



# GRI Sustainability Reporting

October 4, 2015



جمعية البنوك في الأردن  
ASSOCIATION OF BANKS IN JORDAN

- Introduction to Sustainability and CSR
- GRI Reporting

# Sustainability context

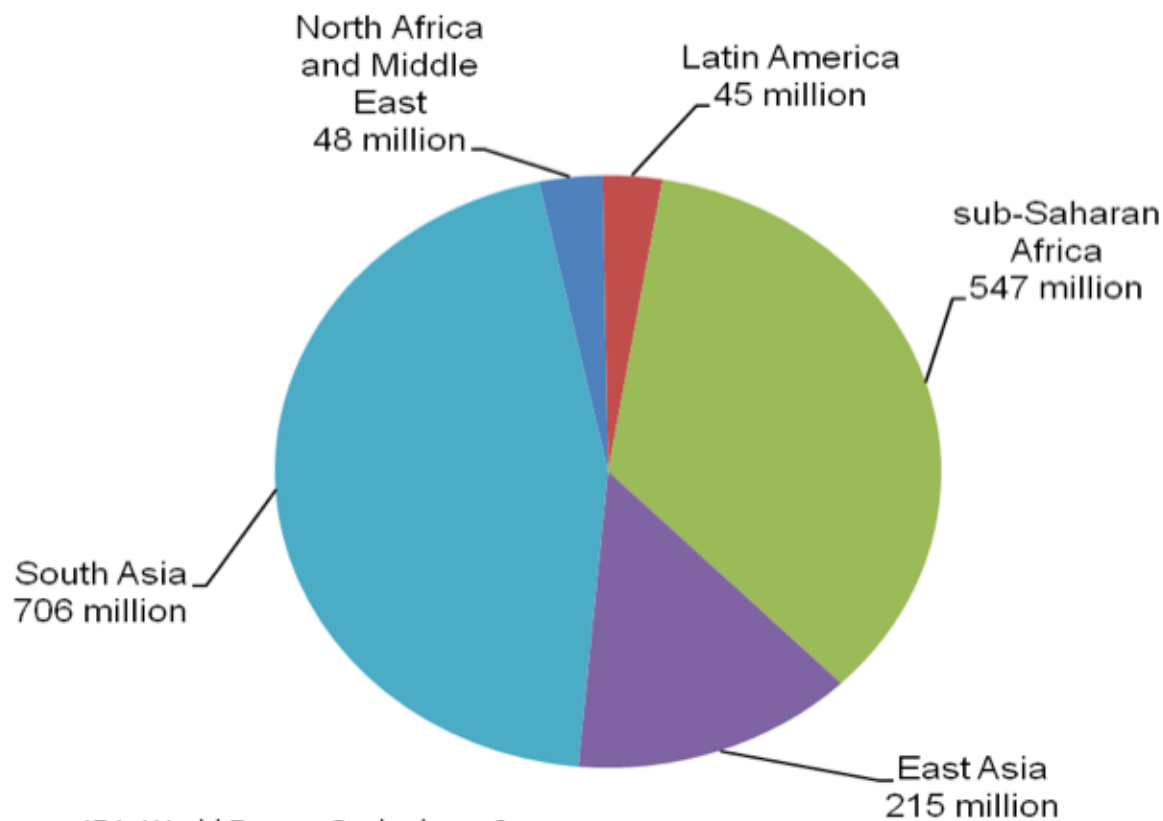
- What is happening in the world?
- How does society react to face these problems?

## Our world is ...



## ... out of balance

# How many people in the developing world do not have access to electricity?



**1.6  
billion**

Source: IEA. World Energy Outlook 2006

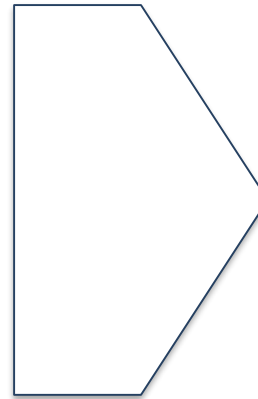
# New Pressures to New Paradigms

- Pressure on business to engage in broader sustainability issues.
- Increasing difficulty of tackling certain global problems unilaterally.
- Necessity of bringing in the comparative advantages of all stakeholders.
- Competitive benefits for the private sector to play a more proactive and collaborative role in development.

