



Ministerie van Economische Zaken  
en Klimaat

## Criteria Transparency Benchmark 2019



Ministerie van Economische Zaken  
en Klimaat



## Table of contents

### Content-oriented standards

#### 1 Organisation and chain

<i>1A</i>	<i>Business model and chain</i>	page 4
<i>1B</i>	<i>Environment</i>	page 4
<i>1C</i>	<i>Opportunities and risks</i>	page 5

#### 2 Strategy, management and governance

<i>2A</i>	<i>Strategy and vision</i>	page 6
<i>2B</i>	<i>Value creation</i>	page 6
<i>2C</i>	<i>Materiality</i>	page 6
<i>2D</i>	<i>Chain management</i>	page 7
<i>2E</i>	<i>Governance and remuneration</i>	page 8

#### 3 Targets & results

<i>3A</i>	<i>Policy and objectives</i>	page 9
<i>3B</i>	<i>Results</i>	page 9
<i>3C</i>	<i>Sector-specific criteria</i>	page 13

### Quality-oriented standards

#### 4 Communication

<i>4A</i>	<i>Reporting principles</i>	page 10
<i>4B</i>	<i>Clarity</i>	page 10
<i>4C</i>	<i>Coherence</i>	page 10

#### 5 Accuracy

<i>5A</i>	<i>Reliability</i>	page 11
-----------	--------------------	---------

#### 6 Responsiveness

<i>6A</i>	<i>Stakeholder engagement</i>	page 12
<i>6B</i>	<i>Evolving insights</i>	page 12
<i>6C</i>	<i>Comparability</i>	page 12



## Content-oriented standards (65 points)

**X** = Module criteria / sector-specific criteria

### 1 Organisation and chain (10 points)

#### 1A Business model and chain (2 points)

- 1 The organisation provides a clear and coherent picture of the organisation's business model (including any subsidiaries and/or participating interests).
- 0 = No description.
- 1 = The organisation provides, as an independently recognisable part of the reporting, a specific explanation of the business model by describing the following aspects (name at least 3 of the 4 components):
- core processes and activities
  - the countries in which the organisation operates
  - number of employees, including the distribution between permanent employment and hiring contracts
  - the products and/or services provided by the organisation and, where applicable, the trademarks carried by the organisation
- 1 = The organisation provides, as an independently recognisable part of the reporting, a specific explanation of the commercial or value chain in which the organisation operates by describing the following aspects (name at least 4 of the 5 components):
- position in the commercial or value chain
  - main categories of suppliers and purchase markets
  - main sales markets and categories of customers
  - key partners
  - key countries where chain partners operate

#### 1B Environment (2 points)

- 2 The report explains the external environment in which the organisation operates and explains the main social aspects of this environment.
- 0 = No description.
- 1 = At least four of the following topics that affect the environment in which the organisation operates are explained:
- Legislative and regulatory developments, including fiscal aspects
  - Political developments
  - Socio-demographic developments
  - Technological developments
  - Developments in the natural environment
  - Economic and commercial factors
- 1 = The reporting shows, through a concrete vision and action plans, how the organisation prepares for the future in the light of key developments at macro level (mega trends).



**1C Opportunities and risks (6 points)**

- 3 The reporting explains the opportunities and risks arising from the external environment or developments therein.
- 0 = No explanation.
  - 1 = Insight is given into company and/or sector-specific opportunities and risks with regard to natural and social capital and/or the climate.
  - 1 = The most important risks in the organisation's chain are identified.
  - 1 = The description provides insight into the external risks that are caused by the relevant organisation and that may have an impact on third parties.
  - 1 = The reporting provides an overview of the most important risks.
- 4 The reporting explains how the organisation manages its risks.
- 0 = No explanation.
  - 1 = The reporting contains an explicit explanation of the way in which the organisation manages the risks mentioned.
  - 1 = The reporting provides insight into the risk assessment based on the likelihood of the risk arising and the magnitude of the impact (the relative differences between the risks must be comprehensible).



