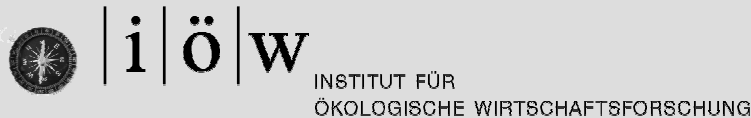


Institute for Ecological Economy Research (IÖW) and
future e.V. – verantwortung unternehmen (publishers)

Requirements of sustainability reporting

Criteria and evaluation method of the IÖW/future ranking



Supported by



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Information on the ranking and downloads at: www.ranking-nachhaltigkeitsberichte.de

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Preliminary remarks

In 1994, the Institute for Ecological Economy Research (IÖW) and the business initiative future e.V. – verantwortung unternehmen developed the world's first ranking of environmental reports. The aim was to pay tribute to the newly emerging environmental communication at corporate level and to make it visible and above all comparable. At the same time, the purpose of the ranking was to contribute towards improving the reporting with an independent set of criteria. And not least of all, the transparent presentation of the evaluation was to enable social protagonists to take a critical look at corporate activities.

The ranking appears for the seventh time in 2009 – and for the third time with an extended focus on sustainability reporting: embedded in the debate about corporate responsibility and sustainable corporate governance, it is intended to help make the understanding of corporate responsibility more specific and spell out the sustainability requirements. For the evaluation of company reporting, this means being guided by these broad requirements and thus by the information needs and channels of stakeholders who are not only environmentally but also socially and economically oriented.

A set of criteria form the basis for the evaluation. This has been newly created for the 2009 ranking and agreed with the various stakeholder groups in a two-stage process of dialogue. It has a new structure and weighting system (e.g. greater emphasis on aspects relating to management, products and the supply chain), comprehensibly updated, expanded and specified criteria as well as completely new criteria (e.g. corporate governance and control, job satisfaction and staff retention). The new version concerns both the general inter-sectoral criteria and the sectoral specifications for individual criteria. This publication contains the general; the specific sectoral criteria are embedded in individual sectoral analyses and available in German only.

We hope that companies find our set of criteria useful guidance for their reporting on their sustainability performance. We want to increase awareness of good corporate commitment and contribute to its further development. Support for the 2009 ranking by the Federal Ministry for Labour and Social Affairs and by the Council for Sustainable Development is to be seen in this context.

Further information on the IÖW/future ranking can be obtained at www.ranking-nachhaltigkeitsberichte.de. We should be pleased to answer any further questions about the ranking.

Jana Gebauer, Esther Hoffmann and Udo Westermann

Berlin and Münster, June 2009

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1. Introduction

The IÖW/future ranking

The ranking of sustainability reports is a joint project of the Institute for Ecological Economy Research (IÖW) and the business initiative future e.V. – verantwortung unternehmen. Based on a comprehensive set of social, environmental, management and communication related criteria, the IÖW/future ranking has been evaluating the society-related reporting of major German companies and compiling a ranking of the best reporters for 15 years. The IÖW/future ranking is now being conducted for the seventh time in 2009 – this time with a newly revised set of criteria and accompanied by an independent evaluation of the reports of German small and medium-sized enterprises (SMEs).

With this ranking, the IÖW and future wish to contribute to good, stakeholder-oriented sustainability reporting in Germany. The criteria and the regular evaluation offer companies a guiding framework and initiate learning processes with regard to sustainability. The transparent presentation of the ranking results fosters a broad debate about the sustainability requirements of companies and their reporting.

The IÖW/future ranking thus intends to promote competition between sustainability reports and, through systematic comparison, contribute to the further development of reporting, but also of companies' sustainability achievements. There is often a positive relationship between the quality of companies' sustainability reporting and their actual performance. Companies whose reports have substance and are transparent inform the general public about their company policy and strategy as well as related and verifiable goals, measures and activities in the social and environmental areas. This requires a continuous process of improvement towards sustainability since companies enter into a commitment with the publication of their report: transparency in these topics offers a critical general public the opportunity to examine the company's strategies and business practices; the stated goals can be assessed in terms of ambition and appropriateness, and the public can observe and comment on the achievement of these goals. Sustainability reporting and its independent evaluation thus provide an important basis for a constructive dialogue and the critical observation and further development of a company's actions.

Sample and subject of evaluation

The IÖW/future ranking evaluates the reports of the 150 largest German industrial and service enterprises. The selection is based on the list of the top 500 companies compiled by the Frankfurter Allgemeine Zeitung (FAZ). The ranking incorporates

- the 100 largest industrial enterprises and service-providers, measured by turnover
- the 15 largest banks, measured by total assets
- the 15 largest insurance companies, measured by total premiums
- the 20 largest retail companies, measured by turnover.

We also include some companies which are – in some cases long-term – reporters, but

which are currently just below the 150 largest on the FAZ list.

The subject of evaluation consists of independent environmental, sustainability and CSR reports or comparable company reports which refer to the entire company and a clear reporting period. This means that every company in the top 150 which publishes a corresponding report is included in the evaluation. However, the other companies are not necessarily non-reporters. Only those companies which make no information available on sustainability topics or provide only little information on the Internet or in their annual report are categorised as non-reporters. There are also other categories:

Form of reporting or provision of information on social and environmental corporate services

Companies with a stand-alone report in print or online format

Companies whose parent company has published a report

Unternehmen mit standort- bzw. themenbezogenen Broschüren

Companies with relevant information on their website or in their annual report

Companies with only little or thematically limited information on their website or in their annual report

Companies without information

In addition to the printed report, the purely online report also counts as a stand-alone report.¹

Online reports are independent, Internet-based report formats for sustainability communication, which are cross-medial, dynamic, interactive and hypertextual and have no corresponding printed form, or at most a complementary printed summary. They use the Internet as the main platform for networked stakeholder-specific and dialogue-oriented sustainability communication. For evaluation purposes and accurate report submission (clearly defined reporting period, clearly defined submission date), they should be printable as a single document (e.g. as PDF file). However, a distinction should be made between online reports and traditional PDF reports – and so-called integrated reporting.

As a rule, a PDF report is a converted printed report which is offered as a download on the company's website – as the sole report format or to complement the print version; in some cases, there are no supplementary Web pages on the topic of sustainability. Solitary PDFs are treated in the ranking like printed reports (especially in the evaluation of communicative quality).

Integrated (print/Web or also Web-based) reporting is the supplementation of the printed report by individual, as a rule static, quasi-linear Web pages. There are close links between the printed report and the Web pages, e.g. via direct and targeted references in the printed report to individual Web pages. In the ranking process, the respective core document (as a rule the printed report) is taken as the basis for evaluation; the linked Internet information it

¹ Cf Isenmann, Ralf/Marx Gómez, Jorge: Einführung in die internetgestützte Nachhaltigkeitsberichterstattung, in: Isenmann, Ralf/Marx Gómez, Jorge (Hrsg.): Internetbasierte Nachhaltigkeitsberichterstattung. Maßgeschneiderte Stakeholder-Kommunikation mit IT, Berlin 2008.

contains is also evaluated.

For societal stakeholders the sustainability or CSR report comprises the key document on corporate performance and forms the starting point for dealing with the company. In order to concentrate on the essentials in the report, to keep the scope of the report to a manageable size and not to duplicate publication of information, the (printed) sustainability report can and should refer to information on the Internet or in other print publications. Consequently, the evaluation of reports has been based on the so-called platform concept since the 1998 IÖW/future ranking.

