



# HOW OTHERS SUCCEED

#### UNILEVER

"Our digital channels are an important, if not THE most important, means for us to reach many of our 2 billion consumers all over the world."

Read full interview with Unilever on page 10.



17%

The number of companies that publish their CSR report in pdf increased by 17 percentage points compared to 2013.

Page 8

16%

The number of companies that use **LinkedIn** for CSR communication increased by 16 percentage points compared to 2013.

Page 6

#### ABOUT WEBRANKING BY COMPREND

Webranking by Comprend, established 1997, is Europe's leading survey of corporate websites and the only global ranking that is based on stakeholder demands. This year, we've ranked 830 companies (Financial Times Europe 500 among those) from 41 countries and 20 sectors to measure how well they meet the expectations of key stakeholders. We began by asking over 300 capital market representatives (Capital market survey) and job seekers (Career survey) directly about what kind of information they're looking for on corporate websites and in companies' social media channels. Based on the respondents' views and opinions we put together the review criteria for ranking the companies' websites and corporate social networks.

Learn more about Webranking by Comprend: comprend.com/webranking/



s part of this trend, we see a strong request from the corporate audience for a clear CSR strategy and a measurement of the strategy with data and quantitative KPIs. This is about prioritising issues in the materiality analysis amongst all issues that could be part of a CSR programme, and investing in the ones that create the most value. The advanced companies take on a CSR strategy that optimises the social value created for stakeholders with the business value created for the company. The quest for shared value and the reporting of the results is where the current forefront is.

The website is the most important platform for communicating CSR and sustain-

ability. It is the channel that most stake-holders use and primarily where CSR reports are read. The challenge is to combine the possibilities of all the communication channels to create an active dialogue with your stakeholders. We can see how LinkedIn becomes a channel to reach out to the job market with CSR messages and how CSR related posts in social media has increased overall.

New topics are added to the needs from stakeholders this year, such as tax and governance of sustainability issues in the organisation. Successful companies manage to communicate an authentic picture of the responsibility taken by using a multitude of channels. Some also manage to conceptualise the CSR programme into a brand of its own – strengthening the overall brand of the company.

The larger purpose is to enhance the standing of the company in society, thus making the company even more successful. The advent and growth of CSR came from the need to rebuild trust in businesses after a period of antiglobalisation debates, financial turmoil and corporate scandals. Global companies have travelled a long way in that direction. Digital CSR communication is a crucial enabler for this.

#### **Helena Wennergren**

Director, Comprend

#### Tommy Borglund

Director, Hallvarsson & Halvarsson

# Five trends in digitial CSR

# ACTIONS SPEAK LOUDER THAN WORDS

The capital market increasingly demands companies to be fully open about the details of their CSR engagements. In comparison to last year's Webranking, this year's results show that more stakeholders are expecting companies to present and follow up on their CSR engagements by presenting data and targets. However, the results further show a large gap between stakeholder demand for hard facts and companies' ability to meet those demands. This is most evident in social data, as only 17% of Europe's 500 largest companies provide social targets and target achievements on their website. One fourth provide environmental targets and target achievements

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2

#### **STRATEGY COUNTS**

Explanation of CSR strategy is the second most requested information by the capital market in this year's Webranking. This means it has increased in importance since last year and indicates that a more holistic approach towards CSR is required. Stakeholders need knowledge regarding a company's CSR strategies to assess the level of strategic implementation on their own. Further, the capital market increasingly requests information on companies' sustainability governance as a means to evaluate how CSR engagements are handled and to what extent companies treat CSR as an integral part of their organisation. One in five of Europe's 500 largest companies received points for this new criteria.

Top demand

Most common

# Top 5 most demanded CSR information\*

- 1. Environmental data, targets and achievements
- 2. Explanation of CSR strategy
- 3. Social data, targets and achievements
- 4. Code of Conduct
- 5. Anti-corruption

# Top 5 most common CSR information\*\*

- 1. Code of Conduct
- 2. CSR report in pdf
- 3. Explanation of CSR strategy
- 4. Initiatives & memberships
- 5. Anti-corruption

<sup>\*</sup> Capital Market Survey 2014

<sup>\*\*</sup> Based on companies listed on Financial Times Europe 500.