# Role of Organizations

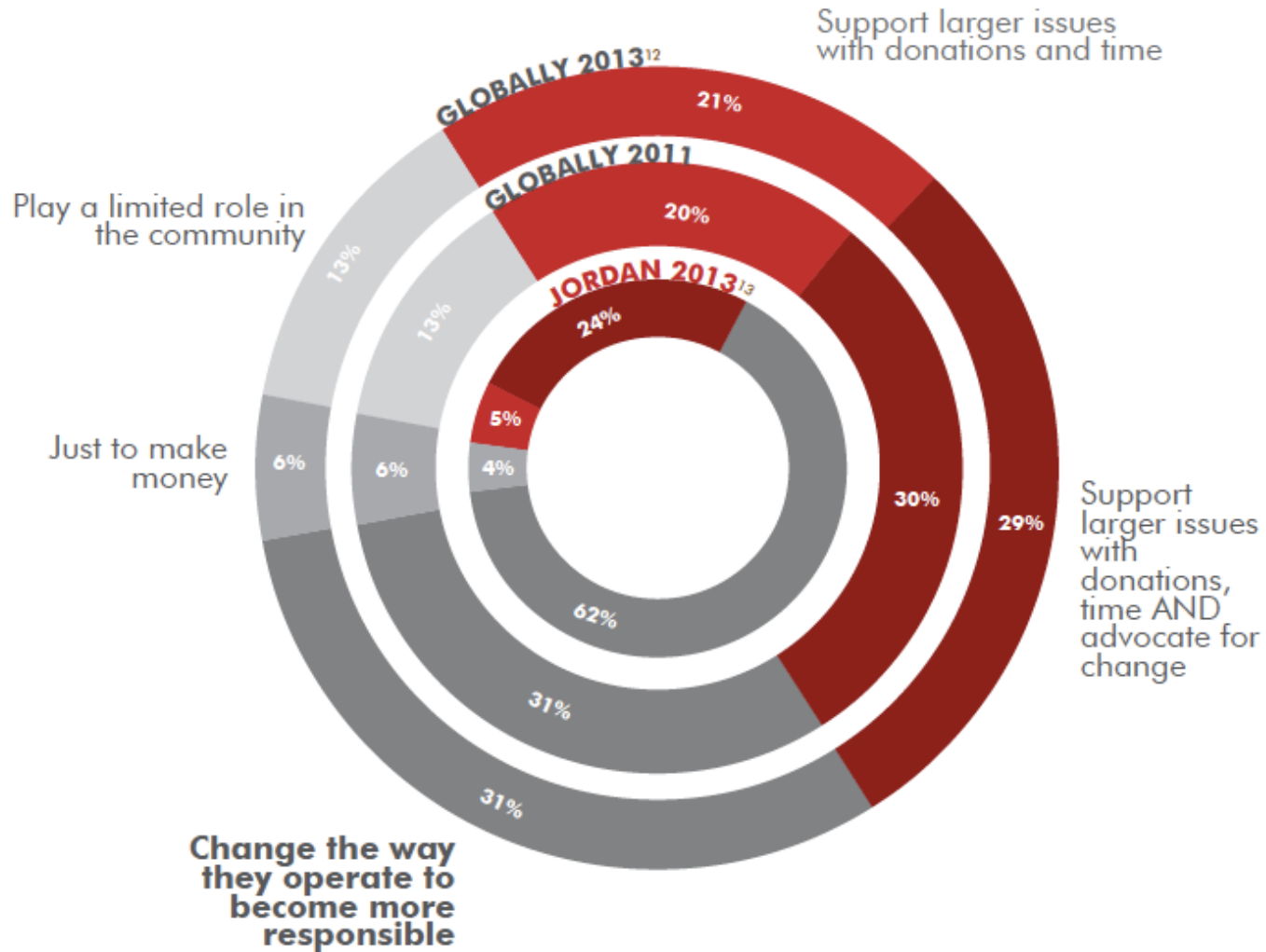
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Organizations concentration a large amount of financial, technical (research & technology), natural & human resources (experts). They also influence political decisions.