However, the sustainability report must refer explicitly and in a qualified manner to other generally accessible sources (environmental statements, personnel or annual reports, brochures, websites etc.). A qualified reference states which information can be found at a precisely specified place. Ideally, page or chapter numbers are provided for print references and the specific link or an index number for Internet references. Generally worded references, such as “further information on our sustainability commitment can be found on our website at www.company.de/sustainability” will not be followed up for the ranking. One crucial requirement is that readers can find the additional information rapidly and directly.

The general information on the company profile is a deviation from this platform concept. The company needs to be briefly introduced so that readers can put the report contents into context. It is therefore essential for the report to contain the necessary information, such as turnover and workforce figures, number and geographical situation of business locations and an overview of products and services. In the case of printed reports, a cross-reference e.g. to the annual report is not sufficient.

Methodology

Developing the criteria

In 1994, IÖW and future introduced what was then the world’s first ranking of environmental reports on the basis of their own set of criteria. However, society’s demands of corporate activity and expectations of the reporting are constantly changing: new problem scenarios emerge, focuses shift, growing experience and routine make it possible to tackle new challenges. Consequently, earlier criteria underpinning the ranking were continuously developed further during the subsequent evaluation periods (1996, 1998, 2000) and expanded into sustainability criteria for the first time for the 2005 ranking.

Further developments were based on broad discussions with companies and other stakeholders. Requirements for the shaping of corporate responsibility and corporate sustainability reporting were developed in a joint IÖW/future project in 2004.² The aspects elaborated in the project were subsequently transferred to the ranking evaluation method and discussed in workshops with industrial associations and the German Council for Sustainable Development (RNE). The set of criteria which emerged from these discussions were taken as the

² Loew, Thomas/Ankele, Kathrin/ Braun, Sabine/Clausen, Jens: Bedeutung der internationalen CSR-Diskussion für Nachhaltigkeit und die sich daraus ergebenden Anforderungen an Unternehmen mit Fokus Berichterstattung, Berlin, Münster 2004 (download at www.ioew.de and www.future-ev.de).

basis for the rankings in 2005 and (in an amended and expanded form) in 2007.³

The criteria were fundamentally revised for the 2009 ranking. Compared with previous publications, the 2009 ranking criteria differ

- structurally, e.g. by
 - distinguishing between different product and supply chain aspects
 - restructuring the allocation of criteria
 - revising the weighting of the main criteria
- in content, e.g. by
 - expanding management-related aspects
 - developing new criteria (corporate governance and control, job satisfaction and staff retention)
 - updating, expanding and specifying all further criteria as well as
 - developing new sectoral criteria within the framework of sectoral papers.

In addition to our own project experience and competence in the field of corporate responsibility and sustainability reporting, we also drew on the work of others. These were primarily organisations which themselves develop social and environmental standards for corporate activities, compile guidelines for sustainability reporting or evaluate the sustainability performance or sustainability communication of companies in rankings and ratings.

The following deserve particular mention:

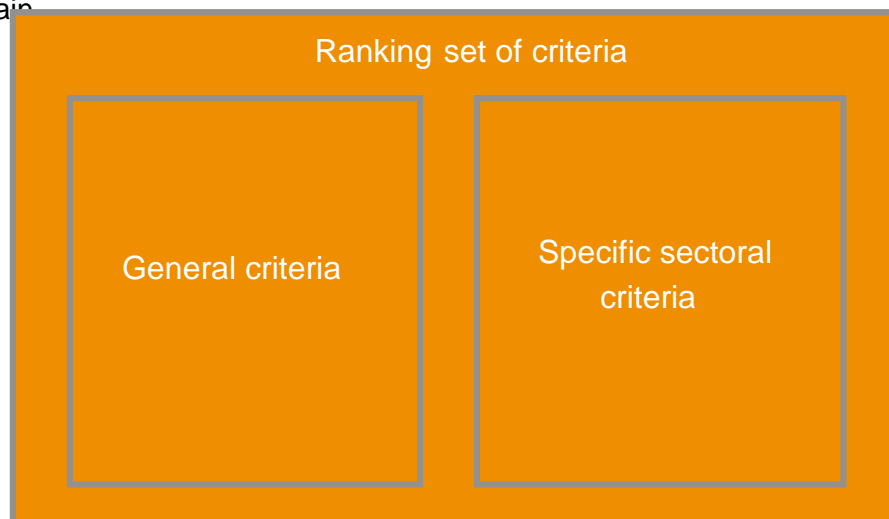
- AccountAbility
- Association of Chartered Certified Accountants (ACCA)
- Industrial associations (CEFIC, ICCA, VfU, VCI i. a.)
- Society of Investment Professionals in Germany (DVFA)
- European Sustainability Reporting Association (ESRA)
- Global Reporting Initiative (GRI)
- Institute for Environmental Communication (INFU) at Leuphana University, Lüneburg
- International Finance Corporation (IFC)
- International Organisation for Standardisation (ISO)
- International Labour Organisation (ILO)
- Organisation for Economic Co-operation and Development (OECD)
- Rating organisations (oekom research, Sustainable Asset Management (SAM) i. a.)
- Social Accountability International (SAI)
- SustainAbility
- United Nations Conference on Trade and Development (UNCTAD).

The new version is also based on a broad two-stage process of dialogue with key protagonists from industry, politics, trade unions, civil society and science. An online forum constituted the first stage. From 13 February to 9 March 2009, approx. 430 representatives of stakeholder groups were invited to discuss the new draft set of criteria online. This produced almost 240 comments which were examined and incorporated. The resulting second draft was again submitted for discussion at a workshop with 30 experts from reporting companies and stakeholders on 23 March 2009. The workshop discussions then fed into the final version of the set of criteria which forms the basis for the 2009 IÖW/future ranking.

³ Loew, Thomas/Clausen, Jens: Kriterien und Bewertungsskala zur Beurteilung von Nachhaltigkeitsberichten, Berlin 2005; Gebauer, Jana/Hoffmann, Esther/Westermann, Udo: Nachhaltigkeitsberichterstattung in Deutschland. Ergebnisse und Trends im Ranking 2007, Berlin 2007 (jeweils Download unter www.ranking-nachhaltigkeitsberichte.de).

Structure of criteria

The overall catalogue of criteria for the IÖW/future ranking consists firstly of a comprehensive set of general criteria which are applied to all reports. This set consists of 11 main criteria and a total of 48 individual criteria. The general criteria are also supplemented by specific sectoral criteria, each considering key sectoral challenges and standards. The latter refer in particular to the social and environmental requirements in the field of production, products and supply chain.



The criteria are divided into material report requirements and requirements of the general report quality. The material requirements cover economic and management-related aspects as well as social and environmental aspects of production, products and services and supply chain relations. The requirements of general report quality cover criteria of good reporting practice such as materiality, openness, comparability and communicative quality.

Since the topics underlying the individual report requirements differ in relevance, a weighting element was introduced. The table below gives an overview of the main criteria with their respective weighting and maximum number of points. A maximum of 700 points can be achieved.

Ranking criteria and the weighting elements:	Max. evaluation	Weighting	Max. points
A Material requirements of the reporting			
A.1 Company profile	5	5	25
A.2 Vision, strategy and management	5	20	100
A.3 Objectives and programme	5	20	100
A.4 Employee interests	5	15	75
A.5 Environmental aspects of production	5	15	75
A.6 Product responsibility	5	20	100
A.7 Responsibility in the supply chain	5	15	75
A.8 Associated social responsibility	5	10	50
B General report quality			
B.1 Credibility	5	10	50
B.2 Comparability	5	5	25
B.3 Communicative quality	5	5	25

Evaluation

There are four grades for evaluating the individual criteria, with five points representing the maximum requirements and the expected best level of current practice. Fulfilment of the individual criteria is evaluated as follows:

5 points = The stipulated requirements have been met in an exemplary manner.

