THE ANNUAL CR REPORTING & COMMUNICATIONS REVIEW

Pragmatic advice to add value through sustainability reporting and communications
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This report features key take aways from the 9th Annual Corporate Responsibility Reporting & Communications Summit 2015, held in London on the 10th-11th November, which saw over two hundred CSR and sustainability reporting professionals gather to discuss some of the most prominent issues in sustainability reporting and communications. The purpose of the meeting was to focus on practical ways to increase business value through sustainability reporting.

The range of workshops, roundtable discussions and interactive plenaries enabled delegates to freely debate and discuss the most pressing challenges that they face within their roles, as well as some of the more innovative developments that are becoming established in this space.

The more established issues around reporting were covered extensively, namely stakeholder engagement, materiality, and articulating your business’s positive contribution to society. Delegates were also offered a series of insightful presentations on various innovative topics, such as harnessing big data for CSR reporting, understanding the seemingly irreversible shift towards integrated reporting, and using human rights reporting as a way of enhancing a business’s social performance.

From the opening speech by Lafarge Holcim’s Chris Ettery, to the closing remarks by ArcelorMittal’s Dr Alan Knight, the issue of stakeholder engagement was centre-stage. Dr Knight, in particular,
was keen to emphasise that a company’s sustainability report can only be as good as its strategy, stating that “the report is the story of the strategy” and the more honest you are about that story, the more helpful your report will be for your strategy.

However, stakeholder engagement can only be successful if you are able to make that story convincing and compelling enough to get those key stakeholders on board. To this end Jamie Quinn, head of sustainability at Cofely UK, argued that while reporting a 10% reduction in energy use will not, in itself, get anyone excited, you can add a human element by explaining how that reduction has benefitted entire communities to powerfully communicate the good your business is doing.

Another emerging trend dealt with over the course of the summit was the use of social media as a powerful tool for communicating CSR and engaging key stakeholders with a company’s social performance. Sara Hanson of ITV and Megan Mitrevski Dale of Coca-Cola Enterprises both spoke at length about the opportunities offered by social media, with the latter suggesting that it can be more effective to break down the annual report into digestible bits that can be communicated throughout the year and linked to key events and emerging trends.

Several sessions were dedicated to addressing the increasingly complex landscape of reporting frameworks, from the shift to integrated reporting to the take up of new versions of existing frameworks such as GRI G4. The International Integrated Reporting Council’s Ian Jameson was on hand to explain his organisation’s stance on the movement towards integrated reporting, and put forward the case for it being “a vehicle that unlocks long-term investment infrastructure” while underlining the argument that integrated reporting is “not the next evolution in sustainability reporting [but] the next evolution in corporate reporting”.

Susanne Katus of eRevalue and Annie Heaton of ArcelorMittal hosted an interactive session titled ‘How to get to grips with GRI G4’, in which they highlighted the role of materiality assessments in sustainability reporting, and argued that the broad underlying trend
is one of companies shifting from focusing on company performance data, to an attempt to report on their overall contribution to society. This fed in nicely to a later session, in which Marjella Alma, Lara Muller, Martina McPherson and Monica Streck (of eRevalue, Onimpact, Hermes Investment Management, and Munich Airport, respectively) hosted a plenary on how to harness the power of big data in sustainability reporting. The message from this session was clear: we need to be using ESG data more and more, not just for reporting but also as a corporate steering mechanism in order to help anticipate future risks and opportunities. It is also essential that companies do not just present this information to their key audiences as raw data: they have to tie it into something more tangible, whether a story in itself or as a part of the company’s overall narrative. This sentiment was echoed at various other points throughout the summit.
The summit opened with a keynote speech from Chris Ettery, sustainable development and communications director at the Swiss building materials giant Lafarge Holcim. Ettery elaborated on one of the key themes for the summit – the question of how companies can create value from stakeholder engagement – and to this end he outlined a four-step approach: organisation, action, anticipation, and capitalisation.

