

# SDG MEASUREMENT AND DISCLOSURE By ASX150

EXECUTIVE SUMMARY REPORT



Network Australia



# SUSTAINABLE DEVELOPMENT GOALS

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# Foreword

The 2030 Agenda for Sustainable Development, agreed to by all 193 Member States at the United Nations (UN) in 2015, culminated in 17 sustainable development goals (SDGs). These goals not only reflect global sustainable development priorities, but also lend themselves as an overarching framework for companies to shape business strategies that are aligned with the SDGs.

While the business case for sustainability is widely acknowledged, how businesses approach the SDGs and account for their impact in terms of sustainable development remains unclear. Such information is important for a variety of stakeholders such as shareholders, investors, regulators, government, and civil society – who share interests in understanding which industries and business models have the greatest synergies with specific SDG targets.

This executive summary report relates to a research study on how the SDGs are measured and reported by the top 150 Australian public-listed companies (ASX150) by market capitalisation (as at 01/07/2019). It is a collaboration between RMIT University and the Global Compact Network Australia (GCNA) where the overarching aim is to contribute to the conversation about how Australian companies can make meaningful progress towards achievement of the SDGs.

Readers of this report will learn how some of the largest Australian companies are disclosing their commitment and prioritisation of SDGs, the level of the SDG alignment and integration with business strategies, and the quality of extant SDG reporting practices.

Given that the SDGs are relatively new, the insights from this study will help to lay the foundation for future research to benchmark progress made by Australian companies and foster good business reporting and accountability towards the SDGs. We envisage that the findings of this study will increase awareness and stimulate debate among companies, government and regulatory agencies, civil society members, and other stakeholders around sustainable development and the SDGs.

We would also like to thank GCNA for their financial support of this project, particularly Kylie Porter and Corinne Schoch for their invaluable insights and assistance in this project.

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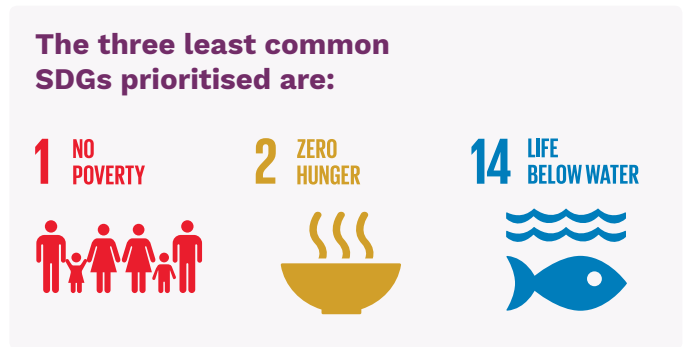
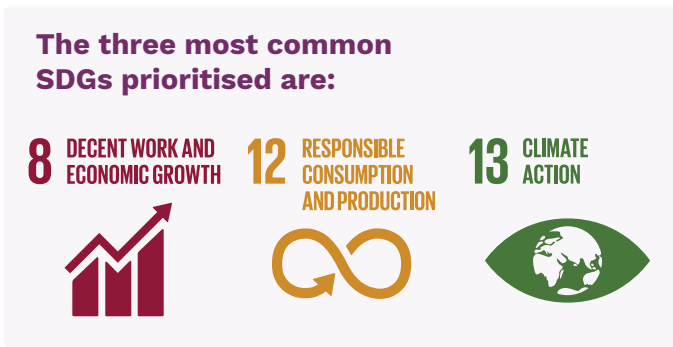


**89% of Global CEOs said commitment to sustainability is translating into real impact in their industry, and 87% believe the SDGs provide an opportunity to rethink approaches to sustainable value creation.”**

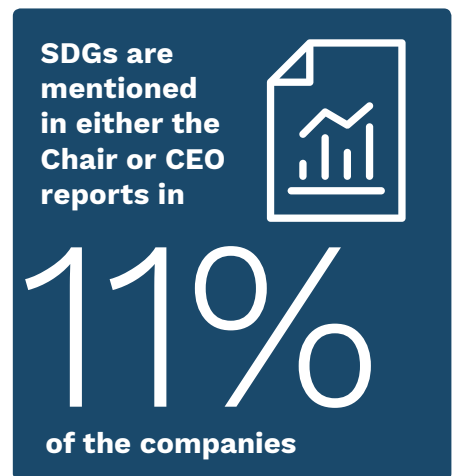
UNGC-Accenture CEO study, 2016



# Key Findings



There are sectoral differences in how the SDGs are prioritised. **The material, financial and industrial sectors more actively mention and prioritise SDGs**



**The vast majority of companies have set and aligned targets only at the goal level**





# Background

## THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

In 2015, the United Nations passed a resolution titled ‘Transforming our world: the 2030 Agenda for Sustainable Development’ with the UN member states declaring:

**“We resolve, between now and 2030, to end poverty and hunger everywhere; to combat inequalities within and among countries; to build peaceful, just and inclusive societies; to protect human rights and promote gender equality and the empowerment of women and girls; and to ensure the lasting protection of the planet and its natural resources. We resolve also to create conditions for sustainable, inclusive and sustained economic growth, shared prosperity and decent work for all, taking into account different levels of national development and capacities.”**

While the SDGs have been accepted by all member states, their success is dependent on the actions and collaboration between various other organisations and actors. It is widely acknowledged that the private sector will be one of the most significant sources of resources, action and technical capacity relied upon to achieve the SDGs.

Businesses play a critical role in achieving sustainable development through responsible business operations, developing innovative business models, investments in sustainable technology, and more. The Australian Government's Senate Inquiry into the United Nations SDGs<sup>1</sup> stated in its 2019 report among other things the need to increase awareness of SDGs among corporates, enhance reporting while keeping costs of doing so minimal. It also recommended that policies and guidelines be developed on how to report against the SDGs in a transparent and streamlined way to reduce the burden of additional reporting and reduce the risk of superficial adoption of SDG language.