3 points = The stipulated requirements have been largely met.

1 point = The stipulated requirements have only been partially met.

0 points = No information or data available

Many of the individual criteria contain more detailed descriptions of how the grading is to be interpreted



2. Set of criteria: general criteria

- A Material requirements of the reporting**
 - A.1 Company profile
 - A.1.1 Turnover, profit, employees, locations
 - A.1.2 Business areas, products and customer groups
 - A.1.3 Ownership structure and company holdings
 - A.2 Vision, strategy and management
 - A.2.1 Values, vision and strategy
 - A.2.2 Corporate governance and control
 - A.2.3 Management systems and instruments
 - A.2.4 Stakeholder relations
 - A.3 Objectives and programme
 - A.3.1 Achieved objectives
 - A.3.2 Objectives and measures
 - A.4 Employee interests
 - A.4.1 Remuneration policy
 - A.4.2 Working time regulations
 - A.4.3 Vocational and professional training
 - A.4.4 Employee rights and employment
 - A.4.5 Diversity and equality of opportunity
 - A.4.6 Equal treatment of women and men
 - A.4.7 Occupational safety and health protection
 - A.4.8 Job satisfaction and staff retention
 - A.5 Environmental aspects of production
 - A.5.1 Energy management and climate protection
 - A.5.2 Air pollution and noise emissions
 - A.5.3 Use of raw materials and materials
 - A.5.4 Waste management
 - A.5.5 Water management
 - A.5.6 Logistics and transport
 - A.5.7 Accidents in production and transport, release of chemicals, fuels, oils
 - A.5.8 Nature conservation, land use and biodiversity
 - A.6 Product responsibility
 - A.6.1 Social and environmental aspects of product development
 - A.6.2 Environmental compatibility of products
 - A.6.3 Consumer orientation and customer information
 - A.7 Responsibility in the supply chain
 - A.7.1 Social responsibility in the supply chain
 - A.7.2 Environmental responsibility in the supply chain
 - A.8 Associated social responsibility
 - A.8.1 Regional responsibility as investor, employer, contractor and supplier
 - A.8.2 Taxes and subsidies
 - A.8.3 Contribution to politics and the regulatory framework
 - A.8.4 Corporate citizenship concepts

B General report quality

B.1 Credibility

- B.1.1 Statement by corporate management
- B.1.2 Materiality: focus on qualitatively and quantitatively essential aspects
- B.1.3 Openness: statement of main challenges and unresolved problems
- B.1.4 Audits
- B.1.5 Evaluation by external parties

B.2 Comparability

- B.2.1 Details of accounting parameters
- B.2.2 Details of gathering and interpretation of information
- B.2.3 Important developments during the reporting period

B.3 Communicative quality

- B.3.1 Report structure
- B.3.2 Text
- B.3.3 Layout
- B.3.4 Illustrations
- B.3.5 Contact
- B.3.6 Offer of additional information



A Material requirements of reporting

A.1 Company profile

The data on the company profile provides readers with the necessary background information on the size of the company, its international set-up, business purpose and areas etc. which enable them to put the sustainability information into context. At the same time, this data forms the logical starting point for the reporter to derive the sustainability requirements and substantiate the fields of action.

A.1.1 Turnover, profit, employees, locations

- 5 The report contains data in clearly laid-out and rapidly accessible form with a comparison to the previous year on
- a) current overall turnover as well as – for companies obliged to disclose their annual financial statement – operating profit,
 - b) the number and international distribution of employees,
 - c) the number and international distribution of locations as well as
 - d) setting out the relevant developments in these areas.

In the case of printed reports, the information must be contained in this core document; references to the Internet, the annual report or other sources of information will not be considered.

In the case of pure Internet reports, the information must be rapidly accessible.

- 3 The stipulated requirements have been largely met, so that readers have a basic picture of the size of the company and its regional connections and can put the company's challenges and activities into context. However, the data is either spread out through the report and not rapidly accessible or part of the data is missing.
- 1 The stipulated requirements have only been partially met.
- 0 No information or data available.

A.1.2 Business areas, products and customer groups

- 5 The company explains the main business areas and product groups as well as their economic significance (e.g. as a proportion of turnover or profit, employee numbers) and quantitative relevance for the company.

In addition, the report distinguishes between regional sales and procurement markets or sectoral customer groups where this is reasonable and feasible.

If there have been relevant changes since the previous year, these should be set out in figures and explained.

In the case of printed reports, the information must be contained in this core document;

references to the Internet, the annual report or other sources of information will not be considered.

In the case of pure Internet reports, the information must be rapidly accessible.

- 3 The stipulated requirements have been largely met, so that readers have a basic picture of the company and its business purpose and can put the company's challenges and activities into context. However, not all the data is available or the microeconomic classification is missing.
- 1 The stipulated requirements have only been partially met.
- 0 No information or data available.

A.1.3 Ownership structure and company holdings

- 5 The report contains a concentrated depiction of the ownership structure (shareholders / proprietors) and states the majority holdings as well as those minority holdings which are important in terms of sustainability.

In the case of printed reports, the information must be contained in this core document; references to the Internet, the annual report or other sources of information will not be considered.

In the case of pure Internet reports, the information must be rapidly accessible.

- 3 The stipulated requirements have been largely met. However, the data is spread out through the report or not all data is available (e.g. the question of minority holdings which are important in terms of sustainability is not addressed)
- 1 The stipulated requirements have only been partially met.
- 0 No information or data available.

A.2 Vision, strategy and management

The comments on vision, strategy and management show the readers to what extent the company compiles and evaluates the social and environmental impact of its business activities, the expectations of stakeholder groups and the opportunities and risks for corporate activity and competitiveness as well as translating them into sustainability-related goals, strategies, structures and action plans.

A.2.1 Values, vision and strategy

5 The report sets out a long-term corporate strategy oriented to a sustainability approach, i.e. integrating social, environmental and economic requirements. In addition, the company explains its fundamental values, its corporate sustainability vision (e.g. in the form of principles, policies, guidelines) and its long-term corporate objectives.

The report highlights the main social and environmental impact of the corporate activity. It also describes the impact of social and environmental framework conditions on corporate activity (opportunities and risks for corporate success and competitiveness). Both the current status and expected developments are taken into consideration.

The company shows how it derives key fields of action, specific targets and measures from this and prioritises them. In so doing, it explains the consequences for the company's strategic approach with regard to its products as well as procurement and sales markets.

3 The stipulated requirements have been largely met. The minimum requirement for three points is that the company describes its own sustainability vision and targets as well as stating and substantiating fields of action and priorities.

1 The stipulated requirements have only been partially met.

0 No specific statements or information available.

A.2.2 Corporate governance and control

5 The report describes the structural and personnel integration of sustainability topics into the company's decision-making bodies and processes. It highlights in particular the allocation of responsibilities in the top decision-making bodies for controlling the company's sustainability performance.

In dealing with conflicts of interest and the prevention of corruption, the guidelines or codes of conduct which are valid throughout the company group and their reference to internationally recognised norms and standards are explained. The company states specific corruption risks⁴ and presents structures and mechanisms for dealing with conflicts of interest and the prevention of corruption within the company. The company takes a critical look at corruption cases which have occurred and how it has dealt with them or files a nil return.

