

---

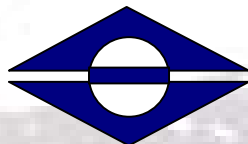
# **The State of Public Environmental Reporting in Corporate Australia**

---

Prepared by

**cær**

Centre for Australian Ethical Research  
in collaboration with



**Deni Greene Consulting Services**

**March 2003**

# Acknowledgements

*The State of Public Environmental reporting in Corporate Australia* was prepared for Environment Australia by the Centre for Australian Ethical Research.

© Commonwealth of Australia 2002

Information contained in this publication may be copied or reproduced for study, research, information or educational purposes, subject to inclusion of an acknowledgment of the source.

## Disclaimer (Commonwealth Government)

The views and opinions expressed in this report are not necessarily those of the Commonwealth Government. The Commonwealth does not accept responsibility for the appropriateness, accuracy or completeness of the report, and shall not be liable for any loss or damage that may be occasioned directly or indirectly through the use of, or reliance on, the report. Reference to any company, product or service in this report should not be taken as Commonwealth endorsement of that company, product or service. This report is provided for general information only and is not intended to replace the need for specialist advice relevant to the particular circumstances of individual readers.

Cover image created by Steve Keough, copyright Environment Australia

Environment Australia incorporates the environment programs of the Federal Department of the Environment and Heritage.

Funding for this Study was provided through the Natural Heritage Trust



## Natural Heritage Trust

*Helping Communities Helping Australia*

A Commonwealth Government Initiative

The following companies chose to provide information on their environmental reporting activities to this project. Their assistance is gratefully acknowledged.

7-Eleven Stores Pty Ltd	Commonwealth Bank of Australia
A C McGrath & Co Pty Ltd	Commonwealth Life Limited
A W Baulderstone Holdings Pty Ltd	Compaq Computer Australia Pty Limited
ABB Group Holdings Pty Ltd	Computershare Ltd
Abigroup Ltd	Corporate Express Australia Ltd
ABN AMRO Australia Limited	Costa's Pty Ltd
Alcoa of Australia Limited	Croesus Mining NL
Alintagas Limited	CSR Ltd
Alumina Ltd	Dalrymple Resources NL
Amatek Industries Pty Limited	Envestra Ltd
Amtcor Ltd	ERG Ltd
AMP Diversified Property Trust	Ford Motor Company of Australia Limited
AMP Industrial Trust	Foster's Group Ltd
AMP Limited	Futuris Corporation Ltd
AMP Office Trust	General Property Trust
AMP Shopping Centre Trust	GeneralCologne Re Australia Ltd
Anglo Coal Holdings Australia Pty Limited	Glaxo Wellcome Australia Ltd
Anglogold Ltd	Grainco Australia Limited
AP Eagers Limited	Gunns Limited
Argo Investments Ltd	Hardman Resources Ltd
AstraZeneca Pty Limited	Heinz Wattie's Limited
Auspine Ltd	Hewlett-Packard Australia Pty Ltd
Australia Meat Holdings Pty Limited	Hills Industries Ltd
Australian Agricultural Company Ltd	Housewares International Limited
Australian Associated Motor Insurers Limited	IBM Australia Limited
Australian Gas Light Company (The)	Iluka Resources Ltd
Australian Growth Properties Ltd	Inghams Enterprises Pty Limited
Australian Magnesium Corporation Ltd	Insurance Australia Group Ltd
Australian Pipeline Trust	ION Limited
Australian Stock Exchange Ltd	Joe White Maltings Ltd
Bank of Western Australia Ltd	Kaal Australia, Pty Limited
Bartter Enterprises Pty Limited	Kimberly-Clark Australia Pty Limited
Bendigo Mining NL	Kodak (Australasia) Pty Ltd
BHP Billiton Ltd	Kraft Foods (Australia) Limited
BHP Steel Ltd	Leighton Holdings Ltd
Blackmores Ltd	Lend Lease US Office Trust
Boral Ltd	Linfox Proprietary Limited
Bristol-Myers Squibb Australia Pty Ltd	Mazda Australia Pty Limited
BRL Hardy Ltd	McDonald's Australia Limited
Cadbury Schweppes Australia Limited	McPherson's Limited
Caltex Australia Ltd	Merck Sharp & Dohme (Australia) Pty Limited
Canon Australia Pty Limited	Meriton Apartments Pty Ltd
Cellestis Ltd	MIM Holdings Ltd
Centennial Coal Company Ltd	Mirvac Group
Chubb Security Holdings Australia Limited	National Australia Bank Ltd
Citipower I Pty Ltd	

National Foods Ltd	Robert Bosch (Australia) Pty Ltd
NEC Business Solutions Limited	Sensis Pty Ltd
Nestle Australia Ltd	Shell Australia Limited
Newmont Australia Limited	Siemens Ltd
Normandy NFM Ltd	Singapore Telecommunications Limited
Norske Skog Paper Mills Holdings (Australia) Limited	Singtel Optus Pty Limited
Nufarm Ltd	Sons of Gwalia Ltd
Oakbridge Pty Limited	Southern Pacific Petroleum NL
Oil Company of Australia Ltd	St George Bank Ltd
Oil Search Ltd	Swiss Re Australia Ltd
Origin Energy Ltd	Tabcorp Holdings Ltd
Orlando Wyndham Group Pty Ltd	Tap Oil NL
Pacific Hydro Ltd	Telstra Corporation Ltd
Panasonic Australia Pty Limited	Teys Bros (Holdings) Pty Ltd
Peptech Limited	Thakral Holdings Group
Permanent Trustee Company Ltd	Ticor Ltd
Peter Lehmann Wines Ltd	Transurban Group
Pivot Limited	Trust Company Of Australia Limited
Platinum Capital Ltd	TXU Australia Holdings Pty Ltd
Pratt Holdings Proprietary Limited	Wesfarmers Ltd
Primary Health Care Ltd	Westfield Holdings Ltd
Qantas Airways Ltd	Westpac Banking Corporation
Qenos Holdings Pty Ltd	Westpac Life Insurance Services Limited
Ramsay Health Care	WMC Resources Ltd
Rio Tinto Ltd	

An additional 55 companies provided information on their environmental reporting activities but chose not to be identified in the report. We are grateful for their assistance.

# Executive Summary

This report presents the results of a project to identify the number of Australia's largest companies that have undertaken a Public Environmental Report (PER) or are planning to launch their first PER in 2003. Triple bottom line reports and sustainability reports were considered along with PERs, as many companies are now moving from environmental reporting to broader coverage of environmental, social and economic issues. The project also identified the extent of external verification of PERs and the benefits and impediments associated with producing a PER report. In addition to the analysis of current Australian performance on PER, the project looked at PER-related activity occurring overseas.

The Centre for Australian Ethical Research (CAER), in collaboration with Deni Greene Consulting Services, has conducted this project for Environment Australia (EA)

This project involved gathering information on PER activities from:

- the 300 largest companies listed on the ASX;
- the top 100 private companies; and
- the top 100 unlisted public companies.

Issues addressed included:

- production of stand-alone PERs in current, previous and future years;
- independent verification of PERs;
- benefits of producing a PER; and
- impediments to producing a PER.

## ***PER in Australia and overseas***

A great deal of attention worldwide is being directed toward the reporting activities of companies. Business interest in sustainability is also continuing to grow. The World Summit on Sustainable Development in Johannesburg in 2002 attracted almost as many corporate leaders as Heads of State and Government. Current initiatives on public environmental reporting involve Governments, industry bodies, non-government organisations (NGOs) such as the Global Reporting Initiative (GRI), and, increasingly, companies taking individual action.

In Australia, although the number of PERs produced is increasing, the proportion of large companies with PERs is not. The issue of environmental and social reporting is not a significant part of the widespread public debate here on corporate transparency and accountability. The Australian Government has taken a number of important steps to encourage the production of PERs, including publications, an extension program with industry organisations, and roundtable discussions.

Overseas, several countries have appointed Ministers for Sustainable Development, and a number are mandating public environmental reporting for a wide range of companies and industries. Some financial organisations are setting criteria for investment that includes production of a PER. Guidance on producing PERs (or sustainability reports) is coming from a range of different types of organisations, including Government bodies, industry associations and NGOs.

Environmental and sustainability reporting is becoming increasingly common among very large companies; 45% of the Global Fortune Top 250 companies now publish such reports. Verification and external assurance of reports is a growing area of interest overseas, no doubt because of the close links to the extensive discussion on transparency and accountability.

## ***Outcomes of this project***

### **Participation in the project**

Of the 500 companies contacted for the project, 195 agreed to provide information about their PER activities, 90 companies declined to participate, and the remaining companies did not respond. The response rate (including both those providing information and those declining to do so) was 57%.

### **Production of a PER**

The project identified 57 companies producing a PER, of which 70% are in the mining or manufacturing sector. Foreign owned companies were considerably more likely to be producing a PER than companies that are Australian owned. Overall, the rate of production among the 500 companies covered by the project is 11%. The number of PERs that has been produced by these companies since 1993 is 214; as five of these are bi-annual reports, the total number of years covered is 219.

### **Verification**

Of the 57 companies producing a PER, 28 have had or will have their report independently verified. Independent verification is much more prevalent for the more recent reports than it was for earlier reports.

### **Benefits of producing PERs**

Companies in all industry sectors most often cited reputation enhancement as the key benefit of producing a PER. The next most frequently cited benefits are: gaining the confidence of investors, insurers and financial institutions, and improved management of risks. There was considerable variation among industry sectors in the benefits they perceived from production of a PER.

### **Impediments to producing a PER**

Cost and resource constraints were the most frequently identified impediments to producing a PER and to verification. A range of other impediments was also identified, and the impediments cited varied considerably among industry sectors.

### **Use of Global Reporting Initiative (GRI) Guidelines**

The Global Reporting Initiative is an attempt to promote harmonisation in reporting relevant and credible corporate economic, environmental, and social performance information. Within the 195 companies providing information about their activities for this project, 14 are making some use of the GRI guidelines.

## ***Conclusions***

The conduct and outcome of this study provided a number of valuable insights into the current status of public environmental reporting in Australia and into industry attitudes and perceptions.

From the results obtained, it is evident that the number of PERs and the extent of verification of PERs are increasing in Australia. Nevertheless the proportion of companies producing PERs is still very low, and is considerably lower than among large companies overseas.

Most companies recognise that there are benefits from producing a PER, but in many cases, the benefits are apparently not considered significant enough to justify the allocation of financial and human resources required to produce a PER.

There appears to be a worldwide trend toward greater inclusion of social data within reports, and towards use of sustainability reports. Use of triple bottom line reports is growing, but more slowly.

The value of verification has not been recognised in most industry sectors in Australia.

The use of GRI guidelines is another issue that will be of increasing importance, and greater discussion and debate in Australia would be valuable.



# Table of Contents

EXECUTIVE SUMMARY .....	III
PER IN AUSTRALIA AND OVERSEAS.....	III
OUTCOMES OF THIS PROJECT .....	IV
CONCLUSIONS .....	IV
BACKGROUND.....	1
PER IN AUSTRALIA AND OVERSEAS .....	2
OVERVIEW .....	2
PER IN AUSTRALIA .....	3
PER ACTIVITY OVERSEAS .....	3
VERIFICATION OF PERS.....	8
PROJECT METHODOLOGY.....	10
BASIC COMPANY DATA .....	10
COMPANY PER INFORMATION .....	10
PROJECT PARTICIPATION .....	12
COMPANIES CONTACTED .....	12
COMPANIES PROVIDING INFORMATION TO THE PROJECT .....	13
COMPANIES DECLINING TO PROVIDE INFORMATION .....	14
PROJECT RESPONSE RATE.....	14
PER PRODUCTION AND VERIFICATION .....	15
COMPANIES PRODUCING PERS .....	15
VERIFICATION OF PERS.....	18
BENEFITS OF PRODUCING PERS .....	20
IMPEDIMENTS TO PRODUCING PERS .....	23
USE OF GLOBAL REPORTING INITIATIVE (GRI) GUIDELINES.....	25
CONCLUSIONS.....	26
RECOMMENDATIONS FOR FUTURE ACTIVITIES .....	27
APPENDIX A - COMPANIES CONTACTED	
APPENDIX B - QUESTIONNAIRE ON PER UPTAKE	
REFERENCES	



# Background

The Centre for Australian Ethical Research (CAER), in collaboration with Deni Greene Consulting Services, has conducted a study for Environment Australia (EA) on the state of Public Environmental Reporting (PER) in Australia. The primary purpose specified for this study was to identify the number of Australia's largest companies that have produced a Public Environmental Report or are planning to launch their first PER in 2003. The secondary purpose specified was to identify benefits and impediments associated with producing a PER report.