The resolution also culminated in 17 SDGs which include:



1. [https://www.unaa.org.au/wp-content/uploads/2018/07/UNAA-Senate-Submission-on-SDGs-FINAL-29\\_3\\_18.pdf](https://www.unaa.org.au/wp-content/uploads/2018/07/UNAA-Senate-Submission-on-SDGs-FINAL-29_3_18.pdf)

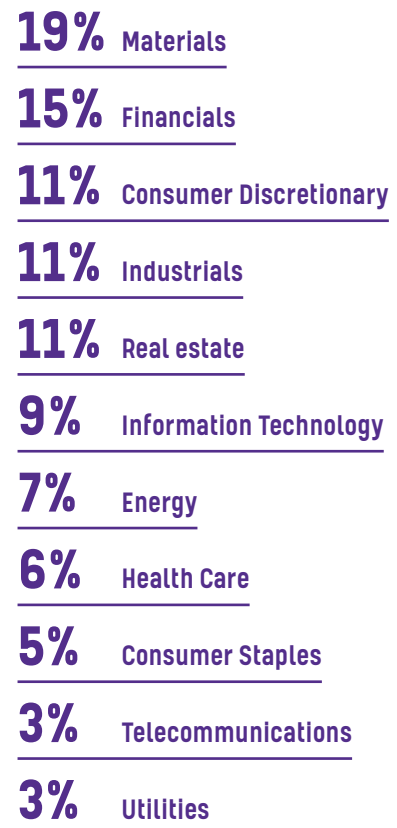
# Research Overview

The present study assesses the extent to which the top 150 Australian Securities Exchange companies (ASX 150) by market capitalisation (as at 1st July 2019)<sup>2</sup> are integrating and disclosing their uptake of the SDGs in their business strategies and annual reporting processes. Data analysis is based on the content analysis of annual reports, and separate sustainability and integrated reports of the ASX150 with the financial year ending in 2018.

The analysis aimed to identify systematic trends in SDG measurement and reporting by the ASX150, including their awareness, approach, commitment, governance, and integration of SDGs. A coding list was established based on a review of the SDG Business Compass Guide<sup>3</sup> the Global Reporting Initiative (GRI) Standards<sup>4</sup>, and recent past surveys, namely the following three studies:

1. 'SDG Reporting Challenge' by PricewaterhouseCoopers (PWC, 2018) that involved 729 companies from 21 countries and territories and six broad industry sectors.<sup>5</sup>
2. 'How to Report on the SDGs' by KPMG (2018) where the sample was the G250.<sup>6</sup> The G250 refers to the world's 250 largest companies by revenue based on the Fortune 500 ranking.
3. 'ASX 20 Disclosures on the Sustainable Development Goals' by Think Impact (2018) that examined the largest 20 Australian publicly listed companies (by market capitalisation) with a 2017 year end.<sup>7</sup>

## Sample Sector Breakdown



2. <https://www.asx200list.com/>

3. [https://sdgcompass.org/wp-content/uploads/2016/05/019104\\_SDG\\_Compass\\_Guide\\_2015\\_v29.pdf](https://sdgcompass.org/wp-content/uploads/2016/05/019104_SDG_Compass_Guide_2015_v29.pdf)

4. <https://www.globalreporting.org/standards/>

5. <https://www.pwc.com/gx/en/sustainability/SDG/sdg-reporting-2018.pdf>

6. <https://assets.kpmg/content/dam/kpmg/xx/pdf/2018/02/how-to-report-on-sdgs.pdf>

7. [https://www.thinkimpact.com.au/wp-content/uploads/2017/12/Think-Impact-SDG-report-2017\\_27112017.pdf](https://www.thinkimpact.com.au/wp-content/uploads/2017/12/Think-Impact-SDG-report-2017_27112017.pdf)



## TWENTY TOP PERFORMING COMPANIES ON THE MEASUREMENT AND REPORTING OF THE SDGS

The below list identifies twenty companies that perform very well in the measurement and reporting of the SDGs. The assessment is based on 14 criteria, under the following three broad themes as well as on the overall quality of report presentation.

- 1. Awareness and Commitment** to the SDGs which includes mention of SDGs in either the annual or sustainability reports; Chair or CEO mention of SDGs; disclosing SDG prioritisation;
- 2. Integrating SDGs into Strategic Decisions** which encompasses adoption of materiality analysis, integrating stakeholder interests in materiality analysis; utilising a materiality; matrix and
- 3. SDGs and Performance Measurement** which involves level of maturity of sophistication of the SDGs to the targets and indicators of SDGs, as well as link to the company's KPIs.

We found the disclosures made by Transurban Group and the ANZ Banking Group to be two outstanding examples of corporate reporting on the SDGs. Nevertheless, there were also many excellent examples of specific practices demonstrated by other companies under the three broad themes. We provide a number of these as case exemplars within the report with brief illustrations.

### Twenty Top Performing Companies (in alphabetic order)

**AGL Energy Limited**

**Amcor plc**

**ANZ Banking Group Limited**

**Aurizon Holdings Limited**

**Brambles Limited**

**Downer Group**

**Fortescue Metals Group Limited**

**Goodman Limited**

**Insurance Australia Group Limited**

**National Australia Bank**

**Northern Star Resources Limited**

**QBE Insurance Group Limited**

**RIO Tinto Limited**

**Sydney Airport**

**Telstra Corporation**

**Transurban Group**

**Westpac Banking Corporation**

**Woodside Petroleum Limited**

**Woolworths Group Limited**

**Worleyparsons Limited**



# Research Findings

## SDG AWARENESS AND COMMITMENT

The mention of the SDGs in a corporate report signals that the company has an awareness and interest in the SDGs. The discourse may involve mere recognition and support statements, or a deeper communication on the company's approach to aligning with selected or all SDGs and the value proposition of SDGs to their business.

