



SUSTAINABILITY REPORTING IN THE INFORMATION AGE

By Tiffany Goebel, PE, and Candice Derks-Wood, LEED AP

You've heard it before — we live in an information-driven society. Consumers want to know everything about products they're buying, services they're using and locations they're visiting. They ask questions about corporate sustainability practices.

In response, companies, organizations, nonprofits and even municipalities have begun publishing corporate sustainability reports. Airports and airlines are encountering increased interest from stakeholders and, in some cases, pressure to report on how they reduce their environmental impact and contribute to the betterment of the communities in which they operate. Fortunately, there are many proven approaches available for sustainability reporting.

BENEFITS

Improving Image. Communication about corporate sustainability practices can improve a company's image and increase participation in related programs. Being transparent about performance establishes credibility with investors, customers, employees, community members, environmental organizations and other interested stakeholders.

For some, sustainability reporting tends to be reactive, offsetting negative press coverage or proxy movements. For these groups, sustainability reporting provides a direct response and improves overall image. For many others, sustainability reporting is a proactive measure to engage stakeholders. These companies and organizations often gain benefits beyond image enhancement. The in-depth examination intrinsic to sustainability reporting leads many companies to strengthen their codes of conduct, policies, practices and management systems.

Reaching Stakeholders. Through sustainability reporting, airports and airlines have an opportunity to communicate better with a broad range of stakeholders. Reports can be tailored to appeal to each stakeholder's interest.

Customers typically are most interested in eco-friendly improvements in terminals and aircraft, including recycling programs.

Airline shareholders, taxpayers and other financial contributors want to know that sustainability efforts are fiscally responsible. Many reports demonstrate the competitive advantage resulting from sustainability initiatives.

Environmental organizations inquire about how much an airline's or airport's business affects the environment and what it's doing to minimize that impact. To appeal to these stakeholders, reports can include a greenhouse gas inventory, an energy usage study or a waste stream audit to establish a baseline and track progress. Charting progress toward goals, whether achieved or not, and including descriptions of specific projects undertaken to reach these goals can increase an organization's credibility substantially.

Employees are often key participants in the implementation of sustainability initiatives, so they are eager to see stories about employee involvement and employee-driven efforts.

By reporting on these issues and inviting feedback, sustainability reporting provides a valuable means of strengthening stakeholder relationships.

MOTIVATING PERFORMANCE

Sustainability reporting promotes the establishment of benchmarks and goals. Publicizing these goals shows commitment, and tracking year-to-year progress creates accountability within the reporting organization. This both appeases stakeholders and motivates company performance.

This motivation may be manifested in employees contributing ideas to help achieve sustainability goals, encouraging customer participation in activities such as paperless boarding pass programs, and securing funding for sustainability efforts by demonstrating the competitive advantage.

Establishing and achieving environmental and

Global Community



Global Commitment

2008 Corporate Responsibility Report Prepared by AMR Corporation

Southwest Airlines, US Airways and AMR Corp. — parent company of American Airlines and American Eagle — are a few of the airlines publishing corporate sustainability reports. Each of these airlines has followed or used elements of Global Reporting Initiative guidelines and tailored the scope of the report to fit their needs.

each organization's goals, depending on previous reporting experience and stakeholder demand. Media selection may or may not limit reporting scope. Communication can be as simple as signage promoting responsible use of water and paper goods, placing articles in in-flight magazines about sustainable practices, or participation in community organizations. For entities with advanced reporting experience, more comprehensive reporting platforms are available.

An entity may dedicate a section of its corporate Web site — or a microsite — to sustainability reporting. Pages within the microsite may include a vision statement or sustainability policy to provide a holistic view of what sustainability means within the organization. Because online content is updated easily, this venue clearly can communicate progress toward sustainability goals and offer downloads of past sustainability reports. Such content also can be integrated throughout an existing Web site.

Formal sustainability reports vary from a simple document discussing sustainability policies and broad initiatives to a detailed report with quantitative data to measure specific impacts and trends — all subject to independent, third-party verification. Comparing trends to an established baseline is useful in assessing performance toward goals such as recycling rates, fuel use and energy consumption. The report also may state sustainability goals and the proposed timeline for achieving them. Some reports focus entirely on the impact of environmental initiatives, while others include a discussion of community involvement and corporate giving.

Some entities now are achieving or striving for complete, triple bottom line reporting — people, profit and planet. The triple bottom line encompasses social, financial and environmental impacts of an organization. The addition of financial performance data demonstrates the business case behind sustainability and helps the public understand the complex, yet complete, value of sustainable practices.