The primary audience for the study is Australian companies, with the secondary audience being the finance sector and government. The study will be used to assist the promotion of initiatives targeted at increasing the uptake of PER in Australia. The Final Report on the study will be made available through Environment Australia's Finance, Accounting and Reporting website. Links to company PER reports will be added to Environment Australia's on-line PER library where companies have given approval for such links.

# PER in Australia and Overseas

## Overview

A great deal of attention worldwide is being directed to reporting activities of companies. As the World Business Council for Sustainable Development (WBCSD) says, “Reporting becomes even more important in our ‘CNN world’. The spotlight can be cast instantaneously on remote activities of a company anywhere on the globe, and a sustainable development report may play a key role in pointing to the facts.”<sup>1</sup>

Companies receive a number of benefits from producing PERs. Many of these were identified in “A Framework for Public Environmental Reporting: An Australian Approach, issued by Environment Australia.”<sup>2</sup> Some of the key benefits include:

- ability to benchmark performance – allows a company to take stock of its performance at regular intervals and compare progress with others in the field;
- operational and management improvements – increases internal awareness and focuses attention on improving performance; highlights inefficiencies and opportunities;
- reputation enhancement – “a good reputation is a major asset: enhancing the desirability of companies’ jobs, attracting customers, improving productivity, affecting investor attitudes and confidence, and influencing relationships with government and other companies.”<sup>3</sup>;
- capacity to recruit and retain excellent staff – the activities and reputation of a company play a role both in determining whether the company is attractive to prospective employees and in influencing morale of existing staff;
- improved management of risks – the framework used for environmental management and environmental reporting provides the basis for enhancing a company’s management of risk;
- creation of market opportunities – attracts customers, whether individuals or other companies, interested in purchasing from environmentally responsible companies;
- greater control of environmental disclosure – allows organisations to present information on their environmental performance in their own way, avoiding involuntary disclosure by other parties; provides a ready vehicle for disclosure of measures taken to improve performance;
- satisfying a mandatory or signatory reporting need – many companies are signatory to voluntary industry codes, such as Responsible Care, a code of the Plastics and Chemicals Industries Association (PACIA), or the Minerals Council of Australia’s Australian Minerals Industry Code for Environmental Management (2000), both of which encourage reporting; and
- gain confidence of investors, insurers and financial institutions – increasingly, investors and financial institutions are recognising that good environmental management reduces financial risk and that reporting provides the opportunity for presenting the information these individuals and organisations need.

Business interest in sustainability is also increasing. The World Summit on Sustainable Development in Johannesburg in 2002 attracted almost as many corporate leaders as Heads of State and Government.

In the wake of high profile corporate collapses and revelations of dubious and illegal practices by some prominent companies, there is an increased call for transparency and accountability of business. Although the primary focus is on the financial dealings of companies, this has spilled over into heightened interest in environmental, sustainability, and triple bottom line reporting. Calls for enforced corporate accountability were also one outcome of the World Summit on Sustainable Development in Johannesburg.

The WBCSD says “reporting should be considered as part of an active dialogue between the company and its stakeholders and not as a separate one-off activity.”

### ***PER in Australia***

This report provides details on the current status of public environmental reporting in Australia. A number of initiatives by the Australian Government have aimed to encourage companies to begin reporting. Environment Australia issued “A Framework for Public Environmental Reporting: An Australian Approach” in 2000 and in 2002 released an Exposure Draft of “Methodologies for Public Environmental Reporting” (the final version is scheduled for April 2003).

The Environment Australia Finance, Accounting and Reporting website (<http://www.ea.gov.au/industry/finance>) also includes a library of PERs by Australian companies, and is searchable by either company name or industry type.

There appears to be less public focus on PER in Australia than in many overseas countries, although increasing numbers of organisations are producing reports. A great deal of attention was devoted to the subject a few years ago, and business organisations held forums and produced guidance on the issue. The Australian Chamber of Commerce and Industry produced “Environmental Reporting: Handbook for Small and Medium Size Businesses” in 2001.<sup>4</sup>

A report for EA by KPMG Sustainability Advisory Services in November 2002 entitled “The State of Sustainability Reporting in the Trade and Retail Sector”<sup>5</sup>, stated that the reporting rate for the top 100 listed Australian companies decreased from 15 to 14 percent in 2002. Only two companies, or 4 per cent, of the Australian trade and retail companies in the Business Review Weekly 1000 are reporting on their environmental or social performance in a separate public report, compared to 26 per cent of trade and retail companies in the Global Fortune Top 250.

### ***PER activity overseas***

Although the uptake of PER in Australia is relatively slow, there appears to be rapidly growing interest in environmental, sustainability and triple bottom line reporting in many overseas countries. Both Government and the private sector reflect this interest in activity.

#### **Government activities**

Several European countries now have Ministers for Corporate Social Responsibility. These include France, Ireland, the UK, the Netherlands, and Denmark.<sup>6</sup> PER (or sustainability reporting) is an important part of the responsibilities of these Ministers, although they are addressing the issue in varying ways. Governments in these and other countries are also addressing the issue of mandatory reporting, with some choosing to pass legislation and others opting for a voluntary approach.

A report on “Environmental, Social and Sustainability Reporting on the World Wide Web” by the Association of Chartered Certified Accountants (ACCA) and Next Step Consulting Ltd (2001)<sup>7</sup> states that environmental reporting in Japan became widespread after the Environment Ministry published reporting guidelines and environmental performance indicators for businesses in 2000 and encouraged all large companies to report. Reports in Japan tend to follow a standard format, and are thus more comparable than reports in other countries. In 2000, there were approximately 430 environmental reports according to the Ministry of the Environment.<sup>8</sup> Japan plans to align its reporting Guidelines to the GRI. (Further discussion of the GRI appears below.)

The UK Government has been actively promoting corporate environment reporting for several years. In December 2001, Prime Minister Tony Blair called for the FTSE 350 companies to start issuing corporate environmental reports, and the Government issued guidelines for reporting. According to Amnesty International<sup>9</sup>, few companies responded to the challenge. Less than one-third produced a substantive environmental report by the deadline, and only 24 reported that they would try to do so in the near future. Subsequently, a number of private sector organisations and Government agencies stepped up their efforts to encourage reporting.

Since 1992, the public in the UK has had a statutory right of access to environmental information held by public authorities and certain other bodies. This right stems from a European Community Directive (EC Directive 90/313/EEC on the freedom of access to information on the environment). On 28 January 2003, the 1990 Directive was replaced by a new Directive (EC Directive 2003/4/EC on public access to environmental information), which takes account of advances in technology, reflects international developments in access rights and also learns from the experience of the earlier regime. The UK Government has proposed amendments to its Environmental Information Regulations 1992 (as amended in 1998) to conform to the EC Directive.<sup>10</sup>

The French Economic Regulations law (NRE), passed in 2001, requires all French corporations to report on the sustainability of their social and environmental performance. Health, safety and environment issues to be covered include: emissions to air, water and ground; consumption of energy, water and raw materials; implementation of management systems (i.e. organisation, functioning, programs and budget); and compliance with mainstream standards of practice or certification. The social issues covered are human resources, community involvement and labour standards.

The Social and Environmental Rating Agency (ARESE, a European non-financial SRI rating organisation) stated that the NRE is not the French equivalent of the Global Reporting Initiative. It does not provide a comprehensive reporting system; instead it imposes a legal obligation for corporations to publicly disclose against a limited set of qualitative and quantitative indicators relating to the social and environmental impacts of their activities. ARESE was also critical of the fact that the new law:

- is restricted to the annual report and accounts, rather than requiring disclosure in a separate more comprehensive environment report;
- fails to address a number of key environmental issues; and
- fails to address the specific environmental risks and challenges facing different industry sectors.<sup>11 12</sup>

In Norway, the 1999 Accounting Act mandates that all companies include environmental information in their annual financial reports. The Norwegian Environmental Department has developed its own standards for environmental reporting. In September 2002, the Norwegian Environment Minister announced a new act on the right to environmental information. According to the Ministry website, the act provides all citizens with a legal right to obtain environmental information, both from public authorities and from public and private enterprises.

The Environment Minister encouraged people to use the new law actively. “If the new Act is to have any effect, it must be used. The right to information is a basic democratic right and at the same time a necessary instrument in our efforts to strengthen the implementation of environmental policies. At the same time the Act will be important for environmental organisations and for the media in their efforts to disseminate information about issues of importance for the environment.”

The Act involves new obligations on private enterprises “to provide environmental information to citizens upon request. All areas of economic activity are included (industrial production as well as service industries and the Act also includes such areas as agriculture and forestry).” It gives citizens the right to demand information on everything from production processes to the content of the products which are used and which are sold.<sup>13</sup>

Legislation that became effective in 1999 in the Netherlands requires environmental reporting by over 300 companies. According to a summary by the GRI and the United Nations Environment Programme (UNEP), 250 companies are legally obliged to report and 600 are obliged to report based on covenants (Note: presumably these covenants are voluntary industry agreements.)<sup>8</sup>

Denmark requires the 1,200 most polluting companies to produce public environmental reports under its Green Accounting Law 1995. An additional 200 companies report voluntarily. In 2001, it changed the law to permit CSR/environmental reporting within the annual economic report. Integrated TBL reporting guidelines are being prepared.

The Swedish Financial Accounts Act of 1999 mandates environmental reporting in annual financial reports for all companies requiring an environmental permit or notification (this applies to 20,000 sites). Since 1989, the Environmental Protection System has required 6,000 sites to report annually on emissions to air and water and on use of manufactured chemicals. In March 2002, three Swedish Cabinet Ministers sent a letter to Swedish companies calling for a Swedish Partnership for Global Responsibility. The letter proposes that companies report once a year on measures they have taken or lessons they have learned relating to the OECD Guidelines and the UN Global Compact.

Germany does not mandate environmental reporting, but a large number of German companies (343 in 2001) produce reports.<sup>14</sup>

The European Union has also encouraged all publicly listed companies with at least 500 employees to report on their performance against economic, environmental and social criteria.<sup>1</sup>

Many countries now have legislation requiring disclosure of the consideration of environmental and social issues in investment decisions. In most countries this legislation is limited to the investment policies of employee pension (superannuation) funds. European countries with such legislation include the UK, Belgium, Germany, France, and Sweden. Australia adopted legislation with similar

disclosure requirements in 2002; its application is broader than just pension funds, however, applying to all managed funds.

### **Private sector initiatives**

PER in the UK has been accelerated by initiatives of financial organisations such as FTSE, through their FTSE 4 Good index, a listing of companies that meet certain criteria on environmental sustainability, relationships with stakeholders, and commitment to universal human rights. The environmental criteria vary with the degree of environmental impact of the company. High impact companies are required by March 2003 to have a public environmental policy and Environmental Management System (EMS) and by September 2003 to have a public environmental policy, EMS and a public environment report.

In 2001, Morley Funds Management began to encourage large companies to produce environmental reports. It said that where FTSE 100 companies do not publish such a report, Morley would hold direct dialogues to ascertain management intentions. If not satisfied with management's reasoning, Morley would vote against the resolution to adopt the company's official Report and Accounts. Morley plans to abstain on resolutions to adopt the Report and Accounts for companies within the FTSE 250 operating in high risk industry sectors, if they do not produce environmental reports. The firm stated in 2001 that it plans to review this policy each year and anticipates it will take a harder stance over time, eventually applying FTSE 100 company requirements to FTSE 250 companies as well.

The Association of British Insurers has also produced new disclosure guidelines that are encouraging companies to include sustainability issues in annual financial reports.<sup>15</sup>

Business organisations in many other countries are actively involved in encouraging and assisting companies to become more transparent and accountable. Production of environmental, sustainability or triple bottom line reports is commonly seen as one element of such an approach. Organisations in a number of countries have established annual awards to recognise outstanding sustainability reporting.

The European Business Campaign on Corporate Social Responsibility is mounting a major initiative to mobilise 500,000 business people and stakeholders. It plans a 'marathon' of CSR conferences in 13 countries throughout Europe to raise awareness on CSR issues and to facilitate the exchange of good practices. The campaign will culminate in a Business Olympics in 2004.<sup>16</sup>

### **Guidance on reporting**

The Global Reporting Initiative (GRI) was created in 1997 as a joint effort of the Coalition for Environmentally Responsible Economies (CERES) (a US-based organisation that arose after the Exxon Valdez oil spill) and the United Nations Environment Programme (UNEP). The original focus was on environmental reporting; this was expanded in 1998 to cover social and economic aspects. It issued an initial version of its Sustainability Reporting Guidelines in 1999 and revised them in 2002. GRI is now an independent organisation, based in Amsterdam. It works closely with the United Nations Environment Programme (UNEP) and UN Secretary-General Kofi Annan's Global Compact.

