



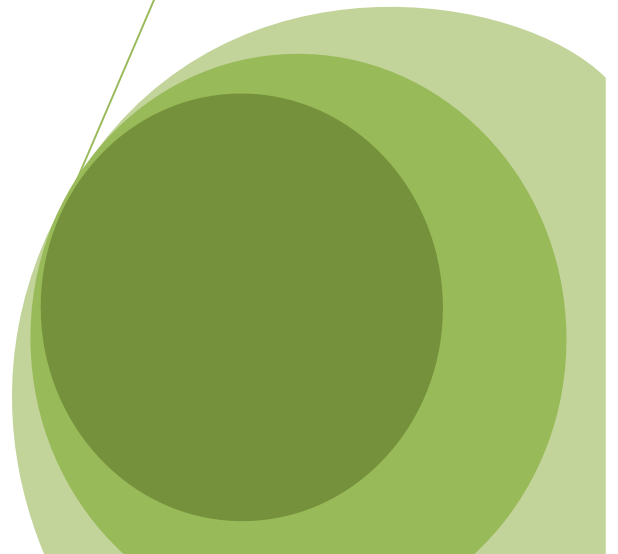
**The Institute of  
Chartered Accountants  
of Pakistan**



**The Institute of Cost  
and Management  
Accountants of  
Pakistan**

## **ICAP- ICMAP Best Sustainability Report Award**

**Evaluation Criteria 2011**



Desired Disclosures in Sustainability Report

|           |   |           |
|-----------|---|-----------|
| <b>A</b>  | <b>Strategy &amp; Profile Disclosures</b><br><i>(Disclosures that set the overall context for understanding organizational performance such as strategy, profile and governance)</i>  | <b>20</b> |
| <b>I</b>  | <p><b>Strategy &amp; Analysis</b></p> <p>a) Statement from the most senior decision maker of the organization about the relevance of sustainability to the organization and its strategy.</p> <p>b) Description on the impact of sustainability trends, risks, and opportunities, on the long term prospects and financial performance of the organization</p>  | <b>2</b>  |
| <b>II</b> | <p><b>Profile, Report Boundary &amp; Governance</b></p> <p><b>2 Organizational Profile</b></p> <p>2.1 Name of the organization.</p> <p>2.2 Primary brands, products &amp; services.</p> <p>2.3 Operational structure of the organization (divisions, operating companies, subsidiaries, JVs).</p> <p>2.4 Location of organization's headquarters / head office.</p> <p>2.5 Number and names of countries where the organization operates.</p> <p>2.6 Nature of ownership and legal form.</p> <p>2.7 Markets served by the organization (geographical breakdown, sectors, type of customers / beneficiaries).</p> <p>2.8 Scale of the reporting organization (in terms of number of employees, net sales, total capitalization broken down into debt &amp; equity and quantity of products or services provided).</p> <p>2.9 Significant changes in the organization during the reporting period.</p> <p>2.10 Awards received in the reporting period.</p> <p><b>3 Report Parameters</b></p> <p><u>Report Profile</u></p> <p>3.1 Reporting period for information provided.</p> <p>3.2 Date of most recent previous report (if any).</p> <p>3.3 Reporting cycle (annual, biennial etc.)</p> <p>3.4 Contact point for questions regarding the report and its contents.</p> <p><u>Report Scope &amp; Boundary</u></p> <p>3.5 Process for defining report content (determining materiality, users of the report etc.)</p> <p>3.6 Boundary of the report (countries, divisions etc.)</p> <p>3.7 Statement of specific limitations on the scope or boundary of the report.</p> <p>3.8 Basis for reporting on JVs , subsidiaries, leased facilities, outsourced operations etc.</p> <p>3.9 Data measurement techniques, basis for calculation and assumptions.</p> <p>3.10 Explanation of effect of any restatement of information provided in previous report.</p> <p>3.11 Significant changes from previous reporting periods in the scope, boundary, and measurement methods.</p> <p>3.12 Table identifying the location of the Standard disclosures in the report (index).</p> <p>3.13 Policy and current practice with regard to seeking external assurance for the report.</p> <p><b>4 Governance, Commitments &amp; Engagement</b></p> <p><u>Governance</u></p> <p>4.1 Governance structure of the organization</p> <p>4.2 Indicate whether the Chair of highest governing body is also an executive officer.</p> <p>4.3 State the number of members of the governing body that are independent and/ or non-executive members.</p> <p>4.4 Mechanism for shareholders &amp; employees to provide recommendations to the highest governing body</p> <p>4.5 Linkage between compensations of those charged with governance and the organization's overall performance.</p> | <b>18</b> |



