



BSR Conference 2008 | Sustainability: Leadership Required Reporting as a Conversation Starter

Breakout Session Summary

Wednesday, November 5, 2008 | 2-3:30 p.m.

Speakers

- **James Farrar**, Vice President of Corporate Citizenship and Global Communications, SAP AG
- **Beth Ginsberg Holzman**, Manager of CSR Strategy and Reporting, Timberland Company
- **Mark Heintz**, Senior Manager of Stakeholder Relations, HP (moderator)

Highlights

- Corporate Social Responsibility (CSR) reporting provides an opportunity and forum to engage with stakeholders on a company's performance. Stakeholder involvement in this process adds transparency, creates accountability, and informs the company's overall CSR strategy.
- The days of printed CSR reports are coming to an end. Companies need to be thinking about how to create a truly dynamic report that reflects the company's culture and also gives the company a competitive advantage. Companies must stretch their thinking and consider all the ways in which CSR information and performance can be received by different audiences.

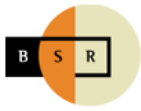
Memorable Quotes

- "Our stakeholders really push us towards stronger performance targets, and hopefully towards improvements . . . We're allowing stakeholders to hold us accountable and they're pushing us to raise the bar time and time again." —Beth Ginsberg Holzman, Timberland Company
- "The future of reporting is guaranteeing assurance to your stakeholders on what your contribution is to global sustainable development." —James Farrar, SAP AG
- "Reporting is a journey. For every company, whether you're at the beginning of your journey, it's a continually dynamic process." —Beth Ginsberg Holzman, Timberland Company

Overview

Heintz began the session by taking a familiar topic—CSR reporting—and establishing its role in furthering stakeholder engagement. CSR reports are quickly evolving beyond





Business for Social Responsibility

traditional printed reports. There are now unique opportunities for stakeholders to engage in dialogues about a company's CSR report, agenda, and performance.

In discussing the value of stakeholder engagement and the role that reporting plays, Holzman discussed how the combination of the two builds trust and accountability, as well as informs the development of Timberland's CSR program. Farrar reinforced this point by adding that stakeholder involvement helps SAP AG prioritize its corporate sustainability responsibilities and identify its responsibilities as a provider.

Heintz then discussed how stakeholders contribute to the development of products and policies. According to Heintz, stakeholder engagement adds credibility to programs, increases a company's competitive advantage, and expands a company's sphere of influence through stakeholder networks.

Holzman then talked about efficient methods for formatting reports as well as what content to include in reports. She said that the most diligent, critical report readers are looking for concrete, detailed impact and program information. Currently, such detail is not included in reports out of fear of making the report too long and less accessible to a broad audience. She is optimistic that new mediums for stakeholder engagement will make the reporting process less onerous for the company while also making reporting more powerful. Farrar gave two examples of ways to use new mediums to invite stakeholder feedback: online feedback forums and online voting on sustainability issues.

Holzman emphasized that stakeholders have the power to push companies to be accountable. When given the opportunity to voice their opinions, stakeholders made broad assertions about what they thought companies should be doing. This information provided companies with a valuable opportunity to reevaluate their strategies.

Both Farrar and Holzman agreed that the most accessible information is current and relevant. Timberland, for example, issues their quarterly CSR performance information online along with their financial reporting to show that they value their sustainability initiatives in the same way as they do their business. Stakeholders are also given the opportunity to comment. This ongoing feedback makes the reporting process meaningful for the company.

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This summary is also available on www.bsr.org/bsrconferences/2008/session-summaries.cfm.

