Risks:

- is my pension safe ?
- my company's reputation ?
- is it safe to eat ?
- does it contain child labour?
- can we run cars in 20 yrs ?

### Value:

- where do I want to work ?
- where do I invest ?
- what do I buy ?



## TRANSPARENCY

### Performance:

- economic
- environmental
- social

### By what measure ?

- transparent
- inclusive
- complete
- sustainability focused
- relevant



# what companies can be accountable for: optional or voluntary codes

**overarching aspirational and normative  
framework**

UN Global Compact, OECD Guidelines, ILO conventions

**generally accepted accounting principles for  
sustainability (GAAPS)**

GRI Framework, IAASB, AA1000 Series

**marketplaces**

e.g. GHG Register

**management systems**

e.g. ISO, etc

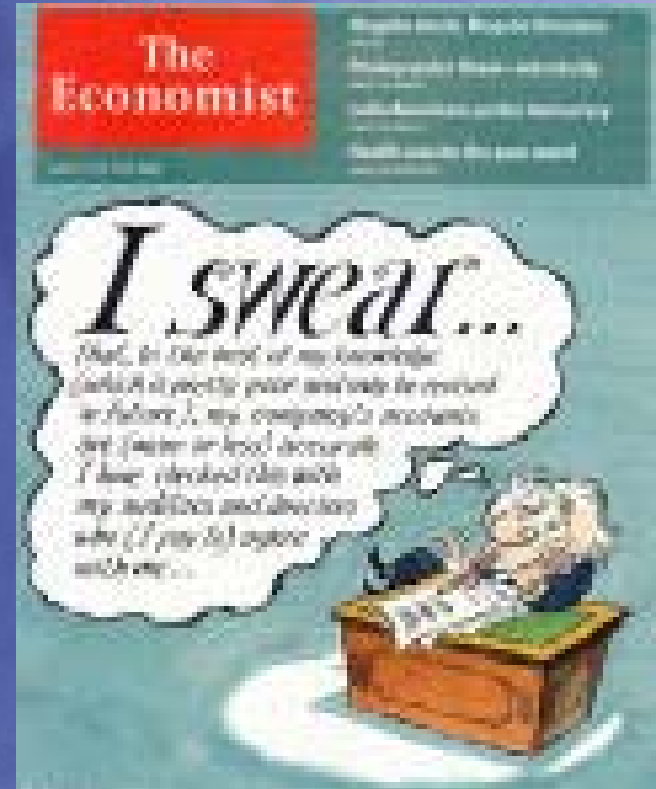
**voluntary performance standards**

e.g. SA8000, etc

# what companies can be accountable for: mandatory codes and regulation

Examples:

- TBL reporting for all listed companies in France
- King II Report in South Africa
- Some industry sectors in Canada, the Netherlands, Denmark
- Environmental performance in Japan
- OFR in the UK
- Sarbanes Oxley



