

Reporting and transparency trends shaping corporate behavior

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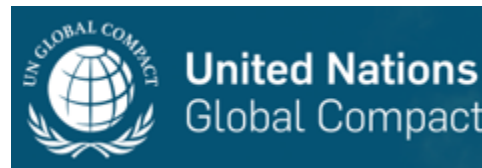
Reporting landscape



INTEGRATED REPORTING <IR>



NATURAL
CAPITAL
COALITION



Reporting on
outcome

SOCIAL VALUE
INTERNATIONAL

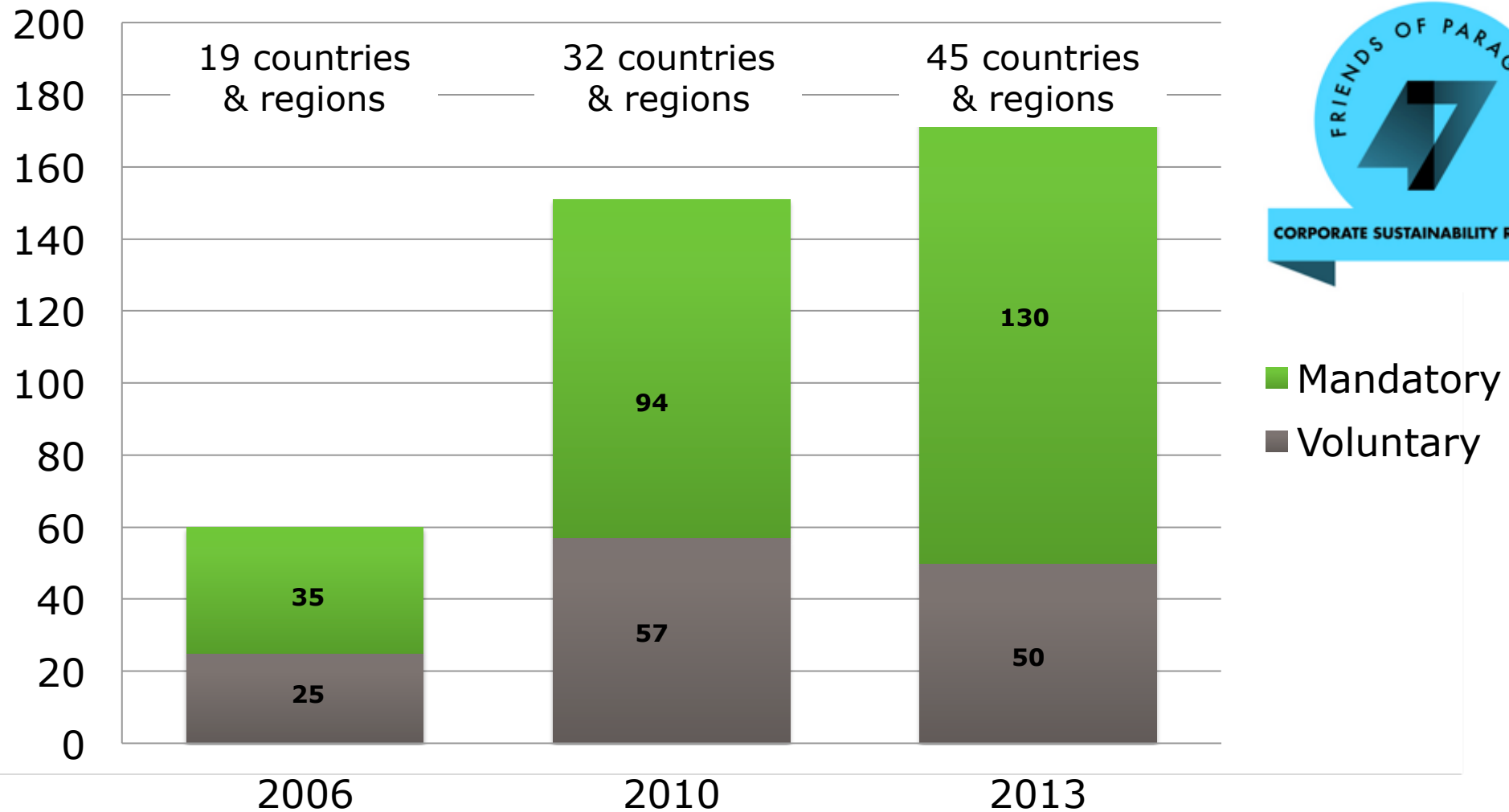


Measuring Progress on the SDGs: Multi-level Reporting

Negative impacts

Positive impacts

Trends in mandatory and voluntary sustainability reporting



■ Mandatory
■ Voluntary

Source: Carrots and sticks publication

Corporate reporting trends (CH / WBCSD)

