

SUSTAINABILITY REPORTING: A Starter Guide!

Insights, recommendations, and helpful tips
for a successful sustainability reporting journey

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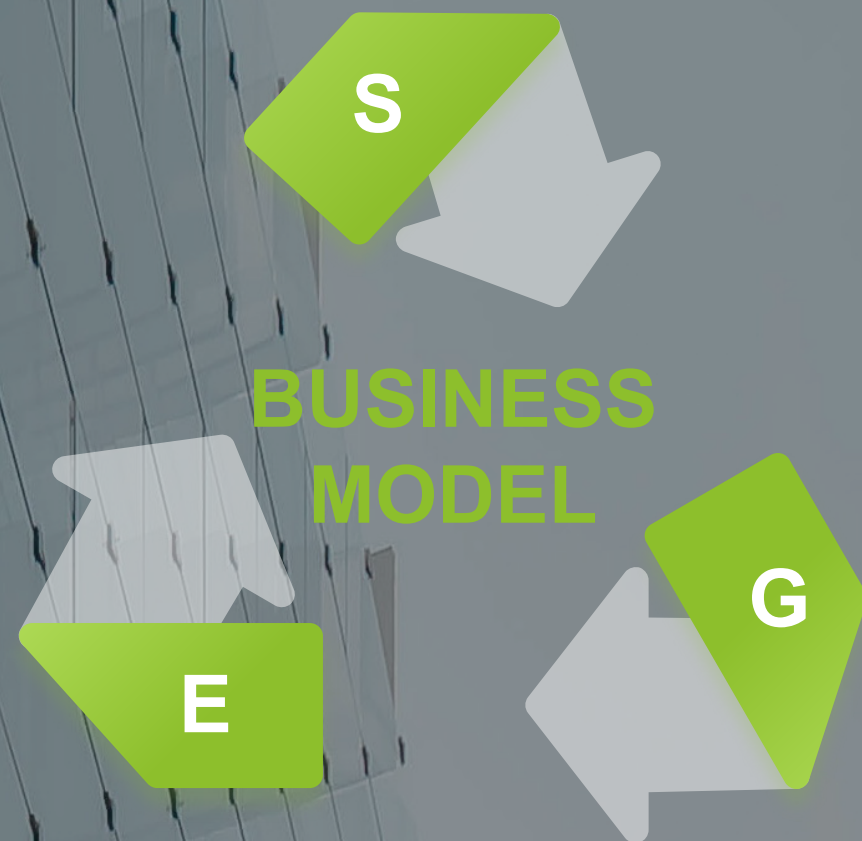


Prepare your business for a sustainable future!

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It is only a matter of time when your business partners, the public and government authorities will ask you about your sustainability contributions, how you lower your carbon footprint to mitigate risks posed by climate change, and how your company plans to operate more sustainability and being more socially responsible.

Get started with your sustainability reporting and communicate your company's sustainability progress.



Practical solutions for sustainable best business practices and corporate responsibility!



Consulting Service International (CSI)

- Introduction

Who we are!

Consulting Services International (CSI), founded in 2005, has been supporting companies and government institutions in developing and implementing sustainability strategies, determining, and achieving realistic sustainability goals along global supply chains.

What we do!

Sustainability is the opportunity to make economic, ecological, and social factors part of a company's value and manage risks and opportunities. Together with our customers we develop innovative solutions for sustainability and social responsibility across different industry sectors.

Where we are!

With our global presence with offices in Hong Kong, Dhaka, Lahore, Berlin, London, and Sydney and we are at the heart of global supply chains.



CONNECT WORLD

30+

Years of
Experience

1000+

Trusted
Clients

100+

Professional
Staff

200+

International
Affiliates

CW CPA - Introduction

Who we are!

CW CPA is a professional advisory firm that offers a wide array of client-focused, tailored services of professional quality, including audit and other assurance, tax, corporate secretarial and business process outsourcing, and advisory specialisms. We have teams of multinational, culturally adept and experienced multilingual professionals who are dedicated to serving clients.

What we do!

In addition to our core offerings in accounting and audit, we have been putting effort into innovation and expanding our expertise to include a focus on sustainability and ESG practices. By incorporating sustainability principles into our service offerings, we are committed to supporting our clients in their journey towards a more sustainable and responsible business.

Where we are!

