

Delivering impact *in a time of complexity*

→ Reporting matters 2023



World Business
Council
for Sustainable
Development



In partnership with

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Delivering impact

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Delivering impact *in a time of complexity*

As Reporting matters enters the second decade of its existence, there is no denying the huge progress that companies have made on transparently reporting on their sustainability. The 10th anniversary headlines in 2022 recognize that reports are getting more comprehensive, that companies are communicating more content through websites and data platforms, and that there is a general increase in the qualitative and quantitative information they are reporting. Thankfully, better design and navigation tools also improve accessibility and allow the reader to find and digest relevant content more easily.

But does an increase in the volume of information equate to positive impact? And are more accessible reports driving increased action? Or is the extent to which companies are grappling with the intense uncertainty of the fast pace of change in reporting regulations dominating the focus?

The addition of new, complex and overlapping requirements seems almost constant. Regulation are pressing companies to provide significantly more detailed disclosures and to step up their efforts to tackle social and environmental impacts.

Following member consultations, this year's Reporting matters sees the launch of an evolved evaluation framework. Double and dynamic materiality have come to the fore, along with a closer focus on reporting as a driver for change. We have streamlined the new framework to redirect emphasis away from outputs and towards the actual impact of business activities.

It acknowledges the urgent challenge facing companies to keep ahead of reporting requirements and to anticipate the changes they will require. It offers guidance for reporters on how to navigate this uncertainty while delivering impact by looking beyond a compliance-driven approach.

Welcome message

Peter Bakker

I am proud to see how Reporting matters has supported our members over the last decade. It has helped improve the effectiveness of sustainability disclosures and it continues to upskill businesses globally to not only comply but thrive in the changing disclosure environments they face.

We launched Reporting matters in 2013. In my inaugural message I said that non-financial reporting practices must change to ensure businesses are truly valued on what is important, that stakeholders have timely and decision-useful information, and that investors and other stakeholders read and use sustainability reports in a purposeful manner.

Business has had a challenging year in 2023 – dominated by the cost-of-living crisis with high inflation and rising interest costs, the continuing war in Ukraine, lingering impacts of the pandemic and devastation by natural disasters. All of this continues to exacerbate the greatest issues of our time, the climate crisis – with the resulting severe weather events, nature loss and mounting inequality.

Now, more than ever, the world is turning to business to unlock urgent, bold sustainability solutions at scale. The burning question is not “if” but “how” to rise to this challenge and how to build measures and validation frameworks to ensure we can mobilize accountable business action at scale.

Accountable businesses must have science-informed targets. Emissions that businesses accurately account for across all scopes must inform these targets and robust transition plans must underpin them, with progress disclosed publicly to investors, civil society and stakeholders on a regular basis.

The launch of the International Sustainability Standards Board (ISSB) sustainability reporting standards and the European Sustainability Reporting Standards (ESRS) earlier in 2023 represented a momentous step forward in the need to transition to a transparent and low-emissions economy, one that protects nature and provides equal opportunities for all. These standards allow businesses to manage their sustainability performance and show investors the progress they are making in transforming their business model to create value and impact. This also ensures that global capital markets receive the data that they need to make informed decisions about where to allocate their funds.

In recognition of the pivotal changes in regulation, reporting practices and audit requirements, we have evolved the Reporting matters evaluation framework. With an increased focus on assessing materiality, we will support business efforts to demonstrate leadership and accountability and ensure ambitions translate into delivering genuine impact.

With the renewed framework, we are helping to create the building blocks of change to accelerate the system transformations needed for a net-zero, nature-positive and equitable future.

I look forward to seeing how your business is entering and navigating this new era in corporate reporting and accountability. We are here to support you in ensuring that your reporting is a true reflection of the ability of your business to generate long-term value while addressing the risks and maximizing opportunities of climate, nature and equity action.

Peter Bakker
President and CEO,
WBCSD

Foreword

Patrick de Cambourg

In these decisive times, we must support companies in their sustainability reporting journey by establishing a robust reporting system providing quality sustainability-related data and reducing unnecessary divergence between regulations and standards. Ensuring interoperability between the EU's Corporate Sustainability Reporting Directive (CSRD) and other standards is crucial to avoid increasing complexity while providing information that aids decision-making, transparency and accountability.

The CSRD makes sustainability reporting mandatory for companies with 250 employees or more (and listed small and medium-sized enterprises SME's). Audited "sustainability statements", prepared in accordance with the CSRD and the European Sustainability Reporting Standards (ESRS), must cover environmental, social and governance matters and address the impacts of businesses on people and the planet along with their risks and opportunities. The EU has taken a major political decision by introducing a legal, comprehensive sustainability reporting regime that differs from, but is not in contradiction with, the approaches of the International Sustainability Standards Board (ISSB) or the Global Reporting Initiative (GRI).

Placing sustainability reporting on an equal footing with financial reporting is a ground-breaking step that comes with challenges. According to the CSRD, a sustainability report must provide relevant information on all the material impacts of a company on people and the planet, as well as on all material risks and opportunities affecting or likely to affect its financial performance. The practical way to achieve this has been widely debated,

with a key question being whether reporting certain information should be mandatory, regardless of materiality, or whether it should be down to the company to determine what information is needed to give an accurate picture of its sustainability matters, based on an assessment of materiality.

The European Financial Reporting Advisory Group (EFRAG) has been tasked with developing draft standards incorporating expertise from a wide range of relevant stakeholders. The adoption of 12 sector-agnostic ESRS in July 2023 represents a major milestone in the progress of sustainability reporting, putting the emphasis on the pivotal role of a company's materiality assessment.

Ensuring the interoperability of ESRS with other standards has also been key. We aim to capitalize on the momentum by building on and contributing to global progress on sustainability reporting and by aiming for maximum commonality between standards to allow for a single sustainability report and avoid the need for multiple costly and confusing reports.

EFRAG has established cooperative dialogue to foster the alignment of definitions and approaches related to financial and impact materiality between the ESRS and International Financial Reporting Standards (IFRS) on the one hand and GRI Standards on the other hand. The climate content of ESRS and IFRS S1 and S2 are both based on the Task Force on Climate-related Financial Disclosures (TCFD) framework and include impact-related and financial risk- and opportunity-related disclosures.

This reduces the risk of duplicating reporting efforts and ESRS reporters will be well positioned to comply with the ISSB requirements.¹ A high level of interoperability has also been accomplished with the GRI.² Existing GRI reporters will be well prepared to report under the ESRS and entities reporting under the ESRS will be considered as reporting with reference to the GRI Standards, avoiding the burden of multiple reporting.

We now need to embed this same level of interoperability in appropriate digital reporting processes that meet the expectations of preparers and users of reports who require easy to access systems. We cannot afford to be unnecessarily siloed or parochial in our approach. Sustainability challenges are global and we must also build momentum across jurisdictions to ensure progress is global.

Initiatives such as Reporting matters add significant value by guiding companies to embed and report on some of the key aspects of the CSRD, such as double materiality. I am confident that the report's guidance and examples of good practice provide clear direction and inspiration for companies on their reporting journey that will place them in good stead to meet the many requirements they will face moving forward.

¹ European Financial Reporting Advisory Group (EFRAG) (2023). Interoperability between ESRS and ISSB standards: EFRAG assessment at this stage and mapping table.
² EFRAG-GRI Joint statement of interoperability (September 2023).

Patrick de Cambourg
*EFRAG Sustainability
Reporting Board Chair*

Foreword

Helena Viñes Fiestas

Despite many corporate ambition statements and climate pledges, the world is off track to limit global temperature rise to 1.5°C. Heat waves and other extreme weather events continue to unfold around the globe, reminding us of the consequences of collective inaction and failure to accelerate progress.

Sustainability reporting is imperative to ensuring corporate accountability. It supports performance, guides strategic decision-making and drives transparency. Credible and impact-oriented disclosure is crucial to closing the gap between corporate ambition and action.

The United Nations Secretary-General tasked the High-Level Expert Group on Net Zero Commitments of Non-State Entities to assess the net zero emissions pledges and commitments of non-state actors, ranging from corporations and financial institutions to local and regional governments. Its report, *Integrity Matters: Net Zero Commitments by Businesses, Financial Institutions, Cities and Regions*, sets out 10 practical recommendations to bring greater integrity, transparency and accountability to net zero emissions efforts by establishing clear standards and criteria.

A good number of these recommendations center on the development of credible transition plans. In this context, two words stand out: detailed and consistent. A transition plan must be detailed enough with respect to quantity and quality of information. It also needs to be consistent with the business strategy, capital investments, governance and incentive structure, as well as with how the company conducts its advocacy on climate change.

Companies must align their lobbying and advocacy practices with their publicly stated commitments if they want to demonstrate integrity. Their influence in policy-making ought to emanate from their public commitments and, ultimately, close or reduce the gap between net zero commitments and action.

This means ensuring that their full sphere of influence is working towards a 1.5°C decarbonization pathway. It includes efforts by companies and their agents to positively influence climate policy decision-making – such as carbon pricing or industrial policy – through direct or indirect access to policymakers. It also covers membership in trade associations, through which companies can exert significant influence in shaping the narrative surrounding climate change, whether by mobilizing the public and civil society or by funding science- and evidence-based think tanks.

My advice to companies is to establish an effective governance process and oversight of their climate change positioning, as well as wider sustainability efforts and engagement with key stakeholders, particularly policymakers. In fact, companies must consider how they convey their position to the entire stakeholder ecosystem and how they ensure consistent and transparent messaging. This requires leveraging their power to responsibly influence the climate policy narrative, encourage better governance, improve transparency and build accountability.

It is reassuring that sustainability governance is a central component of the Reporting matters framework. The insight gathered will guide companies in improving the effectiveness and integrity of their reporting. The work of Reporting matters has demonstrated the value and importance of reporting sustainability-related information in a way that shows progress, delivers impact and – most of all – inspires hearts and minds.

What happens until the end of this decade is decisive. I urge companies to act with integrity now, ensuring that net zero pledges are ambitious and deliver immediate and verifiable emissions reductions to limit the climate crisis and drive sustainable change.

Helena Viñes Fiestas
Commissioner for the Spanish
Financial Market Authority and
Chair of the EU Platform on
Sustainable Finance



Foreword

Shivani Rajpal

With sustainability factors becoming a mainstream part of investment decision-making, companies need to more effectively communicate how they are managing their business and their impacts. Consistent, comparable and decision-useful sustainability reporting matters more than ever.

This year, 2023, was a pivotal year for sustainability reporting, with the European Financial Reporting Advisory Group (EFRAG) elaborating major proposals for sustainability reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD), International Sustainability Standards Board (ISSB) issuing its general requirements and climate-focused sustainability reporting standards and the Securities Exchange Commission (SEC) proposing a disclosure rule that would require public companies to report their greenhouse gas (GHG) emissions and other climate change risks.

It tasks companies to apply double materiality, a game-changing approach that requires companies to identify and prioritize sustainability topics for reporting based on two dimensions – impact materiality and financial materiality.

Impact materiality means that companies need to understand the impacts they cause on the world – both on people and the environment – through their direct activities and indirect activities across their value chain. With financial materiality, they need to report sustainability topics that have or may have material financial implications on the company.

The concept of double materiality has become an immensely hot topic for debate. Companies that have focused their sustainability reporting on financial materiality will have to disclose the social and environmental impacts of their actions. And companies that have focused on impact materiality will now also have to prioritize and manage sustainability topics that have financial implications for their company. Approaching sustainability reporting from these two perspectives will help meet the expectations of a variety of audience groups and better account for sustainability risks and opportunities.

While double materiality is expected to help companies future-proof their business, there are a number of challenges to anticipate on the way:

- Limited understanding of the concept and processes required to assess double materiality;
- Need for extensive stakeholder engagement to conduct double materiality efficiently;
- Increased and additional data analysis needs to ensure balanced and complete reporting;
- Collection of value chain-related data based on the material topics;
- Readily available data alongside the company's management report.

In light of the upcoming regulatory disclosure requirements, capacity building and training is going to be crucial for companies not to miss out on the opportunities that effective reporting brings in connecting with stakeholders in meaningful ways.

Companies that perform a double materiality analysis will have a competitive edge over the companies that do not. Performing robust materiality assessments will ensure that resources and efforts focus on what is relevant to the business and to stakeholders and that actions, processes, policies and targets aid progress and deliver impact.

Companies can and should strive towards clearer and more meaningful sustainability reporting using guidance and good practice examples such as those laid out in this edition of Reporting matters.



Shivani Rajpal
Chief Executive Officer,
Earth Academy

Joint letter

Radley Yeldar & WBCSD

We are excited to present this 11th edition of Reporting matters. It is packed full of reporting trends, examples of good practice and insightful discussions with leading global organizations that offered their candid opinions, experiences and considered advice. Our discussions focused on the challenges and opportunities of double and dynamic materiality, developing robust and credible net zero commitments and how sustainability reporting delivers impact and engages stakeholders effectively.

The publication also opens a new chapter with our evolved framework, developed through consultation feedback from WBCSD members and partners. The recent drive to strengthen governance and effect change by government agencies – namely the requirements set out by the European Financial Reporting Advisory Group (EFRAG) and the finalization of the European Sustainability Reporting Standards (ESRS), alongside the International Sustainability Standards Board (ISSB), a global standard-setting body, prompted this evolution. The framework sets new baselines in crucial areas such as materiality, governance and internal controls. It recognizes the challenges of meeting more demanding reporting requirements while delivering impact in a way that resonates with key audiences. Crucially, we've made sure it aligns with upcoming regulatory reporting requirements. We provide an overview of the changes to the evaluation framework on page 10.

Effective reporting is foundational for business accountability and integrity on the journey to deliver genuine progress toward limiting the climate crisis, reducing nature loss and tackling inequality. And it is no longer just the business of a single team or chief

sustainability officer. While we take pride in what Reporting matters has achieved so far, we believe it's time to raise the bar. Stepping up efforts in sustainability reporting and disclosures is business critical, both in terms of gathering decision-useful information and sharing a forward-looking narrative that resonates, informs and engages different audience groups. We are heartened to see how the reports we review draw information, data and expertise from across business functions, units and teams. Moreover, it is reassuring to see an increasing number of companies moving towards a more balanced way of reporting, clearly indicating and accounting for both positive and negative business impacts. It is this level of balance that is key to helping unlock the transformations that we need to see.

We are aware that sustainability reporting has become increasingly complex and more demanding for business. Disclosing accurate and authentic information while facing constantly evolving regulatory and stakeholder expectations requires careful consideration.

From our perspective, the best way to ensure that your report responds to key stakeholder expectations and meets regulatory needs is to focus on what is material from both an impact and financial perspective and support your disclosure with externally assured data. This will go a long way in meeting different expectations, building trust and reflecting integrity. You will see from the General Findings that many members are already active in this space.

We thank you for your continued engagement with Reporting matters and hope that the insights presented in this edition provide you and your teams with valuable guidance and inspiration.

”
Our evolved framework strives to ensure that reporters focus on showcasing impact rather than getting tangled up in reporting compliance.

Jennifer Black
*Sustainability
Reporting Director,
Radley Yeldar*



Uta Jungermann
*Director, Member
Engagement &
Global Network,
WBCSD*

WBCSD 2024 *Action Program*

With the clear goal to deepen the engagement of and support for WBCSD members in achieving critical sustainability milestones, WBCSD has sharpened its Action Program for 2024. Three years into the delivery of its 2022-2027 strategy, the new program is capitalizing on strong progress and achievements made in 2022 and 2023.

The three Imperative programs – Climate, Nature and Equity – have expanded their influence and reach while significantly growing in membership, now exceeding 200 engaged members.

Some of the key accomplishments include:

- The Business Commission to Tackle Inequality (BCTI) launched their flagship report. The G7 cited the Avoided Emissions Guidance in their Climate, Energy and Environment Ministerial Communiqué. The Taskforce on Nature-related Financial Disclosures (TNFD) asked WBCSD members to take over part of an implementation group.
- The Pathway programs, concentrating on vital value chains including agriculture & food, the built environment, circular products & materials, energy and transport & mobility are at the forefront of driving essential initiatives forward and will continue to strengthen their impact in line with WBCSD's five-year strategy.

- Likewise, the nearly three dozen members engaged in the CFO Network have helped shape upcoming disclosure standards.
- Finally, core services covering policy, membership criteria and reporting will continue to support WBCSD's community of members along their journey to help solidify credible business action and leadership in sustainability.

Thanks to the engagement, feedback and guidance received from member companies, WBCSD's 2024 Action Program centres on five building blocks of transformation that aim to accelerate key action areas for a better world:

- Three interconnected imperatives to lead the integration of climate, nature and equity action into corporate strategies, operating plans and decision-making;
- Five global value chains and leading sector initiatives to transform by collaborating with relevant companies and partners to drive change within and across value chains and the systems in which they operate;
- Corporate performance to succeed when capital markets reward the most sustainable companies, those that operate with the utmost transparency and effectively implement sustainable strategies;

- Education to provide business leaders and practitioners with relevant, meaningful and actionable learning to raise ambitions, drive action and sharpen accountability around sustainability goals;
- Member services to support members in shaping policy, raising their sustainability ambitions and enhancing effective disclosure to deliver business action and transform the systems in which they operate.

