Examples of Corporate Reporting Practices

Engaging Stakeholders When Setting Sustainability Objectives and Linking Them to the SDGs

Business Reporting on the SDGs

About This Series

Integrating the SDGs into Corporate Reporting: A Practical Guide — developed by the United Nations Global Compact, GRI and partners — outlines how businesses can measure and disclose their contribution to and impact on the Sustainable Development Goals (SDGs) through a three-step approach and in alignment with recognized principles and reporting standards. The examples featured in this series help businesses and interested stakeholders identify select current corporate SDG reporting practices. The examples focus on one or a few elements of the broader corporate reporting process and steps outlined in the Practical Guide, which should be consulted for best practices on SDG reporting. The inclusion of company names in this series of examples is intended strictly for information and learning purposes and does not constitute an endorsement of the individual companies by the UN Global Compact or GRI.

This paper showcases how City Developments Limited, Enel and Iberdrola disclose how they engaged stakeholders and how their stakeholders' priorities informed and are connected to the companies' SDG priorities.

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EXAMPLE 1

COMPANY: City Developments Limited

COUNTRY: Singapore

SECTOR: Real estate

YEAR OF REPORT: 2019

LINK TO REPORT

City Developments Limited Discloses Its Key Stakeholders and How It Engages with Them

City Developments Limited assessed that its activities have an impact on six stakeholder groups: employees, customers, builders and suppliers, investors (including analysts and media), government agencies and regulators, and community. In its report, it discloses how it engaged with each stakeholder group and the materiality topics they raised through the engagement process.

Figure 1 (below) shows how City Developments Limited engaged with the stakeholders

"Government Agencies and Regulators" and "Community." For example, for the stakeholder "Government Agencies and Regulators," the company has "Senior Management representation on Boards of various industry bodies." Under "Issues and Concerns" the company discloses the materiality topics the stakeholders raised during the engagement process. When engaging "Government Agencies and Regulators" and "Community," this included "development of green buildings" and "environmental conservation."

FIGURE 1: TABLE FROM CITY DEVELOPMENTS LIMITED'S REPORT DISCLOSING ITS STAKEHOLDER ENGAGEMENT PROCESS[1]

STAKEHOLDER GROUPS	ENGAGEMENT PLATFORMS	ISSUES AND CONCERNS
Government agencies and regulators	• Senior management representation on boards of various industry bodies • Participation in tri-sector and sustainability-related consultations and dialogues • Longstanding partnership of various national programmes • Thought leadership in support of public policies and regulations pertaining to sustainability, green buildings and reporting	• Development of green buildings • Programmes to cultivate responsible workplace practices • Advocating green consumerism and lifestyle • Sharing of industry best practices • Regulatory development towards a low-carbon economy • Promoting sustainability reporting in Singapore • Advocating ESG integration with financial reporting • Promoting workplace safety and health
Community	• Public communications plan with residents within a 100-metre radius of our new developments • Builders' contact details displayed at construction sites for public feedback • Participation in sustainability-related conferences/forums • Consultation and dialogues with academics, NGOs, and business associations • Annual reports • Integrated sustainability reports • Company website and social media • Corporate advertisements • Collaborations with charity and NGOs partners for community development • Universal design for homes and offices	• Proactive communication on CDL's development plans and construction works • Environmental conservation • Youth development • Promoting the arts • Helping the elderly and children in need • Sustainability and green building thought-leadership and advocacy • Social inclusion • Ethical marketing practices

[1]City Developments Limited, City Developments Limited: Integrated Sustainability Report 2019 (2019), p. 45.

City Developments Limited Includes Stakeholders' Feedback when Setting Objectives Against the SDGs

Sustainability objectives are developed based on stakeholder engagement. City Developments Limited addresses this later in the report, as displayed in Figure 2 (below). The solution is directly linked to the company's objective to "double our commitment to adopt innovations and technology of green buildings."