They have to be part of the solution!

# Consumers' Expectations of the Role of Business in Society



Reference: A Cone/Echo Global CR Study and Schema CR in Jordan



# Role of Organizations

Different ways to respond:  
Both important, but different and lead to different results.

Philanthropy	Responsible Management
<ul style="list-style-type: none"><li>• Gives support where not available from the government or local communities</li><li>• Not related to “day to day” operations</li></ul>	<ul style="list-style-type: none"><li>• Uses “day to day” management decisions to address social, economic and environmental issues resulting from the organization’s operations, e.g. design of products/services, supplier selection etc. . .</li></ul>

*CSR, CR, Sustainability*

# How do you know if you are doing good?

- Amount of money you spent?
- Number of people you have supported/beneficiaries

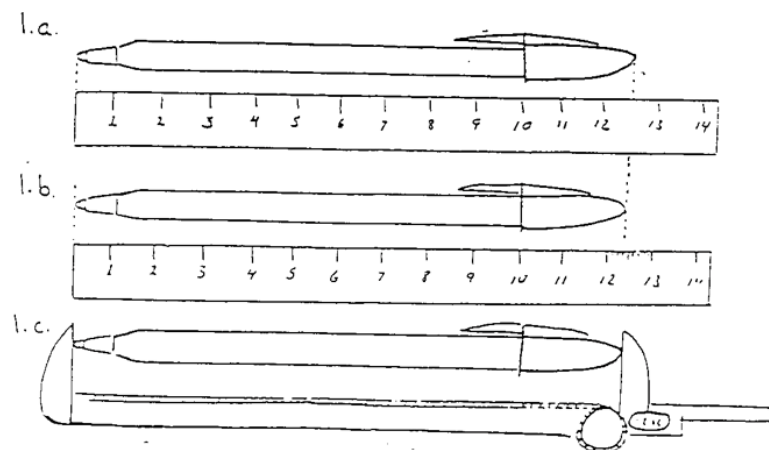
***Actually there is so much more to  
measure to assess success. .***

# How to report?

- **Organizations need to:**
  - Understand the link between its activities and world around it  
***Sustainability Context***
  - Measure and manage its impacts  
***Measurement***
  - Communicate what it has done about its impacts  
***Reporting***

What you cannot measure, you cannot manage

What you cannot manage, you cannot change!



# How Do You Put That Together?

## A Sustainability Report

- A sustainability report is about the economic, environmental and social impacts caused and managed by an organization through its everyday activities





How do you measure sustainability impacts?

Who defines the metrics to measure them?

## Different metrics exist. .



## Some standards. .

- Global Reporting Initiative



- ISO 26000



- SA 8000



- Carbon Disclosure Project

- Global Compact



- SQNet10



## Popularity

- Bloomberg projects that over 4500 reports are based on GRI Guidelines (2010)
- KPMG International Survey on Corporate Sustainability Reporting (2011)
  - 95% of Global 250 report and 80% use GRI Guidelines
  - 64% of National 100 report and 69% use GRI Guidelines