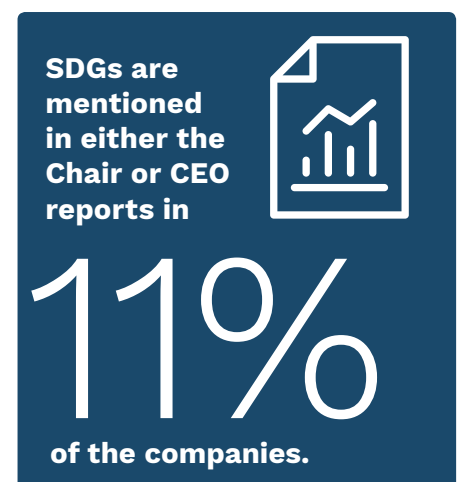
### SDG Acknowledgement in Reports

- Of the ASX150, 56 (37%) of companies mentioned the SDGs in their corporate and sustainability reporting. While a similar proportion of firms (i.e. 40% was found in a study analysing G250 company reports), the study by PwC (2018) involving 729 global companies demonstrated that 72% of companies had mentioned the SDGs. Further, most of the companies that mentioned the SDGs came from the Consumer, Telecommunications, or Materials sectors.
- Only 17 (11%) of the ASX150 mention SDGs in the letters by either the Chair or the CEO. This is lower than that reported by the PwC study whereby 19% of Chair/CEO were found to mention the SDGs, while 39% of the G250 companies Chair/CEO messages addressed the SDGs.

The 'tone at the top' plays a critical role in setting the values and norms on sustainability including the risks and opportunities that the SDGs present. As noted in the recent KPMG (2018) study:

**"discussing the SDGs in the CEO or Chair's message not only sets out the company's direction in relation to critical global issues but also gives a clear signal that the company's action on the SDGs is driven from the very top of the organization".**

Does the company mention SDGs?



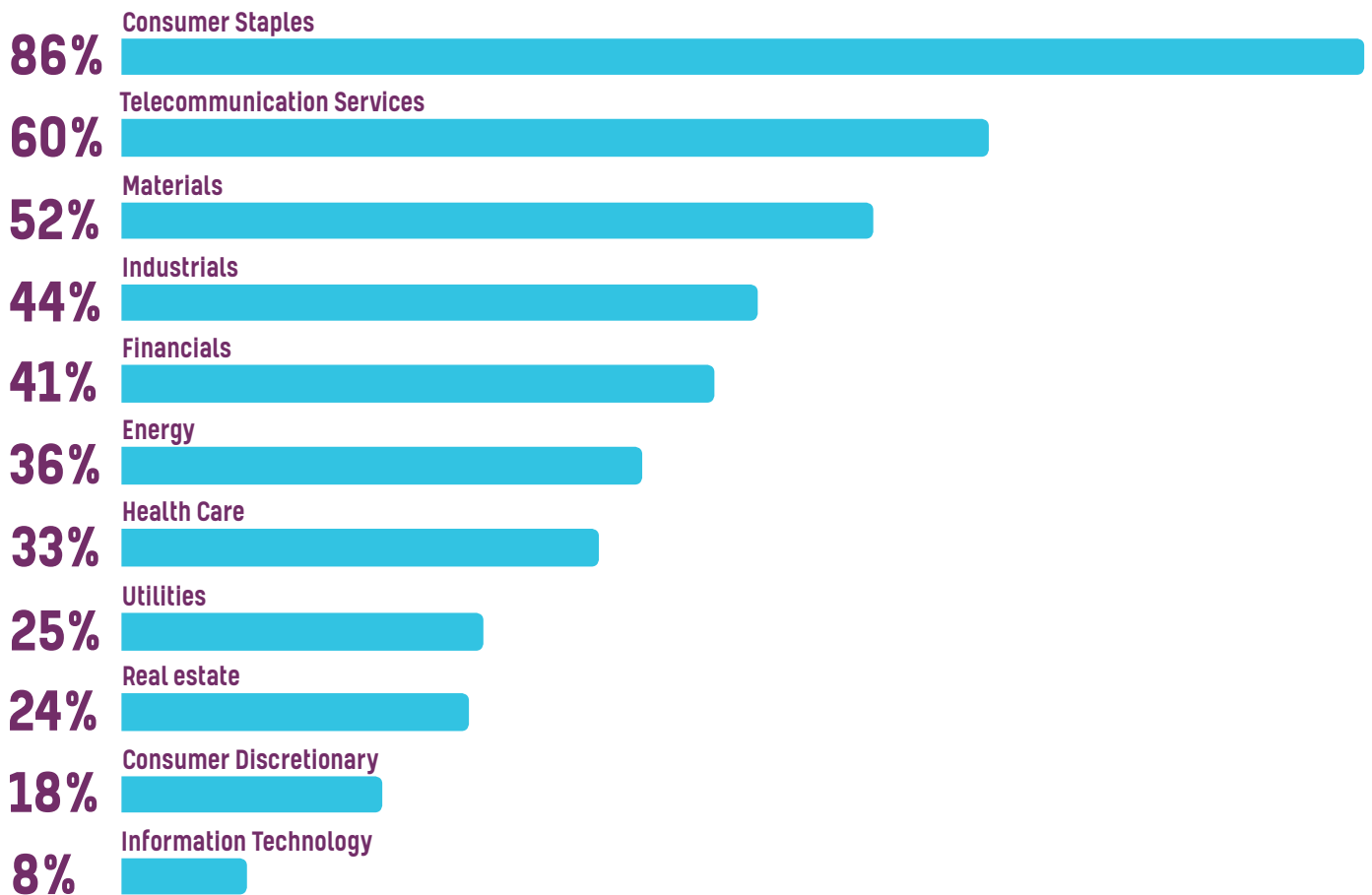
### Governance Oversight

Another signal of a company's commitment to the SDGs is the presence of governance structures and mechanisms to oversee the SDGs. These might include an oversight unit with sustainability expertise, having the SDGs as part of the sustainability assurance scope, having a board member with sustainability knowledge or expertise, and having board member who is responsible for the SDGS and/or sustainability.

**1%**  
of the ASX150 companies specifically identified a specific section or committee to oversee SDG matters

- Around 41% of the ASX150 identified having sustainability committees as a distinct responsible unit to oversee matters in the area. However, only 2 (1%) of those companies explicitly disclosed the SDGs as part of their oversight duties. While we acknowledge that companies may already be implicitly considering the SDGs in their overall approach to sustainability, a more transparent disclosure of their interest and governance over measuring and reporting the SDGs will enhance accountability and transparency.

