

## Cost and burden of reporting

The costs of issuing a sustainability report may vary. Many elements of the reporting process contribute to its cost, including:

- Time for senior management and other staff to discuss report contents
- Developing and implementing data gathering systems
- Time for gathering and inputting data
- Implementing new processes, including staff training, on data collection
- Time for checking information
- Preparing the report itself, involving internal resources (time, capacity building, etc.), and potentially external resources (consultancy, writing/editing, layout, printing, etc.)
- External verification and auditing, if applicable

The required investment is a result of the breadth of a sustainability report, which is proportional to the size of an organization's impacts. The cost of reporting can therefore vary from as little as €2.000 to over €100.000. Yet many companies will find the expenditure on their sustainability report to be far less significant than their expenditure on financial reporting, advertising or PR.

The G4 Guidelines' content, and G4 Online (a platform to navigate the content and get extra help), will support organizations in preparing reports that are focused on material topics. Just as an organization's sustainability strategy needs to be focused, so does the report. G4's reinforcement of the Materiality Principle aims to focus sustainability reporting. G4 will include technical revisions, resulting in clearer descriptions, definitions, and disclosure items. This will reduce the ambiguities about what organizations should report. In turn, this will have a positive effect on the costs of reporting. Organizations will save money and time, because they can:

- Reduce planning time
- Develop more accurate data gathering systems more easily
- Use simpler processes to feed the data gathering systems
- Focus their efforts and resources on material topics
- Reduce external verification costs
- Simplify and shorten reports by reducing the coverage of topics that are not material

This document is part of a series of pagers on topics related to Sustainability Reporting and should be read in conjunction with the Global Reporting Initiative (GRI) non-paper on the Renewed EU Strategy 2011–2014 for Corporate Social Responsibility (CSR) and the European Commission's proposal for a Directive on non-financial information disclosure available at: [www.globalreporting.org/resourcelibrary/GRI-non-paper-Report-or-Explain.pdf](http://www.globalreporting.org/resourcelibrary/GRI-non-paper-Report-or-Explain.pdf)

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The Global Reporting Initiative (GRI) promotes the use of sustainability reporting as a way for organizations to become more sustainable and contribute to a sustainable global economy.

GRI's mission is to make sustainability reporting standard practice. To enable all companies and organizations to report their economic, environmental, social and governance performance, GRI produces free Sustainability Reporting Guidelines.

GRI is an international not-for-profit organization, with a network-based structure. Its activity involves thousands of professionals and organizations from many sectors, constituencies and regions.

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