

## Examples of Corporate Reporting Practices

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# Linking the Companies' Prioritized SDGs to Their Materiality Assessment



**Business  
Reporting on  
the SDGs**

### About This Series

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

This paper showcases the way in which Eastman Chemical and Natura &Co disclose how the identification of SDG priorities have been connected to their materiality process.

See also box 3 of the [Practical Guide](#) on “How these steps relate to the GRI standards (1/2)” for further information on how to report on this area.

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## EXAMPLE 1

**COMPANY:** Eastman Chemical Company

**YEAR OF REPORT:** 2018

**COUNTRY:** United States of America

[\*\*LINK TO REPORT\*\*](#)

**SECTOR:** Chemicals

### Eastman Chemical Company Integrates the SDGs into Its Materiality Matrix

The 2018 Eastman Chemical Company report discloses the company's materiality assessment, addressing the material topics the company and its stakeholders have identified. Using an infographic, refer to [Figure 1](#), Eastman Chemical Company displays the topics which are prioritized according to "Focus for Stakeholders" and "Focus for Eastman" along a materiality matrix. The top right-hand corner of the matrix indicates the material issue's importance to the company and its stakeholders; the closer to the corner an issue is, the greater importance. For example, "Climate Change" is identified as a greater priority by both the company and stakeholders than "Biodiversity." Each material topic identified is then linked to the relevant SDG.

Using the material topic "Financial Return" as an example, Eastman Chemical Company links the topic to Goal 8 on Decent Work and Economic Growth. When the topic has an impact on more than one SDG, the company interlinks multiple SDGs which correspond with the material topic. For example, for the topic "Population Growth/ Aging," the company links it to Goal 3 on Good Health and Well-being, Goal 8 on Decent Work and Economic Growth, Goal 10 on Reduced Inequalities and Goal 11 on Sustainable Cities and Communities. The company displays a "Matrix key" alongside the graph to differentiate each material topic into either "Environment," "Social" or "Governance" issues.

**FIGURE 1: INFOGRAPHIC FROM EASTMAN CHEMICAL COMPANY'S REPORT DISCLOSING ITS MATERIALITY ASSESSMENT<sup>1</sup>**

## Stakeholder priority assessment *(continued)*



<sup>1</sup>Eastman Chemical Company, Sustainability Report 2018 (2018), p. 10.

## EXAMPLE 2

**COMPANY:** Natura &Co

**COUNTRY:** Brazil

**SECTOR:** Household and personal products

**YEAR OF REPORT:** 2018

[\*\*LINK TO REPORT\*\*](#)

### **Natura &Co Discloses Its Material Topics and Links Them with the SDGs**

The report displays a materiality table, which uses the GRI standards to outline Natura &Co's economic, environmental and social performance in different areas. [Figure 2](#) illustrates a snapshot of this table, disclosing six material topics the company has identified. Under "Topic," the company discloses the material topic it has identified in its materiality assessment, such as "Diversity and Equality" or "Climate Change." The table includes a detailed description for each material topic.

Natura uses the materiality table to link each material topic with its business operations, activities, services and products under "Where

it occurs GRI 103-1." These include both the positive contribution and the potential negative impacts Natura &Co's activities have towards the topic. The table links the materiality topic to the relevant SDG under "Correlation with the SDGs." Using the topic "Water" as an example, Natura &Co links this material topic to Goal 6 on Clean Water and Sanitation. Where the topic corresponds with more than one SDG, the SDGs are interlinked. For example, for the topic "Diversity and Equality," the company links Goal 5 on Gender Equality, Goal 8 on Decent Work and Economic Growth and Goal 10 on Reduced Inequalities.

**FIGURE 2: TABLE FROM NATURA & CO'S REPORT DISCLOSING ITS MATERIAL TOPICS AND THEIR CORRELATION WITH THE SDGS<sup>2</sup>**

Materiality GRI 102-43, 102-44, 102-46, 102-47, 103-1

Topic	Description	Where it occurs GRI 103-1	Related aspects and indicators	Correlation with the SDGs
Water	Relative reduction in consumption and pollution of water throughout the value chain and neutralization of water impact.	<ul style="list-style-type: none"> <li>_Water sources and environment</li> <li>_Supplier communities</li> <li>_Operational units</li> <li>_Society in general</li> <li>_Consumers (use and post-consumer disposal)</li> </ul>	<ul style="list-style-type: none"> <li>_Water</li> <li>_Effluents and waste</li> </ul> <p><b>GRI 303-1, 303-2, 303-3, 306-1 and 306-5</b></p>	SDG 6. Clean water and sanitation
Diversity and equality	Progress in promoting equality in the work environment, in particular concerning gender and women's participation in leadership	<ul style="list-style-type: none"> <li>_Employees</li> </ul>	<ul style="list-style-type: none"> <li>_Diversity and equality of opportunities</li> </ul> <p><b>GRI 405-1, 405-2</b></p>	SDG 5. Gender equality SDG 8. Decent work and economic growth SDG 10. Reduction in inequalities
Education for the development of co-workers and consultants	Development of the consultant network and co-workers, including measures to promote improvements in public education.	<ul style="list-style-type: none"> <li>_Natura Beauty Consultants</li> <li>_Employees</li> <li>_Instituto Natura</li> <li>_Society in general</li> </ul>	<ul style="list-style-type: none"> <li>_Indirect economic impacts</li> <li>_Training and education</li> </ul> <p><b>GRI 203-1, 203-2, 404-1 and 404-3</b></p>	SDG 4. Quality education
Generation of work and income	Support for the development of Natura consultants and supplier communities	<ul style="list-style-type: none"> <li>_Natura Beauty Consultants</li> <li>_Supplier communities</li> </ul>	<ul style="list-style-type: none"> <li>_Indirect economic impacts;</li> </ul> <p><b>GRI 203-1, 203-2</b></p>	SDG 1. Eradication of poverty SDG 5. Gender equality SDG 8. Decent work and economic growth SDG 10. Reduction in inequalities
Climate change	Reduction of greenhouse gas emissions throughout the value chain and neutralization by means of projects that incorporate social benefits.	<ul style="list-style-type: none"> <li>_Suppliers</li> <li>_Freight haulage operators</li> <li>_Operational units</li> <li>_Environment</li> </ul>	<ul style="list-style-type: none"> <li>_Economic performance</li> <li>_Emissions.</li> </ul> <p><b>GRI 201-2, 305-1, 305-2, 305-3, 305-4, 305-5 and 305-6</b></p>	SDG 13. Combating climate change
Waste	Development of packaging that has a lower environmental impact and promotes conscious consumption.	<ul style="list-style-type: none"> <li>_Product conception</li> <li>_Operational units (zero dejects)</li> <li>_Freight haulage operators</li> <li>_Recyclable material cooperatives</li> <li>_Consumers (post-consumer disposal)</li> <li>_Environment</li> </ul>	<ul style="list-style-type: none"> <li>_Materials</li> <li>_Effluents and waste</li> <li>_Products and services</li> </ul> <p><b>GRI 301-2, 306-2 and 301-3</b></p>	SDG 12. Responsible consumption and production



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<sup>2</sup>Natura &Co, Natura 2018 Annual Report (2019), p. 108.