### Proportion of companies that mention SDG by Sector



## SDG PRIORITISATION

A company generally does not relate to all 17 SDGs and each goal equally. In fact companies are encouraged to identify and focus on those goals that their activities are most likely to have an impact on. There are also variations across industry sectors on how companies choose to prioritise their goals and their selection of the targets. The 17 goals are supported by 169 underlying targets with 232 indicators.<sup>8</sup>

### How do the ASX150 prioritise their SDGs?

- Of the ASX150, 38 (25%) companies disclose how they prioritise the SDGs. In other words, 68% of companies that mention the SDGs also disclose the specific SDGs that they integrate into their business.
- Of the 38 companies that display SDG prioritisation, the majority were from the Materials industry, followed by companies from Financial and Industrials sectors.
- A cross-sectoral analysis shows that (i.e. comparing firms that mention the SDGs within each sector on whether they do or do not prioritise the SDGs), companies in the Telecommunication, Industrials and Financial sectors tend to more actively disclose their SDG prioritisation.



STRATEGIC PILLAR	MATERIAL ISSUE	DEFINITION	RELEVANT SDGS
People	Employee engagement and development	The success of our business is built on our people, therefore we must continue to focus on attracting, retaining and developing talented teams, today and into the future, as the nature of work continues to evolve. This also includes our continued focus on maintaining a safe environment for our team members and customers.	8 DECENT WORK AND ECONOMIC GROWTH
People	Diversity and inclusion	We are committed to creating and maintaining a diverse and inclusive workforce in terms of gender, age, ethnicity, disability, sexual orientation, etc.	10 DECENT WORK AND ECONOMIC GROWTH, 5 GENDER EQUALITY
Planet	Sustainable supply chain	Assessing and managing "ethical" and "responsible" issues embedded within our supply chain and other third-party partnerships, including both social and environmental issues.	2 ZERO HUNGER, 15 LIFE ON LAND
Planet	Waste and packaging	Implementing effective and meaningful waste management strategies, including our activities to help our customers manage their own waste and recycling.	13 CLIMATE ACTION, 7 AFFORDABLE AND CLEAN ENERGY
Planet	Climate risk	Organisational responses to risks of climate change; both physical and transitional.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 15 LIFE ON LAND, 13 CLIMATE ACTION
Prosperity	Corporate conduct and ethics	Maintaining a values-based business with a culture of good governance and ethical conduct, where culture supports the effective functioning of core systems and processes.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Prosperity	Trust in Woolworths Group	We understand the responsibility that comes with the role our business plays in communities across Australia and New Zealand. We put our customers at the heart of everything we do at Woolworths Group and are committed to getting it right, and to make things better when we don't.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS, 17 PARTNERSHIPS FOR THE GOALS
Prosperity	Responsible gaming	Providing a healthy and ethical environment, where customer (and community) interests are protected from the harmful consequences of problem gambling.	10 DECENT WORK AND ECONOMIC GROWTH, 8 DECENT WORK AND ECONOMIC GROWTH
Prosperity	Responsible sourcing and human rights	Upholding human rights across all aspects of our operations, encompassing labour rights associated with our workforce, contractor and third-party relationships and in the supply chain; in addition to protecting rights to privacy for our own workforce and customers.	10 DECENT WORK AND ECONOMIC GROWTH, 1 PEACE, JUSTICE AND STRONG INSTITUTIONS, 8 DECENT WORK AND ECONOMIC GROWTH
Prosperity	Community engagement and development	Sponsoring a meaningful role in the local communities where our businesses operate, including activities to engage, invest and develop local communities.	17 PARTNERSHIPS FOR THE GOALS
Prosperity	Third-party relationships	Partnering throughout the supply chain to build collaborative relationships with suppliers, interest groups, media, government and other stakeholders, for the purpose of delivering sustainable development outcomes.	17 PARTNERSHIPS FOR THE GOALS

### CASE EXAMPLER: Linking strategic areas, material issues and SDG prioritisation.

An example of how a company discloses its the linkages between its business priorities and its prioritised SDGs is one provided by Woolworths in its 2018 annual report, as shown in following diagramme. Woolworths links eleven material issues with SDGs, presenting them in relation to their three strategic pillars called People, Planet and Prosperity.