#### QUANTIFY YOUR ETHICS

3

A large number of companies still have a long way to go to meet the demands for transparency from the capital market. Only 60% of Europe's 500 largest companies present an anti-corruption policy on their website. The same goes for responsible tax management – despite all the political and medial attention during the last year only 9% of companies mention tax as CSR issue or present a tax policy. Even less, a staggering 2%, present tax payments per country.

# IT'S A MATERIALITY REVOLUTION

4

One fifth of companies define their key CSR issues with most impact on stakeholders and the business, on their website. This is the first year materiality is measured in the Webranking, as a result of an increased demand from the capital market. This development is likely to have been triggered by the new GRI G4 guidelines for sustainability reporting where materiality is an essential part. An increasing number of companies also use illustrations and interactive features to give an easy-to-grasp overview of the value chain and where different material issues post high risk or present opportunities.

# PUTTING THE SOCIAL IN CSR

5

Everyone uses Facebook – even investors. A company's stakeholders will be present in social media whether the company has an active presence or not, which means that negative conversations and rumor spreading may occur regardless. Many companies have experienced that upholding a relevant presence and dialogue requires time, resources and knowledge – even if it is not associated with costly investments. This year's Webranking results show that social media is increasingly becoming a natural arena for companies to interact with stakeholders. The most significant rise is for LinkedIn which has increased from about one tenth (9%) of companies using LinkedIn last year to one fourth (25%) 2014–2015.

# Reach further with digital CSR

The rise in digital media means that companies have a priceless opportunity to communicate their CSR stories, differentiate their brand and build credibility. But the fact is, most corporations have yet to adapt their CSR activities to the digital age.

In terms of communication, navigating the CSR terrain can often be tricky – even for the most experienced corporate communications professional. The challenge is to meet the increasing demands for transparency and hard facts required from the capital market, while also engaging the general public.

## Putting the "social" in corporate social responsibility

Many companies put a lot of time and money in providing transparency and data in CSR reporting, but tend to forget about engaging the general public. Thus, many companies are missing out on the full potential of their CSR communication. By repurposing material from the CSR report and tailoring it for digital channels, companies can reach the wider public or additional stakeholder groups with specialised interests.

#### From telling to storytelling

The digital environment offers a range of channels where companies can interact with their most important stakeholders. Think of it this way: utilising digital channels gives you an opportunity to break down the barriers between the corporation and your key stakeholders. It's a chance to tell sustainability activities in an illustrative, relatable and authentic way – something traditional CSR reports simply

cannot do. The digital information age has permanently changed how people share, receive, judge and interact with information. This includes your company's CSR report.

#### Making the move towards digital

Making the move to digitalising CSR communication and moving beyond the CSR report can be a challenge, especially for traditional organisations. It takes courage to discuss sustainability challenges and activities in a transparent way. Start with a communication strategy that extends over the full year. It's important that the strategy encompasses multiple channels and multiple-messages, even considering different formats of content such as blogs, video, photos and newsletters.

#### Increasing trust through engagement

By increasing digital communication around CSR, companies can unlock real engagement and real value. Stakeholders gain the ability to interact with the organisation, while the organisation gains trust and an improved brand image.

Digital is here to stay and the CSR report should evolve to meet the content consumption demands of today's environment.

#### **Karin Arrenfeldt**

Consultant, CSR communication

#### **Leah Schothorst**

Junior Consultant, Content & social media





# Use CSR to attract top talent – here is how



**Leah Schothorst**Junior Consultant,
Content and social media

CSR and recruitment may seem like they are completely separate things. However, in the never-ending struggle to attract and retain top candidates, communicating CSR activities is a useful way for companies to distinguish themselves and stand out to top talent.

According to Comprend's 2014 Career Survey, almost 90% of new graduates entering the job market will review a company's CSR content when determining if the company is a good fit for them. A similar study by Rutgers University shows that the more education and job offers an individual has, the more likely they are to find CSR an important factor in determining if an organisation is a good fit for them. Put differently, top talent want to work where their company also generates social good, not just profits.

For your CSR efforts to attract the best talent, CSR content must be integrated into the company's communication strategies and pushed out through its corporate website and social media channels. There has been a growing trend for companies to utilise LinkedIn as a platform to tell the story around their CSR accomplishments.

You might be wondering how best to start using LinkedIn to communicate your CSR activities; so we've compiled three ideas to help highlight your CSR programme to potential candidates.

Diversity

Many companies mistakenly consider CSR as only environmental initiatives. However, many different issues can be considered CSR, and different topics can attract different individuals. CSR can encompass tax issues, workplace diversity, human rights, and community relations – just to name a few.