CW CPA's global reach spans across different continents with offices strategically located in Hong Kong SAR, Shenzhen, Guangzhou and Shanghai in Mainland China, Barcelona in Spain, London in the UK, Bogotá in Colombia, Belo Horizonte and São Paulo in Brazil.

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Introduction

Our world today is at crossroads. We face a multitude of challenges such as the increasing impact of climate change, supply chain disruptions, the evolvment of new technologies, challenges from social issues such as inequality and human rights.

This is where **sustainability** comes into play.

How CW and CSI help you go sustainable?

In an increasingly sustainability-driven world, organizations are recognizing the importance of robust sustainability reporting. CW CPA and CSI have formed a strategic partnership to become specialized sustainability solutions providers, catering to the diverse needs of clients in this domain. By combining our respective strengths, we offer a comprehensive and seamless approach to sustainability reporting. We have carefully delineated our respective roles to maximize efficiency and expertise.

Sharing Responsibilities:

CW CPA as an accounting firm brings its extensive experience in auditing and other assurance services, ensuring the accuracy and reliability of sustainability information, while CSI with its deep knowledge of sustainability practices, takes the lead in providing guidance and solutions for sustainable reporting processes.

Data Collection and Analysis:

Working hand in hand, we collaborate on the collection and analysis of sustainability data. CSI with their specialized expertise, assists clients in identifying and tracking relevant metrics, ensuring compliance with the sustainability reporting framework. Simultaneously, CW CPA's offices in Shenzhen, Guangzhou and Shanghai support on the ground in Mainland China, such as factory visits in China and employ its auditing proficiency to validate the accuracy and completeness of the data, providing an added layer of assurance to the reporting process.

Through our collaborative partnership, we offer clients practical and feasible solutions to enhance their sustainability practices. By sharing responsibilities, leveraging our respective strengths, and working together seamlessly, we enable companies to navigate the complexities of sustainability reporting with confidence.

Together, CW and CSI contribute to driving positive change and building a more sustainable future.

What is sustainability?

In general terms, sustainability refers to the ability to maintain or support a process continuously over a longer period of time.

In our context, **sustainability** is about integrating **social** and **environmental** considerations into **economic** operations.

The drive toward sustainability or sustainable development is transforming the global economy, creating new risks and opportunities for companies of all sizes affecting procurement criteria, production, and delivery contracts as well investor's perspectives.

Understanding sustainability and business best practices will be essential to manage your company's future.

In order to be economically successful, we need to think beyond purely financial aspects.

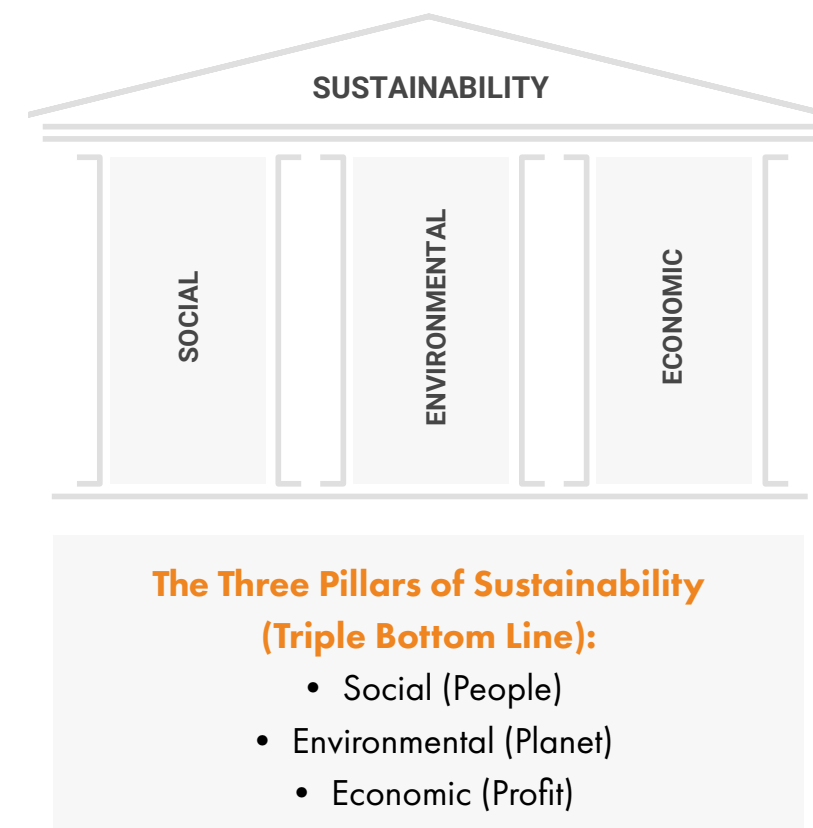
Virtually all human activities have negative impacts on natural ecosystems, so the goal is not to eliminate impacts but reduce them to a minimum.

