

Sustainability Report 2015

a time for optimism



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About this report

This is the sixth sustainability report of the Australian Centre for Corporate Social Responsibility (ACCSR). It covers our performance from 1 July 2014 to 30 June 2015.

ACCSR produces an annual sustainability report that summarises our core business activities, impact and performance as well as our goals, material issues, and challenges for the future.

This report is developed in accordance with the UN Global Compact and the Global Reporting Initiative (GRI) G4 framework at a Core level, which means that we have reported the essential elements of our organisation and impacts material to our business.

The GRI Content Index for this report appears on our website at <http://accsr.com.au/wp-content/uploads/2015/12/GRI-Content-Index-2015.pdf>

Bureau Veritas provided independent assurance on G4 standard disclosures and indicators for this report. A copy of Bureau Veritas assurance statement is on page 16.

We welcome feedback on this report. Please email Dr Leeora Black at leeorablack@accsr.com.au





Our sustainability context

From the Managing Director

I cannot remember a time since I established ACCSR in 2004 when I have felt more optimistic about the future for sustainable business practices and the future of ACCSR itself. ACCSR is a specialist advisory, research and training company that aims to help people lead and manage their organisations in a way that creates value for all stakeholders. Our vision is a world where business creates positive social, economic, and environmental value for the benefit of all its stakeholders.

We are closer to realising that vision than ever before. In one of my earliest projects, I interviewed a superannuation trustee who feared that he would go to jail for breaking the law if his fund were to consider social impacts in investment decisions. We have come a long way. Today, investors regard environmental, social and governance matters as mainstream. Company directors understand that their current and future success depends on addressing social and environmental, as well as economic impacts and value.

On a day-to-day basis, we continually work with CSR and sustainability managers facing challenges of 'buy in'. But in recent years we have seen a relatively swift change in business understanding that corporate social responsibility is not about how you spend your profits, but how you make them.

The reasons for this changing context are complex. They include the increasing globalisation of Australian business, the transition of socially aware 'Baby Boomers' and 'Generation X' into positions of leadership, media exposure of corporate malfeasance, the spread of international frameworks for CSR and sustainability with sound

business cases and practical and customisable tools, and changing social values such as have been documented in the World Values Survey. The World Values Survey describes changes in human empowerment over the decades and the rise of emancipative values. Australia is high in self-expression values and secular-rational values, which makes it possible for social movements with values such as gender equality, lifestyle freedom, accountability, and environmental conservation to quickly enter the mainstream.

This provides a very fertile but volatile market place for sustainability consulting services like ours. Better practices are rapidly evolving and hotly contested. Little encouragement for better practices comes from our regulatory frameworks. Mandatory sustainability reporting remains a distant prospect in this country. The fields of CSR and sustainability draw on a wide range of disciplines and management practices. It can be difficult to sort the innovative new concepts from the next fads.

Our biggest competitor remains apathy of business leaders and managers. After responding to written requests for proposals during the reporting period, half of the projects we didn't win never actually eventuated. The clients decided not to do the work after all based on 'no requirement'.

This signifies that despite progress in the responsible business agenda, sustainability advisory services remain a discretionary spend for many companies. Converting window shoppers to buyers remains an ongoing challenge.

In the last year, we have seen significant change in the market place for sustainability consulting services. On the one hand, more of our business is coming from repeat clients (now 70%), signifying some maturation in the market. We also enjoyed a strong return to profitability following the mining slowdown in 2012 when we lost 30% of sales almost overnight due to downsizing and redundancies within our mining clients. We have insured against this risk by broadening the range of industries we work with.

One of our leading competitors, Net Balance, was acquired by EY during the reporting period. Soon after the end of the reporting period another of our peers, Banarra, was acquired by KPMG. This is a great vote of confidence in the market for sustainability consulting services by globally recognised advisory brands. It also signalled an excellent opportunity for ACCSR to further differentiate itself in the market place with the quality of our service and our unique collaborative work place culture.

Corporate social responsibility is not about how you spend your profits, but how you make them.