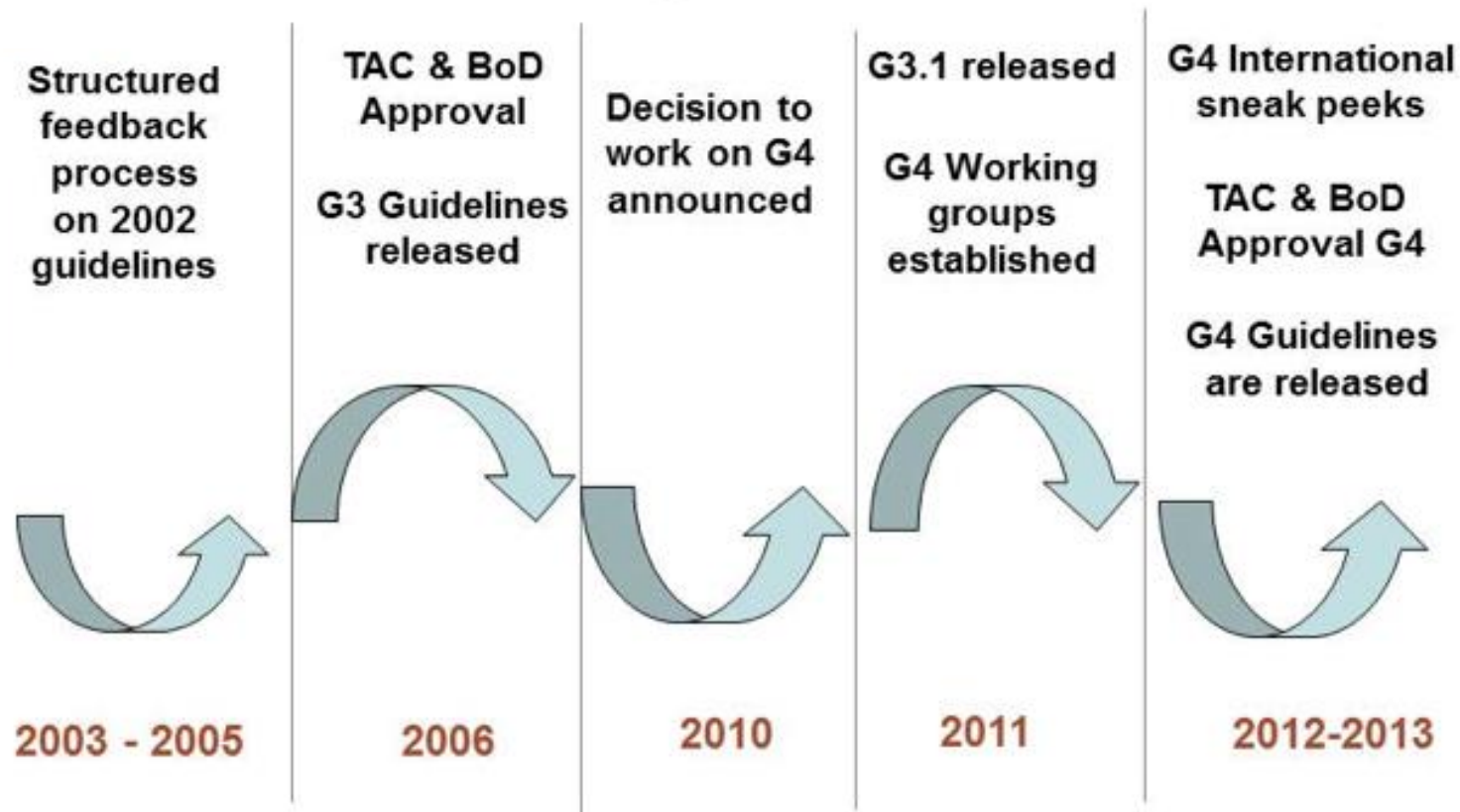


# GRI

- GRI is a non profit organization based in Amsterdam
- It is a multi stakeholder network of thousand based globally
- They use and contribute to developing the Reporting Framework
- The GRI Reporting Framework is one of the few globally recognized sustainability reporting the framework



## Evolving Guidelines



# Reporting or the Process of Reporting



# Reporting or the Process of Reporting

- What is the end objective?
- What is the purpose of the report?
- Is the outcome sustainability?
- Assess, measure, monitor or simply report?
- Is the value in the report itself or measurement?