8. <https://unstats.un.org/sdgs/indicators/indicators-list/>

### Companies that prioritised SDGs at goal level



### SDGs most and least prioritised by the ASX150 companies

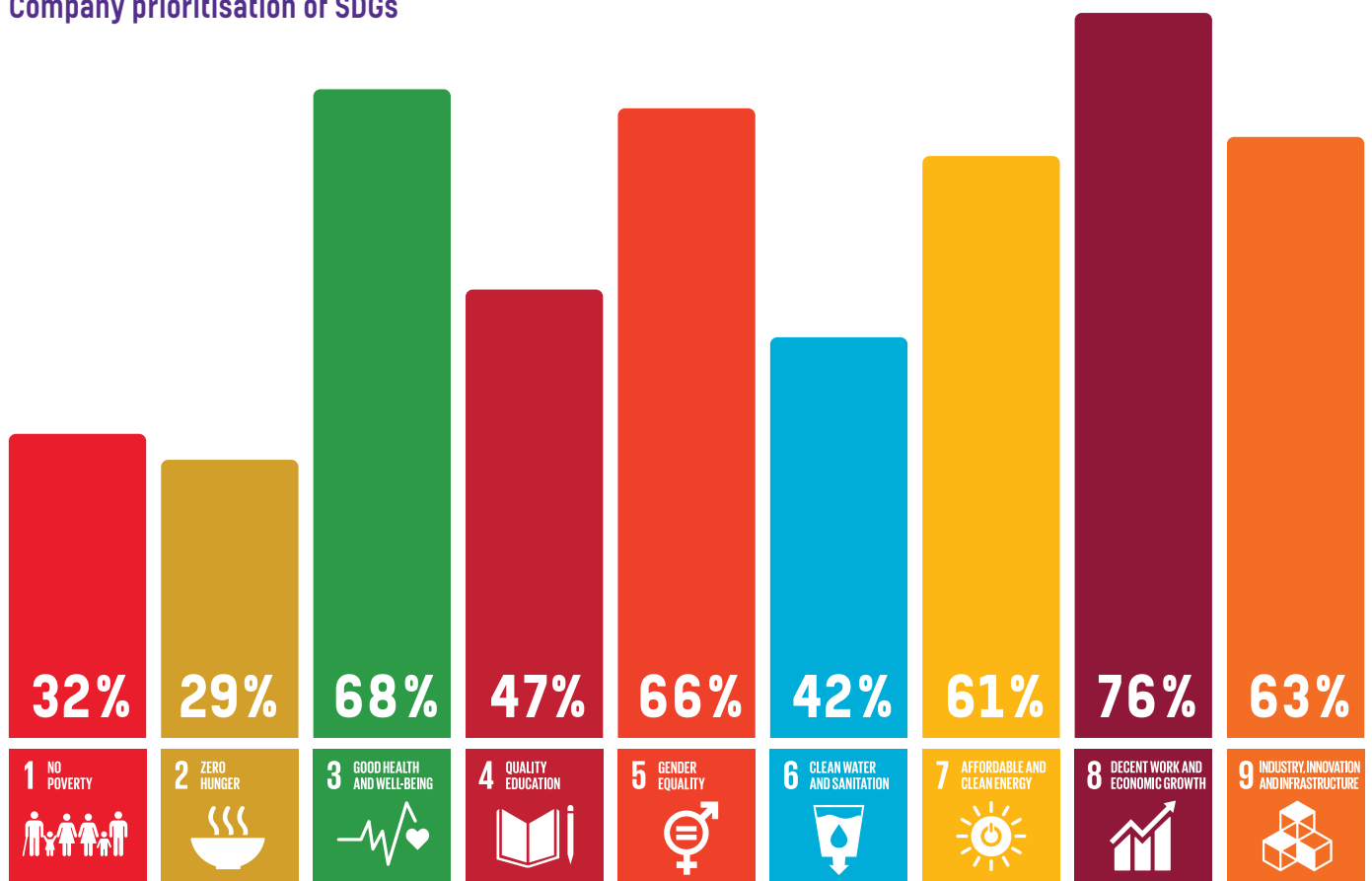
The three most commonly prioritised SDGs (in order) are SDG 13 Climate Action, SDG12 Responsible Consumption and Production, and SDG8 Decent Work and Economic Growth. By contrast the three least prioritised SDGs (in order) are SDG14 Life below water, SDG2 Zero Hunger and SDG1 No Poverty.

Interestingly, the global sample analysis by PWC (2018) identified the most popular priorities as being the same three SDGs prioritised by the ASX150, except the order being: Decent Work on three main SDGs – Decent Work and Economic Growth (SDG8), Climate Action (SDG13) and Responsible Consumption and Production (SDG12).

The KPMG 2018 study of G250 found that around a quarter of the companies studied prioritised up to five SDGs; another quarter prioritised between six and ten SDGs; another quarter prioritised between 11 and 16 SDGs and the final quarter prioritised all 17 goals.

In this study, we found that around 37% of the companies prioritised between six to ten SDGs, 28% prioritised between 1 and 5 goals, four companies (11%) referred to all 17 goals.