---- **Steve Cohen, 2023**

What is sustainability reporting?

A key element of demonstrating the commitment of an organization to sustainable development is **sustainability reporting** (or **ESG reporting** – ESG stands for Environmental, Social and Governance).

Sustainability reporting is the reporting on **non-financial aspects** such as resource management, climate-related risks and opportunities, human right policies and other sustainability topics.



Sustainability reporting and SMBs/SMEs

Since the adoption of the Paris Climate Agreement and the Agenda 2030 in 2015 and with countries increasingly adopting new **sustainability laws and regulations** in recent years, there has been an increased push for greater transparency and accountability on sustainability issues.

In many countries **mandatory sustainability reporting** is now in place for more and more organizations and companies.

For now, mandatory reporting targets larger companies, e.g. companies with 250 employees or more, but reporting obligations will cascade through the supply chain and will eventually become part of the whole economy.



Mandatory reporting obligations are growing steadily resulting in de-facto reporting for SMBs/SMEs.

SMBs/SMEs cannot afford to neglect disclosure of their own sustainability data.

Legislation and investors are driving sustainability reporting

In 2022, the UK Financial Conduct Authority (FCA) has made annual **sustainability reporting mandatory** for over 1,300 of the country's largest UK-registered companies and financial institutions.

The European Union (EU) adopted its Corporate Sustainability Reporting Directive (CSRD) in January 2023. The CSRD requires EU and non-EU companies meeting certain thresholds to file annual sustainability reports alongside their financial statements. More than 55,000 companies in the EU (employees > 250) and listed SMEs (employees > 10) will have to start **mandatory sustainability reporting** and file CSRD-compliant reports from 2025 onwards.

In Hong Kong, it is the Hong Kong Stock Exchange (HKEX) that is pushing **mandatory sustainability reporting** aligned with Hong Kong's goals to become the region's leader in green finance. The HKEX request sustainability disclosures from companies listed on the Hong Kong stock market as well as the oversight of ESG matters at board level such as targets for certain environmental KPIs, and reporting of significant climate-related issues, risks, and opportunities.

Smaller companies (SMBs/SMEs) are now directly or indirectly included in the scope of mandatory sustainability reporting either via mandated legislation or simply because their larger customers will request their sustainability data and will ask for clarifications about human right policies.

Benefits of sustainability reporting

Sustainability reporting is an important tool to support the integration of sustainability thinking into your company and unlocking the potential of **successfully navigating the risk and opportunities of sustainability challenges**.

Sustainability reporting provides an insightful management tool to evaluate and review the impact of an organization on economic, environmental, and social areas, and is at the same time a powerful way to communicate its sustainability activities to internal and external stakeholders.

Sustainability reporting will set the foundation for a **new level of positive interaction with stakeholders**, building up trust and reputation and attracting capital and gaining a competitive advantage.

Benefits of Sustainability Reporting

| Internal Benefits | | External Benefits | |
|------------------------------|---|-------------------------------|---|
| Vision & Strategy | Align your business strategy within the context of global sustainability and commit to sustainable best practices | Reputation & Trust | Proactive communication and transparency about sustainability efforts will increase your brand image and reputation and will garner goodwill among your stakeholders. |
| Management Systems | Sustainability management will give you a different view on your company's operations and processes. It will improve the quality of your data and will help you to identify areas for more efficiency and cost savings. | Appealing to investors | By reducing risks through sustainability management and reporting signal good governance to your investors with the potential to open new sources for capital at lower cost. |
| Risk Management | Sustainability reporting is an important management tool to identify risks before these risks become damaging and to seize opportunities when they present themselves. | Stakeholder engagement | Get a better understanding of the business environment you operate in by engaging with stakeholders that are influenced by your company and who influence and identify together the material topics (topics that are important and relevant to your business) |
| Employee Satisfaction | By incorporating sustainability into their workplace practices, create a more engaged, purpose-driven, and loyal workforce and attract the talent you need for your company. | Competitive advantage | Increase customer satisfaction and access to supply chains by creating value for your customers that is superior compared to other businesses. |

Sustainability reporting

- some considerations

Sustainability reporting can be challenging, especially for first time reporters. But with sufficient preparation and a designated sustainability team it is a manageable process.