- 4.6 Processes in place for the highest governing body to ensure avoidance of conflict of interests.
  - 4.7 Processes for determining the qualifications & expertise of those charged with governance.
  - 4.8 Internally developed mission statements, code of conduct etc. and their status of implementation.
  - 4.9 Procedures of those charged with governance for overseeing the identification & management of economic, environmental & social performance.
  - 4.10 Processes for evaluating the performance of those charged with governance with respect to economic, social & environmental performance.
- Governance structure of the organization

Commitments to External Initiatives

- 4.11 Explanation of whether and how the precautionary approach is addressed by the organization.
- 4.12 Subscription of the organization to externally developed economic, environmental & social charters, principles or other initiatives.
- 4.13 Organization's membership in associations and national or international advocacy organizations.

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| <b>B</b> | <b>Management Approach Disclosures</b> | <b>10</b> |
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*(Disclosures that cover how an organization addresses a given set of topics in order to provide context for understanding economic, environmental and social performance of the organization. Management approach shall be given for the performance indicators (Part C) that the organization intends to disclose.)*

- |          |                                |          |
|----------|--------------------------------|----------|
| <b>1</b> | <b>Economic</b>                | <b>3</b> |
| 1.1      | Economic performance           |          |
| 1.2      | Market presence                |          |
| 1.3      | Indirect Economic Impact       |          |
| <b>2</b> | <b>Environment</b>             | <b>3</b> |
| 2.1      | Materials                      |          |
| 2.2      | Energy                         |          |
| 2.3      | Water                          |          |
| 2.4      | Biodiversity                   |          |
| 2.5      | Emissions, Effluents and waste |          |
| 2.6      | Products and services          |          |
| <b>3</b> | <b>Social</b>                  | <b>4</b> |
| 3.1      | Labour practices & decent work |          |
| 3.2      | Human Rights                   |          |
| 3.3      | Society                        |          |
| 3.4      | Product Responsibility         |          |



|          |                                    |           |
|----------|------------------------------------|-----------|
| <b>C</b> | <b>Core Performance Indicators</b> | <b>35</b> |
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*(Indicators that elicit comparable information on the economic, environmental and social performance of the organization.)*

- 1 Economic**
- Economic Performance (EC1-EC4)
- 1.1 Direct economic value generated & distributed
- 1.2 Financial implications/risks/opportunities due to climate change
- 1.3 Defined benefit plan obligations' coverage
- 1.4 Significant financial assistance received from government
- Market Presence (EC6,EC7)
- 1.5 Policy, practices, proportion of spending on local suppliers at significant locations of operation
- 1.6 Procedures for hiring and proportion of senior management hired from local community at significant locations

Indirect Economic Impacts (EC8)

- 1.7 Development and impact of infrastructure investment and services for public benefit

**2 Environment**Materials (EN1,EN2)

- 2.1 Materials used by weight/volume  
2.2 Percentage of materials used that are recycled

Energy (EN3,EN4)

- 2.3 Direct energy consumption by primary source  
2.4 Indirect energy consumption by primary source

Water (EN8)

- 2.5 Total water withdrawal by source

Biodiversity (EN11,EN12)

- 2.6 Location/size of the land owned, leased, managed near protected areas/areas having high bio-diversity value  
2.7 Impacts on biodiversity

Emissions, Effluents & Waste (EN16,EN17,EN19-EN23)

- 2.8 Direct and indirect GHG emissions by weight  
2.9 Other relevant indirect GHG emissions by weight  
2.10 Emissions of ozone depleting substances by weight  
2.11 NO<sub>x</sub>, SO<sub>x</sub> and other air emission by type & weight  
2.12 Total water discharge by quality & destination  
2.13 Total weight of waste by type & disposal method  
2.14 Total number & volume of significant spills

Products & Services (EN26,EN27)

- 2.15 Initiatives to mitigate environmental impacts of products & services  
2.16 Percentage of products sold and packaging reclaimed (recycled / reused)

Compliance (EN28)

- 2.17 Monetary value of significant fines and sanctions due to non-compliance with environmental laws & regulations

**3 Social*****Labour Practices and decent work***Employment (LA1,LA2)

- 3.1 Total workforce by type, contract & region  
3.2 Total number & rate of employee turnover by age group, gender & region

Labour- management relations (LA4,LA5)

- 3.3 Percentage of employees covered by Collective Bargaining Agreements  
3.4 Minimum notice period regarding significant operational changes