⁴ cf. the Corruption Perceptions Index (CPI) of Transparency International at <http://www.transparency.de/Tabellarisches-Ranking.1237.0.html>

The company sets out the rules and structures for ensuring legal compliance in the fields of environmental law, employee rights, competition law. It mentions major legal infringements and refers, where relevant, to central complaints in the field of consumer protection.

- 3 The stipulated requirements have been largely met. The minimum requirement for three points is that the company addresses all three areas (integration of sustainability into the decision-making bodies and processes, anti-corruption and legal compliance) and mentions cases of corruption or files a nil return.
- 1 The stipulated requirements have only been partially met: some topic areas are missing, the statements and information remain very general.
- 0 No statements or information available.

A.2.3 Management systems and instruments

- 5 The report portrays the company's essential management systems and their integration in the sense of sustainable corporate governance.

Where relevant, the report sets out the management systems and underlying (or where appropriate certifiable) norms or guidelines for environmental protection, avoidance of danger and incident precautions, personnel management, occupational safety and health protection, quality assurance etc. The report shows how the topic-related management systems are coordinated within the framework of a networked management of sustainability responsibility (where appropriate with organigrams). It refers in particular to the corresponding controlling / monitoring instruments and responsibilities.

The company states the proportion of locations or business units which are internally or externally audited with regard to environmental protection. Where appropriate, internal or external audits of working conditions at international locations are set out. Details of relevant external assessments of the company (e.g. prizes and awards) are desired. The main results of the audits and assessments as well as the conclusions drawn from them are demonstrated.

The degree of coverage of the management systems at the national and international company locations is depicted. Trend details (three-year trend) show a development towards an ambitious degree of coverage with regard to the relevant management systems, and the prospects for implementation for the international locations are also portrayed.

- 3 The stipulated requirements have been largely met. The essential management systems and their degree of coverage throughout the company group are depicted. For three points it is also necessary to depict their integration of controlling / monitoring instruments.
- 1 The stipulated requirements have only been partially met and essential management systems are missing.
- 0 No statements or information available.



A.2.4 Stakeholder relations

5 The report gives a systematic overview of the company's activities for the information, consultation and participation of relevant internal and external stakeholders. To this end, the report sets out the company's strategy and approach in dealing with stakeholder expectations, identifying the key national and international topics and selecting the relevant (groups of) stakeholders. The company explains the objectives and structure as well as results and consequences of its current main stakeholder activities.

If necessary, it describes which stakeholders have been involved in the reporting (e.g. analysis of topics, setting priorities), in what way and with what consequences.

3 The stipulated requirements have largely been met: key current stakeholder activities of the company are described, but the systematic approach to assessment and organisation of stakeholder relations is not clear.

1 The stipulated requirements have only been partially met.

0 No statements or information available.

A.3 Objectives and programme

The presentation of objectives and programme, including reporting on the objectives (not met during the reporting period, makes it clear to the readers what priorities and specific measures the company derives from its sustainability strategy and to what extent the company is working on a continuous process of improvement towards sustainability.

A.3.1 Achieved objectives

5 Systematic, comprehensible and comprehensive reporting is undertaken on the achievement of the sustainability-related objectives set for the reporting period.

The original objectives are explicitly listed. The non-achievement or change of objectives is openly and clearly set out and substantiated; where appropriate, corrective measures for the achievement of previously unfulfilled objectives are set out.

3 The stipulated requirements have been largely met but original objectives are not listed explicitly or in full.

1 The stipulated requirements have only been partially met. The text does not provide a systematic overview of the achievement of objectives.

0 No statements or information available.

A.3.2 Objectives and measures

5 The company's key sustainability-related objectives are derived from the sustainability strategy and presented as a bundle. These are formulated in a verifiable manner, have clear deadlines and, where possible, are quantified. Relevant measures are proposed for the central objectives. It becomes clear that the company has set itself demanding objectives, where appropriate by establishing a link to political (i.e. national sustainability strategies) or sectoral objectives.

3 The stipulated requirements have been largely met, but either not all are treated as key topic areas or the objectives are only partially verifiable.

1 The stipulated requirements have only been partially met, the objectives are hardly verifiable or not linked to measures.

0 No information available.

A.4 Employee interests

The presentations with regard to employee interests clearly show the readers the extent to which the company assumes responsibility for its current and future employees and is guided in this by questions of (regionally different) sets of interests and need for protection of employee groups as well as nationally and internationally recognised norms and standards. At the same time, the company shows how it meets the main challenges of demographic developments with its activities.

A.4.1 Remuneration policy

- 5 The report gives a comprehensive overview of the company's remuneration policy, its practical implementation and relevant developments in expenditure in the past three years.

It contains details for the German locations of the amount and appropriateness of wages and salaries (e.g. reference to compliance with wage agreements, minimum wage; where appropriate also providing details of other forms of remuneration such as payment in kind), the structure and application of remuneration-linked incentive schemes as well as the form and extent of its company pension scheme. It describes how and to what extent the employees participate in the company's success. Where relevant, information is also provided on the remuneration practice for employment contracts of staff hired from agencies as temporary workers.

The report sets out the remuneration policy for international locations and demonstrates the extent to which it meets the demand for appropriate remuneration. Examples are also required to explain how the policy is implemented for key locations in countries with low wage levels. For locations in countries with no state pension or health insurance, the nature and extent of minimum social security is depicted.

- 3 The stipulated requirements have been largely met. Three points are only achieved if the company makes explicit reference to the problem of low wages and minimum wages where it is affected by this due to regional or sectoral situations.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

A.4.2 Working time regulations

- 5 The report describes the company's guidelines and standards for working time regulations as well as the rules and procedures for monitoring their implementation.

It contains, where appropriate for individual regions or groups of employees, details on working time regulations and in particular on the number of hours worked per day or per week.

The report describes the models used for flexible working time arrangements, sets out the associated targets and provides numerical evidence of how widely they are utilised. The working time models are not only portrayed in general terms, but also with specific examples for relevant target groups (e.g. single parents, older employees, employees with disabilities or reduced performance, employees in rehabilitation/re-integration measures) or

countries / regions with no corresponding legal regulations.

- 3 The stipulated requirements have been largely met. Three points are only achieved if the models used for flexible working time arrangements are described and their utilisation quantified.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

A.4.3 Vocational and professional training

- 5 The report shows how the company builds and expands the individual competences of its employees through training and systematic human resources development.

To this end, the report contains a company mission statement on the vocational and continuous further training offered to all employees within the framework of a systematic human resources development. For its German locations, the company gives an overview of the key aspects of vocational training on offer and provides details on the number of apprentices and trainees, where possible in relation to its own needs.

The company presents its approach to further training for its national and international locations. It describes how individual competences and individual further training needs are ascertained. Also required are an overview of key elements of further training and forms of in-house communication of knowledge and competences as well as an explanation of the importance of sustainability topics in this context.

The report gives examples of measures taken and to what extent these are representative of the company as a whole. It also contains figures (three-year trend) for further education hours or expenditure, broken down into groups of employees (e.g. younger/older employees, management/staff/management trainees), at least for German locations.

- 3 The stipulated requirements have only been partially met. The minimum requirement for three points is the mission statement and quantitative details on the basic vocational and further training of employees.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

A.4.4 Employee rights and employment

- 5 The report shows the development of workforce numbers and provides evidence of the extent to which the company meets its obligation to safeguard the fundamental rights of its employees across the company group.