The GRI describes itself as a multi-stakeholder process and independent institution whose mission is to develop and disseminate globally applicable Sustainability Reporting Guidelines. Its Guidelines

are for voluntary use by organisations for reporting on the economic, environmental, and social dimensions of their activities, products, and services.

Reports prepared “in accordance” with GRI Guidelines must meet five criteria:

- inclusion of a GRI Content Index, which allows readers to cross-reference reports to the guidelines;
- reporting on all the numbered elements in the Vision, Profile and Governance sections of Part C of the Guidelines;
- responding to each core indicator in the Performance Indicators section with either the requested performance information or an explanation for its omission (in the GRI Index);
- ensuring that the report is consistent with the reporting principles in Part B of the Guidelines; and
- including the following statement signed by the board or CEO: ‘This report is prepared in accordance with the 2002 GRI Guidelines. It represents a balanced and reasonable presentation of our organization’s economic, environmental and social performance’.

GRI does not fully audit self-declared "in accordance" reports for conformity with all ‘in accordance’ requirements; it only determines whether a content index appears and whether the signature of the CEO or Board representative appears, pursuant to ‘in accordance’ conditions in the Guidelines. The GRI website lists five companies that produce reports “in accordance” with the GRI Guidelines; two of them are Australian (BHP Billiton and City West Water). A total of 194 companies are identified as users of the GRI Guidelines for reporting (189 of them ‘informed’ by the Guidelines)<sup>17</sup>.

The World Business Council for Sustainable Development (WBCSD) has recently issued a report entitled “Sustainable development reporting. Striking the balance” (2003), and is offering web-based guidance on how to develop sustainable development reports. Its website also showcases reporting practices from about 50 WBCSD members.<sup>18</sup>

### **The level of reporting**

KPMG’s global reporting survey in June 2002 found that 45% of the Global Fortune Top 250 companies now publish environmental, social or sustainability reports.<sup>19</sup>

The Corporate Register.com report on “Environmental, Social and Sustainability Reporting on the World Wide Web”<sup>20</sup> states that over 1,000 companies in all major business sectors are producing corporate environmental reports. Their records of reporting in 2001 found 66% of the reports were from Europe, 13% from Asia, 11% from Australasia, and 10% from the USA and Canada. The report indicates that companies from over 30 countries produce ‘stand-alone’ environmental reports.

According to this report, environmental reporting in the US was driven by companies’ desire to tell ‘their side of the story,’ after legislation in the late 1980s made public comprehensive information on their toxic releases. Corporate Register.com states that US reports tend to exclude information that is not already in the public domain.

SustainAbility and UNEP, in their report “Trust Us. The Global Reporters 2002 Survey of Corporate Sustainability Reporting”,<sup>21</sup> state that a few thousand companies are reporting. They lists 50 reports

they considers the best produced, of which only one is Australian (WMC), ranked as number 12. The top 100 included 5 additional Australian reports, 3 by water utilities (City West Water, Melbourne Water and Sydney Water), plus Newmont Australia and Westpac Bank. The report of New Zealand company, Manaaki Whenua (a company engaged in environmental research) was ranked as number 22; the top 100 also included a New Zealand water utility. The survey found that a large proportion of the companies listed are first time reporters. The majority of these are identified as having been developed using the GRI Guidelines.

A 2001 survey of sustainability reporting in South Africa found that only about 10% of the largest 100 companies are reporting.<sup>22</sup>

PriceWaterhouseCoopers LLP (PwC) surveyed senior executives and managers of 140 US-based companies in May-June 2002 to determine their attitudes and approaches toward sustainability. One element of the survey covered reporting. Of the 140 companies, 32% have issued a sustainability report. Companies with revenues greater than USD 25 billion are the most likely to issue a report: 67% compared to only 23% of companies with revenues under USD 25 billion. More than half the respondents are following the GRI Guidelines.<sup>23</sup>

The Corporate Register.com report found that 61 percent of companies producing environmental, social or sustainability reports issued them in both hard copy and electronic formats; over 18% produced hard copies only, and over 20% produced only electronic reports.

### **Trends in reporting**

The SustainAbility/UNEP survey found that for the first time there had been a decline in coverage of environmental issues and performance relative to wider social, economic and governance issues. Of their top 50 reports, 22% are called sustainability reports. There is still, though, little linkage of environmental and health and safety management with financial costs and benefits. According to the SustainAbility/UNEP survey, reports are getting longer. It states that the average page-length of printed reports increased by 45% between 2000 and 2002, with no associated increase in overall report quality.

### **Verification of PERs**

External independent verification of public environmental reports is receiving heightened attention as part of the expanded public discussion on corporate governance, transparency and accountability. The SustainAbility/UNEP report cited above found that 68% of the top 50 PERs in their study had some form of 'external assurance,' an increase from 50% two years earlier.

PwC in its 2002 survey of 140 US-based companies found that almost one-third of companies producing sustainability reports are having the reports externally verified.<sup>24</sup>

GRI encourages the independent assurance of sustainability reports – one approach that a reporting organisation may select to enhance the credibility of its sustainability report. In order to address stakeholders' concerns about the credibility of reports on economic, environmental, and social performance, GRI recommends that reports include a statement of:

- the reporting organisation's policies and internal practices to enhance the credibility and quality of its sustainability report; and

- the reporting organisation's policy and current practice with regard to providing independent assurance about the full report.

The GRI 2002 Guidelines provide guidance to reporting organisations on assurance provision (i.e. external verification) and related processes that enhance report quality and credibility.<sup>25</sup>

A survey of 80 European companies, environmental consultants, and PER verifiers by ERM<sup>26</sup> examined what companies look for in a verifier. It categorised the companies by their objectives as:

- **Confirmation Seekers** Around half the companies consider the main audience for verification to be the company's shareholders and so choose the big brand accountancy firms for verification;
- **Active Learners** About half of the companies surveyed feel that specialist environmental and social consultancies provide the greatest value from the review process, owing to their expert knowledge of the issues and how they are managed;. and
- **Crowd Pleasers** A small minority of those surveyed consider that the key stakeholders are the public and see non-governmental organisations and 'celebrities' as the most credible verifiers.

An accountability standard, AA1000 produced by AccountAbility, a UK-based organisation, is designed to provide guidance on verification and related issues. The Framework for AA 1000 was released in 1999, Guiding Principles were produced in June 2002 and the standard will be launched in London on 25 March 2003. AA1000 is designed to improve accountability and performance by learning through stakeholder engagement.

# Project Methodology

## ***Basic company data***

CAER obtained data on the companies to be surveyed from both IBIS World and its own databases, as follows:

<b>300 largest companies listed on the ASX</b>	Name	CAER database
	Size (market capitalisation as of 9 Dec. 2002)	CAER database
	Size (total revenue)	IBIS World*
	Address and phone number	CAER database
	Sector (ANZSIC classification)	IBIS World*
<b>Top 100 private companies and top 100 unlisted public companies</b>	Name	IBIS World
	Size (total revenue)	IBIS World
	Address and phone number	IBIS World
	Sector (ANZSIC classification)	IBIS World

\* IBIS World supplied ANZSIC classifications and total revenue for 235 of the top 300 listed companies. CAER obtained the remaining ANZSIC classifications from other sources.

## ***Company PER information***

The definition of a stand-alone PER used in the project was the same as that used by the Ethical Investment Research Service (EIRIS), a UK provider of independent research on the social, environmental and ethical performance of companies. The EIRIS definition of a stand-alone PER is “a report of environmental performance published separately from the Annual Report and Accounts.” These also include Health, Safety and Environment (HSE) Reports, Sustainability Reports, Triple Bottom Line Reports, Corporate Social Responsibility Reports or similar. Sections within Annual Reports were excluded from the project. Also included in the project were PERs produced by a global parent company that covered its Australian subsidiary.

The first step in obtaining information about company publication of PERs was to check for the presence of PERs on:

- the CAER database;
- the EA PER website;
- other respected websites, both local and international with information on these issues; and
- each company’s website and other published materials.

After checking the websites, CAER telephoned each company and asked to speak to the relevant officer for environment issues. This responsibility is handled by a range of different officers at different companies, but most commonly falls to the:

- health, safety and environment manager;
- environment manager;

- environment officer;
- community relations manager; or
- external affairs manager.

If the company did not have any of the above, CAER asked to speak to one of the following:

- company secretary;
- investor relations manager;
- risk manager; or
- occupational health and safety officer.

Where the appropriate individual was available, a series of questions were asked relating to that company's approach to PER. This process rarely took more than five minutes. Responses were compiled according to a selected range of criteria (detailed below), and company officers were also encouraged to identify issues that CAER had not raised.

If the initial person answering the telephone was unable to readily identify the appropriate contact person, the researcher emailed/faxed an information request to them, so they could determine the appropriate person and pass on the questions.

If the appropriate contact person was identified but not available, the researcher either left a message asking that they call back or emailed/faxed a questionnaire to them or requested that results be emailed/faxed back.

If no response was obtained from the company, a follow-up telephone call was made to obtain information.

Information was sought from participating companies on the following issues:

- production of stand alone PER in 2002;
- independent verification of 2002 PER;
- preparation of PER in previous years;
- independent verification of previous years' PER;
- plans to produce PER in 2003;
- plans to have proposed PER independently verified;
- benefits of producing a PER;
- impediments to producing PER;
- contact details;
- agreement to send CAER a copy of PER;
- consent to have PER included on EA website; and
- agreement to be noted as a contributor to the study.

# Project Participation

## **Companies contacted**

CAER contacted all 500 companies covered by the survey criteria. These are listed in Appendix A, along with their company type (listed company, proprietary company, or public unlisted company) and their ANZSIC classification. The breakdown of the 500 companies by ANZSIC classification is shown in Table 1.

**Table 1. Companies contacted for the project, by ANZIC classification**

<b>ANZSIC Classification</b>	<b>No. of companies in ANZSIC Classification</b>	<b>Classification representation in total list (%)</b>
Accommodation, Cafes & Restaurants	3	0.6
Agriculture, Forestry and Fishing	6	1.2
Communication Services	6	1.2
Construction	16	3.2
Cultural and Recreational Services	20	4.0
Electricity, Gas and Water Supply	11	2.2
Finance and Insurance	86	17.2
Health and Community Services	11	2.2
Manufacturing	123	24.6
Mining	45	9.0
Personal and Other Services	1	0.2
Property and Business Services	65	13.0
Retail Trade	23	4.6
Transport and Storage	19	3.8
Wholesale Trade	65	13.0
<b>TOTAL</b>	<b>500</b>	<b>100%</b>

Table 2 shows the breakdown of the 500 companies by company type.

**Table 2. Companies contacted for the project, by company type**

<b>Company type</b>	<b>No. of companies of company type</b>	<b>Proportion of companies of company type (%)</b>
Listed company	300	60
Proprietary company – Australian	35	7
Proprietary company – foreign-owned	65	13
Public non-listed company – Australian	23	5
Public non-listed company – foreign-owned	77	15

TOTAL	500	100%
-------	-----	------

### **Companies providing information to the project**

All 500 companies listed in Appendix A were asked for information about their activities related to public environmental reporting. Companies responded either through direct communication with CAER or by completing a short questionnaire (shown in Attachment B). A total of 195 companies provided information on their PER activities. This amounts to 39% of the companies contacted.

The breakdown of companies responding by ANZSIC classification and company type are shown in Tables 3 and Table 4. The ANZSIC classifications with highest proportions of companies providing information are: Electricity, Gas and Water Supply, Mining and Manufacturing.

**Table 3. Companies providing information to the project, by ANZSIC classification**

<b>ANZSIC Classification</b>	<b>No, of companies providing information by ANZSIC Classification</b>	<b>Companies providing information within each ANZSIC Classification (%)</b>
Accommodation, Cafes & Restaurants	1	33
Agriculture, Forestry and Fishing	2	33
Communication Services	3	50
Construction	7	44
Cultural and Recreational Services	5	25
Electricity, Gas and Water Supply	8	73
Finance and Insurance	24	28
Health and Community Services	5	46
Manufacturing	60	49
Mining	26	58
Personal and Other Services	0	0
Property and Business Services	23	35
Retail Trade	7	30
Transport and Storage	5	26
Wholesale Trade	19	29
<b>TOTAL</b>	<b>195</b>	

**Table 4. Companies providing information to the project, by company type**

<b>Company type</b>	<b>No. of companies</b>	<b>Companies providing information within each company type category (%)</b>
Listed company	125	42
Proprietary company – Australian	12	34
Proprietary company – foreign-owned	26	40
Public non-listed company – Australian	8	35

Public non-listed company – foreign-owned	24	31
TOTAL	195	

### ***Companies declining to provide information***

Ninety of the companies spoken to by researchers for this project chose not to provide any information on their PER activities. Some of them cited reasons for their position, including:

- PER not relevant to company;
- company has policy of not participating in surveys;
- shortage of time/resources to participate; and
- company does not produce an environmental report.