He presented the case study of Lafarge Holcim’s ‘Sustainability Compass’, a methodology developed by the company that mandates its management teams to spend time considering the various perceptions, concerns and priorities of stakeholders in the field of sustainable development, and in doing so encourages a greater inclusion of stakeholder views in company-wide objective-setting.

This strategy drives stakeholder engagement in two ways: firstly, because it leads to business units sitting down and thinking about their stakeholders and how they are perceived by the company, and secondly because it forces these business units to go out and actually collect that information. As Ettery explained, this means that business strategists can no longer settle for the approach of saying “well I don’t speak with any stakeholders, but I believe that this is what they want...”

From there, Ettery went on to offer tips on how to extract the real views of your stakeholders, claiming that the best mechanism to
really understand your stakeholders well is to **develop projects that create value for them as well as for the business**. Some examples of these from Lafarge Holcim’s experience include affordable housing programmes in Africa and agricultural projects in Latin America, and they represent a shift towards **working in partnership with stakeholders**.

As for the ways in which companies can better engage their own internal stakeholders, Ettery suggested making the most of the work that goes into building a sustainability report, building upon the dialogue and openness that is created during this process, and in doing so **seeing the sustainability report as the start, not the finish, of a journey** towards better performance.

### Keeping investors informed

A major element of stakeholder engagement lies within the need to articulate your business’s CSR and sustainability credentials to current and potential investors. To address this, there was an interactive roundtable session overseen by three representatives from the investor community: Richard Kooloos, head of sustainable banking at the Dutch state-owned bank **ABN Amro**; Ole Buhl, Head of ESG at the Danish investment group **ATP**; and Elly Irving, ESG analyst at the British asset management firm **Schroders**.

Highlights that **ABN Amro**’s Richard Kooloos took from his own table included the imperative that with the rapid developments taking place within the reporting landscape in recent years, if you want to achieve proper **integrated reporting** you need to have not just integrated thinking (in other words getting your key strategists and board members aligned on how to transform your business’s core values) but also **integrated communications** (which means having your marketing, internal, and corporate communications teams all on board).

Kooloos also offered his support for efforts by those brands who are finding alternative communication channels – newsletters, quarterly reports, blogs and social media – alongside formal reports for their numerous audiences. Formal reports will always
be there for investors, NGOs, and rating agencies, Kooloo explained, but in order to reach colleagues, clients, and the general public, companies increasingly should be investing in getting their message across in a more attractive format, for example through new and social media.

ATP’s Ole Buhl considered that investors see the sustainability report as being like a business card: sometimes, when you give your business card to somebody, they won’t be particularly interested and won’t give it a second look; but on other occasions, exchanging business cards is just the beginning of a conversation, or even an entire business relationship. That, according to Buhl, is what investors would like a sustainability report to be: not a final product but the beginning of a conversation. In addition, he underlined the argument – to be repeated on many occasions throughout the summit – that it’s not all about doing the reporting, but more about doing the right thing: in other words, actions will always mean far more than words.

For Schroders’ Elly Irving, meanwhile, the main takeaways could be encapsulated in three words: people, data, and benchmarking. On the first point, she maintained that it is critical that companies communicate with all investor groups, not just those specialising in ESG matters, when attempting to articulate how sustainability links to the business’s overall strategy. On the second, Irving reiterated that while the data in the sustainability report should be accurately reflected in MSCI ratings or Bloomberg ESG data, you should still stick to what is most material to the business.

Finally, on the point of benchmarking, she explained that investors want to be able to accurately and consistently compare data across a sector and across different timeframes (i.e. year on year); however, it is still essential that this data does not cloud the overall narrative of a report, as it is this that best conveys to investors the quality of the company, how they are considering risks, issues and opportunities, and how they are managing these with a view to the long-term.
Innovative methods of internal engagement

The stakeholder engagement track concluded with an interactive session jointly hosted by Jamie Quinn, head of sustainability at the built environment solutions company Cofely Engie, and Paul Thomas, external relations manager at the Dutch multinational chemicals company AkzoNobel. This session focused on the ways in which companies can boost understanding of their sustainability efforts among stakeholders by creating rich, engaging and informative content.