To this end, it refers to a corresponding Code of Conduct, an international framework agreement or similar and where appropriate to the underlying norms and guidelines (e.g. ILO core labour standards, ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, OECD guidelines for multinational companies, Global Compact / CEO statement etc).

The company shows that the freedom of association of its employees and, on this basis, the

right to collective bargaining are guaranteed. Reference is made to existing forms of employee representation, adapted to conditions in the respective countries (e.g. trade unions, works councils, shop stewards, workforce initiatives etc.)

The report portrays cooperation with the social partner in general, giving examples of any acute conflicts of interest. In the event of changes in operation in particular, the impact on staff as well as measures to cushion this impact in a socially compatible way (balance of interests, welfare plan) are described. Where relevant, this information is also provided for international locations.

The report also contains information on the development of the workforce (number of employees; where relevant and feasible, the proportion of temporary and fixed-term employment contracts; recruitment and dismissals: nationally and internationally over a three-year trend). Where relevant, the developments are placed in the context of mergers, takeovers, sales, outsourcing activities and transfers of location.

3 The stipulated requirements have been largely met. The minimum requirement for three points is, in addition to the quantitative details, reference to a code or something similar as well as portrayal of the measures for cushioning the impact of changes in operation in a socially compatible way.

1 The stipulated requirements have only been partially met.

0 No statements or information available.

A.4.5 Diversity and equality of opportunity

5 The report contains the company-wide current guidelines for promoting diversity and equal opportunity or guaranteeing non-discrimination on the grounds of ethnic/cultural origin, religion or ideology, age, gender identity and sexual orientation, disability etc.

It sets out the implementation of the guidelines in programmes, structures and measures (e.g. diversity management, including diversity assessment) and addresses the handling and number of complaints in particular.

Finally, the report provides detailed comments for the German locations on the quota of employees with serious disabilities (only direct employees).⁵

3 The stipulated requirements have been largely met.

1 The stipulated requirements have only been partially met.

0 No statements or information available.

A.4.6 Equal treatment of women and men

5 The report contains the company-wide current guidelines for promoting the equal treatment of women and men (principle of equal treatment).

It sets out the implementation of the guidelines in programmes, structures and measures (e.g. gender mainstreaming, including equal treatment assessment) and addresses the handling and number of complaints in particular.

⁵ In Germany, there is a legal obligation to disclose this information.

The company gives examples of measures for promoting equal treatment and states to what extent these are representative of the company as a whole. This concerns in particular the way in which skills and careers of female employees are fostered and employees are supported in combining their family with their career.

Finally, the report provides detailed figures and trends for the proportion of women in the overall workforce and in middle and senior management as well as for the difference in remuneration between women and men.

- 3 The stipulated requirements have been largely met. The minimum requirement for three points is the provision of trend details on the proportion of female employees as well as representative examples of how the skills and careers of female employees are fostered.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

A.4.7 Occupational safety and health protection

- 5 The company explains its policy for maintaining the health of its employees and sets out the programmes and measures for ensuring occupational safety and (preventive) health protection in general and in specific hazardous situations (e.g. dealing with poisonous or allergenic substances, severe physical or psychological strain, regionally specific risks of infection such as high malaria or HIV infection rates).

The report also contains figures and comments on the incidence of accidents (notifiable accidents at work per million working hours, with the previous year's figures for comparison) as well as on the quota of healthy working days or days lost due to illness (with details of underlying definition). Where particularly affected, the company explains measures taken to avoid occupational illnesses and quantifies their occurrence (**only construction, chemical/pharmaceutical, basic materials; others only where relevant**).

- 3 The stipulated requirements have been largely met. In especially hazardous conditions, details of preventive health measures and occupational illnesses are essential for three points.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

A.4.8 Job satisfaction and staff retention

- 5 The report depicts how the company promotes the satisfaction and loyalty of its staff and thus presents itself as a good employer.

To this end, the report describes how the company surveys employees on job satisfaction and loyalty (e.g. staff questionnaires, feedback discussions / 360 degree feedback, complaint options, compilation of grounds for dismissal etc) and what results are thus achieved.

The report explains employee participation, career and development possibilities as well as measures for improving staff motivation in the context of work load, working environ-

ment and climate as well as the quality of staff management.

Information on the current state and development of the labour turnover rate (three-year trend) are also desired.

- 3 The stipulated requirements have been largely met. Three points can only be achieved if the report contains either a survey of job satisfaction and its findings or the possibilities for employees to participate.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

A.5 Environmental aspects of production

The presentations on the environmental aspects of production show the extent to which the company surveys, evaluates and systematically improves its consumption of resources and pollutant emissions. In view of the particular relevance of climate protection, the depiction of targets and achieved objectives enables readers to judge how ambitious the company's activities are in this field.

A.5.1 Energy management and climate protection

5 The company reports on the development of its energy consumption and its own energy efficiency, sets out its climate protection targets and links status and objectives to political climate protection targets and sectoral agreements (where these exist). It describes measures (climate protection programme) and reports explicitly on the achievement of objectives.

If the company generates its own power, it sets out the efficiency of the plants and gives a quantitative breakdown (e.g. proportion of CHP). If applicable, the company reports on its participation in the European emissions trading scheme.

It also quantifies its use of renewables (as a proportion of own energy generation and volume of electricity purchased).

The following data (three-year trend) are also required:

- a) energy use in absolute terms
- b) energy use broken down into relevant energy sources: electricity, heat, mineral oil, gas, fuels and others
- c) CO₂ emissions from own plants; details of CO₂ emissions from purchased energy (stating calculation method)
- d) relevant emissions of other greenhouse gases (CH₄, N₂O, HFCs, PFC, SF₆) in CO₂ equivalents.

Where it is relevant for assessment purposes, a breakdown by regions is also desired.

for specifications cf. the specific sectoral criteria for energy providers, basic materials industry

3 The stipulated requirements have been largely met. The minimum requirement for three points is figures on CO₂ emissions and the use of energy (either in absolute terms or broken down) as well as a presentation of company objectives in this area.

1 The stipulated requirements have only been partially met.

0 No statements or information available.

A.5.2 Air pollution and noise emissions

5 The company explains the main emissions of air pollutants from its production processes

and procedures. The report sets out the relevance and the emitted quantities of pollutants over a three-year trend for the company as a whole. Where relevant, details are given in particular of acid-forming substances (SO₂ etc.), emissions of NM-VOC⁶ and heavy metals as well as particle emissions (above all particulate matter). Where especially relevant, concepts and measures are presented for reducing the pollution.

If important, the company also reports on noise emissions, the analysis of their impact and protection measures.

for sectorally relevant pollutants cf. the specific sectoral criteria

- 3 The stipulated requirements have been largely met.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

A.5.3 Use of raw materials and materials

- 5 The report contains a breakdown of its main material flows according to type and quantity. The company sets out its material efficiency and the temporal development of this efficiency; the material costs are preferably to be placed in the context of overall operating costs.

The company comments on the use of recycled materials or renewable and environmentally compatible raw materials and quantifies such use. Special environmental aspects of raw and other materials used are highlighted.

Raw material shortages affecting the company are set out; the report states what concepts are pursued to reduce dependency and secure availability.

