

STRENGTHENING STAKEHOLDER ENGAGEMENT WITHIN CORPORATE SUSTAINABILITY REPORTING

INTRODUCTION

- Corporate Sustainability Reporting Directive (CSRD) mandates disclosure of environmental, social, and governance performance by more companies starting in 2024
- European Sustainability Reporting Standards (ESRS) require detailed disclosure of stakeholder engagement practices
- CSRD may bring benefits but also pose challenges for stakeholder relationships
- This study classifies the stakeholder engagement methods of the German Transmission System Operator 50Hertz and investigates its stakeholders' preferences and needs

METHODOLOGY

- Qualitative case study approach
- Eight semi-structured interviews in a video-call setting lasting 30 to 45 min
- Purposive sampling: internal and external stakeholders affected by the case company's ESG impact areas
- Abductive method of analysis

DISCUSSION AND CONCLUSION

INTERNAL STAKEHOLDERS

- All interviewees actively involved in corporate sustainability reporting
- Preference for a balanced or informative approach
- Only in the social impact area, active involvement is seen as vital

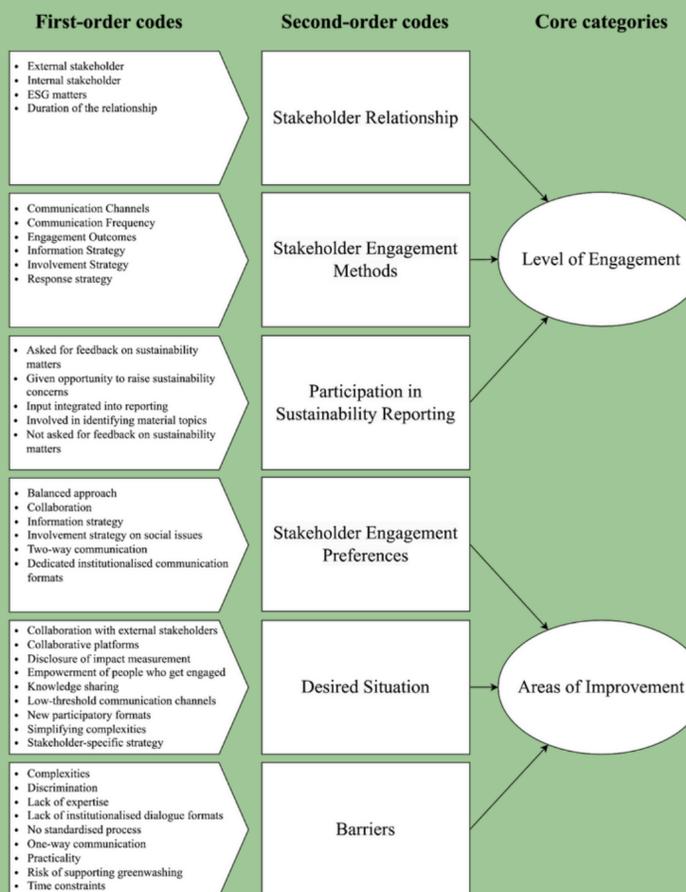
EXTERNAL STAKEHOLDERS

- No interviewee actively involved in corporate sustainability reporting
- Most interviewees consulted on and involved in corporate sustainability activities
- Contentment with current methods with a preference for collaborations

- Standardising materiality assessment with closer employee involvement through low-threshold internal communication channels
- Encouraging social engagement by offering to dedicate working hours to community service or donate working hours
- Establishing fixed dialogue formats for open and constructive discussions on socially sensitive issues with external professional support

- Adopting a qualitative approach with carefully selected stakeholders, interviewed based on their expertise and relevant issues
- Developing stakeholder platforms to alleviate resource deficiencies
- Building alliances through collaborations and knowledge sharing
- Creating new and genuine participatory formats with networking opportunities
- Following an educative approach and enhancing transparency

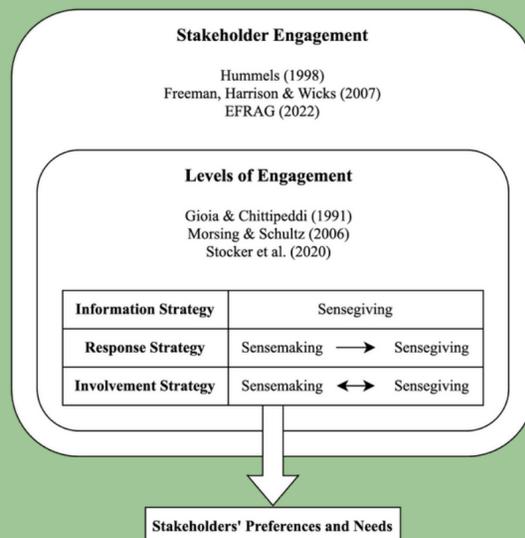
RESULTS



“ How can companies enhance their stakeholder engagement processes within corporate sustainability reporting? ”

THEORETICAL FRAMEWORK

- Stakeholders are those who can affect or are affected by the achievement of an organisation's objectives (Freeman, 1984)
- Stakeholder engagement is an iterative problem-solving process that involves interaction, dialogue, and response to stakeholders' interests and concerns, aiming for continuous improvement (Hummels, 1998; EFRAG 2022)



A stakeholder-specific approach tailored to the stakeholder group, their interests, needs, and expertise might enhance corporate stakeholder engagement within sustainability reporting. Using stakeholder platforms could facilitate stakeholders' desire for co-creation and knowledge sharing while tackling time and capacity constraints.