Authenticity

The operative word here is storytelling. Charitable donation

The operative word here is storytelling. Charitable donations and sponsorships are commendable, but they can't compare to the story behind a passionate and unique CSR initiative. Be authentic and creative with your initiatives to stand out.

Variety
Showcasing your CSR in a variety of

Showcasing your CSR in a variety of formats and mediums (like blogs, videos, reports, infographics, websites) not only helps tell the story, but also helps potential employees envisage how they can be involved in a company's CSR activities.



**16%**The number of companies that use LinkedIn

for CSR communication increased by 16 percentage points compared to 2013.

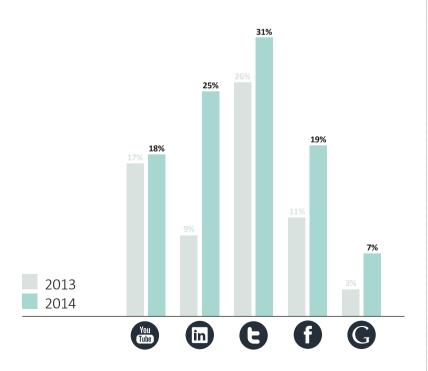




LinkedIn operates the world's largest professional network on the internet with more than 347 million members.

Professionals are signing up to join LinkedIn at a rate of more than **two new members per second.\*** 

#### **CSR RELATED POSTS IN SOCIAL MEDIA**



<sup>\*</sup> https://press.linkedin.com/about-linkedins

# ONLY DERCENTAGE POINT

# INCREASE IN COMPANIES DISCUSSING RESPONSIBLE TAX MANAGEMENT ON THEIR WEBSITES COMPARED TO 2013

**Utilising digital channels** gives you a great opportunity to offer more detailed information to expert audiences – the niche groups who want to dig in deeper into areas that might not be of primary interest to the general public.

Responsible tax management has been a highly debated issue in Europe recently. NGOs and politicians have shown particular interest in the subject, and often require details such as country-by-country reporting, something the general public might not find relevant.

This year's Webranking results show that the capital market increasingly believes that companies have an ethical responsibility to pay taxes in the markets where they operate — a responsibility that goes hand in hand with globalisation. About two-thirds believe that companies should account for tax as a responsibility issue on the corporate website.

However, only one tenth of European companies included in the Webranking mention tax as a responsibility issue on its corporate website. This information helps explain how the company actively distances itself from aggressive tax planning. Even fewer European companies (only 2% out of the 500 largest companies in Europe) present figures that show how much the company pays in taxes in the markets in which they operate.

**Those numbers are** surprisingly low. Take the opportunity to meet your stakeholders' demands for increased transparency, but don't forget to do your homework first. Find out who your primary target groups are and how they prefer to consume information. There are numerous examples of companies that publish immersed reports on tax in various formats: Rio Tinto's (GB) "Taxes paid report"; Fortum's (SE) "Tax Footprint report 2013"; and ENI's (IT) extensive tax information on their corporate website.



Karin Arrenfeldt Consultant, CSR communication



Take your CSR report to the next level

Producing a CSR report involves significant investment in both time and money. However, as the report presents the company's economic, environmental, social and governance performance, it contains unique and valuable content. So why not make the content easier to consume and leverage your investment in time and money?

Still, the most common way of digital distribution of the CSR report is by uploading a pdf version on the website. A pdf is, by definition, a digital report. However, the pdf originates from a version made for print and is not produced for the web – at all.

So why not make a fully digital report instead, to maximise value for your stakeholders and for your company?

#### **Magnus Backteman**

Director, Digital corporate reporting

#### **WEB VERSION – KEY BENEFITS**

#### Be friendly

First of all, a web version gives you a chance to be user-friendly. For instance, a web report can encompass a GRI index that is easy to use and understand; provide notes that appear in the right context; incorporate interactive graphics that allow the reader to compare environmental, social, and financial data over time; and offer the ability to analyse specific key figures, for example by region and country, etc.

# Layers of depth

A web version also gives you a chance to divide the report into different layers or levels, with drill down possibilities, so the reader – depending on time, knowledge and interest – can access more data the deeper he/she goes.

# Access new audience

Using video and infographics, you can make your report more digestible for your reader. And at the same time, with the distribution options of the web, reach and engage new stakeholders and target groups.