Statistics on the main material flows (three-year trend) are required for the following:

- a) consumption of raw materials
- b) consumption of auxiliary and operating materials
- c) consumption of preliminary products; if important, details of the use of materials for transport and product packaging.

for specifications cf. the specific sectoral criteria for car manufacturers, banks, electronics / electrical engineering / mechanical engineering, trade, media and information service providers, food industry, insurers

- 3 The stipulated requirements have been largely met. The minimum requirement for three points is a depiction of the main material flows.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

6 Non-Methane Volatile Organic Compounds (e.g. solvents)

A.5.4 Waste management

- 5 The report contains precise details of overall waste quantity, broken down into the major kinds of waste, and on the overall proportion of hazardous waste. Where relevant, the report makes reference to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal. In the event of especially large quantities and/or hazardous nature of individual types of waste, concepts and measures for avoidance, closed loop management and safe treatment are set out.

The following data (three-year trends) are required:

- a) overall waste for disposal and recycling
- b) overall waste for disposal, broken down into hazardous and non-hazardous waste
- c) overall quantity of exported hazardous waste stating recipient countries (may be summarised in thematic groups of countries).

for specifications cf. the specific sectoral criteria for banks, energy providers, building industry, insurers

- 3 The stipulated requirements have been largely met. The minimum requirement for three points is a breakdown of overall waste according to degree of hazardousness and into waste for disposal and for recycling.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

A.5.5 Water management

- 5 The report contains precise details of water extraction and consumption. Where especially relevant, concepts and measures are presented for reducing consumption in absolute terms and increasing efficiency. Any special regional significance of water consumption is discussed.

The company also sets out the main pollutant loads from waste water discharges connected with its production processes. Where relevant, it mentions emissions of heavy metals, nitrogen and phosphorus as well as COD or BOD. Where especially relevant, concepts and measures are presented for reducing the pollution.

The following data (three-year trends) are required:

- a) water consumption
- b) quantity of waste water (production waste water, broken down where appropriate into cooling water and polluted water).

for sectorally relevant pollutant loads of waste water cf. the specific sectoral criteria

- 3 The stipulated requirements have been largely met.
- 1 The stipulated requirements have only been partially met.

0 No statements or information available.

A.5.6 Logistics and transport

5 The report gives a comprehensive picture of the transport directly caused by the company, giving quantitative data (three-year trend) where possible:

- a) amount of transport (supply, delivery, official travel)
- b) modes of transport (air, rail, road, water, where appropriate pipelines)
- c) transport-related environmental impact

The company sets out its logistical concept and specific plans for reducing transport and mitigating the environmental impact, where appropriate also for staff journeys to work. Examples are quantified and put into context.

3 The stipulated requirements have been largely met. The minimum requirement for three points is a presentation of the level of transport and a transport concept for the quantitatively relevant areas.

1 The stipulated requirements have only been partially met.

0 No statements or information available.

A.5.7 Accidents in production and transport, release of chemicals, fuels, oils

5 The company gives details of accidents in production, storage or transport during which environmentally damaging substances were released or a release could have been triggered. The extent of damage caused is evaluated (e.g. amount of damage, number of employees and third parties affected, area affected), the quantities and causes of significant releases of chemicals, fuels and oils (also independent of accidents) are stated. This information is not required if there are no significant releases. Companies which manufacture significant quantities of hazardous substances, use them in their production process or transport them file a nil return.

Figures are required (three-year trend) for

- a) the number of occurrences of damage in production and storage
- b) the frequency of accidents: road, rail, inland watercourses, at sea.

for specifications cf. the specific sectoral criteria for banks, chemical/ pharmaceutical, insurers

3 The stipulated requirements have been largely met.

1 The stipulated requirements have only been partially met.

0 No statements or information available.

A.5.8 Nature conservation, land use and biodiversity

5 The company's business activities and its activities in natural areas and their impact on eco-systems are set out, where this impact is particularly relevant. Where appropriate the report describes the measures it takes to manage the conservation of nature and biodiversity against the impact of its own business activities (compiling and evaluating the

threat, monitoring, conservation concepts and measures).

The report sets out the plans made to limit the use of land. Where particularly relevant, quantitative details are given for the use of land and (new) soil sealing as well as offset and renaturalisation measures.

for specifications cf. the specific sectoral criteria for chemical/ pharmaceutical, energy providers, basic materials industry, media and information service providers, food industry

- 3 The stipulated requirements have been largely met.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

A.6 Product responsibility

The presentations on product responsibility show the extent to which the company gears its products to sustainability requirements; impact over the entire product life cycle is taken into consideration. The company also provides information on key aspects of customer information and consumer protection.

A.6.1 Social and environmental aspects of product development

- 5 The report shows that the company is aiming at a constant improvement in products and services with regard to their sustainability impact along the entire value-added chain and throughout the product life cycle.

Questions of product development geared to sustainability requirements are explicitly addressed; key aspects are highlighted. It is demonstrated that sustainability interests are systematically integrated into product development and how this is done with suitable instruments (e.g. ABC and cross-impact analyses, product balance sheets and product line analyses, resource and life cycle cost accounts, eco-efficiency analyses and environmental information systems).

The product examples given are justified by their relevance to sustainability or their significant share of the product range.

It becomes clear that the company is pursuing an ambitious, sustainable product policy, e.g. by stating the investments made in innovation geared to sustainability requirements.

for specifications cf. the specific sectoral criteria for car manufacturers, banks, chemical/pharmaceutical, electronics / electrical engineering / mechanical engineering, energy providers, trade, food industry, insurers

- 3 Questions of product development geared to sustainability requirements are addressed. But the presentations refer only to part of the product development or it is not made clear to which proportion of the developments sustainability requirements apply.
- 1 The stipulated requirements have only been partially met, i.e. there is a random selection of individual examples of product development.
- 0 No statements or information available.

A.6.2 Environmental compatibility of products

- 5 The company sets out the extent to which its portfolio of products and services is geared towards environmental compatibility. The entire life cycle of products and services is considered, the compilation of materials data in the supply chain is set out.

A selection of products and services is chosen for their importance for the entire portfolio.

Where relevant, the portfolio is presented with regard to the following aspects:

- a) energy consumption and climate-relevant emissions throughout the entire life cycle⁷

⁷ In the B2B sector, also products which allow customers an energy efficient production

- b) pollution load and particular environmental risks throughout the entire life cycle
- c) material and resource efficiency e.g. with regard to
 - use of recycled materials as well as renewable and environmentally compatible raw materials
 - recyclability of products and take-back plans
 - range of service plans which preserve resources⁸

for specifications cf. the specific sectoral criteria for car manufacturers, banks, energy providers, trade, media and information service providers, food industry, transport / logistics / tourism, insurers

- 3 The report comments on the environmental compatibility of products, looking at the phases of the valued-added chain and product life cycle which are important in terms of environmental impact. But the presentations only refer to a section of the products and services or do not make clear what quantitative proportion of the overall portfolio the products in question comprise.
- 1 The stipulated requirements have only been partially met. The report addresses the environmental compatibility of the products, but does not cover key environmental effects.
- 0 No statements or information available.

A.6.3 Consumer orientation and customer information

- 5 The company sets out – where relevant – the extent to which the portfolio of products and services is geared to social needs and takes account of the specific requirements of minorities. The following aspects are included:
 - a) consideration of health, safety and juvenile protection aspects and orientation to the specific needs of consumer groups (e.g. people with allergies, senior citizens, people with disabilities)
 - b) fair price structures in market sectors where competition is limited and specific product orientation to low-income target groups (bottom of the pyramid) to enable economic and social participation
 - c) ascertaining customer wishes and needs, for example through customer surveys.