WBCSD's Vision 2050 of more than 9 billion people living well, within planetary boundaries remains at the heart of the organization's strategy, efforts and work. These initiatives and sharper offers are designed to drive transformation in sectors and industries and strengthen continued accountability across the business community.

Both Reporting matters and the WBCSD Membership Criteria are integral to supporting WBCSD members on this journey to collectively raise ambition, demonstrate credible leadership and effectively report progress and impact in public disclosures.



By evaluating our members' corporate disclosures, we are privileged to support businesses on their journey to raise sustainability ambition, demonstrate collective leadership, and effectively report progress and deliver impact.

John Revers
→ Vice-President,
Business
Engagement
WBCSD

Member consultation feedback

Our evolved Reporting matters framework is the outcome of a series of consultations that took place with members and partners in Q3 2022. Our purpose was to gather insights that would inform the development of the framework in a way that most effectively supports our members in improving their disclosures in line with key developments in the wider reporting landscape.

The questions we asked cover five key themes:

1. The value of reporting as an enabler for change;
2. Audience targeting and measuring the effectiveness of audience engagement;
3. Regulatory landscape evolution;
4. Criteria requirements going forward; and
5. The use of Reporting matters as a process.

Key takeaways from the consultations:

→ **Transparency and accountability**

While there was a clear consensus that sustainability reporting helps drive transparency and accountability and supports performance and strategic decision-making, the majority of respondents did not have an effective way to measure audience engagement beyond, for instance, clicks and downloads. This hinders the ability to highlight and address gaps in communicating and reporting.

→ **Regulatory development**

We also clearly heard that regulatory developments in sustainability reporting were a concern for most members. While many told us they were following a “wait and see” approach before making substantial changes to their disclosures, some had started preparing by strengthening internal controls and systems and aligning reporting timelines with financial reporting.

→ **A valuable tool**

We were heartened to hear that Reporting matters remains a valuable tool as a means of benchmarking reports, supporting internal gap analysis and identifying examples of good practice. Some of our top performers suggested that we introduce a criterion to better reflect how sustainability reporting drives impact grounded in action and actual progress made.

“We are grateful to all who contributed to these consultations. As ever, helping our members improve their sustainability disclosures remains the backbone of Reporting matters. We hope the evolved framework meets companies’ expectations in today’s complex reporting landscape”

Key changes to the evaluation framework

→ **Materiality assessment**

Strengthened to assess how companies report on impact materiality and financial materiality. This is in line with the European Sustainability Reporting Standards (ESRS), which will require companies to report on:

→ Impact materiality: Sustainability aspects that are material in terms of the impacts of the reporting entity's own operations and its value chain, based on:

- severity and likelihood of actual and potential negative impacts on people and environment
- scale, scope and likelihood of actual positive impacts on people and environment connected with company operations and value chains
- urgency derived from social, environmental public policy goals and planetary boundaries

→ Financial materiality: Sustainability matters that are financially material for the reporting entity based on evidence that such matters are reasonably likely to affect its value beyond what financial reporting already recognizes.

→ **External environment**

is renamed Operating context to better reflect the elements assessed under this criterion. It is also strengthened by looking at whether companies have a robust scenario analysis aligned with Task Force on Climate-related Financial Disclosures (TCFD) recommendations, including a comprehensive transition plan.

→ **Sustainability governance**

is strengthened by assessing whether the Board or highest decision-making body within the organization receives regular training on sustainability and whether sustainability expertise is part of the selection process of board members.

→ **Strategy**

is enhanced and streamlined by adding Evidence of activities as a sub-criterion to reinforce the fact that a well-formulated strategy needs to be informed and supported by the development and implementation of relevant key activities.

→ **Implementation & controls**

is enhanced by looking at whether companies have a human rights policy and whether they show support for diversity, equity, inclusion and non-discrimination.

→ **Targets & commitments**

are enhanced by looking at whether companies have measurable and timebound targets to address climate and nature.

→ **Experience**

is renamed Effectiveness and the previous four indicators within this category are streamlined into two: Ease of access; and Compelling design.

→ **Impact (new)**

comprises a new set of indicators that assess the extent to which businesses consider and integrate greenhouse gas (GHG) emissions reductions and nature/biodiversity in the company's business and financial planning. It also assesses if a company is progressing in its climate- and nature-related targets. This new criterion only applies to the top 20 scorers (based on the new standard framework) and serves to determine the top 10 performers for the year.



With the renewed framework, we will support business' efforts to ensure ambitions translate into delivering genuine impact.

Blanca Grey

→ *Manager,
Reporting matters
WBCSD*

General *findings*

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Top performers

We have revised the methodology to identify the top performers since last year (2022). In 2023, we've incorporated the new "Impact" criterion into our evaluation. It applied only to the top 20 overall assessment scores to then determine the top performers.

The Impact criterion seeks to determine if top-ranking companies effectively use their reporting to initiate actionable steps and showcase tangible progress. Specifically, it evaluates whether an organization is advancing on climate and nature commitments and the extent to which it has integrated these goals into broader strategic and financial planning, beyond immediate operational boundaries.

It's evident that maintaining consistent performance improvement annually poses inherent challenges.

While the task of achieving consistent yearly progress is demanding, the environmental implications are particularly impactful.

As the threats of the climate crisis and nature loss escalate, the need for steadfast focus, innovative solutions and a commitment to ongoing improvement becomes even more pressing.

Top performers this year demonstrate high reporting standards and precision in content and data quality. User-friendly and well-structured reports that facilitate reader comprehension further enrich them.

Based on our evaluation, we see significant opportunities for further development across all sectors, particularly in charting the progress needed to avert the consequences of climate change and irreversible damages to the natural world everyone depends on.

We congratulate all our top performers for their continued commitment to sustainability, their leadership in transparent and effective reporting and their dedication to advancing Reporting matters.



In May, DSM entered a merger of equals with Firmenich, forming DSM-Firmenich.

Spotlight

Double & dynamic materiality

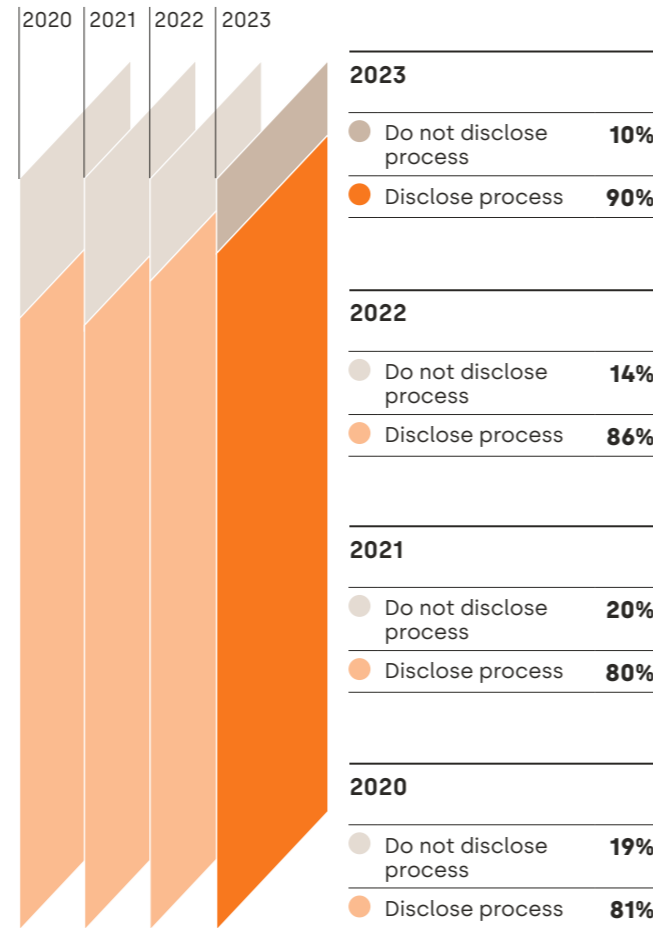
The vast majority of reports reviewed in 2023 (90%) describe having undertaken a materiality assessment. Some 55% of reports reviewed use a double materiality lens to assess both inward and outward impacts.

Dynamic materiality is emerging and considered best practice. Data suggests that 10% of reports reviewed include a robust description of how material issues evolve from being impact material to being financially material. More than half (52%) include aspects of dynamic materiality when describing the outcomes of the process; however, the description is somewhat limited.

Interestingly, we found reports with a single materiality approach for FY2022 informing readers that they have undertaken a double materiality process in 2023 and would be reporting on it in 2024. In some cases, members told us so during the one-to-one feedback calls. This is indicative of the inevitable increase in the coming years of companies using and reporting on double materiality in response to the Corporate Sustainability Reporting Directive (CSRD).

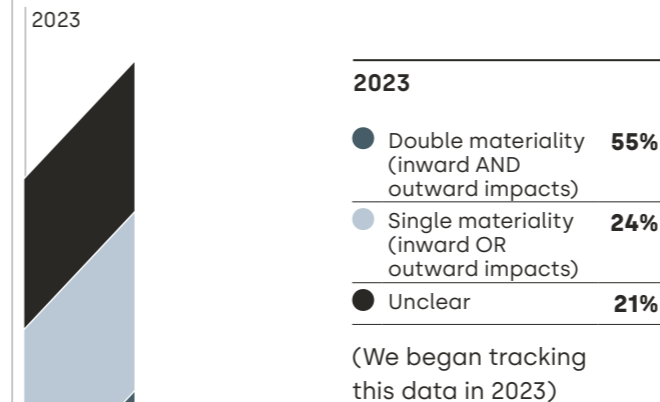
Regarding internal validation of the process, 42% of members engage either the board or senior management to validate the outcomes of the materiality assessment. This provides a layer of approval from the highest governing body for sustainability within the organization. It adds credibility and demonstrates a top-down awareness and approval of which topics or issues the organization considers material.

Materiality process disclosure

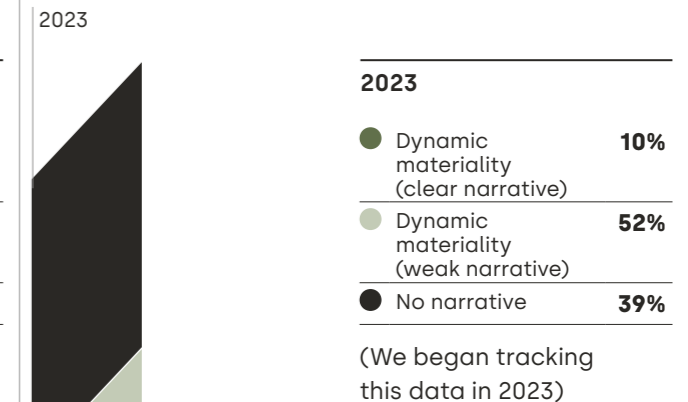


* Some percentage data points may total 99 or 101 due to rounding.

Double and single materiality (% of reports out of 90% that disclose process)*



Dynamic materiality (% of reports)*



Spotlight

Frameworks & standards

Reporting on nature using frameworks and standards is becoming commonplace. To capture this trend, we made note of companies referencing Taskforce on Nature-related Financial Disclosures (TNFD) and the Science Based Targets Network (SBTN) in their reporting. More than one-fifth (22%) of members in our review sample reference TNFD and 14% reference SBTN.

On the other hand, we have been tracking data on the Taskforce on Climate-related Financial Disclosures (TCFD) since 2020 and since then, the percentage of reports reviewed that reference the TCFD recommendations has gone up by 26%.

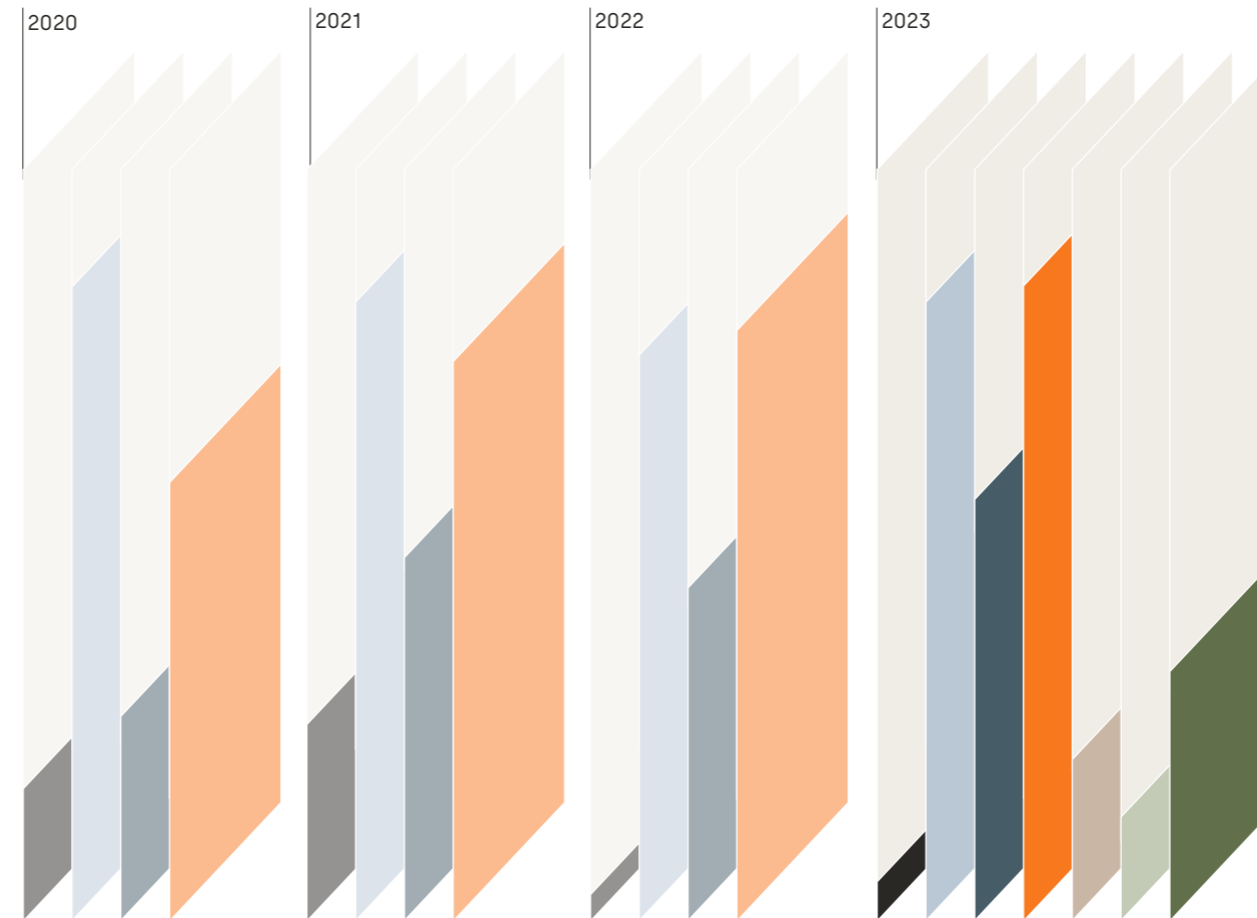
The majority (83%) of reports reviewed continue to refer to Global Reporting Initiative (GRI) Standards, which is similar to the 84% that referenced these standards in 2020.

The percentage of reports reviewed in 2023 that reference Sustainability Accounting Standards Board (SASB) (56%) has doubled since 2020 (28%).

In particular, over half (69%) of our members headquartered in the Americas³ within the review sample reference SASB Standards, reflecting a 9% increase from the previous year.

There has been a drop of almost a third of reports referencing the International Integrated Reporting Council <IIRC> since 2020. From 18% in 2020 it dropped to 5% in 2023.

Reference to frameworks and standards (% of reports)*



2023		2021	
<IR> Framework or IIRC	5%	<IR> Framework or IIRC	26%
GRI Standards	83%	GRI Standards	82%
SASB Standards	56%	SASB Standards	48%
TCFD Recommendations	84%	TCFD Recommendations	74%
TNFD	22%		
SBTN	14%		
EU Taxonomy	33%		
2022		2020	
<IR> Framework or IIRC	4%	<IR> Framework or IIRC	18%
GRI Standards	76%	GRI Standards	84%
SASB Standards	45%	SASB Standards	28%
TCFD Recommendations	78%	TCFD Recommendations	58%

* Some percentage data points may total 99 or 101 due to rounding.

