

CESA Sustainability Guideline Document and Reporting Process Checklist



Lee Scott, Wal-Mart CEO:

“Sustainability is the single biggest business opportunity of the 21st century....It will be the next source of competitive advantage.”

CESA SUSTAINABILITY JOURNEY

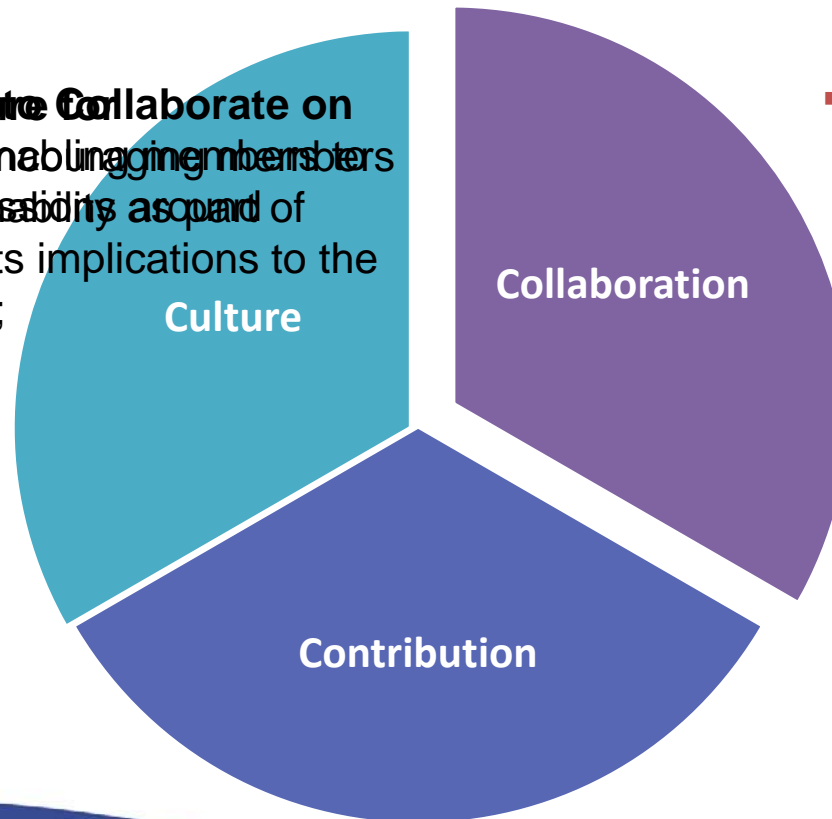
- **2010** - CESA defined its **commitment to sustainability**.
- CESA would now like to **encourage you members to proactively integrate sustainability** within your business structure.
- Proposal: **All member firms to prepare a simple sustainability report** as part of the Annual Declaration Documentation.

PROCESS FOLLOWED

- Steering Committee was established to lead this process.
- Terms of references:
 - To **develop a CESA Sustainability and Reporting Framework** which is practical and implementable.
 - To **contextualise sustainability** with regards to the consulting engineering industry.
 - To **align/base** this Framework on **the work of FIDIC and the GRI** (international best practice).
 - To **develop a streamlined reporting process** - including defining necessary components of the process, a phased timeframe and a minimum requirements checklist.

