

## Sustainability Reporting and Green Consumerism

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## About BEC

- An independent, charitable membership organisation
- Established by business sector in Hong Kong in February 1992

### Vision

That Hong Kong's businesses will be recognised as leaders who practice & support environmental protection, & who contribute to the transition for a low carbon economy

### **Mission**

To advocate environmental protection amongst our members & the broader community, the uptake of clean technologies & practices which reduce waste, conserve resources, prevent pollution & improve the environment



## **Overview**

- Greater green consumerism trends demand increasing transparency by corporations.
- Publishing a sustainability report can address these consumer demands and bring value to the business.
- The benefits of sustainability reporting have been linked to bringing value in increasing:
  - market shares and global brand value
  - consumer loyalty
  - consumer engagement
  - consumer engagement
  - consumer trust



## Increasing Market Shares and Growing Brand Value

### According to the 2014 Nielsen Global Survey on CSR:



of consumers will pay extra for products and services from companies committed to positive social and environmental impact

### According to the 2013 Gibbs & Soell Study on CSR:



of consumers will be more likely to purchase a company's products or services if they learn that this company was making a great effort to adopt environmentally-conscious practices.



The publication of a Sustainability Report can help a company to increase its market shares and brand value.



## **Increasing Consumer Loyalty**

Reputation ranking published in business magazines are often based in part on publicly available sustainability information (source GRI).

# Sustainability Reporting enables a company to gain a better reputation.

"The initial aim of reporting is not about marketing, but one of the results of the reporting is enhanced reputation and increased customer loyalty" – Seyhan Yilmaz, Marketing Manager, Topkapi Iplik San. Ve Tic. A.S., Turkey



The publication of a Sustainability Report or of making any sustainability information publicly available (e.g. on a company's website) leads to an increase in a company's reputation and consumers' loyalty.





#### Stakeholder Engagement

### **Increasing Consumer Engagement**

• Engaging your key internal & external stakeholders







Sustainability Reporting thanks to Stakeholder Engagement lead to a better integration of consumers expectations and increase consumer engagement







Report Verification

Data collection of quantitative data (KPIs) is part of the Sustainability Reporting Process. The company needs to be ensured of the viability and accuracy of this data.

e.g.: GRI G4-EN18 KPI "Greenhouse gas (GHG) emissions intensity"

- a. Report the GHG emissions intensity ratio
- b. Report the organization-specific metric chosen to calculate the ratio.
- c. Report the types of GHG emissions included in the intensity ratio: direct (Scope 1), energy indirect (Scope 2), other indirect (Scope 3).
  - d. Report gases included in the calculation."



The disclosure of quantitative data thanks to Sustainability Reporting leads to more transparency for the company and an increase of consumers' trust.





## What makes a credible report?

- Reports should illustrate performance in relation to a clear Corporate Policy
  - Often a report can go hand in hand with creating and developing a sustainability strategy, governance systems, training & education
- A report that is transparent and deals with both positive and negative performance aspects. This demonstrates accountability to your stakeholders
- Sufficient data and metrics to showcase performance
- Use a standard reporting framework and showcase your progress year on year against your targets and objectives



### **Success stories**

- Successful reporting can help to create market value in light of increasing green consumerism
- An effective report will communicate to your stakeholders your sustainability story
- Reporting can also help to start you on your sustainability journey in the development of policies, targets and structures.
- An effective report will also help to minimise risk







## Challenges

In the face of increasing public scrutiny and demand for transparency, corporations are faced with a number of key challenges:

- Who are our stakeholders and what do they want to know about our performance?
- How do we collect relevant data?
- How do we communicate this data and to what standard?
- How do we continue to improve our performance?
- How do we communicate, internally, the value in our sustainability efforts?





## About BEC – ESG Advisory Services

We offer sustainable solutions & professional services for the government, business and community on different areas:







## Q&A THANK YOU

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