Spotlight

External assurance

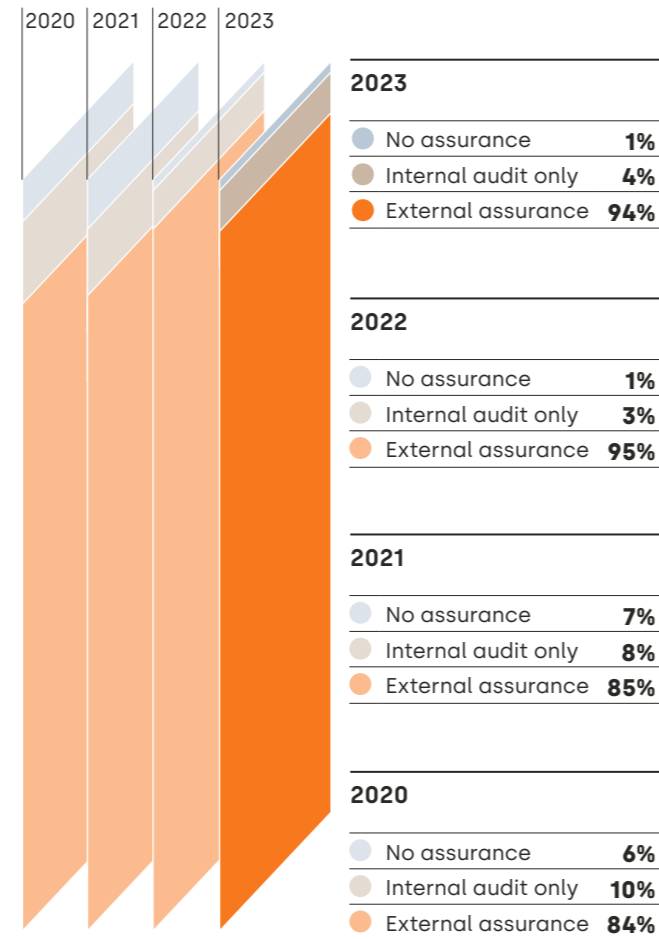
The majority of reports (94%) have external assurance, of which 7% were externally assured at a reasonable level; 4% of reports reviewed have conducted an internal audit only.

We noticed a slight increase in companies undertaking a reasonable level of assurance compared to the previous year. The percentage of reports with a combination of limited and reasonable assurance moved up from 11% in 2022 to 13% in 2023, and with reasonable level of assurance, it moved from 6% in 2022 to 7% in 2023. Another element of reporting that is externally assured is the materiality assessment: 90% of reports reviewed in 2023 describe having undertaken a materiality assessment, of which 19% have had their materiality assessments externally assured.

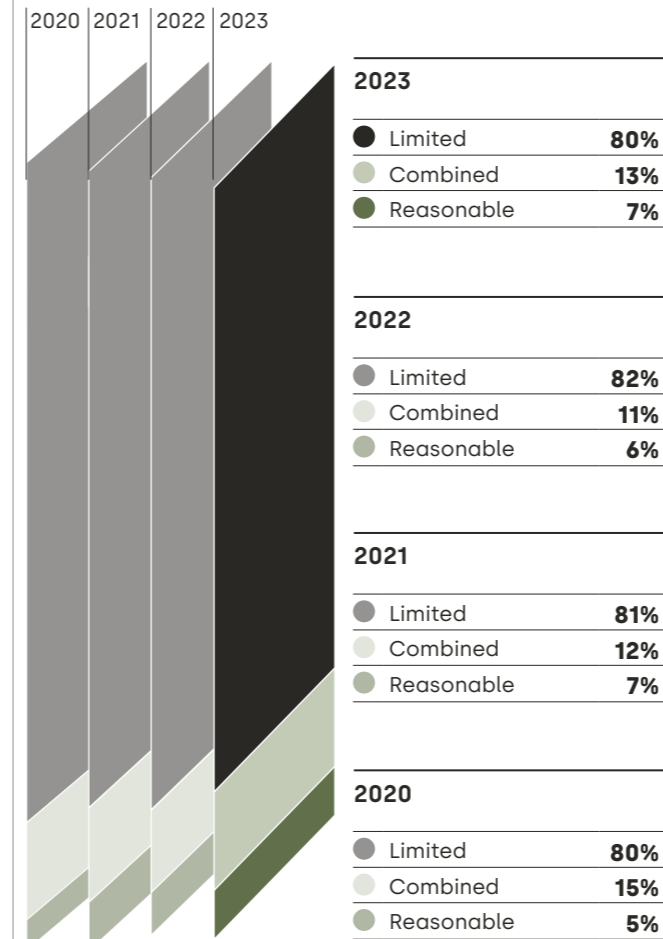
Both the SEC and CSRD require companies to phase in limited assurance within 2 – 3 years after the initial compliance to respective reporting requirements. Companies not headquartered in Europe depending on their size and whether they are listed on EU-regulated markets will also be required to comply with CSRD. For these reasons, we expect this trend on external assurance to increase across the different geographies and across WBCSD membership over the coming years.

However, members headquartered in Europe, the Middle East and Africa (EMEA) (21%) continue to lead the way when it comes to having a combination of limited and reasonable assurance, or reasonable assurance only, followed by those headquartered in the Americas at 16% and those in Asia at 6%.

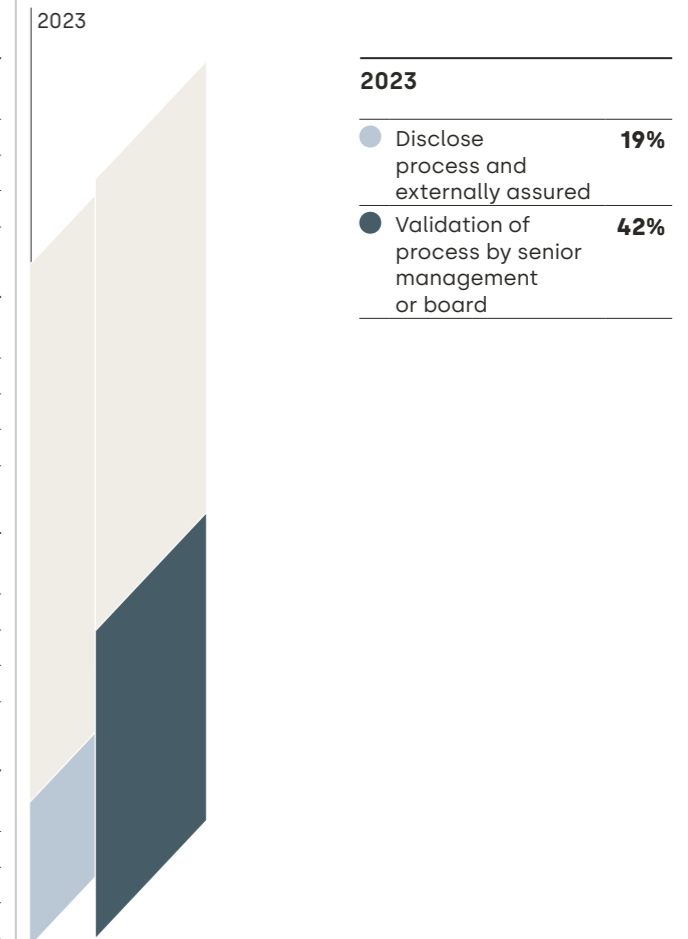
Types of assurance (% of reports)*



Levels of external assurance (% of reports)*



Externally assured materiality process



* Some percentage data points may total 99 or 101 due to rounding.

Spotlight

Timeliness & level of integration

Timeliness

The timeliness of publishing non-financial disclosures in line with the financial year end is key as it influences stakeholder decision-making and increasingly so.

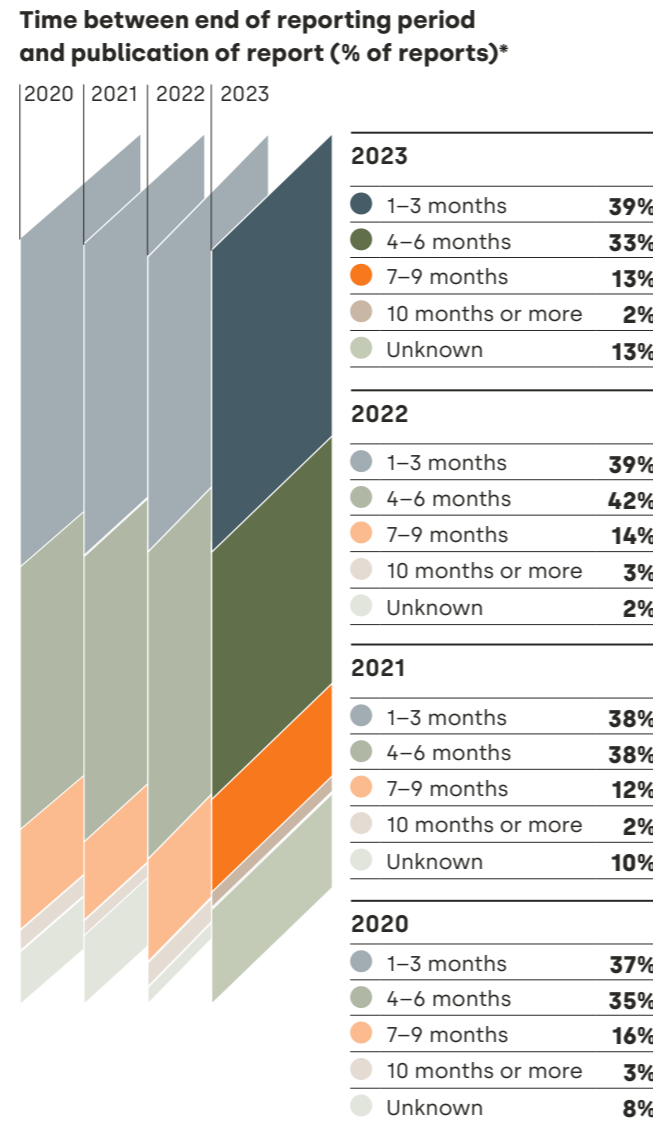
Similar to 2022, 39% of reports within the review sample were published within 3 months after the financial year end.

Overall, the average time between the end of the reporting period and when the report was published is 3.8 months, which is in line with 4 months in 2022.

Combined reports continue to largely align with financial reporting timelines with publication averaging 2.6 months from the end of the fiscal year. Self-declared integrated reports take on average a month longer, i.e., 3.4 months to be published after the end of the fiscal year.

Stand-alone sustainability reports take even longer. In our review sample, stand-alone sustainability reports were published on average 4.3 months after the end of the fiscal year.

Companies headquartered in EMEA publish standalone sustainability reports 3.7 months after the close of the fiscal year on average, in line with financial obligations, whereas those in Asia and the Americas have a noticeable gap (4.2 months and 5 months, respectively).



* Some percentage data points may total 99 or 101 due to rounding.

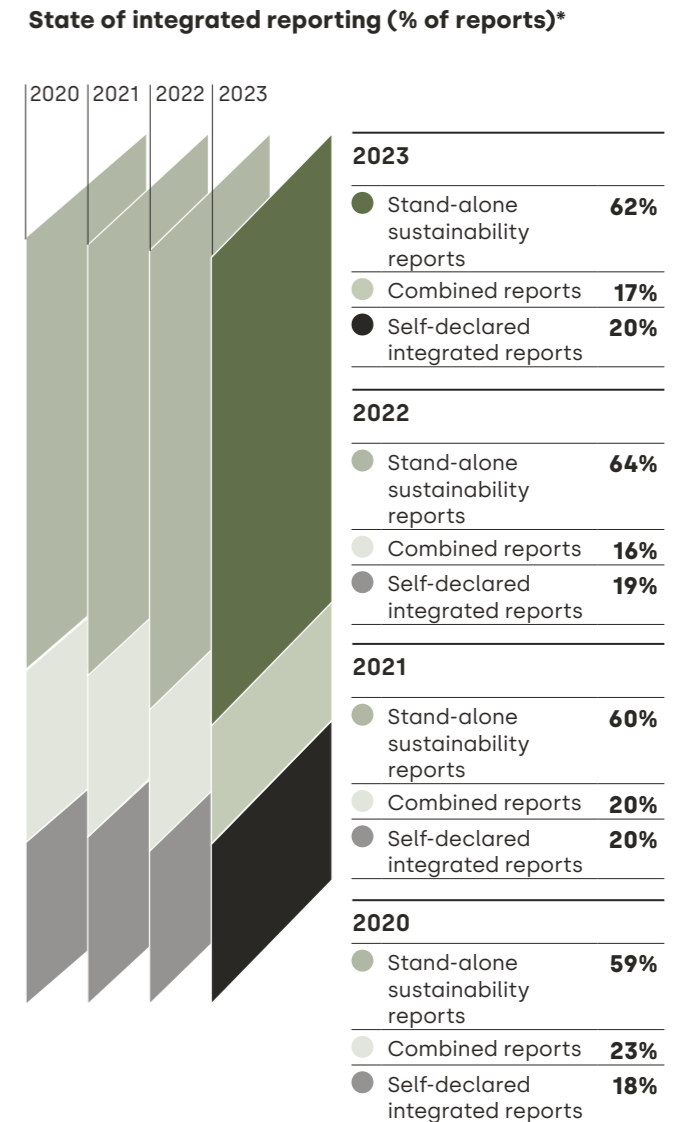
State of integrated reporting

The percentage of stand-alone sustainability reports (62%) compared to the percentage of combined reports (17%) and that of self-declared integrated reports (20%) has remained broadly similar with that of 2020.

While 50% of member companies headquartered in EMEA and 35% of those in Asia combine sustainability and financial information into a single report, only 16% of those headquartered in the Americas do so. This mirrors the percentages in 2022 showing that members with headquarters in EMEA and Asia are much more likely than those in the Americas to combine sustainability and financial information.

Reports that combine financial and sustainability information make up 6 of our top 11 overall scores.

Companies are using online content more strategically to complement disclosures in the main report. Some 18% of reports with an offline approach have microsites and 81% have disclosures on their website such as policies, ESG data tables and case studies to complement the narrative in the main report. Only 1% did not use online content alongside the main PDF.



* Some percentage data points may total 99 or 101 due to rounding.

Spotlight

Sustainability governance

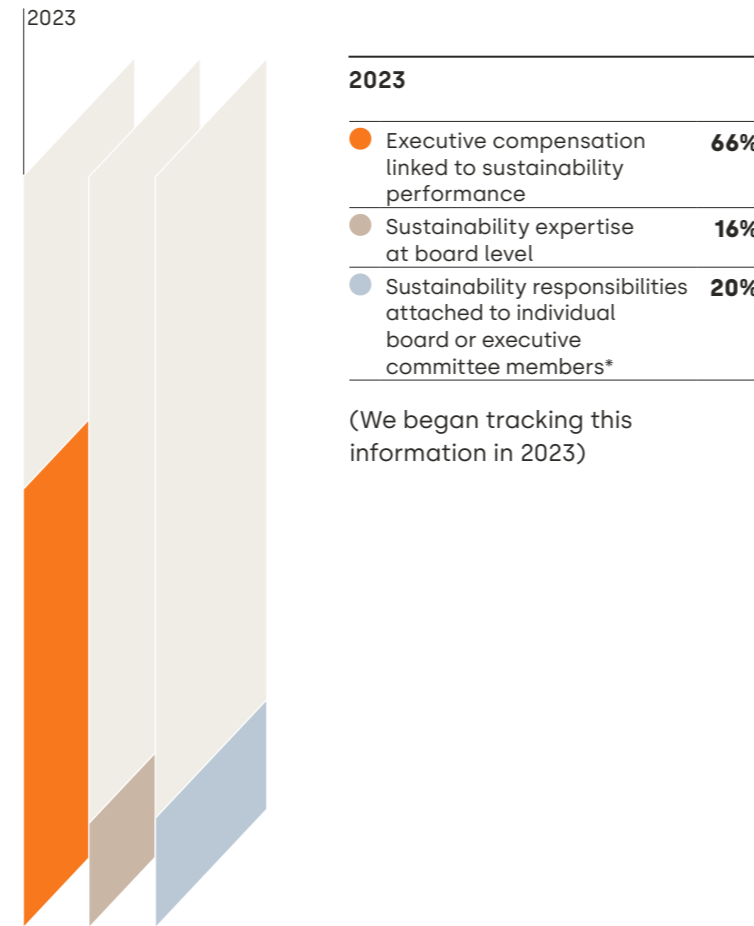
Setting the right tone from the top and demonstrating leadership capability at the board level is key as companies look to transition and become sustainable across their value chain.

Of the 166 reports reviewed, only 16% have a clear narrative on both current board experience in sustainability and on sustainability skills being sought as part of the board selection process.

Only 20% describe sustainability responsibilities being attached to individual board or executive committee members. They largely describe the accountability narrative on who-does-what within the sustainability governance structure in broader terms, aligning it with committees and groups rather than a person or member of the board.

To further leadership commitment to sustainability, we found 66% of companies tie the annual compensation of senior executives to the company's sustainability performance; 31% companies provide the exact percentage of remuneration tied to sustainability performance.

Governance – leadership and accountability



(We began tracking this information in 2023)

* Attached to individual persons on the board or executive committee.

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The evaluation framework

Principles

This category draws on the fundamentals of reporting found in major sustainability and mainstream reporting frameworks.

Completeness

Operating context

Materiality

Alignment

Stakeholder engagement

External assurance

Balance

Content

This category analyzes how the company manages and discloses priority material issues in the report.

Sustainability governance

Strategy

Partnerships & collaboration

Implementation & controls

Targets & commitments

Performance

Effectiveness

This category looks at how the company uses the report to meet the needs of specialist and generalist audiences. It also assesses the extent to which the report drives action and impact.

Ease of access

Compelling design

Impact

SDGs

The standalone category looks at the extent to which the company integrates the Sustainable Development Goals (SDGs) into the report. It does not contribute to overall scores.