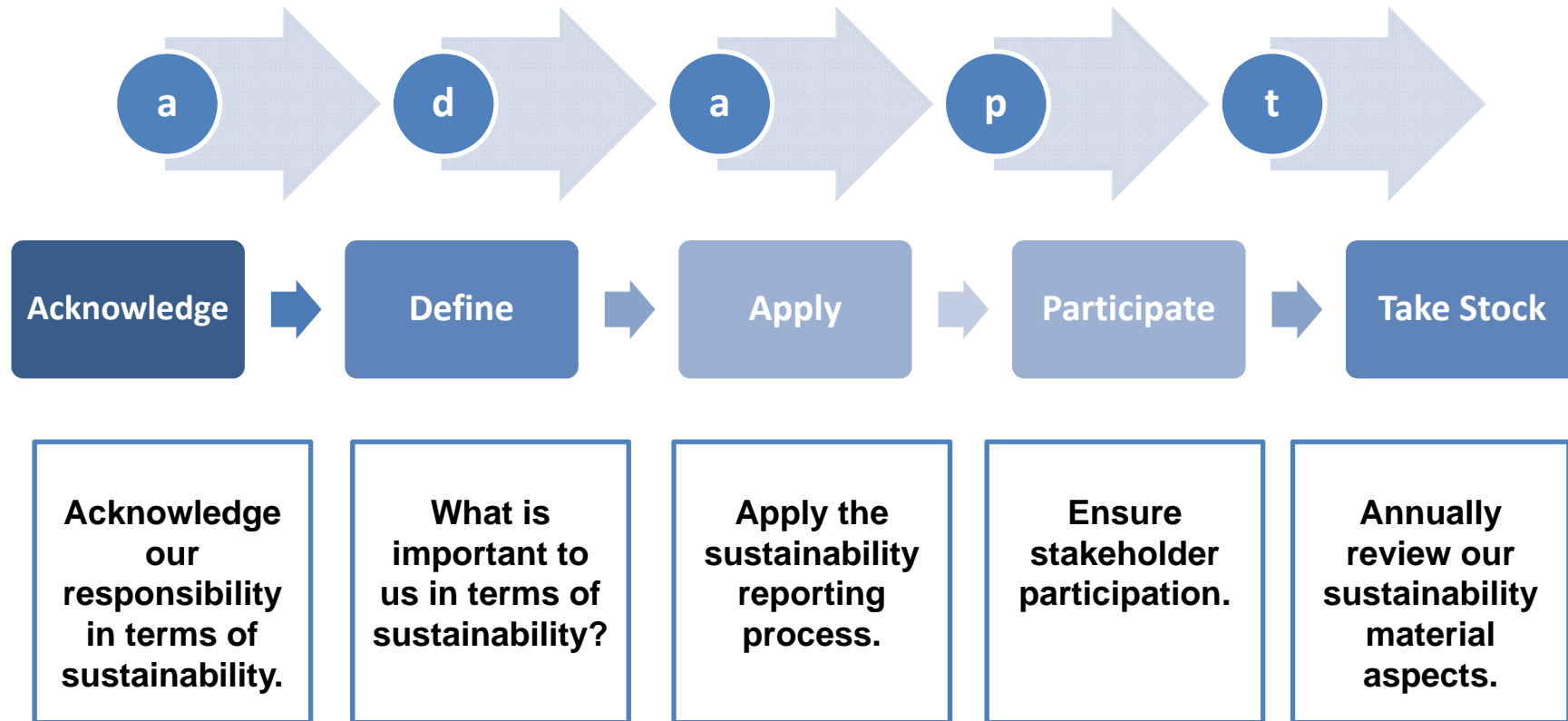
THE PURPOSE OF THE GUIDELINE DOCUMENT

- **Create a platform to Collaborate on Sustainability** – enabling members to participate in sustainability as part of their business and its implications to the engineering sector;



- **Contribute towards Sustainability in a practical and measurable way** – guiding members on a practical sustainability reporting process which will allow for integration and practice

COMPONENTS OF CESA SUSTAINABILITY MODEL



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- The aim of this model is to:
 - **Simplify the implications** of sustainability to member firms; and
 - **Inform member firms** on the main components of developing the necessary input as per the Minimum Requirements Checklist.
- The model illustrates **components, rather than a process**, allowing member firms to develop and establish their own internal sustainability processes.

BASIS FOR CESA SUSTAINABILITY REPORT

- **The Global Reporting Initiative (GRI)**, specifically the recently launched **G4** guidelines.
- **GRI**: an international organisation and the **leading entity in terms of sustainability reporting and benchmarking**.
- has defined a set of **international benchmarked sustainability protocol sets and indicators**.
- **G4**: has streamlined the process of sustainability reporting by focussing on **materiality**.
- provide a strategic choice between being a “**core**” versus “**comprehensive**” reporter.

WHAT CONSTITUTES A CESA SUSTAINABILITY REPORT?

Organisational Profile

- **Core business and services** of the organisation.
- Report the **location of the organisation's headquarters** and countries of operation.
- List all **economic, environmental and social charters**, principles or other initiatives to which the organisation subscribes.

Sustainability Strategy Overview

- Signed **Sustainability Policy**.
- Description of **material sustainability issues**, risks and opportunities of the organisation.
- Description of organisation's **sustainability objectives and targets**.
- **Stakeholder engagement** process - internal discussion on sustainability with employees (min.).

Acknowledging CESA Sustainability Indicators

- CESA Sustainability indicator 1: **Education**.
- CESA Sustainability indicator 2: **Economic and Political Certainty**.
- CESA Sustainability indicator 3: **Jobs**.
- CESA Sustainability indicator 4: **Eradicate corruption**.
- CESA Sustainability indicator 5: **Responsible development**.

REPORT and PROCESS CHECKLIST - Extract

CESA Sustainability indicator 1: Education

How does your company contribute to education?

CESA Sustainability indicator 2: Economic and Political Certainty

How does your company manage economic and political certainty?

CESA Sustainability indicator 3: Jobs

How does your company support local job creation?

CESA Sustainability indicator 4: Eradicate corruption

Does your company subscribe to the CESA Business Integrity Management Guidelines?