The company also sets out its policy and practice with regard to customer information and consumer protection. Where relevant, it reports on the following areas:

- d) inclusion of sustainability information in product advertising (e.g. energy consumption of products, labels: organic, Fair Trade etc) and ensuring ethical standards in advertising
- e) product information with regard to user behaviour
- f) consumer protection measures (e.g. fair advertising, complaints systems and han-

⁸ In the B2B sector, also products which allow customers a material efficient production

ding of claims, practice of recall campaigns).

- g) data protection concerns, handling of customer data (encryption, deletion) and established systems for data security (exclusion of transfer, protection against theft and abuse).

The quantitative importance of the examples given is apparent.

for specifications cf. the specific sectoral criteria for car manufacturers, banks, chemical/pharmaceutical, electronics / electrical engineering / mechanical engineering, energy providers, trade, building industry, media and information service providers, food industry, insurers

- 3 The report covers aspects of consumer orientation, customer information and consumer protection but requirements which are central to the company are not presented in sufficient detail.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

A.7 Responsibility in the supply chain

The company shows the extent to which it assumes responsibility for environmental as well as labour and social standards in the supply chain. It sets out how compliance with standards for key procurements is ensured. At the same time, account is taken of the right of suppliers to a fair and practical procedure.

A.7.1 Social responsibility in the supply chain

5 The company sets out how labour and social standards are implemented in the supply chain. This includes the conditions for direct suppliers as well as their pre-suppliers, where relevant.

To this end, the company's labour and social standards are set out with reference to internationally recognised norms and standards (in accordance with the Universal declaration of Human Rights and ILO core labour standards: right to freedom of speech, protection against arbitrary and discriminatory behaviour at work, prohibition of forced and child labour, freedom of association and right to collective bargaining, right to equal opportunity and adequate pay).

Certified management systems for suppliers are demonstrated or evidence is provided for a working system which requires and monitors compliance with formulated standards (guidelines, purchase criteria, processes for assessing suppliers, local auditing, sanctions). Focus on regions or business areas is based on a relevance analysis.

Fair dealings with suppliers in the sense of fair business relations are demonstrated (support with implementation, economic viability of demands, long-term nature of business relations, partnerships in projects and innovation).

for specifications cf. the specific sectoral criteria for banks, building industry, food industry, insurers

3 The stipulated requirements have been largely met; the standards and procedures for their implementation are set out for the key procurements. However, it is not clear how monitoring is conducted, what sanctions or cooperative support measures are taken.

1 The stipulated requirements have only been partially met.

0 No statements or information available.

A.7.2 Environmental responsibility in the supply chain

5 The company sets out how environmental standards with suppliers and partners in the supply chain are implemented. This includes the environmental impact of direct suppliers and, where relevant, their pre-suppliers as well as the environmental impact of the products supplied or plants.

Certified management systems for suppliers are demonstrated or evidence is provided for a working system which requires and monitors compliance with formulated standards (guidelines, purchase criteria, processes for assessing suppliers, local auditing, sanc-

tions). Focus on regions or business areas is based on a relevance analysis.

Fair dealings with suppliers in the sense of fair business relations are demonstrated (support with implementation, economic viability of demands, long-term nature of business relations, partnerships in projects and innovation).

for specifications cf. the specific sectoral criteria for banks, building industry, food industry, insurers

- 3 The stipulated requirements have been largely met; the standards and procedures for their implementation are set out for the key procurements. However, it is not clear how implementation is conducted, what sanctions or cooperative support measures are taken.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

A.8 Associated social responsibility

With regard to the associated social responsibility, readers expect an overview of the extent to which the company acts as a “good citizen” and commits itself to the goal of sustainability beyond its core business. This includes information on responsible conduct in the region, transparency about financial transfers to and from society in the form of taxes and subsidies, the company’s political involvement as well as the approach and measures for supporting charitable objectives.

A.8.1 Regional responsibility as investor, employer, contractor and supplier

5 The report sets out the impact on the local/regional environment at its locations which the company has as investor, employer, contractor and supplier. Where appropriate it also describes how it deals with authoritarian regimes.⁹

The company also explains the measures it takes to control the impact on the regional environment, such as investment in local infrastructure, Public Private Partnerships, regional procurement, qualification of employees and companies from the region or preserving property rights.

Here, it looks at key locations in terms of sustainability.

for specifications cf. the specific sectoral criteria for chemical/pharmaceutical, energy providers, basic materials industry

3 The stipulated requirements have been largely met; however the measures depicted do not reveal any systematic approach.

1 The stipulated requirements have only been partially met.

0 No statements or information available.

A.8.2 Taxes and subsidies

5 The report contains details of the company’s tax yield and subsidies received (e.g. research aid, employment promotion). Special features, such as significant changes in the course of time, are also shown.

3 The stipulated requirements have been largely met.

1 The stipulated requirements have only been partially met.

0 No statements or information available.

A.8.3 Contribution to politics and the regulatory framework

5 The company sets out how it deals with sustainability-related topics (e.g. climate protection, chemicals, employment, competition and development policy) in a cooperative and

⁹ Cf. index of www.freedomhouse.org

problem-conscious manner in its national and international lobby work (e.g. relations with government, work in associations, support in developing laws)

It also shows how it is involved in sustainability initiatives (e.g. at sectoral or regional level) and advocates the development and implementation of sustainability standards.

- 3 The stipulated requirements have been largely met. However, there is either no evidence of a problem-conscious approach to lobby work or the membership of initiatives is listed without giving specifics.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

A.8.4 Corporate Citizenship plans

- 5 The report depicts a well-founded plan and derived activities for promoting charitable causes e.g. in the field of sport, culture, science and education. Account is taken of financial contributions (donations, sponsorship), cooperation with charitable organisations as well as charity work by employees in their working time (corporate volunteering).

The report sets out where this commitment takes place and how much time it encompasses. It contains figures which show the financial importance of the activities in relation to the company's overall activities.

- 3 The stipulated requirements have been largely met, but the financial context is missing.
- 1 The stipulated requirements have only been partially met, no substantiated plan is demonstrated.
- 0 No statements or information available.

B General report quality

B.1 Credibility

The company enhances the credibility of its report by focusing on the key challenges. It reports openly about central aspects, places them in the context of its business strategy and promotes transparency and dialogue by enabling external comments and evaluations.

B.1.1 Statement by corporate management

- 5 The responsibility of company management for sustainability issues is presented in a credible way. At the same time, the connection between the company's business strategy and the essential sustainability demands made of the company are demonstrated. Key results (success or failures) during the period under report are set out and priorities for the future (fields of action and objectives) are made clear and substantiated.
- 3 The stipulated requirements have been largely met; the assumption of responsibility and the setting of priorities are clearly demonstrated, but their place within the general business strategy is not clear.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

B.1.2 Materiality: focus on qualitatively and quantitatively essential aspects

- 5 All essential issues of social and environmental responsibility are set out and evaluated. For detailed observations, targeted reference can be made to other report forms and the Internet. The focal points in the report are well-founded and comprehensible. From a sustainability point of view, minor activities are not placed in the foreground.
- 3 The stipulated requirements have been largely met.
- 1 The stipulated requirements have only been partially met, i.e. the report only addresses the essential issues in a very fragmentary way.
- 0 The report deals with issues of secondary importance.

