

SIX PRACTICAL STEPS FOR A GOOD CSR STRATEGY AND COMMUNICATIONS

PRACTICAL GUIDE



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Corporate social responsibility (CSR) is no longer an abstract concept reserved for a few sustainable development pioneers. The 2011 Barometer¹ of Social Responsibility in Belgium found that most companies - whatever the size or sector - understand the importance of aligning economic efficiency, social progress and respect for the environment. Pressure from consumers, business customers and employees to improve a company's CSR is now considered to be an opportunity and a source of innovation to inspire new products and services. CSR can now be seen as a management tool for detecting both potential economic risks (e.g. instability, scarcity of resources and ageing population) and opportunities. Companies are increasingly creating CSR strategies to measure and manage their objectives.

How do CSR leaders develop their strategies? How do they identify which issues to work on? How do they set goals and indicators and make sure CSR is embedded in the company? And finally, how do they communicate their achievements with the outside world?

This practical guide will help you create an effective CSR strategy in six steps. Illustrated with various examples from CSR leaders in Belgium, this guide will help you get the most out of your CSR strategy and will demonstrate how to use CSR as a tool for innovation and growth, reduce risks, engage your employees and improve the relationship with your stakeholders².

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Thanks to you too for striving to make this world a better place - not only for us but for our children and their children to come.

¹ Barometer of social responsibility – 2011, Business & Society Belgium, Vlerick and Louvain School of Management - <http://www.businessandsociety.be/fr/Knowledge-center/Les-themes-RSE/07-CSR-governance/0700-General>.

² Stakeholders are defined as "those individuals, groups of individuals or organisations that affect and/or could be affected by an organisation's activities, products or services".
Source: Accountability AA 1000

Why engage in CSR? The 'Business Case'

The results of the 2011 Barometer of Social Responsibility in Belgium were fairly conclusive. The study, conducted by Business & Society, Vlerick Management School and Louvain Management School, showed the positive impact companies hope to achieve in terms of CSR:



- **Improved reputation and branding**

CSR can help a company position itself in the marketplace as more responsible and more sustainable than its competitors.

- **Employee engagement, yielding greater productivity**

Companies that integrate CSR throughout the organisation and treat their employees well tend to provide an environment leading to increased employee loyalty. This helps in recruiting and retaining staff, reducing absenteeism and helping employees develop skills.

- **Enhanced relationships with their stakeholders and licence to operate**

Stakeholder dialogue and collaboration is central to a good CSR strategy. By holding open dialogue and demonstrating transparency with stakeholders through measurement and reporting practices, a company will secure its 'licence to operate', improve its prospects of being supported by the community over the longer term and improve its capacity to be more sustainable.

- **Innovation of products and services**

Companies that understand current and future societal needs – the poor and the rich, the young and the old, the North and the South – can innovate accordingly and access new markets while also ensuring they are prepared for the future.

- **Improved supplier profile**

More and more organisations want their suppliers to act responsibly and to offer more sustainable products. Increasing numbers of suppliers are screened on their CSR performance. Some companies require suppliers to respect their codes of conduct in order to do business. Others go even further and use CSR performance as a decisive selection criterion alongside price and quality.

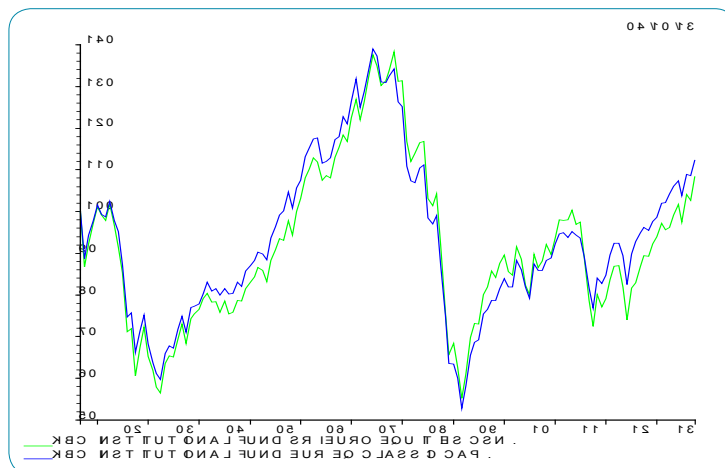
- **Increased profitability**

Direct gains can be achieved by optimising operational efficiency and applying the motto 'reduce, reuse, recycle'. Recycling, reducing waste, energy and material consumption can generate environmental and economic benefits for the company. Anticipating regulatory changes, preserving supply chains and managing potential risks and liabilities more effectively through CSR can also reduce costs.

Furthermore, CSR helps companies find new opportunities, develop new products or services and expand their customer base. This will impact sales and revenues.

- **Increased profitability**

Many studies looking at the link between CSR and financial performance found that companies who embrace CSR tenets generally outperform their counterparts. The KBC socially responsible investment (SRI) fund illustrates this.



Potentially, this information could be translated into action within the investment community. For example, if the driver is to improve motivation, attraction and retention of the staff, the metrics could be to decrease staff turnover by x% or improve attraction by y%. This could then be translated in savings. This exercise can be done for all of the above-mentioned areas. Although most investors and CFOs believe CSR activities create value, measuring this value remains a difficult task.



**BNP PARIBAS
FORTIS**

Sales of sustainable products at BNP Paribas Fortis increase with a good 'business case'

Bank BNP Paribas Fortis gathered internal and external reports to compare the performance of socially responsible investments (SRIs) against standard investment products. They found that SRIs often outperformed conventional investments. Before this analysis, the general belief was that SRI funds generated lower returns and as such they were not actively promoted outside the responsible investors' club. SRIs are now actively advocated by the bank's CSR department and are among the top retail products sold, delivering value to the bank, clients and society at large.

Six practical steps for a good CSR strategy and communications

1 IDENTIFY KEY CSR ISSUES

Conduct preliminary research to identify the relevant issues affecting your company. Take your sector and location into account. Look across the entire value chain and track trends. Involve colleagues from the start and get commitment from senior management.

2 CONSULT YOUR STAKEHOLDERS

Identify your main stakeholders, how they perceive your organisation and what their expectations are. Answering these questions and consulting your stakeholders will help you identify the CSR issues to be tackled.

3 FOCUS – DEFINE YOUR MATERIALITY

Define which issues are the most relevant for your business and your stakeholders. By conducting a materiality matrix, you can help define the right CSR strategy for your company.

4 DETERMINE APPROPRIATE OBJECTIVES AND INDICATORS

What gets measured gets managed! For all material issues, define objectives and indicators and set targets. Check existing data collection systems and create new ones where necessary. Follow the 'Plan-Do-Check-Act' methodology and control your performance against your objectives.

5 SET THE RIGHT CONTEXT TO ACHIEVE YOUR OBJECTIVES

Have senior management lead by example and promote ethical behaviour in your company. Create the right governance context and incentives for CSR. Train and engage your colleagues.

6 COMMUNICATE EXTERNALLY

Done in isolation, a CSR report does not guarantee transparency and visibility. It is therefore important to integrate reporting into the global communications strategy. The expectations of your various target audiences are not homogeneous – make sure you identify and use the most appropriate communications channels for each audience.

Designing and communicating a CSR strategy should be part of a continuous improvement process. This is why opinions expressed by your stakeholders are essential. Support from specialised organisations such as Business & Society Belgium is also helpful. With a CSR assessment, Business & Society Belgium helps its members go through the above steps and have the basis for designing and communicating a focused CSR strategy.

STEP 1

Identify key CSR issues

The first step is to set economic, social and environmental priorities. Each organisation's CSR strategy must be carefully tailored, taking into account factors such as location, size, sector of activity, production processes, value chain, the organisational and economic challenges facing the company and stakeholder expectations. In order to set these priorities, the key CSR issues must be identified.

Conduct preliminary research

Several online CSR sources serve as a good starting point including:

- Novethic and Utopies are knowledge centres for CSR which provide very useful information and analysis by sector.



- MVO Nederland, Business & Society's sister organisation in the Netherlands also provides sectoral analysis.
- The Global Reporting Initiative (GRI) has developed sectoral supplements based on multi-stakeholder consultation.

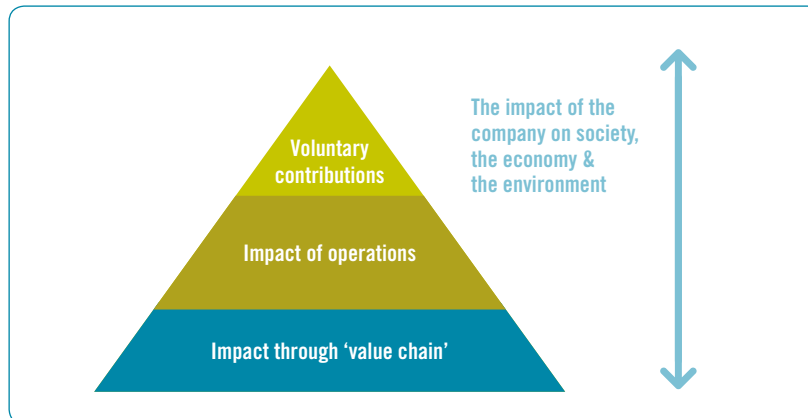


Contact your sectoral association to check if it has already analysed CSR issues in your sector. Sustainability reports produced by peers – provided proper analysis was done – are worth reading. Media articles in your sector and company are another useful resource.

This research will give you a broad idea of the CSR issues you face which you can then tailor to your company.

Analyse CSR issues in your value chain

The entire value chain – from design to end of life – needs to be considered in the analysis. It is no longer accepted that a company's responsibilities end at the factory gate or bank door.



The CR Impact Model, developed by consultant David Logan³, illustrates total company impact and is divided into three main areas: impact of operations, impact through the value chain and voluntary contributions. The model shows that:

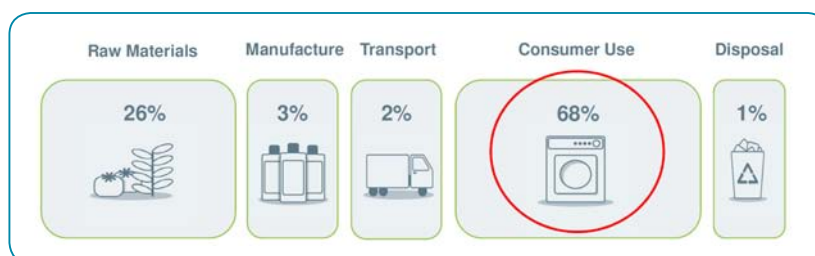
- The major impact often comes from core operations i.e. the products and services the company produces and sells.
- The second largest impact comes from the value chain i.e. sourcing, through production, distribution, consumer use and disposal. For some companies, this impact may actually be the largest (see the Unilever example below).
- The smallest impact is the company's voluntary contributions. These are highly visible but their impact is insignificant compared to the overall company operations. Therefore, it is inadequate to respond to societal challenges by solely focusing on philanthropic actions. The focus should be on business conducting its operations in a responsible and sustainable way.



Unilever's highest CO₂ footprint is during the product's use

An analysis of the lifecycle of 1,600 Unilever products found that most greenhouse gas emissions come from the product use phase. It is therefore not sufficient to develop innovative products with a reduced environmental impact – its consumers must be informed on how to use them more sustainably and responsibly.

For example, technological innovation greatly reduces the amount of liquid detergents needed, but consumers still need to understand how to use them properly.



³ David Logan of Corporate Citizenship referred in How to Identify a Company's Major Impacts and Manage Them, A Doughty Centre How-to Guide (#7 in series), Cranfield School of Management/Mandy Cormack, June 2012



BMA Ergonomics reduces its impacts all along the chain

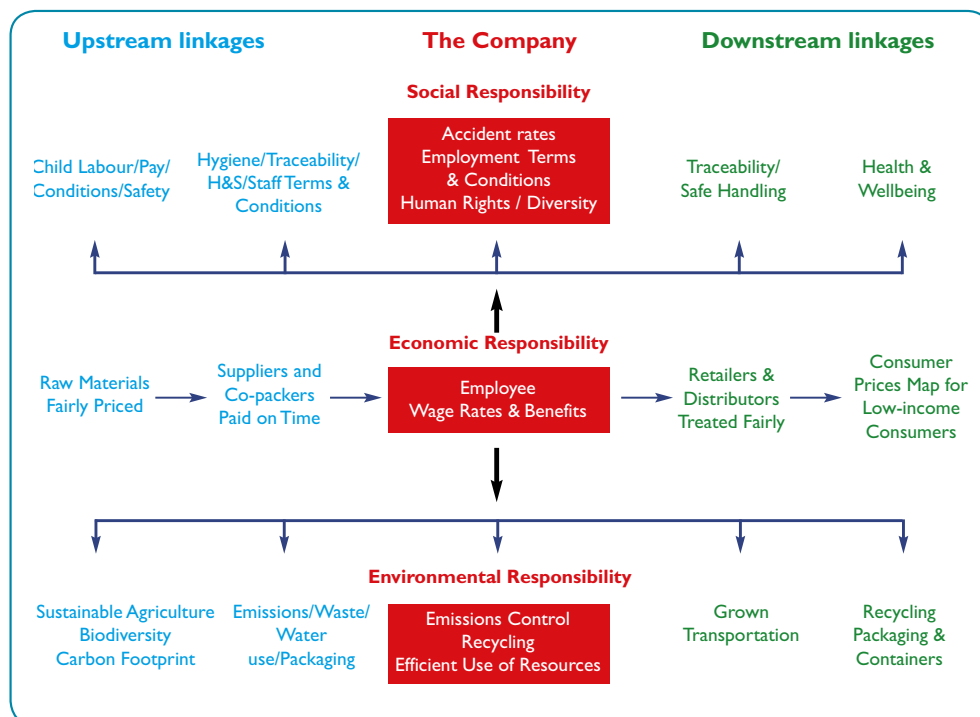
BMA Ergonomics has produced Axia®, a chair with an infinite lifecycle. Following the 'cradle-to-cradle' philosophy, once an Axia® chair is no longer usable, it is taken from the client and 98% of the content is recycled.

New chairs are made using 67% recycled materials, leading to a 50% reduction in CO₂ emissions. This sustainable concept goes beyond BMA Ergonomics. To close the loop, the company cooperates with both its suppliers and customers.