# who want accountability ?



# three perspectives to guide the design of a public report

## The Global Compact

The UN Global Compact requires an engagement to communicate publicly on progress



2. Plan strategy

1. Set goals

5. Status assessment

3. Implement

4. Check progress

**Business excellence**  
is based on performance indicators, targets, measurement and control

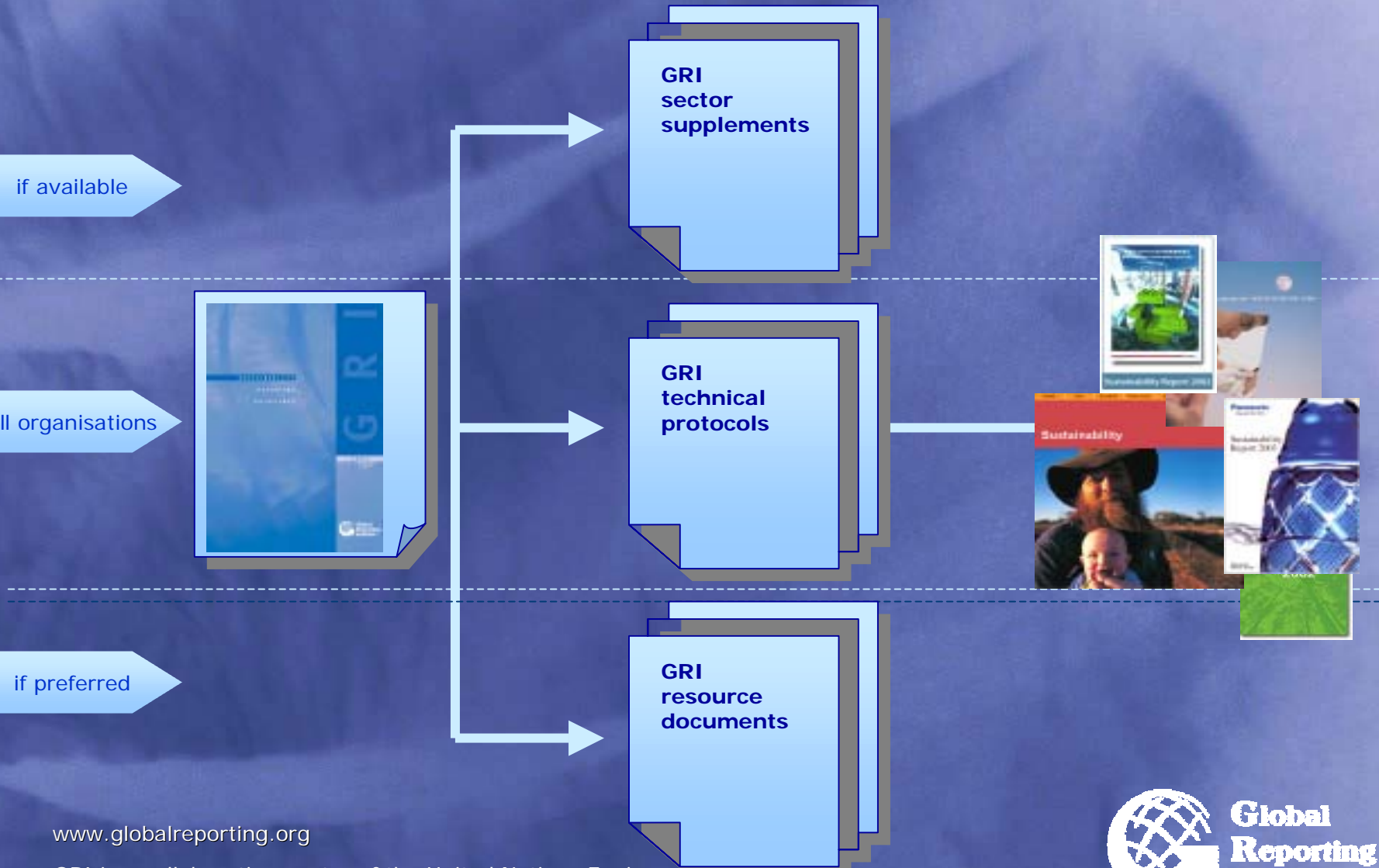
**Common performance indicators**  
enable benchmarking and informed dialogue with stakeholders

Source: *Raising the bar*, Fussler, Cramer, van der Vegt  
[www.globalreporting.org](http://www.globalreporting.org)