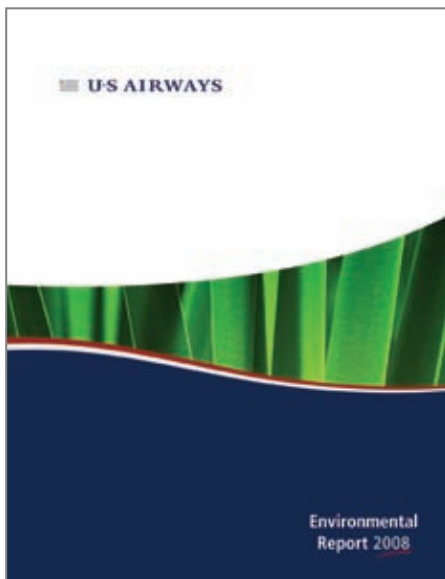
REPORTING FRAMEWORK

Since annual sustainability reporting has become a trend, many guidelines, standards and frameworks for reporting have emerged. The Global Reporting Initiative (GRI) has become one of the most recognized standards for sustainability reporting and is a widely accepted framework for reporting on economic, environmental and social performance.

and community involvement goals also can foster leadership and collaboration. For instance, an airport that is part of a port authority or larger municipal entity may inspire other airports, port authorities and unrelated branches of municipal or county governments to commit to sustainability reporting and related initiatives. Similarly, sustainability reporting often can serve as a peer-to-peer platform for sharing sustainability initiatives that result in a larger aggregate reduction of greenhouse gas emissions, wastes and utility usage. The information-sharing inherent to sustainability reporting may have a profound impact on increasing the efficiency of sustainability program implementation and effecting change on a global scale.

REPORTING MEDIA

A wide range of sustainability reporting media is available to meet




AccountAbility's AA1000 series — principle-based standards for corporate accountability, responsibility and sustainability — also offers a sustainability reporting framework. The evolution of reporting guidelines continues with the International Organization of Standardization

GRI published "A Snapshot of Sustainability Reporting in the Airports Sector" in 2009 to establish guidance for the aviation industry. This snapshot resulted from a review of 17 sustainability reports from airports around the world. A draft of this supplement is available at <http://www.global-reporting.org/ReportingFramework/SectorSupplements/Airports>.

Regardless of the reporting framework and method of reporting selected, transparency in sustainability reporting is key to a favorable response. Transparency — the visibility and accessibility of information — means collecting and reporting relevant data to support a discussion of material impacts associated with airline or airport operations. Organizations that rank sustainability reports often judge reports more on transparency than on actual achievements.

It is important to avoid temptations to report only the positive aspects of sustainability initiatives. Such preferential reporting leads to "green washing" — falsely promoting or exaggerating environmental friendliness or a sustainable image.

Instead, communicate sustainability success stories and challenges. Exploring these challenges, planning new responsive actions and resetting appropriate sustainability goals will generate credibility for the entire organization and should be part of an evolving sustainability report.

Sustainability reporting has become an increasingly important cornerstone to an organization's overall business plan. These reports allow companies to assess current practices, establish sustainability goals, create competitive advantages while simultaneously improving company image, communicate to stakeholders, motivate the internal workforce and strengthen internal policies and procedures. 

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Five Steps to Creating a Successful Sustainability Report

1. Define scope – This is the most crucial step of the reporting process. Internally, reporters must define reporting goals and expectations for future progress. At this stage, some might find it beneficial to engage a sustainability consultant to help define report boundaries, identify the target audience and select the venue for broadcasting the sustainability message.

2. Capture information – For first-time reporters, this stage can be cumbersome and overwhelming. However, once data capture procedures are established, this stage is simplified for future reports.

3. Analyze and integrate – A thorough understanding of the data will become the foundation for future sustainability initiatives. Start to crunch the numbers, develop stories and define a comprehensive outline for the report. Develop historical trends if reputable data is available and begin to benchmark data comparisons.

4. Write and review – Collaboration among experienced technical professionals and creative writers comes in handy at this stage. Both can help ensure that the report eliminates green washing while also positively conveying the message. Make sure management has time to review the document and provide feedback.

5. Publish – Although it may seem like a final step, releasing a report is a beginning. The metrics and goals in this report will serve as a baseline for future sustainability initiatives and dialogue with stakeholders.

currently drafting its own social responsibility standards (ISO 26000).

Many airports and airlines adopt portions of the GRI framework for sustainability reporting because it standardizes corporate reporting in a credible, measurable manner. The GRI communicates a full range of environmental, social, economic and other standard disclosures relevant to the reporting organization and its stakeholders. These standards facilitate transparency and accountability by providing a common baseline for understanding and comparing disclosed information. Some business sectors are unique and benefit from specialized guidance.