



Key Performance Indicators and Measures for Sustainability Performance

This working document shows the result of the collaboration of scientists, civil and corporate professionals. They identified 77 indicators, which – in their opinion – captures the most business contribution to the Action 2020 Hungary goals in a progressive, impactful and relevant way.

These list should be viewed as a menu for all those interested professionals, who want to measure and improve their sustainability performance and where possible, to capture also the impact of their actions and operation. While putting together this list, our aim was not to provide a complete, but a material list of indicators. Of course the sector, size and strategy of the organization may narrow the list of potential indicators, but while analysing these possibilities we believe that new ideas and action may be come up at interested companies and professions.

We are continuously developing and reviewing this list. We want to use them to identify the results, outcomes and impacts of the business solutions identified and developed during the Action 2020 Hungary program; and to have a picture on the impact of the program itself.

Not all of the listed indicators and related methodologies are defined in all details, but they can be used an inspiring guides and descriptions. We are glad if we receive feedback, opinion, concerns or ideas for the further development of this indicator list.

We believe that these indicators integrated into the governance and operation of companies may become important influential factors of strategy and action plan development, and by this we have already moved forward sustainability in Hungary and reaching our Action 2020 Hungary goals.

Name of indicator	Name of indicator	Unit of measure	Level of indicator	Related goals	Type of indicator
			recommended progressive possible	Action 2020 goals	industry-specific non-specific
Raw materials used in food industry and sourced from agriculture	Maintaining the diversity of agricultural production and using a higher percentage rate of raw materials from less intensive technologies in foodstuffs and nutrition. Our common goal is to measure this rate and, then, to increase it.	%	recommended	É1	industry-specific
Food waste audit and action plan	Regularly monitoring the amounts of food surplus, food loss, food waste and animal by-products; measuring these amounts in the total supply chain (not including amounts arising on consumers' side, see another index). Uncovering reasons for arising losses, drawing up an action plan, describing and spreading good practices.	qualitative	recommended	É2	non-specific
Cutting back on food waste	The rate of decrease achieved by business solutions that are intended to cut down on waste produced by business processes, in the total value chain, and on consumers' side.	ton	recommended	É2	non-specific
Utilizing food waste	The utilization rates of food surplus and food waste according to the different priority levels of the food pyramid (donation, foraging, composting, bio-fuel, waste disposal), and making improvements in these fields as sustainably as possible.	%	recommended	É2	non-specific
Public data on food waste	Publicising data on resulting food-like waste in order to engage in social dialogue and arrive at socially beneficial solutions.	qualitative	recommended	É2	non-specific
Pick-up points in food value chains	In food value chains, the higher the number of pick-up points, the larger the amount of waste. Therefore, the aim is to cut down on the number of pick-up points and, then, to seek sustainability cooperation and encourage common developments at those points.	qualitative	recommended	É2 and É3	industry-specific
Ecological footprint of food products	Reducing the footprint of a particular food product, and by doing so, significantly improving its environmental impact. The ecological footprint, water footprint and carbon footprint of a particular product by kCal, and ways to cut down on them.	footprint	possible	É3	industry-specific

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Products encouraging balanced nourishment	What is the percentage rate of products encouraging balanced nourishment in the portfolio? What system of criteria is used to determine it? Which products belong in this group? Is this system of criteria public for the purpose of engaging in social dialogue?	% and qualitative	recommended	É4	industry-specific
Balanced nourishment	Campaigns, programmes, actions and training courses that are intended to encourage balanced nourishment and, also, to shape attitudes and behaviour patterns are indispensable to influencing consumers. Apart from achieving good attendance, it is important to increase the frequency of such programmes and to measure their impacts.	person %	possible	É4	non-specific
Availability to customers	The kind of customer groups and segments reached by products that provide them with balanced nourishment. It is essential that sustainable products should not only be available to premium segments, but they should become "mass products".	market share, average market price, %	progressive	É4	industry-specific
Food culture	Fostering food cultures considering aspects of sustainability. These development campaigns and programmes do not only influence consumers favourably but their economic significance is also important. Apart from achieving good attendance, it is important to increase the frequency of such programmes and to measure their impacts.	person %	possible	É4 and É1	non-specific
Responsible marketing	Progressive, industry-specific or general self-regulation that is introduced in consumer communication and applies to food products; putting responsible guidelines into practice, responsible advertising	qualitative	recommended	É4 and FÉ4	industry-specific
Eliminating child hunger	Actions that provide balanced nourishment for starving and/or undernourished children are necessary. It poses a challenge to develop and launch sustainable solutions instead of/in addition to sending a one-time donation.	kCal/person	recommended	É5	non-specific