## **2 Strategy, management and governance (27 points)**

### **2A Strategy and vision (4 points)**

- 5 The organisation provides a clear explanation of the organisation's strategy and vision (purpose).
- 0 = No description.
  - 1 = A specific explanation of the business strategy is provided by making clear what the underlying themes and/or priorities are.
  - 1 = There is a clear relationship between the business strategy and corporate social responsibility issues.
  - 1 = The business strategy is explicitly linked to specifically identified objectives from the Sustainable Development Goals (SDGs).
  - 1 = The organisation describes the specific codes of conduct and national or international conventions and guidelines it considers itself bound by, such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

### **2B Value creation (5 points)**

- 6 The organisation provides a clear picture of the process of value creation.
- 0 = No explanation.
  - 1 = The organisation provides a clear explanation of its process of value creation by providing insight into the inputs, activities, outputs and impacts of the organisation and their interrelationship.
  - 1 = The explanation of the value creation process includes a clear description of the impact of the value creation process of at least four capitals (inputs) in the short and long term.
  - 1 = The explanation of the process of value creation provides insight into both the positive and negative impacts on natural and social capital.
  - 1 = The explanation of the value creation process provides insight into continuous improvement (reduction of negative impact and/or increase of positive impact).
  - 1 = The reporting contains a business-specific graphical representation of the model of value creation that clarifies the understanding of the impact on society and the coherence between different aspects.

### **2C Materiality (6 points)**

- 7 The organisation provides an explanation of the subjects that are of material importance.
- 0 = No explanation.
  - 1 = The organisation provides a clear overview of the topics (social and otherwise) that are of material importance to the organisation and its stakeholders.
  - 1 = The reporting contains a graphic representation in which the relative importance of the material subjects is made clear, for example in the form of a materiality matrix.



- 8 The organisation explains the process used to determine which subjects are material.
- 0 = No explanation.
  - 1 = The reporting explains the process used to determine the most material subjects.
  - 1 =** The sector-specific themes are part of the selected material themes.
  - 1 = The explanation of the process includes a specific explanation indicating how the expectations and interests of external stakeholders have been taken into account in the process in which the material subjects have been identified.
  - 1 = The reporting shows that the board has been involved in the identification of the material subjects and their management and control.

**2D Chain management (7 points)**

- 9 An explanation is given of the process of management and control in the chain with regard to the social aspects of doing business. Based on the OECD Guidelines for Multinational Enterprises, this provides insight into how the organisation has anchored chain responsibility within the organisation, how any issues are identified, what restrictive actions have been taken, how this is monitored, how the organisation informs chain partners and what remedial actions have been taken by the organisation.
- 0 = No explanation.
  - 1 = The organisation has indicated that it endorses and applies the OECD Guidelines and/or the UN Guiding Principles on Business and Human Rights.
  - 1 = The organisation has indicated how chain responsibility is embedded in policy and management systems.
  - 1 = The organisation has made clear how it examines the extent to which there are any abuses (if any) relating to man or the environment (or otherwise), related to its own business activities or those of chain partners.
  - 1 = The organisation has indicated what measures have been taken to prevent, end or mitigate these abuses (if any).
  - 1 = The organisation has indicated how it monitors the implementation and results of these measures.
  - 1 = The organisation has indicated how it informs the relevant affected stakeholders in the chain about the measures taken and their results.
  - 1 = The organisation has made clear how it cooperates and contributes to remediation procedures where there are abuses due to its own business activities or those of chain partners.
  - 1 = The organisation has indicated which of the above items do not appear in the reporting.