2015 Snapshot

We launched our flagship pro bono project:
**the 7th Annual Review
of the State of CSR**
in Australia and New Zealand



70%



of the projects we
pitched for, we won

ACCSR has run **132 public training programs**
since inception, making us **the longest-running
provider of CSR short courses in Australia**

We provided on average over
44 hours
of training per
employee



Sales from
repeat clients:

70%

maintained more than

95%



satisfaction
from workshop
participants

Special research project
Initiated with the
Australian Human
Rights Commission



We received excellent
client feedback
during project close
out meetings



ACCSR hosted a scholar
in residence and made
improvements to our social
licence measurement
methodology



Employee
Code of
Conduct
completed



Made presentations at seven
conferences and published
one peer-
reviewed
article



New website
launched



The consolidation in our market place led to the decision to again outsource a stakeholder materiality review in preparing this report, just a year after our last independent review. This time, we interviewed non-clients as well as clients. This review confirmed that leadership in responsible business practices, delivering client value, and how we manage our people remain the top material issues for our business. It also indicated that the consolidation of service providers is a material issue for our current and future clients, causing many to review their reasons for engaging consultants and the benefits of different approaches. These material issues frame this report and the choice of GRI indicators.

As a small business, we have no mandatory reporting requirements. We report in part because we wish to 'walk the talk' and demonstrate our commitment to responsible business practices to our clients and other stakeholders. It also helps us to review and improve our own performance and celebrate our successes, which can sometimes be forgotten in our relentless client focus.

This sustainability report covers our economic, social, and environmental performance. Our most significant impacts are social, through the training, research and advisory services we offer. These impacts are also indirect, through the actions our clients and workshop participants take as a result of their engagements with us. Therefore, we monitor and report on client satisfaction and the learning outcomes of our public training programs.



Our most significant impacts are social, through the training, research and advisory services we offer.

Indicators of our indirect impact are tough to determine and track. A high proportion of repeat business is a measure of success in this respect. Our influence can also be judged from the number of citations of our peer reviewed articles which tops 50 (according to Research Gate), and from media mentions (not systematically tracked at this stage).

We made several new commitments for the current reporting year, which we describe in this report. The most significant of these is to initiate a significant new partnership to strengthen our leadership in responsible business practices. For clients, our leadership in responsible business practices is their top material issue.

I am very pleased that since the end of the reporting period we established a significant three-year partnership with Sustainable Business Australia, which represents the World Business

Council for Sustainable Development and the Global Reporting Initiative in Australia. Our partnership will entail leading a body of work under the theme 'Redefining Value', which is one of the WBCSD's work streams. It aims to 'change the rules of the game' by bringing natural and social capital considerations into balance with financial capital considerations and educating the managers of financial capital on the sustainability issues implicit in their business decisions. We will report our progress on this partnership next year.

Our success during the reporting period is due to the dedication and outstanding performance of our consulting team, the desire for ongoing improvement, the collaborative spirit, and the vision of our team, our partners, clients, and workshop participants. Thank you to all of you.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Leeora D. Black'.

Dr Leeora D Black
Managing Director
5 November 2015

Our stakeholders and material issues

Our stakeholders include our clients, partners, employees, workshop participants, and suppliers.

Engagement with our stakeholders is a key priority for us. We achieve this through regular meetings, workshops, events, and consultancy work. We also have a monthly newsletter, our website, social media and email to keep our stakeholders informed and up to date.

We are an Organisational Stakeholder of the GRI, and a signatory to the UN Global Compact.

Our materiality review – a change in the marketplace

We conducted a materiality review with clients, non-clients and employees to prepare this report. We wanted to

see if there was a change in stakeholder expectations and our impacts on them from our last materiality review a year ago. Seventeen in-depth interviews were conducted by an independent contractor and the issues were discussed in a team workshop. Our material issues are shown in Figure 1.

Our material issues continue to be leadership, providing client value and providing a great work place for our people. Our stakeholders expect us to be at the forefront of thought leadership, educating organisations about good business and sustainability performance.

