

ACCA UK Awards criteria

The ACCA criteria focus on the characteristics which excellent sustainability (or equivalent) reports would have. Thus, the criteria are grouped around three elements (completeness, credibility and communication) and each individual criteria within each one is equally weighted. We hope by emphasising these three elements the quality of disclosed information will continue to improve.

1. COMPLETENESS 40%

Report Characteristic	Key element	Indicator
<p>Completeness</p> <p>An excellent sustainability (or equivalent) report should enable the reader to form a complete view of that organisation's operations and impacts. In summary, what is being sought in a report is for the reader to be able to develop a complete mental picture of the organisation: what it does, the extent of its operations and the scope of the report in conjunction with its entire activities. Once the completeness of the reporting entity has been established the credibility of the information presented then becomes important.</p> <p>Completeness covers four broad areas: materiality (ie. significance of information disclosed), stakeholder inclusion (ie. identification of audience and stakeholders as well as processes followed), strategy (the level of integration and thus commitment of the organisation to SD) and organisational context (general information and placing activities in context of SD).</p>	<p>Materiality</p>	<p>1.01 Key (direct and indirect) economic/ social/ environmental impacts and issues of business identified, considered and explained</p> <p>1.02 Process and rationale behind choice of key impacts and issues identified and indicators used in report explained</p>
	<p>Stakeholder inclusion</p>	<p>1.03 Report audience identified</p> <p>1.04 Organisational stakeholders identified including an indication of relative levels of importance</p> <p>1.05 Process and description of stakeholder identification and consultation</p>
	<p>Strategy</p>	<p>1.06 Detail and clarity of social/environmental/SD policy (including upstream responsibility i.e. supply chain) and management commitment</p> <p>1.07 Product or service stewardship (e.g. design, LCA, disposal policies, social and/or economic impact of product)</p> <p>1.08 Inclusion of targets (short, medium and long-term) and objectives</p> <p>1.09 Description of process (approaches to measurement, reporting and accounting)</p> <p>1.10 Reporting period, scope of the report (by entity) and clear rationale for reporting</p> <p>1.11 Demonstration of SD integrated into core business strategy</p> <p>1.12 Evidence of coherent an collective management of SD strategy and issues</p> <p>1.13 Overview of public policy strategy, description of activities undertaken and views/statements disclosed</p>
	<p>Organisational context</p>	<p>1.14 Corporate context, e.g.</p> <ul style="list-style-type: none"> • major products and/or services • financial performance • geographical location(s) • employment information <p>1.15 A clear and credible articulation of the meaning of SD, consideration of what implications arise for the organisation as it pursues SD, tensions which emerge and unresolved complexities and dilemmas</p> <p>1.16 Placing organisational activity in the context of the wider societal and environmental systems within which the organisation operates</p> <p>1.17 Placing of social/environmental/SD reporting in context of other reporting undertaken</p>

2. CREDIBILITY

35%

Report Characteristic	Key element	Indicator
<p>Credibility</p> <p>From the report, one would be seeking assurance (from the presentation of evidence) that there are organisational structures, processes and controls in place to enable the organisation to accurately present information on its impacts. This includes having policies, appropriate personnel in place, information gathering systems, management systems and having targets which are designed to achieve sustainable development. Report users would be seeking to identify the extent to which there is evidence that, <i>where appropriate</i>, the internal systems and information have been tested and the views of external parties have been incorporated into the report.</p> <p>Credibility covers five broad areas: management process (the way the organisation is managed), stakeholder inclusion (how feedback is used and how it influences organisational functioning), governance (senior management style and involvement), performance (data) and assurance (both internal and external).</p>	<p>Management process</p>	<p>2.01 Management systems and their integration into the business process</p> <p>2.02 Application of guidance and/or standards (e.g. GRI, Investors in People, ISO/EMAS), including providing reasons for their use</p> <p>2.03 Contact name and details for person in charge of report</p>
	<p>Stakeholder inclusion</p>	<p>2.04 Identification and description of stakeholder feedback and interests in the organisations' impacts and operations and process for selecting these views (as being the most important) for disclosure.</p> <p>2.05 Use of stakeholder feedback (e.g. from engagement or external campaigns) to impact strategy, influence policy and operations and alter report content (i.e. to demonstrate learning), or conversely disclosing, with reasons, where stakeholder feedback has not been used.</p>
	<p>Governance</p>	<p>2.06 Governance system explained including named board member responsible for SD issues.</p> <p>2.07 Description of how incentivisation of staff and managers is linked to sustainability performance and achievement of targets</p> <p>2.08 Description of risk identification and management processes and disclosure of actual risks identified and discussion of opportunities resulting from this</p> <p>2.09 Consistency of management commitment to SD – review of annual report and accounts (<i>if applicable</i>)</p>
	<p>Performance</p>	<p>2.10 Economic/social/environmental performance and impact data (showing absolute and normalised data with trends over time and within sector) on material issues</p> <p>2.11 Identification of and accounting for social/environmental/SD externalities</p> <p>2.12 Compliance/non-compliance record with legislation</p> <p>2.13 Headline achievements in current period</p>
	<p>Assurance</p>	<p>2.14 Internal audit/assurance processes</p> <p>2.15 External assurance statement: <i>Factors the panel will bear in mind include:</i></p> <ul style="list-style-type: none"> ◇ independence and impartiality ◇ remit, clarity and scope ◇ indication of methodology (including reference to standards and guidance used e.g. AA1000AS, ISAE3000) ◇ depth of investigation - site visits and site specific testing ◇ interpretation of data/performance reported ◇ identification of any data/information omitted that could/should have been included ◇ independent comment on corporate targets set and impacts identified ◇ shortcomings and recommendations

3. COMMUNICATION 25%

Report Characteristic	Key element	Indicator
<p>Communication</p> <p>Communication is the extent to which the sustainability (or equivalent) report communicates to the declared target audiences. This is, at least in part, an assessment of the media by which communication has been attempted.</p> <p>Communication covers three broad areas: presentation (how the report looks), stakeholder inclusion (how the report is made available to users) and structure (the style of reporting).</p>	<p>Presentation</p>	<p>3.01 Layout and appearance</p> <p>3.02 Comprehensibility, readability and appropriateness of length</p> <p>3.03 Innovative approaches</p> <p>3.04 Appropriateness of graphs, illustrations and photos</p>
	<p>Stakeholder inclusion</p>	<p>3.05 Accessibility (e.g. Braille/large print, electronic format on accessible website, available in language(s) relevant to audience, printed version available)</p> <p>3.06 Communication and feedback mechanisms for report-users to provide/send comments to reporter</p>
	<p>Structure</p>	<p>3.07 Availability of a summary report and/or executive summary</p> <p>3.08 Comprehensive navigation through report and signposting and links to other reporting</p> <p>3.09 Reference to website and use of internet</p>