Horizontal analysis

Analysing the entire value chain helps identify a company's impact more accurately. Cranfield University's Doughty Centre⁴ identifies value chain issues:



⁴ How to Identify a Company's Major Impacts and Manage Them, Doughty Centre, Cranfield School of Management, Mandy Cormack, June 2012



Fevia's self-assessment of CSR issues in the value chain

Guided by Business & Society Belgium, the Belgian food industry federation Fevia conducted a self-assessment of its environmental, social and economic issues. It focused on the value chain of a typical food company, from product origin, through manufacturing and distribution, to the end of product life. The findings were then refined as a result of internal and external consultations.



The results of the preliminary self-assessment are presented in the working document below:

STAKES IDENTIFICATION		Raw material purchasing (agriculture)	Manufacturing / Processing	Packaging	Logistics	Sales to consumers
SOCIAL	ECONOMIC	<ul style="list-style-type: none"> Price volatility Availability of raw materials Proper compensation (price taking into account a set of social criteria) 	<ul style="list-style-type: none"> Ability to export Energy cost/work Capacity for innovation Possibility of total impact on the price 		<ul style="list-style-type: none"> Transport cost 	<ul style="list-style-type: none"> Affordable prices
	Workforce	<ul style="list-style-type: none"> Decent work and quality of the work ILO compliance (monitoring/audit) Child labour (monitoring/audit) Helping producers to meet business requirement Buying also from small producers 	<ul style="list-style-type: none"> Attractiveness of the sector Social dialogue Working Conditions Training 	<ul style="list-style-type: none"> Subcontracting? 	<ul style="list-style-type: none"> Sub-contracting? 	
	Consumers/ society	<ul style="list-style-type: none"> Fair trade Presence of GMOs (direct and indirect) Animal welfare Food safety 	<ul style="list-style-type: none"> Food safety Formulation (additives, salts, palm oil...) 	<ul style="list-style-type: none"> Ease of use Food safety 	<ul style="list-style-type: none"> Bottling Food safety 	<ul style="list-style-type: none"> Information and label Balanced lifestyle Consumer health and nutritional needs Advertising/claims
ENVIRONMENT		<ul style="list-style-type: none"> Environmental impact of agricultural production (organic, integrated farming, ...) Deforestation Biodiversity Overfishing (fish from MSC certified fishery) 	<ul style="list-style-type: none"> Rational use energy/ water Limitation of CO₂ and other emissions Limitation of wastewater emissions Treatment of waste products/ by-products Optimising the use of des connecting flows Limitation of food waste 	<ul style="list-style-type: none"> Recyclability Prevention Using recycled paper and environmentally-friendly packaging 	<ul style="list-style-type: none"> Limitation of CO₂ emissions Alternative means of transport Origin / destination 	<ul style="list-style-type: none"> Food waste Information

Now it is your turn. Try to divide your company's activities into a maximum of six categories, one of which can be 'support' to include activities such as accounting and finance, administration, human resources etc. Then use *Template 1* (see Appendix) to identify the various economic, social (internal and external) and environmental issues for your company.

Integrate future trends

“Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

Brundtland report 1987.

What will the world look like in 20 years' time? When conducting your analysis, it is important to look at the megatrends that will shape business in the future. The top five megatrends identified in the 2011 CSR Barometer are:

- Shortage of **skilled labour**
- **Changing demographics**: ageing population and rapid population growth which are creating new markets, and urbanisation
- Scarcity of **natural resources**
- Dialogue with **stakeholders**
- **Economic instability**

Climate change (including global warming, rising carbon emissions and biodiversity reduction) and **new technologies** were also identified as issues.

Considering megatrends will help focus your CSR strategy on your core business and identify products and services which can address societal needs and challenges. They can vary depending on your sector. Integrating these megatrends into your CSR strategy will not only reduce risks but can also potentially generate new business opportunities. Conversely, ignoring these wider influences could undermine your long-term business success.

By developing services and products to address societal needs and create economic value, companies address the 'shared value' principle. This concept focuses on 'what' you do rather than 'how' and goes back to questioning the central mission and role of the company. Creating shared value is not new to social entrepreneurs, but its impact is often limited. Shared value is slowly being picked up by larger companies such as GE, Google, IBM, Intel, Johnson & Johnson, Nestlé, Unilever and Wal-Mart who are increasingly looking to address societal challenges through business.

Creating shared value

“The concept of shared value can be defined as policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. Shared value creation focuses on identifying and expanding the connections between societal and economic progress. The concept rests on the premise that both economic and social progress must be addressed using value principles. Value is defined as benefits relative to costs, not just benefits alone.”

Source: Creating Shared Value by Michael E. Porter and Mark R. Kramer, Harvard Business Review, January 2011



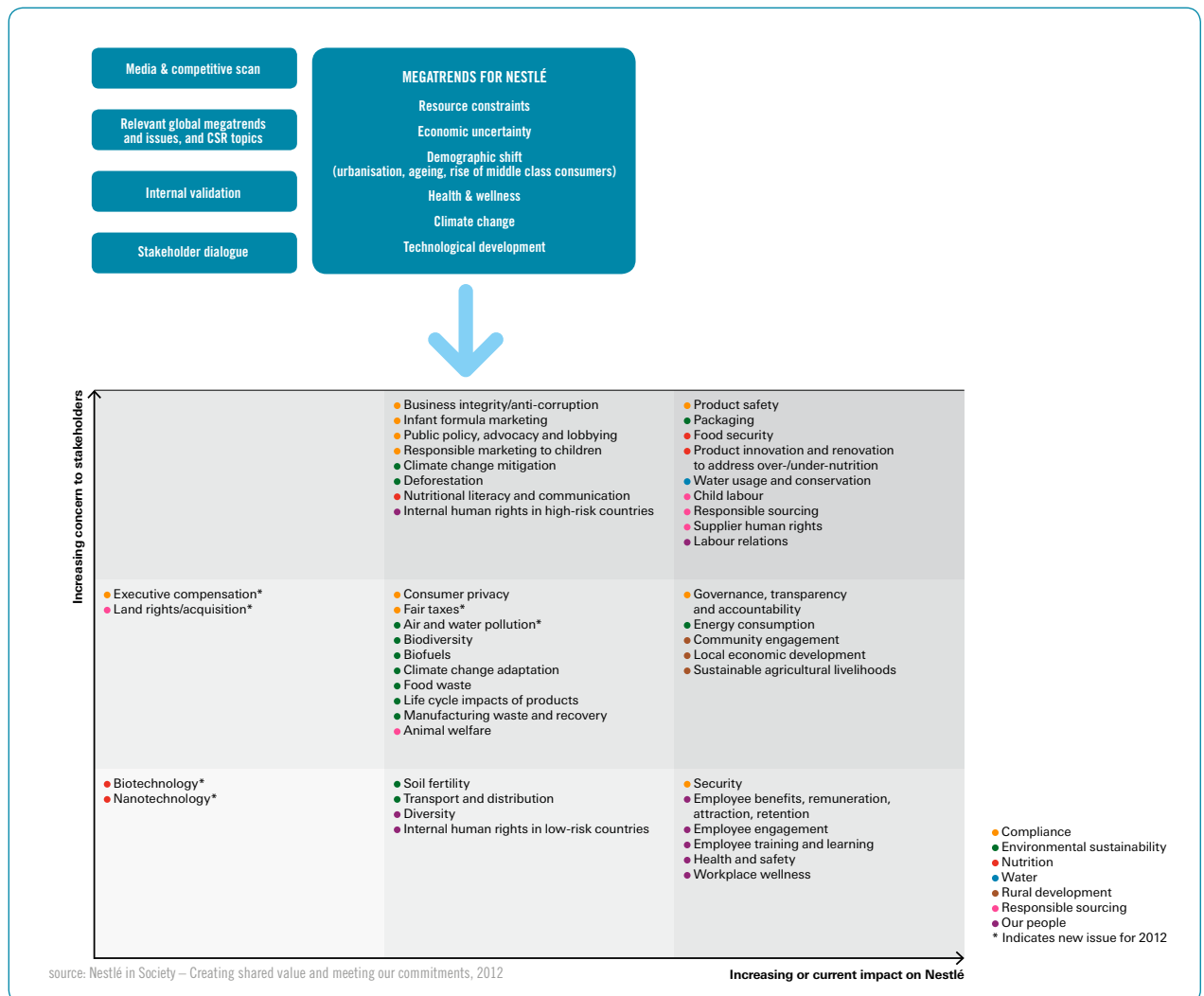
Nestlé integrates megatrends and applies the concept of creating shared value

Nestlé Group conducted extensive research to identify its CSR issues. The multinational food and beverage company conducted media monitoring, reviewed information from peers, identified relevant megatrends, issues and CSR topics and validated the process internally and externally. Based on this exercise, the company produced a materiality matrix incorporating stakeholder and company concerns (below). The megatrends appear clearly in this matrix. More information of materiality matrices will be given in Step 3: Focus – Define your materiality.

Nestlé is one of the first companies to have integrated the Creating Shared Value (CSV) concept into its core business. With support from Harvard Business School's Michael Porter, the company analysed how to remain a market leader by providing healthy food.

"We believe that we can create value for our shareholders by doing business in ways that specifically help address global and local issues in the areas of nutrition, water and rural development. This is what we mean when we speak about Creating Shared Value. Creating Shared Value begins with the understanding that for our business to prosper over the long term, the communities we serve must also prosper. It explains how businesses can create a competitive advantage, which in turn will deliver better returns for shareholders, through actions that substantially address a social or environmental challenge."

Source: Paul Bulcke, Nestlé CEO



When completing *Template 1*, identify the megatrends affecting your company.

ISO 26000: the global social responsibility reference tool

In November 2010, the International Organization for Standardization (ISO) launched ISO 26000, the first international standard defining organisational social responsibility. ISO 26000's goal is to provide guidance for all types of organisations (public, private, NGOs etc), enabling them to effectively integrate social responsibility principles into their operations.

ISO 26000:

- Defines social responsibility as an organisation taking responsibility for its own impact on society and the environment, through transparent and ethical behaviour which contributes to sustainable development
- Takes stakeholder views into account
- Is in compliance with the law and consistent with international standards
- Is integrated throughout the organisation and includes the sphere of influence

To define the scope of social responsibility, identify relevant policy areas and set priorities, ISO 26000 expects organisations to address the following issues:



Source: International Organization for Standardization

ISO 26000's seven core subjects are applicable to all organisations. However, within these core subjects, ISO presents a longer list of issues that may not all be relevant to all organisations.

ISO 26000 also addresses the broader notion of an organisation's entire sphere of influence that it defines as “range/extent of political, contractual, economic or other relationships through which an organization has the ability to affect the decisions or activities of individuals or organizations” and explains that “In addition to being responsible for its own decisions and activities, an organization may, in some situations, have the ability to affect the behaviour of organizations/parties with which it has relationships. Such situations are considered to fall within an organization's sphere of influence. This sphere of influence includes relationships within and beyond an organization's value chain (...) There will be situations where an organization will have a responsibility to exercise influence. These situations are determined by the extent to which an organization's relationship is contributing to negative impacts (...) When assessing its sphere of influence and determining its responsibilities, an organization should exercise due diligence to avoid contributing to negative impacts through its relationships.”

Some companies use ISO 26000 to design their CSR strategy (e.g. Thalys), while others use it as a checklist later on, as they may already have a CSR strategy in place (e.g. Belgacom). Whether you are a beginner or you already have a CSR strategy using ISO 26000 will help you not to forget any issues.



Thalys used ISO 26000 to establish its CSR strategy

For high-speed train operator Thalys, ISO 26000 was an opportunity to define its new CSR strategy.

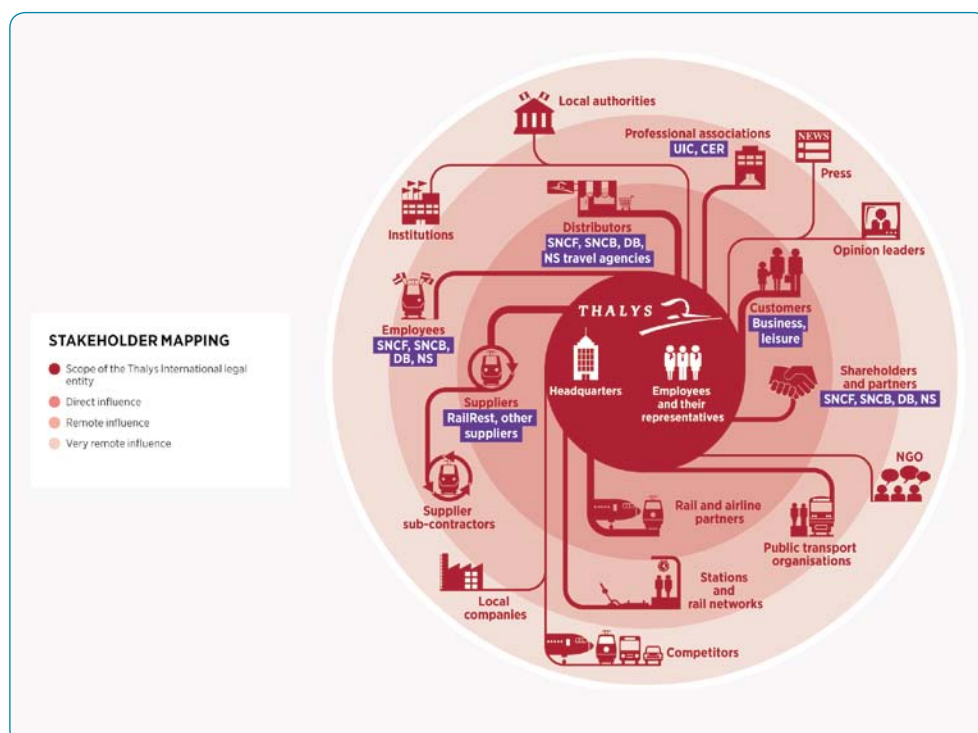
Thalys determined its own scope of influence and identified relevant CSR issues from the long list of issues presented in ISO 26000. These were then ranked from 'very important' to 'somewhat important'. From this, they defined action plans and determined which topics needed stakeholder input.

As an example, for the core subject 'environment', Thalys' ranked 'issues as follows:

- Very important: eco-mobility and intermodality. The company found that 40% of emissions produced during their clients' journeys occurred before and after entering Thalys trains. Therefore, Thalys has an important role to play in reducing this impact in its sphere of influence.
- Important: Thalys' business requires inputs e.g. of energy and water, which to some large extent fall under the scope of its shareholders and partners. With limited power leverage on these issues, Thalys classified it as important.
- Somewhat important: Thalys has little impact on biodiversity, but some actions could nevertheless be taken around its headquarters.