# **Device** adaptation

Another reason for a web solution is the ability to use responsive design, which means that the design adapts layout, text size, content and pictures depending on the size of the screen or device. Ever tried reading a pdf on your mobile? It's not easy.

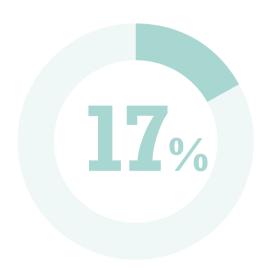
# Increase traffic

Finally, a web version of the report could drive more traffic and thereby increase your report and company's visibility in search engines, but also makes it possible for you to track and monitor who is reading what.

To sum up, if you are looking for a more cost-efficient way of communicating with your target groups, a pdf simply can't compete with the possibilities of a web version.

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A web version is an HTML programmed microsite, comprising the same content as a printed report, but it is tailored for the online medium.



The number of companies that publish their latest CSR report in pdf increased by 17 percentage points compared to 2013.

42% report according to GRI/AA1000.

#### EVER TRIED READING A PDF ON YOUR MOBILE? IT'S NOT EASY.



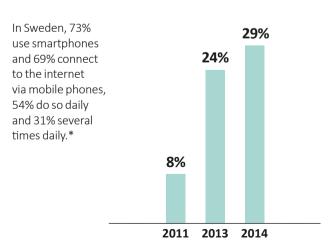




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#### STRONG TREND TOWARDS MOBILE



Connection via mobile phones of total internet time\*\*

# Consumer friendly reporting by Unilever

# What is your focus when communicating sustainability online? Do you tailor your communication channels depending on stakeholder group?

Our digital channels are an important, if not THE most important, means for us to reach many of our 2 billion consumers all over the world. For us, it is not only our work with sustainability that attracts an audience, they also want to learn more about our over 400 brands and our career opportunities.

In many cases, our work with sustainability is integrated into all our brands and each product's brand mission. Therefore, what might be different communication approaches is then integrated into one. That said, we need to plan and execute content for differing audiences, at all times

This means making sure that content always is relevant and has a good balance of being both consumer-friendly, but also that it caters to the needs of corporate stakeholders (NGOs, partners etc.) that turn to our channels for very different information.

For consumers, we tend to see that local information is the most relevant. Also, most of our brands have their own individual strategies for online communication, whether through Facebook, Twitter or other social platforms.

# What opportunities (and maybe challenges) do you see ahead when it comes to communicating sustainability in social media?

We are already exploring and leveraging the opportunities of our digital channels' global reach through Project Sunlight, our global initiative to motivate millions of people to live sustainably by taking small, everyday actions that make a big difference in the world. Project Sunlight is made up of a growing online community of people who believe it is possible to build a world where everyone lives well and lives sustainably. Find out more at: brightfuture.unilever.co.uk.

## How do you launch the sustainability report?

In the beginning of the second quarter every year, we launch our Unilever Sustainable Living Plan report. Every year, we have slightly different approach, but the main channel is always our corporate website. Through this report we provide a mix of more consumer-friendly and condensed cases, as well as the full report.

### How do you reuse the information in the report in different channels?

For external audiences, we tend to be more traditional and use the information from our Annual Reports and Accounts Reports, press material and so on.

7.8

UNILEVER SCORES 7.8/10.0 POINTS IN WEBRANKING BY COMPREND 2014–2015

Nº1

IN THE CSR SECTION

COMPANIES IN
THE NETHERLANDS\*



INTERVIEWED Sofia Hjort Lönegård

Nordic Internal Communications officer, Sustainable Business & Communications at Unilever

\* Shared with DSM



## **CHAMPIONS**

-CSR SECTION -

Nº 1: Eni

POINTS: 9.4

#### "Smart communicative solutions and high level of interactivity that makes data crunching easy"

The main strength of Eni's CSR section is that it continues to evolve every year. Despite new information and data being added, the smart, technical and communicative solution makes it easy to uncover additional details. Every theme is supported by data with links to their interactive charting tool, which also includes a materiality analysis. Eni is also one of very few companies presenting country-by-country tax payments.

Nº 1: Pirelli

POINTS: 9.4

# "All the information you need, in a user-friendly package"

One of the first things you encounter when entering Pirelli's CSR section is their vast collection of KPIs and targets. These clearly state that the company tries to be as transparent as possible, seeking dialogue with their stakeholders. This is further supported by the Sustainability Channel, a separate newsroom where updated sustainability-related information is easy to access and where readers can quickly learn about the latest news.

