

Role of Medicare Locals in health, business and social care partnerships: CSR – Latest Developments

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Petty Presentations

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1969 - Colonial Sugar Refining Co. Ltd 20 years

CSR

Corporate Social Responsibility:

- ✓ Triple Bottom Line (TBL)
- ✓ QBL
- ✓ Philanthropy
- ✓ Ethics
- ✓ ETS
- ✓ Carbon Trading
- ✓ Ngers
- ✓ GRI

The New Bottom Line??? TBL 1998

What's the New [TBL] Bottom Line?

1. EBITDA

2. PBT

3. PAT

TBL:
The
“Three-legged
Stool”

C P A

AUSTRALIAN
March 1999



Triple bottom-line reporting
looking for balance

Y2K statements • ASIC surveillance • MBOs • Bribery crackdown

Q

MARCH 2001

AUSTRALIAN

Q

a

TAKE A DIFFERENT VIEW



Is sustainable reporting
**JUST CLOWNING
AROUND?**

LAPTOPS OF THE GODS

Lowdown on annuities

PLUS: RETAIL THERAPY • GOLD FEVER • TAXING CAPITAL EXPENDITURE

CPA

AUSTRALIAN

Take a different view

APRIL 2002

Not so easy being green? Towards sustainable development



INVESTMENT – DO SOCIALLY RESPONSIBLE INVESTMENTS MAKE MONEY? P.26

BUSINESS – BRIGHT IDEAS ON BUYING ELECTRICITY P.38

TAX – CONSOLIDATIONS: THE NEW DRAFT FRAMEWORK P.78

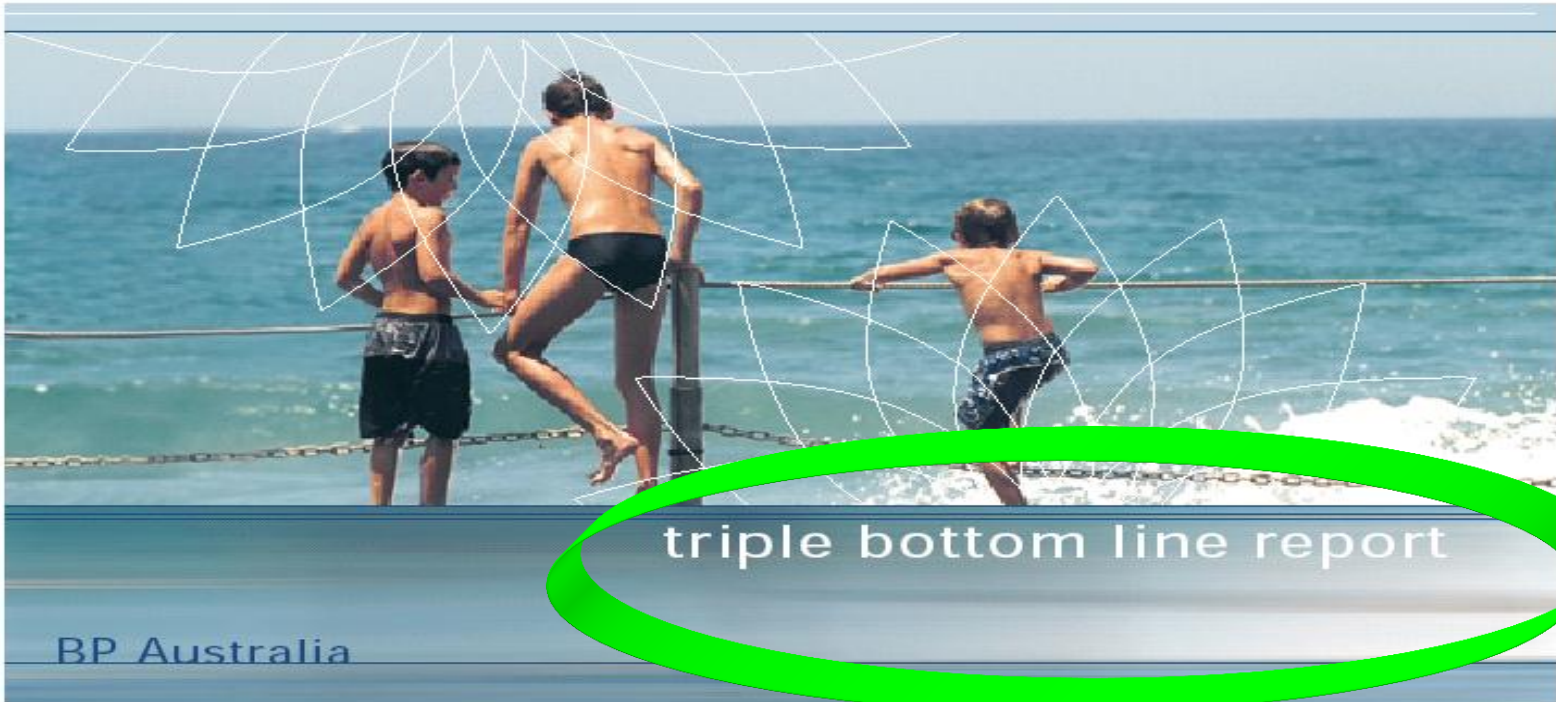
A fresh perspective...