Quick links

→ **Q&A Value of reporting**

In conversation with Charoen Pokphand Group, Nutrien and Shell

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Detailed findings → *Principles*

This category draws on the fundamentals of reporting found in major sustainability and mainstream reporting frameworks.

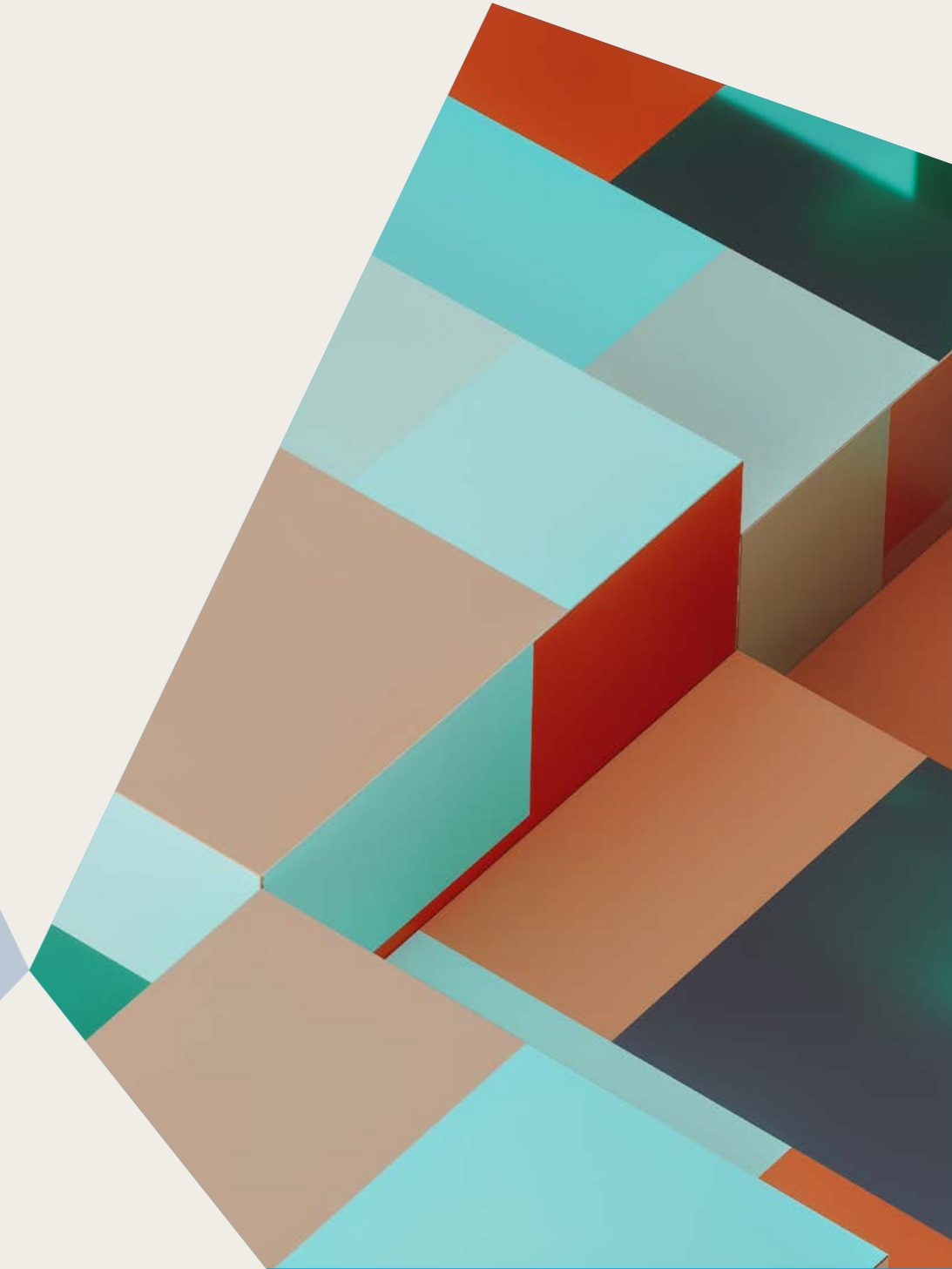
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Q&A

→ *Double & dynamic materiality*

In conversation with 3M, Braskem and Swire Pacific

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Double & dynamic materiality

In conversation with 3M, Braskem and Swire Pacific

As the concepts of double and dynamic materiality are still relatively new, many companies are navigating how to apply them effectively. We asked three companies from different regions of the world to share their insights from integrating double and dynamic materiality into their approach.



Amanda Yates
*Senior Director,
Global Sustainability*
3M

3M is a materials science and technology company based in the United States and committed to improving lives in the fields of industry, worker safety, healthcare and consumer goods.



Jorge Soto
*Sustainable
Development Director*
Braskem

Braskem is a Brazilian petrochemical company and a major player in the global petrochemical industry serving clients in over 70 countries.



Aaron Sloan
*Manager, Sustainable
Development*
Swire Pacific

Hong Kong-based Swire Pacific comprises a portfolio of market-leading businesses focused on property, beverages, aviation, healthcare and sustainable foods in China and Southeast Asia.



Which criteria and information did you use to assess outward and inward impacts and to what extent did regulatory guidance inform them?

3M

Last year (2022) was the first year that we took a formal double materiality approach and we engaged with a third-party expert to help us define our potential impacts and navigate the process. We started out with a very large number of issues that we considered part of our materiality assessment through internal and external stakeholder research and robust objective analysis. We expect the number of issues we need to consider will grow, driven by regulatory guidance. Narrowing them down will involve direct discussions to define what is most material for 3M from a dynamic and double materiality perspective and will require explanation of why we consider certain issues to be less material than others.

Braskem

We considered various guidelines – GRI (Global Reporting Initiative), SASB (Sustainability Accounting Standards Board) and DJSI (Dow Jones Sustainability Index) – among others – to map our potential material topics. From an extensive list, we identified 22 topics to be part of a more detailed assessment of inward and outward impact. For inward impact, we considered risk analysis to measure and rank topics based on the level of corporate risk. We also carried out an opportunity analysis to evaluate the business opportunities these topics could bring to Braskem. For outward impact, we engaged with internal and external stakeholders – including customers, suppliers and investors – and evaluated topics against industry commitments in the petrochemical field.

Swire Pacific

We began with the criteria set out in reporting frameworks and ESG questionnaires, along with questions from our investors. Being a conglomerate, we also looked at reports from our operating companies and conducted research with stakeholders to gain a holistic view of our context, both within Swire and across our wider industries. We used stakeholder feedback, industry papers and our own information to create a full picture of Swire's impacts and the emerging issues that might affect us. Regulatory developments are driving them as we work in high-impact areas and must capture all impacts, including environmental – such as carbon taxation and biodiversity – and social – such as human rights and supply chains.

Delivering impact	General findings	Detailed findings	Appendix		
		Principles	Content	Effectiveness	SDGs



In what ways have the process and results of your materiality assessment changed as a result of applying double and dynamic materiality?

3M

One of the key changes for 3M was that we applied the lens of growth opportunities alongside risks to gain a more balanced view of financial impacts. We asked our employees to consider where we can make a positive difference across the value chain. Over 7,000 of them shared their views, demonstrating a high level of passion and interest. As a result of applying the expanded approach, there has been a shift in the landscape of tiered issues that are material for 3M, with opportunities where we can have a positive impact – such as product innovation for climate change, safety and healthcare – being a key part of that shift.

Braskem

Fully integrating with the materiality assessment in our enterprise risk management process was the biggest change to our approach in 2022. Our previous assessment already included environmental, social and economic considerations. We have not seen a significant change because of applying double materiality. The petrochemical industry is particularly well known and most of the 22 topics selected were important either to create value or to protect value. While our core process is well established, we now need more timely input to regularly update our materiality matrix. Therefore, we are now working to add a more dynamic approach. Our challenge is to keep robust analysis to gain a holistic and timely view of what is most important to society and what is important to the business.

Swire Pacific

One of the main changes to our process was the increased focus on objective information, facts and data in addition to stakeholder inputs. We already assess emerging issues, but double and dynamic materiality introduces the financial component and the evolving impact of issues on the company over time. Similar to climate scenario analysis, we now need to consider the financial implications of potential impacts over different time horizons. For Swire, issues such as biodiversity and supply chain management are coming to the fore as we understand our impacts more deeply and holistically. We have set up working groups to conduct further policy reviews and assessments, which will inform our strategic approach.

What lessons did you learn and what advice would you share with companies that are planning to apply the concept of double and dynamic materiality?

3M

A top tip is simply to start somewhere, even if you only include a small number of issues. Taking the time to really appreciate the issues and impacts can be an enlightening exercise. As more regulatory detail becomes available, the number of issues to consider will grow and you must be deliberate and targeted about the stakeholders you engage with. With the increasing focus on nature, for example, who are the stakeholders that best represent 3M's impact on nature and how do we involve them? Also consider how to best integrate materiality into risk management conversations by clearly articulating issues and bringing the two approaches together.

Braskem

Remember that dynamic materiality is a new process and we are all working to understand the detailed concepts and how other companies are applying them. There is no single standard and we need to design a process that will enable us to identify and anticipate emerging risks, update our core materiality matrix to have an up-to-date view of materiality, and develop strategies to mitigate negative impacts and expand positive ones. Another shared challenge we all face is the need to reach a broader group of stakeholders – including financial stakeholders – who are already receiving a lot of survey requests. We are backing up this external input by using agile tools that can help us monitor external developments.

Swire Pacific

The concepts presented in double and dynamic materiality are basically an iteration of our previous materiality assessments. So, if you are already conducting a robust materiality assessment, then you can refine it and build on your approach. We implement a comprehensive assessment every two years – or whenever something significant changes in the market – supported by more dynamic pulse checks in between. We have also recognized that it is now even more important to integrate the materiality assessment with the enterprise risk management process. This will ensure that the valuable information and insights we gain relate only to sustainability but we can use them to create value across the business.



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Company impacts are often so widespread that it is important to report on the broader value chain beyond a company's direct operations. Complete reports describe the scope and boundaries of the report and discuss direct and indirect material impacts along the value chain.

Key recommendations

- Describe the reporting scope and organizational boundaries, such as business segments and sub-operations, included in the report;
- Describe the stages of your organization's value chain or value creation process and map direct and indirect material impacts to the different stages; and
- Discuss material impacts beyond direct operations, including indirect upstream and downstream considerations.

Methodology notes

- We look for clear disclosure of value chain boundaries for material topics and a centralized narrative on value chain considerations.

Good practice

PTT Global Chemical Public Company Limited

presents a strong value-creation model focused on inputs, outputs and impacts. It clearly outlines them across financial, human, manufactured, intellectual, natural and social capitals. On page 46 of its 2022 sustainability report, it includes a detailed mapping of affected stakeholders against business activities related to feedstocks, upstream production, midstream production, fuels and lubricants, downstream production and petrochemicals for industry. The impacts described provide readers with a clear indication of how the company addresses and mitigates potential negative impacts derived from its business activities and what actions it deploys to enhance the desired outcomes.



Good practice

Olam Group's

Annual Report 2022 includes an integrated value-added creation model that clearly indicates how each ingredient delivers added value to customers through its processing, innovation and scaling capabilities and channel expertise. It provides a detailed overview of where material issues occur at each stage of the value chain on page 89. It categorizes each material issue based on impact (low, medium or high) and mapped against the SDGs it is trying to address. This detailed mapping drives efforts to seek partnerships and collaborative initiatives according to need, resources and impact.



Principles

→ Operating context

Operating context refers to actual and potential changes to an organization's operating environment that could impact its strategy and performance. It can include ESG risks and opportunities arising from megatrends, industry-specific trends and shifts in the regulatory environment. It is important to connect potential changes in the external operating environment to the company's strategy and performance.

Key recommendations

- Identify key megatrends, industry-specific trends and regulatory trends that may impact your organization;
- Discuss forward-looking information on how the external environment could impact strategy, risk and performance and how it factors into the materiality assessment process; and
- Discuss financial impacts of the company's climate-related transition plans, describing the metrics used linked to physical and transition risks.

Methodology notes

- We look for clear and varied disclosure on these trends and how they impact the company's strategy, performance and the resulting risks and opportunities for the business.
- We look for robust descriptions of climate-related scenario analysis and the extent to which they align with TCFD recommendations or other reputable frameworks, such as CDP.

Good practice

Holcim

has included a robust discussion of how climate policy regulation will affect its business activities, specifically the increasing cost of emitting CO₂ and associated cost of fuels, coupled with more stringent obligations relating to products brought to market, in its *Integrated Annual Report 2022*. The report discusses Holcim's transition plan to a low-carbon economy. This includes maximizing existing technologies and processes, such as reducing clinker content and increasing the use of waste-derived fuels and alternative raw materials, waste heat recovery and renewable energy. Holcim, a building materials manufacturer, scaling innovation, from using low-carbon raw materials from construction and demolition waste to replacing slag or fly ash with novel binders such as calcined clay.



Good practice

Unilever's

Annual Report and Accounts 2022 includes a robust discussion of how megatrends – such as consumer trends related to behavior, tastes and preferences – are affecting the way it develops products to market. Similarly, trends on shifts in regulation and industry form part of an extensive discussion spanning the increasing cost of raw materials, energy insecurity and investment in R&D. A robust scenario analysis includes different temperature pathways and time horizons, sources, physical and transitions risks, parameters and assumptions, as well as a clear outline of the business impacts.



Principles

→Materiality

A materiality assessment identifies and assesses an organization's sustainability-related impacts, both positive and negative. The process involves engagement with internal and external stakeholders and evaluates changes in impact over time. The outcomes of a materiality assessment should inform the organization's sustainability strategy, goals and key performance indicators (KPIs), and form the foundation for effective strategic decision-making.

Key recommendations

- Describe specific steps taken to identify, prioritize and validate key impacts, including how you considered the perspective of your organization and key stakeholders;
- Include a range of factors when identifying and prioritizing issues including external trends, magnitude and likelihood of impacts, changes in materiality and alignment with enterprise risk management;
- Describe how the company has determined actual and potential impacts on the environment and people and how it has determined the risks and opportunities that affect, or may affect, the company's development and performance;

- Describe how material issues have become, or will become, financially material over time and the frequency of the company's materiality assessment process;
- Disclose a prioritized list of outcomes through either a matrix or concise list of key material issues, acknowledging divisional and geographical differences where appropriate; and
- Demonstrate how management is involved in the materiality assessment process or validation of results of the assessment, including whether the company has had the process externally assured.

Methodology notes

- We look for this information in the body of the report or through clear links to additional information, such as PDFs or web pages.
- We factor disclosures on the materiality assessment and outcomes into our Content analysis, which forms an important part of our evaluation.

Good practice

Royal Philips's

Annual Report 2022 describes how the company completed a preliminary double materiality analysis in preparation for the upcoming requirements of the EU Corporate Sustainability Reporting Directive (CSRD). The double materiality analysis addresses both financial materiality (the impact of society on Philips) and impact materiality (the impact of Philips on society). It then prioritizes the material issues based on the extent of their impact. The Philips ESG Committee has reviewed and approved the results of the process and the company will use it to prepare for the upcoming EU legislation.



Thought leadership

Double & dynamic materiality

The materiality landscape is evolving, with "double" and "dynamic" principles at the forefront of the change. At RY, we're big fans of the shift and we're excited by its improved potential as a strategic tool to really help organizations transition towards more meaningful impact.

Flick through this document to discover:

- What is double and dynamic materiality?
- What does it mean in practice?
- What's driving the change?
- What are the watch-outs?



→ Download RY's full report at ry.com

Double & dynamic materiality

In conversation with Enel

Double and dynamic materiality is an area of significant development that will become a regulatory requirement in the EU from 2024. Two concepts are at the forefront of the approach, which involves a shift away from assessing environmental, social and economic issues based on a perception of “importance”, toward assessing their “impact” over time across two dimensions – impact on the undertaking’s financial position and impact generated by the undertaking on the external context.



Giulia Genuardi
Head of Sustainability Planning and Performance Management
Enel

Enel is an Italian multinational operating in 30 countries, bringing energy to people through the adoption of new sustainability-oriented technologies. It conducted its first double materiality assessment in 2021.

Delivering impact	General findings	Detailed findings	Appendix		
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To what extent were the developments to your approach and the criteria you considered informed by regulatory guidance?

We developed our materiality analysis in line with the GRI 2021 and the AccountAbility AA1000 Stakeholder Engagement Standard (AA1000SES). At the same time, we also took into account the draft of the ESRS 1 standard – General Requirements prepared by EFRAG, the Value Reporting Foundation – SASB standard and the SDG Compass, which supports companies in adapting their strategies to comply with the UN SDGs.

How did the process of adopting double materiality change the way you assess Enel’s impacts on the economy, the environment and people?

We used the provisions of GRI 2021 to strengthen our methodology for analyzing the impacts generated by Enel. So, in 2022, our impact materiality analysis process involved engagement with stakeholders and experts to identify impacts on the economy, the environment and people, considering violations of human rights among the negative impacts and the contribution to sustainable development among the positive impacts.