Occupational health & safety (LA7,LA8)

- 3.5 Rates of injury , diseases, lost days, absenteeism & number of work-related fatalities by region  
3.6 Education, training & counselling programs



Training & Education (LA10)

- 3.7 Average hours of training per year per employee

Diversity & Equal Opportunity (LA13,LA14)

- 3.8 Composition of governance bodies & breakdown of employees in categories  
3.9 Ratio of basic salary of men to women by employee category

Compliance

- 3.10 Significant fines and sanctions due to non-compliance with Labour Laws

**Human Rights**Investment & procurement practices (HR1,HR2)

- 3.11 Percentage & number of agreements that include human right clauses  
3.12 Significant suppliers that have undergone screening on human rights

Non-discrimination (HR4)

- 3.13 Total number of incidents of discrimination & actions taken

Freedom of association & collective bargaining (HR5)

- 3.14 Operations in which freedom of association & collective bargaining may be at risk & necessary remedial actions in this regard

Abolition of child labour (HR6)

- 3.15 Operations in which there is a risk of child labour and remedial actions in this regard

Prevention of forced & compulsory labour (HR7)

- 3.16 Operations in which there is a risk of forced & compulsory labour & remedial actions in this regard

Compliance

- 3.17 Significant fines and sanctions due to non-compliance with Human Rights Laws

**Society**Community (SO1)

- 3.18 Programs & practices assessing & managing the impacts of operations on community

Corruption (SO2-SO4)

- 3.19 Percentage and number business units analyzed for corruption risk  
3.20 Percentage of employees trained in anti-corruption policies  
3.21 Actions taken in response to corruption incidents

Public Policy (SO5)

- 3.22 Public policy positions & participation in policy development

Compliance (SO8)

- 3.23 Significant fines and sanctions due to non-compliance

**Product Responsibility**Customer Health & safety (PR1)

- 3.24 Life cycle stages in which health & safety impacts of products are assessed



Product & Service labelling (PR3)

- 3.25 Type of product and service information required by procedures & percentage of significant products & services subject to such information requirements

Marketing Communications (PR6)

- 3.26 Programs for adherence to laws and standards relating to marketing communication

Compliance (PR9)

- 3.27 Significant fines and sanctions due to non-compliance, concerning the provision & use of products & services

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| <b>D</b> | <b>Relevance of the sustainability report to the organizational sector</b>   | <b>5</b>  |
| <b>E</b> | <b>Stakeholder Engagement</b>  | <b>10</b> |
|          | <b>1 Reporting Process</b>   |           |
| 1.1      | List of stakeholders group engaged by the organization.  | 1         |
| 1.2      | Basis of identification and selection of stakeholders with whom to engage  | 1         |
| 1.3      | Approaches to stakeholders engagement including frequency of engagement by type and stakeholder group                                  | 1         |
| 1.4      | Key topics and concerns raised through stakeholder engagement and the organization's response to them                                  | 1         |
|          | <b>2 Reporting on Responses</b>  |           |
| 2.1      | Actions taken or activities planned in response to stakeholder engagement process  | 3         |
| 2.2      | Risk management based on stakeholder consideration and feedback  | 3         |
| <b>F</b> | <b>Report Presentation</b>   | <b>10</b> |
| a)       | Theme on the cover and whole report.   | 4         |
| b)       | Effectiveness of photographs and their relevance.  | 2         |
| c)       | Uploading of sustainability report on the website.   | 2         |
| d)       | Calendar of major events during the year.  | 2         |
| <b>G</b> | <b>Assurance by an independent assurer being a practicing member (s) of ICAP and /or ICMAP, in accordance with ISAE 3000 (Note 2).</b> | <b>10</b> |

**Note 1**

If any of the disclosure items is not applicable for a reporting organization, it should be marked as "N/A" with clear description of why the particular disclosure item is not applicable.

**Note2:**

International Standard on Assurance Engagement (ISAE) 3000: Assurance Engagements other than audits or reviews of Historical Financial Information is promulgated by International Accounting and Auditing Standard Board of IFAC. ISAE 3000 is the recognized standard for Sustainability Report assurance by IFAC Sustainability Framework and is also adopted by ICAP.

**Note3:**

The above criteria have been laid down in accordance with G3 Guidelines promulgated by the Global Reporting Initiative (GRI). Any reference to disclosure items' code shall be referred to the respective code of these Guidelines. The reporting framework can be downloaded from [www.globalreporting.org](http://www.globalreporting.org)