Sustainability reporting allows organizations to set goals, measure performance and manage change to make their operations more sustainable

HOW CAN YOU DEMONSTRATE THE CREDIBILITY OF YOUR COMMITMENT TO SUSTAINABILITY?

SUSTAINABILITY REPORT ASSURANCE SERVICES FROM SGS

BE THE BENCHMARK

SGS

WHAT IS SUSTAINABILITY REPORT ASSURANCE?

Following the increase in corporate responsibility reporting, there is now added pressure for independent assurance of the content of these reports. Independent assurance of reports against international standards, such as the Global Reporting Initiative (GRI) and the AA 1000 Accountability Principles (2018), demonstrates an organization's commitment to customers and stakeholders. It also ensures that all social and environmental information published is accurate and correct.

Our approach to report assurance is a flexible model. At its core are the SGS United Kingdom Ltd protocols that are based upon internationally recognized guidance for assurance of CSR and non-financial data, including the principles contained within the Global Reporting Initiative (GRI) Sustainability Reporting Standards for accuracy and reliability and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for assurance providers.

BASIC ASSURANCE SERVICE

This service is designed for organizations seeking external assurance of selected, material data sets and not the principles of reporting. This should be a moderate level of assurance, equivalent to the limited level of assurance in accordance with the requirements of ISAE3000.

The measures against which the verification assessment is undertaken are the principles of transparency accuracy, consistency, relevance and completeness, in line with our internal assurance protocols. The criteria to be used for determination of compliance of data collection and reporting methodologies would be the organization's own internal procedures, and/or external standards or methodologies as determined by the basis of reporting.

As part of this service SGS has an established Climate Change Programme with a core of expertise in greenhouse gas (GHG) emission verification. SGS is committed to ensure that GHG emissions and emission reductions are reported in a complete, consistent, transparent, accurate and faithful manner. SGS verifies GHG inventories, emissions and emission reductions to ensure they comply with the relevant eligibility criteria, to determine compliance with regulatory emission caps or for voluntary reporting.

GRI ASSURANCE OPTION

This option is ideal for organizations using the Global Reporting Initiative (GRI) Standards to guide their reporting processes. Report content is evaluated against the GRI standards in two phases. First, the content of the report is evaluated against the GRI Principles for Defining Report Content (Stakeholder Inclusivity; Materiality; Sustainability Context; and Completeness). Then the general, management and topic-specific disclosures are verified to confirm they meet the requirements of the relevant GRI standards, and also the GRI Principles for Defining Report Quality (Balance; Comparability; Accuracy; Timeliness; Clarity; and Reliability). A scored gap analysis is performed to determine the level of reporting against GRI guidelines and to identify gaps in report contents and reporting principles.

As for the basic assurance, data assurance is carried out in line with the requirements of the ISAE 3000 standard. SGS is an organizational stakeholder of GRI.

AA1000 ASSURANCE STANDARD OPTION

This option is intended for organizations that already have a long history in issuing social and environmental reports and want to provide further assurance of the completeness of scope of their reports, in addition to assuring the processes through which they have been compiled.

There are several factors driving the increase in corporate transparency. Investors, the media, governments and non-governmental organizations are pressing for more information. Companies are seeing the benefits in terms of increased credibility and reduced risk by reporting on their social and environmental activities. Sustainability Report Assurance lets you demonstrate your commitment to declaring your company's performance in environmental and social areas and sets you apart from the competition.

The first stage of an AA1000 assurance process is to evaluate the report content and processes against the AA1000 Accountability Principles of Inclusivity, Materiality, Responsiveness and Impact. This includes evaluation of the responsiveness of the report to outcomes of stakeholder engagement, and usually involves interviews with external as well as internal stakeholders as part of the assurance process.

The second stage reflects the basic assurance process above and evaluates the accuracy of the chosen scope of data and information through evaluation against accepted reporting criteria (usually the GRI Principles for Report Quality, with reference to the ISAE3000 standard for data assurance). This can include evaluation against the GRI standards for individual KPIs if required. SGS is an AA1000 Licensed Assurance Provider.

ASSURANCE TIMING OPTIONS

Pre-assurance – reporting on data sets that have not been subject to internal or external assurance in the past can be a big step. We therefore offer the option of a 'pre-assurance' of those data sets. The pre-assurance process will allow you to make improvements required to include the data in future assurance.

This pre-assurance can take place at any time, as the focus is on investigation to understand, analyse and test structures, systems, processes, procedures and controls associated with data collection, collation, validation and reporting.

