

# ACCA UK Sustainability Awards 2004

## Criteria



The ACCA criteria focus on the characteristics which excellent environmental, social and/or sustainability reports would have. Thus, the criteria are grouped around three elements (completeness, credibility and communication). We hope by emphasising these three elements the quality of disclosed information will continue to improve. Weightings are given between 1 (low) and 3 (high), to indicate the level of importance given by the judges of each indicator relative to others in the same section.

### 1. COMPLETENESS 40%

Report Characteristic		Indicator	Weighting
<p><b>Completeness (40%)</b></p> <p>An excellent environment/ social/ sustainability report should enable the reader of that report 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>A complete view has two parts. First, there should be clarity with regard to the definition of the reporting entity for the purpose of that report. There is an expectation that entities would include all their operations in an report unless they produce a range of reports (such as by geographic segments or a variety of entity based reports). The second aspect of completeness is the extent to which, for the reporting entity, all significant aspects of impact are presented in the report. Where reports are not complete in the manner outlined above there should be some indication of the extent to which completeness has not been achieved and some estimate of the impact of this lack of completeness should be attempted.</p>	1.1	Corporate context, e.g. <ul style="list-style-type: none"> <li>• major products/and or services</li> <li>• financial performance</li> <li>• geographical location(s)</li> <li>• employment information</li> </ul>	3
	1.2	Key (direct and indirect) economic/social/environmental impacts of business considered and explained	3
	1.3	Detail and clarity of social/environmental/SD policy and management commitment	2
	1.4	Rationale behind choice of any indicators used in report	2
	1.5	Inclusion of targets and objectives	3
	1.6	Product or service stewardship (e.g. design, LCA, disposal policies, social and/or economic impact of product)	2
	1.7	Supplier procurement policies and issues	2
	1.8	Description of process (approaches to measurement, stakeholder consultation, reporting and accounting)	2
	1.9	Scope of the report (by entity)	2
	1.10	Reporting and accounting policies (e.g. reporting period & frequency, consolidation)	2
	1.11	Report audience(s) identified	2
	1.12	Placing of social/environmental/SD reporting in context of other reporting undertaken	2
	1.13	Clear rationale for reporting	2
	1.14	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	3

## 2. CREDIBILITY 35%

Report Characteristic		Indicator	Weighting
<p><b>Credibility (35%)</b></p> <p>There are two aspects to credibility: internal credibility and external credibility.</p> <p>With internal credibility (2.1-2.9) 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.</p> <p>External credibility (2.10-2.13) relates to 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. This includes stakeholder interactions as well as third party statements on the report.</p>	2.1	Headline achievements in current period	2
	2.2	Named board member responsible for SD issues, and governance system explained	2
	2.3	Contact name and details for person in charge of report	1
	2.4	Management system and its integration into the business process	2
	2.5	Contingency planning and risk management	3
	2.6	Internal audit processes	2
	2.7	Compliance/non-compliance record with legislation	2
	2.8	Economic/social/environmental impact data (showing absolute, normalised and comparative data with trends over time and within sector) with appropriate cross linkages between elements	3
	2.9	Accounting for social/environmental/SD data (especially regarding the impact of externalities)	2
	2.10	Application of guidance and/or standards such as GRI, DEFRA guidance, AA1000, Investors in People, ISO/EMAS accreditation/certification	2
	2.11	Description of stakeholder consultation/dialogue process	2
	2.12	Use of stakeholder feedback	2
	2.13	Third party statement: <i>Factors the panel will bear in mind include:</i> <ul style="list-style-type: none"> <li>◇ Remit and scope</li> <li>◇ Indication of site visits and site specific testing</li> <li>◇ Interpretation of data/performance reported</li> <li>◇ Identification of any data/information omitted that could/should have been included</li> <li>◇ Independent comment on corporate targets set and impacts identified</li> <li>◇ Shortcomings and recommendations</li> </ul>	3



### 3. COMMUNICATION 25%

Report Characteristic		Indicator	Weighting
<b>Communication (25%)</b>  The final area on which an evaluation could be made is the extent to which the environment/ social/ sustainability report communicates to the declared target audiences. This is, at least in part, an assessment of the media by which communication has been attempted.	3.1	Layout and appearance	3
	3.2	Understandability, readability and appropriate length	3
	3.3	Accessibility (e.g. braille/large print, electronic format on accessible website, available in language(s) relevant to audience, printed version available)	2
	3.4	Communication and feedback mechanisms	2
	3.5	Innovative approaches	2
	3.6	Availability of a summary report and/or executive summary	2
	3.7	Comprehensive navigation through report	2
	3.8	Use of internet	2
	3.9	Reference to website and other reports, and how reports relate to each other	2
	3.10	Appropriateness of graphs, illustrations and photos	2
	3.11	Integration with financial statements	2

#### PLEASE NOTE

We would like to emphasise that, although the judging criteria are a significant factor in the selection of the initial shortlist, they are not the only issues to be considered. Once the shortlist has been established, it is assumed that all shortlisted reports have performed well across most of the criteria. Thereafter, the panel of judges uses the criteria as a guide but does not apply a strict point scoring system.

Other factors considered and discussed among the judges include current reporting trends and environmental/social/sustainability themes, specific sectoral issues, innovative reporting approaches and reporting disclosures which deserve specific commendation.