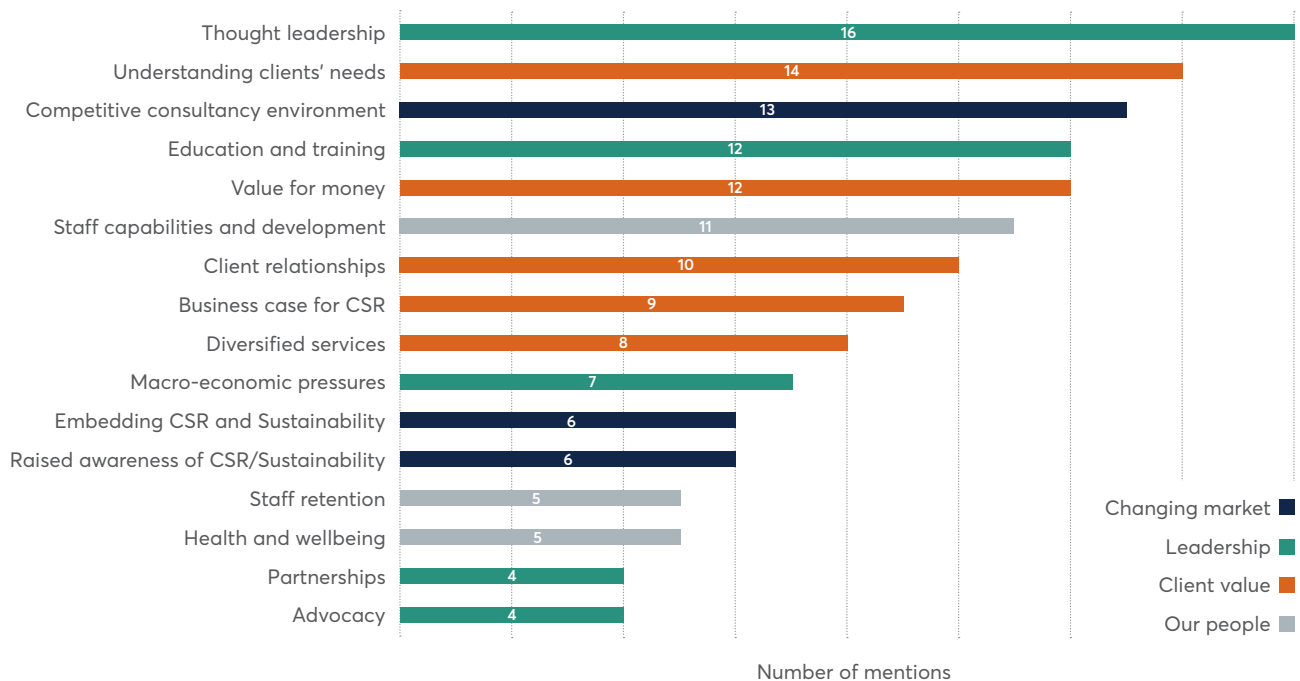
They expect us to be understanding of client needs, while providing a high level of client engagement.

Our stakeholders also identified a change in the market place for sustainability consulting services. Other market-related material issues include macro-economic pressures in the form of a cost cutting environment, and raised awareness of CSR and sustainability. (See page 13 'Our changing market place'.)

Our material issues, as identified through our materiality process, are listed in the table below in order of importance.