We conducted an impact analysis at country, group and business line levels to gain a complete view of our actual and potential impacts on the external context in which we operate. This analysis considered the internal company context including upstream and downstream activities in the value chain, key stakeholders and due diligence best practices.

To assess significance, we analyzed negative and positive impacts according to their degree of severity (scale, scope and irremediable character – the last parameter only for negative ones) and likelihood only for the potential ones. For reporting purposes, we then selected the most significant positive and negative impacts generated according to their degree of significance for each material topic.

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And how did you develop your approach with regards to assessing financial materiality?

We also conducted an assessment to analyze and identify material topics from a financial perspective, namely those that affect or could affect the company's financial condition or operating results. In effect, the issues that are most relevant to investors. Again, we looked at country, group and business line levels to consider risks and opportunities that influence, or may influence, the company's cash flows, development, performance, positioning, cost of capital or access to borrowing in the short, medium or long term. We considered the relevance of ESG topics according to the SASB Standard for the prevailing electric utilities sector and the gas utilities, solar technology and wind technology sectors.

To identify the most significant impacts (in terms of risks and opportunities) for reporting, we selected the most significant potential positive and negative impacts according to their highest degree of significance for each topic of the materiality analysis.

To what extent have the results informed your sustainability approach, strategy and reporting?

The outcomes of the impact analysis model have been fundamental in enabling us to identify our material issues and focus on the best way to manage them, both in terms of risk management and strengthening opportunities. It is crucial to be clear on strategic priorities, taking into account the views of stakeholders, and identifying the priority issues with which the company wants to engage to strengthen our overall impact management. Our assessment of impacts and their relative significance has guided our identification of the material issues and helped us define the objectives to be included in Enel's Strategic Plan and Sustainability Plan, and the issues to cover in the sustainability report and other corporate reporting documents.

How are you planning to update and improve the process going forward?

We are constantly following the latest available publications to adapt our model and improve the process. We apply the dynamic materiality concept through periodic monitoring of the impact assessment and updating of our list of material matters. We will adopt this approach moving forward to be able to identify impacts that are not financially material at the reporting date but which may become so with the passage of time. We are also working to define the link between material issues derived from the double materiality analysis and the mandatory disclosure requirements – both in terms of metrics and targets. This will serve to enhance the concept that materiality analysis is the starting point for creating sustainable value in the short, medium and long term.

What lessons did you learn that you would like to share with companies that are planning to apply the concept of double and dynamic materiality?

To get started, you need to begin by defining the potential impacts you may generate on your external context and your risks and opportunities, supported by a team of experts with expertise across all material ESG issues. The new double and dynamic materiality model confirms to us that the approach to defining material issues cannot be fixed in time and that engagement with the right stakeholders in the correct way is key. Up until a few years ago, it was enough to listen to stakeholders and their priorities but today we must also look at the company's behavior and not be self-referential. This means we must continually evolve both the list of material issues and the categories of stakeholders we are engaging as part of a dynamic process.

For Enel, developing a robust information system to perform the materiality assessment has been fundamental. Our information system covers all the countries in which we operate so that we have the specific output of the materiality assessment for each country, and that has been hugely valuable in developing the sustainability culture in the company.



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Aligned reports demonstrate that the disclosures support the outcomes of the materiality assessment and prioritize quality over quantity.

Key recommendations

- Align contents of the report to the outcomes of the materiality assessment to avoid over or under disclosure; and
- Align the contents of your strategy and report with outcomes of the materiality assessment.

Methodology notes

- We limit scores for companies that do not undertake a materiality assessment.

Good practice

Inter IKEA's

Sustainability Report 2022 defines a clear, simplified sustainability strategy based on three strategic pillars: healthy and sustainable living, circular and climate positive, and fair and equal. It features a graphic that clearly shows how material topics relate to key challenges that underpin focus areas and commitments. The consistent and logical structure of the report, which follows the three pillars, helps readers quickly find relevant information. Prioritized material topics each have a dedicated space in the report, with balanced disclosure that makes it easy for readers to engage with the content.



Good practice

Viterra

structured its *Sustainability Report 2022* around the four key areas of health and safety, food and feed safety, community and human rights and environment. It brings these to life through engaging content that discusses the rationale for why each area matters to Viterra, the company's current approach to addressing each issue and what progress looks like, including if it is meeting targets and actions for improvement. Each section includes key activities and case studies that illustrate initiatives that support the delivery of the strategy.



Principles

→Stakeholder engagement

Stakeholder engagement is an open dialogue process with people or groups who actively engage with an organization and whom its activities influence or impact, now and in the future. Engagement mechanisms range from business-as-usual engagement, such as surveys and questionnaires, to formal mechanisms like forums, stakeholder dialogues and advisory committees. Reporting on stakeholder engagement should demonstrate a robust process and show how the company is responding to the outcomes of engagement. The overall approach should ensure the company properly understands stakeholder needs.

Key recommendations

- Identify the main stakeholder groups your organization engages with – such as investors, customers, employees and local communities;
- Disclose formal engagement mechanisms in place to engage with these stakeholder groups; and
- Outline the needs of specific stakeholder groups and provide evidence that the company has considered their basic needs and interests and, where appropriate, acted on them.

Methodology notes

- We look for a centralized narrative on stakeholder engagement and clear evidence of what each specific stakeholder group raised as issues of concern (as opposed to a broad overview of stakeholder responses).

Good practice

Neste

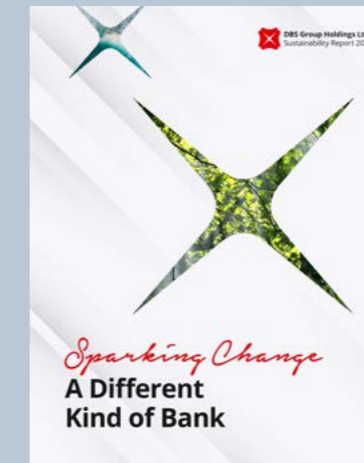
features a detailed stakeholder engagement section in its *Annual Report 2022*. It includes a table detailing mechanisms of engagement, key topics of interest and how the company responds to each stakeholder group's concerns. This information links with the materiality assessment, which clearly shows how interviews with internal and external stakeholders have informed the process. This input has helped Neste assess the impact materiality and financial materiality of each topic and informed its evaluation of current and future ESG risks and opportunities.



Good practice

DBS's

Sustainability Report 2022 features a "Stakeholder Engagement" section within the "Approach" chapter. It provides a detailed narrative on how DBS engaged with each stakeholder group, including engagement mechanisms that go beyond a business-as-usual type of communication. The table also discusses topics raised and feedback the company receives through various communication channels. Finally, the table details how the company responds to each concern and references areas in the report where the reader can find further information. It is clear through the report how these issues have informed the materiality assessment process.



Principles

→ External assurance

External assurance of sustainability information increases the credibility and reliability of the report for users. It goes beyond internal controls and audits to provide an external opinion.

Key recommendations

- Engage an external independent assurance provider to provide assurance on a wide scope (the reporting process and material key performance indicators);
- Build up to a reasonable level of assurance to ensure sustainability information is financial grade; and
- Ensure the assurance statement is easily accessible in the report or via direct links to where it is available online; this should specify scope, boundaries, the applied standard and level and a statement of independence.

Methodology notes

- We focus on scope (the range of information covered) and level (the robustness of the assurance engagement process).
- We limit scores for companies that do not undertake a materiality assessment.

Good practice

New World Development (NWD)

obtains reasonable external assurance on the sustainability information included in its *Annual Report 2022*. The assurance statement of the independent auditor is a separate document from the financial audit. It clearly states the scope of the information covered, including criteria used and the basis for opinions. It also highlights limitations in the scope of the audit and the responsibilities of all parties involved. An individual from the assurance provider signs the report. The annual report refers to the audit and is accessible from NWD's website.



Good practice

Assurance & Internal Controls project

Independent assurance enhances credibility and trust in the sustainability information that companies disclose in their corporate reports. The principal goal of our assurance project is to help more companies subject their sustainability information to external assurance in accordance with international standards.

But what is assurance? How does it work? And how is it beneficial to users of nonfinancial information? The *Buyer's guide to assurance on non-financial information* written by the Audit and Assurance Faculty of the Institute of Chartered Accountants in England and Wales (ICAEW) and WBCSD addresses these questions and brings clarity to a topic that is often perceived as confusing.

Visit WBCSD's Assurance & Internal Controls project page to learn more.



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Balanced reports are transparent about the organization's risks, successes, failures, challenges and opportunities – now and in the future. Reports should reflect positive and negative performance over the reporting period and include balanced external voices to enable the user to understand the organization completely.

Key recommendations

- Report on key challenges and areas of public concern encountered during the reporting cycle, including concrete examples that relate to your organization;
- Include narrative and graphics that clearly highlight and explain areas of weak performance and missed targets; and
- Incorporate external voices to bring balanced perspectives and highlight potential areas for improvement.

Methodology notes

- We look at high-risk incidents from influential sources, such as the RepRisk platform, to flag issues of public concern and specific incidents that relate to material issues.
- We look to see that the performance narrative includes areas of both weak and strong performance.

Good practice

Smurfit Kappa's

Sustainable Development Report 2022 features a strong discussion of the packaging industry's environmental challenges and how it affects the company itself. The report includes a narrative on some metrics that show weaker performance, such as waste to landfill. The charts and progress trackers in the body of the report help highlight challenges. They show whether a target is on track (green), needs improvement (yellow) or requires significant improvement (red). Smurfit Kappa addresses areas of public concern flagged by the third-party data provider, RepRisk, in a balanced manner.



Good practice

Ingka Group's

Annual Summary and Sustainability Report FY22 highlights company-specific challenges via boxes entitled "Challenges we are addressing". The overall tone of the report is balanced and honest. It includes a narrative on weak performance and progress against targets tables that clearly highlight if the target is not on track (orange) or not achieved (red). The table includes short descriptions and references to future plans. The report includes a section on the Young Leaders Forum, which integrates external voices and raises areas for improvement.



Detailed findings → *Content*

This category draws on the fundamentals of reporting found in major sustainability and mainstream reporting frameworks.

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Q&A → *Net zero commitments*

In conversation with BCG and Schneider Electric

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Setting a robust & ambitious net zero commitment

There is no doubt: It is a fundamental expectation of companies to have robust and ambitious commitments to achieving net zero greenhouse gas emissions by no later than 2050 and have a credible and science-informed plan to deliver such commitments. In line with WBCSD's Membership Criteria, we have also integrated reference to net zero commitments into our Reporting matters evaluation framework in 2023.

We spoke to two member organizations about how they approached setting a net zero commitment and the lessons they have learned in the process.



Will Holt
Global Sustainability
Senior Manager
BCG

Boston Consulting Group (BCG) is a global consulting firm that partners with leaders in business and society to tackle their most important challenges and capture their greatest opportunities.



Frederic Pinglot
Vice-President, Sustainability
Performance
Schneider Electric

Schneider Electric is a French multinational that specializes in digital automation and energy management across homes, buildings, data centers, infrastructure and industries.



How did you define your net zero commitment and how is it underpinned by a robust roadmap?

BCG

In September 2020, we announced our commitment to achieving net zero climate impact by 2030. We developed our approach by focusing on two key components – firstly, how to reduce emissions in accordance with the latest climate science and across all emissions scopes in our value chain, and secondly, actions to remove all residual emissions beyond the value chain by purchasing high-quality carbon credits. Our commitment is to cut emissions intensity in half by 2025, against a 2018 baseline, which has been validated by the Science Based Targets initiative (SBTi) as aligned with the 1.5°C. With business travel being our largest source of emissions, we made a specific commitment to reduce that by 48.5% per employee by 2025, along with a 92% reduction in energy-related emissions against the 2018 baseline. Alongside this, we committed to removing the remaining emissions by purchasing high-quality removal credits, including support for pioneering technologies such as direct air capture and storage (DACs), which is the most permanent and verifiable carbon removal solution currently available. By financing high-quality carbon projects, we align with BCG's purpose: unlock the potential of those who advance the world – in this case, a net zero world.

Schneider Electric

Tackling climate change is core to Schneider Electric's mission to empower all to make the most of our energy and resources, bridging progress and sustainability for all. We started our journey more than 15 years ago with our Planet & Society barometer and now Schneider Sustainability Impact, working to reduce our end-to-end emissions while helping communities get access to clean and reliable electricity and supporting our customers with their climate strategy and implementing concrete decarbonization solutions. We have calculated our complete scope 1, 2 and 3 emissions for many years and we constantly try to improve the methodology to provide a more accurate calculation of our total footprint. Our science-based target was first validated in 2019 and we adjusted it in 2022 after the release of the SBTi's Corporate Net-Zero Standard. This means we re-baselined the target from 2017 to 2021 to align our trajectory with a 1.5°C decarbonization pathway. Based on the most recent data, we reassessed the feasibility of our commitment and the roadmap to achieve it, including investments. Our mid-term 2030 targets include being "net zero ready" on scope 1 and scope 2 with compensation as a last resort for whatever we cannot reduce. At the same time, we are aiming to reduce scope 3 emissions, both upstream and downstream, by 25% by 2030 and to get to net zero by 2050. This means aiming to reduce our total emissions by at least 90% by 2050 compared to 2021, with a maximum of 10% compensated using offsets.

Delivering impact	General findings	Detailed findings	Appendix		
		Principles	Content	Effectiveness	SDGs



How did you make sure that the commitment is credible to external and internal stakeholders?

BCG

Transparency is key to driving accountability for emissions internally and maintaining trust and credibility externally. At BCG, internally we have developed personalized emissions dashboards. Every month, leaders receive a summary of their personal and case team emissions and how they are contributing to the firm's sustainability targets. This type of regular transparency is important in building awareness and ensuring people feel accountable for their part in shaping and achieving the firm's goals. Feedback indicates that visibility sparks discussion, positive actions and behavior changes, which further support our reduction goals.

Externally, we transparently report progress on net zero via our annual sustainability report and CDP climate disclosure where we have received an A-List rating for the past two years. This includes being transparent on many details such as the methodologies we use to calculate emissions, how we use new technologies such as sustainable aviation fuel, and how much we pay on average to offset our emissions annually. These details are essential to maintaining trust and raising the bar for our industry.

Schneider Electric

We have developed an in-house sustainability consulting arm that notably includes expertise on climate strategies and implementation plans, renewable energy and sourcing energy efficiency audits. We have also developed a software solution called "Resource advisor" that we use ourselves and which we sell to our customers. This enables us to track energy consumption at the meter level for hundreds of sites globally, which is aggregated at the site level for the site manager and then up to the corporate level. It ensures that the data we are using for our commitments is reliable and it is also a management tool for driving energy reduction. For scope 3, it is more difficult. Like many of our peers and customers, we are on a learning curve and we are continuously trying to improve our data. We increasingly rely on data that comes directly from suppliers rather than on estimates. We also ask our auditors to provide limited assurance on all of our GHG emissions. This sets Schneider apart from a lot of companies and has also helped us improve our data quality, so that we can make sure that we are basing our commitment and trajectory on robust and accurate data.

What tips would you give companies that are in the process of setting up their net zero commitment?

BCG

Engagement of the company's leadership is key: the ambition and tone needs to be set from the top, while recognizing that the corporate climate action landscape is constantly evolving. There are new frameworks, standards and technologies coming online all the time. So it is essential that leadership stays engaged, informed and prepared for things to change and evolve as you progress on the journey. Scheduling regular engagement with the C-suite and developing advisory committees to navigate complex topics have proved beneficial for BCG.

The second point is to build a strong data foundation for your strategy. You need a robust emissions database to understand how you can actually reduce emissions. And if you want to establish a credible net-zero climate leadership position, you have to set ambitious reduction targets aligned with the latest climate science. Only one question matters at the end of the day and that is: what is the best that your company can do? Standards are going to continue to evolve and as long as you are being true to what you believe is the best you can do then you can be confident that your commitments will remain relevant and impactful.

Schneider Electric

It is fairly obvious, but the first task is to go through a detailed calculation of your scope 1, 2 and 3 emissions, including all of your scope 3 sources. We firmly believe that one cannot manage what they do not measure. Having calculated that footprint enables you to identify the hotspots and to prioritize action in a coordinated, targeted and efficient manner. The second point is that you cannot expect to dramatically decouple growth from emissions over a few years, especially scope 3 – it is going to take time and significant transformations. But the earlier you set the direction and give people an objective, and the earlier you take action, the more likely you are to succeed and make your employees proud and your customers and investors happy. The overall spirit is: be fast before being perfect.



Content

→ Sustainability governance

Sustainability governance focuses on how an organization defines its management responsibility and oversight of sustainability activities and performance. It is an integral part of the overall corporate governance structure and supports the integration of sustainability considerations into business decision-making.

Key recommendations

- Include a clear leadership commitment to sustainability in the report;
- Describe the highest sustainability decision-making authority, including how it fits into the corporate governance structure and clear reporting lines;
- Explain how your company governs sustainability at a group and regional/business unit level as appropriate;
- Discuss the sustainability roles of board members, including frequency of meetings, topics discussed and key decisions made by the board;
- Disclose if and how executive remuneration includes sustainability considerations; and
- Explain how your company includes sustainability-related expertise in the capability and experience of board and executive committee members.