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			recommended progressive possible	Action 2020 Hungary goals	industry-specific non-specific
Sustainable products and services	A system of criteria that is publicly available/ based on a dialogue with stakeholders is adopted by the company for the purpose of defining the range of sustainable products and services to be offered. The rate of sustainable products/services in the complete portfolio (in proportion to total sales and sales drawn from each consumer segment, e.g. premium vs. mass products, market share)	qualitative and %	recommended	FÉ1	non-specific
Dematerialization	The percentage rate of total targets for growth that are accounted for by material-based activities and targets for consumption growth. / The number and rate of business models that aim for dematerialization	%	progressive	FÉ1	non-specific
Non-possession	The percentage rate of total sales accounted for by activities that are not based on possession/ownership	%	progressive	FÉ1 and FÉ2	non-specific
Sustainable product packaging	Making the packaging of products more sustainable: reducing the rate of pre-packaged products / increasing the rate of degradable packaging materials / Using reusable packaging / Implementation of recycling	%	recommended	FÉ2	non-specific
Environmental impact of consumption	The environmental impact and emissions arising from the consumption of products and directly associated with the use of services (e.g., waste, resource requirement, land use, dust emission, etc.)	CO2 water MJ PMT10 M2 etc.	progressive	FÉ2	industry-specific
Rate of local sources	The rate of local sources/origins in (i) raw materials (ii) in products and services (iii) among subcontractors and suppliers (iv) among employees	%	recommended	FÉ2	non-specific
Footprint of products/services	The ecological footprint of products and services (or the footprint left by them in particular high-priority areas of sustainability, e.g. carbon footprint, water footprint)	footprint	progressive	FÉ2	non-specific
Resource intensity of products	The resource requirement and intensity of products (with a breakdown showing the rate of recycled raw materials and that of renewable energy resources)	qualitative and %	recommended	FÉ2	industry-specific

Name of indicator	Content, description	Unit of measure	Level of indicator	Related goals	Type of indicator
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Product information	Products provide consumers with publicly available information on the types of additives and harmful substances applied and their percentage rates contained.	%	recommended	FÉ2	industry-specific
Product lifecycle	The planned length of product lifecycles, the specified length of guarantees, the rate of repairable parts in a product	year	progressive	FÉ2 and FÉ1 and FÉ4	industry-specific
Health prevention	Campaigns, communication, programmes encouraging balanced and healthy lifestyles (shaping attitudes to adopt preventive approaches, changing behaviour patterns, measuring impacts)	qualitative	recommended	FÉ3	non-specific
Popularization of sustainable lifestyles	Programmes and training courses on sustainable development (possibly, specifically dealing with the priorities and goals established by Action2020) which are developed for employees and made specifically available to them and, also, intended to shape their attitudes and behaviour patterns. Communication and campaigns popularizing sustainable lifestyles.	Ft / sales reach rating	recommended	FÉ4 and FÉ3	non-specific
Responsible marketing	Industrial and other advertising self-regulation (advertisement, marketing, sales), implementation of ethical and responsible marketing (e.g. by avoiding sexist and stereotype marketing, encouragement of unsustainable consumption, deception, etc.)	qualitative	recommended	FÉ4	non-specific
Employees' sustainable development	Encouraging sustainable lifestyles and consumption among , encouraging the creation of sustainable employee, shaping attitudes, measuring impacts	qualitative	progressive	FÉ4	non-specific
Consumer awareness	Measuring the aspect of consumer/customer awareness and sustainability; exploring and understanding barriers to sustainable consumption/lifestyles (sensitivity, behaviour, customer/consumer decision-making, habits), a company's own activities by examining, measuring and analysing the impacts of its products and services.	qualitative	progressive	FÉ4	non-specific