Among the most noteworthy lessons shared by Quinn was the step that Cofely took to streamline its sustainability objectives. When management teams took around 65 KPIs to the board, Quinn explained, they lost all their individual and collective effectiveness, and the whole initiative came to be viewed as just another box-ticking exercise. This led to a halving of the number of KPIs tracked, and the company now claims that by paring down your aims and communications to the topics that really are most material, they will become more achievable and have more of an impact, as it will be easier to get internal buy-in.

Quinn also set out some of the ways in which Cofely has been ramping up its efforts to engage internal and external stakeholders. The company encourages its employees to volunteer and contribute to the communities with which they work, and it is also looking at developing an employee app for smartphones, in order to boost internal engagement & e-learning, including among employees who can’t access the main report through the company’s intranet, for example. Measures such as this are important, Quinn argued, on the basis that internal engagement can add value to your business.

Additionally, he offered a compelling way of employing innovative and linked-up storytelling: while nobody gets excited about whether you’ve reduced water use or energy use by 5 or 10 per cent, once you add a human element – for example, through a community-based renewable energy programme that has direct and tangible benefits for that community – you can far more easily communicate the good that your company is doing.
AkzoNobel’s Paul Thomas chose to focus instead on the ways in which companies today have a “fantastic opportunity” to tell their story in a much more engaging and rich way, thanks to the digital revolution and the rise and rise of social media, both of which have completely changed the rules of how we communicate. It is this sea-change that has led to a situation where companies can, effectively, become their own publisher, and are now empowered to create and control their own content, and as Thomas explained this has given companies a special opportunity to provide their own relevant, engaging, informative, and also fun content, which better enables them to get their own story across and reach new audiences.

This opportunity has led AkzoNobel to incorporate more diverse communication channels within their annual report. As Thomas explained, the company has been trying to make its communications far more visually appealing, to add more of a human element to it and make it feel more personal, and to make it more understandable not just to sustainability professionals but to everyone.

However, Thomas emphasised that AkzoNobel are still very much just starting out on this journey, and there is still plenty to do – and the only way to ensure this continues, Thomas argued, is to “put more fuel in the tank” and provide the resources that a business will need to create good content and communicate it effectively. In essence, and as an appropriate means of summarising the entire stakeholder engagement track, companies have to make sustainability communications a priority.
HOW TO effectively engage your stakeholders

✔ Create a more powerful message by adding a human element to your reporting through design and storytelling.

✔ Simplify your goals & KPIs to get internal buy-in from senior management & encourage integrated thinking and communications.

✔ Make your sustainability messages visually appealing and fun to reach new audiences through digital means.

✔ Develop simple tools that make business units consider their stakeholders will make them go out and engage, rather than suggesting what they think is an issue.

✔ Think of your report as a start of a conversation with all investors (not just ESG groups) and support your report with meaningful action.

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Jamie Quinn, Cofely UK
The reporting frameworks track of the summit was aimed at helping companies navigate the sustainability reporting landscape and opened with Ian Jameson, programme lead for the Corporate Reporting Dialogue at the IIRC, setting out his organisation’s stance on the movement towards integrated reporting, and on the broader shifts taking place within the corporate reporting landscape. Jameson explained that as far as the IIRC is concerned, integrated reporting is “a principles-based and cohesive reporting system, reflecting integrated thinking and resulting in a [more] concise communication about value over time”.

It is also “a vehicle that unlocks long-term investment infrastructure”, and should be seen as “not the next evolution in sustainability reporting [but] the next evolution in corporate reporting”. As such, there need to be three general shifts within the corporate reporting cycle: firstly, from a financial capital market system to an inclusive capital market system; secondly, from silo reporting to integrated reporting; and thirdly, from short-term capital markets to sustainable capital markets.

The IIRC is also calling for an end to quarterly financial reporting that perpetuates short-term thinking and decision-making, according to Jameson, and dialogue between investors and businesses needs to have more of a focus on strategy, resource allocation, and value creation, over the short-, medium- and long-term. Furthermore, companies need to be fully linked up with the academic community,
which has been researching the long-term investment benefits of integrated reporting. Finally, governments, regulators and standard-setters should encourage innovation in corporate reporting, and policymakers should be looking to remove any regulatory barriers to integrated reporting.