Methodology notes

- We place a strong emphasis on board-level involvement and the description of responsibilities and outcomes of board deliberations.
- We look for public disclosure of sustainability responsibilities attached to individual board and executive committee members.

Good practice

Corteva Agriscience

sets the tone of its *Sustainability and ESG Report 2022* with the opening "Message from the Chief Executive Officer". This discusses the development of new technologies and practices that are helping farmers produce food more efficiently. The report explains the sustainability responsibilities of each member of the executive leadership team. Corteva discusses the roles and responsibilities of the board in detail, the specific sustainability topics discussed and the frequency of discussions. Linked to the main report is the Proxy Report, which clearly describes how sustainability and long-term performance link to board-level remuneration.



Good practice

Santander's

Annual Report 2022 includes a list of all board members with their sustainability responsibilities attached to each individual. The governance section of the report includes an extensive narrative that explains in detail the responsibilities of the board, how often they meet and the sustainability topics discussed. The subsequent pages further explain the structure of the board. It presents the expertise and background of each board member clearly. This includes a board skills and diversity matrix. The report also details training and workshops offered to board members, ranging from climate change to cyber and reputational risk topics. It details the four ESG metrics linked to the board's remuneration.



Delivering impact	General findings	Detailed findings	Appendix		
		Principles	Content	Effectiveness	SDGs

Content

→ Strategy

Disclosures on strategic approaches to sustainability clearly articulate how an organization addresses the full range of material ESG impacts, which in turn create risks and opportunities for the organization. It should have clear links to the overall vision and mission of the company and support the delivery of sustainable outcomes through targeted action plans and strategic activities.

Key recommendations

- Explain an overarching vision and strategic approach to sustainability that clearly incorporates all material issues and integrates sustainability into corporate strategy;
- Discuss the connection between sustainability and financial performance;
- Describe how your company will execute the strategy via action plans and activities, objectives and integration into business functions; and
- If the strategy is expiring, describe next steps and what the path forward looks like.

Methodology notes

- We look for a well-developed and company-specific strategy that covers material issues. This can be through a sustainability strategy or a corporate strategy that clearly tackles material sustainability issues.
- We limit scores for companies that do not undertake a materiality assessment or link strategy to material issues.

Good practice

Yara International

presents its ESG Strategy – which focuses on climate neutrality, regenerative farming and prosperity – under the main theme of “Growing a Nature-Positive Food Future”. The three strategic pillars represent the most material actions to operationalize Yara’s ambition. The strategy includes a roadmap for each material topic. An additional step in Yara’s commitment to sustainable finance is its Green Finance Framework. This focuses on financing eligible projects expected to create environmental benefits by decarbonizing the food chain, including fertilizer production and application and limiting the expansion of farmland.



Good practice

Petronas

explicitly aligns its strategic approach to sustainability with its mission and materiality assessment outcomes in its 2022 Integrated Report. Its Three-Pronged Growth Strategy (3PGS) guides the company’s energy transition strategy. A robust roadmap for each material topic features throughout the report. The report clearly discloses how the company’s decarbonization efforts may impact revenue streams due to delays in return realization, ability to retain talent and timely deployment of technology.



Content

→Partnerships & collaboration

Strategic partnerships and collaborations can accelerate action and scale up solutions by combining expertise, resources and networks among stakeholders who share a common goal. They focus on addressing an organization's material issues and support strategy implementation.

Key recommendations

→ Demonstrate key partnerships with a range of organizations – such as NGOs, governments, local communities, universities and industry groups – that clearly advance the organization's research, innovation and investment in driving change.

Methodology notes

→ We look at how partnerships align with the company's strategy and ambitions and how they focus on delivering impact for the company and industry more broadly.

Good practice

Cargill

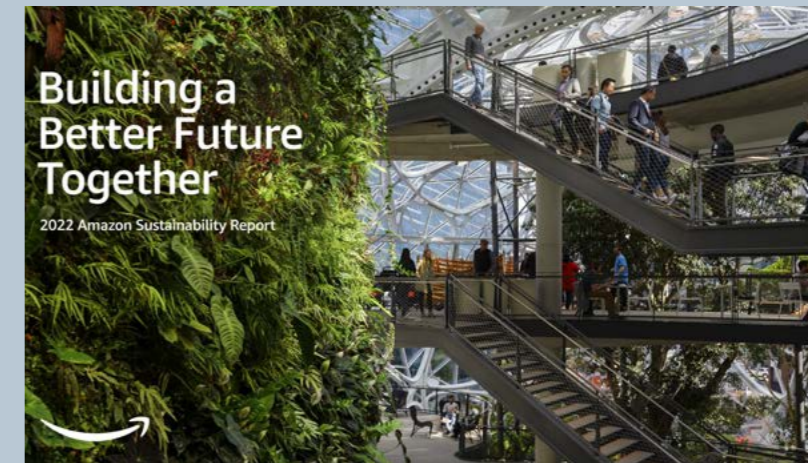
in its *ESG Report 2022*, discusses a broad range of partnerships that clearly align with its strategic ambition and strategy. It describes how partnering with other organizations is advancing work on exploring and implementing wind-assisted propulsion technologies. This technology aims to reduce emissions and, ultimately, contributes to Cargill's decarbonization goals. Similarly, the partnership between Cargill and the Soil Health Institute aims to assess and communicate the economics of regenerative soil health systems in an effort to advance research and provide insights to farmers and the broader agricultural industry.



Good practice

Amazon

publishes a summary of the partnerships and collaborations it has carried out in its *2022 Sustainability Report*. The section on "Partnering for Circularity" explains how, through its collaborations with WRAP, the Ellen MacArthur Foundation and through the work of 4evergreen – a cross-industry alliance working to increase fiber-based packaging recycling – the company helps create a global circular economy and deliver recycling solutions across its supply chain and customer areas. Amazon focuses on explaining its key partnerships, which clearly align with its strategy and long-term ambitions.



Content

→Implementation & controls



Systems, controls and processes should be in place across an organization to manage and monitor material issues. These may include frameworks, guidelines, tools, management systems and certifications, as well as activities focused on implementing programs for employees, suppliers and customers across the value chain.

Key recommendations

- Describe and provide evidence of the systems and processes in place to manage specific material issues, including human rights risks and issues related to diversity, equity, inclusion and non-discrimination;
- Discuss data collection processes, including internal controls; and
- Describe how the company embeds sustainability in operations.

Methodology notes

- We limit scores for companies that do not undertake a materiality assessment or do not tie control mechanisms to specific material issues.

Good practice

Arcelor Mittal

in its *Integrated Annual Review 2022*, describes having clear systems and processes in place to manage all material issues. These include a mix of internal and external frameworks, guidelines and tools. The report makes reference to the Basis of Reporting document, which details methodologies and guidelines used to prepare and report sustainability performance data. The *Integrated Annual Review 2022* also includes reference to a human rights policy, which shows commitments to the UN Guiding Principles and evidence of having a due diligence process to address adverse impacts derived from mining in conflict areas.

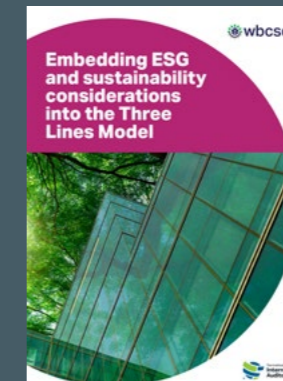


Thought leadership

Embedding ESG and sustainability considerations into the Three Lines Model

Written in collaboration with the Institute of Internal Auditors (IIA), this guidance on applying The IIA's Three Lines Model aims to embed sustainability and ESG considerations in the structures and processes that support business activity achievement to create and protect value for organizations.

Interviews with 12 member companies, practitioners and subject matter experts informed the insights. It provides information and understanding on the role of the respective lines in overseeing the effectiveness of risk management and internal audit processes.



Content

→Targets & commitments

Targets and commitments are specific and measurable performance goals or management actions that an organization aims to achieve over a specified timeframe. They are critical to delivering strategy and demonstrating progress over time and companies are increasingly combining them with more aspirational and long-term stretch targets.

Key recommendations

- Develop a range of verifiable short-term (operational, interim) and long-term (aspirational, stretch) targets for all material issues, including climate and nature, with clear baselines, including climate and nature;
- Ensure targets are set to deliver impact and specific outcomes with clear baselines;
- Include targets that go beyond direct operations and consider upstream and downstream activities and impacts; and
- Disclose progress against targets and provide a narrative on forward-looking plans to meet targets.

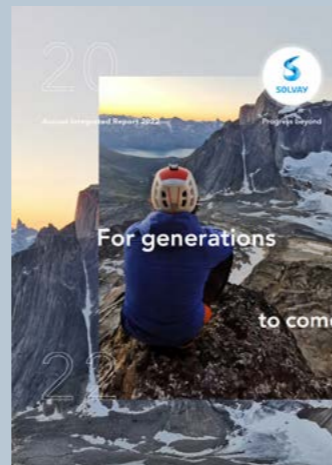
Methodology notes

- We place strong emphasis on the inclusion of interim targets in addition to having a good mix of ambitious and interim targets for material topics.
- We limit scores for companies that do not undertake a materiality assessment or do not link targets to specific material issues.

Good practice

Solvay

has developed a range of outcome-driven targets and commitments aligned with all material issues in its *Annual Integrated Report 2022*. The Solvay One Planet 2030 Goals lay out a sustainability roadmap with 10 targets to achieve before 2030. The SBTi approves the climate targets. Solvay has assessed all its sites for sensitivity to biodiversity using two international reference tools: the International Union for Conservation of Nature (IUCN) Integrated Biodiversity Assessment Tool (IBAT) and the Worldwide Fund for Nature (WWF) Water Risk Filter.



Good practice

EDP's

Integrated Report 2022 features measurable and timebound targets and commitments for all its prioritized material issues underpinning its 2025 strategy. It includes outcome-driven targets, visual progress trackers and a brief narrative for each priority focus area. EDP's nature-related goals address the company's key impacts on the pressures causing nature loss, with measurable targets identified on a timeline. Through its CDP submission, EDP publishes its intention to neutralize any unabated emissions with permanent carbon removals at the target year.



Delivering impact	General findings	Detailed findings	Appendix		
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Content

→ Performance

It is important to develop and report specific and measurable key performance indicators (KPIs) for all material issues to provide comparability and increase accountability. Combining quantitative metrics with a clear narrative gives context to performance trends so that the company can monitor them and take corrective actions when required.

Key recommendations

- Disclose KPIs for all material issues with a range of indicator types (input, output, process, outcome, context);
- Present data and metrics in a visual way with at least three years of past performance data to demonstrate trends;
- Accompany data with a clear narrative on performance trends, including areas of poor performance; and
- Include a breakdown of data by region or division, where appropriate.


Methodology notes

- We limit scores for companies that do not undertake a materiality assessment or do not link KPIs to specific material issues.

Good practice

Vale International

has developed KPIs for every material topic and presents a good mix of indicators spanning input and output, process and implementation. Its ESG Databook includes a vast range of KPIs, including training, number of community complaints and requests registered, habitats protected or restored, land rehabilitated or restored, species in habitats affected by operations, etc. The graphics in the body of the report show baselines, targets and progress. It breaks down data by business unit and region. A narrative to explain performance supports most data.



Thought leadership

Reimagining performance management

Reimagining performance management shares key best practices that businesses can adopt and implement to create a performance-based corporate culture. In doing so, it explains how the integration of talent with strategy and other “capitals” of an organization is key to unlocking successful creation of value over time. WBCSD conducted the research in collaboration with the Association of International Certified Professional Accountants.



Detailed findings

→ Effectiveness

This category draws on the fundamentals of reporting found in major sustainability and mainstream reporting frameworks.

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Q&A → Value of reporting

In conversation with Charoen Pokphand Group, Nutrien and Shell

→ Page 42

Creating value from sustainability reporting

Sustainability reporting can bring significant value to an organization in the form of internal and external stakeholder engagement and communicating sustainability strategy and performance. We spoke to three companies about the value that sustainability reporting creates for their overall strategy and relationships with stakeholders.



Apinya Synsatayakul
Assistant Director, Sustainability Management System
Charoen Pokphand Group

CP Group is a conglomerate based in Thailand, operating across agriculture and food, retail, media and telecommunications, property development, automotive, pharmaceuticals and more.



Tim Faveri
Vice-President, Sustainability & Stakeholder Relations
Nutrien

Canada-based Nutrien is a global provider of crop inputs, services and solutions to help growers increase food production in a sustainable manner.



Karen Westley
Vice-President for Carbon and Environment and Downstream Safety, Environment and Asset Management
Shell

Shell is a global group of energy and petrochemical companies with more than 90,000 employees in more than 70 countries.

Q&A

How does your reporting influence and inform your company's strategy? What is the process?

CP Group

Our sustainability report has a profound impact on our strategy. It begins with identifying and prioritizing our material issues to ensure that our strategy aligns with the issues that impact our ability to grow and create sustainable value. Risk management is another key area that is involved through the company's risk management strategy to enhance resilience and safeguard against potential threats. The benefits have grown with the adoption of double and dynamic materiality, which have allowed us to better understand impacts and opportunities along the value chain, such as the link between biodiversity goals and traceability.

Nutrien

Our reporting is both the foundation of and the tip of a strategic pyramid that begins with identifying the strategic issues that are material to the business, shaping our strategy and ensuring robust disclosure of our performance. We continuously scan the industry to maintain an inventory of risks and opportunities that we evaluate using a classic heat map and materiality assessment approach. We then form internal cross-functional teams to manage these issues. Take biodiversity, for example, which is a global issue with very localized impacts and dependencies. We depend on experts on the ground to assess risks, opportunities and dependencies. This rolls up through a governance process that includes expert working groups, executive leadership approvals and oversight, a safety and sustainability committee, board approval and disclosure committee oversight.

Shell

Our external reporting is really the icing on the cake of a much more involved process that follows a cycle of using robust information to ask the right questions, drive the right behaviors and achieve the sustainability outcomes we are aiming for. Setting KPIs is a key part of the process in making sure that what we measure aligns with what the external world expects, what our businesses can deliver and what we need to drive improvement in over the year. We then report this as part of an annual cycle with the whole process beginning again with the information collated for our report.

Delivering impact	General findings	Detailed findings	Appendix		
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A lot of effort goes into creating a robust sustainability or annual report. How do you measure the effectiveness of your reporting and maintain engagement once you have launched the report?

CP Group

Tracking performance against our KPIs and our goals is key and we use third-party assurance to enhance the creditability of our management system, performance and reporting. We continuously compare our performance with industry peers and regulatory and reporting frameworks. Stakeholder engagement once we have launched the sustainability report is essential to building transparency, trust and collaboration. We keep stakeholders informed about the company's sustainability progress and initiatives by sharing updates and success stories and providing opportunities for stakeholders to provide feedback on our performance. The opinion of internal stakeholders is also important and we have a stakeholder engagement report specifically tailored for each business unit that shows the actions they can take to create better engagement.

Nutrien

There are a few ways we do this. Dialogue about our performance is constantly ongoing with investors and we monitor financial and sustainability ratings as a key barometer. Then there is the direct dialogue that we have with internal and external stakeholders. If an issue is material to us and we need input from experts, we engage directly with our stakeholders as advisors and as partners. We also constantly gather feedback with respect to our performance, which ultimately translates into a stronger strategy and better reporting.

Shell

The numbers speak for themselves in terms of measuring how well our sustainability strategy and reporting are driving the change we are asking of our businesses. We have done a lot of automation so we see many of our indicators on a monthly or quarterly basis, creating a continuous, data-driven cycle of improvement. Our report is a great tool for discussion about processes and targets with stakeholders and, in that sense, it is an important piece of work that brings value year round. When we develop specific strategies and commitments – take respecting nature for example – we will have a set of partners and collaborators whom we work with to ensure that we are considering external perspectives across the entire value chain.

How can companies derive greater value from their reporting? How can they use reporting more strategically?

CP Group

Companies can gain more strategic value from sustainability reporting by connecting it with the core business strategy. This entails incorporating sustainability goals, performance measures and targets into the organization's overall goals and integrating sustainability into decision-making processes. Sustainability targets should be specific, measurable, attainable, relevant and time-bound (SMART) to serve as a guidepost for the company's efforts and a foundation for informed decision-making. We can also find areas for improvement, innovation and efficiency by studying patterns and insights from reporting data.

Nutrien

It also comes down to ensuring that you report on what matters and provide the detail stakeholders need. Disclosures must be meaningful and describe how an issue or initiative aligns with your strategy, why it is material, what you are doing about it and your results. You need a robust set of indicators or data to show progress. We are all on a journey and the report is valuable in making that journey real to your stakeholders. To aid stakeholders, you might also create separate downloads – on Task Force on Climate-related Financial Disclosures (TCFD) or animal welfare, for example. This type of thoughtful interaction with stakeholders can build relationships and drive action and value back to the company's overall strategy.

Shell

The added value comes from embracing the transparency that reporting brings and linking internal processes to external transparency. Establishing high-level drivers like remuneration helps ensure that KPIs are inherent in everyone's thinking, a small group of people is not driving them and they are really embedded across the entire company. We look for good practices every quarter and give awards that help provide material for our report, create pride in the report itself and recognize people who are doing great work.