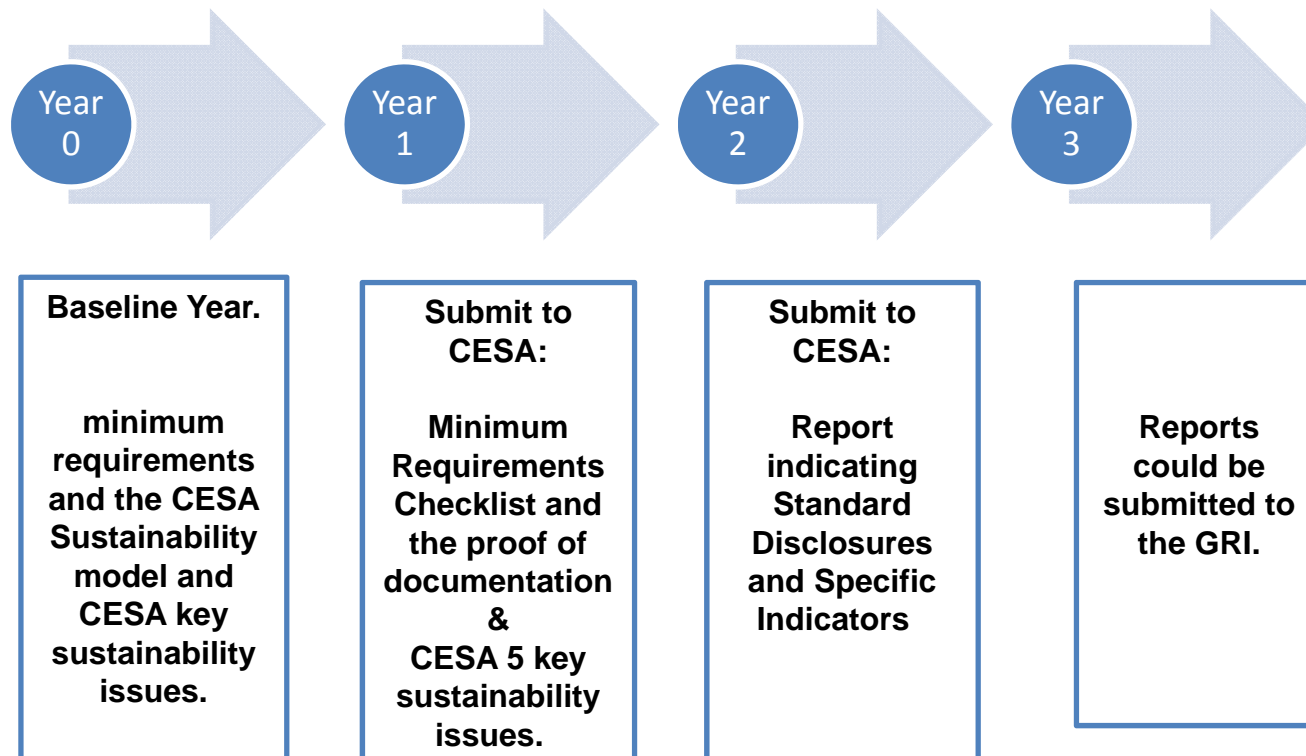
CESA Sustainability indicator 5: Responsible development

How does your company ensure responsible development? What tools are used such as PSM II?

CESA SUSTAINABILITY REPORT and PROCESS CHECKLIST

- The aim of the Minimum Requirement Checklist:
 - To **ensure consistency amongst members** in understanding sustainability and reporting concepts.
 - To **assist CESA in benchmarking sustainability** and sustainability trends within the engineering sector.
 - To **guide two very important processes** – one being **determining the material issues** and the other **to ensure a participative approach**.
- The Minimum Requirement Checklist will ultimately act as a guide in terms of level of compliance.

CESA SUSTAINABILITY REPORTING ROAD MAP



CESA SUSTAINABILITY REPORTING LEVELS

Entry Level Report

- Adhere to **CESA Minimum requirements**.
- Provide **basic organisational information**.
- Provide minimum **sustainability policy related aspects**.
- CESA sustainability **key issues**

Intermediary Report

- Adhere to **CESA Minimum requirements**.
- Provide more detail around **materiality** and **develop own material issues for the company**
- Provide more detail around **stakeholder engagement**.
- Include **Core Governance and Ethics and Integrity component** as part of minimum requirements.

Advanced Report

- Aligned to **G4 Core Report requirements** - this would remain as per Intermediary Report.
- **Specific additions:**
- Report Profile.
- Include 1 indicator from each **G4 Specific Standard Disclosures categories** - Environmental, Social and Economic.

CONCLUSION

- The purpose of this document is to **encourage you members to pro-actively integrate sustainability** within your business structure.
- It **aims to create a platform for member firms to identify their role with regards to sustainability** and to create a culture of collaboration within the engineering sector related to sustainability.
- The **Minimum Requirement Checklist will assist member firms** in collecting and recording data in order to streamline this process and obtain the necessary buy-in.
- **Sustainability will imply a mind-shift, however, it also brings numerous opportunities.**

**THANK
YOU**