### ***Project response rate***

The 195 companies providing information to the project and the 90 companies declining to do so are all considered to have responded to the survey. The total of 285 companies constitutes a response rate of 57%. This is considerably higher than the results of most industry surveys in the past few years.

# PER Production and Verification

## Companies producing PERs

A total of 57 companies among the 500 covered by this project are producing PERs: 49 of the 195 companies providing information for the project, and another 8 among the companies that did not provide information. It is reasonable to assume that the remaining companies declining to complete the questionnaire or not responding are not producing a PER, because none appears on their websites. (Some private companies failing to respond to the request for information do not have websites, but it is not likely that such companies have produced a PER.)

A total of 25% of the 195 companies that provided information are producing a PER, compared with 11% of the entire 500 companies covered by the survey. It is probably not surprising that the proportion of companies producing PERs is considerably higher among companies providing information than among the total list of 500 companies, because companies with PERs are more informed about the subject and likely to be more interested in it.

Figure 1 and Table 5 show the number of companies within each ANZSIC classification producing PERs. Table 5 also shows the total number of annual or bi-annual reports that have been produced since 1993. Companies have so far produced an average of three reports each. The number of reports produced by these companies since 1993 (shown in Table 5) includes five bi-annual reports, so the 214 reports cover a total of 219 years.

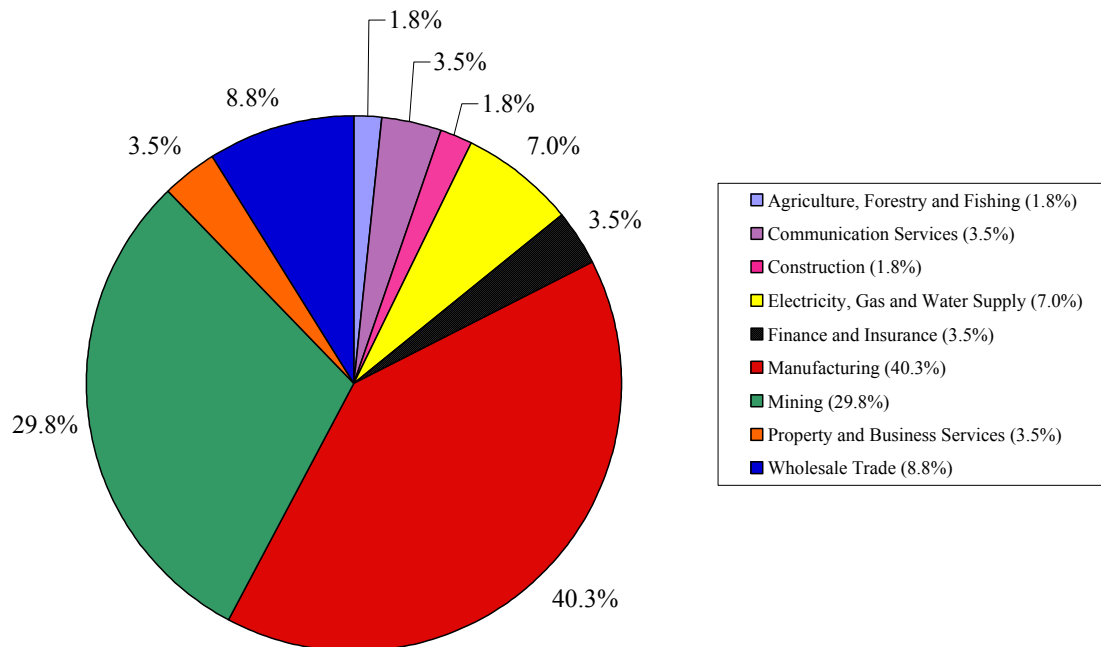


Figure 1. Breakdown of 57 Companies Reporting, by ANZSIC Classification

**Table 5. Number of companies producing PERs and reports produced**

ANZSIC Classification	Companies producing PER	No. of PERs produced since 1993
Agriculture, Forestry and Fishing	1	2
Communication Services	2	6
Construction	1	4
Electricity, Gas and Water Supply	4	14
Finance and Insurance	2	4
Manufacturing	23	92
Mining	17	71
Property and Business Services	2	6
Wholesale Trade	5	15
<b>TOTAL</b>	<b>57</b>	<b>214</b>

As shown in Table 5, most companies producing PERs are concentrated in two sectors: mining and manufacturing. Of the 57 companies producing PERs, 40 are in these sectors, which is 70% of the companies producing PERs. In a number of sectors, no companies have prepared a PER. Companies in the mining and manufacturing sectors may have been more inclined to undertake environmental reporting because of the greater level of environmental controversy and public scrutiny of their activities. Another contributing factor may be the industry codes of the Plastics and Chemical Industry Association (PACIA) and the Minerals Council of Australia, which encourage reporting.

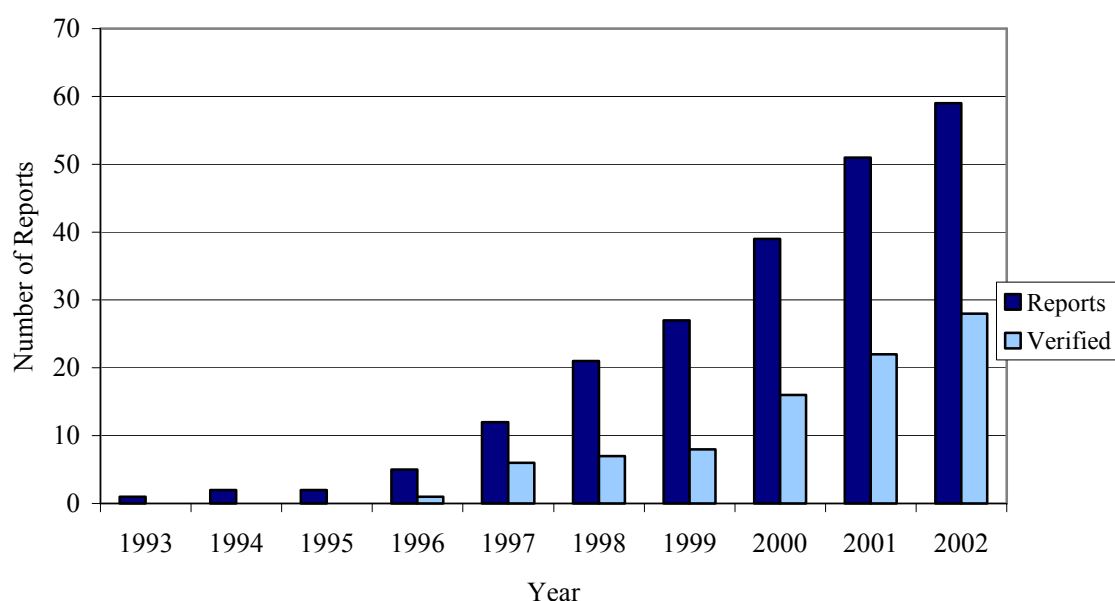
**Figure 2. Production and Verification of Public Environmental Reports**

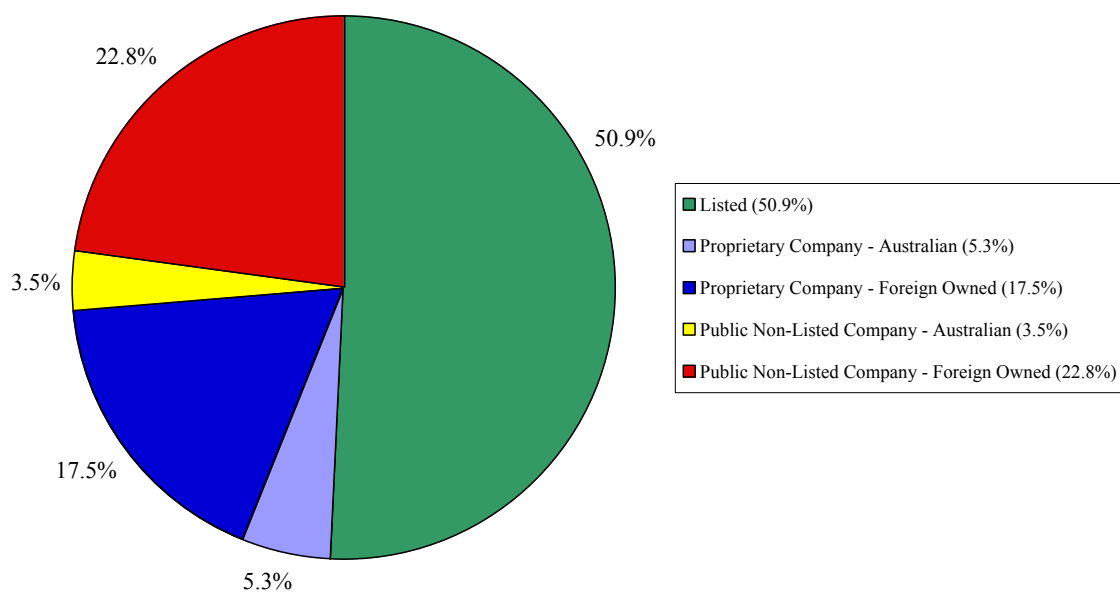
Figure 2 shows the growth in PER production since 1993. Some companies have been producing reports for several years; others have only recently begun. Two companies included in the totals are planning their first report covering 2001/2002. The number of reports for 2002 in Figure 2 and Table 5 includes 11 PERs that have not yet been released but are close to completion. Five of the

unreleased reports are expected to include external verification, and this is reflected in the verification data in Figure 2.

Table 6 shows proportions of companies in each ANZSIC classification producing PERs.

**Table 6. Proportion of companies in ANZSIC classifications producing PER**

<b>ANZSIC Classification</b>	<b>No. of companies in ANZSIC Classification</b>	<b>Proportion producing PER (%)</b>
Accommodation, Cafes & Restaurants	3	0
Agriculture, Forestry and Fishing	6	17
Communication Services	6	33
Construction	16	6
Cultural and Recreational Services	20	0
Electricity, Gas and Water Supply	11	36
Finance and Insurance	86	2
Health and Community Services	11	0
Manufacturing	123	19
Mining	45	38
Personal and Other Services	1	0
Property and Business Services	65	3
Retail Trade	23	0
Transport and Storage	19	0
Wholesale Trade	65	8
<b>TOTAL</b>	<b>500</b>	



### Figure 3. Breakdown of 57 Companies Reporting, by Company Type

Even in those sectors where PERs are produced, the proportions of companies producing PERs are still relatively low, although they have been growing over the past decade. The number and proportion of companies of each company type producing PERs is shown in Figure 3 and Table 7.

**Table 7. Companies producing PERs, by company type**

<b>Company type</b>	<b>Number of companies</b>	<b>Proportion producing PERs within each company type category (%)</b>
Listed company	29	10
Proprietary company – Australian	3	9
Proprietary company – foreign-owned	10	16
Public non-listed company – Australian	2	9
Public non-listed company – foreign-owned	13	17
<b>TOTAL</b>	<b>57</b>	

As can be seen from Figure 3 and Table 7, only 10% of Australia’s 300 largest listed companies are producing PERs. The highest rate of PER production (17%) occurs among foreign owned public non-listed companies. This category has the highest median revenues of any of the company types, so the results are consistent with those of other studies reporting that very large multi-national companies are the most likely to produce PERs (or sustainability reports).

### **Verification of PERs**

Of the 57 companies producing a PER, 28 have had or will have their report independently verified. Independent verification is much more prevalent for the most recent reports by companies than it was for earlier reports, as shown in Figure 2. About one-third of companies used major accounting and management consulting firms for verification of their most recent PER; two-thirds relied on environmental consulting firms for verification. This proportion differs from results found in a survey of 80 European companies that found about half of the companies used accounting firms and half used environmental consultants (see page 9 of this report).

Tables 8 and 9 show the breakdown of verified PERs by ANZSIC classification and company type. The total of 49% of PERs verified is somewhat misleading. As can be seen from Table 8, companies in the mining sector were far more likely to have their PERs verified than companies in other sectors. Outside the mining and manufacturing sectors, the verification rate was well under 10%.

A total of 88 reports were verified (or planned to be verified) covering the years up to and including 2002.