**Integrated thinking**

Another viewpoint from the IIRC came from Sarah Grey, markets director at the organisation. She gave an insight into the way that integrated reporting is enhancing the way organisations think, plan, and report the story of their business. Integrated reporting is helping businesses to articulate the value that they create – and in particular how they create that value – as well as allowing them to think holistically about their strategy and plans, and also to make informed decisions and manage key risks in order to build investor and stakeholder confidence.

However, integrated reporting is more about having an integrated dataset, according to Grey, from which you can draw reporting for different stakeholder groups (such as investors, board members, and other external stakeholders). As such, it needn’t necessarily mean having one single integrated report, and communications can (and should) continue to be done through a variety of channels.

Among the insights that Grey shared with delegates were the fact that more than 1,000 organisations now practice some form of integrated reporting, and that 50% of CEOs, CFOs and COOs say they are moving in that direction (with a further 35% indicating that they will adopt it in the next two to three years). She cited a survey where an overwhelming majority of respondents said that integrated thinking was increasing the quality of organisations’ dialogue with shareholders and other stakeholders, that it makes it much easier to understand the value created by a company, and that investors understand it better as it presents a story that is simultaneously more simple and more holistic, as opposed to just the financial story in a silo.
Following on from this, Jane Baptist, deputy head of sustainability at The Crown Estate, provided a more practicable case study on how her organisation has dealt with the transition to Integrated Reporting. As she explains, The Crown Estate had already started thinking about value beyond financial return, leadership from the top, and integrated thinking before making the big switch to integrated reporting, but since setting out on this journey they have become even more aware of who they are, what they’re about, and what they’re achieving.

Baptist admitted that there have been some notable challenges throughout The Crown Estate’s transition to integrated reporting, including the difficulty of maintaining the narrative element of their reporting without getting caught up in the technical intricacies of the framework, and ensuring that there is sufficient internal communication on what integrated reporting (and thinking) is, what it means, and why it is beneficial in the long run.

Nevertheless, Baptist was able to offer some useful tips based on her organisation’s experiences: ensure you have leadership on integrated reporting and thinking; build up your team (drawing on solid internal and external support); and don’t rush into the process and try to do everything all at once – Baptist emphasised that The Crown Estate were still in their fourth year of transitioning to integrated reporting and are still not fully there yet.

**Getting to GRIps with G4**

Susanne Katus, VP of business development at US-based technology and data company eRevalue, and Annie Heaton, corporate responsibility manager at the multinational steel manufacturing corporation ArcelorMittal, moved the focus of debate on to individual reporting frameworks as they hosted an interactive session titled ‘How to get to grips with GRI G4’. A quick show of hands showed that most companies represented around the room had already switched to using G4, but when asked if they thought that G4 was proving useful for their business, participants were less enthusiastic. Focusing in on a key aspect of the latest GRI reporting framework – materiality assessments – Heaton
and Katus highlighted how complicated this process has become for businesses trying to understand both their stakeholders’ expectations and the external environment in which they operate.

Drawing on ArcelorMittal’s approach to materiality, Heaton argued that one of the keys was not just to consider current stakeholder concerns, but to look forward to what the future might hold in store. Whilst materiality assessments tend to take the guise of an algorithmic assessment for the sake of a sustainability report, Heaton offered a more strategic approach: materiality should be about those issues your business strategically needs to work on, and a good sustainability report should then report progress against these.

The session moved on to focus on what kind of information companies need to be reporting in future. Heaton suggested that we are seeing a shift from a focus on company performance data to attempts to report on a company’s contributions to society. While this approach is still in its infancy, participants agreed that in future, the GRI and other reporting standards (there are now some 1500 of them) needed to evolve to go beyond driving transparency to driving strategic business contributions to sustainability. Katus, on the other hand, opened up the debate of whether and to what extent the emergence of big data will drive transparency in CSR reporting. Katus was unequivocal in her belief that this will happen, and there was some debate as to how GRI should help companies to prepare for this coming paradigm shift.