81 / 93

Average page length
for sustainability
reports

75 / 88%

of reporters use the
GRI guidelines

44 / 63%

of reports are titled
'sustainability report'

3,7 / 4,2

Average month
between reporting
period and publication

50 / 59%

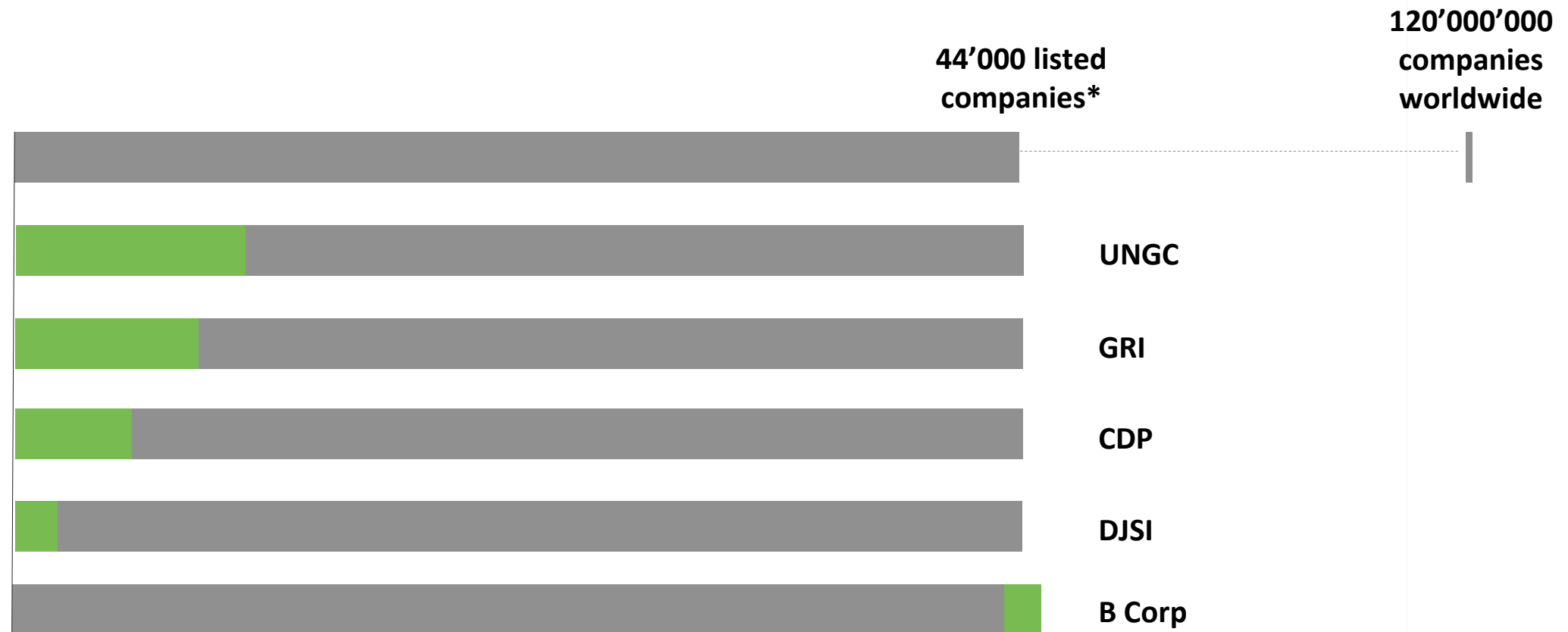
of reporters use the
GRI G4 guidelines

17 / 78%

of companies have
their report externally
assured

Source: WBCSD reporting matters and ÖBU/ engageability 'Nachhaltigkeitsberichterstattung – quo vadis'

