



## News of Interest

### **Corporate Sustainability Issues on the Rise**

According to accounting firm Ernst & Young, we can expect continued growth of sustainability-focused shareholder resolutions. Since 2000, the number of such resolutions, which encourage companies to publish corporate sustainability reports (CSRs), has climbed by nearly 40 percent with most focusing on environmental and social issues.

The first CSRs, which measure, monitor and report on steps a corporation is taking to have a more positive impact on society, economy and the environment, began in the late 1980s. They are typically published for a number of reasons, but at their core, a CSR is to provide transparency and accountability to shareholders, investors and local communities.

According to Ernst & Young's Ann Brockett, "As shareholder resolutions related to climate change and other environmental issues increase, more progressive, forward-thinking companies [are preparing CSRs] to address these concerns."

However, many companies are not exactly sure how to go about creating a CSR, says Stephen Ashkin, chief executive officer of Sustainable Dashboard Tools, LLC. To address this, he suggests the following initial steps:

- First, top executives and corporate boards must be solidly behind a CSR program.
- A committee should be created to oversee the program and evaluate its opportunities as well as possible challenges for the

company.

- The committee should determine which environmental, social, and sustainability issues are most relevant to the company now and in the future.
- Employ new technologies that can measure and monitor such issues as an organization's greenhouse emissions, energy, water, and fuel consumption.
- Regularly publish internal sustainability reports.

"The internal reports can grow into official CSRs," Ashkin says.

"Along with providing greater transparency, a positive and improving CSR is an indication [that a company] is operating more efficiently, which typically means it is also operating more cost effectively."