**Table 8. Companies with verified PERs, by ANZSIC classification**

<b>ANZSIC Classification</b>	<b>Companies with verified PER</b>	<b>PERs verified within each ANZSIC Classification (%)</b>
Agriculture, Forestry and Fishing	0	0
Communication Services	0	0
Construction	1	4
Electricity, Gas and Water Supply	0	0
Finance and Insurance	2	7
Manufacturing	8	29
Mining	14	50
Property and Business Services	2	7
Wholesale Trade	1	4
<b>TOTAL</b>	<b>28</b>	<b>49</b>

**Table 9. Companies with verified PERs, by company type**

<b>Company type</b>	<b>Companies with verified PER</b>	<b>PERs verified within each company type category (%)</b>
Listed company	18	62
Proprietary company – Australian	2	67
Proprietary company – foreign-owned	1	10
Public non-listed company – Australian	1	46
Public non-listed company – foreign-owned	6	49
<b>TOTAL</b>	<b>28</b>	<b>49</b>

## Benefits of Producing PERs

Companies were asked about the benefits that resulted from producing a PER and the impediments to producing a PER. Responses to questions on key benefits and impediments were matched against lists of possible answers, based on lists of reasons in “A Framework for Public Environmental Reporting” and “Methodologies for Public Environmental Reporting” (Exposure Draft). The cited benefits are shown in Table 10.

**Table 10. Perceived benefits of producing a PER**

	No. citing benefit	% citing benefit
<b>Key benefits</b>		
Ability to benchmark performance	112	58
Operational and management improvements	115	59
Reputation enhancement	149	77
Capacity to recruit and retain excellent staff	78	40
Improved management of risks	120	62
Creation of market opportunities	77	40
Greater control of environmental disclosure	104	54
Satisfying a mandatory or signatory reporting need	83	43
Gain confidence of investors, insurers and financial institutions	126	65
<b>Additional benefits cited</b>		
Good corporate citizenship	25	13
Disclosure to the community	8	4
Other	16	8

As can be seen from the table, ‘Reputation enhancement’ and ‘Gain confidence of investors, insurers and financial institutions’ are the most frequently cited key benefits. The benefit most frequently volunteered by respondents was “Good corporate citizenship.” Some of the other benefits cited were:

- “PER is part of our company’s Social Responsibility values and program.”
- “Producing a PER makes us able to be listed as an ethical investment.”
- “A PER is part of running a sustainable business.”
- “Our industry is becoming more environmentally aware, and producing a PER demonstrates that our company is environmentally aware.”
- “PERs demonstrate our alignment with social concerns and increasingly with corporate concerns.”

Table 11 shows benefits cited by companies within different ANZSIC classifications. There are some differences between benefits perceived by companies in different sectors (although numbers in some sectors are too small to place great weight on the results). It can be seen, for example, that companies in the mining sector consider that the greatest benefits arise from enhanced reputation

and complying with a requirement to report. Industry groups could use sector-specific results to focus on the benefits perceived by companies in their sector.

**Table 11. Variation in perceived benefits by ANZSIC classification**  
(Classifications in which highest or second highest number of companies cited the benefit)

<b>Benefit cited</b>	<b>No. of Classifications citing</b>	<b>ANZSIC Classification citing</b>
Reputation enhancement	15	all ANZSIC classifications
Gain confidence of investors, insurers and financial institutions	10	all ANZSIC classifications except: Agriculture Forestry & Fishing Finance and Insurance Mining Retail Trade Wholesale Trade
Improved management of risks	10	all ANZSIC classifications except: Accomm., Cafes & Restaurants Construction Electricity, Gas and Water Supply Manufacturing Retail Trade
Operational and management improvements	7	ANZSIC classifications citing: Agriculture, Forestry & Fishing Construction Electricity, Gas & Water Supply Health and Community Services Retail Trade Transport and Storage Wholesale Trade
Ability to benchmark performance	6	ANZSIC classifications citing: Accomm, Cafes & Restaurants Construction Cultural & Recreational Services Electricity, Gas & Water Supply Health and Community Services Transport and Storage
Greater control of environmental disclosure	4	ANZSIC classifications citing: Construction Cultural & Recreational Services Health and Community Services Transport and Storage
Creation of market opportunities	2	ANZSIC classifications citing: Accomm, Cafes & Restaurants

Benefit cited	No. of Classifications citing	ANZSIC Classification citing
Satisfying a mandatory or signatory reporting need	1	Agriculture, Forestry & Fishing ANZSIC classifications citing: Mining

## Impediments to Producing PERs

Companies were asked about the impediments to producing a PER. Responses to questions on impediments were matched against lists of possible key impediments, based on the lists of reasons cited in “A Framework for Public Environmental Reporting.” When information requests were sent to companies, the lists of possible key impediments were included on the questionnaire form. Table 12 shows the impediments identified.

**Table 12. Perceived impediments to producing a PER**

<b>Impediment cited</b>	<b>No. citing impediment</b>	<b>% citing impediment</b>
<b>Key impediments</b>		
Cost and resource constraints	124	64
Additional resources required initially to develop a framework for measuring and reporting	109	56
Availability of indicators	68	35
The need to report openly once committed	37	19
Management and public affairs/legal affairs approval	43	22
Costs of external verification	84	43
<b>Additional impediments cited</b>		
No standardisation	14	7
Not relevant for company	13	7
Would increase public expectations of company	5	3
Not required by law	1	1
Other	40	21

Cost and resource constraints and ‘additional resources required initially’ were cited more frequently than other impediments. It is interesting to note that although 37 companies cited ‘the need to report openly once committed’ as an impediment to producing a PER, some other companies saw it as a benefit.

Some of the other impediments identified include:

- "the potential for misinterpretation of information provided by the company in its PER";
- "lack of knowledge of benefits, reluctance to be transparent unless necessary";
- "lack of ready guidance and information on producing a PER";
- "A stand alone public environmental report can often be seen as a window dressing exercise. If a company is truly committed to environmental reform of its business, then the environmental information should form part of its main Annual Report as a natural

extension of its business. This does not mean that indicators and benchmarks are excluded; it means that they are reported as part of operating the business.";

- “Companies are already required to produce a number of environmental performance reports, typically on an annual basis, eg this includes reporting to environmental regulators (state EPA, NPI to EA, Greenhouse to AGO), industry regulators and voluntary reporting to NGO's and industry groups. Even when a public report is produced all of these other reports are still required.";
- “Production of a report that is meaningful to different audiences is difficult. The benefit to the reporter is quite low, whilst the time, resources and cost are quite high.”;
- “received little feedback to Environment Section currently published in Annual Report”;
- and
- “no real push currently by institutional analysts, investors, etc. to produce this type of report, particularly in Australia”.

Companies in the various ANZSIC classifications identified different impediments to production of a PER. These differences are shown in Table 13 below. The information in this table provides the basis for an industry association to focus on overcoming the main impediments perceived by companies in their sector or for government to develop targeted information for particular sectors.

**Table 13. Variation in perceived impediments by ANZSIC classification**  
(Classifications in which highest or second highest number of companies cited the impediment)

<b>Impediment cited</b>	<b>No. of Classifications citing</b>	<b>ANZSIC Classification citing</b>
<b>Key impediment</b>		
Cost and resource constraints	15	all ANZSIC classifications
Additional resources required initially to develop a framework for measuring and reporting	12	all ANZSIC classifications except: Communication Services Mining Property and Business Services
Costs of external verification	6	ANZSIC classifications citing: Accomm, Cafes & Restaurants Construction Mining Property and Business Services Retail Trade Transport and Storage
Availability of indicators	4	ANZSIC classifications citing: Agriculture, Forestry & Fishing Cultural & Recreational Resources Retail Trade Transport and Storage
Management and public affairs/legal affairs approval	1	ANZSIC classifications citing: Construction

## Use of Global Reporting Initiative (GRI) Guidelines

As discussed earlier in this report, the GRI is attempting to promote international harmonisation in reporting relevant and credible corporate economic, environmental, and social performance information to enhance responsible decision making.

Only one company providing information for this project (BHP Billiton Ltd.) is producing a PER that is 'in accordance' with the GRI Sustainability Reporting Guidelines. (The requirements for stating that a PER is 'in accordance' with GRI Guidelines are outlined in the section on PER activities overseas earlier in this report (page 7.)

A number of other companies indicated that their PERs have been prepared with reference to the GRI Guidelines. These companies are:

- AstraZeneca Pty Ltd
- Ford Motor Company of Australia Ltd
- Hewlett-Packard Australia Pty Ltd
- MIM Holdings Ltd
- Newcrest Mining Ltd
- Nokia Australia Pty Ltd
- Shell Australia Ltd
- Siemens Ltd
- Singtel Optus Pty Ltd
- Telstra Corporation Ltd
- Westpac Banking Corporation
- Westpac Life Insurance Services Ltd
- WMC Resources Ltd

## Conclusions

The conduct and outcome of this study provided a number of valuable insights into the current status of public environmental reporting in Australia and into industry attitudes and perceptions. One clear conclusion is that there are benefits to be obtained from conducting a survey on PER reporting at regular intervals.

From the results obtained, it is evident that the number of PERs and the extent of verification of PERs are increasing in Australia. Nevertheless the proportion of companies producing PERs is still very low, and is considerably lower than among large companies overseas. Foreign owned companies operating in Australia (both proprietary and public non-listed companies) have a considerably higher rate of production of PERs than Australian companies. This would tend to indicate that pressure and incentives for producing a PER are greater in other countries than they are in Australia.

The primary benefit companies identify from publishing a PER is enhancement of their reputation. Many companies, though, do not yet recognise that there are substantial benefits from producing a PER, or they believe the benefits are outweighed by the costs, difficulties or possible risks. The most commonly cited impediments to producing a PER are the resources required, but citing this impediment may also mean that a company doesn't see PER as a high enough priority to justify the expenditure of resources.

Considerable variation exists among industry sectors, both in the proportions of companies producing PERs and in the benefits and impediments perceived. This would tend to indicate that efforts to encourage production of PERs could be more carefully targeted at specific sectors, to address the issues most relevant to those sectors.

There appears to be a worldwide trend toward greater inclusion of social data within reports, and towards use of sustainability reports. Use of triple bottom line reports is growing, but more slowly. This would indicate a need to think more broadly in developing future programs to encourage industry action. For some sectors, social issues are still a scary subject; for other sectors, social questions are seen as far more relevant to their activities than environmental performance.

Verification and external assurance of reports is a growing issue, receiving considerable amount of attention overseas. The launch of AA1000, the assurance standard produced in the UK, on 25 March 2003 will further increase interest and attention in this area. In Australia, about half the PERs produced by the 500 largest companies are verified, but this total figure is quite misleading, because 50% of PERs in the mining sector are verified, 29% in the manufacturing sector, and verification of PERs in all other sectors is below 10%. The value of verification has not been recognised in most sectors in Australia, which indicates the need for increasing awareness among these sectors.

The GRI, and preparation of PERs using GRI guidelines is another issue that will be of increasing importance, and greater discussion and debate in Australia would be valuable.

## Recommendations for Future Activities

The information and insights obtained from the conduct of this study clearly indicate the value of continuing to monitor PER activities in Australia. There is definitely considerable benefit in going beyond the simple yes/no of whether or not a company is preparing a PER. Data about verification, benefits, impediments, and use of GRI Guidelines add substantially to the utility of the information obtained. They provide the basis for policy decision making about appropriate future activities, particularly regarding the needs of varying industry sectors and company types.

Decisions about which groups of companies should be included in future surveys should be closely linked to decisions about the company types and industry sectors to be targeted by programs to encourage PER production.

Participation in the project was higher than might have been expected from proprietary and public non-listed companies (Table 4). Results showed too that foreign-owned companies had higher rates of production of PERs than Australian companies (Table 7).

It seems likely that some of the foreign-owned companies in Australia are producing PERs in response to initiatives from their foreign parent, and are thus reacting to conditions in the overseas parent company. Foreign-owned companies not producing a PER in Australia may be basing their decision on the reduced level of pressure here.

Only about 10% of the top 300 companies listed on the ASX are producing PERs, so there is clearly substantial room for improvement. This project did not determine whether the rate of PER production was higher among the largest of these companies, but the overall low rate indicates that the proportion is probably not very high.

As all industry sectors and company types had low rates of production of PERs, the question of whether there would be greater value for future surveys in doing a more in-depth study of a smaller group, or broad coverage of the full 500 largest companies should reflect the use that will be made of the information, i.e. what groups are to be targeted, and what types of programs will be run.

Based on the study results, coupled with the likelihood that the number of companies producing reports detailing their environmental and social performance is expected to increase markedly in future, it is recommended that information on PERs be collected on an annual basis to keep track of reporting trends and issues.