The analysis also took into account the management team's vision and stakeholders' perception, two key factors for a successful, inclusive CSR strategy. Finally, Thalys mapped its strengths and weaknesses. This exercise highlighted additional topics which Thalys should address and communicate on, beyond those already implemented. As a result, 17 priority projects were devised, including the development of door-to-door travelling solutions in line with the eco-mobility issue.

THALYS' SCOPE OF INFLUENCE:





Belgacom internal consultation on ISO 26000

When ISO 26000 was launched, telecommunications company Belgacom organised internal workshops where participants cross-checked the company's current CSR priorities against the new standard's guidelines. Representatives from the legal, finance, CSR, communications, HR and reputation departments, as well as international affiliates, identified Belgacom's most critical issues. The exercise confirmed that Belgacom's CSR strategy was addressing the right issues. Belgacom used the following questionnaire

Core subjects and issues Addressed in sub-clause		Contribution to sustainable development in whole Society	Concern clearly expressed as important by some of your stakeholders	Represents legal / compliance / reputation risk for Belgacom	Represents financial risk/opportunity for Belgacom	TOTAL
6.2	Core subject: Organizational governance					0
6.3	Core subject: Human rights					
6.3.3	Issue 1: Due diligence					0
6.3.4	Issue 2: Human rights risk situations					0
6.3.5	Issue 3: Avoidance of complicity					0
6.3.6	Issue 4: Resolving grievances					0
6.3.7	Issue 5: Discrimination and vulnerable groups					0
6.3.8	Issue 6: Civil and political rights					0
6.3.9	Issue 7: Economic, social and cultural rights					0
6.3.10	Issue 8: Fundamental principles and rights at work					0

Read the definition of the various issues presented in this standard and evaluate which ones directly apply to your company or sphere of influence (found on the ISO website <http://www.iso.org/iso/home/standards/management-standards/iso26000.htm>).

Consult your colleagues and get senior management on board

Colleagues in charge of the main activities identified in *Template 1* should be consulted early on. Ask which CSR issues affect their work and where the company could have a positive impact.

This approach will help you focus on the right issues from the beginning and help with internal buy-in. After all, your colleagues are the ones who will later have to implement the various projects to come out of the CSR strategy.



D'Ieteren consulted its senior managers to select the most relevant issues



Automobile distributor D'Ieteren created an inventory and benchmark for all its CSR practices using Business & Society assessment⁵. Based on the results, the company organised a workshop with the D'Ieteren Executive Committee to identify the most important issues. The discussions included how CSR could help promote more sustainable mobility, increase customer and employee satisfaction and reduce D'Ieteren's environmental footprint.

The issues discussed at the initial workshop were then brainstormed in six additional workshops where 10 managers from various departments took part. Each workshop was sponsored by one Executive Committee member. Each member introduced the session, then left afterwards so participants could express themselves freely. Three main CSR topics came out of the workshops: promoting sustainable mobility, developing talent and conducting business in an ethical and responsible manner.

D'Ieteren then consulted stakeholders in one-to-one interviews to gather their views on the biggest mobility challenge the company could address. The stakeholder consultation and workshop results fed into the D'Ieteren action plan.

PROCESS FOLLOWED BY D'IETEREN:



⁵ Business & Society developed a proprietary tool to assess companies' CSR strategy and practices. The results of the assessment give a clear picture of the level of corporate commitment to CSR and sustainable development and identify improvement opportunities. The assessment report includes a benchmark of your company compared to Business & Society members, a list of material issues or your company and input for your communications.

STEP 2

Consult your stakeholders

You should now have a good understanding of current and future CSR issues affecting your company. The next step is to gather input from stakeholders.

“Stakeholder engagement is the process used by an organisation to engage relevant stakeholders for a clear purpose”.

Source: Accountability AA1000.

Stakeholder consultation will help the organisation better understand direct issues and megatrends which companies do not always monitor, e.g. global demographic and environmental challenges or local policy changes. The dialogue and risk analysis, performed together, undoubtedly open up new avenues of strategic thinking. They will not only detect potential risks but also identify new opportunities or show a competitive advantage if, for example, a risk is integrated before it is imposed on an entire sector e.g. certifications or standardisations. Furthermore, stakeholder engagement helps gauge expectations, increase stakeholder buy-in and improve the company's perception of stakeholders, which can sometimes be inaccurate.

For dialogue to be mutually-rewarding and usefully inform the company's CSR strategy, the right stakeholders should be identified. These are stakeholders who have an impact on the company's activities and its licence to operate, and vice versa, the stakeholders on whom the company has an impact. Otherwise the company might miss important issues. Stakeholder consultation is a limited form of engagement: the organisation asks questions and the stakeholders answer. The company's role is to listen and engage in dialogue and be grateful for the input. Following the consultation, the company has to decide which of the suggestions should be integrated into the CSR strategy.

Stakeholder consultation can happen at the beginning of the strategy development process or later, ~~or~~ during the preparation or following the publication of a sustainability report. Business & Society believes that it is better to consult stakeholders from the start and to directly build a suitable CSR strategy that aims to respond to societal expectations, needs and challenges.

Identify your stakeholders

A good starting point for pinpointing stakeholders is your list of issues. Try to list all individuals, groups of individuals or organisations that affect and/or could be affected by your organisation's activities, products or services. Use *Template 2* 'Identify your stakeholders' (see Appendix). Write down all the organisations that come to mind, without naming specific individuals at this stage.

	Group	Organisations	Individuals
1	NGO	WWF	
2			
3			

Typical stakeholders are shown in the image below. These will differ and vary in importance depending on your organisation.

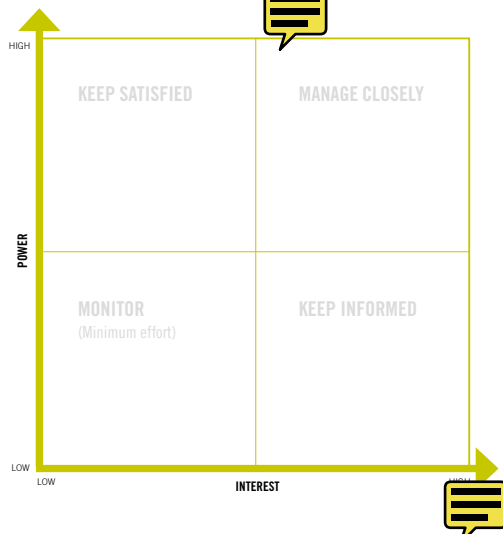


Select your stakeholders

Copy your list of stakeholders into *Template 3* (see Appendix) and indicate 1 for yes strongly, 0.5 for yes somewhat, and 0 for no as showed in the example below.

Stakeholders	Does this group influence your organisation			Does this group has interest in your organisation			Will this group influence you or have interest in you in the future?	Total (max.7)
	Economic performance	Social performance	Environmental performance	Economic performance	Social performance	Environmental performance		
E.g. Employees	1	1	0	1	1	1	1	6

The results can then be mapped in a matrix which differentiates who should be consulted to 'focus efforts' versus those consulted to 'keep satisfied', 'keep informed' or 'respond to request'. Use *Template 4* (see Appendix).



In order to be effective, carefully choose the individuals to engage with. Try to avoid people who are unwilling or uninformed about the topic. Be wary of stakeholders who are disruptive and make a lot of noise to get their point across without listening to other parties. These could be consulted more efficiently in a one-to-one interview. As for selecting company representatives to attend an event, avoid those who cannot handle criticism.

Define the engagement methods

Companies are using many different ways to engage with their stakeholders.

Focus groups

In focus groups, experts are invited to discuss one specific topic that your company has identified as being very important.



Belgacom stakeholder focus groups

In 2010, telecoms company Belgacom undertook stakeholder mapping and organised three thematic multi-stakeholder panels for each of their three key CSR commitments (enabling a low-carbon society, enhancing access to communications and communicating on electromagnetic fields and health). The goal was to understand stakeholder expectations and gather opinions on Belgacom's CSR approach, in order to fine-tune the CSR strategy. Key stakeholders were invited and received the 2010 CSR report in advance.

Panel participants were asked one of three questions:

- What comes to your mind when you think about Belgacom and the environment?
- What comes to your mind when you think about Belgacom and access to communications?
- What comes to your mind when you think about Belgacom and electromagnetic fields and health?

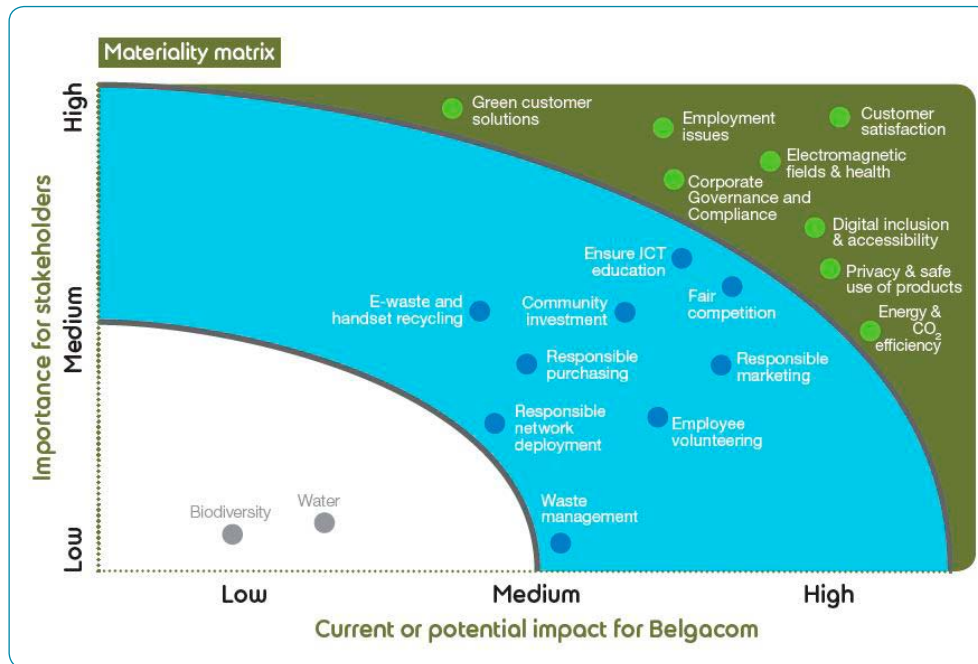
Respondents could express themselves freely. The minutes were sent back to the stakeholders for validation. The outcome of these panels served as input to Belgacom's CSR strategy and was reported in the 2011 CSR report



What our stakeholders expect from us /// We invited our stakeholders and listened to their opinions about our climate change strategy and progress. The main messages that have been included in our plans for 2011 were:

- They recognize and value our climate strategy and our related reduction targets on CO₂ and energy
- They expect us to promote our green ICT solutions and to inform and help our customers to lower their costs and energy/CO₂
- They expect us to further involve our employees

Based on the panel results, Belgacom created a materiality matrix in 2012 to further inform its CSR strategy:



Panel with selected stakeholders

This method is ideal for identifying issues or assessing a CSR strategy. It also helps build trust with stakeholders. However, companies should be well-prepared and request an external moderator to ensure everyone can freely express their opinion or pass and make sure that the panel stays focused. Stakeholders must be carefully selected to make sure they are representative and have constructive attitudes, even if their views are conflicting. It may also be difficult to find a date and a place that is feasible for everyone.



Fevia prepared the content of its stakeholder consultation

When Belgian food industry association Fevia invited its stakeholders to an initial consultation, it briefed them about the purpose of the meeting and asked them to answer the following question in advance, “What are the main social, environmental and economical impacts of our sector?”

This allowed Fevia to prepare for a meeting where each stakeholder had the opportunity to present their views. At the end of the meeting, stakeholders were asked to answer the question “Which five issues do you consider the most important for our sector?”. This allowed Fevia to immediately assess the relevance of the various issues.



One-to-one meeting

Meeting stakeholders one-to-one takes a lot of time. It can be done as for all the stakeholders or in combination with other engagement methods. In the latter case, one-to-one meetings will be organised with one or several stakeholders that the company considers very important and wishes to see separately. It is an effective way to build trust and credibility.



Febelfin commissioned one-to-one interviews to understand what its stakeholders felt were the most important sectoral issues

Febelfin, the Belgian financial federation, commissioned 22 one-to-one interviews with NGOs, CSR experts, asset managers, trade unions and authorities. They asked stakeholders what they thought the most crucial issues for the banking sector were. Febelfin then identified how many times a specific issue was mentioned. These results were later used to create their materiality matrix.

One-to-one phone meeting

This method is less personal, but can reach many stakeholders quickly.

Online feedback: surveys

Companies can develop a set of short, easy-to-understand questions to disseminate to stakeholders online. However, it may not be possible to reach them all this way.



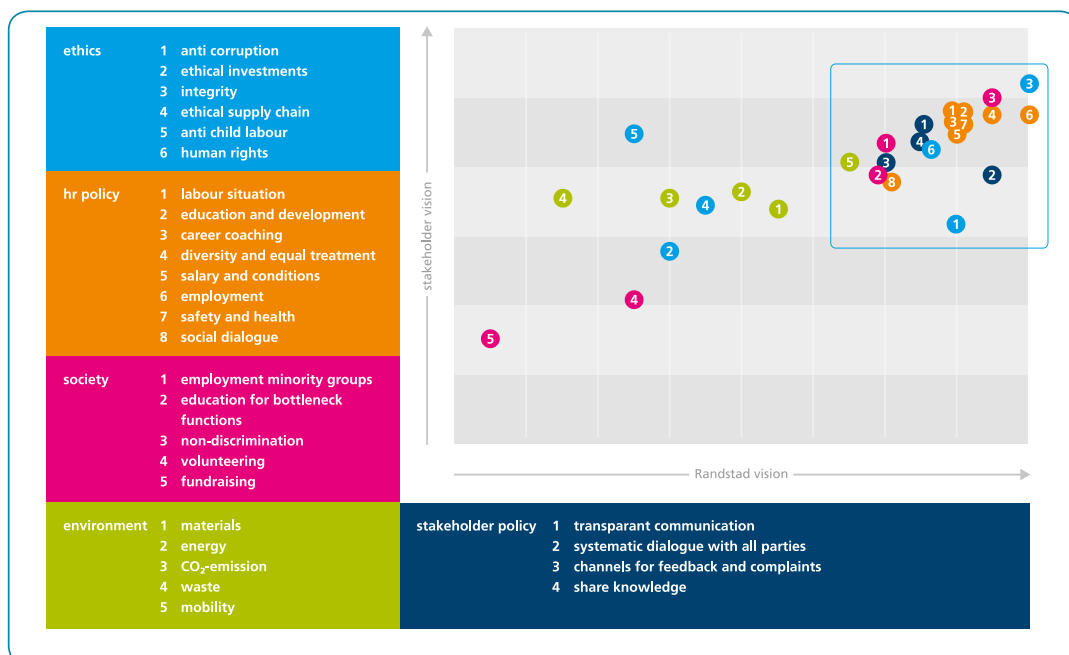
randstad

Randstad used SurveyMonkey to get detailed feedback from stakeholders

Having identified its most pressing CSR issues through a stakeholder panel and internal workshops, Randstad was still in need of more detailed stakeholder consultation to rank these issues in order of relevance. Online service tool SurveyMonkey was used for distributing questions.

