# Report guidelines

This template is a guide for pioneer companies preparing a Common Good Report to accompany their Compact Balance Sheet.

The **Compact Balance Sheet** presents the themes in a condensed form. It can be used on a long-term basis by micro-enterprises, twice by companies with 11 to 50 employees (or full-time equivalents), and optionally once by larger companies when preparing their first accounts.

A Common Good Report consists of meaningful descriptions for each theme, which should be written in complete sentences. These descriptions should be clear and comprehensible to the target audience, the interested members of the public. The company can decide for themselves what information and how much detail to include.

For a report to be audited, the company should provide answers to the **Questions for compiling the report**, and the **Compulsory indicators**.

The content should be succinct and coherent with regard to the audit process. The auditors ensure that the report meets the standard of quality and comparability. To this aim, they may also request detailed information from the company.

The reporting period covers two years. Companies can choose to report by calendar year or by financial year. Companies preparing second and subsequent reports should clearly document every aspect of the measures that have been implemented since the last audit.

These guidelines contain the **Questions for compiling the report**, as well as the lists of **Compulsory indicators** for each aspect. Their purpose is to help companies gather the relevant data.

On completion of the report, please delete the first page and all entries in green before submission.

# Getting help in preparing the report

Certified ECG consultants: <https://www.ecogood.org/en/community/associations/>

Sample reports / ECG reports: <https://www.ecogood.org/en/common-good-balance-sheet/companies/examples/>

Workbook and balance sheet calculator:

<https://www.ecogood.org/en/common-good-balance-sheet/common-good-matrix/>

# General information about the company

Company Name:

Legal form:

Ownership model and legal form:

Website:

Industry:

Head office:

Total number of employees:

Full time equivalents:

Seasonal or temporary staff:

Turnover:

Annual net profit:

Subsidiaries / affiliates: Names of subsidiaries, the countries in which they are based, and what share of their ownership the company holds.

Reporting period:

# A short presentation of the company

Please give a brief introduction of your company, and include everything you deem to be important.

# Products/ Services

What products/ services does your company provide?

What proportion of the company's revenue do these products/ services represent?

# The company and the Common Good

What is your company's relationship with Economy for the Common Good?

In which ECG activities or events did the company take part prior to preparing the Common Good Balance Sheet last year?

Who is the ECG contact in the company? (Include contact information)

# Audit certificate

Please add the audit certificate here as soon as it becomes available.

#

# A1 Human dignity in the supply chain

**Questions for compiling the report**

* What goods and services are purchased? What are the criteria for selecting suppliers?
* How are social risks in the supply chain monitored or assessed?
* What certification do purchased products have?

**Compulsory indicators**

* Percentage of the total purchasing volume represented by goods and services, expressed in tabular form.
* Percentage of purchased goods and services provided under fair working conditions.

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives:**

##  A1 Negative aspect: violation of human dignity in the supply chain

**Question for compiling the report**

* Can the company confirm that human dignity in the supply chain of key suppliers has not been violated?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# A2 Solidarity and social justice in the supply chain

**Questions for compiling the report**

* What measures has the company implemented to demand and promote fair and just treatment of all stakeholders in the supply chain?
* How does the company identify and sanction any risks and shortcomings?

**Compulsory indicators**

* The share of purchased products and raw materials that have an accredited label that takes into account solidarity and social justice
* Proportion of suppliers with whom a fair and just treatment of stakeholders has been addressed, or who were selected on this basis

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives:**

##  A2 Negative aspect: use of market power against suppliers

**Question for compiling the report**

* Can the company confirm that solidarity and social justice in the supply chain have not been violated, and that there is no abuse of market power against its main suppliers?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# A3 Environmental sustainability in the supply chain

**Questions for compiling the report**

* What is the criteria for selecting raw materials, goods and services?
* How are environmental risks in the supply chain monitored or assessed?
* What environmental criteria are taken into account when selecting suppliers and their products?
* How do we compare to competitors with regard to environmentally friendly purchases?

**Compulsory indicators**

* Proportion of purchased goods and services that are environmentally preferable alternatives

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives:**

## A3 Negative aspect: disproportionate environmental impact within the supply chain

**Question for compiling the report**

* Can the company confirm that no goods or services have been purchased that are associated with especially high environmental damage?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# A4 Transparency and co-determination in the supply chain

**Questions for compiling the report**

* What measures has the company implemented to demand and promote transparency and participation for all stakeholders in the supply chain?
* How does the company identify and sanction any risks and shortcomings?