Despite these development, sustainability is not yet mainstream in the private sector



Uptake of reporting and other sustainability related initiatives worldwide

* Source: World Bank, 2014 (excluding purely financial companies)

True business sustainability

To drive the transition to a more sustainable and low carbon economy at the scale and speed required, true business sustainability will be needed

BUSINESS SUSTAINABILITY TYPOLOGY	Concerns (What?)	Values created (What for?)	Organizational perspective (How?)
Business-as-usual	Economic concerns	Shareholder value	Inside-out
Business Sustainability 1.0: Refined Shareholder Value	Three-dimensional concerns	Shareholder value	Inside-out
Business Sustainability 2.0: Triple Bottom Line	Three-dimensional concerns	Triple bottom line	Inside-out
Business Sustainability 3.0: True Business Sustainability:	Starting with sustainability challenges	Creating value for the common good	Outside-in
The key shifts involved:	1 st shift: broadening the business concern	2 nd shift: expanding the value created	3 rd shift: changing the perspective

Source: Prof. T. Dyllick/ K. Muff,
*Clarifying the meaning of
sustainable business*

Preferred methods capturing outside perspective

1. Questionnaires/ surveys
2. Established communication channels
3. Interviews
4. Focused group discussion
5. One-to-one meetings
6. Panel/ Dialogues
7. Partnerships

Interesting example: Tieto's open crowd sourcing

The new materiality assessment started with an open crowd sourcing arranged by Tieto. This type of open dialogue enabled the participants to transparently and openly discuss about Tieto CR regardless of their location and time of participation. The process ensured that each participant was able to provide his or her own view instead of rating topics within a predefined scope. This is our way of practicing our open source culture externally and internally on CR – we welcome any and all comments and proposals. Invitations were sent out via e-mails to different representatives from our stakeholder groups, and also advertised on the web and in social media. In total, 260 people, representing customers, investors and media among others, participated in this online brainstorming. 161 of the participants were employees, showing the high interest in this stakeholder group to participate in an active dialogue with the company regarding CR. The high number partially also reflects the past year's restructuring activities, which increased employee interest in CR dialogue.

Source: engageability 'Materiality 360'

Examples of stakeholder panels enhancing transparency

Stakeholder Panel

External Review Committee

Shell, for the eighth successive year, has invited an External Review Committee to assess its sustainability reporting. This letter provides our assessment of Shell's 2012 Sustainability Report. We express our views as individuals, not on behalf of our organisations.

Roll the mouse over the images below to view the Committee members position.



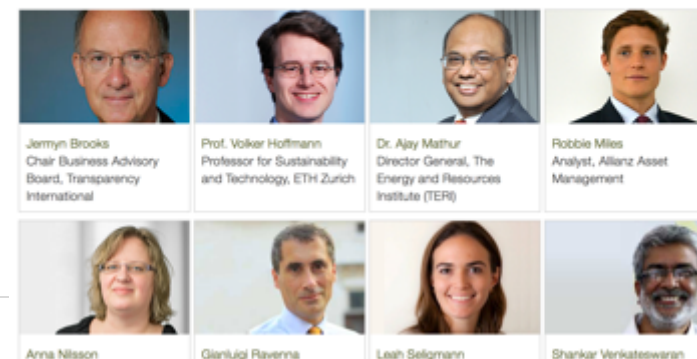
Stakeholder Panel

Sustainability Council

ABB Report Review Panel statement

ABB has a long history of stakeholder engagement. The company has conducted a variety of stakeholder dialogues and regularly consults a wide range of stakeholders to challenge strategy, and to review material issues and its sustainability performance reports.

In 2015, ABB invited a stakeholder panel to accompany its sustainability reporting process. The panel consists of the following members:



A close-up portrait of the Dalai Lama, an elderly man with a serene expression, wearing glasses and a maroon shawl. His hands are raised in a traditional prayer gesture (Anjali Mudra) near his face. The background is dark and out of focus.

„TRANSPARENCY RESULTS IN
TRUST AND A DEEP SENSE OF
SECURITY“

Dalai Lama

engageability

engage and
create opportunities