In a short survey, participants answered open and closed questions such as “How important is it for Randstad to behave ethically and conduct its business honestly?” and “Which specific ethical behaviour aspects do you expect from Randstad?” The questionnaire was sent to 400 stakeholder representatives and CSR experts and the company received about 100 responses.

This resulted in a materiality matrix where the company was able to pinpoint their CSR issues according to stakeholder opinion and Randstad's own view. This helped Randstad to better understand stakeholder expectations and focus on what really matters.



CSR Advisory Committee

With a CSR Advisory Committee, the company establishes a long-term relationship with a small group of stakeholders that gathers regularly to advise senior management.



Mobistar CSR Advisory Board helped identify societal evolutions relevant for the company

The telecommunications company Mobistar has a CSR Advisory Board which meets twice a year to:

- Inform Mobistar on social and environmental innovation
- Challenge Mobistar on its strategy
- Advise on brand reputation management
- Provide input on internal engagement

The Board is composed of academics, experts, the CEO and Secretary General of Mobistar and is led by Business & Society's Director.



KBC External Advisory Board for Sustainability

For a number of years, KBC had an independent External Advisory Board for Sustainability Analysis to monitor its socially responsible investment (SRI) screening methodology. The bank's external board, made up of leading academics, evolved into a CSR Board which supports KBC on its CSR initiatives. Various directors, the CEO and the Chairman of the Board are invited to meetings. The CSR Board meets five times a year and Professor Eric Tollens is the current chairman.

To determine the best stakeholder engagement method, you can use *Template 5* (see Appendix):

Prioritised stakeholders	How to engage them?	When to engage them?	Deadline for feedbacks

Consult your stakeholders

Before the consultation – the invitation

- ☐ Invite specific individuals, not a generic invitation to the organisation, well in advance. Make sure they fit the profile as explained above. In your invitation, clearly explain the purpose of the meeting. Be careful to manage expectations – if it is only a consultation and not for example a call for tender, make that clear.
- ☐ Set out the engagement process and timelines.
- ☐ Explain how invitees are expected to contribute and what will be done with the results.
- ☐ Share briefing materials so that everybody understands the issues at stake.
- ☐ Consider the language that the meeting will be held in. This is particularly important in Belgium.
- ☐ Include contact and practical information.

Before the consultation – the preparation

- ☐ Check who will be present from your company as they must understand that stakeholders are giving their time to help you. You really need open-minded people to represent your company. Ideally, the introduction should be done by the CEO. However, if the CEO does not fit the profile, it is better to choose someone else, ideally from senior management.
- ☐ Make sure the company representatives are well-briefed. A consultation is a time to listen and give short, punctual answers to questions.

During the consultation

- ☐ In the case of a panel or focus group, it is advisable to have a credible and neutral facilitator. You can start by every participant introducing themselves, followed by a short presentation perhaps focusing on what your company does, an overview of your CSR strategy, the purpose of the meeting and how the content will be used.
- ☐ Ensure everybody has the opportunity to express their own views but not to be forced to respond if they prefer not to.
- ☐ Respect confidentiality.
- ☐ Apply the approach ‘you have two ears and one mouth – use them proportionally’.
- ☐ Be focused, grateful, listen and take notes.

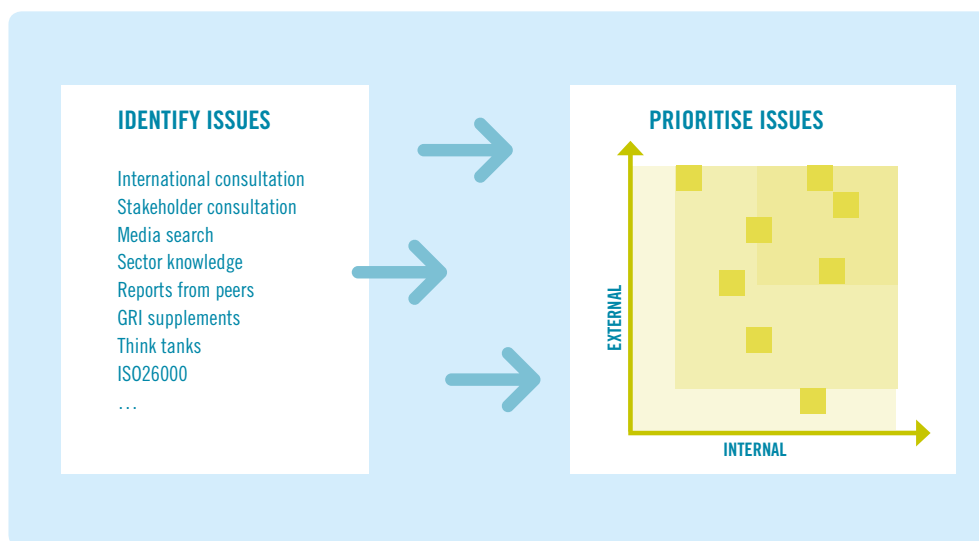
After the consultation

- ☐ Note who participated, the timeframe and summarise the discussions. Thank participants and inform them of the next steps.

STEP 3

Focus – Define your materiality

At this stage, you should have identified a wide range of CSR issues relevant to your organisation. However, it is impossible to deal with all of these issues at the same time. The issues which are considered ‘material’ i.e. most relevant should be prioritised.



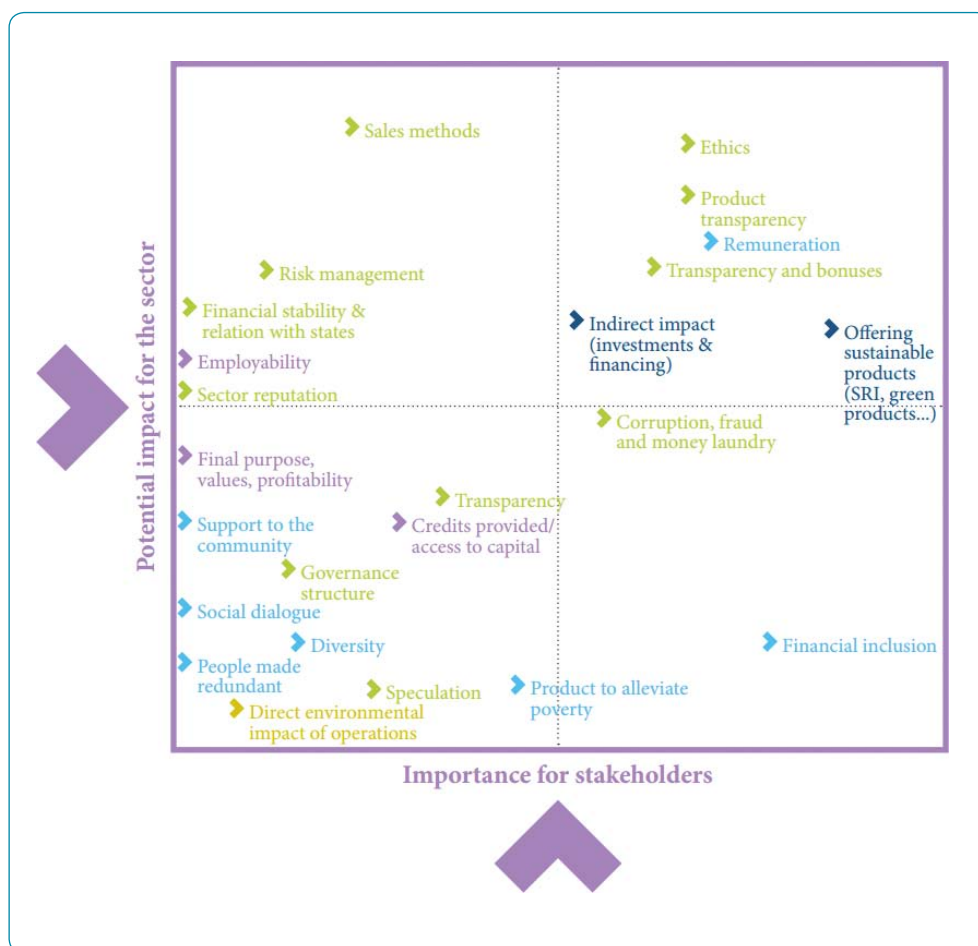
One way to present this information is through a CSR materiality matrix, which takes both company and stakeholder expectations into account. By doing this, a company can prioritise issues in a way which meets stakeholder expectations and its own business needs. A solid materiality matrix will also help:

- Dialogue with investors as they want to know about most material issues for your business.
- Frame the CSR communications strategy.
- Increase credibility. If an issue matters and you aren't tackling it yet, tell people why and when you might get to it.

The materiality of issues that are more material and less material can evolve over time.

Many methods can be used to rank issues by importance:

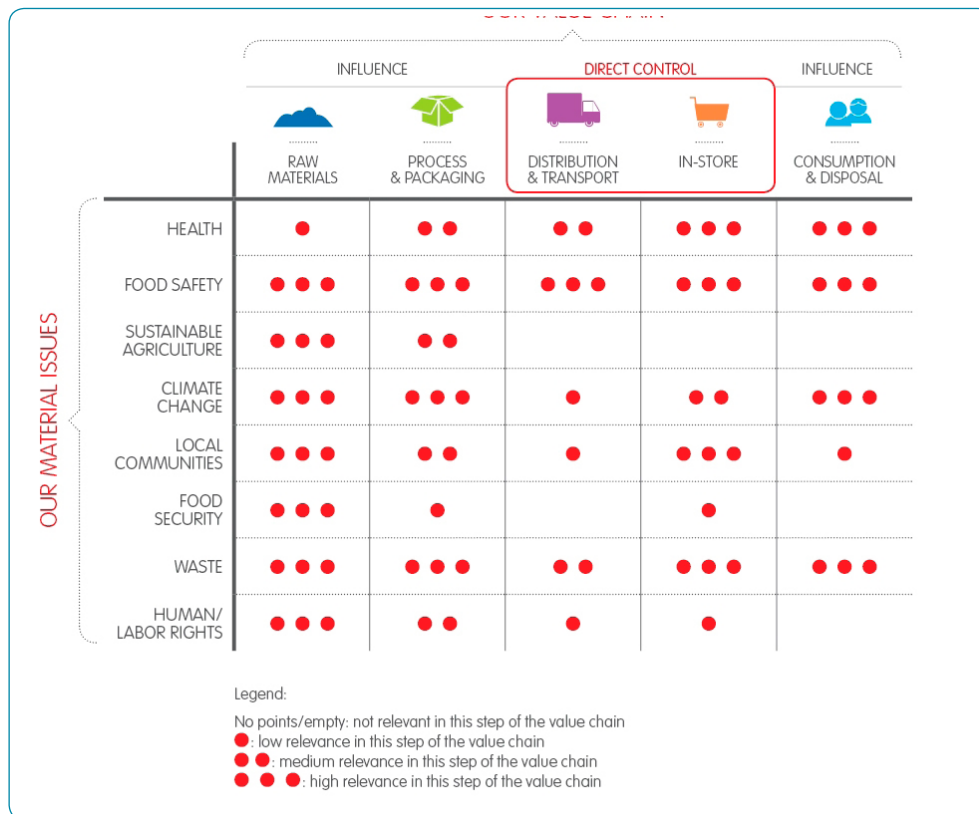
- **Fevia** asked stakeholders “Which five issues do you consider the most important for our sector?”
- **Randstad** asked online respondents to assess the importance of various topics for the company.
- **Febelfin** counted the amount of times an issue was spontaneously mentioned by a stakeholder.





Delhaize Group materiality matrix

In 2008, Delhaize Group conducted its first materiality assessment at Group level, combining industry research with internal and external stakeholder interviews. Two years later, when establishing the next steps in Delhaize Group's journey to sustainability, the Group listened again to its stakeholders to review its material issues. It wanted stakeholders to review materiality issues and asked them to advise it on priorities. One message from this exercise was that Delhaize needed to address material issues with both direct and indirect influence along the entire value chain. In 2013, the Group launched its revised matrix, combining material issues into eight categories and identifying their relevance across the value chain. Delhaize Group engaged a number of stakeholders to review this approach and developed a new matrix.



STEP 4

Determine appropriate CSR objectives, indicators and targets

Once you know which CSR issues your company should be focusing on, objectives, indicators and targets must be set. This takes time as they must be both realistic and challenging.

Set your objectives

Your CSR objectives should be based on the output from Steps 1, 2 and 3. Specific targets need to be identified for each objective and they must be appropriately measured.

As with traditional strategic objectives, CSR objectives must be in line with the company's business context and values, and take into account the resources available, key macroeconomic trends, competitiveness etc. These objectives need to be consistent with the core business strategy and related objectives. Ideally, they should even be part of it in a real sustainable strategy.

Preferably, this step should be undertaken by a specific committee composed of senior managers from different company departments (CSR, Operations, Marketing, HR, Finance etc) who are familiar with the company's strategy.



Umicore defines its operational sustainability objectives based on key megatrends

Umicore is a global materials technology and recycling company, offering technologies optimised to limit the use of natural resources and to reduce environmental impact.

In the 1990's, Umicore's predecessor Union Minière made a major strategic decision to change its focus from mining and refining to materials technology applications and services. At the same time, the company started to address legacy issues related to historical pollution. In 2001, Union Minière became Umicore – a new name reflecting the changes the company had undergone.