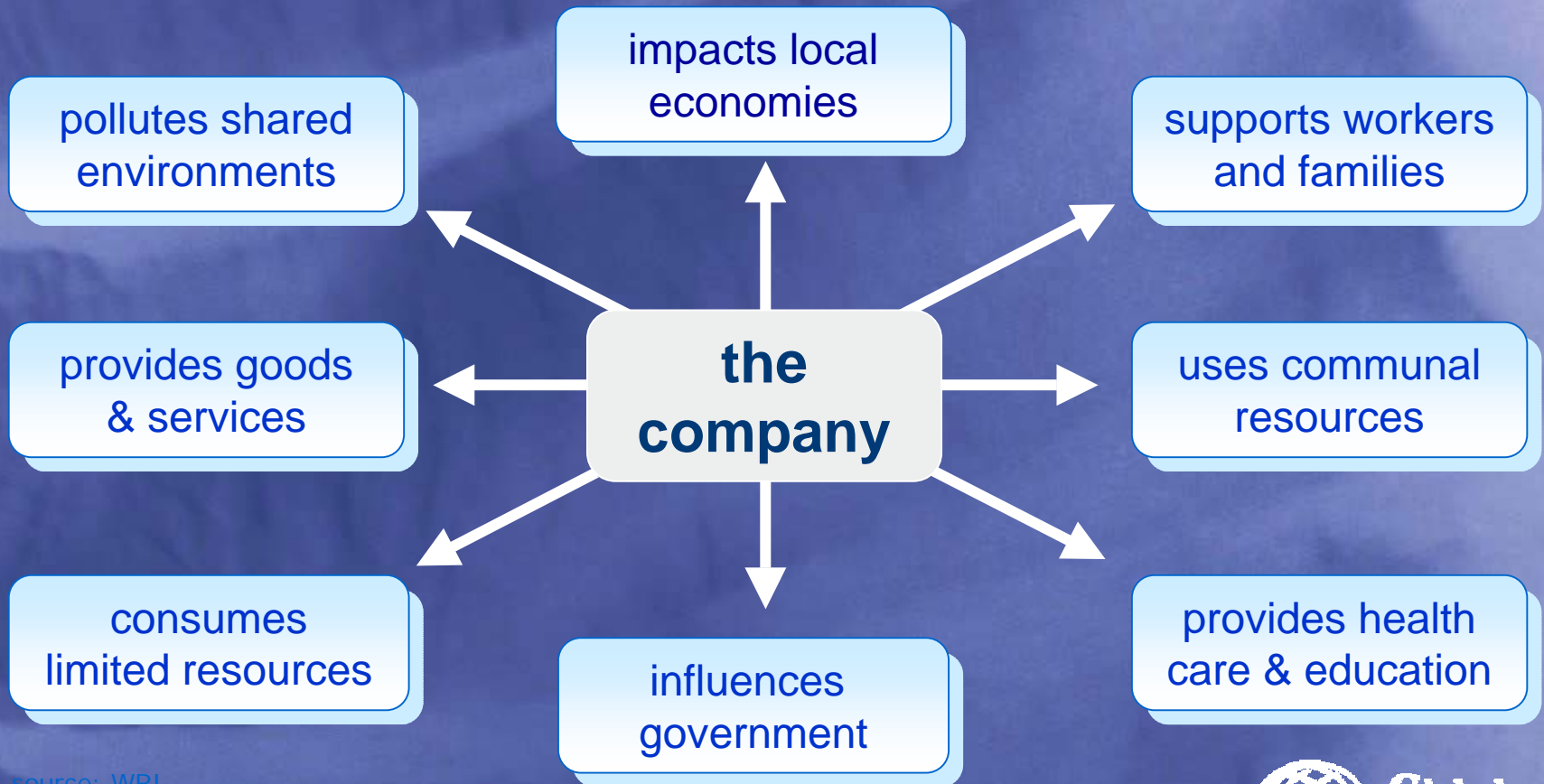
# a global reporting framework



# For stakeholders by stakeholders



# stakeholder dialogue: what's a company's impact ?




source: WRI  
[www.globalreporting.org](http://www.globalreporting.org)