Our First Social Impact Report

“Ethical and environmental reporting is growing in importance: it is part of reputational risk management.”

Phillip Chronican CFO Westpac



triple bottom line report

BP Australia

Philips leverages technology to create products that are seductive to the individual, valuable to society, friendly to the environment and profitable for the business.



TBL = Sustainability

Sustainability Report 2002

TBL / CSR: Who's Doing It

WMC	Rio Tinto	Orica	Dow Chemicals
Alcoa	BHP	Thiess	Ford Aust
North	Placer	Delta Gold	North Ltd
CS Energy	SANTOS	AGL	The Body Shop

Pacific Power	Western Power	Delta Electricity
Sydney Water	Melbourne Water	Brisbane Water
South East Water	SA Water	WA Water Corp

15% of Top 100 – 1999

90% of Top 100 – 2004-5

99% in 2008

Health Organisations FaCs

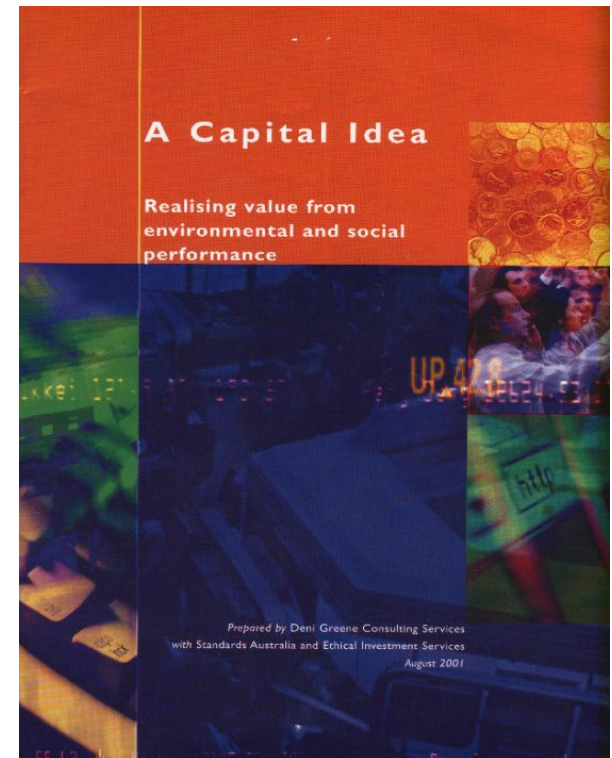
A Capital Idea:

Realising value from environmental and social performance

“Financial success for business is increasingly linked to good environmental and social performance.

Mounting evidence shows that companies that are socially and environmentally responsible are more profitable and provide greater returns and lower risks to shareholders. Eco-efficient firms are able to create greater shareholder value than their industry Competitors while minimising environmental risk and impact.”

Environment Australia www.ea.gov.au



Group of 100 Inc.

Advancing Australia's Business Competitiveness

In preparing the Guide, the Working Party identified a number of business benefits which flow from TBL. These include:

- > enhanced corporate reputation and brand benefit
- > securing and maintaining a “social licence to operate”
- > reduced risk profile
- > attraction and retention of high calibre employees
- > aligning stakeholder needs with management focus, and
- > improved access to the investor market



Sustainability: A Guide to Triple Bottom Line Reporting

[GROUP OF 100]

group

ADVANCING AUSTRALIA'S BUSINESS
COMPETITIVENESS

An association of Australia's
senior Finance Executives from
the nation's business enterprises.