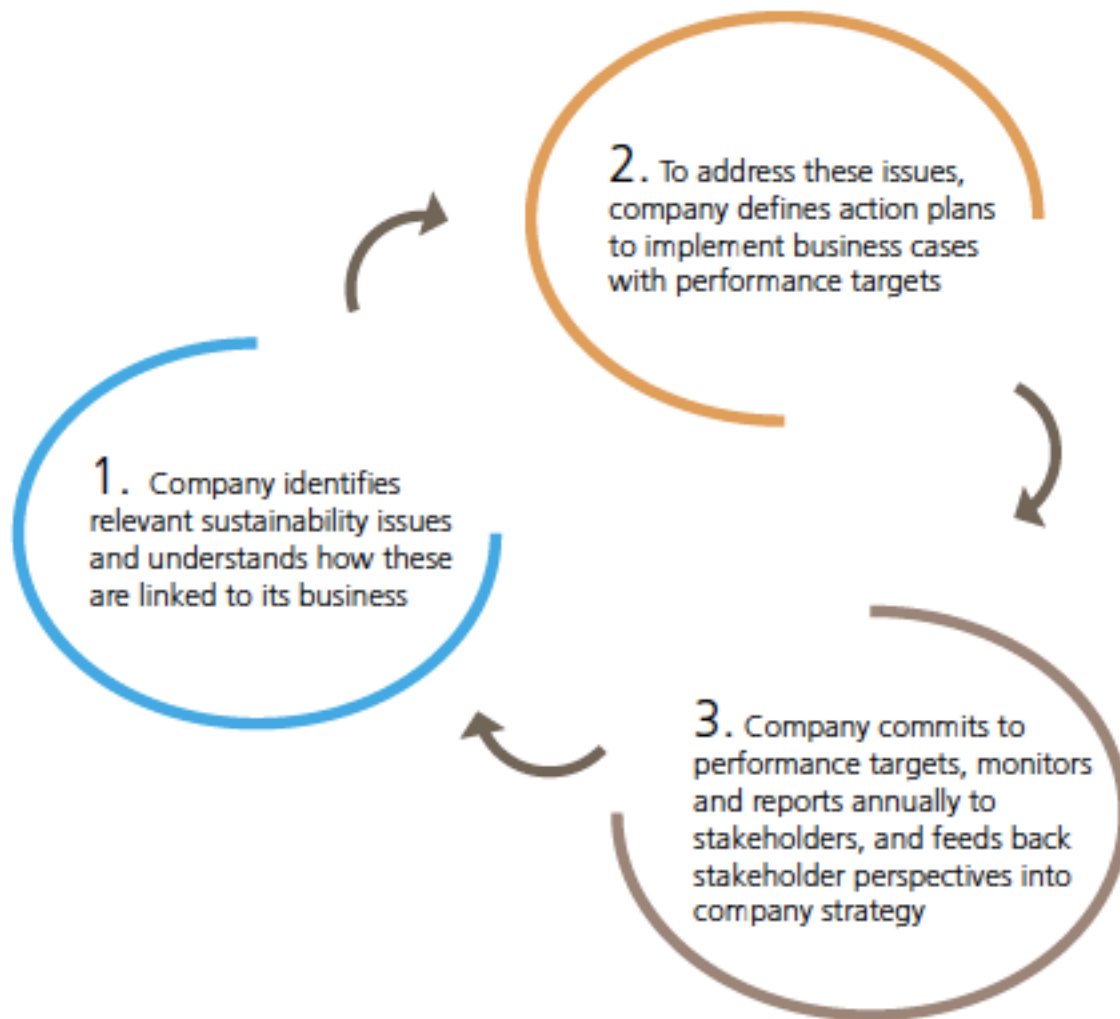
# Challenges for the Organization

- Ensuring **commitment** from staff at all levels
  - Preparing appropriate **systems and procedures**
  - **Collecting and organizing necessary information**
- Choosing and **engaging** with key stakeholders
- Deciding on what are most **important issues** to include
- Dealing with topics that are not covered by **local regulations**
- Setting **practical and achievable goals** for the reporting period
  - Communicating **negative results or issues**
  - Making it more than just a “**marketing tool**”
- Defining the report’s audience
  - Producing clear document that meets readers’ needs
  - Managing expectations around the final report

# Benefits for the Organization

- Identify **strengths and weaknesses** of business and management
- Identify **risks and opportunities**
- Improve **management systems** and goal setting

# As a Management System



## Benefits for the Organization contd.

- Helps make an organization an **attractive employer**
- Connect departments and **promote innovation**
- Source of competitive advantage and become **market leader**



# What does a GRI report mean?





## Goal of GRI and sustainability reporting

**Promote change** towards a “sustainable economy”

*“...by helping organizations to set **goals, measure performance** and **manage change**...”*



# Sustainability Report

- Disclosure on most **significant impacts**
- Organization's **values** and **governance** model
- Link between **strategy** and **commitment** to sustainable economy



# Focus of G4

## Materiality

Report on **what** matters  
and **where** it matters





## Focus of G4

**What** matters and  
**where** it matters

- Understanding and decisions on **most significant** impacts
- **Strategic, focused, credible** and **user friendly** reports
- G4 **guidance** on this