**Human Rights reporting**

Businesses are increasingly encouraged – or indeed expected – to move from qualitative to quantitative reporting on social responsibility and impacts, and this is particularly apparent in the realm of human rights reporting. Christine Diamante, head of brand and corporate sustainability at the French telecommunications firm Alcatel-Lucent, and Marcela Manubens, Global VP for social impact at the consumer goods giant Unilever, presented their arguments for businesses moving ‘beyond compliance’ when it comes to reporting on their commitment to protecting and promoting
human rights, which would include taking a broader approach that includes capacity building, collaborative efforts, and continuous improvement.

Diamante explained that human rights has emerged as one of the biggest stakeholder concerns for Alcatel-Lucent in recent years, in particular when it comes to their role in subjects such as freedom of expression and privacy. Diamante described how this led to the formation of the Telecommunications Industry Dialogue, which she currently chairs, and which was launched in 2013 by such big industry players as AT&T, Nokia and Vodafone, with the mission of jointly addressing freedom of expression and privacy rights in the context of the UN Guiding Principles on Business and Human Rights (UNGP).

The group created 10 Guiding Principles to address these core rights as they relate to the telecommunications sector, and member companies use the space offered by the group to share best practice and tools for implementing the Guiding Principles within their company operations. Diamente also described how her company is now reporting on how it is implementing the 10 Guiding Principles, and she explained how it is not only sharing this information, but also engaging in stakeholder dialogue through roadshows, meetings with investors and NGOs, and through other forums.

Unilever’s Manubens, meanwhile, spoke about her organisation’s approach to human rights reporting through its Responsible Sourcing Policy. She explained that in developing this policy, Unilever wanted to go further than just eradicating “the wrong” by ending harassment and discrimination; it wanted to start encouraging “good” human rights. Manubens described how the company realised that in order to report on its human rights performance in a sufficiently transparent and holistic fashion, it couldn’t simply decide the parameters with which to frame its reporting for itself; instead, it looked to the UNGP for direction. This led to their first human rights report, which was released in June 2015, and which fulfills their Sustainable Living Plan commitment to report publicly on their implementation of the UNGP.

In developing their Responsible Sourcing Policy, Unilever wanted to go further than just eradicating “the wrong” by ending harassment and discrimination; it wanted to start encouraging “good” human rights.
Manubens also revealed the way in which Unilever sought to differentiate between what is ‘salient’ and what is ‘material’ when drawing up the key issues to report on: essentially, this comes down to asking what is most important to the ‘right holder’, rather than to the business and its key internal stakeholders. From here, Unilever created a cross-functional committee – not just with the executive level of the company but also with those on the frontline doing the work – to map out what was “salient”: this resulted in the identification of eight salient issues around which their human rights reporting could be framed: health & safety, discrimination, harassment, working hours, living wage, forced labour, freedom of association, and land rights.

HOW TO navigate reporting frameworks

✓ See integrated reporting for what it is – a reflection of your company’s integrated thinking on CSR.

✓ When thinking about materiality, don’t just stick to traditional subject matters. Ask yourself “What is your overall contribution to society?”

✓ Switching to integrated reporting can be a long and complex process – take your time, ensure there is strong leadership from the top, and make sure you include all internal stakeholders in the process.

✓ When assessing materiality, look to the future and what the next megatrends might be, rather than just assessing what has been most material in the previous 12 months.
One theme that had begun to feature prominently over the course of the summit was the impact that **big data** is beginning to have – and will increasingly have in the near-future – on sustainability reporting. To this end, there was a welcome panel session on how businesses can harness the power of big data in their sustainability reporting, hosted by Marjella Alma, CEO of the technology and data company eRevalue; Martina McPherson, associate director of corporate engagement at Hermes Investment Management; Lara Muller, CEO of the sustainability-focused consultancy Onimpact; and Dr Monica Streck, head of strategic sustainability at Munich Airport.