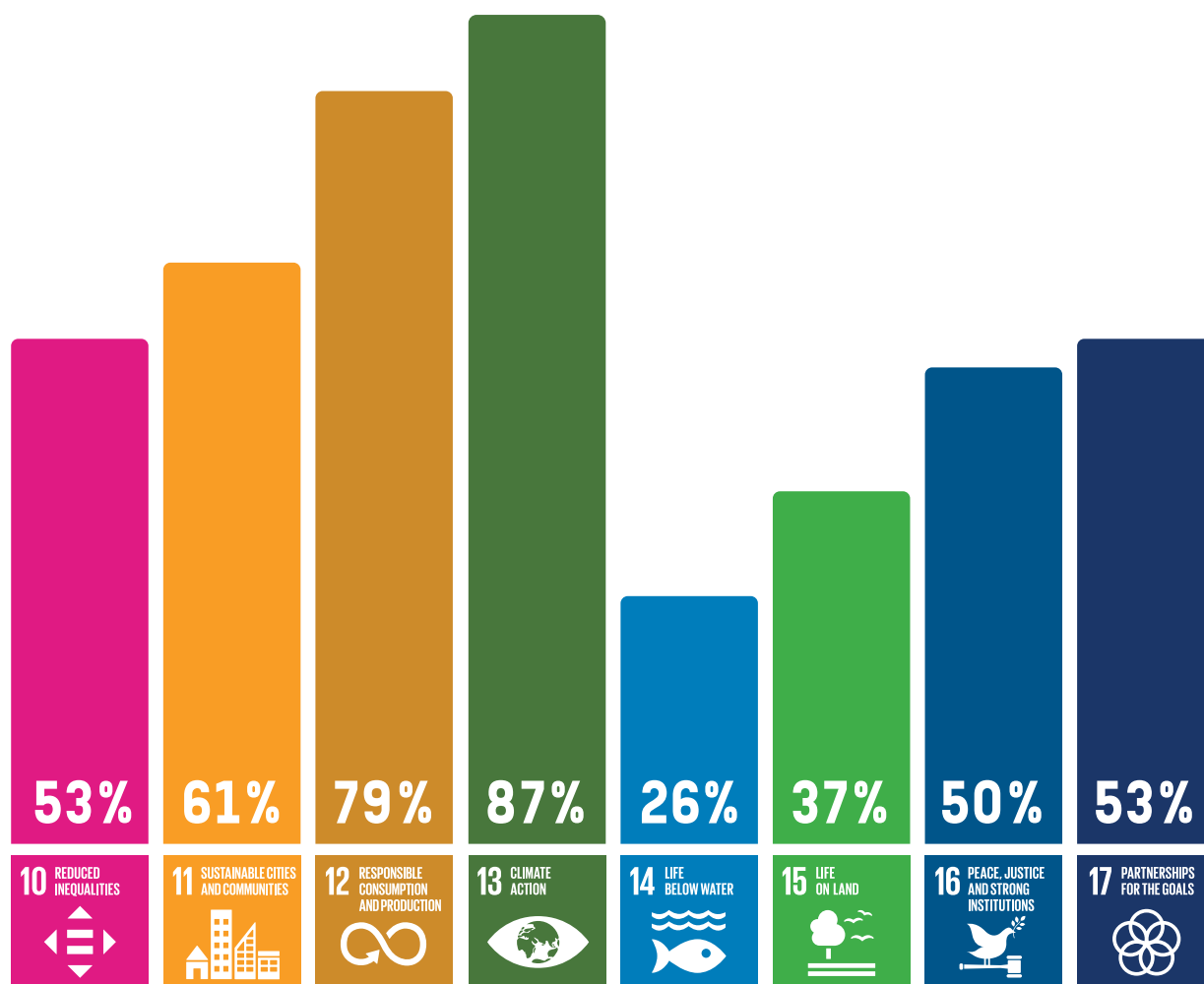
### Company prioritisation of SDGs





**The SDGs define a common framework of action and language that will help companies communicate more consistently and effectively with stakeholders about their impact and performance. The goals will help bring together synergistic partners to address the world's most urgent societal challenges"**

SDG Compass, 2018





# INTEGRATING SDGS INTO STRATEGIC DECISIONS

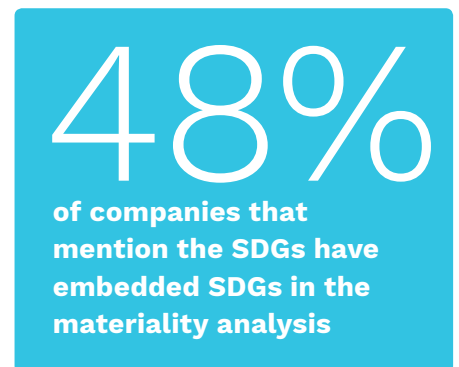
Having a set of prioritised goals directly linked with the SDGs signals to a company's stakeholders that it is serious about its commitment to sustainable development and that it recognises the long-term benefits of aligning purpose and profit. However, prioritisation of the SDGs alone does not mean that a company is actively actioning or having an impact on sustainable development.

For the SDGs to be integrated into a company's strategic thinking, the process of identifying and selecting SDG-related performance goals needs to be undertaken in a systematic and careful manner. Paying attention to both the interests of the company as well as its internal and external stakeholders helps to select impactful SDGs. Further, disclosure of the rationale and means by which the SDGs are prioritised will provide greater clarity on the company's commitment to the SDGs and the potential for investors, civil society and other interested stakeholders to understand what the company's approach to sustainable development involves. Goal clarity and transparency also helps to attract and strengthen relationships with business partners including suppliers and customers in the value-chain who share similar goals.

## MATERIALITY ANALYSIS

In this study, we assessed the extent to which the ASX150 undertook materiality analysis in assessing the relevance and significance of various operational activities, stakeholder engagement and related programmes that potentially contribute to sustainable development. The process of integrating the SDGs in strategic thinking can vary in sophistication from exercising simple managerial discretion to more advanced approaches such as the use of a materiality matrix that takes into consideration the interests of the company's interests relative to that of different internal and external stakeholders.

Our findings indicate the 27 (48%) companies out of the 56 that mentioned the SDGs had embedded SDGs in their materiality analysis. Only four companies reported clearly on how they have integrated the interests of stakeholders in analysis of the SDGs.



## SDGs and Stakeholder Engagement

It is well-accepted that stakeholder relationships are critical for business in the conduct of their activities. Over the years, companies have improved in acknowledging and discussing sustainability programmes and stakeholder interests in them. However, the level of engagement by ASX150 is unclear, predominately due to limited disclosure on the nature, and detail, of engagement with various stakeholders.

A good example on the identification of stakeholder interests in the materiality analysis process is provided by the ANZ Banking Group. A detailed description is given on the process of identifying material issues for the company including material risks arising from the SDGs themselves which were then presented to a variety of stakeholders for their views. The company also employed questionnaire survey and one-to-one interviews were undertaken involving selected key stakeholders – both internal and external to the company. This process subsequently aided identifying potential material issues which then helped to prioritise the SDGs. An excerpt from the annual report of ANZ is presented in diagram (right).

## MATERIALITY MATRIX

One approach by which materiality assessment can be conducted is through setting up a matrix that contrasts the relative importance of selected activities and programmes of the company against its business strategy. It can also assess materiality of its activities relative to internal and external stakeholders' interests and expectations.

In this study, we found that the matrix adopted by Worley Parsons is a good example on disclosing how issues of concern to both the company and its stakeholders are addressed. As shown in the Figure below, Worley Parsons mapped the issues that are most important (across all of its stakeholders) against the issues with the most impact to its business (as determined by its people). Affordable and clean energy ranked quite high in the environmental area, while industry, innovation and infrastructure ranked high from an economic stance.