**2E Governance and Remuneration (5 points)**

- 10 An explanation of the management and the supervisory body are provided, covering the tasks and responsibilities within the organisation with regard to the material social aspects of doing business.
- o = No explanation is given of the composition of the management and supervisory body.
- 1 = An explanation of the composition of the management and the supervisory body of the organisation is provided. The names of the members of the board or the executive board and the supervisory body that have been active during the year is disclosed with an explanation of at least four of the following points:
- age
  - gender
  - background or specific knowledge and competences
  - roles and responsibilities within the organisation
  - term of appointment
  - other positions
- 1 = The reporting shows that the impact on natural and social capital is included in the decision-making of the management or board of the organisation.
- 1 = The reporting of the supervisory organ shows that the material corporate social aspects have been discussed during the meetings of the supervisory organ (substantive views of the supervisory organ are made clear).
- 11 A description of the organisation's policy with regard to directors' remuneration is provided.
- o = No explanation is given regarding the remuneration of directors.
- 1 =** The reporting clearly identifies the specific targets and associated quantitative targets that determine the allocation of performance bonuses.
- 1 =** The explanation of the structure of the variable remuneration shows how the long-term value perspective / future resilience with regard to the social aspects of the organisation is taken into account.



### **3 Targets and results (28 points)**

#### **3A Policy and objectives (11 points)**

- 12 The reporting explains the organisation's policies and objectives with regard to material issues.
- 3 = A specific explanation of the policy, 'SMART' objectives and the commitment of the organisation for each material topic is provided.
  - 2 = The organisation links its own objectives to the Sustainable Development Goals.
  - 2 = The organisation uses science-based target setting to determine its own proportionate contribution to achieving the SDGs, COP21 or other global objectives.
  - 2 = For each material theme, a specific explanation is given of the activities that the organisation has undertaken in the reporting year to achieve the objectives set/to follow the policy set.
  - 2 = The reporting shows how policies and activities are evaluated for effectiveness and, if necessary, modified and adapted.

#### **3B Results (12 points)**

- 13 The reporting provides insight into the results and performance of the organisation with regard to the material topics.
- 2 = A qualitative explanation of the developments, performance and results in relation to all material subjects is provided.
  - 3 = A quantitative explanation of all topics that are material to the organisation is provided.
  - 1 = The results achieved on all material topics are explained in relation to previously set objectives.
  - 2 = A qualitative explanation is given of both the positive and negative impact on society (external impact) of the material themes.
  - 4 = A quantitative explanation is given of both the positive and negative impact on society (external impact) of the material themes.

#### **3C Sector-specific criteria (5 points)**

See starting from page 13 for this



## Quality-oriented standards (35 points)

### 4 Communication (12 points)

#### 4A Reporting principles (4 points)

- 14 The organisation explains the reporting policy underlying the social reporting and the reporting process.
- 1 = The organisation provides an explanation of the delimitation of the reporting:
- It is clearly explained which entities of the organisation the social information is about.
  - For each material theme, the delimitation has been explained if it differs from the group of entities as indicated above.
  - It is clearly explained whether the reporting also covers activities outside the organisation
- 1 = The organisation provides a description of the social reporting policy in relation to acquisitions and divestments.
- 1 = Social reporting policy is explained using:
- accounting standards or guidelines followed
  - definitions used
  - measuring, estimating and calculating methods used for all indicators related to material subjects
  - the data collection process
- 1 = The organisation describes in its reporting what internal processes it has set up to ensure the quality of social information including internal verification processes.

#### 4B Clarity (3 points)

- 15 The reporting is designed to be easy to read and understand.
- 1 = The reporting contains an overview or comparable index of the definitions used for material subjects.
- 1 = A reference list of page or chapter references per material subject is included.
- 1 = The reporting contains a concise overview with key figures of the most important results related to the most material aspects.