TRIPLE BOTTOM LINE
MEASUREMENT AND
REPORTING IN AUSTRALIA

Making it Tangible

Dahle Suggett and Ben Goodsir

The Allen Consulting Group

Report of the Taskforce on
Sustainable Development
Reporting

Triple Bottom Line Reporting in Australia

A Guide to Reporting Against
Environmental Indicators



June 2003

FACS

Triple Bottom Line Reporting in Australia

A practitioners guide to reporting
against social indicators

DRAFT FOR DISCUSSION
December 2002

“In Australia, the Prime Minister’s Community Business Partnership, a social think tank was asked to progress a Triple Bottom Line Reporting framework for Australian organisations.

Sixteen core social indicators relevant to Australia have been selected”

WATCH THIS SPACE

Triple Bottom Line Social Reporting Indicators

- > LA 1 Geographical breakdown of workforce by status (employee/non employee), employment type (full time/part time), and by employment contract (indefinite or permanent/fixed term or temporary). Also identify workforce retained in conjunction with other employers (temporary agency workers or workers in co-employment relationships), segmented geographically
- > LA 2 Employment net creation and average turnover segmented by geographical area
- > LA 7 Standard injury lost day, and absentee rates and number of work related fatalities (including subcontracted workers)
- > LA 9 Average hours of training per year per employee by category of employee (e.g. Senior management, middle management, professional, technical, administrative, production and maintenance)
- > LA 12 Employee benefits beyond those legally mandated (e.g. Contributions to healthcare, disability, maternity, education and retirement)

Triple Bottom Line Social Reporting Indicators

- > LA 10 Description of equal opportunity policies or programs as well as monitoring systems to ensure compliance and results of monitoring. Equal opportunity polices may address workplace harassment and affirmative action relative to historical patterns of discrimination
- > LA 11 Composition of senior management and corporate governance bodies (including Board of Directors), including female/male and other indicators of diversity as culturally appropriate
- > LA 16 Existence of programs to support the continued employability of employees and to manage career endings
- > HR 1 Description of policies, guidelines, corporate structure and procedures to deal with all aspects of human rights relevant to the reporter's operations, including monitoring mechanisms and results.
- > HR 2 Evidence of consideration of human rights impacts as part of report's operational investment and procurement decisions, including selection of suppliers/contractors

Triple Bottom Line Social Reporting Indicators

- > HR 4 Description of freedom of association policy and extent to which this policy is universally applied independently of local laws, as well as description of procedures/programs to address this issue
- > HR 12 Description of policies, guidelines and procedures to address the needs of indigenous people. This includes indigenous people in the workforce and communities where the organisation currently operates or intends to operate
- > SO 1 Description of policies to manage impacts on communities in area affected by the organisation's activities as well as description of procedures/programs to address issue, including monitoring; identifying and engaging in dialogue with community stakeholders
- > SO 5 Amount of money paid to political parties and institutions whose prime function is to fund political parties or their candidates
- > PR 1 Description of policy for preserving customer health and safety during use of reporting organisation's products and services, and extent to which this policy is visibly stated and applied, including monitoring.

CAMAC Report



www.camac.gov.au

GRI – Global Reporting Initiative

www.globalreporting.org/G3/

The GRI is arguably the most comprehensively developed and widely used of all of the reporting guidelines. The GRI is a long-term, multi-stakeholder, international undertaking whose mission is to develop and disseminate globally applicable sustainability reporting guidelines for voluntary use by organisations reporting on the economic, environmental and social dimensions of their activities, products and services.

GRI Guidelines

The GRI Guidelines specify a structure for sustainable development reports: “core” and “additional” indicators of sustainable performance, and reporting principles. The reporting principles, which are derived from established financial accounting principles and adapted to sustainability issues, include completeness (including boundary, scope and temporal dimensions), inclusivity, consistency, accuracy, clarity, neutrality, timeliness, auditability, transparency; and sustainability context.