**Compulsory indicators**

* The share of purchased products and raw materials that have an accredited label which takes into account transparency and co-determination
* Proportion of suppliers with whom transparency and participation for stakeholders has been addressed, or who were selected on this basis

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives:**

# B1 Ethical position in relation to financial resources

**Questions for compiling the report**

* What possible sources of equity funding have been explored for the business?
* What is the scope for additional equity funding to be provided by stakeholders and/ or ethical banks?
* How can conventional loans be replaced and financial risks decreased?
* How are these financial partners rated in relation to an ethical and sustainable position?

**Compulsory indicators**

* Equity-to-assets ration in percent
* Industry-average equity ratio
* Debt financing, broken down by type of financing (figures in thousand EUR and in percent of total debt)

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives:**

# B2 Social position in relation to financial resources

**Questions for compiling the report**

* What investment expenditures are necessary to secure the company’s future, and how much cover and additional risk provision are available?
* What expectations do the shareholders have for dividend payments and why?

**Compulsory indicators**

* annual net operating income (after expenditure) thousand EUR
* total necessary expenditure to secure the company’s future (on fixed assets and overheads) thousand EUR
* total expenditure on strategic items thousand EUR
* total expenditure on fixed assets thousand EUR
* allocation to reserves (retained earnings) thousand EUR
* dividends made on ordinary share capital thousand EUR, in ... % of the issued share capital

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives:**

## B2 Negative aspect: unfair distribution of funds

**Question for compiling the report**

* Can the company confirm that the distribution of funds is fair despite the stable profit situation?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# B3 Use of funds in relation to the environment

**Questions for compiling the report**

* Which investments already owned by the company have the potential for environmental improvement?
* What resources are needed for implementation, and which funding programmes can be used?
* What redevelopments have been/ will be made specifically?
* To what extent does the company participate in solidarity financing of social and environmental projects?

**Compulsory indicators**

* investment plan including environmental redevelopment requirements Thousand EUR
* implementation of environmental investments Thousand EUR and % of requirements
* financed projects Thousand EUR % of investment
* **i**nvestment funds Thousand EUR % of investment

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives:**

## B3 Negative aspect: reliance on environmentally unsafe resources

**Question for compiling the report**

* Can the company confirm that its business model is not based on environmentally unsafe resources, or that at least a medium-term exit strategy is in place?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# B4 Ownership and co-determination

**Questions for compiling the report**

* Who are the owners, what shares do they have, what rights, obligations and liabilities?
* What forms of joint decision- and ownership involvement are available?
* How are transparent decision-making practices protected for all owners and how will the new co-owners be inducted in these joint decision-making approaches?
* How has the ownership structure developed in recent years, and how is this change safeguarded?

**Compulsory indicators**

How is equity capital distributed (capital structure in percent, each from 0 to 100%):

* employers
* executives
* employees
* clients
* suppliers
* wider population
* non-active capital investors

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives:**

## B4 Negative aspect: hostile takeover

**Question for compiling the report**

* Can the company confirm that no hostile takeovers have been made?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# C1 Human dignity in the workplace and working environment

**Questions for compiling the report**

* How would you describe your company's corporate culture?
* What measures have you implemented towards health promotion in the workplace and occupational health and safety? How are they evaluated?
* What role does diversity play in the recruitment and treatment of employees? What employment agreements or procedures already exist in this respect?

**Compulsory indicators**

* Average length of service
* Development opportunities (professional and personal) offered to, and used by employees, in hours per employee or according to management level
* Health/ sickness rate (in relation to demographic distribution), number of days where employees come to work despite illness
* Number and severity of occupational accidents
* Take-up of employee benefits associated with health/ diversity: benefit details and hours per employee
* Demographic distribution of employees throughout the company in terms of diversity (e.g. age, gender, ethnicity, physical/ mental disabilities, sexual orientation, religion - if disclosed and relevant)
* Average duration of maternity/ paternity leave in months

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives**

## C1 Negative aspects: inadequate working conditions

**Questions for compiling the report**

* Can the company confirm that there are no structures, practices or aspects of the business that support inadequate working conditions?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# C2 Self-determined working arrangements

**Question for compiling the report**

* How does the organisation ensure that all employees are paid a 'living wage' relative to the local cost of living?
* What possibilities exist in the organisation for salaries to be self-determined?
* How does the organisation record working hours and distribute workloads? What role does overtime play in the organisation's success?
* How can you extend the possibilities for social participation among employees?
* What possibilities exist in the organisation for self-determining work hours? What working arrangements are offered in your organisation?
* What measures are in place for maintaining the work-life balance of employees?