Umicore began developing sustainability objectives in line with global challenges such as limited resource availability (e.g. metals), environmental impacts (especially global warming), population growth and ageing, demand for new sustainable products, shifting customer segmentations, economic and financial changes, changing role of government and new technologies. Umicore identified four key areas where it could make a real difference:

- Resource scarcity: Umicore became the largest recycler of precious metals.
- More stringent emissions control: Umicore provides catalysts for one out of three cars.
- Renewable energy: Umicore supplies key innovative materials for high-efficiency solar cells and other photovoltaic applications.
- Electrification of automobiles: Umicore is the leading producer of key materials for rechargeable batteries for laptops, mobile phones as well as electrified vehicles.

The company aligned its business strategy with these megatrends in its 2015 vision and defined its operational sustainability objectives. To support this process, Umicore organised an external stakeholder consultation and internal brainstorming with experts in different fields (EHS, HR, communications, purchasing) across various regions, hierarchical levels and businesses. This bottom-up approach allowed for broad engagement. Umicore's Executive Committee initiated, supported and approved the objectives and ensured these formed an integral part of the reviewed strategy.

UMICORE VISION 2015 CSR OBJECTIVES:

Economic performance	Growth and returns	We aim to achieve double digit revenue growth and our goal is to generate an average return on capital employed of more than 15%
	Zero lost time accidents	We aim to have ZERO lost time accidents
Great place to work	Occupational exposure reduction	We will reduce the body concentrations of specific metals to which our employees have an exposure: Cd, Pb, Co, Ni, As, Pt
	People development	All employees will receive an annual appraisal to discuss individual development
	Preferred employer	We will target our actions based on the results of the 2010 People Survey
Eco-efficiency	Reduce carbon footprint	We aim to reduce our CO ₂ emissions by 20% vs 2006 levels and based on 2006 industrial scope
	Emission reduction	We aim to reduce by 20% the impact of metal emissions to water and air vs 2009 levels
	Product sustainability	We will invest in tools to better understand and measure the life cycles and impacts of our products
Stakeholder engagement	Sustainable procurement	We will implement the new Sustainable Procurement Charter throughout our business
	Local community	All our sites will be expected to make further steps in identifying key stakeholders and engaging with the local community

Select key performance indicators (KPIs)

Indicators provide information on the performance or impacts of a company related to its material CSR issues. By selecting or developing KPIs, you will be able to assess your performance against your CSR objectives. This will allow you to:

- See which objectives were reached, and if not, understand why and take necessary actions
- Have a clearer understanding of your true societal contribution
- Improve internal decision-making
- Legitimise some choices
- Improve internal and external communication

To be useful, KPIs should be SMART (i.e. Specific, Measurable, Agreed, Realistic, Time-bound). This also means that at the same time, you will have to set realistic targets.

The Global Reporting Initiative (GRI) is one of the world's most prevalent sustainability reporting guidelines and offers a range of social, economic and environmental indicators. These include market presence, indirect economic impacts, procurement practices, materials, energy, emissions, products and services, labour/management relations, occupational health and safety, training and education, diversity and equal opportunity, grievance mechanisms and anti-corruption. These guidelines are available free on the GRI website (<https://www.globalreporting.org>).



Delhaize measures its progress against objectives

In 2012, Delhaize Group launched its second sustainability strategy, the '2020 Ambition – On our way to Supergood'. The company set three areas where it wants to be 'supergood' – 1) by building the most sustainable private brands in their local markets 2) by moving to zero waste, fostering healthy lifestyles and supporting associate (employee) diversity and 3) by strengthening their sustainability practices to support their associates, communities and the planet.



For each of these general objectives (ambitions), Delhaize Group established various indicators with SMART targets (goals) to track progress. The following example shows the sustainable private brand ambition, with linked goals and target progression:

SUSTAINABLE PRIVATE BRANDS		
Global 2020 AMBITION We will engage with our private brand suppliers to build a portfolio of nutritious, healthy, safe, affordable, and sustainable products that surpasses our competition.		
HEALTH	GOALS	2012 PROGRESS
	Continue to apply clear nutritional labeling on our private brand products	94% of European private brand products have GDA labels
	Improve the nutritional quality of our private brand products, including reducing negative elements and increasing positive elements	Reformulated products to reduce fat and sodium
	Audit all private brand suppliers for food safety compliance	<ul style="list-style-type: none"> 79% of private brand suppliers audited for food safety by a third-party auditor against GFSI standards 12% of private brand suppliers audited for food safety against other food safety standards
ENVIRONMENTAL		
	Use only sustainable palm oil for our private brand products** - December 2015	<ul style="list-style-type: none"> Delhaize Belgium: More than 80% of private brand food products evaluated Delhaize Belgium: Approximately 20% of the palm oil used for our private brand food products is certified sustainable
	Develop operating company-specific sustainable seafood policies and implementation plans towards the Delhaize Group Sustainable Seafood vision	<ul style="list-style-type: none"> Delhaize America: 100% fresh, frozen and canned seafood is assessed against the company policy and is fully traceable to the wild fishery or farm of origin Delhaize Belgium: 100% of fresh and 80% of frozen seafood is sustainably sourced, in accordance with the company policy
SOCIAL		
	Ensure that all our private brand suppliers in at-risk countries are audited against social compliance standards	Delhaize Belgium: 17% of sales of private brand products that are sourced from at-risk countries are produced in sites audited against BSCI or come from suppliers that are BSCI members

For each material issue, define broad CSR objectives and targets with KPIs. Use GRI's *Template 6* (see Appendix) to assess materiality. Remember to get approval from senior management before starting data collection.

Selected aspect	Related GRI Indicator	Is this already mentioned as important indicator by stake-holders?	Does this constitute a future challenge for your sector? Is this already discussed by peers?	Is this connected to relevant laws, regulations, international agreements with strategic significance to your organization or to your stakeholders?	Does this constitute an opportunity for your organization?	Does this contribute to the likelihood that a significant risk to your organisation occurs?	Is this recognised by scientists/ experts as a risk for sustainability?	Does your organisation have specialised knowledge or competencies to contribute to sustainability in this area?	Does this contribute to successful implementation of your strategy or does this reinforce the values of your organisation?
ECONOMIC PERFORMANCE	EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments...	No	Yes	No	Maybe	No	Yes	No	Yes

Set up a data gathering process

Gathering data and ensuring the quality of information is a long, continuous process. Both qualitative and quantitative data have to be collected to measure progress. A first step is to check if your company already has an enterprise resource planning system in place as your CSR indicators could be integrated into it. You will have to understand where the data comes from and who is responsible for what.



Solvay uses multiple data collection methods

Belgian chemical company Solvay uses a number of methods, tools and processes to align its present and future activities with sustainability challenges and opportunities. In 2012, they developed a new sustainable development policy, The Solvay Way, based on a continuous improvement reference framework. Divided into four progress levels, it allows each entity to evaluate its practices and identify improvement plans on an annual basis. The Executive Committee regularly monitors multi-annual objectives aimed at improving Solvay's environmental and social profile. With The Solvay Way, all employees are involved as essential players of the Group's social and environmental responsibility.

Solvay also developed a range of tools to assess materiality and enact action plans:

- Sustainable Portfolio Management (SPM) and Sustainability Index (SI) to identify the extent to which a given product in a given application (existing or in development) is aligned with stakeholder expectations.
- Solvay People Survey to evaluate and improve employee satisfaction and engagement worldwide.
- Solvay Environmental Release Files are environmental reporting databases which assess progress and benchmark manufacturing units.
- Feedback of societal rating agencies assess non-financial performance.
- Opinion surveys in local communities measure Solvay's CSR reputation at local level.

Solvay has set 13 priorities for 2020: Sustainable Portfolio Management, learning and development, process safety energy, climate, water and, emissions and effluent waste. Indicators are published annually, progress against targets and whether the indicator is a GRI or externally-assured indicator is noted.

When identifying indicators, consider practical challenges such as availability and cost of gathering data. GRI's *Template 7* (see Appendix) is helpful for preparation:

Indicators considered material for your organisation (from previous table)	Is it feasible to collect the necessary information to report on this indicator in the current report?	Is preparation needed to monitor and report on this issue in your next report?	What do you need to do to gather the information?
EN 8 Total water withdrawal by source	Yes	Current report	Check with operation manager
SO 3 Percentage of employees trained in organization's anti-corruption policies and procedures	No	Yes	Ask for a plan from human resources manager
LA 14 Ratio of basic salary of men to women by employee category	Yes	Current report	Ask for information from human resources
Etc.			

Measuring progress

There are many ways to measure the progress of your CSR strategy. Environmental or material-flow cost accounting methods are useful, but can be very technical.

As described by Schaltegger et al. in 2002⁶, Environmental Cost Accounting identifies the direct and indirect costs and effects of corporate environmental impacts on company objectives. Internal and external environmental costs are distinct and need not be closely connected in time with the activity that causes them. As explained by Schaltegger et al. (2002), “*Today’s interpretation of environmental costs includes all material flow costs induced by emissions and residual substances, including purchasing, personnel, and waste management costs and depreciation.*”

material-flow cost accounting approach allows companies to identify cost-intensive processes, thereby pinpointing areas for cost-cutting and opportunities to reduce their environmental footprint.

As illustrated below, Schaltegger et al. propose a list of these tools in their publication ‘Sustainability Management in business enterprises’.

Concept/Instrument	Principal Users								
	Accounting/ Finance	Control	Human Resources	Marketing/ PR	Production	Purchasing	R&D	Sales/ Logistics	Strategic Planning
Accounting	●	●							●
Control	●	●	●		●				●
Env. Management Information System	●	●		●	●	●	●		●
Environmental Management System	●	●	●	●	●	●		●	●
Marketing				●		●	●	●	●
Social Management System	●	●	●	●	●	●		●	●
Supply Chain Management	●	●		●	●	●		●	●
Sustainability Balanced Scorecard	●	●	●	●	●	●	●	●	●
Total Quality Env. Management	●	●	●	●	●	●		●	●
ABC Analysis		●			●	●			
Audit	●	●			●	●		●	
Benchmarking	●	●			●		●	●	
Benefit/Risk Dialogue ¹				●	●				
Budgeting	●	●			●	●			
Checklist		●		●		●		●	
Community Advisory Panel ¹				●	●				
Cost Accounting	●	●							
Cross-Impact Analysis		●					●		●
Dialogue Instruments		●		●	●				●
Early Identification		●		●			●		●
Eco Compass					●		●		
Eco Design/Design for Environment				●	●		●		
Eco Efficiency Analysis		●			●	●			
Eco Rating	●		●						
Emission Trading	●	●			●				
Employee Volunteering			●	●					
Environmental Shareholder Value	●	●							
Guideline		●	●						●
Incentive System			●						
Indicator	●	●		●	●			●	●
Investment Appraisal	●				●			●	
Label				●					
Life Cycle Assessment		●			●	●			
Material Flow Accounting ¹		●			●		●		
Material Flow Cost Accounting ²	●	●							
Networks ¹		●		●					●
Product Line Analysis		●			●	●	●	●	
Quality Circles					●	●		●	
Reporting	●	●	●	●					
Risk Analysis	●	●			●				●
Scenario Analysis		●					●		●
Social Accounting	●		●	●					●
Sponsoring		●		●					
Stakeholder Value Analysis	●		●						●
Substance Flow Analysis		●			●		●		
Suggestion Scheme			●	●	●			●	●

⁶ Schaltegger, S.; Herzog, C.; Kleiber, O. and Muller, J. (2002). Sustainability Management in Business Enterprises. BMU/BDI (Eds), Center for Sustainability Management (CSM)

Today, the Sustainability Balanced Score Card (SBSC) – developed by Figge et al. in 2002⁷ and Schaltegger and Wagner in 2006⁸ – is commonly regarded by academics and practitioners as one of the most appropriate systems to track CSR strategy progress.

Kaplan and Norton developed the balanced scorecard (BSC) in 1992. ~~It~~ helps managers **translate the strategy** into **clear objectives** and clear related **performance indicators**.

The BSC combines financial and non-financial indicators into four dimensions:

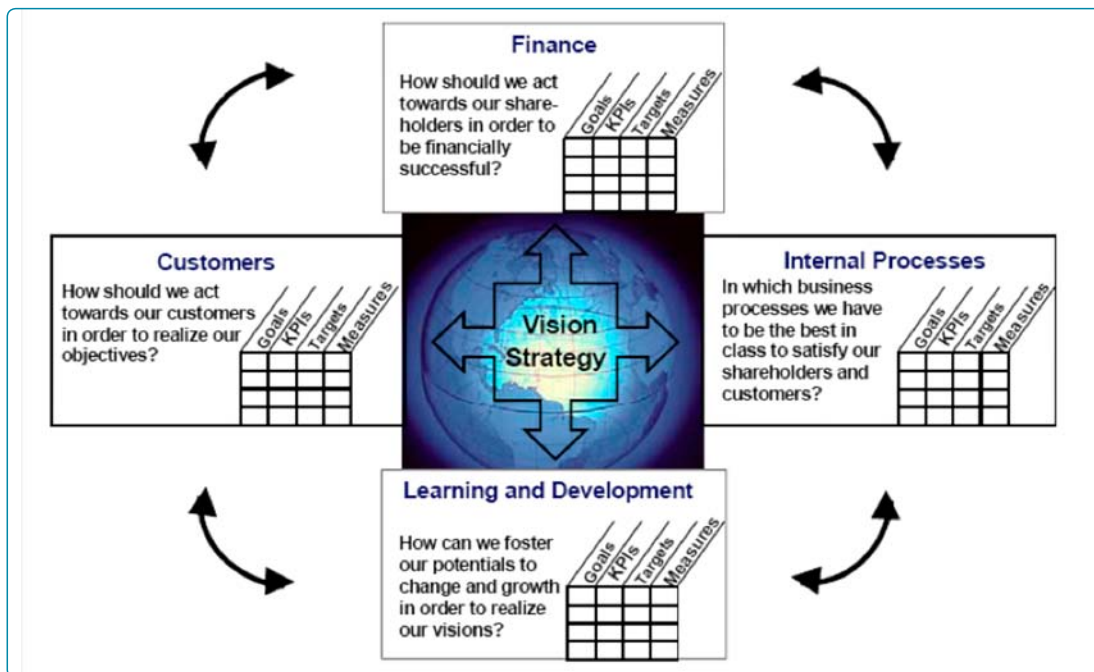
- Learning and development (long-term orientation).
- Finance (short-term orientation).
- Customers (external orientation).
- Internal processes (internal orientation).

Kaplan and Norton believe a successful company needs to strike a **balance** between:

- Long-term and short-term goals.
- Internal and external processes.
- Quantitative and qualitative measurements.
- Monetary and non-monetary activity.
- Strategic and operational information.