Gap analysis only – GRI and AA1000 options can be performed at any time as a stand-alone gap analysis, this option will result in an Internal Management Report but not an Assurance Statement. In some situations, it may be suitable for a gap analysis to be conducted on an earlier Sustainability Report, for example to determine the application of GRI standards.

End of reporting cycle – most assurance is performed once the report has been written in draft form and before publication. For organizations with well-embedded systems, the assurance process can be planned to take place at various stages throughout the reporting cycle to enable the evaluation of specific reporting events.

THE BENEFITS

Utilizing the Sustainability Report Assurance service from SGS sends a strong signal about your commitment to corporate responsibility. In addition, it ensures the transparency and validity of the information you make public and allows you to reinforce your internal reporting processes and procedures to ensure the strength of future reports.

Furthermore, it increases stakeholder confidence in the information reported about your performance and adds credibility to your reported information, which is further bolstered by using globally recognized standards and guidelines.

Internally, our assurance service will help you to identify strengths and areas for improvement in your data management and reporting processes, helping you on your continuous improvement journey.

HOW DOES THE SUSTAINABILITY REPORT ASSURANCE PROCESS WORK?

The Sustainability Report Assurance process consists of the following steps:

- **STEP A** – Agree Type and Scope of Assurance: SGS will gather certain information about your organization to enable us to determine the most appropriate assurance options, including the criteria to be used, the scope and level of assurance, duration of the project and likely assurance team members. SGS will provide you with a proposal that is in line with your requirements. You can then proceed with the assurance by accepting the proposal.

- **STEP B** – Optional Gap Analysis: you may ask SGS to perform an optional gap analysis or pre-assurance at this stage. This can be performed at any point and a report provided for use by the client in developing future reports.

- **STEP C** – Planning and Logistics: effective planning and logistics of the assurance project is crucial to ensure that effective use is made of the assurance team and your personnel. We will work with you to identify key individuals and locations to be involved in the assurance process and to set up meetings and site visits.

- **STEP D** – Performance of Assurance: the content and timing of this step is dependent on the assurance options being delivered. Normally this step will involve the assurance team undertaking interviews with managers responsible for report content processes and data management and reporting systems, as well as site visits, reviewing documents and records, and contacting external organizations where appropriate, in order to understand the controls and procedures around your reporting and determine the reliability and robustness of the information reported. An interim report may result from this activity providing a summary of findings and recommendations. This will be followed by the verification of reported data and information, checking the accuracy of data and statements in the report and identifying changes that are required, or further evidence that is needed. These will be documented as report amendment requests. You will need to act upon these to either amend the report or to provide additional evidence.

- **STEP E** – Assurance Statement and Internal Management Report Issue: once the assurance team is satisfied that all report amendment requests have been closed out, then we are able to issue our Assurance Statement for publication in the report. This will summarize our findings and recommendations. At that stage, we will also present our internal management report with details of our assurance activities and findings to enable you to implement improvements in your reporting processes.

SUSTAINABILITY REPORT ASSURANCE RELATED TRAINING

We offer a wide variety of training courses for all levels of ability and awareness. Our Sustainability Report Assurance training course portfolio is designed to meet the requirements of any organization, and includes:

SUSTAINABILITY REPORTING AND ASSURANCE (SRA) TRAINING

ISO 26000 AWARENESS TRAINING (ROAD MAP TO CORPORATE SOCIAL RESPONSIBILITY)

ISO 26000 ADOPTION TRAINING

AA 1000 AWARENESS TRAINING

Please visit www.sgs.co.uk/trainingservices to view the Sustainability Report Assurance course schedules in your region.

OTHER SERVICES RELATED TO SUSTAINABILITY REPORT ASSURANCE

SGS is also known for its solutions against other needs related to Sustainability Report Assurance as well as continuous improvement:

- Introduction to and awareness of social systems
- Social systems internal auditor
- Social systems lead auditor training (CQI|IRCA Approved – PR334)
- Auditor conversion to social systems (CQI|IRCA Approved – PR346)
- Social accountability awareness training – in line with SMETA Guidelines or SA 8000
- AA1000SES stakeholder engagement management systems assurance
- Environmental and energy standards audit and training
- Carbon accounting and inventory management training
- ISO 14064 GHG lead verifier training
- Online human rights eLearning
- Audit solutions against additional, bespoke performance criteria – SGS can help develop the performance criteria and the checklist or simply check performance against existing measures

WHY SGS?

SGS is the world's leading inspection, verification, testing and certification company. SGS is recognized as the global benchmark for quality and integrity. With more than 94,000 employees, SGS operates a network of over 2,600 offices and laboratories around the world.

CONTACT US

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WHEN YOU NEED TO BE SURE