**Compulsory indicators**

* Maximum and minimum earnings *(spread within the company)*
* Median earnings
* Location-dependent 'living wage' (for all operational sites)
* Company-wide working week (e.g. 38 hours)
* Overtime paid

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives**

## C2 Negative aspect: unfair employment contracts

**Questions for compiling the report**

* Can the company confirm that its employees are not burdened or exploited due to unfair employment contracts?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# C3 Environmentally-friendly behaviour of staff

**Question for compiling the report**

* How much importance does the company place on the origin of the food offered in its workplace?
* What means of transport do employees use to come to work?
* What strategy does the company follow in regard to the attitude of their staff to the environment? Does it offer training in this respect?

**Compulsory indicators**

* Proportion of meals from organic sources
* Proportion of staff arriving by car, on public transport, on a bicycle, or on foot
* Take-up of environmentally friendly employee benefits in %

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives**

##  C3 Negative aspect: guidance on waste/ environmentally damaging practices

**Questions for compiling the report**

Can the company confirm that it neither promotes any waste of resources nor tolerates environmentally damaging practices?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# C4 Co-determination and transparency within the organisation

**Questions for compiling the report**

* What essential/ critical data are easily accessible to employees?
* How are managers selected, evaluated and deselected? By whom?
* Which essential decisions can employees make by democratic or consensual means?
* What has been the company’s experience so far from having more transparency and co-determination?

**Compulsory indicators**

* Degree of transparency of critical and essential data (estimate in %).
* Proportion of managers who are legitimised by their own staff through consultation, participation (= having a voice), and co-determination?
* The proportion of decisions made through consultation/ participation/ co-determination (in %)

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives:**

## C4 Negative aspect: obstruction of works councils

**Questions for compiling the report**

* Can the company confirm that there is no obstruction of a works council?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# D1 Ethical customer relations

**Questions for compiling the report**

* How are new customers acquired and what customer care services are provided to regular customers?
* How does the company ensure that the benefit to the customer takes precedence over the pursuit of revenue?
* Which customer groups have difficulty accessing the products and services? What is being done to enable them to benefit from access to the products and services?

**Compulsory indicators**

* Overview of the marketing, sales and advertising budgets: expenditure for activities or campaigns
* Method of payment for sales staff: percentage share of fixed and sales-related earnings
* Does the company set sales targets for its staff?
* Revenue share generated by disadvantaged groups, as a percentage of the product portfolio

**During the reporting period, the following measures have been implemented:**

**Room for improvement/ objectives:**

## D1 Negative aspect: unethical advertising

**Question for compiling the report**

* Can the company confirm that no unethical advertising practices are being carried out?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# D2 Cooperation and solidarity with other companies

**Questions for compiling the report**

* With which companies is cooperation already taking place and what are the objectives of this cooperation?
* In which areas does the company demonstrate solidarity towards other companies and provide assistance without expecting anything in return?

**Compulsory indicators**

* How much time and/or resources are spent on designing and producing products and services in cooperation with other companies in proportion to the total time spent on designing and producing the company's products and services? (in hours per year or as a percentage share)
* What percentage of time spent / revenue generated can be attributed to partnerships with the following companies?
	+ Companies that share the same target group (potentially also in the same region):\_\_\_\_\_\_
	+ Companies that operate in the same industry, but whose target group is in a different region:\_\_
	+ Companies operating in the same industry and in the same region, but with a different target group:\_\_\_\_\_
* In which of the following areas is the company active? (total: x/3)
	+ Cooperation with civil society initiatives to improve environmental/ social/ quality standards within the industry
	+ Active contribution to improving legal standards within the industry (responsible lobbying)
	+ Cooperation with initiatives aiming to improve environmental/ social/ quality standards within the industry
* How many workers/ staff hours have been made available to companies
	+ operating in other industries to support them in the short term?
	+ operating in the same industry to support them in the short term?
* How many orders or contracts have been passed on to companies
	+ operating in other industries to support them in the short term?
	+ operating in the same industry to support them in the short term? (percentage of the total number of orders)
* What is the total amount of funds made available to companies
	+ operating in other industries to support them in the short term?
	+ operating in the same industry to support them in the short term? (total, percentage share of revenue/ profit)