A balanced scorecard allows companies to focus on a few key indicators and take action quickly if required. This follows the logic of management theory: ‘Plan, Do, Check, Act’.

This tool is particularly appropriate for CSR as it also considers non-monetary strategic success factors. It a promising starting point for incorporating environmental and social aspects into the main management system of a company.



⁷ Figge, Hahn, Schaltegger, S. and Wagner, M. (2002). The Sustainability Balanced Scorecard – Linking sustainability management to business strategy. *Business Strategy and the Environment*, 11, 269–284.

⁸ Schaltegger S and Wagner M (2006). Integrative Management of Sustainability Performance, Measurement and Reporting. *International Journal of Accounting, Auditing and Performance Evaluation*, 3 (1), 1–19.

The SBSC defines social and environmental strategic objectives and links these to company economic performance indicators.

There are three ways to develop a SBSC:

1. Integrate environmental and social issues into the overall BSC and its four traditional dimensions. This method is particularly relevant for companies who have already integrated CSR in their business and core strategy. For example, companies that offer sustainable products and products targeted at the bottom of the pyramid. In this case, CSR is a strategic criterion for the performance of the company.
2. Incorporate a fifth societal dimension into the overall BSC, linked to the other four dimensions. CSR would not be incorporated into products and services but can influence the financial performance of the company and vice versa. A clear link must be established between the CSR strategy and the core business strategy.
3. Create a separate BSC for the CSR strategy. This approach is the least ideal as it decouples core strategic objectives from CSR ones. Nevertheless, if there is no overall BSC or if the integration of the environmental and social issues is too difficult, the development of a specific SBSC is an interesting first step to measure CSR objectives.

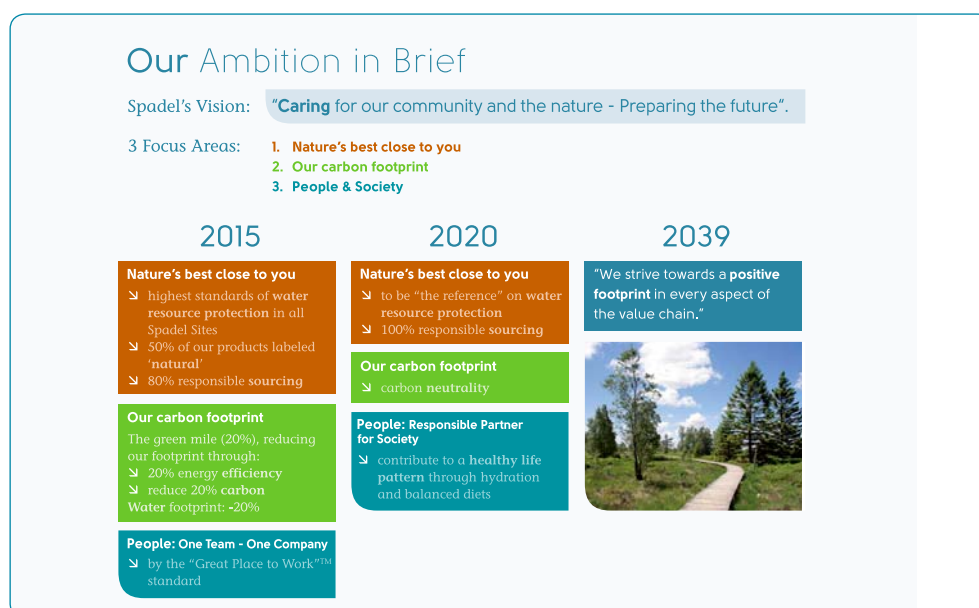


Spadel sustainability balanced scorecard

Belgian water and lemonade producer Spadel has long been concerned with engaging its stakeholders and measuring its business impact. Since 2010, it has been developing a sustainability strategy with concrete objectives. Spadel aims to be a European regional leader in natural drinks and assumes a pioneering role in social responsibility. Its sustainability strategy has been developed based on three pillars (see figure):

1. Nature's best close to you
2. Our footprint
3. People and society

Indicators were developed so Spadel's management team could continuously track progress. They can be found in its Sustainability Strategy (see www.spadel.com/le-developpement-durable). In 2012, Spadel began to implement a scorecard approach where sustainability indicators were considered alongside business indicators. Some core sustainability indicators, such as the carbon footprint, were integrated into the Management Scorecard so that management could follow their progress continuously.



STEP 5

Create the right context for achieving objectives

Now that you have established your objectives and targets, you must put strategies in place alongside action plans to support them. Staff commitment is necessary in order to deliver effective results. This requires leading by example, but it is also about creating an appropriate CSR governance system and working with the HR department to develop training and incentives. Internal communications should motivate employees to act responsibly.

Lead by example

Business & Society has seen companies progressing on CSR despite a lack of commitment from the CEO – but their task is much harder. Leaders represent the company's vision and values and they must walk the talk and lead by example so employees are motivated to adhere to CSR objectives. Leaders should explain the CSR strategy's added value for customers, employees, the company, society at large and the environment. Without this, CSR activities could be seen as greenwashing making it extremely difficult to engage employees. This is why it is so important to have approval from the top before defining your CSR strategy. Whether you have to use financial or moral arguments, it is essential that senior management sets the scene for CSR.

Inspire sustainable behaviour

To become a more sustainable company, you need to engage staff to behave more sustainably. Values could be seen as a compass to guide behaviour while keeping the focus on CSR objectives. The values will help indicate the behaviour to follow when confronted with ethical dilemmas or risky situations. It also becomes HR's role to recruit people that reflect these values. You can find more information on how to identify these values, communicate them and assess their integration in Business & Society's 2013 publication 'Implémenter le comportement durable en 10 étapes' (Implementing sustainable behaviour in ten steps).





Janssen Pharmaceutica uses its Credo to convey CSR values

At Janssen Pharmaceutical Companies, part of Johnson & Johnson, The Credo is a tool used to convey the CSR values at the heart of all business activity. Convinced that the growth of the company will be made only by improving the situation of all, Johnson & Johnson wants to demonstrate its responsibility towards all its stakeholders: patients, the medical community, employees, community and shareholders. The Credo is anchored in the company's identity and has been used for over 70 years.



There are also existing codes which can be used. Some of these are sectoral (e.g. the Equator Principle for the financial sector) whilst others are applicable to all sectors (e.g. the United Nations Global Compact, ISO 26000). Other codes should already be followed such as the ILO or OECD Guidelines for Multinational Enterprises.

Contextualise CSR governance

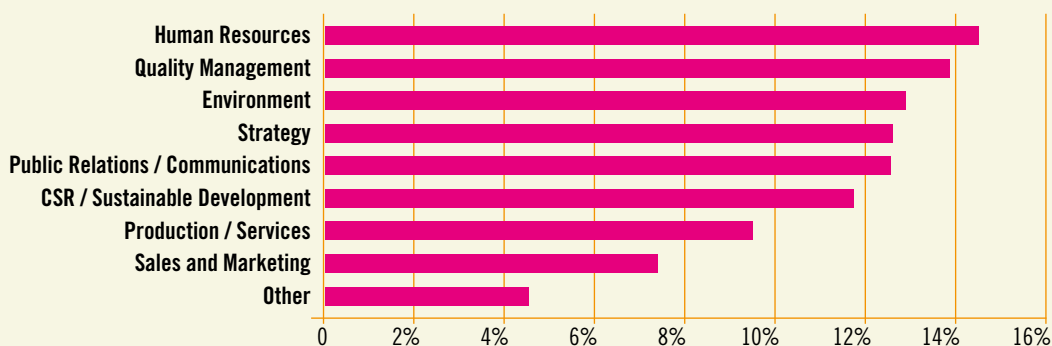
CSR governance should formalise the way your company achieves its CSR objectives and targets. In some companies, these systems are very formal, whilst in others it is a mix of formal and informal – especially in smaller structures where decision-making processes are often deeply-rooted in the corporate culture and values. According to ISO 26000, “Organizational governance is the most crucial factor in enabling an organization to take responsibility for the impacts of its decisions and activities and to integrate social responsibility throughout the organization and its relationships.”



The 2015 Barometer found that 66.3% of the respondents claim to have one or more employees spending time on CSR and 53.5% have a manager specifically responsible for actions in that area.

Whilst some companies have a CSR department which coordinates company-wide actions, other companies which are well ahead in their sustainability journey have already successfully embedded CSR throughout the business, so no-one is specifically in charge of CSR. This is the case at Umicore, where CSR has become business as usual and where the CSR report is integrated into the annual report.

IN WHICH DEPARTMENT(S) ARE CSR MANAGERS LOCATED?





Belgacom governance structure of CSR

Belgacom has formalised its CSR implementation approach. The Vice-President in charge of CSR reports directly to the CEO. Key CSR priorities are defined yearly and validated by the Belgacom Management Committee. The internal governance and reporting structure is centred around three entities: the Belgacom Management Committee, the CSR department and representatives from the business units which are implementing CSR action plans.

The CSR department ensures colleagues understand CSR objectives and targets and adapt the processes in order to achieve them.



bpost coordination committee

The Belgian Post (bpost) Group's direct CSR responsibility is guided by the CEO and the CSR governance structure. The governance structure comprises a coordination committee which reports directly to the CEO and oversees three taskforces implementing projects on the ground.

The committee is responsible for strategic orientation and setting the objectives for important CSR decisions. It is composed of a chairman, the Director External Communication & Public Affairs, the Director Service Operations, the Director of Facility Management, Cleaning, Energy and Environment, the Corporate Energy Manager, a Corporate Project Manager (Green Post Program), the CSR Program Manager, the Internal Communication Director and the Group Director of Marketing Communication and Strategic Marketing.

The task forces are jointly responsible for CSR progress. The Green Post steering group meets every six weeks and is responsible for improving the internal environmental performance of bpost (Energy & CO2 consumption, Waste Management, Green Supplier Engagement). This steering committee is chaired by the CFO and composed of managers from different parts of the company that are impacted by these projects. The Green Marketing steering group focuses on offering green products to customers and the People steering group is at the interface of human resources and CSR. These two task forces meet when necessary.



Create the right incentives

It is crucial to ensure that short-term financial targets do not contradict long-term CSR objectives. For example, buyers in purchasing departments may be evaluated on the savings and quality of the products purchased but not on the CSR criteria. By aligning purchasing objectives with the broader objectives of the company, the evaluation of purchaser and bonus must take into account the social and environmental performance of suppliers alongside the economic performance. The same strategy can be applied to other company departments.



Coca-Cola

Coca-Cola cascades its CSR objectives

Coca-Cola conducted a major global stakeholder consultation with local experts from all their countries of operation. Based on this interactive dialogue, Coca-Cola identified a number of material issues, organised them into seven commitment areas and developed qualitative and quantitative targets for each one.

Overall, they found 37 actions at European level that could also be translated to local level. This action plan is then cascaded down to departments and individuals with clear responsibilities and targets. Coca-Cola additionally set collective CSR objectives. For example, in some of its plants, bonuses are earned depending on collective objectives such as the amount of accidents or waste collected.

Our 7 commitments



Energy and Climate Change: We will reduce the carbon footprint of the drink in your hand by a third by delivering carbon reductions throughout our entire value chain.



Sustainable Packaging and Recycling: We will set the standard for sustainable packaging, achieve zero waste in our operations and recycle more packaging than we use.



Water Stewardship: We will set the standard for water efficiency, establish a water sustainable operation and minimise water impacts throughout our entire value chain.



Product Portfolio: We will provide a wide variety of quality, refreshing beverages with nutritional and ingredient information so consumers can make informed beverage choices.



Active Healthy Living: We will encourage active healthy living by supporting physical activity and nutrition education programmes.



Community: We will make a positive difference in our communities, work with local partners and support the active involvement of our employees.



Workplace: We will attract, develop and retain a highly talented and diverse workforce within a safe and healthy workplace, to foster a winning and inclusive culture.

Train your colleagues

If you want employees to adapt their behaviour and understand new objectives, training is important. Training can be specific or part of a more general programme. During the training sessions, employees must understand why you have set these objectives, targets and actions. The focus should be put on the positive aspects of CSR but can also cover commercial and economic implications such as risk, quality, cost etc. Make sure everyone understands what CSR means in general and for your organisation in particular. Remember to ensure new colleagues joining the company are trained in and can adhere to your corporate values.



Umicore creates operational understanding of its values with a game

Umicore has developed a fun and innovative tool to translate its ethical policy into employees' daily lives. The UmicoreWay Game is a quiz whose questions are based on dilemmas inspired by real situations. The key to this game is not to find the right answer, but to guess the option chosen by other players and then talk about adjusting behaviour in accordance with Umicore's perspective. The winner is the one who best predicts the other answers. This leads to debates in a friendly atmosphere and allows employees to deal with the most serious ethical questions with a certain lightness. The game can be played by all employees across global Umicore sites.



Mobilise your colleagues

Employee engagement is a challenge faced by companies seeking to introduce changes in any area. Some employees fear that CSR is just greenwashing – and for some companies it is. This is why it so important to involve your colleagues and staff in the strategy and help them understand why you, the company and society needs their support. After all, they are often the ones implementing CSR actions and as they work on the ground, they may have ideas that senior management has not considered.





In Business & Society's publication 'Comment obtenir l'adhésion de tous ?' (How to get everyone to buy in), we explain the following formula, 'Success = quality x acceptability' i.e. the success of a project depends as much on the degree of support as on the intrinsic quality of the proposed solution. Here are some examples but more can be found in this publication.



AXA collects suggestions from the base

Employees from global insurance company AXA were invited give their views on the company's social responsibility policy via an interactive online tool. This was preceded by a 'Let's talk about...' campaign where AXA chose five sensitive issues e.g. cars, equal opportunities and volunteering activities. Each theme was accompanied by statements guaranteed to stimulate debate such as "we must establish quotas ensuring the presence of a minimum number of women in leadership positions" which people could vote on. The aim was to engage and mobilise staff on serious issues in a fun way.

Thanks to senior management involvement (CEO and five members of the Executive Committee were present during the forum) and the promise of giving feedback on suggestions, participation rate was high and the idea exchange was very rich. Based on the survey, AXA was able to distil six concrete and realistic actions, grouped into three themes.


However, in most companies some decisions are taken  the top down – employees are simply expected to follow instructions. Everyone is obliged  to adapt, whether they like it or not. Advantages to this approach include rapid implementation, more efficiency, coherence and consistency. It also allows management to impose more difficult measures such as the replacement of company cars with smaller vehicles or the obligation to travel in economy class on short-haul flights.