Here are some considerations for your sustainability reporting:

a. Start at the top

The commitment and approval level of your top management will decide on the efforts your company will make in its transition towards to sustainable business practices and will decide on the resources and budgets.



Sustainable reporting requires the commitment and approval of your top management.

b. Start early

Start your reporting early and do not wait. It will take time to understand regulations and frameworks, decide on your sustainability strategy, implement digital tools, engage with your stakeholders and get the data from your supply chain.



Start now (because late-comers might lose their "license to operate").

c. Start small

Your sustainability reporting does not have to be perfect. Especially as a new-comer start small.

You can gradually expand the scope of your reporting over time.



Start small (and allow for a learning curve).

d. Start building in-house skills

It will take time to understand sustainability principles, reporting frameworks and to make sustainability reporting tools work for you.



Set up the necessary organizational structure, select your team, and provide training.

e. Start engaging with your stakeholders

Engaging **stakeholders** and incorporating (internal and external) perspectives will help you to get a more complete picture of your company's impacts.

Start your engagement with your primary stakeholders: **customers**, **suppliers**, and **employees**.



Prioritize your stakeholders and engage with your primary ones.



f. Start using digital tools

Collecting sustainability data is often a very manual process. Spreadsheets might be good initially but with more and more data spreadsheets might not do the job anymore.

Specialised **sustainability reporting software** will help you:

- To facilitate inter-departmental collaboration
- To automate data collection, follow-up operations, and reporting
- To map, configure, and visualize sustainability data.
- To track and enhance transparency of your sustainability goals.
- To add a layer of professionalism to your sustainability reporting.



Start using sustainability reporting tools to manage data and to measure performance.



Contact CSI for more information the right approach for your company to implement sustainability into your business and your start into sustainability reporting.

Five steps for successful sustainability reporting

With the fundamental concepts of sustainability and sustainability reporting introduced, we suggest your organization to apply the following 5-step sustainability reporting process:



5-Step Sustainability Reporting Process

| | | |
|---------------------------------------|---|---|
| Step 1 Test & Establish | Test your ESG readiness and your sustainable development potential and establish your starting point! | Identify your status quo and establish your starting point. Understand which sustainability areas are already covered or not. |
| Step 2 Determine & Identify | Determine your sustainability strategy, identify your material topics, and explain your governance structure. | Ensure that your sustainability strategy is aligned with your business. Identify the sustainability topics that are significant and relevant for your business. Ensure that your top management is involved (governance) in your sustainability programs and activities. |
| Step 3 Change & Implement | Change management: implement your sustainability management structure in your company. | Set up your organisational structure, assign roles and responsibilities, and implement the necessary IT infrastructure. |
| Step 4 Collect & Report | Collect your data and report your sustainability metrics within a reasonable timeline. | Establish a timeline with achievable milestones. Ensure that the collected sustainability data and metrics are accurate, complete and of good quality. Validate your report by internal controls and/or external assurance. Set a deadline for the publishing of your report. |
| Step 5 Evaluate & Improve | With your published report as foundation, evaluate optimisation potentials, and improve . | Leverage your published report for continuous improvement and optimisation. Develop a roadmap for your reporting in the coming year. |

Step 1 - Test your ESG readiness

Step 1 is about analyzing your current business activities to establish your sustainability starting point. It is about knowing your status quo (where do you stand) and establishing your baseline.

Ask the following questions:

- What does sustainability mean for your company?
- What are your sustainability goals?
- Who are your most relevant stakeholders?
- What matters most to your stakeholders?
- Which sustainability topics are already been dealt with in your company (status quo and gap analysis)?
- What kind of ambition level do you target, e.g. only regulatory compliance, implementing sustainability into your company, sustainability as competitive advantage?

The answers to the questions of Step 1 should deliver the following result:

- Understanding of the internal and external starting situation and relevant requirements for your company
- Identifying the most important stakeholder groups and a clear understanding of drivers and expectations
- Knowing your status quo and establishing your baseline

Reflect on your company's current position: In order to make sustainability commitments and improve on them you need to know where you are now.

Step 2 - Determine your sustainability strategy

Step 2 is about developing your sustainability strategy, taking into account the regulatory requirements and stakeholder expectations, exploring your value chain and evaluating risks and opportunities.