#### 4C Coherence (5 points)

- 16 There is good coherence of information in the reporting.
- 2 = The strategic priorities and/or the model of value creation form the guiding principle in the structure of the reporting.
- 2 = The description of the value creation process is explicitly linked to other parts of the reporting (at least 5 components):
- Description of the vision (purpose)
  - Business strategy
  - Business model
  - Environmental analysis
  - Risks and opportunities
  - Material topics
  - Objectives
  - Results of indicators with a quantitative target value (KPIs)
- 1 = The organisation makes the interrelationships explicit based on a concise overview/table for at least 5 of the above parts.



## 5 Accuracy (12 points)

- 17 The reporting includes a signed statement from an independent party which has verified the content of the social information and which provides assurance as to the reliability of the social information.
- 0 = No statement is included.
- 3 = A statement is included that provides a limited level of assurance.
- 5 = A statement is included that provides a reasonable level of assurance about part of the information presented (and possibly a limited level of assurance about another part of the information) in the social reporting.
- 9 = A statement is included that provides a reasonable level of assurance on all material elements of social reporting.
- 1 = The statement of the independent party provides insight into the following points:
- subject of the independent verification
  - the scope of the verification process
  - objective of the independent verification
  - the assessment criteria used
  - the standards used for verification
  - the nature of the work performed
  - the main findings
- 1 = The statement shows that the independent party used a generally accepted standard in its verification.
- 1 = The statement shows that the person who signed the statement is bound by rules of conduct and professional practice relating to independence and quality guaranteed by a supervisory organisation.
- 3 = The statement shows that the scope of the verification process is limited and does not include all material elements of social reporting.



## 6 Responsiveness (11 points)

### 6A Stakeholder involvement (5 points)

- 18 The organisation demonstrates how it engages stakeholders in the organisation's policies and activities and how it takes into account their legitimate interests and expectations.
- 1 = The reporting describes how current or potential stakeholders have been identified and which considerations have led to the selection of the main stakeholders or stakeholder groups.
  - 1 = The reporting shows that the dialogue with stakeholders has been conducted in relation to the long-term strategy/purpose of the organisation and the established objectives.
  - 1 = The reporting shows that the dialogue with stakeholders has been conducted in relation to the Sustainable Development Goals and how the organisation can contribute to these objectives.
  - 1 = The reporting shows that internal and external stakeholders are given the opportunity to express abuses in the chains.
  - 1 = The reporting shows that the highest administrative body has participated in a dialogue with (at least three different types of) stakeholders related to long-term value creation.

### 6B Evolving insights (4 points)

- 19 The organisation clearly shows which aspects have gone well over the past year and what needs to be improved over the next few years.
- 1 = A general description is given of the aspects that have gone well in the past year and which need to be improved.
  - 2 = The organisation dares to be vulnerable by providing insight into the main dilemmas facing the organisation. It is clearly indicated which final choice was made in the context of the dilemma in question.
  - 1 = The organisation explains the improvement plan with regard to the aspects that need to be improved.

### 6C Comparability (2 points)

- 20 The organisation provides insight into its results from previous years, thereby increasing the comparability of results.
- 0 = The results of the organisation cannot be compared to previous years.
  - 1 = The organisation has included results from previous years in the reporting.
  - 1 = The organisation has linked its results to the SDGs, making it easier for stakeholders to identify which SDG objectives are being contributed to and to increase the comparability of results.



## Banks and insurers

<b>pts. Sector criteria</b>	
+1	Insight is given into the activities that have been undertaken and the results that have been achieved with regard to countering corruption.
+3	Insight is given into the impact of investment exclusions in organisations (core business = impact investment) that contribute to (1 point can be achieved per part with a maximum of 3 points): <ul style="list-style-type: none"><li>- the depletion of raw materials;</li><li>- the use of child labour;</li><li>- the violation of collective rights;</li><li>- land grabbing.</li></ul>
+1	Insight is provided into how customers (consumers and organisations) are actively or proactively advised by the organisation to make sustainable choices in their business operations.