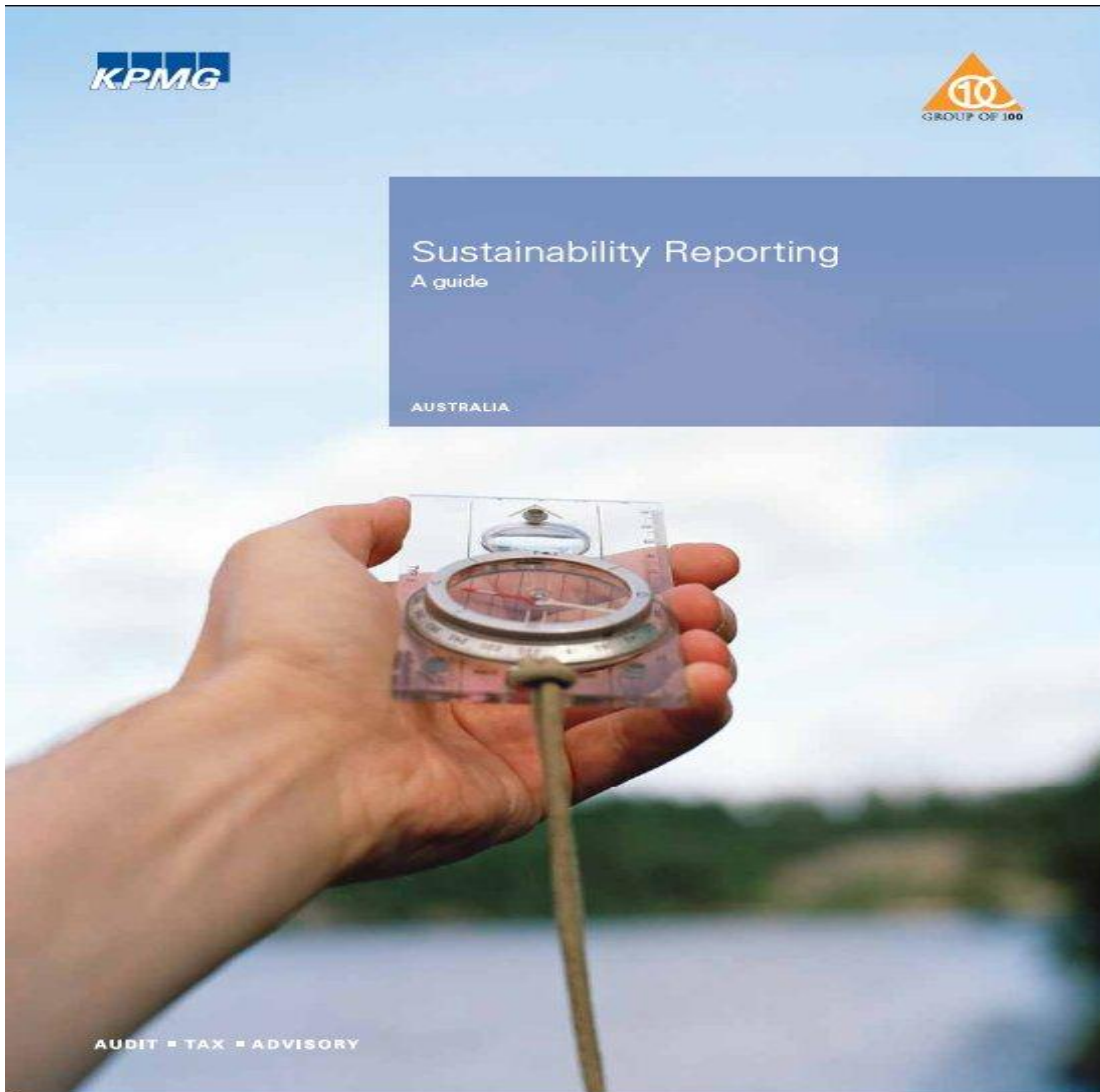


Global Reporting Initiative Reporting Principles

The GRI reporting framework includes the following principles.

- > Completeness
- > Inclusivity
- > Consistency
- > Accuracy
- > Clarity
- > Neutrality
- > Timeliness
- > Auditability
- > Transparency

KPMG – G100 - 2008



A MUST GET!

Source:
<http://www.kpmg.com.au/Default.aspx?TabID=1402&KPMGArticleItemID=3063>

BBBR – Institute has Answer!



BBBR is an enhanced reporting mechanism to better meet the information needs of their key stakeholders.

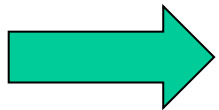
BBBR is achieved through closer alignment of external and internal management reporting.

BBBR demonstrates how a business effectively manages and utilises its limited resources to deliver on its defined strategy.

How to incorporate non-financial KPI's into existing reporting.

BBBR: Broad Based Business Reporting

- > there is clear scope for businesses to supplement reporting on financial performance with greater explanation of corporate strategy and the value drivers, and key performance indicators (KPI's) critical to understanding business success and prospects
- > an awareness of material business drivers and risks is critical to managing effective long-term performance of the business



DETAILED KPI GUIDANCE



BBBR: Broad Based Business Reporting

- > Current internal management reporting is often a more effective tool than external reporting for communicating performance in executing the business strategy, managing business risks and providing a more complete and relevant information set
- > BBBR is an enhanced awareness of material business drivers and risks is critical to managing effective long-term performance of the business

www.charteredaccountants.com.au