GRI is a collaborating centre of the United Nations Environment Programme



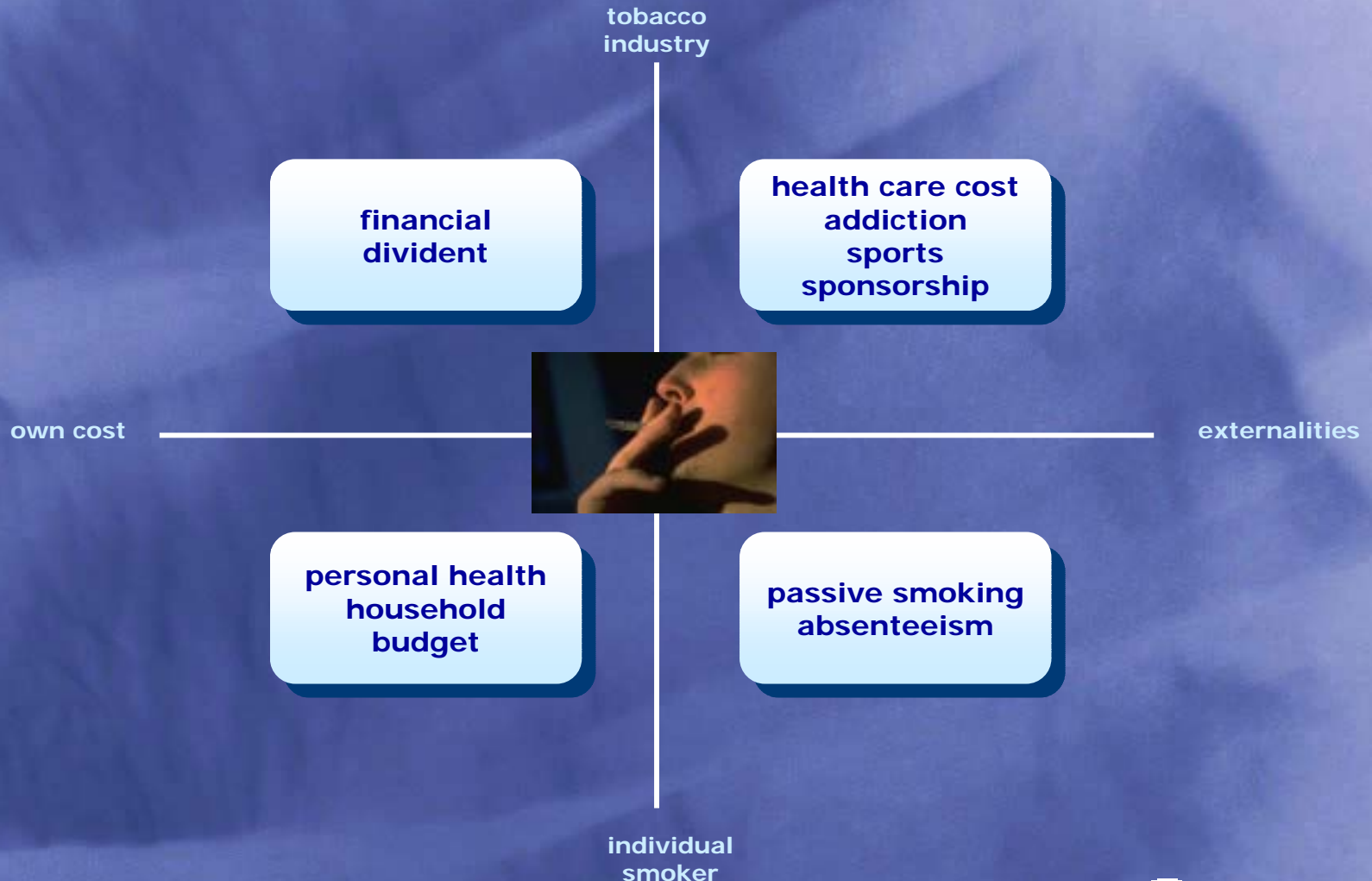
# examples of indicators

the triple bottom line of sustainability:

- economic
  - taxes and subsidies, supplier contracts
- environmental 
  - wastes, energy and water use, biodiversity
- social
  - diversity, training, child labour, bribery