Alongside its 2030 objectives, City Developments Limited links its sustainability

targets to its contribution to the Sustainable Development Goals (SDGs) where it has assessed this to be relevant. The company links the SDGs, disclosing how objectives under "2030 Targets (effective from 2018)" have an impact on multiple SDGs. In Figure 2, the company links its objectives under the theme "Goal 1: Building Sustainable Cities and Communities" to six SDGs.

FIGURE 2: TABLE FROM CITY DEVELOPMENTS LIMITED'S REPORT DISCLOSING ITS SUSTAINABILITY OBJECTIVES FOR 2030[2]

FUTURE VALUE 2030 GOALS	2030 TARGETS (EFFECTIVE FROM 2018)
Goal 1: Building Sustainable Cities and Communities 7 AFFORDABLE AND CLEAN ENERGY · 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE · 11 SUSTAINABLE CITIES AND COMMUNITIES · 12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION · 17 PARTNERSHIPS FOR THE GOALS	Achieve Green Mark certification for **80%** of CDL owned and/or managed buildings
	Maintain **100%** tenant participation in CDL Green Lease Partnership Programme
	Double our commitment to adopt innovations and technology of green buildings
	Double resources devoted to advocacy of sustainability practices, stakeholder engagement and capacity building

[2] City Developments Limited, City Developments Limited, Integrated Sustainability Report 2019 (2019), p. 18.

EXAMPLE 2

COMPANY: Enel S.p.A.

COUNTRY: Italy

SECTOR: Energy

YEAR OF REPORT: 2018

LINK TO REPORT

Enel Discloses Stakeholders' Materiality Topics

In its report, Enel discloses eight stakeholder groups that raise material topics in line with the company's activities: business community, customers, financial community, institutions, civil society and local communities, media, "our people," and suppliers and contractors, and discloses the material topics raised by the stakeholders during the engagement process under "Issues," as seen in Figure 3.

Enel uses a color-coded index to rank the level of priority for the material issues raised by each stakeholder: "Very High Priority (1st–3rd place)", "High Priority (4th–8th place)" and "Medium Priority (9th–11th)." This allows the company to highlight that — while all issues are material — some are given more priority in line with the concerns and interests of different stakeholders. For example, for the stakeholder group "Media" the material issue "engaging local communities" is "Very High Priority" whereas for the stakeholder group "Our People" the issue is identified as "Medium Priority."

Enel Discloses Its Objectives and the Relevant SDGs

Enel discloses its sustainability targets in correspondence with the topics that were identified as material during the stakeholder engagement process.

Figure 4 illustrates the company's sustainability targets under the theme "Engaging Local Communities," outlining how the company links its objectives to the Sustainable Development Goals (SDGs) where it has assessed that it would have the most impact. Then, there is a link between these objectives and the SDG they would impact. For example, the company's ambition to have "10 million beneficiaries in 2030" under its "Access to Energy" program has a potential positive impact on Goal 7 on Affordable and Clean Energy and Goal 17 on Partnerships for the Goals.