Delivering impact	General findings	Detailed findings	Appendix		
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Effectiveness

→ *Ease of access*

Ease of access relates to the availability of sustainability information, its suitability for different audiences and how easy it is to find the content. Companies are increasingly ensuring sustainability content is available across several communication channels, including online and via integrated reporting.

Key recommendations

- Ensure sustainability content is readily accessible from the homepage of your organization's website;
- Provide sustainability content in multiple formats, such as video, interactive online content, topic-specific PDFs and online case studies, to suit different stakeholder groups;
- If applicable, ensure the GRI Content Index and other relevant reporting indices are easily accessible in the report or provide clear links to where it is online; reporting indices should use direct links to make related information easy to find;
- Produce a summary document or executive summary that provides a quick overview of strategy, performance and key activities; and
- Include navigation tools and internal/external links so that additional information is easy to find.

Methodology notes

- We look for clear and easy to find content indices from GRI and other relevant frameworks in line with reporting trends.

Good practice

Swire Pacific

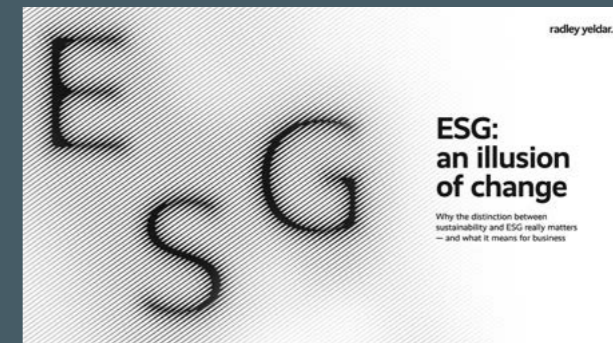
features a direct link to its *Sustainable Development Report 2022* on its homepage and on the sustainable development section of its corporate website. Interactive online content complements the report. The navigation bar of the PDF report allows readers to jump between main and detailed sections and back again to the content page. There are links to relevant pages on the website to additional information. Each section has a similar structure that enables readers to find the content easily.



Thought leadership

ESG: an illusion of change

While the terms "sustainability" and "ESG" are often used interchangeably, they don't mean the same thing. Differentiating between the two may appear like a matter of semantics, but there's a crucial distinction – a distinction that, unmade, threatens to derail ESG and, more importantly, stymie real progress on sustainability. This report brings that distinction into sharper focus and offers practical steps to ensure genuine sustainability progress in a disclosure-focused world.



→ Download RY's full report at ry.com

Delivering impact	General findings	Detailed findings	Appendix		
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Effectiveness

→ *Compelling design*



Great design serves two primary functions: bringing content to life and crafting an excellent user experience by ensuring users can understand information quickly and easily. Infographics help to simplify complex content, typography can emphasize key points and illustrations and photographs help bring content to life in an engaging way.

Key recommendations

- Develop a clear design concept that shapes the look and feel of the report;
- Use design elements such as color, typography, graphics, illustrations, diagrams and white space to enhance the content of your report;
- Ensure that design elements help amplify content, theme and key messaging;
- Avoid stock, low-quality and cliché imagery;
- Ensure the look and feel of the report reflects corporate branding and the concepts discussed; and
- Develop a clear line of sight throughout the report by using consistent templates, design features and content groupings in each section.

Methodology notes

→ We look for a report design that amplifies the content and highlights key messages.

Good practice

ABInBev

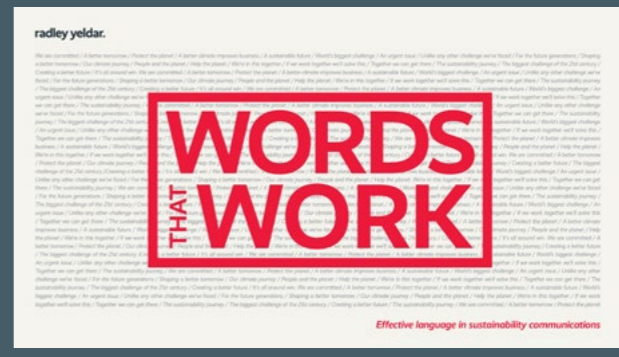
highlights key messaging on the theme of “a future with more cheers”. The brewing company uses the “About this Report” section of its *2022 Environment, Social and Governance Report* to explain the message and makes them company-specific, forward-looking and actionable. The report features a clear creative concept that it consistently applies throughout. It uses design elements such as color scheme, graphics, compelling imagery, simple charts and white space to appeal to readers. It includes feature boxes with quotes and key data points to draw and keep the reader’s attention throughout the report. The engaging tone of voice suits a wide range of audiences.



Thought leadership

Words that Work: Effective language in sustainability communications

We’re on the verge of a climate emergency, and there’s never been a more important time for businesses to communicate clearly about sustainability. But there’s a big problem: most brands are using language that risks alienating audiences on sustainability issues rather than persuading them. This report explores where brands are getting it wrong and how to fix it, including practical tips to make your sustainability communications more effective.



→ Download RY’s full report at ry.com

Effectiveness

→Impact



Impactful reports drive action internally and demonstrate clear progress on aspirational targets and commitments. Sustainability reporting can bring significant value to an organization in the form of internal and external stakeholder engagement and communicating sustainability strategy and performance.

Key recommendations

- Describe how the company considers GHG emissions reductions and nature/biodiversity targets in its business or financial planning; and
- Present data that shows absolute performance improvement year on year for GHG emissions reductions and nature and biodiversity targets.

Methodology notes

- We look for clear evidence that companies consider and integrate both emissions reduction actions and nature and biodiversity targets into their overall decision-making.
- The top 20 scorers (based on the new standard framework assessment) will unlock the new Impact criterion. The assessment of the top scorers against the new Impact criterion will determine the top 10 performers celebrated in the annual Reporting matters publication.

Good practice

Philip Morris Int'ls

Integrated Report 2022 includes performance tables that clearly demonstrate progress against their climate and nature goals across multiple years. It shows data transparency through the fact that qualitative information that explains improvement in methodologies used to calculate data and adjustments made to data from previous years complements quantitative data. Likewise, PMI has the material data assured externally, contributing to its credibility and trustworthiness. It is evident that PMI considers its emissions reduction strategy and nature targets in business planning going beyond its own operations.



Good practice

CP Group's

Sustainability Performance Report 2022 includes clear and detailed performance tables over multiple years. This report complements the *Sustainability Report*. The company's water withdrawal data shows a clear improvement year on year. There is also improvement on some of the scope 3 GHG emissions data. The data clearly shows the areas where there is no improvement over the previous year. To improve the transparency of sustainability data disclosure, CP Group has adopted SASB as one reporting standard. It is clear that the group's climate and nature strategy addresses key pressures across the production and consumption value chain.



Detailed findings

→SDGs

This category draws on the fundamentals of reporting found in major sustainability and mainstream reporting frameworks

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SDGs

→Indicator

The SDGs represent the global agenda for sustainable development. Companies can use them as a contextual framework against which they report on impacts – both positive and negative – that they have on the external environment.

Key recommendations

- Prioritize specific SDGs for your company and explain the process used to determine how the organization has the potential to contribute to the realization of this agenda –by both enhancing positive impacts and mitigating negative impacts on people and the planet;
- Align priority SDGs and integrate them into your strategy, materiality and value chain impacts;
- Demonstrate a quantitative contribution to key SDGs using KPIs and specific, measurable, achievable, relevant and time-bound (SMART) targets;
- Demonstrate qualitative contributions to key SDGs via detailed evidence, leadership statements, evidence of collaboration and innovation or value chain mapping; and
- Provide this information at a detailed target level rather than a broader goal level.

Methodology notes

→ As in past years, the SDG indicator does not contribute to Category or Overall scores. We analyzed detailed data on SDG reporting from our 2021 and 2022 review cycles and felt it was best not to integrate the SDGs into the framework itself at this point.

Good practice

Iberdrola's

fully integrated the SDGs into its strategic approach and reporting, starting with the "Purpose and Values" section of its *Sustainability Report 2022*. The report explains how the company focuses its efforts on the SDGs where its contribution is most significant. It uses the SDGs to guide the approach to fighting climate change through its decarbonization strategy while generating new opportunities for economic and social development. The report shows the clear integration of prioritized SDGs into Iberdrola's environmental management system, with granular mapping against targets and KPIs.



Good practice

Smurfit Kappa's

Delivering for the SDGs report sets the scene by explaining how the company's sustainability targets focus on key strategic areas that align with the UN SDGs. Smurfit Kappa conducts an impact assessment to determine the impact that the business has on each SDG and the contribution to each SDG. Based on the results of the impact exercise, the company is then able to prioritize the SDGs accordingly. The company maps each prioritized SDG to its commitments and key case studies to determine qualitative and quantitative contributions.



Spotlight on the SDGs

Similar to 2022, the vast majority (93%) of members reference specific SDGs in their report.

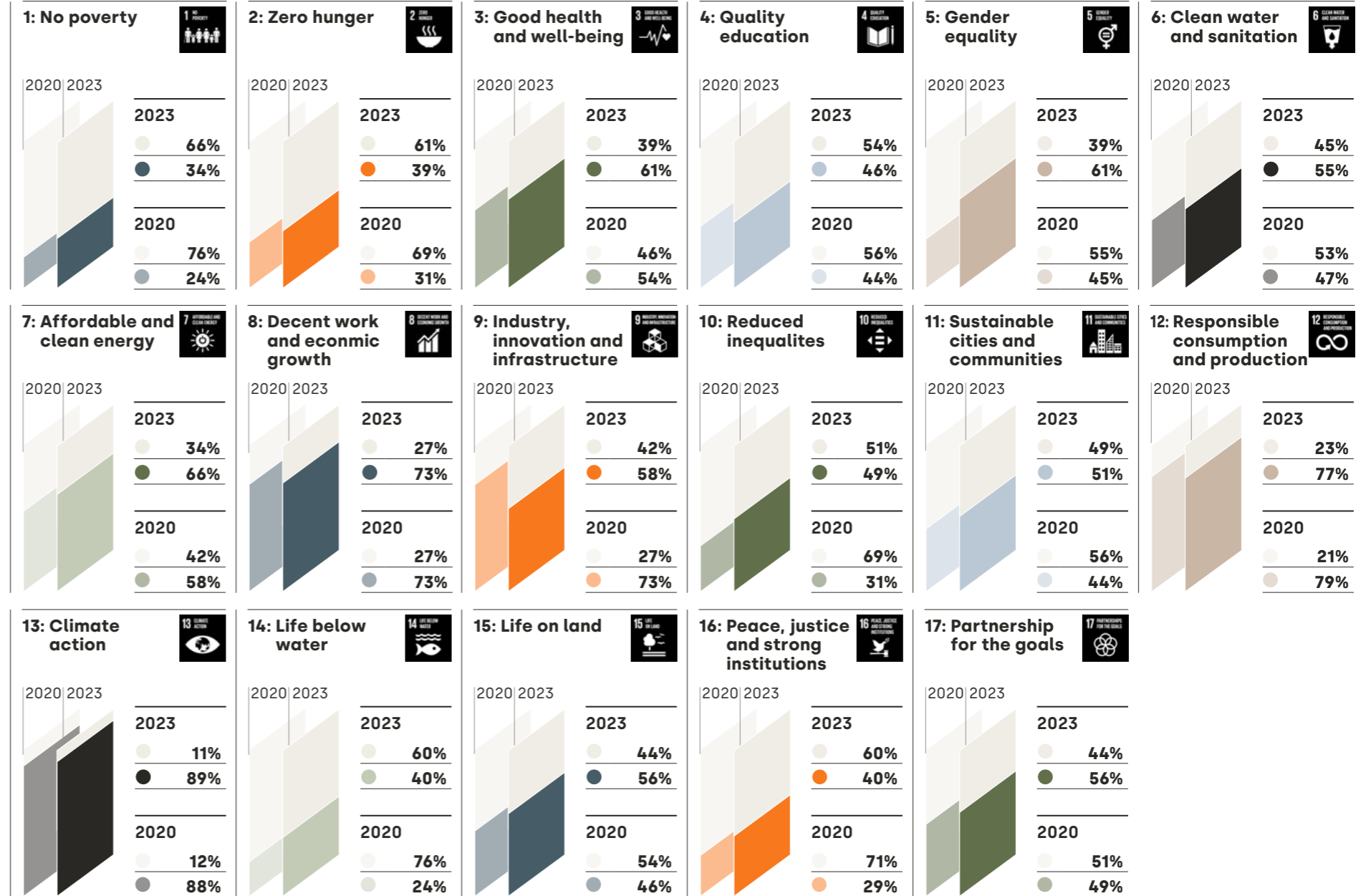
Companies are increasingly reporting on more goals: 31% member reports reviewed prioritized 12 or more goals, compared to 16% in 2020.

About a third (28%) of members prioritized 5–8 goals, about half the number that did so in 2020 (43%).

Companies align their ambitions and progress with the SDGs most relevant to their business and to their transition journey. The most referenced goals are SDG 13: Climate Action (89%), followed by SDG 12: Responsible Consumption and Production (77%) and SDG 8: Decent Work and Economic Growth (75%). These were the top three in 2022 and 2020.

Goals 1: No poverty (34%), 2: Zero hunger (39%), 14: Life below water (40%) and 16: Peace, justice and strong institutions (40%) were the least likely to be prioritized. However, reporting on these SDGs has increased over the years. In 2020, the numbers were as follows – SDG 1: No poverty (24%), 14: Life below water (24%) and 16: Peace, justice and strong institutions. In fact, SDG 2: Zero hunger at 31% in 2020 was not on the list of those least likely to be prioritized.

Goal 13: Climate action is the SDG most prioritized by members across EMEA (92%), the Americas (87%) and Asia (84%).



Spotlight on SDGs



Only 5% of the reports reviewed in 2023 have a robust disclosure of the SDGs.

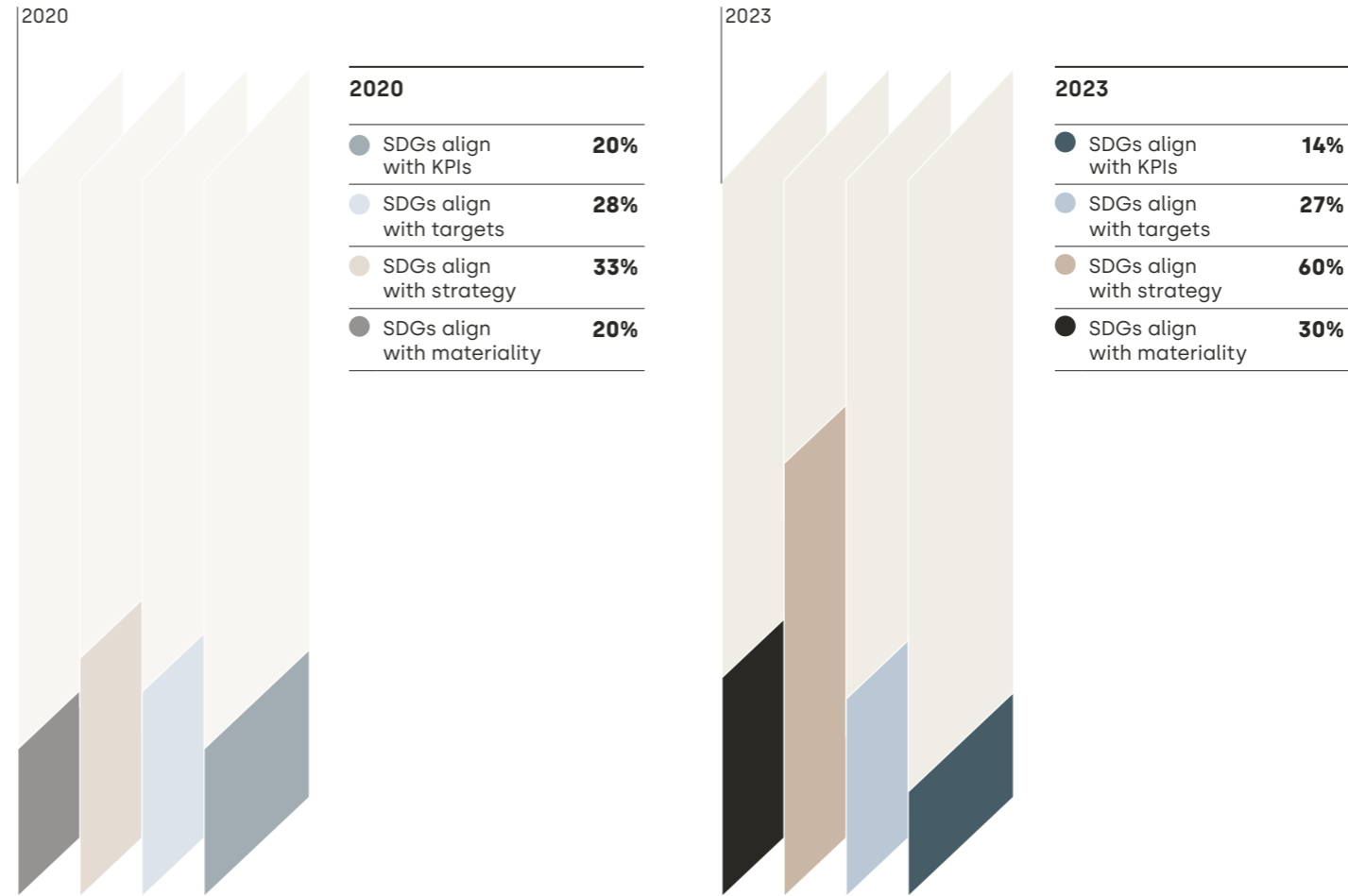
These examples go beyond a simple mapping of SDGs to their commitments and material topics. Instead, they select SDGs based on a clear prioritization process and integrate them meaningfully into strategy and projects, build SDG roadmaps and conduct SDG impact assessments. In 2023 only 14% of reports align KPIs and 27% align targets to the SDGs. This is a slight drop since 2020, when 20% of reports aligned company KPIs to the SDGs and 28% aligned targets to SDGs.

