

Introduction

Key to successful sustainability reporting is to ensure standardisation and mainstreaming of reporting methods and techniques across organisations within sectors. Moreover, current and historical information must be available for computerised comparison and analysis across multiple non-financial and financial standards.

A major barrier reporting organisations face when shopping for reporting tools is the siloed and proprietary nature of the products available in the market. Developing a holistic cross-sector strategy becomes cumbersome and costly often resulting in unsatisfactory outcomes and poor returns on investments. Furthermore, standardisation and mainstreaming of reporting methods and standards becomes difficult because proprietary information and systems have created organisational barriers that resist changing to an open, holistic approach, necessary for truly beneficial sustainable development reporting.

Client Service Approach

Our strategy is to provide an open reporting platform which uses globally accepted standards and technologies and remains open to all users, while respecting their privacy and confidentiality. The platform has no licensing fee and organisations are at liberty to customise and extend it to suite their particular needs. Consequently, it should be understood and appreciated that extensions and customisations made to the system will be on a 'benefit for all' basis. That is, although any generated data is strictly private to the user, the actual custom functionality (extensions and reporting modules) may be used freely by other organisations. This approach will help ensure the standardisation and mainstreaming of sustainable development standards and methods across the business sector.

We have achieved this for GRI G-4, CDP and IFRS Structured Data formats. Compliant reports may be created for individual standards or combined and customised to suit the organisation or sector's specific needs.

Evolving the ESG Reporting environment in sector specific organisations

There are a number of significant operational improvements and cost savings derived from evolving to a standardised digital ESG Reporting framework.

1) Improved reporting with reduced costs

- Easy customisation of reports according to specific business sector and user needs
- Improved accessibility to corporate data to quickly and accurately inform management about material issues, which are pertinent during decision making processes
- Build an evolving structured knowledgebase of information concerning stakeholder aspects. All historical information collected is comparable on an ongoing basis
- Develop innovative sector reporting scenarios while protecting privacy and competition sensitive information among organisation
- Maintain internal control of all information and reporting - Ensure external reporting is properly scrutinised and compared with other reports before submissions
- Low cost infrastructure - no additional software or hardware

- Reduced human intervention during reporting cycles
- Single point of access for users

2) Increased Speed and Better Performance

- Gather standardised disclosures directly from stakeholders in digital format
- Automated matching of non-financial and financial information since they are both in the same format

3) Improved Accuracy and Auditability during Assurance Process

- Less error prone due to reduced human intervention
- Simplified and more accurate assurance process due to digitalised audit trails
- All information collected according to industry standards: GRI, CDP and IFRS

4) Greater Flexibility

- ESG and Financial information becomes directly comparable – such as quantifiable financial outcomes of ESG initiatives e.g. new EH&S programs
- Test out how sustainable aspects impact financial outcomes and vice versa
 - Some examples may include of integrated project such as:
 - Adjusting Internal Carbon Pricing values depending on the specific business activities;
 - Calculating Investment Rates of Returns (IRR) of an internal carbon pricing project and investment;
 - Creation of information models to measure current and anticipated future impact of regulatory carbon prices;
 - Adoption of carbon pricing models to specific countries, conforming to the different regulatory requirements;
 - Gather information for and analyse Environmental Profit and Loss account (EP&L);
- Adapt more quickly to changes in regulatory reporting requirements
 - Organisations can run business scenarios more quickly and efficiently. E.g. test out changes in Carbon Pricing (Carbon Tax or Cap and Trade) to workout impacts on the bottom-line of current or planned projects, services and products.
 - Governments can bring in these types of regulations and organisations need to be prepared.

Information Management

How the information is managed will be critical to the successful outcome of the project. After a few years, significant amounts of value-creating data will accumulate, along with the responsibilities of proper information management and control. Depending on the technical expertise of organisations, the design and administration of the platform can be managed internally or commonly outsourced at the sector level as a shared resource.

Sharing of resources can create further engagement opportunities among cooperating stakeholders as well as economies of scale while respecting organisational privacy. The design can become a centrally controlled knowledge base, while maintaining owner confidentiality. These customised Information Management designs can be adapted for different sectors and architectures implemented to suit the needs of the user community.