FIGURE 3: INFOGRAPHIC FROM ENEL'S REPORT OUTLINING STAKEHOLDERS' MATERIALITY CONCERNS[3]
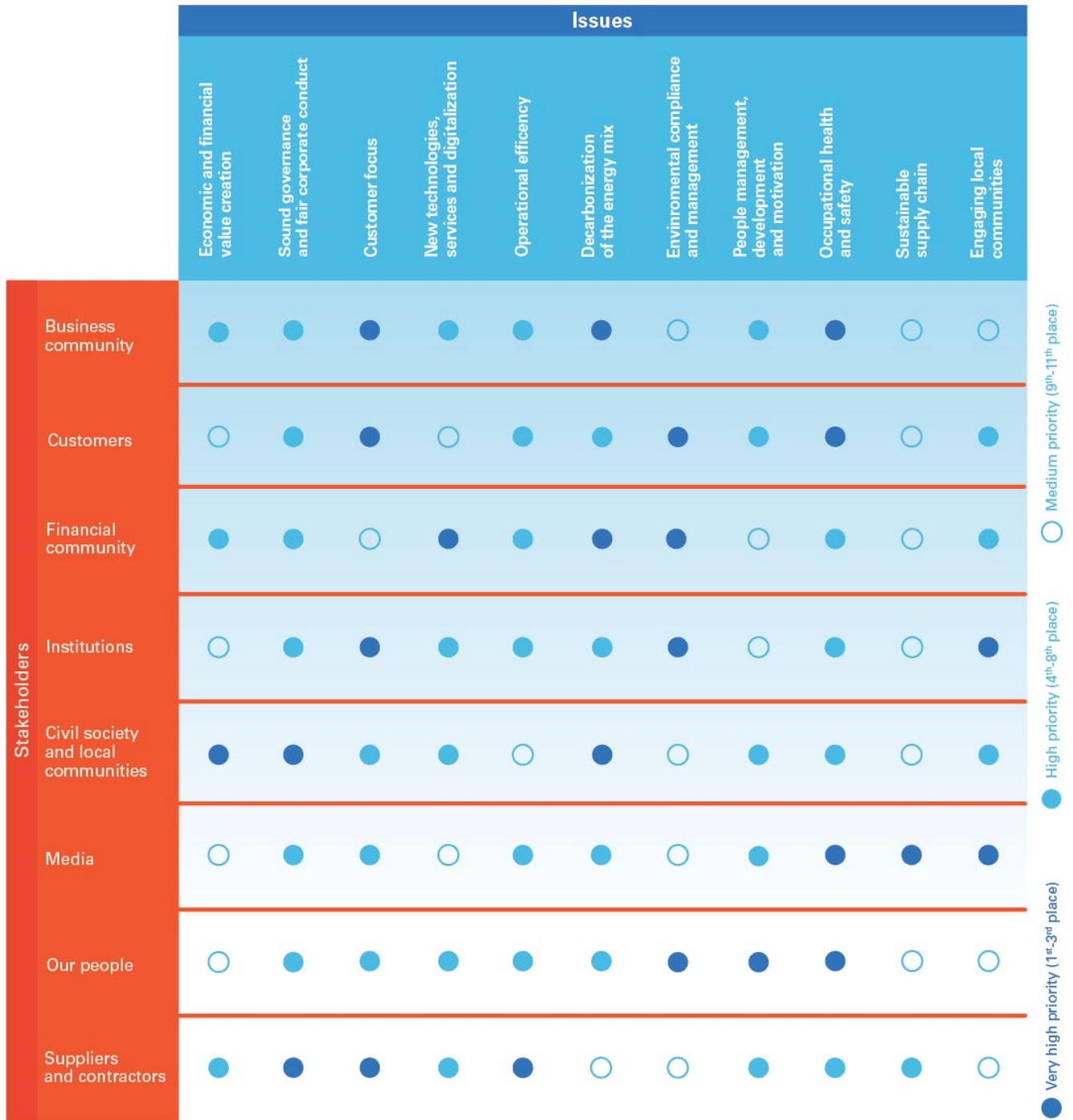
[3]Enel S.p.A., 2018 Sustainability Report (2018), p. 32.

FIGURE 4: TABLE FROM ENEL'S REPORT DISCLOSING ITS 2021 OBJECTIVES[4]

Plan (2019) > (2021) Engaging local communities

ACTIVITIES/SDGs	TARGETS	CATEGORIES	
Inclusive and equitable quality education 4 17	2.5 mil beneficiaries in 2030[2]	S	Education
		S	Community relations
		G	Partnerships
Affordable, reliable, sustainable and modern energy 7 17	10 mil beneficiaries in 2030[2]	S	Access to energy
		S	Community relations
		G	Partnerships
Sustained, inclusive and sustainable economic growth 8 17	8 mil beneficiaries in 2030[2]	S	Social development
		S	Community relations
		G	Partnerships

[4]Enel S.p.A., 2018 Sustainability Report (2018), p. 45.

EXAMPLE 3

COMPANY: Iberdrola, S.A.