# externalities and sustainable development



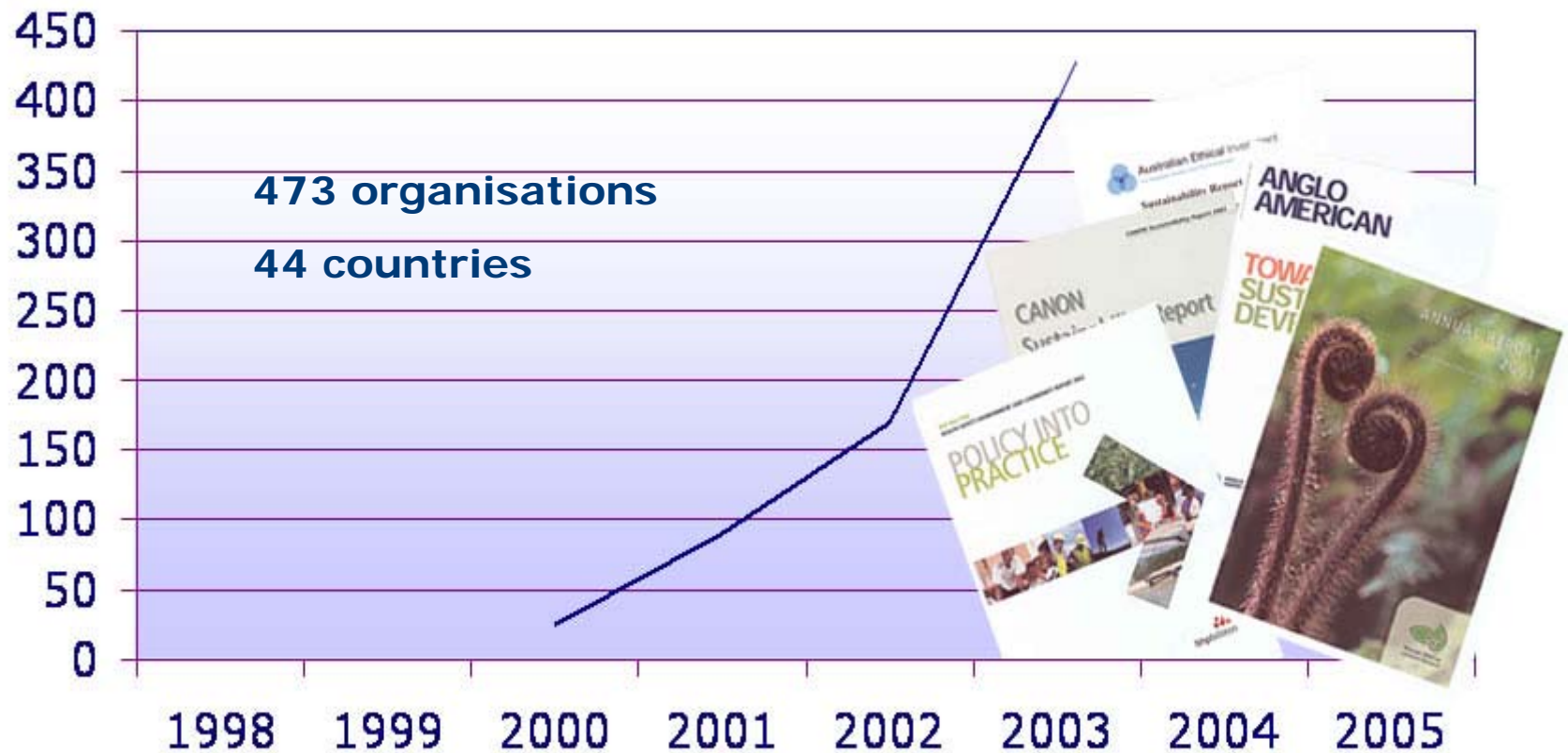


# the vision

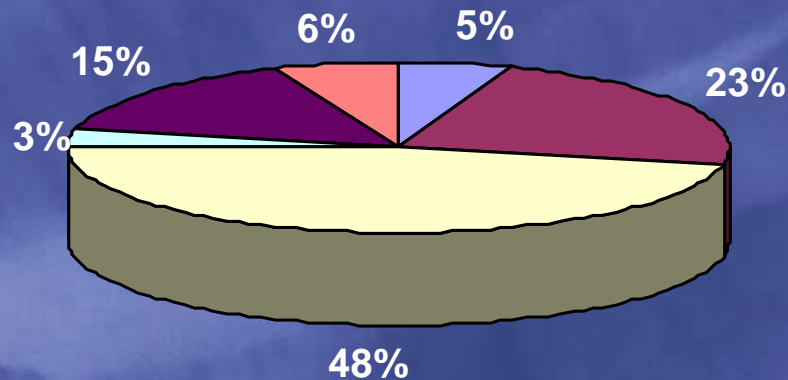
Reporting on sustainability performance becomes as **mainstream** and as **transparent** as reporting on financial performance.