Ask the following questions:

- **Materiality assessment** - which sustainability (ESG) topics are the most important (material) for your company, the environment, and your stakeholders?
- What kind of sustainability engagement needs to be started based on the identified material topics?
- What is the ambition level per topic and engagement (important, moderately important, or less important)?
- Which goals, measures and performance indicators need to be applied?
- Which ESG data need to be collected and what KPIs need to be established?

The answers to the questions of Step 2 should deliver the following result:

- Conduct your materiality assessment to determine your most important and most relevant sustainability (material) topics.
- Define your level of engagement (ambition level) for the identified material topics.
- Validate your sustainability strategy incl. clear goals, KPIs and areas of engagement.
- Draft a catalogue/inventory of key ESG metrics.

The starting point for developing your sustainability strategy is your materiality assessment combining internal and external views of which sustainability topics matter most for your business.

Step 3 - Change management:

Make sustainable development part of your business!

Step 3 is about change management. Start integrating sustainability management into your company. Set up the organizational changes and implement essential processes and reporting structures. Monitor your changes on a regular basis to measure success and to adjust where necessary.

Ask the following questions:

- What organizational changes are necessary to enable your company to collect sustainability data and monitor your sustainability performance?
- Who are the persons and/or departments in charge (sustainability team)?
- Are the essential elements for sustainability data collection defined and implemented?
- Are the organizational changes documented and communicated internally and externally?
- Is the necessary IT infrastructure set up?

The answers to the questions of Step 3 should deliver the following result:

- Setting up and implementing the organizational changes, processes, and responsibilities
- Implementing the designated sustainability reporting software providing training for your sustainability team.
- Drafting of a sustainability handbook/guide for your sustainability team and company
- Setting up the needed monitoring and controlling processes including internal controls and external assurance (optional).

Manage the changes to make sustainable practices long-term projects for your business.

Step 4 - Collect your data and publish your report

After the preparatory work is done (Step 1-3), Step 4 is now about collecting sustainability data and reporting. A reasonable timeline with milestones (what should be completed when) should be established resulting in a deadline when your sustainability report should be published.

Ask the following questions:

- What kind of data needs to be contributed by which department when?
- Is the data complete, counterchecked and validated?
- Who has done the validation? Internal control and/or external assurance?
- Has the report been signed off and approved by your company's top management/board?
- What sustainability (ESG) reporting framework is being used for your report?
- Does this framework comply with regulatory requirements at your location?
- What is your publishing date?
- Where will you publish your report (online, printed, handout)?

The answers to the questions of Step 4 should deliver the following result:

- Setting a reasonable deadline and internal milestones for reporting
- Making sure that the wording used in the upcoming sustainability report is consistent and can be easily understood by external parties.
- Issuing of a meaningful sustainability report with verified qualitative and quantitative data.
- Publishing the report in accordance with the chosen (or mandated) reporting framework to your target audience.

Build trust based on reliable sustainability metrics and a solid control environment!

Step 5 - Evaluate, optimise and improve

Your published report is the foundation for a continuous improvement process and optimisation of subsequent reports. Take the experiences you made from your reporting further and improve on your future report.

Ask the following questions:

- What optimization potential should be considered for the next report?
- What elements/documents/data need to be already prepared for the next reporting period and when?
- Is there a roadmap for next year's report?

The answers to the questions of Step 5 should deliver the following result:

- Ensuring that the data and results from your report will result in actionable insights and support decision making about the sustainable transition of your company.
- Evaluating your reporting process to find improvement opportunities for data management, processes, collaboration and setting realistic future sustainability goals.
- Communicating concrete measures on how to improve for the next report and implementing the necessary qualifications to support the wanted improvement.
- Gradually improving your sustainability performance and your sustainability reporting

Utilise the experience from your reporting to ensure continuous improvement.

Sustainability reporting

- get started and go further

Your sustainability report will provide your company with the opportunity to present your sustainability achievements and your sustainability goals to the public, government authorities, investors, and others. It will become a management tool for risk analysis and will at the same time unlock the internal and external benefits that were mentioned before.

You do not need to be perfect in the beginning. Your sustainability reporting will get better over time.

The most important step is to get started!

Sustainability reporting is the opportunity to gain a holistic view on your business and to prepare your business for the future.



What are sustainability reporting frameworks?