COUNTRY: Spain

SECTOR: Energy

YEAR OF REPORT: 2018

LINK TO REPORT

Iberdrola Discloses Its Stakeholder Engagement Process

Iberdrola reports each stage of the stakeholder engagement process. Figure 5 highlights four broad themes: "Stakeholder Map," "Engagement Model," "List of relevant issues, risks and opportunities," and "Action Plan." During stages 7 — "Identify Relevant Issues" and 8 — "Identify Risks and Opportunities" — the company identifies the relevant materiality topics which feed into its prioritization of the Sustainable Development Goals (SDGs) and when setting sustainability objectives.

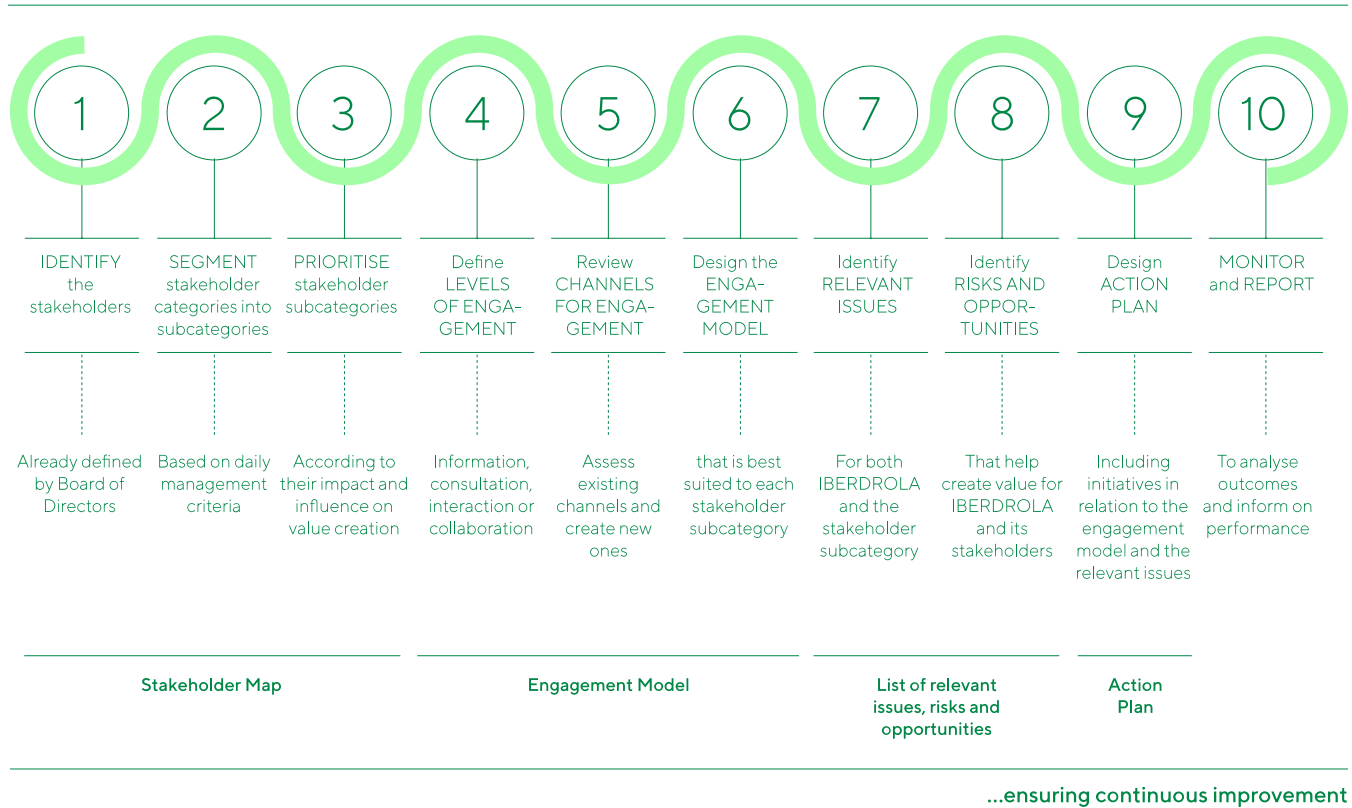## Iberdrola Discloses How It Engaged with Each Stakeholder Group

Figure 6 shows how Iberdrola engages with stakeholders and the methods used, as published in its report. For example, for the stakeholder "Workforce," the company used methods such as "Commissions, committees" and an "Ethics mailbox." Under "significant issues," the company discloses the material topics raised by each stakeholder group. For example, for the stakeholder "Shareholders and Financial Community" the group raises the issues of "share price and dividends" and "political situation in the markets in which Iberdrola is present."