## Construction and maritime

<b>pts. Sector criteria</b>	
+1	Insight is given on how to contribute to the energy transition in new construction and renovation (structural transition to sustainable, non-fossil energy, circular economy, etc.)
+3	Insight is given into the impact of actions aimed at (1 point can be achieved per part with a maximum of 3 points): <ul style="list-style-type: none"><li>- preventing forced labour;</li><li>- preventing land grabbing;</li><li>- preventing the depletion of raw materials;</li><li>- promoting a clean, safe and healthy living environment.</li></ul>
+1	Insight is given into the number of accidents at the organisation and its contractors and subcontractors during work.

## Consumer products

<b>pts. Sector criteria</b>	
+1	Insight is given into how the organisation informs its consumers about responsible consumption and use of products.
+3	Insight is given into the impact of actions aimed at (1 point can be achieved per part with a maximum of 3 points): <ul style="list-style-type: none"><li>- preventing greenhouse gas emissions;</li><li>- preventing water scarcity/pollution;</li><li>- preventing/improving working conditions in the chain;</li><li>- preventing the depletion of raw materials.</li></ul>
+1	Insight is given into the countries where the organisation sources its products/raw materials and the risks identified in the countries concerned.



## Services

pts.	Sector criteria
+2	Insight is given into the activities that have been undertaken and the results that have been achieved with regard to countering corruption.
+1	Insight is given into how the organisation increases/improves its transparency towards stakeholders (for example: regarding dilemmas in the chain).
+2	Insight is provided into how customers (consumers and organisations) are actively or proactively advised by the organisation to make sustainable choices in their business operations.

## Energy, oil and gas

pts.	Sector criteria
+1	Insight is given into how the Dutch Climate Agreement and/or the Paris Climate Agreement are contributed to.
+3	Insight is given into the impact of actions aimed at (1 point can be achieved per part with a maximum of 3 points): <ul style="list-style-type: none"><li>- reducing greenhouse gas emissions;</li><li>- preventing land grabbing;</li><li>- preventing the depletion of natural resources;</li><li>- limiting radioactive waste.</li></ul>
+1	Insight is given into the steps that have been taken to reduce energy consumption in the Netherlands.

## Trading company

pts.	Sector criteria
+3	Insight is given into the impact of actions aimed at (1 point can be achieved per part with a maximum of 3 points): <ul style="list-style-type: none"><li>- Insight is given into actions designed to reduce CO<sub>2</sub> emissions from the logistics process.</li><li>- reducing environmental pollution caused by waste and packaging;</li><li>- preventing/improving working conditions in the chain;</li><li>- preventing the depletion of natural resources.</li></ul>
+1	Insight is given into sector initiatives that the organisation endorses regarding sustainability and responsible trade.
+1	Insight is given into how the organisation guarantees the safety of its own employees, suppliers and customers.



## Industrial goods

<b>pts. Sector criteria</b>	
+1	Insight is given into sector initiatives that the organisation endorses regarding sustainability and responsible trade.
+3	Insight is given into the impact of actions aimed at (1 point can be achieved per part with a maximum of 3 points): <ul style="list-style-type: none"><li>- preventing greenhouse gas emissions;</li><li>- preventing air and/or soil pollution;</li><li>- preventing/improving working conditions in the chain;</li><li>- preventing the depletion of raw materials.</li></ul>
+1	Insight is given into the countries where the organisation sources its products/raw materials and the risks identified in the countries concerned.

## Media

<b>pts. Sector criteria</b>	
+2	Insight is given into how the organisation protects the privacy and data of its employees and customers.
+3	Insight is given into the impact of actions aimed at (1 point can be achieved per part with a maximum of 3 points): <ul style="list-style-type: none"><li>- preventing greenhouse gas emissions;</li><li>- preventing water and/or soil pollution;</li><li>- preventing/improving working conditions in the chain;</li><li>- preventing the depletion of raw materials.</li></ul>

## Pharmaceuticals

<b>pts. Sector criteria</b>	
+1	Insight is given into the organization's policies regarding making medicines available to society as a whole.
+3	Insight is given into the impact of actions aimed at (1 point can be achieved per part with a maximum of 3 points): <ul style="list-style-type: none"><li>- preventing greenhouse gas emissions;</li><li>- limiting chemical/medical waste;</li><li>- preventing soil and water pollution;</li><li>- preventing negative impacts on human health of chemicals and chemical products.</li></ul>
+1	Insight is given into the guidelines used for animal testing.