It is important to regularly communicate on the progress the entire company has made on various objectives and targets – once a year may not be enough. Remember to reach all your employees, not just the ones sitting in the head office. Adapt your language and support to your various audiences but try to communicate in a consistent manner. For example, use a recognisable logo for your CSR activities. Achieve some quick wins, communicate on them and generate enthusiasm!



Electrabel
GDF SUEZ

Electrabel adds communication channels

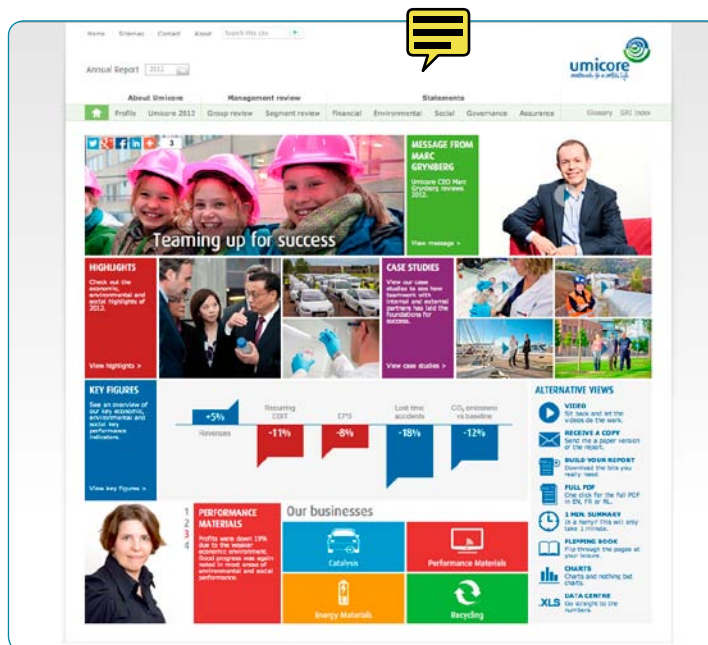
Belgian energy corporation Electrabel is constantly innovating its communications approaches, tools and media (intranet, posters, events, competitions etc), reaching many different audiences. The company created a logo to clearly identify all the internal actions related to its 'Plan Together for less CO₂' activities. It also uses humour e.g. in its 'Let us fight against energy monsters in the workplace' campaign where sticky notes in the shape of winks and posters offered advice on how to save energy. Electrabel communicates regularly to all its employees on CSR, with concrete and transparent messages e.g. a tree is X boxes of paper'. 

STEP 6

Communicate externally

External communications should come after internal communications and all other steps. Your employees are your first ambassadors. Some companies publish CSR reports without consulting all relevant employees. These reports have limited added-value and risk making employees cynical of CSR progress and may lead to accusations of greenwashing. Thankfully, more and more companies see CSR reports as an internal management tool to track CSR strategy progress and understand the need to report on what matters. The previous five steps set out in this report should be followed before reporting takes place.

There are a number of current trends in CSR reporting. One is integrated reports. CSR reports are increasingly being integrated into companies' annual reports, demonstrating that financial and non-financial information are an equally important part of the same strategy. Integrated reporting should not be just adding a CSR chapter to the usual annual report but should show the link between financial and non-financial information. This is still a challenge for most organisations. Umicore clearly shows this link in a fully integrated report available online.



Another trend is to make CSR reports shorter, containing only the most important (material) information with numerous links for more information. For example, the Delhaize sustainability report is short, well-structured around material issues and presents performance against targets. It also provides links to further information which is available on its website.

Other companies prefer to print a summary version of their CSR report and put all the information online, which they can complement with videos or data and where the reader can choose which parts to read and print.



Essenscia's new sustainability report reflects this trend. The Belgian chemistry and life sciences industry federation offers videos with testimonials from senior management, members and external stakeholders. Translated into three languages and illustrated with multiple case studies, it is a useful tool for students too who can download the information they need to compose their own reports. The printed executive summary presents links to online reports and further information is also provided in Quick Response (QR) Codes.

CSR reports are necessary to show transparency and commitment, but often they are only read by a limited amount of people. In order to expand communications channels and reach a wider audience, companies must use the CSR report as part of a wider communications strategy. Think about which communications tools can be used to reach your stakeholder groups e.g. employees, investors, customers and business partners, shareholders, academics, NGOs, authorities, the media. If you have consulted your stakeholders, you should also know what kind of information they are interested in. You can tailor this information to their needs and adapt the format to make their life as easy as possible.

Why write a CSR report?

More and more organisations consider the CSR report to be an internal management tool contributing to stakeholder dialogue and engaging employees on the organisation's environmental, social and governance performance. The CSR report can be much more than a communications tool.

By publishing a CSR report, you can:

- Show your willingness to understand and respond to stakeholder expectations.
- Show transparency and accountability.
- Identify threats and opportunities (through the materiality exercise and stakeholder consultation).
- Access new markets and innovate.
- Improve your image, reputation and credibility.
- Increase staff motivation, attraction and retention.
- Increase the responsibility of your company by using the report as a management tool with objectives supported by senior management.

However, producing a CSR report also presents challenges:

- Receiving internal commitment from both the top and from colleagues who provide the data.
- Understanding guidelines (for example the Global Reporting Initiative guidelines).
- Getting approval to report only on material issues as some projects may not be reported on.
- Collecting up-to-date information.
- Being transparent.
- Designing an attractive report.
- Communicating around the publication of the report.



Writing a CSR report more and more an obligation

In April 2013, the European Commission made a proposal for a directive on 'Disclosure of non-financial and diversity information' by companies. It aims to level the playing field between various Member States and push companies to further disclose CSR-related information.



The proposal has to be approved and so ~~it~~ may be modified by the European Parliament and Council and then be translated in national legislation in the EU Member States. If everything goes according to plan, the first reports to be affected will be those written from 2017.

The proposed legislation targets large companies with over 500 employees and a balance sheet exceeding €20 million or a turnover exceeding €14 million. These organisations would have to include a statement about their environmental, social and employee-related matters, human rights, anti-corruption and bribery in their annual report. Listed companies would also have to report on diversity. Companies would be free to select the KPIs themselves.

The proposal adheres to the 'comply or explain rule' where a company must provide an explanation for areas they do not report on. More information can be found here:

http://ec.europa.eu/internal_market/accounting/non-financial_reporting/index_en.htm.

Several countries have legal CSR reporting obligations including Denmark, France, Germany and the UK. In Belgium, companies must report on their social balance.

How to write a CSR report

Business & Society recommends following the first five steps outlined in this publication as these steps prepare much of the groundwork for the report.

Existing frameworks

Several initiatives provide CSR reporting frameworks, including the previously-mentioned Global Reporting Initiative (GRI), the International Integrated Reporting Commission (IIRC) and the Sustainability Accounting Standards Board (SASB).

SASB is currently devising sustainability accounting standards for US-listed companies across 88 industries.

The IIRC aims to have integrated reporting where all relevant financial and non-financial information is considered together in one document. *“An integrated report is a concise communication about how an organization’s strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value over the short, medium and long term. An integrated report should be prepared in accordance with the International <IR> Framework. While the communications that result from <IR> will be of benefit to a range of stakeholders, they are principally aimed at providers of financial capital.”*

GRI is a non-profit organisation working towards a sustainable global economy by providing sustainability reporting guidance. Through an impressive multi-stakeholder, global process, it developed the most-used international guidelines for CSR reporting. This comprehensive framework includes reporting guidelines, sector guidelines and other resources.

This framework provides a number of principles on defining report content:

- **Stakeholder Inclusiveness:** The organisation should identify its stakeholders and explain how it has responded to their reasonable expectations and interests.
- **Sustainability Context:** The report should present the organisation’s performance in the wider context of sustainability.
- **Completeness:** The report should include coverage of material Aspects and their Boundaries, sufficient to reflect significant economic, environmental and social impacts and to enable stakeholders to assess the organisation’s performance in the reporting period.
- **Balance:** The report should reflect positive and negative aspects of the organisation’s performance to enable a reasoned assessment of overall performance.
- **Comparability:** The organisation should select, compile and report information consistently. The reported information should be presented in a manner that enables stakeholders to analyse changes in the organisation’s performance over time, and that could support analysis relative to other organisations.
- **Accuracy:** The reported information should be sufficiently accurate and detailed for stakeholders to assess the organisation’s performance.
- **Timeliness:** The organisation should report on a regular schedule so that information is available in time for stakeholders to make informed decisions.
- **Clarity:** The organisation should make information available in a manner that is understandable and accessible to stakeholders using the report.
- **Reliability:** The organisation should gather, record, compile, analyse and disclose information and processes used in the preparation of a report in a way that they can be subject to examination and that establishes the quality and materiality of the information.

More information and the actual framework can be found on www.globalreporting.org.



<https://www.globalreporting.org/resourcelibrary/GRIG4-Part1-Reporting-Principles-a>

GRI G4: Materiality lies at the heart of the matter

After two years of revision, the Global Reporting Initiative launched the new G4 Guidelines in May 2013, an update to the 3.1 guidelines. Here is a glimpse into the main changes.



1. **Format:** The new framework has been separated into two volumes. The first part describes reporting principles and standard disclosures, i.e. the process of establishing a report as well as a materiality matrix and stakeholder engagement (the 'what'). The extensive second part is a practical implementation manual to get quickly started in the writing (the 'how').
2. **Showing the underlying process:** G4 reports will include a materiality matrix, stakeholder mapping, engagement and the results of the consultations. Compulsory narrative parts (Disclosures on Management Approach) explain why you report (only) about your significant activities and impacts, in your premises and in the supply chain, and how you deal with them.
3. **Absolute priority to materiality:** 'Reporting on what matters, where it matters'. Depending on the result of your materiality exercise, the important topics to address in your report may not be inside your organisation's boundaries. G4 reports will follow the organisational impacts across the value chain to zoom in on material issues only where they happen.
4. **Two levels of compliance instead of three reporting levels:** exit the A, B, C levels and the logic of checklist completion with a race to the number of indicators. G4 offers two compliance options: a demanding 'comprehensive' option and a more basic 'core' option. This maintains a certain hierarchy, while raising seriously the bar for the first entry level. For instance, additional general and specific disclosures are requested on governance, ethics, management strategy and remuneration in the core option. Otherwise, your report will only be "inspired by the GRI", but it won't be a GRI report anymore.
5. **External verification:** As before, verification is not compulsory, but recommended. However, in G4 guidelines, '+' assuring external assurance disappears – instead, every single aspect of the report gets a separate '+' if it is assured and visible. The verification process will have to follow this approach: learn to better appreciate the materiality process, the boundary of impacts, the governance issues, the stakeholders engagement, as these are now indicators to check too.
6. **Official alignment:** Reacting to the recent integrated reporting trend, GRI has aligned itself to IIRC and 10 other initiatives such as OECD Guidelines for Multinational Enterprises and the UN Global Compact. Its alignment with the ISO 26000 is currently being refreshed.



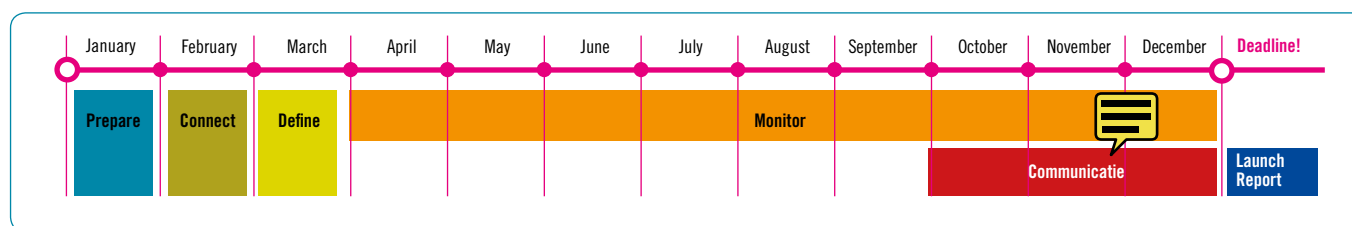
Marie d'Huart, Partner, CAP conseil
www.capconseil.be - gri@capconseil.be

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Planning your report

GRI⁹ proposes the following timeline:



It takes approximately one year to write a good first CSR report, including all the steps set out in this publication. The very last step is the communications. Detailed information on how to do this can be found in our publication 'Reporting Trends' available on www.businessandsociety.be.

In a nutshell, to communicate on your CSR report effectively you must:

Provide pertinent information

- Try hard to identify and rank the most important risks and explain clearly the process used to do this. This can be presented as a materiality matrix.
- Include your main stakeholders in your task force when deciding on which themes to communicate on.
- Clearly indicate which report standard you are using: Global Reporting Initiative, IRRG, SASB, ISO 26000, UN Global Compact, initiative from the World Business Council for Sustainable Development etc.
- Explain how the CSR strategy is put in place throughout your organisation.

Demonstrate that you know your stakeholder's expectations:

- Show the process from stakeholder engagement, backed up with results – otherwise your procedure will lose a good part of its credibility.
- Do not hesitate to submit your report to your main stakeholders so they can voice their opinions.

Contextualise your CSR strategy

Providing information about your organisational profile allows stakeholders to better understand the broader context in which the CSR activities of the organisation are taking place. Otherwise, your CSR strategies will appear to be disconnected from reality because the materiality will not be clearly linked to your core business:

- Provide information on your products and services, brands, financial strength, size, value chain and locations where you operate.
- Show how your sustainability actions relate to your business activities.
- Do not presume that the reader knows in detail what your organisation or sector does. This should be clearly explained.

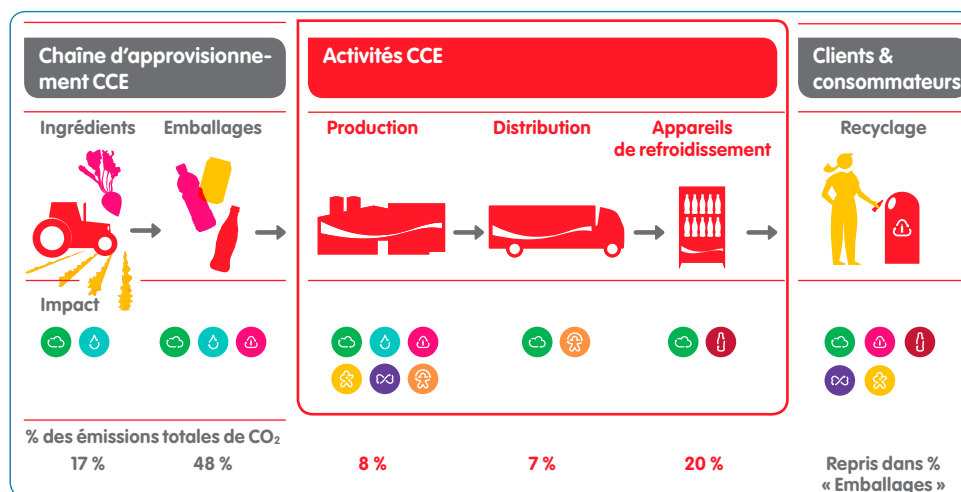


Pathways. The GRI sustainability reporting cycle: A handbook for small and not-so-small organisations.