### CASE EXAMPLER:

#### Identifying Stakeholders' interests in the materiality analysis process (ANZ Banking Group)

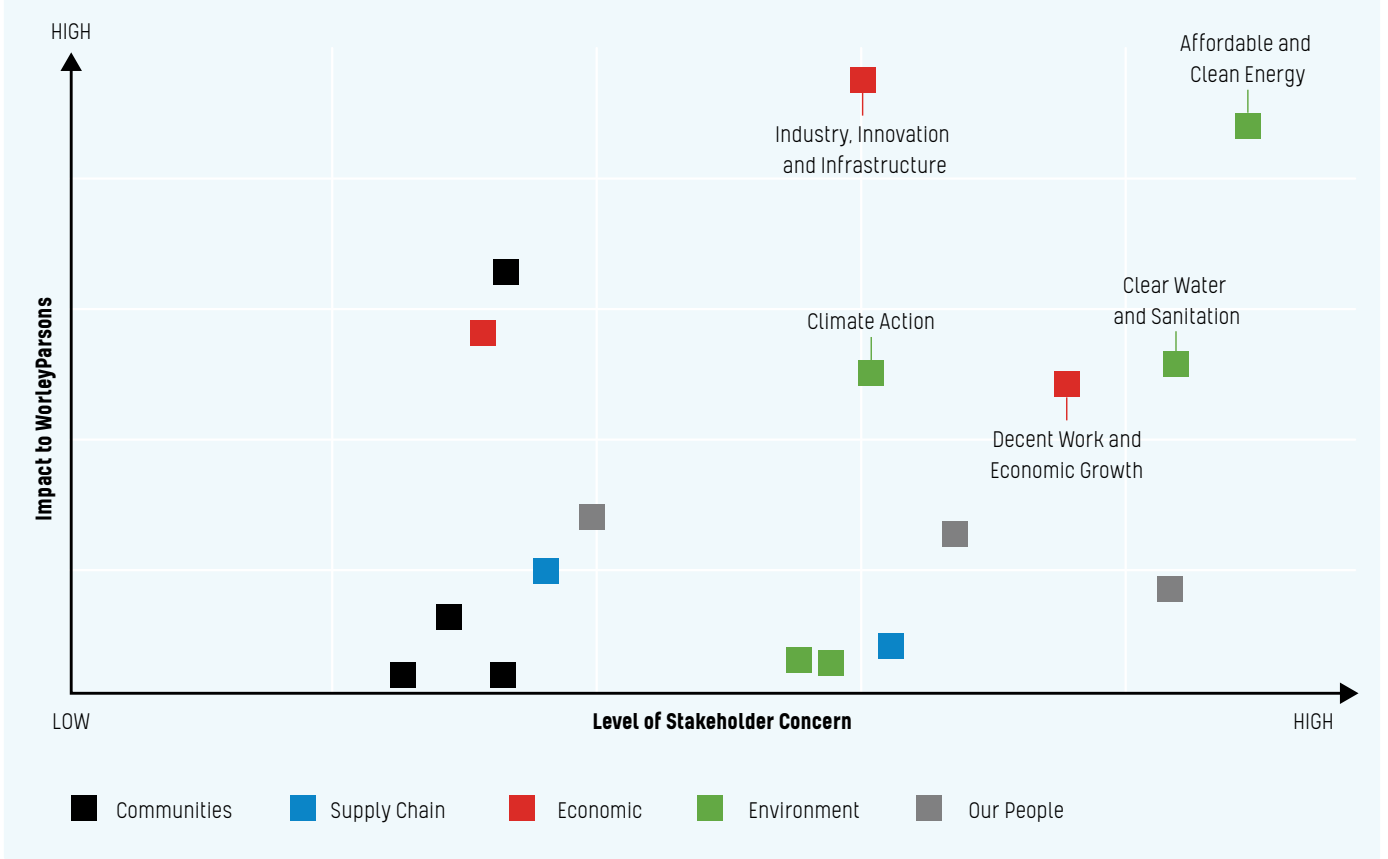
The key steps in our 2018 materiality process:

- compiled a list of potential material issues using a range of inputs, including material risks (see pages 38-39 of the 2018 Annual Report), a media scan, stakeholder feedback, employee surveys, peer review, industry trends and the United Nations SDGs. This resulted in a shortlist of 14 material issues for review and discussion by stakeholders (see complete list on page 11);
- identified a representative sample of stakeholders for consultation on the relative importance of these issues. This included a cross-section of senior ANZ employees as well as external stakeholders, with geographic spread across Australia, New Zealand and Asia. Internal stakeholders included risk, business governance and regulatory affairs, customer operations, technology, communications and public affairs, human resources, branch managers, business bank and 'C suite'. External stakeholders included investors, business customers, consumer bodies, industry associations and a range of NGOs focused on social and environmental issues;
- selected stakeholders completed a short survey providing quantitative data on the relative priority of the issues. Stakeholders were asked to rank the list of issues according to their importance and to discuss their 'top three';
- undertook one-on-one interviews with 29 stakeholders providing qualitative content, informing our understanding of the current and future context of each issue, including the potential for it to impact our value creation over time; and identified a prioritised list of material issues and the context behind each.

ANZ 2018 Sustainability Review, page 10



**CASE EXAMPLER:**  
**Disclosure of Materiality Matrix Worley Parsons**  
**(Annual Report, 2018)**





# SDGS AND PERFORMANCE MEASUREMENT

Performance measures for the SDGs not only facilitate managers to recognise and plan for sustainable development impact, but also act as a guide against which goals and outcomes can be compared. At the business level, a company may not only identify goals but set targets in relation to those goals and associate one or more indicators with the set targets.

For example, if a company involved in the building industry had chosen to prioritise SDG 12 Ensure sustainable consumption and production patterns, it may elect to set targets on its use of environmentally friendly products. Subsequently, it may choose to adopt the number of suppliers who are certified as being environmentally friendly as an indicator of impact.

Aligning business performance indicators and targets with the SDGs also allows companies to demonstrate their contributions to the global 2030 Agenda (i.e. the United Nation's 2030 Agenda for Sustainable Development). Capturing these contributions both in quantitative and qualitative terms becomes critical for demonstrating impact on the SDGs in a transparent and rigorous manner.

## In this study, we found that:

- Nine (16%) companies out of the 56 mentioning the SDGs in their reports have set and aligned business performance targets and indicators with SDGs at the goals level.
- Six (11%) of them have provided historic performance data associated with SDGs
- Four (7%) of companies have aligned their targets and indicators with SDG targets level.

Most of the ASX150 that mentioned SDGs, including those that prioritised the SDGs, did not appear to link their business performance targets and indicators with the SDGs. This is an opportunity for Australian companies to demonstrate their commitment to the SDGs by publicly disclosing how their strategy and sustainable development goals align to the SDGs; and to ensure that they are disclosed in a manner that aligns to international practices on measurement and disclosure.