Outreach programs focusing on sustainability reporting, and not just PER, will undoubtedly create greater interest in some sectors than has previously existed. A growing number of companies are producing Sustainability Reports, Triple Bottom Line Reports and Corporate Social Responsibility Reports. While these were counted as PERs in the current study, future work could more explicitly incorporate these reports into the project scope. Information on Social Reports could also be collected, which might enable the cost of research to be shared with other Government departments.

Future studies could gather additional data on PERs produced, including:

- whether the report is prepared ‘in accordance with’ or ‘with reference to’ the 2002 GRI Guidelines
- whether the PER report is produced by a global parent or subsidiary
- Report Title
- Report information
  - Year report published
  - Number of pages
  - Area (sites, locations) covered by the report
  - Frequency with which report is produced
  - Report type (PER, EHS, Sustainability, TBL, CSR)
  - Report format (hard copy or electronic)
- External involvement
  - Consultant that prepared report

# Appendix A – Companies Contacted

Company Name	ANZSIC Classification
<b>Listed companies</b>	
ABC Learning Centres Ltd	Health and Community Services
Abigroup Ltd	Construction
Adelaide Bank Ltd	Finance and Insurance
Adelaide Brighton Ltd	Manufacturing
Adsteam Marine Ltd	Transport and Storage
Alesco Corporation Limited	Wholesale Trade
Alintagas Limited	Electricity, Gas and Water Supply
Alumina Ltd	Mining
Amalgamated Holdings Ltd	Cultural & Recreational Services
AMCIL Ltd	Finance and Insurance
Amcor Ltd	Manufacturing
AMP Diversified Property Trust	Property and Business Services
AMP Industrial Trust	Property and Business Services
AMP Limited	Finance and Insurance
AMP Office Trust	Property and Business Services
AMP Shopping Centre Trust	Property and Business Services
Anglogold Ltd	Mining
Ansell Ltd	Wholesale Trade
AP Eagers Limited	Retail Trade
APN News & Media Ltd	Manufacturing
Aquarius Platinum	Mining
ARB Corporation Ltd	Manufacturing
Argo Investments Ltd	Finance and Insurance
Aristocrat Leisure Ltd	Manufacturing
Auspine Ltd	Manufacturing
Austal Ltd	Manufacturing
Austar United Communications Ltd	Cultural & Recreational Services
Austereo Group Limited	Cultural & Recreational Services
Australand Holdings Ltd	Property and Business Services
Australia & NZ Banking Group Ltd	Finance and Insurance
Australian Agricultural Company Ltd	Agriculture, Forestry and Fishing
Australian Foundation Investment Co. Ltd	Finance and Insurance
Australian Gas Light Company (The)	Electricity, Gas and Water Supply
Australian Growth Properties Ltd	Property and Business Services
Australian Infrastructure Fund	Transport and Storage
Australian Magnesium Corp. Ltd	Mining
Australian Pharmaceutical Industries Ltd	Wholesale Trade
Australian Pipeline Trust	Transport and Storage
Australian Stock Exchange Ltd	Finance and Insurance
Australian United Investment Co. Ltd	Finance and Insurance
Australian Worldwide Exploration Ltd	Mining
Autron Corporation Ltd	Wholesale Trade
AV Jennings Homes Ltd	Construction
AWB Ltd	Wholesale Trade

<b>Company Name</b>	<b>ANZSIC Classification</b>
<b>Listed companies, cont'd</b>	
AXA Asia Pacific Holdings Ltd	Finance and Insurance
Bank of Queensland Ltd	Finance and Insurance
Bank of Western Australia Ltd	Finance and Insurance
Bass Strait Oil Trust	Finance and Insurance
Baycorp Advantage Ltd	Property and Business Services
Bendigo Bank Ltd	Finance and Insurance
Bendigo Mining NL	Mining
BHP Billiton Ltd	Mining
BHP Steel Ltd	Manufacturing
Billabong International Ltd	Wholesale Trade
Blackmores Ltd	Manufacturing
Boral Ltd	Manufacturing
Brambles Industries Ltd	Property and Business Services
Brickworks Ltd	Manufacturing
Bristle Ltd	Manufacturing
BRL Hardy Ltd	Manufacturing
Bunnings Warehouse Property Trust	Property and Business Services
Burns, Philp & Company Ltd	Manufacturing
Burswood Ltd	Cultural & Recreational Services
Cabcharge Australia Ltd	Finance and Insurance
Caltex Australia Ltd	Manufacturing
Campbell Brothers Ltd	Manufacturing
Capral Aluminium Ltd	Manufacturing
Carindale Property Trust	Property and Business Services
Carlton Investments Ltd	Finance and Insurance
Casinos Austria International Ltd	Cultural and Recreational Services
Cellestis Ltd	Manufacturing
Centamin Egypt Limited	Mining
Centennial Coal Company Ltd	Mining
Central Equity Ltd	Property and Business Services
Centro Properties Group	Property and Business Services
CFS Gandel Retail Trust	Property and Business Services
Challenger International Ltd	Finance and Insurance
Chemeq Ltd	Manufacturing
Choiseul Investments Ltd	Finance and Insurance
Citect Corporation Ltd	Property and Business Services
Clough Ltd	Construction
Coal & Allied Industries	Mining
Coates Hire Ltd	Property and Business Services
Coca Cola Amatil Ltd	Manufacturing
Cochlear Ltd	Manufacturing
Coles Myer Ltd	Retail Trade
Collection House	Property and Business Services
Colorado Group Ltd	Retail Trade
Commander Communications Ltd	Wholesale Trade
Commonwealth Bank of Australia	Finance and Insurance
Commonwealth Property Office Fund	Property and Business Services
Computershare Ltd	Property and Business Services

<b>Company Name</b>	<b>ANZSIC Classification</b>
<b>Listed companies, cont'd</b>	
Consolidated Rutile Ltd	Mining
Continental Venture Capital Limited	Finance and Insurance
Corporate Express Australia Ltd	Wholesale Trade
Count Financial	Finance and Insurance
Coventry Group Ltd	Wholesale Trade
CPH Investment Corporation	Finance and Insurance
Crane Group Ltd	Wholesale Trade
Croesus Mining NL	Mining
CSL Ltd	Manufacturing
CSR Ltd	Manufacturing
Dalrymple Resources NL	Mining
David Jones Ltd	Retail Trade
DCA Group Ltd	Health and Community Services
Deutsche Diversified Trust	Property and Business Services
Deutsche Industrial Trust	Property and Business Services
Deutsche Office Trust	Property and Business Services
Diversified United Investment Ltd	Finance and Insurance
Djerriwarrh Investments Ltd	Finance and Insurance
Downer EDI Ltd	Construction
Ecorp Ltd	Cultural & Recreational Services
Energy Developments Ltd	Electricity, Gas and Water Supply
Energy Resources of Australia Ltd	Mining
Envestra Ltd	Electricity, Gas and Water Supply
Equigold NL	Mining
ERG Ltd	Manufacturing
Fairfax (John) Holdings Ltd	Manufacturing
Fantastic Holdings Limited	Manufacturing
FKP Limited	Property and Business Services
Fleetwood Corp. Limited	Retail Trade
Flight Centre Ltd	Transport and Storage
Foodland Associated Ltd	Retail Trade
Foster's Group Ltd	Manufacturing
Futuris Corporation Ltd	Wholesale Trade
Gasnet Australia Ltd	Transport and Storage
Gazal Corporation Ltd	Manufacturing
General Property Trust	Property and Business Services
Globe International Ltd	Wholesale Trade
Goodman Fielder Ltd	Manufacturing
Gowing Brothers Ltd	Retail Trade
Graincorp Ltd	Transport and Storage
Grand Hotel Group	Accommodation, Cafes and Restaurants
GRD NL	Mining
Great Southern Plantations Ltd	Agriculture, Forestry and Fishing
Gribbles Group Ltd (The)	Health and Community Services
GUD Holdings Ltd	Manufacturing
Gunns Limited	Manufacturing
GWA International Ltd	Manufacturing
Hamilton Island Limited	Accommodation, Cafes and Restaurants

<b>Company Name</b>	<b>ANZSIC Classification</b>
<b>Listed companies, cont'd</b>	
Hardman Resources Ltd	Mining
Harvey Norman Holdings Ltd	Retail Trade
Healthscope Limited	Health and Community Services
Henry Walker Eltin Group Ltd	Property and Business Services
Hills Industries Ltd	Manufacturing
Hills Motorway Group	Transport and Storage
Housewares International Limited	Wholesale Trade
Hudson Timber & Hardware Ltd	Wholesale Trade
Hunter Hall International Ltd	Finance and Insurance
Iluka Resources Ltd	Mining
Incitec Ltd	Manufacturing
Infomedia Ltd	Property and Business Services
ING Industrial Fund	Property and Business Services
ING Office Fund	Property and Business Services
Insurance Australia Group Ltd	Finance and Insurance
International Wine Investment Fund	Finance and Insurance
Investa Property Group	Property and Business Services
Investor Group Limited	Finance and Insurance
ION Limited	Manufacturing
Ipoh Ltd	Property and Business Services
James Fielding Group	Property and Business Services
James Hardie Industries N.V.	Manufacturing
Joe White Maltings Ltd	Manufacturing
Jupiters Ltd	Cultural & Recreational Services
K&S Corporation Limited	Transport and Storage
Kaz Group Limited	Property and Business Services
Kingsgate Consolidated Ltd	Mining
Leighton Holdings Ltd	Construction
Lend Lease Corporation Ltd	Property and Business Services
Lend Lease US Office Trust	Property and Business Services
Lihir Gold Ltd	Mining
Lion Nathan Ltd	Manufacturing
Lion Selection Group Limited	Finance and Insurance
Macquarie Airports	Transport and Storage
Macquarie Bank Ltd	Finance and Insurance
Macquarie CountryWide Trust	Property and Business Services
Macquarie Goodman Industrial Trust	Property and Business Services
Macquarie Goodman Management Limited	Property and Business Services
Macquarie Infrastructure Group	Transport and Storage
Macquarie Office Trust	Property and Business Services
Macquarie Prologis Trust	Property and Business Services
Mayne Group Ltd	Health and Community Services
McGuigan Simeon Wines Ltd	Manufacturing
McPherson's Limited	Manufacturing
Metal Storm Limited	Property and Business Services
Metcash Trading	Wholesale Trade
MIA Group Ltd	Health and Community Services
Miller's Retail Ltd	Retail Trade

<b>Company Name</b>	<b>ANZSIC Classification</b>
<b>Listed companies, cont'd</b>	
Milton Corporation Ltd	Finance and Insurance
MIM Holdings Ltd	Mining
Mirvac Group	Property and Business Services
National Australia Bank Ltd	Finance and Insurance
National Foods Ltd	Manufacturing
Neverfail Springwater Ltd	Wholesale Trade
Newcrest Mining Ltd	Mining
News Corporation Ltd (The)	Cultural & Recreational Services
Normandy NFM Ltd	Mining
Novogen Ltd	Property and Business Services
Novus Petroleum Ltd	Mining
Nufarm Ltd	Manufacturing
Oamps Ltd	Finance and Insurance
Oil Company of Australia Ltd	Mining
Oil Search Ltd	Mining
Onesteel Ltd	Manufacturing
OPSM Group Ltd	Health and Community Services
Orica Ltd	Manufacturing
Origin Energy Ltd	Electricity, Gas and Water Supply
Oroton International Limited	Retail Trade
Oxiana Resources NL	Mining
Pacific Hydro Ltd	Electricity, Gas and Water Supply
Pacifica Group Ltd	Manufacturing
Pan Pharmaceuticals Ltd	Manufacturing
PaperlinX Ltd	Manufacturing
Patrick Corporation Ltd	Transport and Storage
Peptech Limited	Property and Business Services
Permanent Trustee Company Ltd	Finance and Insurance
Perpetual Trustees Australia Ltd	Finance and Insurance
Peter Lehmann Wines Ltd	Manufacturing
Platinum Capital Ltd	Finance and Insurance
PMP Ltd	Manufacturing
Portman Ltd	Mining
Premier Investments Ltd	Finance and Insurance
Primary Health Care Ltd	Health and Community Services
Prime Retail Group	Property and Business Services
Principal Office Fund	Property and Business Services
Pro Medicus Ltd	Property and Business Services
Publishing and Broadcasting Ltd	Cultural & Recreational Services
Qantas Airways Ltd	Transport and Storage
QBE Insurance Group Ltd	Finance and Insurance
Ramsay Health Care	Health and Community Services
Rebel Sport Ltd	Retail Trade
Record Investments Limited	Finance and Insurance
Reece Australia Ltd	Wholesale Trade
Resmed Inc	Manufacturing
Resolute Mining Ltd	Mining
RG Capital Radio Ltd	Cultural & Recreational Services