# G4 Guidelines Structure



- Reporting Principles
- Standard Disclosures

# GRI Reporting Principles



## Content:

- Materiality
- Completeness
- Stakeholder Inclusiveness
- Sustainability Context

## Quality:

- Accuracy
- Timeliness
- Comparability
- Reliability
- Clarity
- Balance

## G4 alignments



Indicators under  
Emissions Aspect



G4-10  
Aspects under EN, LA,  
HR and SO



Aspects under LA



G4-10  
Aspects under  
EN, LA, HR and SO



G4-1, G4-45 to G4-47  
DMA plus Aspects  
under EN, LA, HR and  
SO





Report on **what** matters  
and **where** it matters



# Corporate Responsibility In Banks is Two Fold

1

## As a Responsible and Sustainable Bank

A bank can be responsible and sustainable through its operations such as:

- Sustaining regular operations
- Responsible sponsorship
- Relationship with stakeholders
- Engaging employees

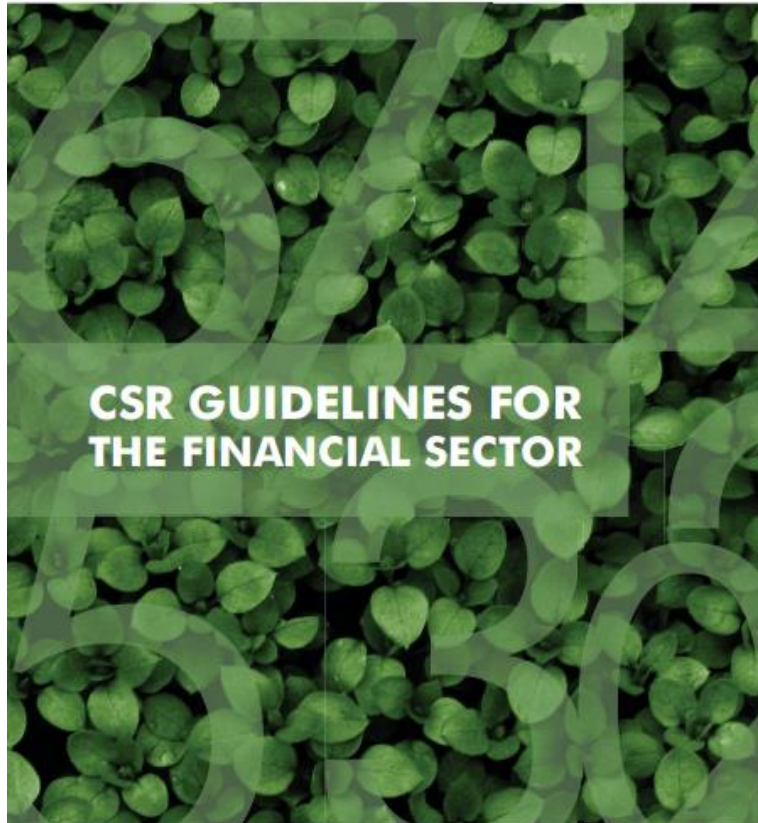
2

## As a Promoter of Corporate Responsibility

- Developing new products and services that encourage clients to contribute to Corporate Responsibility behavior.
- Partnering in covenants, alliances, partnerships etc. to achieve Corporate Responsibility goals.
- Developing credit policies that incentivize environmental and social responsibility practices.