# 16%

**companies out of the 56 mentioning the SDGs in their reports have set and aligned business performance targets and indicators with SDGs at the goals level.**

## Linking SDGs to targets/programs

Noting that the SDGs are still considered to be relatively new in sustainable development disclosure, in 2018 there were few companies that had reported on their progress on their priority SDGs. However, one good example is that by National Australia Bank (NAB); as illustrated in the diagram below. NAB's 2018 Sustainability Report sets targets that align to, and support, the SDGs. Targets and commitments aligning with the SDGs, and progress towards them is shown in the following extract from the report.

The recent study by Think Impact (2018) of the ASX20, based on financial reports in year ending 2017, found that none of the companies had provided information regarding potential impacts at the SDG targets and indicators levels. In most cases, potential impacts have been provided only at the goals level.

### CASE EXAMPLER:

#### National Australia Bank

## 2018 SCORECARD – PROGRESS AGAINST OUR TARGETS

We've set targets and commitments to help us achieve better business and social outcomes. These targets support the United Nations Sustainable Development Goals (SDGs) pathway to a stronger future – for people and the planet. More information about the SDGs is [online here](#). In this table, we've outlined how our targets and commitments align with the SDGs, and our progress towards them.

TARGET/COMMITMENT	SUSTAINABLE DEVELOPMENT GOALS	2017	2018	PROGRESS
<b>NPS priority segment scores:</b> To be #1 major Australian bank and net positive		-12 #1 Aust major bank <sup>1</sup>	-16 #2 Aust major bank	↓
<b>Employee engagement:</b> To be in the top quartile globally, with a 68% engagement rating		59%	54%	↓
<b>Environmental financing:</b> To provide \$55 billion in environmental financing over 10 years (from 2015-2025)		\$13.4bn	\$22.9bn	↑
<b>Our Group environmental operational targets (from 2015 base year):</b> a) Science-based GHG emissions (tCO <sub>2</sub> -e) – 21% reduction by 2025 b) Energy use (GJ) – 5% reduction by 2020 c) Office paper (tonnes) – 10% reduction by 2020 d) Customer eStatements – 50% of all statements by 2020 e) Water use (kL) – 10% reduction by 2020 f) Waste to landfill (tonnes) – 5% reduction by 2020 g) Data Centre Power Usage Effectiveness – average below 1.5 by 2020.	 	a) 7% reduction b) 5% reduction c) 20% reduction d) 54% uptake e) 3% reduction f) 8% reduction g) 1.48	a) 12% reduction b) 8% reduction c) 36% reduction d) 59% uptake e) 6% reduction f) 23% reduction g) 1.40	↔
<b>Our Group supplier sustainability targets:</b> 90% of material suppliers <sup>2</sup> comply with our Global Supplier Sustainability Principles (GSSPs) and 100% of new/re-contracted suppliers assessed for Environmental, Social and Governance (ESG) risks each year		GSSP 90% ESG 100%	GSSP 88% ESG 100%	↔
<b>Gender equality:</b> 40 – 60% of either gender represented at all levels of the business by 2020		54% female overall 31% female in executive management	52% female overall 31% female in executive management	↓
<b>Volunteering:</b> 50% increase in volunteering days on prior year (2017)		16,115 days	15,397 days	↓
<b>Microfinance:</b> 100,000 microfinance loans for low income Australians per year by 2019 <sup>3</sup>		27,147 loans	31,743 loans	↓
<b>Indigenous Inclusion:</b> 70 Indigenous Australian traineeships per year		86	84	↔

1 Home Owners priority segment changed to HL@bank in 2018. It was previously customers with a Home Loan at any bank. 2017 figure has been restated.  
2 Refer to Glossary for definition of material suppliers.  
3 Delivered in partnership with Good Shepherd Microfinance (Australia).

# Concluding Remarks

Australian companies have, for many years, invested in sustainable development through various environmental projects, community initiatives and business innovations. The SDGs that were introduced in 2015 have now given a common lens through which businesses can disclose their contribution to sustainable development. However, recent studies suggest that SDG measurement and reporting practices by businesses globally is still developing.

The findings of this study indicate that the level of public disclosure and reporting on the SDGs by the ASX150 has room for improvement. While it is encouraging to see a number of companies displaying high quality reporting, the extent of awareness and commitment to the SDGs, and their integration with business strategies remains relatively limited and unclear. Not surprisingly, we found that few of the ASX150 disclose measurable business performance targets related to the SDGs and that there were few examples of companies that directly links their own performance to the SDG's targets and indicators. Nevertheless, there are some strong examples of actions and contributions to the SDGs. Some of these are also found at knowledge sharing sites such as the GCNA's SDG hub (<https://sdgs.org.au>).

The results of this study amplify the need for more robust measurement and reporting systems that can support Australian companies take advantage of the many opportunities presented by the 2030 Agenda. It is timely that companies review and reflect upon their approach to strategy-making and their business models in order to enhance their impact on the SDGs and to take the opportunities presented in developing a more sustainable economy and society.

Finally, there are several caveats related to this study, and the results need to be interpreted with care. First, the study did not include a review of company websites or any other social media outlets. The review involved annual and sustainability reports for one year (year-ending in 2018) and did not report on any systematic changes in trends over time. It is likely that since the formal adoption of the SDGs that the interest and uptake in supporting the 2030 Agenda has increased; however this is yet to filter through to disclosure in annual reports or sustainability reports in a common manner. Albeit, such information will provide information investors and other stakeholders, including the Australian Government who need to report on its progress against their commitment to the SDGs.

## Looking Ahead

There are just over ten years left for the UN member states to reach the goals set to achieve the SDGs. Australian businesses have an opportunity to strongly contribute to Australia's progress against the SDGs, including disclosing publicly how they have implemented the SDGs in their strategy, and operationalised the Goals. Our aim is that this report will further encourage dialogue, action and transparency on the SDGs so that businesses and a wider set of actors — civil society, government, investors and academic - can better engage with the SDGs and contribute to the overarching goal to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.



**Business is a vital partner in achieving the Sustainable Development Goals. Companies can contribute through their core activities, and we ask companies everywhere to assess their impact, set ambitious goals and communicate transparently about the results."**

Ban Ki-moon, Former United Nations Secretary-General



Network Australia