<b>Company Name</b>	<b>ANZSIC Classification</b>
<b>Listed companies, cont'd</b>	
Ridley Corporation Ltd	Manufacturing
Rio Tinto Ltd	Mining
Roc Oil Company Ltd	Mining
Rural Press Ltd	Manufacturing
Sam's Seafood Limited	Wholesale Trade
Santos Ltd	Mining
Schaffer Corporation Limited	Manufacturing
Select Harvests Limited	Agriculture, Forestry and Fishing
Servcorp Ltd	Property and Business Services
Seven Network Ltd	Cultural & Recreational Services
SFE Corporation Limited	Finance and Insurance
Sigma Company Ltd	Wholesale Trade
Sims Group Ltd	Manufacturing
Singapore Telecommunications Limited	Communication Services
Smorgon Steel Group Ltd	Manufacturing
Sonic Healthcare Ltd	Health and Community Services
Sons of Gwalia Ltd	Mining
Southcorp Ltd	Manufacturing
Southern Cross Broadcasting (Australia) Ltd	Cultural & Recreational Services
Southern Pacific Petroleum NL	Mining
SPC Ardmona Ltd	Manufacturing
Spotless Group Ltd	Property and Business Services
St George Bank Ltd	Finance and Insurance
Stockland	Property and Business Services
STW Communications Group Ltd	Property and Business Services
Suncorp-Metway Ltd	Finance and Insurance
Sunland Group Ltd	Property and Business Services
Sunraysia Television Ltd	Cultural & Recreational Services
Sydney Aquarium Limited	Cultural & Recreational Services
TAB Ltd	Cultural & Recreational Services
Tabcorp Holdings Ltd	Cultural & Recreational Services
Tap Oil NL	Mining
Telecom Corporation of New Zealand Limited	Communication Services
Telstra Corporation Ltd	Communication Services
Tempo Services Ltd	Property and Business Services
Ten Network Holdings Ltd	Cultural & Recreational Services
Thakral Holdings Group	Property and Business Services
Ticor Ltd	Mining
Timbercorp Ltd	Agriculture, Forestry and Fishing
Toll Holdings Ltd	Transport and Storage
Transfield Services Ltd	Construction
Transurban Group	Transport and Storage
Trust Company Of Australia Limited	Finance and Insurance
Tyndall Meridian Trust	Property and Business Services
UNiTAB Limited	Cultural & Recreational Services
United Energy Ltd	Electricity, Gas and Water Supply
United Group Limited	Manufacturing
Ventracor Ltd	Manufacturing

<b>Company Name</b>	<b>ANZSIC Classification</b>
<b>Listed companies, cont'd</b>	
Village Roadshow Ltd	Cultural & Recreational Services
Vision Systems Ltd	Manufacturing
Washington H. Soul Pattinson & Company Ltd	Finance and Insurance
Wattyl Ltd	Manufacturing
Wesfarmers Ltd	Wholesale Trade
West Australian Newspapers Holdings Ltd	Manufacturing
Westfield America Trust	Property and Business Services
Westfield Holdings Ltd	Property and Business Services
Westfield Trust	Property and Business Services
Westpac Banking Corporation	Finance and Insurance
Whitefield Ltd	Finance and Insurance
Wide Bay Capricorn Building Society Ltd	Finance and Insurance
WMC Resources Ltd	Mining
Woodside Petroleum Ltd	Mining
Woolworths Ltd	Retail Trade
Zimbabwe Platinum Mines Limited (Zimplats)	Mining
<b>Proprietary Companies – Australian</b>	
7-Eleven Stores Pty Ltd	Retail Trade
A C McGrath & Co Pty Ltd	Retail Trade
ADI Group Holdings Pty Limited	Manufacturing
Advance Petroleum Pty Ltd	Wholesale Trade
Auscom Holdings Pty Limited	Wholesale Trade
Australian Capital Equity Pty Ltd	Wholesale Trade
Automotive Holdings Pty Ltd	Retail Trade
Bartter Enterprises Pty Limited	Agriculture, Forestry and Fishing
BGC (Australia) Pty Ltd	Construction
Clarendon Homes (Aust) Pty Limited	Construction
Concorde International Travel Pty Ltd	Transport and Storage
Consolidated Travel Pty Ltd	Transport and Storage
Costa's Pty Ltd	Wholesale Trade
Distributorship JV Pty Ltd	Retail Trade
Gardner Smith Pty Limited	Wholesale Trade
Gerard Industries Proprietary Limited	Manufacturing
Inghams Enterprises Pty Limited	Manufacturing
JGL Investments Pty	Finance and Insurance
Kahlbetzer Investments Pty Limited	Agriculture, Forestry and Fishing
Linfox Proprietary Limited	Transport and Storage
Manildra Milling Pty Ltd	Manufacturing
Meriton Apartments Pty Ltd	Construction
Michell Australia Pty Ltd	Manufacturing
Multiplex Constructions Pty Ltd	Construction
Oakbridge Pty Limited	Mining
Pratt Holdings Proprietary Limited	Manufacturing
Qenos Holdings Pty Ltd	Manufacturing
Sensis Pty Ltd	Manufacturing
Spotlight Stores Pty Ltd	Retail Trade

<b>Company Name</b>	<b>ANZSIC Classification</b>
<b>Proprietary Companies – Australian, cont'd</b>	
Suttons Motors Pty Ltd	Retail Trade
Tattersall's Holdings Pty Ltd	Cultural & Recreational Services
Tenix Pty Limited	Manufacturing
Teys Bros (Holdings) Pty Ltd	Manufacturing
Transfield Holdings Pty Limited	Construction
Transfield Pty Limited	Construction
<b>Proprietary Companies - Foreign Owned</b>	
A W Baulderstone Holdings Pty Ltd	Construction
ABB Group Holdings Pty Ltd	Manufacturing
Adecco Holdings Pty Limited	Property and Business Services
Amatek Industries Pty Limited	Manufacturing
AstraZeneca Pty Limited	Manufacturing
Australia Meat Holdings Pty Limited	Manufacturing
BIL Australia Pty Limited	Retail Trade
BP Oil Australia Pty Ltd	Manufacturing
Bristol-Myers Squibb Australia Pty Ltd	Manufacturing
British American Tobacco (Australasia Holdings) Pty Limited	Manufacturing
Burmah Oil Investments (Australia) Pty Limited	Wholesale Trade
Canon Australia Pty Limited	Wholesale Trade
Caterpillar of Australia Pty Ltd	Wholesale Trade
Cisco Systems Australia Pty Limited	Wholesale Trade
CITIC Australia Pty Ltd	Wholesale Trade
Citipower I Pty Ltd	Electricity, Gas and Water Supply
Compaq Computer Australia Pty Limited	Wholesale Trade
CSC Australia Pty Limited	Property and Business Services
Daewoo Australia Pty Ltd	Wholesale Trade
DaimlerChrysler Australia/Pacific Holding Pty Ltd	Wholesale Trade
Dimension Data Australia Pty Limited	Wholesale Trade
EDS (Australia) Pty Limited	Property and Business Services
Effem Foods Pty Limited	Manufacturing
Ericsson Australia Pty Ltd	Manufacturing
Eurest (Australia) Support Services Pty Limited	Accommodation, Cafes and Restaurants
ExxonMobil Australia Pty Ltd	Manufacturing
Fluor Australia Pty Ltd	Property and Business Services
Fuji Xerox Australia Pty Limited	Wholesale Trade
GE Capital Finance Australasia Pty Ltd	Finance and Insurance
Hanson Australia (Holdings) Pty Ltd	Manufacturing
Honda Australia Pty Limited	Wholesale Trade
Hyundai Automotive Distributors Australia Pty Ltd	Wholesale Trade
Johnson & Johnson Pty Limited	Wholesale Trade
Kaal Australia, Pty Limited	Manufacturing
Kimberly-Clark Australia Pty Limited	Manufacturing
Kodak (Australasia) Pty Ltd	Manufacturing
Komatsu Australia Pty Limited	Wholesale Trade
Lief International Pty Limited	Wholesale Trade
<b>Proprietary Companies - Foreign Owned, cont'd</b>	

<b>Company Name</b>	<b>ANZSIC Classification</b>
Lumley Corporation Pty Limited	Finance and Insurance
Mazda Australia Pty Limited	Wholesale Trade
Merck Sharp & Dohme (Australia) Pty Limited	Manufacturing
Mitsubishi Development Pty Limited	Mining
Motorola Australia Pty Limited	Wholesale Trade
NEC Business Solutions Limited	Manufacturing
Nippon Meat Packers Australia Pty Limited	Wholesale Trade
Nissan Motor Co (Australia) Pty Limited	Wholesale Trade
Nokia Australia Pty Limited	Wholesale Trade
Orlando Wyndham Group Pty Ltd	Manufacturing
Owens-Illinois (Australia) Pty Limited	Manufacturing
Panasonic Australia Pty Limited	Wholesale Trade
Parmalat Australia Pty Limited	Manufacturing
Pechiney Pacific Pty Limited	Manufacturing
Principal Financial Group (Australia) Holdings Pty Limited	Finance and Insurance
RAG Australia Coal Pty Limited	Wholesale Trade
RJV Australia Pty Ltd	Retail Trade
Robert Bosch (Australia) Pty Ltd	Manufacturing
Salomon Smith Barney Australia Pty Limited	Finance and Insurance
Simplot Australia (Holdings) Pty Limited	Manufacturing
Summit Investment Australia Pty Limited	Retail Trade
Tech Pacific Holdings Pty Limited	Wholesale Trade
TMP Worldwide eResourcing Pty Limited	Property and Business Services
TNT Australia Pty Limited	Transport and Storage
TXU Australia Holdings Pty Ltd	Electricity, Gas and Water Supply
Tyco International Pty Limited	Construction
Unilever Australia (Holdings) Proprietary Limited	Manufacturing
<b>Public Non-Listed Company – Australian</b>	
AMP General Insurance Limited	Finance and Insurance
ANZ Life Assurance Company Limited	Finance and Insurance
Australian Guarantee Corporation Pty Limited	Finance and Insurance
Berri Limited	Manufacturing
Bonlac Foods Limited	Manufacturing
Boyne Smelters Limited	Manufacturing
Colonial Mutual Life Assurance Society Limited	Finance and Insurance
Commonwealth Life Limited	Finance and Insurance
Credit Union Services Corporation (Australia) Limited	Finance and Insurance
Email Limited	Manufacturing
Esanda Finance Corporation Limited	Finance and Insurance
Grain Growers Association Limited	Wholesale Trade
Grainco Australia Limited	Wholesale Trade
Hospitals Contribution Fund of Australia Limited	Finance and Insurance
Macquarie Life Limited	Finance and Insurance
Medical Benefits Fund of Australia Limited	Finance and Insurance
Mitre 10 Australia Ltd	Wholesale Trade
Pivot Limited	Manufacturing
<b>Public Non-Listed Company – Australian, cont'd</b>	
Queensland Alumina Limited	Manufacturing

<b>Company Name</b>	<b>ANZSIC Classification</b>
Queensland Sugar Limited	Wholesale Trade
Royal Automobile Club of Victoria Ltd	Personal and Other Services
Sisters of Charity Health Service Limited	Health and Community Services
Westpac Life Insurance Services Limited	Finance and Insurance

### **Public Non-Listed Company - Foreign Owned**

AAPT Limited	Communication Services
ABN AMRO Australia Limited	Finance and Insurance
Alcatel Australia Limited	Wholesale Trade
Alcoa of Australia Limited	Manufacturing
Allianz Australia Limited	Finance and Insurance
ALSTOM Australia Limited	Manufacturing
Anglo Coal Holdings Australia Pty Limited	Mining
Apache Energy Limited	Mining
Arnotts Limited	Manufacturing
Australian Associated Motor Insurers Ltd	Finance and Insurance
Australian Consolidated Investments Ltd	Finance and Insurance
Barclay Mowlem Limited	Property and Business Services
Bidvest Australia Limited	Wholesale Trade
BMW Australia Limited	Retail Trade
BOC Limited	Manufacturing
Boeing Australia Limited	Manufacturing
BOS International (Australia) Limited	Finance and Insurance
Cadbury Schweppes Australia Limited	Manufacturing
Cargill Australia Limited	Wholesale Trade
CGNU Australia Holdings Ltd	Finance and Insurance
Chubb Security Holdings Australia Limited	Construction
Citibank Limited	Finance and Insurance
Citicorp Life Insurance Limited	Finance and Insurance
CNA Resources Limited	Mining
Contact Energy Limited	Electricity, Gas and Water Supply
Deutsche Australia Limited	Finance and Insurance
Diageo Australia Limited	Manufacturing
Ford Motor Company of Australia Limited	Manufacturing
Fujitsu Australia Limited	Property and Business Services
GeneralCologne Re Australia Ltd	Finance and Insurance
George Weston Foods Limited	Manufacturing
Glaxo Wellcome Australia Ltd	Manufacturing
Heinz Wattie's Limited	Manufacturing
Hewlett-Packard Australia Pty Ltd	Wholesale Trade
Holden Ltd	Manufacturing
HSBC Bank Australia Limited	Finance and Insurance
IBM Australia Limited	Property and Business Services
Inchcape Motors Australia Limited	Wholesale Trade
ING Australia Holdings Limited	Finance and Insurance

