

# Foreword

All organizations have some impacts on the environment, through their activities, services or products. Impacts can be in the form of emissions and waste streams, or on the use of resources, such as water, energy and other raw materials. It makes good business sense for any organization to improve its environmental performance as it offers opportunities to reduce operational and compliance costs and to improve the bottom line. It has now become an international trend to consciously adopt more efficient uses of raw materials, reduce wastes and save energy.

Apart from the pressing need to reduce operating costs, most organizations are subject to an increasing demand from their investors, consumers, clients, regulatory bodies and the public to improve their own environmental performance and be more transparent and accountable to the public. To this end, corporate environmental performance reporting can help demonstrate good corporate governance, increase stakeholders' confidence and improve corporate image. All these are now new expectations from the community on successful businesses in the world market.

To demonstrate good corporate governance, the Hong Kong Special Administrative Region (HKSAR) Government leads by example. All bureaux and departments have started publishing annual environmental performance reports since 2000. With the release of this Guide, I hope that it will contribute towards a growing acceptance among private sector organizations to produce good quality environmental performance reports. I have no doubt that widespread voluntary public reporting will lead to overall environmental and economic gains. This will ultimately, in one way or the other, pave the way for Hong Kong to become a more sustainable city.



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# Background and Context



The Hong Kong Special Administrative Region Government has recognized that environmental performance reporting is essential for good corporate governance. To set an example, the entire government has committed to produce annual Environmental Performance Reports since 2000. It is a logical “next step” to share this experience and promote the practice within the private sector.

This *Guide to Corporate Environmental Performance Reporting*, produced by the Environmental Protection Department (EPD), aims to help private organizations prepare their environmental performance reports. The Guide gives an overview of the key steps involved in the production of an environmental performance report, and suggests some basic principles and possible options to be considered under each of these key steps. It serves to bring together selected examples, good practices and checklists for its users to plan and prepare their reports to suit circumstances that befit their organizations. Suggestions provided in this guide are, however, by no means exhaustive.

It should also be emphasized that there is no intention to impose unnecessary uniformity on the preparation and presentation of environmental performance reports. Since each organization has its own characteristics, it is essential that the users of this guide assess the applicability of the suggestions in this guide to their organizations.

As corporate environmental performance reporting is a developing field, this guide will be revised from time to time to reflect new practices and standards.