Name of indicator	Content, description	Unit of measure	Level of indicator	Related goals	Type of indicator
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New jobs	The number of new jobs created for direct employees and in the value chain in one particular year through a company's efforts. (the difference between newly created and terminated jobs)	number	recommended	F	non-specific
Reasonable wages	The level of income earned by those with the lowest wages is reasonable enough to provide adequate living conditions. The methodology to provide a clear definition and to determine the exact amount is to be worked out along company-level guidelines and policies. (click on the link to see background material: http://mek.oszk.hu/06400/06412/06412.pdf)	Ft	recommended	F1	non-specific
Reasonable remuneration system	The rate of the lowest wage-earners / the percentage rate of the workers who earn a minimum wage and breakdown of this group by gender / the percentage rate of those earning the national average / the percentage rate of those earning more than that / the difference between lowest wage-earner and the highest-paid employee / the breakdown of the highest-paid by gender / difference between female and male severance payments and bonuses / the rate of benefits provided for basic needs in addition to normal wages – health insurance, pension plans, prevention, self-provisioning, housing benefit – the rate of "sustainable cafeteria plans / Young career-starters entry income level / breakdowns by gender and age, assessing and monitoring wage differences / the rate of hired labour and direct employment and the reasonableness of their remuneration system / Transparent and standard bonus system, pay-rise and personnel promotion system	Ft and % and qualitative	progressive	F1	non-specific
Participation in education	Effective and efficient participation in education (secondary and tertiary education, professional training) so that demand and supply in the labour market will come closer together in terms of knowledge/experience and skills/competencies, and also, the employment opportunities of the young will be improved.	person	recommended	F2	non-specific
Recruitment time	Average recruitment time, the time it takes to fill in a position in critical areas	day	recommended	F2	non-specific

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Trainees	The percentage of trainees who are retained and prove suitable	person and %	recommended	F2 and F4	non-specific
Management training	the rate of managers participating in management training programmes (competency-based rather than professional ones, e.g. on leadership, sustainability, problem-solving, etc.)	%	recommended	F3 and F5	non-specific
Time for learning	The number of working days employees can spend attending training and development programmes (company training, open training programmes, attendance at tertiary education, self-education, etc.)	day	recommended	F3	non-specific
Training and development	Training and development programmes financed by a company and provided for / available to employees. (thematical programmes, language courses, professional training, skills development, leadership training, etc.)	Ft / person	recommended	F3	non-specific
Sustainability competencies	Integrating core competencies for sustainability into competency assessment tests and measuring competency profile (pl. leadership, personal responsibility, planning, problem-solving, etc.)	qualitative	progressive	F3	non-specific
Voluntary participation in training courses	The number and percentage rate of people voluntarily participating in training and development programmes	%	progressive	F3	non-specific
Involvement culture	Involvement of employees in decision-making processes, implementation of real involvement-basedness. As a result, corporate development and increase in individual responsibilities will be tailored to their personal needs. It does not only apply to company developments but also to consumer and product developments.	qualitative	progressive	F3	non-specific