To help set the context, Marjella Alma quoted the findings of Yale University research that predicted that by the year 2020, three quarters of the companies that make up the S&P 500 Index will be ones that did not even exist by the beginning of 2012. Furthermore, in the last couple of years, we have collectively created more data than we had done in the entire preceding history of humankind. In such a fast-changing landscape, Alma asked, how can companies **stay resilient** and continue to **articulate their purpose and contribution to society**? If sustainability reporting is a vehicle for positive change within companies, she said, then big data is essential to improving the quality and breadth of that reporting, and therefore it will become more and more of a key agent of change.

McPherson then offered the investor perspective by discussing the emerging trend for investors to **look beyond financial metrics**
and look at systemic risks, of which ESG data is a key part. Investors see the ESG big data question as a materiality risk management question, she said, but they also see it as a way of identifying opportunities. McPherson also presented the findings of two studies: one from Deutsche Bank showing that companies with higher ESG and CSR ratings tend to have a lower cost of capital; and another from Hermes Investment Management that demonstrates how engagement on ESG issues pays off for companies and investors, both financially and non-financially, with companies that do engage tending to showcase a better performance than those that don’t engage or disclose key data.

Onimpact’s Muller, meanwhile, made the observation that sustainability is really about future-proofing your company, and so investors look at your CSR reports for signs of your ability to create value in the future. That, according to Muller, is what materiality should be about. There is a need, she argued, for businesses to use ESG data more and more, not just for reporting but also as a corporate steering mechanism, as this helps anticipate future risks and opportunities, and as such is essential to driving the business forward and enabling it to survive in an increasingly complex and crowded ecosystem.

This was a view not only expressed by Muller, but was perhaps the overarching message of the entire session from all members of the panel. It was suggested, for example, that with closer scrutiny of their CSR reports and ESG data in recent years, the recent VW emissions scandal could well have been avoided, or at least spotted earlier, as they had become increasingly silent on the topic of emissions data in their reporting.

However, and in keeping with other messages from the summit, it is also essential that companies do not just present this information to their key audiences as raw data: you have to tie it into something more tangible, whether that be a story in itself or as a part of your company’s overall narrative.
Driving business value through your report

Dr Alan Knight, head of sustainability at ArcelorMittal, and Ellen Jacowski, sustainability and innovation lead at HP, concluded the summit with a plenary session on how to drive business value through your sustainability reporting.

Jacowski began proceedings by sharing some of the learnings that HP have discovered about this approach, and reiterated several of the core messages heard elsewhere across the summit: sustainability ensures that customers can and want to buy your product, it motivates employees and builds a culture that increases productivity and pride within your company, and it sends a signal to investors that a company is creating resilience and building for the long-term.

She also detailed how HP became the first IT company to create a full carbon footprint that covered their entire value chain, and how they confronted the additional challenge of going further than simply measuring their footprint by continuing to manage it. To do this, the company assessed which parts of the business were creating the most value, and from there committed to carbon footprint reductions in these core areas: their supply chain, their operations, and above all through their products, where a 40% reduction target was set.

Among Jacowski’s most important tips for the audience was a call for companies to communicate any opportunities, risks and progress to everyone, everywhere. For executives, this means telling the story of what you’ve achieved so they are motivated to do more and can understand where they need to make continuous investment; and for employees, this means ensuring that they all have some level of understanding of why these programmes are important and how they’re contributing to the long-term health of the business. Doing this, Jacowski claimed, will help increase productivity and motivation.

Meanwhile, Dr Alan Knight was keen to emphasise one of the fundamental principles of sustainability reporting: that a business’s sustainability report can only be as good as its strategy. “The
“If our products could talk about their story, what would they say about their life, and would we be comfortable with their story?”
Dr Alan Knight, ArcelorMittal

report is the story of the strategy”, he stated, and the more honest you are about that story, the easier it will be to communicate that to your audience (and the more useful and informative it will prove to be for that audience). This also applies with the shift towards integrated reporting: if you have a truly integrated strategy, it will be a lot easier to produce a strong and exemplary integrated report.