B.1.3 Openness: statement of main challenges and unresolved problems

- 5 The report specifies the environmental impact caused by the sector and the company and the social challenges. Relevant problems, unresolved issues and existing conflicts over targets or trade-offs are openly addressed. Ambitious ideas for solutions are set out. Reference is made to current sectoral agreements.
- 3 The stipulated requirements have been largely met, however not comprehensively on all essential aspects.
- 1 The stipulated requirements have only been partially met, i.e. only in a few places are the problems of environmental impact and social challenges addressed and unresolved issues mentioned.

0 No statements or information available.

B.1.4 Audits

5 The company sets out the proportion of locations and business units which are subjected to internal and external environmental audits. Internal or external audits of the working conditions at the company's international locations are also set out. The report contains the main results of the audits and the consequences drawn.

Data is required on:

- a) The number (or percentage) of locations with externally audited environmental management systems
- b) The number (or percentage) of locations with audits of working conditions, if significant.

The report puts the percentage of audited locations into context (e.g. by reference to employees or production shares).

Note: Audits of suppliers are taken into account under "supply chain".

3 The stipulated requirements have been largely met. The degree of auditing is reported, but the results and conclusions of internal audits are not transparent.

1 The stipulated requirements have only been partially met.

0 No statements or information available.

B.1.5 Evaluation by external parties

5 The results of systematic evaluations of the company (e.g. environmental/ethical ratings) and external examinations of the report (attestation of the underlying data, statements by external parties) or stakeholder surveys are presented.

With respect to key sustainability aspects for the company, not only positive results are addressed, but also weak points or problem areas identified by external parties or critical external comments are made possible.

3 The stipulated requirements have been largely met. External evaluations of central aspects are made transparent, but the report contains only positive results and comments.

1 The stipulated requirements have only been partially met.

0 No statements or information available.

B.2 Comparability

The data in the report permits internal temporal and cross-company comparisons and thus also a classification of sustainability performance with regard to the main aspects. The data gathering is transparent.

B.2.1 Details of accounting parameters

- 5 The information is fully comprehensible, because the temporal reference unit (the year etc) and the spatial accounting parameters (which location(s), parts of the company etc were included?) are clear. The extent to which holdings are taken into account is also clear.

The accounting parameters are set in such a way that the major part of the company or its business activities as well as the relevant parts of the company/regions in terms of sustainability are included. Majority holdings must be included; minority holdings in companies with business activities which are particularly relevant in terms of sustainability are taken into account as far as possible.

Important developments during the reporting period (location transfers, new or expanded locations, location closures) are explicitly treated. The consequences for the company's sustainability performance as well as the data collection are demonstrated.

The data provided enables quantitative time-line comparisons – even if reference parameters change. Where relevant, the report states how the data was calculated. Possible data inaccuracy is pointed out.

- 3 The stipulated requirements have been largely met (e.g. information refers only to selected locations, different parts of the company or periods of time).
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

B.2.2 Details of gathering and interpretation of information

- 5 The data and information permit quantitative time series comparisons, sectoral comparisons and matching against objectives. Possible data inaccuracies are highlighted. If relevant, the report states how the data was calculated and to what extent calculation standards (e.g. requirements and standards of the Greenhouse Gas Protocol) were used.

In the case of time series, reference is made to relevant influencing factors (changes in location, changes in product range etc). Data is broken down in such a way that comparisons are possible despite the changes.

Comparisons with others are conducted in a proper manner; factors restricting comparability are mentioned.

- 3 The stipulated requirements have been largely met.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.



B.2.3 Important developments during the reporting period

- 5 The company explicitly reports on transfers of location, new locations or closures of locations (national and international). New acquisitions as well as sales and outsourcing of subsidiaries or locations are set out. The consequences of the company's sustainability performance are demonstrated.
- 3 The stipulated requirements have been largely met.
- 1 The stipulated requirements have only been partially met.
- 0 No statements or information available.

B.3 Communicative quality

The structure, text and layout of the report in the print and/or online version, the linking of the two report formats (where appropriate) and references to further internal and external sources of information give the reader a clear picture of the corporate sustainability challenges and performance in a high quality of both text and layout and grant the reader rapid access to relevant information.

B.3.1 Report structure

5 The structure of the report permits a rapid overview of the main contents and targeted access to individual aspects.

To this end, the report is structured in a clear, logical and easily comprehensible way and contains a table of contents as well as an index where necessary (subject index, GRI index or similar). A linking of thematically-related report contents or cross references is desirable.

In the case of integrated print/Internet reporting, a comparable and rapidly accessible basic structure is used; the “sustainability pages” are placed in a visible and central position on the company’s website.

Pure Internet reports also offer targeted selection and search options for rapid access by specific user groups.

3 The stipulated requirements have been largely met.

1 The stipulated requirements have only been partially met.

0 No statements or information available.

B.3.2 Text

5 The text layout is designed to give an authentic picture of the company’s sustainability challenges and performance.

To this end, the text is stringent, factual and easily understandable. Where necessary for general understanding, terms and abbreviations are defined or explained, and formalised or technical procedures are presented in a generally comprehensible way. Protagonists, time periods, causes and consequences are clearly stated and not concealed.

3 The stipulated requirements have been largely met.

1 The stipulated requirements have only been partially met.

0 No statements or information available.



B.3.3 Layout

- 5 The report layout supports the reader-friendliness and easy accessibility of the report contents.

To this end, the contents are clearly structured with headings, sub-headings, lead texts or marginalia. Internet links are highlighted. Illustrations and photos are deployed in a supporting function, i.e. with clear reference to text and meaning, and follow a uniform and appealing design.

Internet reports respect the requirements of barrier-free accessibility and offer a comfortable page and print layout or format (screen and print optimised).

- 3 The stipulated requirements have been largely met.
1 The stipulated requirements have only been partially met.
0 No statements or information available.

B.3.4 Illustrations

- 5 For the visualisation and easier comprehension of the contents (descriptions and figures), the report contains illustrations, charts and tables. The illustrations provide a compact and comprehensible presentation of complex interrelationships, organisational structures or technical processes and procedures. The charts depict rapidly accessible data and facts on company performance as well as their development, without distorting the scale or proportion; the exact figures form part of the charts. The tables are compact, concise and easily comprehensible.

- 3 The stipulated requirements have been largely met.
1 The stipulated requirements have only been partially met.
0 No statements or information available.

B.3.5 Contact

- 5 The report invites contact and contains the necessary contact data in a readily accessible form. This includes the company's address (main location) and website, the department responsible for the report and/or the subject areas sustainability / CR / environment, with telephone number and email address, as well as the name of a direct contact where appropriate.

In the case of pure Internet reports, the departments or individuals responsible are directly contactable for questions and feedback, e.g. via their email address, a specific contact form or in discussion forums.

- 3 The stipulated requirements have been largely met.
1 The stipulated requirements have only been partially met.
0 No statements or information available.

B.3.6 Offer of additional information

5 The report refers to internal and external information and documents. To this end, further company information and material is explicitly mentioned and offered in an easily accessible form on the Internet. In the relevant places, reference is made to the websites of third parties or external material. The references to the Internet are targeted, i.e. the page containing the additional information is easily accessible (where appropriate via an index; a GRI index contains the designation of the indicators or at least sub-headings for thematic classification).

Pure Internet reports work with hyperlinks for the direct linking of information on the company's sustainability and overall online presence; where necessary, a link is also provided via an index. The company offers current sustainability-related information via bulletins, tickers, newsletters etc. as well as an archive and collection of documents where appropriate. Direct links to third-party websites and documents are also provided.

3 The stipulated requirements have been largely met

1 The stipulated requirements have only been partially met.

0 No statements or information available.

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