Name of indicator	Content, description	Unit of measure	Level of indicator	Related goals	Type of indicator
			recommended progressive possible	Action 2020 Hungary goals	industry-specific non-specific
Employing the disadvantaged	The company identifies which of its direct and indirect employees can be regarded as being disadvantaged. The rate of the disadvantaged (e.g. career starters, handicapped people, those with ethnic minority backgrounds, the elderly, women with young children, single parents with children, people with different sexual orientation, the low-skilled, etc.) among its employees, with regard to direct employees as well as the total value chain / by examining how groups that are defined as being disadvantaged break down by gender.	%	recommended	F4	non-specific
Diversity approach	The number, quality and impact of programmes intended to encourage "multi-colouredness" and diversity, to shape attitudes, to sensitize and to integrate; the achieved attendance, the rate of attendants related to total employment	number, qualitative, person %	recommended	F4	non-specific
Scholarship programmes	Scholarship and trainee programmes that support training programmes which are aimed at minorities and acutely disadvantaged people, and help their employment by providing better job opportunities.	person	recommended	F4	non-specific
Better opportunities for the disadvantaged	Analysing the indicators above/below and HR indicators (e.g. training hours, promotions, etc.) applied at a company by preparing breakdowns by disadvantaged group; identifying intervention points and drawing up an action plan	%	recommended	F4	non-specific
Rate of female leaders	The percentage rate of female leaders on different managerial levels compared with the percentage they represent in total employment and measured against external benchmarks	%	recommended	F5	non-specific
Equal opportunities for women	Analysing the indicators above/below and HR indicators (e.g. training hours, promotions, etc.) applied at a company by preparing breakdowns by gender; identifying intervention points and drawing up an action plan	%	recommended	F5	non-specific
Overtime	The rate of overtime hours and overtime pay	hour, %, qualitative	progressive	FÉ3	non-specific

Name of indicator	Content, description	Unit of measure	Level of indicator	Related goals	Type of indicator
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Work-related stress	Identifying, measuring and reducing stress associated with working and workplaces; adopting a methodology aiming at objectivity, as far as possible, or and/or hiring an external third party to provide and independent opinion; the number, quality and impact of programmes to reduce work-related stress, the result achieved (expressed in the number of people) compared with the number of people concerned	qualitative, person, %	progressive	FÉ3	non-specific
Employees' health	The number of days employees are off work through illness (sick leave and sick pay), benchmarking in order to analyse if employees' health is proper, and whether preventive intervention is necessary or not	day	progressive	FÉ3	non-specific
Turnover	Turnover rate, tendencies, uncovering underlying reasons, drawing up a sustainable action plan that conforms to business strategy. Among underlying reasons, work-related stress, fair treatment and discrimination are the key issues to address. Improving indicators in critical areas should be given a major priority.	%	recommended	FÉ3	non-specific
Discrimination-free employment	Real implementation of discrimination-free employment; the amount, quality and effectiveness of actions aimed at it (e.g. using enterprise resource planning systems, shaping company culture, employee and management training), monitoring based on objectivity - extending such attitudes to supply chain	qualitative and number of cases	recommended	F and F4	non-specific
Work-life balance	Employees' satisfaction with work-life balance, encouraging such efforts (e.g., by creating atypical employment), and measuring their impacts on productivity and efficiency	qualitative	progressive	F4 and F5 and FÉ3	non-specific

Name of indicator	Content, description	Unit of measure	Level of indicator	Related goals	Type of indicator
			recommended progressive possible	Action 2020 Hungary goals	industry-specific non-specific
Carbon-neutral business solution	Establishing and developing a business model internalizing risks resulting from climate change	qualitative	progressive	K1	industry-specific / non-specific
Green wall	The rate of green walls / roofs	%	progressive	K1	non-specific
Biodiversity	What percentage rate of the geographical area that is influenced/operated by the company has managed to conserve or improve its biodiversity and to preserve its species?	%	recommended	K1	non-specific
Energy efficiency	The percentage rate of investments meant to improve energy efficiency (rate compared to total investments and/or to environmental investments), which will result in a decrease in the specific or absolute value of energy used in a particular working phase.	%	progressive	K2	non-specific
Energy use	The amount of energy used	ton (or MJ)	recommended	K2	non-specific
Sources of energy use	The breakdown of total energy use by sources (fossil, alternative, renewable). The aim is to gradually shift to renewable and alternative sources.	%	recommended	K2 and K3	non-specific
CO2 emissions	The rate of direct CO2 emissions produced by the company (equivalent(s) calculated per business branch / office block / product / customer)	t	recommended	K2	non-specific
Reuse of waste	Waste prevention activities, the amount of waste produced, breakdown by location of disposal facilities (landfill / incinerator / reuse / recycling)	%	recommended	K2	non-specific
Neutralization of CO2	CO2 emissions neutralized by a measure intended to compensate for direct and indirect emissions	t	progressive	K2	non-specific
Carbon footprint	Carbon intensity, carbon footprint per company, business branch, product, office, supply chain, etc. calculated by internalizing direct CO2 emissions (e.g., including outsourced transportation)	footprint (t)	progressive	K2 and K3	non-specific
Consumer CO2 emissions	The rate of products/services in a portfolio that reduce energy use or CO2 emissions while consumers/customers are using products/services	%	recommended	K3	industry-specific / non-specific