We have, however, seen improvement in the level of detail of SDG-related information disclosed since 2020. For example, more than half (60%) align the prioritized SDGs to strategy. This number has almost doubled since 2020 when it was 33% of companies. Furthermore, almost 30% of reports discuss the ties between the materiality assessment process and the SDGs (24% in 2020).

Overall, companies headquartered in EMEA (47%) are more likely than those headquartered in Asia (32%) and the Americas (31%) to score high on this indicator.

The future of SDG reporting is unclear and the way it is done today is inconsistent. We continue to display the SDGs as a stand-alone indicator in the framework and, as with previous years, the SDG indicator does not directly factor into Category or Overall scores. We have received mixed feedback from members on the value of reporting on SDGs and will work with our project partners at RY to decide if, and how, we want to further integrate SDG considerations into the framework moving forward.

SDG mapping (% of reports)



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Appendix & *references*

Our activities in 2023

1

Criteria updates

- We have evolved the Reporting matters framework in response to the ongoing sustainability reporting requirements and evolving business reporting practices. We have also established a closer link to the WBCSD Membership Criteria indicators.
- For the specific changes to the criteria, please go to page 10 of this report.

2

Research

- We invited all members to submit their fullest source of sustainability information prior to the start of the assessment cycle.
- In total, we systematically reviewed 166 sustainability, combined and self-declared integrated reports against our framework and include the results and findings in this publication.
- Every review was subject to a quality assurance process to ensure completeness, objectivity, fairness and consistency.

3

Analysis

- We carried out the assessments between April and early September 2023, after which we conducted a thorough analysis to draw out insights and identify key trends and developments.
- For each indicator, we have identified companies that demonstrate good practice.
- When considering good practice examples, we try to avoid repeating features from prior publications, featuring members more than once each year or placing too much emphasis on a single super-sector or region.

4

Publication

- We have designed this edition of Reporting matters to provide an overview of reporting trends in the WBCSD membership, highlighting areas of progress and improvement.
- Our recommendations aim to inspire companies to invest in an effective reporting process by showcasing examples of good practice and highlighting interesting trends.
- We have also attempted to connect aspects of reporting to different WBCSD projects and membership conditions where possible.

5

Engagement

- We supplement the publication by sending confidential, personalized dashboards containing scores, analysis and regional and super-sector comparison data to all member companies assessed.
- We also offer individual feedback sessions from July through mid December via teleconference to explain the underlying criteria and offer targeted feedback for members.
- Finally, we occasionally share anonymous aggregated data with partner organizations to facilitate the development of white papers, research and policy development.

6

About the team

- The team that develops Reporting matters comprises WBCSD colleagues based in Spain, Switzerland and the Netherlands. This year, our analysts all worked from our Amsterdam office during the review period. This has had a positive impact on the quality and consistency of the analysis.
- As in the previous three years, we continue to produce a digital-only version of the publication.

7

Global Network

- We've continued our work with Global Network partners to scale up the use and application of the Reporting matters framework. We invited Global Network partners to participate in both in-person and online training sessions on the assessment framework and process.

Reports *reviewed*

3M	CF Industries	Enel	KONE Oyj	PepsiCo Inc.	Sweco Sweden AB
ABB Ltd.	Chevron Corporation	ENGIE	KPMG	PETRONAS	Swire Pacific Limited
ABInBev	China Petrochemical and Chemical Corporation (Sinopec)	Eni S.p.A	Kumho Tire Co. Inc.	Philip Morris Int'l SA	Swiss Re
Accenture Plc	CP Chem	Equinor	Majid Al Futtaim Holding LLC	Pirelli & C. S.p.A.	Syngenta Group
Acciona S.A.	CP Group	ERM	Manulife Investment Management	Port of Rotterdam	Takeda Pharmaceutical
AIB	Clariant International Ltd.	Evonik Industries AG	MasterCard	The Procter & Gamble Company	Tomra Systems ASA
Amazon	CLP Group	EY	Masisa	PTT Global Chemical Public Company Limited	Total Energies
Apple Inc.	COFCO	F. Hoffmann-La Roche AG	McKinsey & Company Inc.	PTT Public Company Limited	Toyota Motor Corporation
APRIL	Colgate-Palmolive Company	Fujitsu Limited	Mercedes-Benz Group AG.	PwC	Trivium Packaging
Aptar Group Inc.	Compass Group	Galp Energia, SGPS, S.A.	Meta Platforms, Inc.	Rabobank Group	Tyson Foods Inc.
Arcadis	Continental AG	General Electric Company	Michelin	Reckitt	Unilever
Arcelik	Corteva Agriscience	Givaudan International SA	Microsoft Corporation	Royal Philips N.V.	UPL Limited
ArcelorMittal S.A.	Covestro	GSK	Mitsubishi Corporation	RSK Group	Ureco
Autodesk	CRH plc	Godrej Industries Limited	Mondi Group	Sabancı Holding	Vale International S.A.
Ayala Corporation	Croda International	The Goodyear Tire & Rubber Company	MSC	SABIC	Veolia
Bain & Company Inc.	DAIKIN Industries Ltd	Google Inc.	National Grid Plc	Sage	VF Corporation
BASF SE	Danone Group	Guidehouse, Inc.	Natura &Co.	Santander Group	Visa Inc.
Bayer A.G.	DBS Bank	Henkel AG & Co. KGaA	The Navigator Company	SAP SE	Viterra
BCG	Dentsu Inc	Holcim	Neste Oyj	SCG	Volkswagen AG
Biogen	DNV	Honda Motor Co. Ltd.	Nestlé SA	Schneider Electric	Weyerhaeuser Company
Bloomberg LP	Drax Group plc.	Iberdrola SA	New Forests Pty Ltd	Shell plc.	Yara International ASA
BMW AG	DSM N.V.	IFF	New World Development Company Limited	Siemens AG	Yokogawa Electric Corporation
Borealis AG	Duke Energy Corporation	Infineum	Nomura Research Institute	Sika Group	
BP International	DuPont de Nemours, Inc.	Ingka Group	Novartis	Sims Limited	
Braskem S.A.	Eaton Corporation	Inter IKEA Group	Nutrien	Skanska Ab	
Bridgestone Corporation	Edelman	International Paper Company	OCP Group	Smurfit Kappa Group	
Brisa Auto-Estradas de Portugal S.A.	EDF Group	J.M. Huber Corporation	Olam Food Ingredients	Solvay S.A.	
Buhler AG	EDP – Energias de Portugal S.A.	Jardine Matheson	Panasonic Corporation	Sonae SGPS SA	
Cargill Incorporated	Empresas CMPC S.A.	Kering		Stora Enso Oyj	

Resources

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Acronyms, abbreviations & glossary

Acronyms & abbreviations

<IR>	International Integrated Reporting Framework	ISSB	International Sustainability Standards Board
BCTI	Business Commission to Tackle Inequality	KPI	key performance indicator
CDSB	Climate Disclosure Standards Board	NGO	non-governmental organization
CEO	chief executive officer	OECD	Organisation for Economic Co-operation and Development
COSO	Committee of Sponsoring Organizations of the Treadway Commission	RY	Radley Yeldar
CSRD	Corporate Sustainability Reporting Directive	SASB	Sustainability Accounting Standards Board
DJSI	Dow Jones Sustainability Index	SBTi	Science Based Targets initiative
EFRAG	European Financial Reporting Advisory Group	SDGs	Sustainable Development Goals
ESRS	European Sustainability Reporting Standards	SMART	specific, measurable, achievable, realistic and time-bound
ESG	environmental, social and governance	TCFD	Task Force on Climate-related Financial Disclosures
GHG	greenhouse gas	TNFD	Taskforce on Nature-related Financial Disclosures
GRI	Global Reporting Initiative	UN	United Nations
IIRC	International Integrated Reporting Council	UNGC	UN Global Compact
ISO	International Organization for Standardization	UNGPs	UN Guiding Principles on Business and Human Rights
		WBCSD	World Business Council for Sustainable Development

Glossary

Areas of public concern

→ Areas of negative press coverage or topics representing a reputational risk to the company based on their region, sector or activities.

Assurance

→ The methods and processes employed by an assurance provider to evaluate an organization's public disclosures about its performance, underlying systems, data and processes against suitable criteria and standards. Assurance includes the communication of the results of the assurance process in an assurance statement to increase the credibility of public disclosure.

External assurance

→ Assurance performed by a person from an organization independent of the company.

Limited assurance

→ A level of assurance that provides the user of the report with a lower level of comfort (compared to reasonable assurance) that the subject matter is not materially misstated.

Reasonable assurance

→ A level of assurance that provides the user of the report with as high a degree of comfort as is possible for an assurance provider to provide that the subject matter is not materially misstated, in line with financial auditing standards.

Case study

→ In the context of a sustainability report, a narrative description (that quantified evidence may support) of an aspect of the sustainability strategy in action to allow the reader to understand the impacts and effects of the strategy.

Combined report

→ A report that merges the contents of a sustainability report (i.e., environmental and social disclosure) with a traditional annual report (i.e., financial disclosure); sustainability information is generally only part of a designated chapter of the combined report.

Design concept

→ Overall approach governing design of the report and reflecting the report content.

Double materiality

→ Double materiality requires an organization to use internal and external stakeholder input to determine the financial materiality (or "inwards" impact, i.e., impact of an issue upon a business) and the impact materiality (or "outwards" impact, i.e., the impact a business has upon the issue) of key issues. An issue is considered material from either an impact materiality or financial materiality perspective, or both.

Dynamic materiality

→The "dynamic" aspect of materiality means that topics can become more or less material over time. Furthermore, an issue can move from being financially material to impact material, and vice versa.

Enterprise risk management

→The consideration of risk from the overall organizational perspective. With enterprise risk management, a company considers all types of uncertainty from all parts of the organization. The objective of consolidating information on risks is to allow consistent decision-making across all risk categories. Regulators are increasingly expecting organizations to take an integrated approach to governance, risk and compliance.

External environment

→Trends within the wider social, environmental, regulatory or economic context that might affect future strategy or performance.

Megatrends

→Social, environmental and economic trends that go beyond specific industries. Examples might include climate change, demographic change, shift in economics and politics, technological shifts, trust in globalization, consumption and values, water scarcity, land-use change, urbanization, etc.

Industry-specific trends

→Trends that are common within a specific industry. Examples might include customer requirements and preferences, issues affecting supply and demand, etc.

Regulatory trends

→Trends related to local, national or regional shifts in the regulatory context. Examples might be general, such as nutrition or package labeling, reporting requirements, workplace safety or well-being, human rights, or tied to specific legislation such as Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), EU Emissions Trading System (ETS), Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS), US Dodd-Frank Conflict Minerals, UK Modern Slavery Act, EU Non-Financial Reporting Directive, Indian Companies Act 2013 revisions, etc.

Formal engagement mechanisms

→Engagement mechanisms with stakeholders that go beyond the normal execution of standard functional operations within an organization. Examples include external expert panels, stakeholder forums or working groups, etc.

Global Reporting Initiative (GRI) Standards

→Launched in October 2016, these replaced the G4 Guidelines and are the first global standards for sustainability reporting featuring a modular, interrelated structure.

Historical context

→A description of how and why various initiatives came about and why they are important. This does not always mean specific dates – it can be narrative and based on factors that led to different programs or activities.

Impacts

Direct

→Impacts arising from or at sources owned or controlled by the reporting entity.

Indirect

→Impacts that are the consequence of the activities of the reporting entity but that arise from or at sources owned or controlled by another entity, e.g., further along in the supply chain or downstream in the value chain.

Integrated report

→A concise communication about how an organization's strategy, governance, performance and prospects, in the context of its external environment, lead to value creation in the short, medium and long term. An integrated report is prepared in accordance with the International Integrated Reporting Council (IIRC) International Integrated Reporting <IR> Framework.

Internal audit

→The system of policies and procedures implemented by an organization to ensure its operations run effectively and that it complies with the law and all relevant regulations.



International Integrated Reporting <IR> Framework

→ A framework developed by the International Integrated Reporting Council (IIRC) that applies principles and concepts focused on bringing greater cohesion and efficiency to the reporting process and adopting "integrated thinking" as a way of breaking down internal silos and reducing duplication.

Key performance indicator (KPI)

- A quantifiable indicator that a company uses to measure and compare its performance on the identified material issues in terms of meeting specific targets and goals.
- Examples of indicator types under the material key performance indicator (KPI) definition:
- Input indicators: e.g., resources or people characteristics
 - Output indicators: e.g., quantities and efficiency
 - Process indicators: e.g., errors, non-compliances, audits
 - Outcome indicators: e.g., behavior change or program outcomes
 - Context indicators: e.g., relating to ecological boundaries/limits.

Line of sight

→ A description of the consistency and clarity of content presentation throughout the report. A clear line of sight should make a report easy to read and tie detailed content to the wider report narrative.

Materiality assessment

→ Different frameworks and jurisdictions have different interpretations of this concept. For our purposes, we look for an explanation of how an organization uses internal and external stakeholder input to determine key issues to address in their report.

Scope and boundaries

Scope

→ The range of material topics and reporting period covered by the report.

Boundary

→ The range of entities (e.g., subsidiaries, joint ventures, subcontracted operations, etc.) whose performance the report highlights. In setting the boundary for the report, an organization must consider the range of entities over which it exercises control (often referred to as the "organizational boundary" and usually linked to definitions used in financial reporting) and over which it exercises influence (often called the "operational boundary").

Targets

→ Forward-looking, publicly disclosed goals, objectives or aspirations that an organization has committed to.

Context-based targets

→ A target framed in the wider social or environmental context. These most commonly link to science-based climate change targets aligned with the Paris Agreement. Other examples could include water targets based on local watersheds or biodiversity targets based on the International Union for Conservation of Nature (IUCN) red zones.

Operational targets

→ A target focused on incremental gains that an organization can achieve by working a little harder or a little smarter. These are typically year-on-year or medium-term targets.

SMART targets

→ Specific, measurable, achievable, relevant and time-bound targets.

Stretch targets (long term)

→ A target that an organization cannot achieve simply by working a little harder or a little smarter. To achieve a stretch target, people must invent new strategies, new incentives or entirely new ways of achieving their purpose.

Tone of voice

→ The communication style of the organization, i.e., formal or casual.

Value chain

→ The processes or activities carried out by a company that create value, e.g., production, input efficiencies, marketing, sales.

Upstream

→ Involves the early stages in the operations of a business or industry. It includes searching for and extracting raw materials. For example, sourcing raw materials characterizes the upstream process.

Operations

→ Involves processing the materials collected during the upstream stage into a finished or semi-finished product.

Downstream

→ Involves the sale and distribution of products made in the operations process of finished or semi-finished goods.

Wireframe

→ Also known as page schematics, is a skeletal framework for a report page or website. The wireframe should be consistent for similar pages in the report.



About the *research partners*

This project is a collaboration between
WBCSD and Radley Yeldar.

About WBCSD

The World Business Council for Sustainable Development (WBCSD) is a global community of over 225 of the world's leading businesses driving systems transformation for a better world in which 9+ billion people can live well, within planetary boundaries, by mid-century. Together, we transform the systems we work in to limit the impact of the climate crisis, restore nature and tackle inequality.

We accelerate value chain transformation across key sectors and reshape the financial system to reward sustainable leadership and action through a lower cost of capital. Through the exchange of best practices, improving performance, accessing education, forming partnerships, and shaping the policy agenda, we drive progress in businesses and sharpen the accountability of their performance.

About Radley Yeldar

We are an independent creative consultancy working to create a world that believes in business. For over 30 years, our team of 200 experts has worked with multinationals, start-ups and public bodies to solve complex challenges through a unique blend of technical expertise, compelling communications and standout creative. As an integrated communications agency with leading sustainability expertise, we combine inspiration with evidence to create belief among all audiences. We help our clients define their strategy, bring it to life and report credibly.

Disclaimer

This publication is released in the name of WBCSD. It does not, however, necessarily mean that every member company agrees with every word. This publication has been prepared for general guidance on matters of interest only and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (expressed or implied) is given as to the accuracy or completeness of the information contained in this publication and, to the extent permitted by law, WBCSD, its members, employees and agents do not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this.

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