Sustainability reports are often drafted using **sustainability reporting frameworks**.

Sustainability reporting frameworks are **principle-based guidelines** that will help you to identify and report on the material topics that are relevant to your business activities. Using reporting frameworks will ensure that the sustainability disclosures are consistent, transparent, and comparable.

A **few key reporting frameworks** have emerged as being more widely used depending on their target audience, regional focus, and purpose bringing in their own perspective for reporting and level of complexity (see our glossary for more information).



Find out whether your company is subject to specific reporting obligations and how to comply with these obligations.

Regardless of the focus, similarity, or complexity of these reporting framework, the frameworks all share the following:

- Description of the organization's business model and (sustainability) strategy, and governance
- Stating of the material topics (topics of importance and relevance) and how your organization identifies, monitors, prevents, mitigates, and remediate actual or potential sustainability related impacts.
- Description of the organization's policies in relation to sustainability topics.
- How does the organization identify and manages sustainability related risks?
- What key performance indicators and ESG metrics are being used to describe the sustainability impact of the organization?

What is the right sustainability reporting framework for you?

You have chosen to integrate sustainability as a fundamental aspect of your business practices, and you have opted to publish a sustainability report as a demonstration of your commitment to sustainability as a core value.

Factors such as the size of your business, your sustainability ambition, the stakeholder feedback, the regulatory environment, and your own in-house resources will eventually decide which sustainability reporting framework to utilize.

In case there is no specific requirement on a reporting framework, we recommend start with a reporting framework that is reduced in complexity as this will allow to simplify your initial reporting process.

Here, we would like to use introduce the **Sustainability Code (SC)**¹ reporting framework suitable for companies of all sizes but particularly geared towards SMEs/SMBs embarking on their sustainability reporting journey.

¹ The SC originates in Europe, Germany, and it is used by company of all sizes stand-alone or in combination with other reporting frameworks.

The SC outlines minimum requirements for reporting across four key sustainability areas with in total 20 sustainability criteria:

The Sustainability Code

| Sustainability Concept | | | | Sustainability Aspects | | | |
|------------------------|-------------------------------|--------------------------------|-----------------------------------|-------------------------|----------------------------|---------------------|--|
| Key Area 1: Strategy | | Key Area 2: Process Management | | Key Area 3: Environment | | Key Area 4: Society | |
| 01 | Strategic Analysis and Action | 05 | Responsibility | 11 | Usage of Natural Resources | 14 | Employment Rights |
| 02 | Materiality | 06 | Rules and Processes | 12 | Resource Management | 15 | Equal Opportunities |
| 03 | Objectives | 07 | Control | 13 | Climate-Relevant Emissions | 16 | Qualifications |
| 04 | Depth of Value Chain | 08 | Incentive Schemes | | | 17 | Human Rights |
| | | 09 | Stakeholder Engagement | | | 18 | Corporate Citizenship |
| | | 10 | Innovation and Product Management | | | 19 | Political Influence |
| | | | | | | 20 | Conduct that Complies with Laws and Policies |

The SC is a genuinely universal stand-alone reporting framework and at the same time the SC can serve as the base for reporting with any other sustainability frameworks. It is therefore ideal for SMEs, because it is:

- An excellent starting point for initiating sustainability reporting.
- Streamlined, simplified, user-friendly, and easy to work with.
- Assists in meeting sustainability reporting obligations.
- Universally applicable as a foundation for reporting under various sustainability standards.
- Showcases your company's sustainability accomplishments to internal and external stakeholders.
- Facilitates your company's shift toward more sustainable business practices.

Do you like to know more about this framework and how it can benefit and be used in your company?

Contact us and schedule a training seminar with us.



Key sustainability reporting frameworks & standards

| | |
|---|--|
| The Global Reporting Initiative (GRI) | The GRI reporting framework is today the most popular sustainability (ESG) reporting framework, being used in over 90 countries by corporations, small and medium-sized enterprises (SMEs/SMBs) and more. GRI helps companies compile, analyse and report ESG data, so investors better understand their sustainability practices. |
| Carbon Disclosure Project (CDP) | Founded in 2000, its environmental disclosure system is used by companies to report on their business risks and opportunities related to climate change, water security and deforestation through separate questionnaires on those topics. |
| Greenhouse Gas (GHG) Protocol | GHG Protocol provides standards, guidance, tools and training for business and government to measure and manage climate-warming emissions. |
| The Climate Disclosure Standards Board (CDSB) | This standard was developed by the Climate Disclosure Standards Board (CDSB) to support the inclusion of ESG reporting in mainstream corporate reports, such as annual reports. The first version of the framework, from 2010 focused on climate change issues and updates followed in 2015 for more environmental issues and 2022 for more ESG related information. |
| The Sustainability Accounting Standards Board (SASB) | SASB's standards identify which ESG standards are relevant to 77 industries. SASB defines "sustainability" as corporate activities that amplify or sustain a company's capacity to create shareholder value in the long term. SASB has merged with the International Sustainability Standards Board (ISSB) – see ISSB |