Nº 3: Telecom Italia

POINTS: 9.3

## "Telecom Italia dares to challenge the traditional website"

Telecom Italia has interesting ideas of what a corporate website could be and is not afraid of testing them out. Their CSR section follows the magazine-like layout letting the visitor to read about areas of interest or just browse through it. Targets and data are presented in a way that makes it easy to follow the ongoing sustainability work and the materiality analysis is smartly presented using a hot topics matrix.

# IN THE CSR SECTION FOOD & BEVERAGE SECTOR

NQ2
IN THE CSR SECTION

COMPANIES IN THE UK

"We need to plan and execute content for differing audiences, at all times."

Sofia Hjort Lönegård, Unilever



# BEST COMPANY ENI

Italian companies have managed to fortify their stronghold from last year and are now in control of the top four positions, all of which were the only companies in the Webranking scoring above 9.0 points (out of a maximum of 10) in the CSR section. A total of 19 companies among the Europe 500 scored over 7.5.

For the second year in a row, the winner of the Webranking in total and one of the highest scoring companies in the CSR section is the Italian Oil and Gas giant Eni. Pirelli, the famous tire manufacturer, has improved its CSR score and is now sharing the number one position in the CSR section with Eni (up from thirteenth place last year). Telecom Italia managed to stay in third place by a slight improvement, leaving fellow Italian company Intesa Sanpaolo just 0.1 points behind.

The only non-Italian company in the top five is Swiss Novartis, scoring 8.8 points. This was a remarkable effort as the company was not even in the top 15 last year. Seven countries are represented on the company top list, one more than last year as ArcelorMittal's top results added Spain to the list.

# BEST COUNTRY SWITZERLAND

Last year's top performing trio Sweden, Italy and Germany were surpassed by Switzerland, which experienced a remarkable jump from seventh to first place. Italy manages to keep its second place position, winning by only 0.02 points over Germany. Switzerland takes the throne together with Italy and Germany for best improvements. Thus, Sweden is left out of the top three by a considerable distance.

Continuing down the list we find Finland managing to climb up one position switching places with the UK. Denmark shows the largest loss as they move from fourth to seventh place.

On the bottom this year we find Norway, Portugal and Russia, earning averages of 2.6, 2.5 and 1.9 points, respectively. This proves that regional differences still are high. No new country managed to grab a position on the top ten list compared to last year.

# BEST INDUSTRY CHEMICALS

Looking at the top scoring industries, the Chemicals sector reclaims the number one spot, which it held in 2012–2013, but lost to Utilities in 2013–2014. Utilities has moved into second place this year. Newcomer on the top ten industries list is Personal and Household Goods, which was left out of the top five, but ended up in an impressive sixth place – just 0.03 points behind Construction and Materials.

Some industries have dropped in the list – such as the Retail sector, despite the fact that B2C companies performed better this year than in previous years. The retail sector's position on the top ten list lasted only a year and has moved into sixteenth place this year. The case for Telecommunications is similar with a drop from seventh place to thirteenth in this year's ranking.

Top scoring companies	POINTS
1. Eni	9.4
1. Pirelli	9.4
3. Telecom Italia	9.3
4. Intesa Sanpaolo	9.2
5. Novartis	8.8
6. Arcelormittal	8.7
7. Snam	8.6
8. SCA	8.5
8. British Land	8.5
10. Terna	8.4

Top scoring countries	POINTS
1. Switzerland	5.4
2. Italy	5.3
3. Germany	5.2
4. Sweden	5.0
5. Finland	4.6
6. UK	4.4
7. Denmark	4.3
8. The Netherlands	4.0
9. Spain	3.8
10. France	3.6

Based on the 20 largest companies from each country. For those countries that don't have 20 companies in FT Europe 500 list, additional/remaining companies have been added to reach 20. This is done in order to make viable comparisons. As we have only included countries with five or more companies on the Europe 500 list for comparability, a number of countries such as Poland, Czech Republic, Romania has been excluded from this list.

Top scoring industries	POINTS
1. Chemicals	4.4
2. Utilities	4.2
3. Automobiles & Parts	4.0
3. Food & Beverage	4.0
5. Construction & Materials	3.8
5. Personal & Household Goods	3.8
7. Basic Resources	3.7
7. Health Care	3.7
9. Oil & Gas	3.5
10. Technology	3.4

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