**During the reporting period, the following measures have been implemented:**

**Room for improvement/objectives:**

## D2 Negative aspect: abuse of market power to the detriment of other companies

**Question for compiling the report**

* Can the company confirm that it refrains from engaging in any activities aiming to harm or discredit other companies?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# D3 Impact on the environment of the use and disposal of products and services

**Questions for compiling the report**

* What are the environmental impacts of the products and services, in absolute terms and in comparison to existing alternatives with similar benefits?
* What strategies and measures are being employed to reduce the environmental impacts resulting from the use and disposal of products and services?
* In what ways does the business model take account of the issues of consistency, efficiency and sufficiency?
* What strategies and measures are in place to promote moderate consumption or the sufficiency-oriented use of products and services?
* In what ways does the company foster moderate use through its communication with customers?

**During the reporting period, the following measures have been implemented:**

**Room for improvement/ objectives:**

## D3 Negative aspect: wilful disregard of disproportionate environmental impacts

**Question for compiling the report**

* Can the company confirm that it does not wilfully disregard disproportionate environmental impacts?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# D4 Customer participation and product transparency

**Questions for compiling the report**

* What specific opportunities for co-determination and decision-making rights are customers afforded and how are these communicated?
* Are customers' ideas and suggestions regarding potential socio-environmental improvements taken on board?
* What product information is accessible to the public (e.g. material composition, value chain, environmentally relevant information, pricing)?

**Compulsory indicators**

* Number of product and service innovations contributing to greater social and environmental sustainability that have arisen with the participation of customers
* Proportion of products with fully disclosed material composition (as a percentage of revenue)
* Proportion of products and services for which price calculation breakdowns are made available to the public (as a percentage of revenue)

**During the reporting period, the following measures have been implemented:**

**Room for improvement/ objectives:**

## D4 Negative aspect: no disclosure of hazardous substances

**Question for compiling the report**

* Can the company confirm that its products contain no substances that are harmful to consumers or the environment and that no harmful side effects occur when the products are used as intended?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# E1 Purpose of products and services and their effect on society

**Questions for compiling the report**

* Which of the nine fundamental human needs are met by the company's products and services?
* Which products and services are luxury items that only serve to promote an individual's status, and which could be replaced by less expensive, less resource-intensive products that promote a simple or good way of life?
* How do products and services promote the personal growth and health of individuals?
* What social or environmental problems (regional or global) are solved or reduced with our products and services? (A list of the UN Sustainable Development Goals can be found under further online information)

**Compulsory indicators**

Type of benefit provided expressed as a percentage of overall turnover:

1. Needs fulfilled

* Basic needs ...... %
* status symbols and/or luxury items ...... %

2. Promotes the development of

* + people ...... %
	+ our planet/the biosphere .....%
	+ Addresses social and environmental problems in accordance with UN Sustainable Development Goals .....%

3. Benefits of products and services:

* + Multiple or singular benefit ..... %
	+ Inhibiting or pseudo benefit ..... %
	+ Negative benefit .....%

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives:**

## E1 Negative aspect: unethical and unfit products and services

**Question for compiling the report**

* Can the company confirm that none of the mentioned unethical and unfit products and services are manufactured or sold?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet

**During the reporting period, the following improvements have been made:**

# E2 Contribution to the community

**Questions for compiling the report**

* What direct financial contribution does the company make to society and its institutions (e.g. through tax on profits, payroll tax or social security contributions)? What direct financial support does the company receive from society and its institutions (e.g. through grants and subsidies)?
* How much money, resources and specific activities does the company put into charitable works? To what extent is this motivated by self-interest?
* What lasting changes do the charitable works of the company make?
* How does the company discourage or prevent inappropriate non-payment of tax, corruption or negative lobbying?

**Compulsory indicators**

Turnover

Net tax ratio: this should include the following:

* tax paid on profits (income tax, corporation tax)
* payroll tax and social security contributions paid by employers
* income tax and social security contributions paid by employees
* less any grants and subsidies received by the company

These net taxes are to be seen in relation to the declared value created (profit before tax plus interest on borrowed capital plus income from rents and leases) and thus give the net tax ratio.