| | |
|--|--|
| International Sustainability Standards Board (ISSB) | The International Sustainability Standards Board (ISSB) was set up in 2021 by the International Financial Reporting Standards (IFRS) Foundation. The goal is to create a unified set of disclosure standards that can be used globally to report on ESG data to investors. |
| The Task Force on Climate-related Financial Disclosures (TCFD) | The Task Force on Climate-related Financial Disclosures (TCFD) provides a global framework for organizations to disclose climate-related (financial) risks and opportunities. Several countries have mandated reporting that is aligned with the TCFD recommendations, and the US Security and Exchange Commission (SEC) proposed rule on climate-related risk disclosures by U.S. companies also aligns with them. |
| The Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standard (ESRS) | This reporting directive and its reporting standards form part of the broader European Green Deal to make the European Union (EU) climate neutral by 2050. Applicable only for companies with its headquarters in the EU or subsidiaries of non-EU companies above a certain threshold. This directive significantly increases the number of in-scope firms from around 11,700 to almost 50,000 who are now mandated to report on sustainability using the ESRS. The ESRS standard is still under consideration and will come into effect in the EU most likely with 2026. |
| United Nations Global Compact (UNGC) | Formed in 2000, the UNGC describes itself as the "world's largest corporate sustainability initiative," with an emphasis on aligning business strategies and operations with a set of 10 sustainability principles on human rights, labour practices, the environment and anti-corruption measures. It provides guidance and tools for reporting on your progress and impact on these areas. |
| The Sustainability Code (SC) | Originated in Germany the SC offers an easy-to-understand introduction to sustainability reporting. It lays out the minimum requirements for companies and organisations in terms of what aspects of sustainability are to be reported on. The SC can be used by organizations of any size but because of being reduced in its complexity it is an ideal standard to be applied by SMEs. It is a great start to fulfil reporting obligations. |

Glossary

What is Materiality?

Materiality or the materiality concept describes the level of importance or significance that an organization allocates to specific factors or impacts across the value chain on the environment, society and economy including human rights. E.g., water usage and effluents would be a material topic for a company operating in the agriculture sector to assess risk and opportunities for this topic.

What is Double Materiality (Inside-Out and Outside-In)?

Double materiality considers broader sustainability and ethical issues. The concept of double materiality in sustainability reporting considers both the impacts of organizations on society and the environment (impact materiality or inside-out), as well as the impact of these external factors on the organizations financial value (financial materiality or outside-in). E.g., the way water is being used would be an inside-out topic (impact on the outside world) and water scarcity would be an external factor impacting the company (outside-in).

What is Materiality Assessment?

The materiality assessment is about identifying material topics that affect the company should be best done as a collaborative undertaking including the view and perspective of the company's most important stakeholders.

What is a Materiality Matrix?

The purpose of a materiality matrix is to state sustainability issues in terms of importance to the company and to stakeholders. The matrix helps to rank and prioritize a company's sustainability issues. These issues are ranked in order of priority and by material topic (social, societal, environmental, governance, financial, business, etc.).

What is Sustainability?

Sustainability is about maintaining and supporting a process continuously over a longer period of time. In a business context, sustainability means to integrate social and environmental considerations into economical behaviour that is business strategy and operations. It is about People, Planet, and Profit. Acting sustainable means

to reduce negative environmental and social impacts that result from the operation of a business in a particular market.

What is Sustainability and ESG?

The acronym ESG (Environmental, Social, and Governance) is now being widely used in the sustainability discussion. Both terms, sustainability and ESG, are often used interchangeably but there is a slight difference. Sustainability is a broader term that looks the interaction of a company with the outside world on a range of topics. ESG stands for metrics and numbers. ESG data are the tools to measure, analyse and compare a company's sustainability performance.

What is Sustainability Reporting?

