2013 Global Conference on Sustainability and Reporting
Small and sustainable: Realistic and rewarding reporting for SMEs
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Owner, Verasiti Inc.

Brendan LeBlanc
Executive Director, Ernst & Young LLP

Mercé Colomina
Co-owner, Socarrel

Ai L.H. Nguyen
Operations Manager, Jia Hsin Co., Ltd.
Francis J. “Sonny” Maher

Owner, Verasiti Inc.
Brendan LeBlanc
Executive Director,
Ernst & Young LLP
Value of reporting study

Survey administered between February 26 and March 8, 2013
Topics included the cost and benefits of reporting, as well as making connections to financial performance
579 corporate respondents.
Reporting Value and the greater picture

Figure 1: Ways that sustainability reporting provided value

- Improved reputation
- Increased employee loyalty
- Reduced inaccurate information about the organization’s corporate social performance
- Helped the organization refine its corporate vision or strategy
- Increased consumer loyalty
- Led to waste reduction within the organization
- Improved relationships with regulatory bodies
- Monitoring long-term risk and improving long-term risk management
- Led to other forms of cost savings within the organization
- Helped the organization to take measures to increase long-term profitability
- Improved access to capital
- Preferred insurance rates

Percent of respondents
Focus for SMEs

Figure 6: Reasons to report by company type

- Transparency with stakeholders
- Risk management
- Stakeholder pressure
- Other
- Competitive advantage
- Brand/reputation
- Company culture
- I'm not sure

Percent of respondents

Figure 14: Assured reports by provider type, 2012

- Accountant: 65%
- Small consultancy/boutique firm: 19%
- Engineering firm: 10%
- Other: 6%

Figure 15: Scope of assurance, 2012

- Entire sustainability report: 51%
- Specific section(s): 32%
- GHG only: 15%
- Not specified: 2%
Thank you.

Brendan LeBlanc
Executive Director,
Ernst & Young LLP
Merce Colomina
Co-owner, Socarrel
The company: Socarrel

Small, rural and linked to the territory

• Founded in 2004, located in the Pyrenees
• Collaboration through networks and alliances
• Specialists in forestry and environment
The reporting journey

Involvement with GRI

The Local Action Group Alt Urgell-Cerdanya

Rural development activities in our area:

• ‘Leader Program’
• Member of Sustainable Rural Management Project (GSR)
• Support Agriculture Department (Catalonian Government)

Previous engagements

The Strategic Plan and the Corporate Social Responsibility
The reporting journey

What led us to report?
• Comparability in data collection
• Acquire a methodology to assess our activities
• Special interest in assessing our social impact

What is the value of reporting for us?
• Information
• Technical support
• Economic funding
• An external point of view
Benefits and the greater picture

• Reinforce the values of our company
• External Assurance
• Rewarding!
  • Opportunity to share our reporting experience
  • Knowing that there are many involved in making organizations sustainable
  • Attracting customers and stakeholders
Small and not-so-small challenges

• **Microenterprise with limited financial margin**: urgent tasks often do not allow us to address other important tasks

• Getting involved in the reporting process requires extra administrative efforts and financial resources

• **Accustomed to inward-looking behavior, not outward**
  E.g., we valued the opinion of the workers (weekly meetings), but did not involve suppliers

• **Methodology** was biggest challenge during the reporting process

• **Prioritize the key stakeholders**

• **Reporting on 10 Indicators** (too much for small companies?)
A learning experience

What we especially appreciate from the reporting process

- Getting different perspectives from different stakeholders about our sustainability impacts
- Sustainability not at internal level only but also at an external company level
- A tool to measure the impacts in detail and make changes accordingly
- Data comparability for different reporting organizations

Expectation vs. reality (2010-2013):

- Financial investment
- Crisis
Plans for the future

- Second GRI report
- External Assurance

Improvements to second report

- Market the report better after its launch
  - This will help disseminate the values of our company
- Values and mission of GRI
- Ongoing contact with stakeholders
Thank you for your attention!

“Socarrel is committed to implement measures of CSR, both within the company and with customers and suppliers”
Ai L.H. Nguyen
Operations Manager,
Jia Hsin Co., Ltd.
About Jia Hsin

- Taiwan sandals factory in Vietnam
- Established in 1991
- Supplier for sport brands
- Workforce - 1,800
- Capacity - 7 million pairs

“In our Mission, Jia Hsin wants to become a leading and responsible manufacturer to care for our employees and contribute to the development of local community”
Jia Hsin sustainability

Company Vision & Mission

Legal Framework

Stakeholders’ concerns

Stakeholders’ concerns and expectations

- Sustainable growth of business
- Corporate social compliance
- Environmental protection resources management
- Transparency and Reporting
The reporting journey

Prepare → Connect → Define → Monitor → Report

Stakeholder Engagement

ENGAGEMENT METHODS

• Survey
• In-depth interview
• Focused group discussions

Internal Systems Improvement

INTERNAL IMPROVEMENTS

• Data collection
• Policies and procedure
• Practices

ENGAGEMENT METHODS + INTERNAL IMPROVEMENTS
Our reports

Sustainability Report 2010

Jia Hsin

Sustainability Report
Year 2011

Jia Hsin Co., Ltd.

October 2012

http://database.globalreporting.org/companies/view/5371
Key challenges

System challenges

• Stakeholders’ awareness
• Commitment and investment from shareholders
• Capability of Sustainability Team
• Change the internal systems

Reporting challenges

• Understanding guidelines & references
• Stakeholder engagement methods
• Writing skills, particularly in English
• Report design
Key Benefits

• Company’s commitment on transparency
• Improve performance
• Competitive advantage
• Stabilize workforce
• Increase productivity and quality
A learning experience

- **Support:** Government bodies, NGOs, Customers
- **Manpower:** Right manpower will shorten the way to success
- **Active and Creative:** Reporting activities attract stakeholders
- **Record and Review:** Policies, procedures, data
- **Technology:** Empowers effectiveness of reporting
Plans for the future

- Continue reporting
- Improve quality and design of the report
- Contribute to GRI activities as a stakeholder
- Promote GRI reporting in Vietnam
- Share best practices and assist other SMEs in reporting
THANK YOU

Global Reporting Initiative™
Q&A : Small and sustainable: Realistic and rewarding reporting for SMEs
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