

Corporate Responsibility Reports Are Now Standard Business Practice



We recently asked if your company publishes corporate responsibility reports on its workplace safety, environmental and other 'social' efforts:

- 52% said no
- 37% said yes
- 11% didn't know.

Well, if your company doesn't publish such reports, it may want to reconsider doing so or it may find itself left behind.

According to the results of a survey by KPMG, 93% of the world's 250 largest corporations publish corporate responsibility reports. And 71% of the 4,100 companies from 41 countries, including Canada, covered in the survey also publish such reports.

Thus, KPMG claims that companies should no longer ask whether they should publish a corporate responsibility report because the high rates of such reporting suggest that it's now standard business practice.

Corporate responsibility reports often emphasize a company's activities and accomplishments in areas including workplace safety, environmental stewardship, philanthropy and community involvement. But the content and quality of those reports varies.

Some key findings from the survey on the substance of corporate responsibility reports:

- 87% of report from the 250 largest companies identify at least some social and environmental changes that affect the business, such as climate change, material resource scarcity, and energy and fuel.
- More companies see opportunities than risks'81% of reporting companies identify business risks from social and environmental factors, whereas 87% identify commercial opportunities.
- Reputational risk is the most commonly cited type of business risk, mentioned by 53%.
- Only a small number of reports (5%) include information on the financial

value at stake from environmental and social risk.

- A significant number of reporting companies also mention other types of risk that affect company operations and not just corporate reputations, including regulatory risk (48%), competitive risk (45%), physical risk (83%), social risks (36%) and legal risks (21%).

If you want to include social responsibility information, such as environmental and safety initiatives, in your corporate responsibility report, you should first develop an effective social responsibility framework for your company. And here's a checklist you can use to assess the gaps in its current social responsibility performance.