### **Public Non-Listed Company - Foreign Owned, cont'd**

ING Life Limited	Finance and Insurance
------------------	-----------------------

<b>Company Name</b>	<b>ANZSIC Classification</b>
Invensys Australia Limited	Manufacturing
ITOCHU Australia Ltd	Wholesale Trade
J P Morgan Holdings Australia Limited	Finance and Insurance
Kraft Foods (Australia) Limited	Manufacturing
Lease Plan Australia Limited	Property and Business Services
Marubeni Australia Limited	Wholesale Trade
McDonald's Australia Limited	Retail Trade
Metal Manufactures Limited	Manufacturing

### **Proprietary Companies - Foreign Owned**

Mitsubishi Australia Limited	Wholesale Trade
Mitsubishi Motors Australia Ltd	Manufacturing
Mitsui & Co (Australia) Ltd	Wholesale Trade
Munich Reinsurance Company of Australasia Limited	Finance and Insurance
National Mutual Life Association of Australasia Limited	Finance and Insurance
Nestle Australia Ltd	Manufacturing
Newmont Australia Limited	Mining
Nissho Iwai Australia Limited	Wholesale Trade
Norske Skog Paper Mills Holdings (Australia) Limited	Manufacturing
ORIX Australia Corporation Limited	Finance and Insurance
P&O Australia Ltd	Transport and Storage
Philip Morris (Australia) Limited	Manufacturing
Powercor Australia Ltd	Electricity, Gas and Water Supply
Royal & Sun Alliance Australia Holdings Limited	Finance and Insurance
SG Australia Holdings Limited	Finance and Insurance
Shell Australia Limited	Manufacturing
Siemens Ltd	Manufacturing
Singtel Optus Pty Limited	Communication Services
Sony Australia Limited	Wholesale Trade
Standard Chartered Grindlays Bank Limited	Finance and Insurance
Sumitomo Australia Limited	Wholesale Trade
Swiss Re Australia Ltd	Finance and Insurance
Tower Australia Limited	Finance and Insurance
Toyota Motor Corporation Australia Limited	Manufacturing
UBS Warburg Australia Holdings Ltd	Finance and Insurance
Vodafone Australia Limited	Communication Services
WALTER Construction Group Limited	Construction
Xstrata Coal Investments Australia Limited	Wholesale Trade
Zurich Financial Services Australia Limited	Finance and Insurance



# Appendix B – Questionnaire on PER Uptake

## Public Environmental Reporting (PER) Survey

Centre for Australian Ethical Research  
Environment Australia

The Centre for Australian Ethical Research (CAER) is conducting research on behalf of Environment Australia (EA) on the uptake of Public Environmental Reporting (PER) in Australia. The study aims to identify the number of Australian companies within the 300 largest companies listed on the ASX, the top 100 private companies and the top 100 unlisted public companies that have produced a Public Environmental Report (PER) or are planning to do so this year. The study will also identify the benefits and impediments that companies associate with the production of a PER. The information gathered from the study will be used by Environment Australia in the promotion of initiatives targeted at increasing the uptake of PER in Australia. A report presenting the findings of the study will be published and made available on Environment Australia's web site in March 2003.

I would be grateful if you could complete and return the attached survey at the earliest opportunity, preferably no later than January 31st. We thank you in advance for the effort in completing this survey. Please contact me if you have any queries (ph 02 6242 1379). The completed survey should be returned to Philip Sloane at [p.sloane@austethical.com.au](mailto:p.sloane@austethical.com.au).

Yours sincerely,

Philip Sloane

Environment Researcher  
Centre for Australian Ethical Research (CAER)  
Suite 66, Canberra Business Centre  
Bradfield St, DOWNER ACT 2602

Ph: 02 6242 1379

Fax: 02 6242 1987

Email: [p.sloane@austethical.com.au](mailto:p.sloane@austethical.com.au)

## Public Environmental Reporting (PER) Survey

No.	Question	Answer – Check <input checked="" type="checkbox"/> where appropriate (Use TAB to move through survey)
1.	Company Name	
2.	Did the Company produce a stand alone Public Environment Report in 2002?  [If Yes] Covering the: - 2001 Calendar Year - 2001/2002 Financial Year  [If Yes go to Q3; If No go to Q4]	<input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> 2001 Calendar Year <input type="checkbox"/> 2001/2002 Financial Year
3.	Was the report independently verified?  [If Yes] Who provided the independent verification?	<input type="checkbox"/> Yes <input type="checkbox"/> No  Name:
4.	Did the Company produce a stand alone Public Environment Report prior to 2002?  [If Yes] Which years did they cover?  [If Yes go to Q5; If no go to Q6]	<input type="checkbox"/> Yes <input type="checkbox"/> No  Calendar Years: Financial Years:
5.	Were any of these reports independently verified?  [If Yes] Which ones?  Who provided the independent verification?	<input type="checkbox"/> Yes <input type="checkbox"/> No  Calendar Years: Financial Years: Name:

No.	Question	Answer – Check <input checked="" type="checkbox"/> where appropriate
6.	<p>Is the Company planning to produce a stand alone Public Environment Report in 2003?</p> <p>[If Yes] Which year will the report cover?</p> <ul style="list-style-type: none"> <li>- 2002 Calendar Year</li> <li>- 2002/2003 Financial Year</li> </ul> <p>[If Yes go to Q7; If No go to Q8]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Undecided  <input type="checkbox"/> 2002 Calendar Year <input type="checkbox"/> 2002/2003 Financial Year
7.	<p>Do you plan to have this report independently verified?</p> <p>[If Yes] Who will provide the independent verification?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Undecided
8.	<p>What do you see as the benefits of producing a Public Environment Report?</p>	<input type="checkbox"/> Ability to benchmark performance <input type="checkbox"/> Operational and management improvements <input type="checkbox"/> Reputation enhancement <input type="checkbox"/> Capacity to recruit and retain excellent staff <input type="checkbox"/> Improved management of risks <input type="checkbox"/> Creation of market opportunities <input type="checkbox"/> Greater control of environmental disclosure <input type="checkbox"/> Satisfying a mandatory or signatory reporting need <input type="checkbox"/> Gain confidence of investors, insurers and financial institutions <input type="checkbox"/> Other:
9.	<p>What do you see as impediments to producing a Public Environment Report?</p>	<input type="checkbox"/> Cost and resource constraints <input type="checkbox"/> Additional resources required initially to develop a framework for measuring and reporting <input type="checkbox"/> Availability of indicators <input type="checkbox"/> The need to report openly once committed <input type="checkbox"/> Management and public affairs/legal affairs approval <input type="checkbox"/> Costs of external verification <input type="checkbox"/> Other:

No.	Question	Answer – Check <input checked="" type="checkbox"/> where appropriate	
10.	Do you consent to your Company's name being included in the study? (A list of companies that respond to the survey will be included in the report)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
11.	Contact details (for environmental issues)	Title:	
		Name:	
		Position:	
		Address:	
		Phone:	
		Fax:	
		Email:	
12.	<p>Could you please supply CAER with copies of the Company's Public Environment Reports (preferably in pdf format, however, we will accept hard copies if not available in electronic format)</p> <p>E-mail electronic copies in pdf format to:  <a href="mailto:p.sloane@austethical.com.au">p.sloane@austethical.com.au</a></p> <p>Post hard copies to:  Philip Sloane  Centre for Australian Ethical Research  Suite 66, Canberra Business Centre  Bradfield Street, Downer  ACT 2602</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No  Year/s and format:	
13.	<p>Environment Australia has set up a website which they aim to make a comprehensive library of Australian Public Environment Reports: (<a href="http://www.ea.gov.au/industry/sustainable/per/index.html">http://www.ea.gov.au/industry/sustainable/per/index.html</a>).</p> <p>If you would like your Company's Reports to be included on the site, please complete the consent form on the next page.</p>		

## References

- <sup>1</sup> WBCSD (2003) Sustainable development reporting. Striking the balance, Geneva.  
<http://www.wbcsd.org/>
- <sup>2</sup> Environment Australia (2000) A Framework for Public Environmental Reporting: An Australian Approach. <http://www.ea.gov.au/industry/finance/publications/framework/index.html>
- <sup>3</sup> Deni Greene Consulting Services (2001) A Capital Idea, realising value from environmental and social performance, August. <http://www.ea.gov.au/industry/finance/publications/capital-idea/index.html>
- <sup>4</sup> Australian Business Limited (2001) Environmental Reporting: Handbook for Small and Medium Size Businesses, Sydney.  
<http://www.ea.gov.au/industry/finance/publications/smehandbook.html>
- <sup>5</sup> KPMG Sustainability Advisory Services (2002) [The State of Sustainability Reporting in the Trade and Retail Sector, Commonwealth of Australia](#), November.
- <sup>6</sup> U.S. Council for International Business (2002) Corporate Responsibility Initiatives in Europe, October. <http://www.uscib.org/docs/EUCSRMatrix.pdf>
- <sup>7</sup> Association of Chartered Certified Accountants (ACCA) and Next Step Consulting Ltd (2001) Environmental, Social and Sustainability Reporting on the World Wide Web: A Guide to Best Practice, Corporate Register. <http://www.corporateregister.com/>
- <sup>8</sup> Global Reporting Initiative and UNEP (2001), Government Initiatives to Promote Corporate Sustainability Reporting Roundtable, Paris, 18 June.
- <sup>9</sup> Doane, Deborah (2002) The case for mandatory reporting, Amnesty International, Business Group Newsletter, United Kingdom, Autumn/Winter.
- <sup>10</sup> Department for Environment Food and Rural Affairs  
<http://www.defra.gov.uk/environment/pubaccess/ecdir/index.htm>
- <sup>11</sup> ARESE (2002) Mandatory Sustainability Reporting for French Corporations. The New Economic Regulations, Press Release, 5 March, Fontainebleau-Avon.
- <sup>12</sup> Nahal, Sarj (2002) Mandatory sustainability reporting – France leads the way, Amnesty International, Business Group Newsletter, United Kingdom, Autumn/Winter.
- <sup>13</sup> Ministry of the Environment (2002) New Act on the Right to Environmental Information. Press Release, 19 September. <http://odin.dep.no/md/engelsk/aktuelt/pressem/022021-070093/index-dok000-b-n-a.html>
- <sup>14</sup> U.S. Council for International Business (2002) Corporate Responsibility Initiatives in Europe, October. <http://www.uscib.org/docs/EUCSRMatrix.pdf>
- <sup>15</sup> Association of British Insurers (2001) ABI Disclosure Guidelines on Social Responsibility, and Association of British Insurers (2003) Disclosure Guidelines on Socially Responsible Investment.
- <sup>16</sup> The European Business Campaign on Corporate Social Responsibility (2003), It simply works better! Campaign Report on European CSR Excellence 2002-2003, The Copenhagen Centre.
- <sup>17</sup> Global Reporting Initiative (2003) Organisations Using the Guidelines,  
<http://www.globalreporting.org/guidelines/companies.asp>
- <sup>18</sup> WBCSD (2003) Sustainable development reporting. Striking the balance, Geneva.  
<http://www.wbcsd.org/>
- <sup>19</sup> KPMG (2002) International Survey of Corporate Sustainability Reporting, June

- <sup>20</sup> Association of Chartered Certified Accountants (ACCA) and Next Step Consulting Ltd (2001).
- <sup>21</sup> SustainAbility and UNEP (2002) Trust Us. The Global Reporters 2002 Survey of Corporate Sustainability Reporting, London.
- <sup>22</sup> KPMG Survey of Sustainability Reporting in South Africa (2001)
- <sup>23</sup> PricewaterhouseCoopers LLP (2002) 2002 Sustainability Survey Report.  
<http://www.pwcglobal.com/eas>
- <sup>24</sup> PricewaterhouseCoopers (2002).
- <sup>25</sup> Global Reporting Initiative (2002) Sustainability Reporting Guidelines 2002, Amsterdam.
- <sup>26</sup> ERM (2002) Corporate social and environmental reporting survey, London,  
<http://www.erm.com/ERM/news.nsf/AllByID/8A88D6D0AA0451B880256C3900309CBD?OpenDocument>