Sustainability reporting is the disclosure of a company's environmental, social, and governance (ESG) data and goals. The sustainability report is an important tool to communicate the company's progress and efforts to reach those goals with the stakeholders of a company. Publishing a meaningful sustainability report demonstrates the commitment to creating positive social and environmental impacts. Along with

ESG initiatives, sustainability reporting can also include financial elements.

What are Sustainability Reporting Frameworks?

Sustainability reporting frameworks, also called ESG reporting frameworks, are high-level guidelines that provide organizations with a structure to identify, assess, and report on sustainability issues relevant to their operations. Reporting in accordance a chosen framework aims to give internal and external stakeholders a comprehensive overview of the state of ESG initiatives, while creating transparency, accountability and comparability for companies

What are Stakeholders?

Stakeholders are individuals, groups of individuals or organisations that affect and/or could be affected by an organisation's activities, products, or services and/or associated performance regarding the issues to be addressed by the engagement. Stakeholders can include your customers, employees, investors, suppliers, regulators, communities, NGOs, media, and others.

CSI - our team



Karl Borgschulze

Founder and
Managing Director of CSI

For over three decades Karl works with international brands and retailers, importers and suppliers along the global chain dedicated to sustainability and ethical work practices. He served on the scientific advisory board of the German Textile Research Institute (DTNW) and as a member of the German Chamber of Commerce in Hong Kong and the Bangladesh German Chamber of Commerce and Industry he promotes international collaboration and research.

Karl is a highly sought trainer and consultant in sustainability. He advises global brands on industry ethics and how to manage labour disputes and implement grievance resolutions.

His work advances social and labour standards along the complete value chain in the textile and garment sector in Asia reflecting his commitment to more responsible industry practices.

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Juergen Norbert Schuessler

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Sustainability Consultant

Juergen is a foreign trade expert with more than 20 years of experience of working in senior positions in the electronics industry for German companies in Hong Kong and China.

Over the last few years Juergen has shifted his professional focus towards sustainability management and the development of processes for more sustainable supply chains.

Juergen has a degree in China Studies from a German university well as degrees in Foreign Trade Management and Sustainability Management. He has the appropriate Chinese language skills and intercultural competency to successfully negotiate on behalf of Western and Asian partners.

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Gregor Aschoff

MBA & MSc

Senior Sustainability Consultant
Risk Management

Gregor's expertise is ESG risk management, sustainable digitalization (digital tools to collect, monitor and evaluate sustainability metrics), and legal compliance in a globalized context including sustainability reporting.

As a managing director for German companies and a member of the board of a listed company in Australia, Gregor has a strong connection and extensive knowledge in the area of corporate governance.

Gregor has an MBA degree (International Management) and is an engineer (Master of Science) as well as an additional qualification from the "Australian Institute of Company Directors".

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CW - our team



Rosanna Choi

MBA, MSc(ISM)

Co-founding partner of CW CPA
Certified Public Accountants

Rosanna is a seasoned professional accountant with over 30 years of experience. She serves on the ACCA Council of the Association of Chartered Certified Accountants (“ACCA”) and was the Chairperson of ACCA’s Global Forum for SMEs from 2013 to 2022. ACCA has been a strong advocate of ESG.

Rosanna was the Honorary Treasurer of the Council and Court of Hong Kong Baptist University from 2018 to 2023. She was a director of Hong Kong Cyberport Management Company Limited from 2012 to 2018 and the Chairperson of its Audit Committee from 2014 to 2018. In addition, she is a board member of Social Ventures Hong Kong.

Rosanna holds a Master’s degree in Business Administration from the University of Sydney, Australia, and a Master’s degree in Information System Management from the Hong Kong University of Science and Technology.

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Sisi He

German Desk Officer
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Sisi works for CW CPA and has been committed to supporting overseas companies seeking to establish or expand their business in China. By staying abreast of the latest developments of business-related policies in Germany, the EU and China, She specializes in, identifying the client’s in-depth needs, and building connections between clients and experts in sustainability, corporate governance, and accounting to provide high-quality services.

Actively engaged in German business communities across southern China, she promotes the adoption of sustainable practices among companies, as ESG is no longer just a concept but an essential consideration in business long-term success.

Sisi majored in German studies in a university of foreign languages in China and she has cross-cultural communication skills which help connect German Headquarters with local subsidiaries or local professionals in China, facilitating seamless collaboration and understanding.

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