Name of indicator	Content, description	Unit of measure	Level of indicator	Related goals	Type of indicator
			recommended progressive possible	Action 2020 Hungary goals	industry-specific non-specific
Water use	The absolute and specific values of direct water use (calculated per capita / product / m2 / office block – depending on which specific base of comparison is relevant for a particular company).	m3 and specific m3	recommended	V1	non-specific
Source of water used	The amounts of drinking and industrial water used, a breakdown by source of use (network, direct loads on water base, the sources of recycling, repeated water abstraction, precipitation use).	%	progressive	V1	non-specific
Water footprint	The absolute value of water footprint calculated for a company, which includes direct and indirect water use; and specific water footprint indexes, e.g., calculated for a business branch / product / customer by means of water use internalization	footprint (m3 and specific m3)	progressive	V1	non-specific
Water loss in distribution network	Identifying and minimizing water loss in a network resulting from water use and water distribution, rate of water loss in a network compared to total water use	m3 m3/length m3/time %	progressive	V1	industry-specific / non-specific
Fresh water use	Total water consumption (demand for water) less the amount of recycled (repeatedly reused) water (= utilized water), which can be calculated by determining fresh water use and its rate compared to total water consumption (demand for water). This calculation provides an adequate way of illustrating the real impact of water consumption on a particular water source.	m3 and %	progressive	V1	industry-specific / non-specific

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			recommended progressive possible	Action 2020 Hungary goals	industry-specific non-specific
Water-energy nexus	Determining the energy required for water transportation / consumption, that is to say determining, measuring and cutting down on the specific energy consumption of total water use, and determining energy consumption associated with water use (as well as examining the rate it accounts for within the total energy consumption, with a breakdown showing the rate of renewable energy and the improvement achieved). There are further industry-specific indicators to develop for the following concepts: the water requirement of energy production (e.g. cooling water) / the water requirement of sewage cleaning.	MJ/m ³ m ³ /MJ %	possible	V1	industry-specific / non-specific
Demand for water impacting water resources	The rate of fresh water demand and total water discharge	%	possible	V1 and V3	non-specific
Water use on customers' side	Detecting and minimizing amounts of water used during the consumption of a product/ the use of a service	litre	progressive	V1 and FÉ2	non-specific
Water discharge	Volume rate of water flow, water discharge (into sewerage, network) in a supply chain / in the total value chain, breakdown by location of sewage disposal (sewerage system, natural surface water, underground water)	m ³ and %	recommended	V2	non-specific
Discharge of quality water	Breakdown of the amounts of discharged water depending on whether it has undergone treatment or not, and whether it conforms to the water quality standards applicable to a particular water receiving area (site, company, supply chain)	%	recommended	V2	non-specific
Sewage-water quality	The absolute and specific values of the quantity and quality of hazardous substances used during production and manufacturing processes, and water treatment activities; eliminating and replacing chemicals that require radical water treatment and water purification		recommended	V2	industry-specific

Name of indicator	Content, description	Unit of measure	Level of indicator	Related goals	Type of indicator
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Utilization of natural water resources	The quantity of utilizable natural water resources and the rate of its increase (e.g., the rate of recycled water, which contributes to a growth in natural water resources, compared to the statistically utilizable resources of a particular catchment area). Furthermore, contributing to and improving the (quality/distribution/long-term) availability of the utilizable natural water resources of a particular area.	m3/year and %	progressive	V2	non-specific
Precipitation use	The amount of precipitation used and reused (specifying the means of use and discharge)	m3/year	progressive	V3	non-specific
Soil water storage capacity	Influencing, improving soil water storage capacity by means of using a product, technology, a process	qualitative	progressive	V3 and K1 and É4 and É1	industry-specific