# a growing number of users



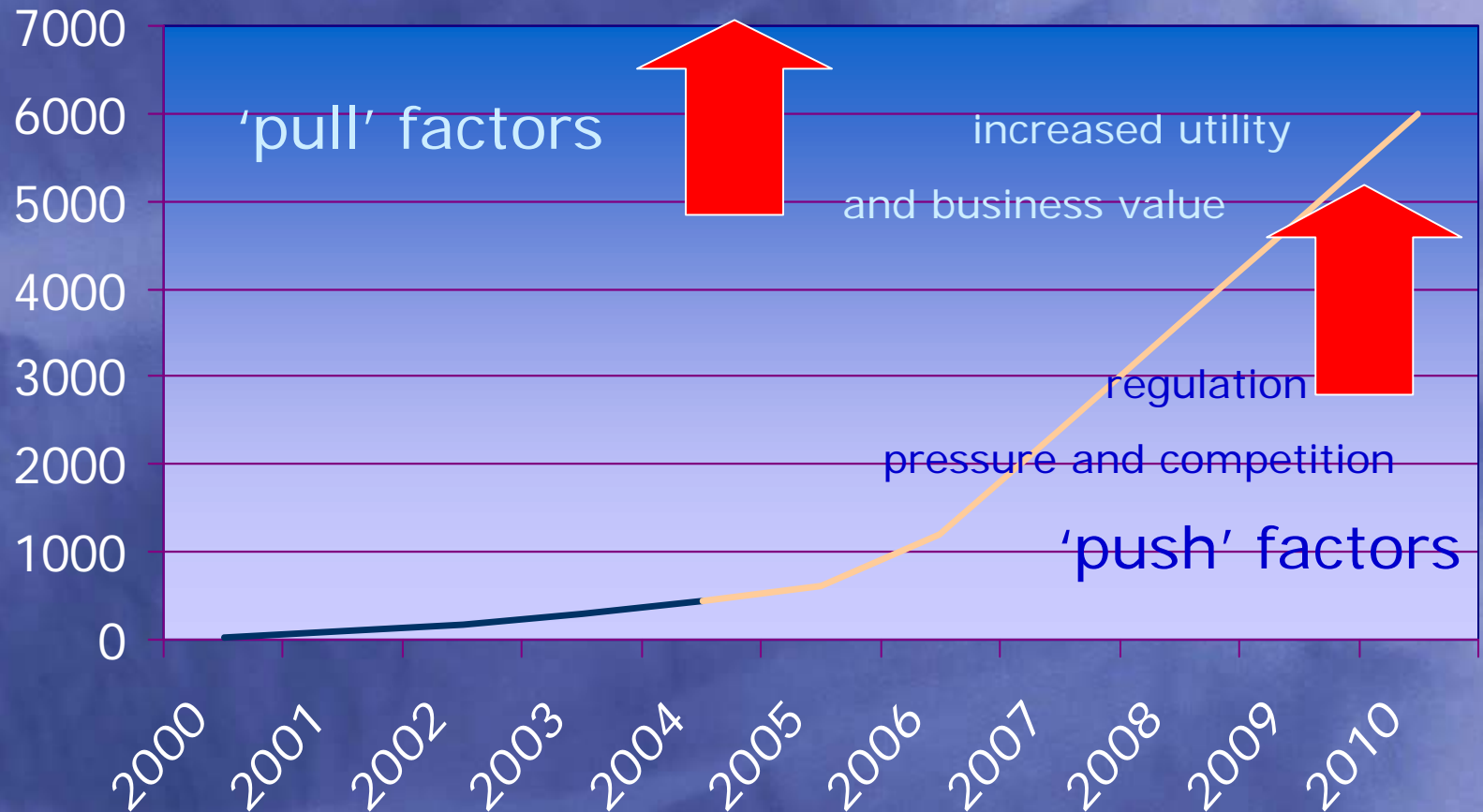
# GRI reporters per region



- Africa
- Asia
- Europe
- Latin America
- Northern America
- Oceania

Region	Reporters
Africa	26
Asia	107
Europe Latin	222
America Northern	16
America	73
Oceania	29
<b>Total</b>	<b>473</b>

# towards GRI-based mainstreaming 2005-2010



# Sector Supplements

Pilot and Board Review	Underway	Pipeline
Automotive	Financial Services (Environement)	Apparel
Telecommunications	Mining and Metals	Electricity Utilities
Financial Services (Social)	Public Agencies	Oil and Gas
Tour Operators	Logistics and Transportation	Food and Retail
		IT
		NGOs / Foundations



# evolving – towards next generation



## reporters:

- auditability
- metrics
- operationalisation
- interface
- delivery

## report readers:

- auditability
- metrics
- operationalisation
- access
- use

# thank you

- Join GRI as a OS and a reporter!
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