Knight spoke about how open B&Q, for whom he worked during the early 1990s when corporate sustainability was still an emerging topic, were when they first started reporting about how their products (such as hammers, front doors, patios) were made. If our products could talk about their story, he asked, what would they say about their life, and would we be comfortable with their story? He claimed that B&Q were trendsetters in the way that they were open about any deficiencies, and sought to engage stakeholders about how they could go about fixing those problems.

On materiality and stakeholders, Knight said, “Corporate responsibility is about knowing what your stakeholders expect [whereas] sustainability is about understanding the megatrends which are outside your daily spectrum of sight, and understanding and predicting how they could impact on sales and profits in the short- to medium-term”. It is for this reason that materiality, and the ability to identify these megatrends, is so important.

When it comes to doing a materiality assessment, though, Knight claimed that all it takes is a bit of common sense – first work out what the big issues are, then use a materiality assessment to qualify your approach. As an example, from his experience at B&Q, he said that when looking at a product made from Indonesian timber, it was obvious that deforestation and sustainable sourcing of timber would be among the top issues (if not the top issue).

Finally, on the topic of internal stakeholder engagement and communication, Knight pointed out that on average, 75-80% of your CSR report’s readers are likely to be your own people – employees, board members, etc. – and so the “story”, which at the end of the day is what your report is, should be told in a more familiar tone that will resonate with them, and not in high-level and abstract terms.
HOW TO drive business value through sustainability reporting

✔ Big data still needs to be presented alongside, or as part of, a wider and more compelling narrative.

✔ Don’t underestimate the value of common sense in your approach to material issues. A common sense approach leaves you with time and resources to put towards action.

✔ Communicate opportunities to everyone, everywhere.

✔ In your tone, remember who will be reading your report (mostly employees); Avoid abstract terms and focus on the story.

✔ Monitor the mega-trends taking place across industry and consider how this will impact profits in the short-to-medium term.

✔ ‘Manage what you Measure’ to ensure that risks & opportunities are not just identified but are dealt with.

“Corporate responsibility is about knowing what your stakeholders expect [whereas] sustainability is about understanding the megatrends which are outside your daily spectrum of sight, and understanding and predicting how they could impact on sales and profits in the short- to medium-term”.

Dr Alan Knight, ArcelorMittal
Maximising exposure of your work

Sara Hanson, deputy head of corporate responsibility at the British broadcaster ITV, and Megan Mitrevski Dale, associate director of corporate responsibility and sustainability communications at Coca-Cola Enterprises (the producer, manufacturer and distributor of its namesake’s food and drink products in Western Europe), both spoke at length about the opportunities offered by social media to CSR communications. Chief among these is the potential for leveraging social media in order to create year-round sustainability communications that can also reach new audiences and stakeholder groups.

Hanson emphasised the importance of maintaining a joined-up communications strategy across different channels: if you are going to make the most of Twitter, Facebook, LinkedIn, Instagram and others, then your message needs to be coordinated, but not repetitive. There is little point in saying the same thing in different places, and as Hanson put it, you shouldn’t be afraid to be “a little bit schizophrenic” on your social media feeds. As an example, she said that ITV often promote three or four different parts of their CSR strategy in one day: this more accurately reflects the way that people normally use social media (and Twitter in particular), as they tend to browse for a whole range of information rather than avidly following one single topic.

Another example that Hanson gave was of ITV making the most of their different ‘brands’ to extend the reach of their communications...
and reach more people. In their case, ‘brands’ take the form of different programmes, some of which have millions of Twitter followers, and so using these pages is likely to allow them to engage with a far wider audience than if it were done solely through the main ITV @Tweeting_our_CR page (which has a few thousand followers).

Mitrevski Dale, meanwhile, suggested that it can be more effective to break down the annual report into digestible bits that can be communicated throughout the year and linked to key events and emerging trends. Coca Cola Enterprises do this to communicate on particular topics so they coincide with, for example, Resource Scarcity Week, Employment and Diversity Week, or the release of the annual Global Pay Gap survey.