Voluntary payment in kind to the community minus the benefit this provides to the company (as a % of turnover or annual working time)

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives:**

## E2 Negative aspect: inappropriate non-payment of tax

**Question for compiling the report**

* Can the company confirm that it does not engage in any practices that entail inappropriate non-payment of tax, or where it consciously pays less tax on net profit, and thereby takes away from the common good?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

## E2 Negative aspect: no anti-corruption policy

**Question for compiling the report**

* Can the company confirm that it is not involved in any corrupt practices, and that all lobbying activities are disclosed?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# E3 Reduction of environmental impact

**Questions for compiling the report**

* What negative environmental effects are associated with the manufacturing or operating processes regarding emissions, noise, waste, consumables, energy, water and fuel?
* What data is collected and published with regard to significant environmental effects (environmental accounting)?
* How is the environmental data published?

**Compulsory indicators**

Depending on the commercial activity of the company, relevant environmental accounts should be produced:

* Greenhouse gas emissions in kg
* Transport (and its CO2 equivalent) in km or kg
* Fuel consumption (and its CO2 equivalent) in litres or kg
* Electricity consumption (and its CO2 equivalent) in kWh or kg
* Gas consumption (and its CO2 equivalent) in kWh or kg
* Heating energy consumption (in relation to average temperatures) in kWh/°C
* Consumption of drinking and rain water in m3
* Use of chemicals (toxic and non-toxic) in kg
* Paper consumption in kg
* Other consumables in kg
* Artificial lighting in lumen or kWh
* Emission of pollutants in kg

Readings should be converted to commercially relevant parameters

(e.g. kg CO2 per employee or in relation to turnover). These can then be used to assess whether the aim of 'reduction' is being achieved.

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/objectives:**

##  E3 Negative aspect: infringement of environmental regulations and disproportionate environmental pollution

**Question for compiling the report**

* Can the company confirm that there has been no infringement of environmental regulations, and no disproportionate environmental pollution?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# E4 Social co-determination and transparency

**Questions for compiling the report**

* What important or essential information is collected for stakeholders? How is this information conveyed? (depth and breadth, type of publication, how accessible it is to the public)
* How can citizens and stakeholders enter into dialogue and represent their interests with regard to the company's activities?
* How is the outcome of any dialogue documented, and how is this incorporated into decision-making?

**Compulsory indicators**

* Publication of a Common Good Report or equivalent social accounting.
* Stakeholders' share of co-decision making (degree of participation in %)

**During the reporting period, the following measures have been implemented:**

**Areas for improvement/ objectives:**

##  E4 Negative aspect: lack of transparency and wilful misinformation

**Question for compiling the report:**

* Can the company confirm that it does not provide false information about itself?

If not, this negative aspect should be reported in accordance with the Full Balance Sheet.

**During the reporting period, the following improvements have been made:**

# Outlook

## Short-term objectives

What are the company's short-term objectives in the implementation of Economy for the Common Good (over the next 1-2 years)?

## Long-term objectives

What are the company's long-term objectives in the implementation of Economy for the Common Good (over the next 3-5 years)?

## EU compliance: Disclosure of non-financial information (EU COM 2013/207)

In May 2014, the Council of Ministers of the EU agreed on this directive. The information to be disclosed (compulsory for organisations with 500 or more employees) are as follows:

- the description of the business model: the purpose of the company, how it benefits customers, and makes a profit in doing so

- the policies the company pursues in order to ensure that it complies with the requirements, set out in the Common Good Matrix, in regard to **environmental, social and labour concerns, human rights, and the fight against corruption**

- the primary risks in these areas posed by the company's business processes

- the primary risks in these areas posed by the company's business relations, products and services

- measures to manage these risks, and the impact of those measures

- relevant non-financial performance indicators

The ECG reporting standard is used for compliance with the non-financial reporting requirements, because it is universal, measurable, comparable, comprehensive, and is publicly and externally audited.

ADD YOUR OWN CONTENT with reference to the above list.

# Description of the preparation process for the Common Good Balance Sheet

Who was involved in creating the ECG balance sheet / the ECG report in the company? Which stakeholders were involved? (Name, position/connection to the company)

How many people - hours were spent over this process?

What was the procedure for communicating with staff about the report?

Date: dd/mm/yyyy