

Enterprise Action 10. Disclose how responsible business practices, sustainability and contributing positively to the SDGs are integrated into decision-making and report on performance

Action is mapped to practice indicators as follows:

- ✓ Disclose/report in line with the Sustainable Development Goal Disclosure (SDGD) Recommendations, Stakeholder needs, and relevant laws and regulations (3.1, 3.3, 3.5)
- ✓ Communicate impact performance consistently and in context (3.2)
- ✓ Disclose policies concerning human rights and other responsible business practices (3.4)
- ✓ Have impact/ sustainability reports assured and implement recommendations (3.6)

Guidance notes can be found below:

- ✓ **Disclose/report in line with the Sustainable Development Goal Disclosure (SDGD) Recommendations, Stakeholder needs, and relevant laws and regulations (3.1, 3.3, 3.5)**

Guidance Note 3.1

External reporting

External reporting should cover narrative reporting on how the enterprise integrates sustainability and the SDGs into its decision making, and impact performance consistent with the requirements about performance, including measurement of progress against ambitious and rigorous targets. Where any material gaps have been identified, the report should include a plan for addressing these gaps.

The report should address the principles of SDG disclosure in the Sustainable Development Goal Disclosure Recommendations, which are embedded in the relevant practice indicators throughout the Standards. The recommendations cover sustainability issues which for the purposes of the SDG Impact Standards refer to changes in well-being of people and planet caused by the activities of the reporting enterprise. As set out in Guidance notes 2.2.3 and 2.3.2, the risk of using other metrics for decision making should also be disclosed as part of the connectivity principle.

Guidance Note 3.3

Reporting reflects stakeholder needs

The enterprise's reporting process should explain how the needs of stakeholders have been reflected for both completeness and accessibility of the information. Materiality identifies what is material to a group of people for a purpose so the report must be clear on the intended audience and their purpose and what is material to them. Recognizing that other groups may access and use the information, the report should address the risks of other uses.

The primary user for the SDG Impact Standards is the UNDP acting in the interests of people’s human rights and well-being. The purpose is to contribute positively to sustainability and the SDGs and to increase that contribution. The implications of any variation from that audience and purpose must be addressed in the report together with a plan for addressing the variation.

Guidance Note 3.5

Additional guidance not provided.

- ✓ **Communicate impact performance consistently and in context (3.2)**

Guidance Note 3.2

Applying the ABC impact classifications to individual impacts not aggregated impacts

Within the context of these Standards, the ABC impact classifications are applied to describe and summarise the nature and depth of each impact – not to combine several material impacts to categorize the enterprise, business lines or projects as a whole.

- ✓ **Disclose policies concerning human rights and other responsible business practices (3.4)**

Guidance Note 3.4

Public policies and disclosure

Disclosure on both policies and performance should be consistent with the remainder of these Standards. Any gaps should be reported as outlined in 3.2.3 and 2.3.2 together with a plan for addressing those gaps and the implications of any gaps for decision making should be recognized.

- ✓ **Have impact/ sustainability reports assured and implement recommendations (3.6)**

Guidance Note 3.6

External assurance

Where there is external assurance, the approach to assurance should be consistent as set out in the Standards. It should

- address the approach to stakeholder engagement and the material completeness of the positive and negative impacts resulting from the activities of the enterprise.
- refer to an existing assurance standard or equivalent approach as a basis for determining the work carried out providing assurance against a documented reporting framework or existing reporting standard.

Where this is not the case, or where there is no assurance, the enterprise, in giving its reasons:

- recognizes the risks of self-reporting or restricted assurance on the completeness of the positive and negative impacts experienced as a result, and
- that these risks include suboptimal impact including higher levels of negative impact than could be caused, including impacts that exceed international norms or planetary boundaries.