She also talked about a ‘CSR Q&A session’ that Coca-Cola Enterprises hosted on Twitter, with the organisation’s head of CSR having some 250 questions put to them over the course of an hour-and-a-half session. The event was a considerable success, she said, and had the added benefit of leveraging social media’s unique ability to reach new stakeholders that perhaps aren’t as tuned in to annual company reports. The session also saw the company gain new Twitter followers and reach over 230,000 accounts, and it was even ‘trending’ on Twitter by the end of the session, which Mitrevski Dale claimed was an obvious bonus for promoting their brand.

Articulating your business’s positive contribution to society is an essential part of corporate reporting, a view that was discussed by Kristiina Oja, executive adviser at the Nordic banking giant Nordea, and Adam Garfunkel, partner with the sustainability consultancy Junxion. According to Garfunkel, by 2025 millennials will make up around 75% of the global workforce, and this has far-reaching implications for businesses because these new cohorts care deeply about CSR and will want the businesses they work for, and whose goods and services they buy, to not only embrace social responsibility but also to engage them in their own CSR plans. Therefore, businesses need to stay on top of their CSR game in order to meet this increasing stakeholder demand.
Oja and Garfunkel then talked about how Nordea and Junxion worked together to find a way for the former to better articulate its social purpose. Oja explained that Nordea have invested a lot of time and effort exploring what their social purpose is, but what really helped turn the tide was a major stakeholder survey they carried out in 2013, labelled a “virtual brainstorming”, which received over 4,000 responses and 5,000 ideas on how Nordea could be a more sustainable company. This allowed Nordea to undertake a complete overhaul of their CSR strategy, and from their point of view is a pertinent example of the efficacy of the stakeholder engagement process.

Megan Mitrevski Dale was back later on in the day to present Coca Cola Enterprises’ latest CSR report, as the basis for The Reporting X-Factor, the summit’s annual feature that allows in-depth analysis and feedback on a leading sustainability report. Mitrevski Dale talked delegates through her company’s latest approach to reporting, which has seen them adopt the new GRI G4 framework for the first time, and which has also involved them moving a lot of the report’s content online in the form of a number of ‘factsheets’. According to Mitrevski Dale, the thinking behind this new trend is to make the report as widely available as possible.

However, she was keen to emphasise that good reporting is not just about having fully-audited data, reporting your achievements, and getting your message across in an effective and appealing way; it is also essential to explain to readers why you are reporting these issues, or to put it another way to articulate why these issues matter both to your business and to your key stakeholders, and Mitrevski Dale insisted that Coca Cola Enterprises have been making a concerted effort to bring about some of this conversation within their reports.
HOW TO maximise exposure:

- If you are looking to engage new audiences with your CSR strategy, social media can help, but make the messaging fun.
- Break down your CSR communications into digestible bits (Twitter and its 140-character medium can help take care of this!)
- Link your CSR communications on a given topic to key events & trends as and when they happen throughout the year.
- Where possible, make the most of different ‘brands’ and their separate social media profiles to extend the reach of your CSR communications.
- Good reporting is not just a case of having good data and a strong message, but it is also about explaining to your stakeholders WHY these issues matter.

By 2025 millennials will make up around 75% of the global workforce, and this has far-reaching implications for businesses because these new cohorts care deeply about CSR and will want the businesses they work for, and whose goods and services they buy, to embrace social responsibility and engage them in their own CSR plans.

Adam Garfunkel, Junxion
Engage stakeholders, identify business risks and prove the financial value of sustainability

- **Engage**: Leverage sustainability to build trust with your stakeholders and drive change.
- **Identify**: Define your KPIs in line with your material issues, the SDGs and the EU Non-Financial Disclosure Directive.
- **Measure**: Create a streamlined process that gathers big data from multiple sources and present it in a structured and consistent manner.
- **Communicate**: Maximise your impact with an innovative communications strategy that offers tailored messaging to key stakeholder groups.
- **Act**: Develop future business strategies based on learning and risks identified through the reporting process.

**RECENT ATTENDEES & PAST SPEAKERS**

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