# CR Trends in the Financial Sector



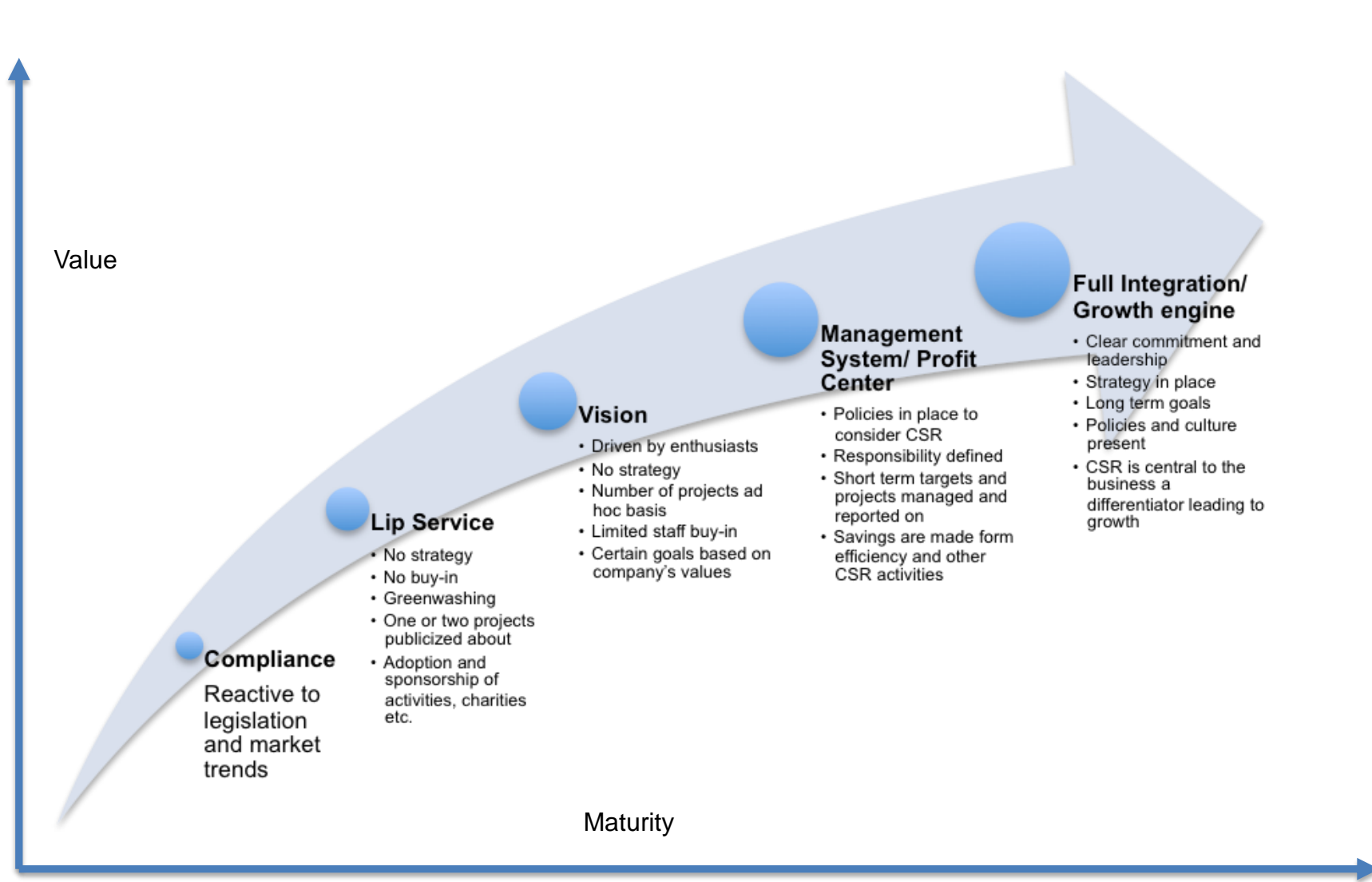
## Why these Guidelines?

- There is a growing need to provide guidance on CSR, its implementation, monitoring and evaluation for the MENA region and for financial institutions.
- There is great strength and added value in ensuring the financial sector invests appropriately in CSR.
  - The financial sector is considered to be an indispensable part of our world – especially in developing countries; financial institutions act as a medium for the transfer of resources from net savers to net borrowers and are a major source of long- term funds of the economy.

# How to use the CSR Guidelines

- Independent chapters covering series of practices. These practices are:
  - Commitment to CSR
  - Stakeholders Engagement
  - Strategy
  - Implementation
  - Reporting
  - Auditing CSR and Social Return on Investment
  
- Each practice is defined by level of maturity from reactive to proactive as follows:
  - Compliance
  - Lip service
  - Vision
  - Management System / Profit Centre
  - Full Integration / Growth Engine

# Maturity Levels



# Any questions?





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# Thank you. .

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