Iberdrola Discloses Its Objectives Against the SDGs

Iberdrola discloses its sustainability targets and connects them to all 17 SDGs, starting with the two Goals it has prioritized (pp. 38–45 of its report). Figure 7 shows how the company measures its objectives against Goal 3 on Good Health and Well-being. For example, the objective to "reduce the accident rate (accidents involving own staff) by 10% over the average of the last five years" is reported on next to the image of Goal 3. These objectives also correspond with the material topics raised following the stakeholder engagement process. The issue raised by the stakeholder "Workforce" was related to "occupational risk prevention and health and safety training" and is related to the previous objective (Figure 6).

FIGURE 5: INFOGRAPHIC FROM THE COMPANY'S REPORT DISCLOSING THE STAKEHOLDER ENGAGEMENT PROCESS[5]

Stakeholder engagement model...

1	2	3	4	5	6	7	8	9	10
IDENTIFY the stakeholders	SEGMENT stakeholder categories into subcategories	PRIORITISE stakeholder subcategories	Define LEVELS OF ENGA-GEMENT	Review CHANNELS FOR ENGA-GEMENT	Design the ENGA-GEMENT MODEL	Identify RELEVANT ISSUES	Identify RISKS AND OPPOR-TUNITIES	Design ACTION PLAN	MONITOR and REPORT
Already defined by Board of Directors	Based on daily management criteria	According to their impact and influence on value creation	Information, consultation, interaction or collaboration	Assess existing channels and create new ones	that is best suited to each stakeholder subcategory	For both IBERDROLA and the stakeholder subcategory	That help create value for IBERDROLA and its stakeholders	Including initiatives in relation to the engagement model and the relevant issues	To analyse outcomes and inform on performance

Stakeholder Map	Engagement Model	List of relevant issues, risks and opportunities	Action Plan

...ensuring continuous improvement

[5]Iberdrola, S.A., Statement of Non-Financial Information Sustainability Report 2018 (2018), p. 230.

FIGURE 6: TABLE FROM THE COMPANY'S REPORT DISCLOSING ITS ENGAGEMENT WITH THE STAKEHOLDERS "WORKFORCE" AND "SHAREHOLDERS AND FINANCIAL COMMUNITY"[6]

Workforce	Shareholders and financial community
Relationship channels • Telephone, mail, web (intranet), meetings • Events, surveys, bulletins, newsletter, information screens, posters • Commissions, committees • Ethics mailbox	**Relationship channels** • Telephone, mail, shareholders website, meetings • General Shareholders' Meeting, Shareholders' Club, Shareholders' Bulletin • Road shows, Investor Day, Investor Relations App, Corporate reports • Shareholders' Ethics Mailbox
Significant issues • Management and retention of talent (career plan, training, quality and maintenance of employment) • Occupational risk prevention and health and safety training • Employee benefits and pension plans	**Significant issues** • Economic, social and environmental performance of the company and future plans • Political situation in the markets in which Iberdrola is present • Share price and dividends

FIGURE 7: TABLE FROM THE COMPANY'S REPORT DISCLOSING ITS OBJECTIVES AGAINST THE SDGS[7]

3 GOOD HEALTH AND WELL-BEING	3.4 Reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being 3.6 Halve the number of global deaths and injuries from road traffic accidents 3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination	**Goal:** Reduce the accident rate (accidents involving own staff) by 10 % over the average of the last 5 years. **Actions and achievements:** • Improve the Global Occupational Safety and Health System, which is aligned with the *Occupational Safety and Health Policy* and the strictest international standards. • Health and safety measures for contractors through training programmes and in-sourcing of work and personnel. • 0-accident plan in Brazil in order to reduce the accident rate among employees.

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