Coca-Cola

Coca-Cola Belgium Luxembourg makes use of visuals to present its profile. A map identifies the countries the company operates in alongside key data on employees, revenue, brands and operations. A chart summarises the investments in Belgium and Luxembourg and a diagram explains the company's activity and production processes.



Detail the governance structure managing sustainability issues

Explaining how CSR is implemented and managed within the organisational structure is a major issue. It is important to refer to the governance structure, managerial procedures and systems linked to CSR as well as to precise commitments in this field (mission, values, code of conduct etc.). The bpost and Belgacom CSR reports clearly explain the way CSR is managed in their companies.

When your CSR report is separate from the annual report, make sure you do not completely ignore corporate governance.

What gets measured gets managed

You have selected indicators that reflect your material issues. Progress must be presented transparently, otherwise your sustainability strategy will be seen as a mere catalogue of good intentions:

- Do not bury key figures in a wealth of information – find a way to highlight them.
- Show progress and use summary tables to see in one look where you stand (see example above of Delhaize regarding progress against objectives).
- Use recognised methods for calculation and allow yearly comparisons between your performance and ideally your sector's performance too.

Provide a senior management statement to reinforce your commitment

The senior management statement is an opportunity to seriously show the company's commitment to sustainable development, giving it a human face. It is vital to get this right, in order to reinforce credibility and show stakeholders that their concerns are understood and being addressed. This can be done by expressing a commitment to economic, social and environmental goals while also being transparent on what the major challenges are, how they will impact business strategy and how the organisation is addressing them:

- The statement should be candid.
- Report on the challenges regarding the three pillars of sustainable development and how the company is addressing them.
- Explain both what was and was not achieved during the reporting period.



Umicore's 2012 report to Shareholders and Society contained a very transparent management statement by the CEO and President regarding the achievements, difficulties and challenges the company encountered. It explains how the company deals with short and long-term objectives while reaffirming the company's commitment to the three pillars of sustainable development (Vision 2015). By explaining what the major difficulties were and how these have been addressed, this statement reinforces the credibility of the organisation. The online statement is accompanied by CEO videos.

The screenshot shows the Umicore 2012 Annual Report website. The top navigation bar includes links for Home, Sitemap, Contact, and About, along with a search bar. Below this is a section for the Annual Report for 2012. The main navigation menu includes About Umicore, Management review, and Statements. The Management review section is expanded, showing links to Profile, Umicore 2012, Group review, Segment review, Financial, Environmental, Social, Governance, Assurance, Glossary, and GRI Index. The Umicore 2012 link is selected, leading to the CEO & Chairman's review section. This section features a video thumbnail of Umicore Chairman Thomas Leysen and CEO Marc Grynberg discussing the highlights of 2012 and looking forward to 2013 and beyond. Below the video, there is a section titled 'How challenging was the economic environment for Umicore in 2012?' with a quote from MG: 'The environment was certainly testing and became increasingly so in the second part of the year, especially in Europe. We should place things in context: we were able to post the second strongest financial performance in our history, despite the deterioration in several of our end markets. This represents a positive achievement.' This is followed by a paragraph from TL: 'The challenges were and remain significant, however. In a number of markets demand fell away quite considerably. This was particularly the case in the photovoltaics market where demand for thin film and concentrator technologies almost came to a standstill. In other markets, such as construction and the European automotive market, we also faced a reduction in demand. There were notable bright spots, though. Our Recycling business produced another outstanding performance, demand for our battery materials continued to grow strongly and the automotive markets in North America and Asia performed well during 2012.' Another paragraph from TL: 'Indeed, it was a good showing in a difficult environment. We increased significantly our spending on research and development. We have also been investing heavily in new technology and production capabilities around the world, particularly in the areas of Energy Materials and Catalysis. This combination obviously places a burden on the cost base.' The section concludes with a heading 'How does Umicore balance long term growth ambitions with shorter term pressures?' and a quote from MG: 'While we remain focused on our growth ambitions we are very mindful of the economic context. Our approach is to anticipate market pressures and to be flexible enough to prepare for and adapt to these pressures in the correct way. In 2012 this meant adapting our industrial footprint in those areas'.

Stakeholder statements to show transparency


Providing testimonials from external and internal stakeholders increases credibility. It is important that it appears trustworthy, balanced and addresses setbacks as well as accomplishments. If only positive achievements are mentioned, they will also appear too commercial and less credible. Business & Society also recommends using the original stakeholder text.

Testimonials at the beginning of chapters will allow for stakeholder voices to come through and comments in the text or a review of the report will increase credibility. Finally, it is important to develop a unique visual style for case studies and testimonials to distinguish this information.



EDF Luminus' 2012 Sustainable Development Report illustrates each section with a transparent and balanced testimonial from a director. This gives the energy company's report a personal touch and arguably motivates colleagues to embark on the CSR journey. Senior managers were also transparent about key indicators, such as cases reported to whistleblowing process (trusted parties in the Ethics section headed by the Head of the Legal department) or the impact of company restructuring on the headcount (People section, headed by the Human Resources Corporate Director).

Assurance to increase credibility of the verified information

Involving a third party in the process and allowing them to provide an opinion on the sustainability report is a good way to increase credibility, demonstrate openness and sincerity and gain stakeholder trust. Assurances by auditors are often limited regarding the area of improvement  are very trustworthy. In contrast, stakeholder reviews often provide more meaningful comments with suggestions for improvements. Ideally, external auditors should examine a variety of performance data, management processes and strategy against assurance frameworks for non-financial reports, such as AccountAbility's AA1000 Assurance Standard or the International Standard on Assurance Engagements ISAE 3000. Otherwise, assurance statements are difficult to compare.

- Provide a review of your report by an external auditor and/or external stakeholders.
- Provide the reader with meaningful external comments on the content of the report.
- Explain the scope of the assurance and the methodology used.
- Do not expect all comments to be positive.

Attention-grabbing design and clear content

Even if your CSR report will not be the next bestseller, you should make the cover attractive. It is the first thing the reader sees, so it should be eye-catching.

However, a nice layout should not be used to hide inadequate content - beautiful photographs will never replace values or objectives. Be wary of having too much text on each page and focus on what matters.

- Banish all jargon.
- Publish a glossary of technical terms at the end of your report.
- Make sure your report is well-structured, e.g. around your most material issues or a recognised frameworks such as ISO 26000, the UN Global Compact or Planet, People, Profit.

Greater accessibility to reach wider audiences with more information

CSR relies on an interactive communications approach with stakeholders and the public. However, it is not enough to only put your sustainability report in a PDF format on the company website. The website is a place for companies to present more information, updated figures and targeted information for specific stakeholders.

- When posting reports online, consider tools that allow the reader to select and print desired pages only.
- Consider an HTML presentation for better readability. Add further information such as links to graphs or extra explanations of GRI indicators.
- Make sure the CSR section is easy to locate on the homepage of your website and/or create a mini site dedicated to CSR.
- Make use of the internet's wealth of resources, especially the possibility to post videos.
- Engage your colleagues, customers and other stakeholders through the use of blogs, online feedback mechanisms, idea boxes, online platforms, leaflets etc.

This practical guide shows how to define and implement a CSR strategy then how to communicate on it. It will accompany you throughout the process. Hopefully, it shows that defining a credible strategy should come before communicating. While external communications comes after all the other steps, the CSR report can serve as the basis for your wider communications.

So, now it is over to you. Good luck!

Template 1: CSR issues linked to key activities

	Activity 1	Activity 2	Activity 3	Activity 4	Activity 5	Activity 6
SOCIAL INTERNAL						
SOCIAL EXTERNAL						
ENVIRONMENT						
ECONOMIC						

Template 2: Identify your stakeholders

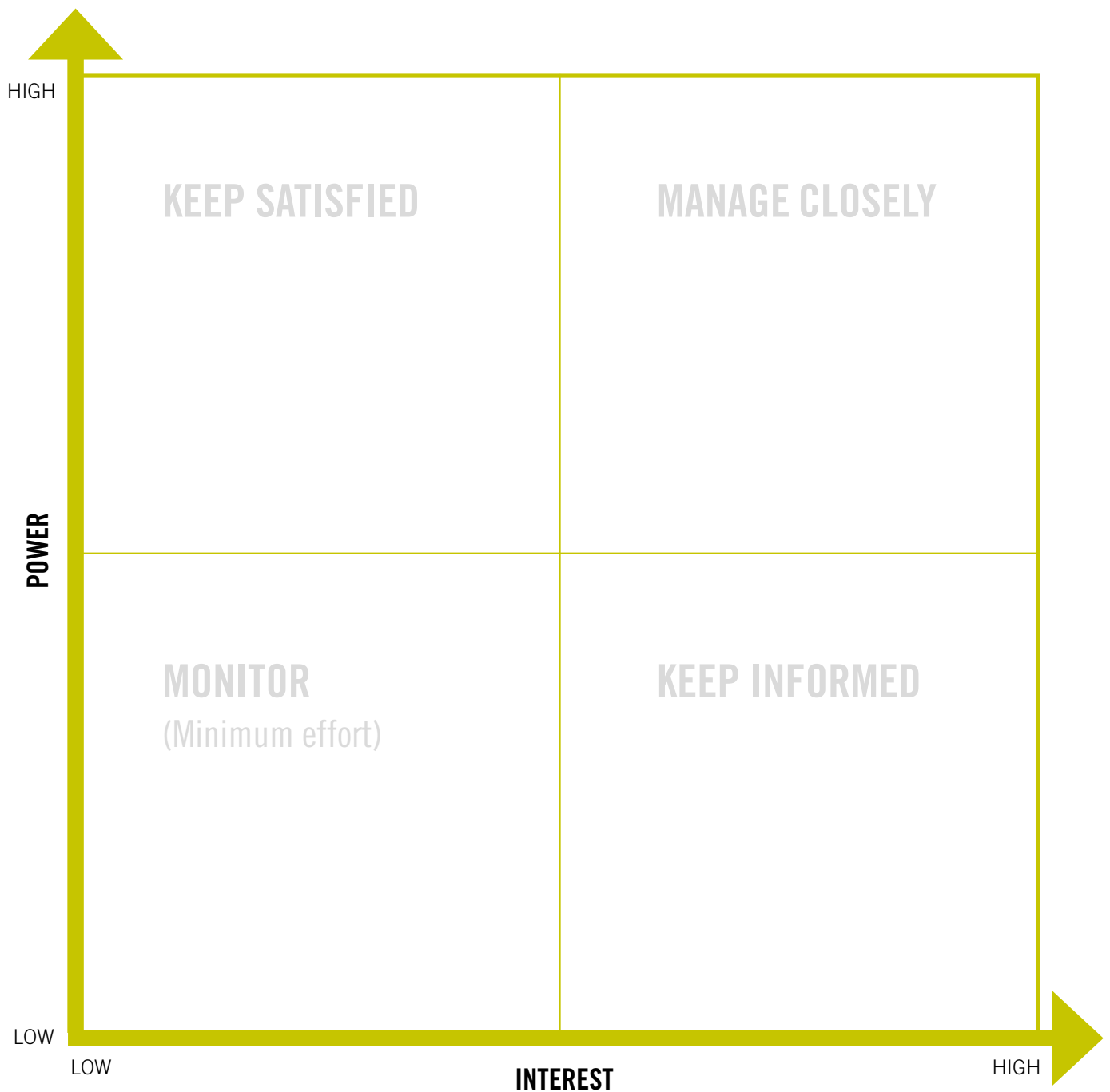
	Group	Organisations	Individuals
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Template 3: Map your stakeholders

YES, STRONGLY = 1
YES, MODERATELY = 0.5
NO = 0

[illegible]

Template 4: Make a stakeholder matrix




Véronique Graham

Main editor and coordinator of the publication.
CSR Business Partner, Business & Society Belgium


Nathalie Crutzen

Editor of the publication.
PhD in Business and Economics, Assistant Professor, Accenture Chair in Sustainable Strategy, HEC-Management School of the University of Liege



BUSINESS & SOCIETY BELGIUM

Business & Society Belgium is a business network with over 85 companies and business associations from various sectors, who wish to integrate CSR in their strategy and operations. As a reference point for CSR in Belgium, we provide business with supporting tools by sharing best practices, developing new CSR solutions and engaging dialogue with the stakeholders on various CSR dimensions.

Business & Society Belgium, Stuiversstraat 8 rue des Sols, 1000 Brussels
www.businessandsociety.be

COLOPHONE



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Editing and content: Véronique Graham, Business & Society, Nathalie Crutzen
HEC-Management School

Proofreading and editing: Kathryn Sheridan and Bárbara Mendes-Jorge,
Sustainability Consult, 9 rue Emmanuel Van Driessche, 1050 Brussels,
www.sustainabilityconsult.com

Layout and design: Comm'sa, Kleindokkaai 1, 9000 Gent, www.commsa.be

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- Delta Lloyd Life
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- Freshfields
- GDF Suez
- Geseco
- GlaxoSmithKline Biologicals
- Gyproc
- Hay Group
- HazelHeartwood
- HeidelbergCement Benelux
- Indaver
- Infrabel
- ING
- Janssen Pharmaceutica
- Johnson & Johnson Europe
- KBC
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- Levanto
- Linklaters
-  n's Hotels
-  soft
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- Novartis Pharma
- Petercam
- PricewaterhouseCoopers
- Randstad Belgium
- Reynaers Aluminium
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- Ronveaux
- SD Worx for Society
- Sita
- Siemens
- Sodexo
- Solvay
- Spadel
- Strabag
- Sumitomo Chemical Europe
- SWIFT
- Thalys
- Total
- Tractebel Engineering
- UCB
- Umicore
- UWE
- Van Marcke
- VBO – FEB
- VO Group
- Voka Vlaams Economisch Verbond