## Retail

pts. Sector criteria	
+1	Insight is given into how the organisation informs its consumers about responsible consumption and use of products.
+3	Insight is given into the impact of actions aimed at (1 point can be achieved per part with a maximum of 3 points): <ul style="list-style-type: none"><li>- preventing greenhouse gas emissions;</li><li>- reducing waste (as a result of packaging);</li><li>- preventing/improving working conditions in the chain;</li><li>- preventing the depletion of raw materials.</li></ul>
+1	Insight is given into the countries where the organisation sources its products/raw materials and the risks identified in the countries concerned.

## Technology

pts. Sector criteria	
+1	Insight is given into how the organisation protects the privacy and data of its employees and customers.
+3	Insight is given into the impact of actions aimed at (1 point can be achieved per part with a maximum of 3 points): <ul style="list-style-type: none"><li>- preventing greenhouse gas emissions;</li><li>- reducing environmental pollution caused by waste and packaging;</li><li>- preventing/improving working conditions in the chain;</li><li>- preventing the depletion of natural resources.</li></ul>
+1	Insight is given into the countries where the organisation sources its products/raw materials and the risks identified in the countries concerned.

## Transport

pts. Sector criteria	
+1	Insight is given into how the organisation guarantees the safety of its own employees, suppliers and other external stakeholders.
+1	Insight is given into how the organisation protects its data against internal and external cyber attacks.
+1	Insight is given into actions designed to reduce CO <sub>2</sub> emissions from both the organisation's own operations and those of chain partners in the sector.
+1	Insight is given into how the organisation contributes to improving the infrastructure of the Netherlands (and beyond) and increasing its accessibility.
+1	Insight is given into how the organisation tries to avoid any nuisance caused by its work as much as possible.



## Universities and University Medical Centres

pts.	Sector criteria
+1	Insight is given into how the organisation contributes to social debate.
+1	Insight is given into the education curriculum that is offered with regard to the contribution for the Netherlands as a knowledge country.
+1	Insight is given into the most important research/innovations generated by the organisation in the year in question with regard to energy and health issues.
+1	Insight is given into how the organisation protects the privacy and data of its students, employees and customers.
+1	Insight is given into how the organisation shares knowledge and/or collaborates on energy and health issues.

## Real Estate

pts.	Sector criteria
+1	Insight is given into the activities that have been undertaken and the results that have been achieved with regard to countering corruption.
+1	Insight is given into how the organisation contributes to a balanced and diverse supply of property.
+1	Insight is given into the guidelines used by the organisation regarding the sustainability of its property portfolio.
+1	Insight is given into how the organisation informs its tenants/lessees about sustainable management and housing.
+1	Insight is given into how the organisation contributes to the sustainability of cities and/or the improvement of the residential environment in projects.

## Food and beverages

pts.	Sector criteria
+1	Insight is given into how the organisation informs customers, such as consumers, about responsible consumption and healthy food.
+3	Insight is given into the impact of actions aimed at (1 point can be achieved per part with a maximum of 3 points): <ul style="list-style-type: none"><li>- preventing soil depletion/pollution;</li><li>- preventing biodiversity loss;</li><li>- preventing water scarcity/pollution;</li><li>- preventing poor / improving working conditions in the chain.</li></ul>
+1	Insight is given into the results in the field of food safety.

## Other

The Other category will be removed from the Transparency Benchmark. The organisations included in this category in previous years will be divided into the remaining sectors.