ACCSR's material issues

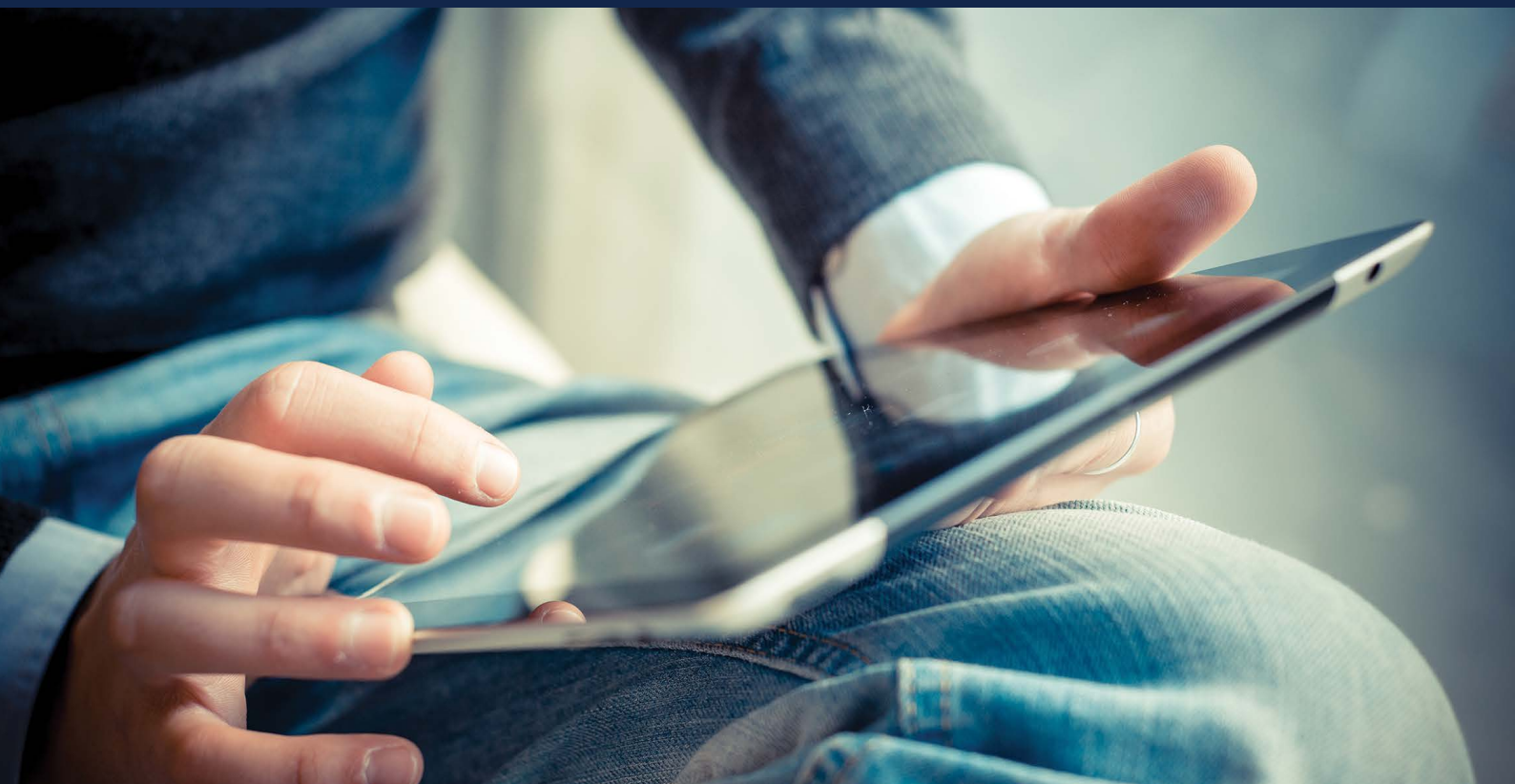
Figure 1: ACCSR's material issues ranked from most to least salient based on external stakeholder feedback



Where our impacts occur

Table 1: Boundaries of our material issues

Material topic	Who it applies to
Thought leadership	ACCSR, clients, broader sustainability community, business partners
Understanding clients needs	ACCSR, clients
Competitive consultancy environment	ACCSR, clients
Education and training	ACCSR, clients
Value for money	ACCSR, clients
Staff capabilities and development	ACCSR, clients
Client relationships	ACCSR, clients
Business case for CSR	ACCSR, clients
Diversified services	ACCSR
Macro-economic pressures	ACCSR, clients, broader sustainability community, business partners
Embedding CSR and Sustainability	ACCSR, clients
Raised awareness of CSR/Sustainability	ACCSR, clients, broader sustainability community
Health and wellbeing	ACCSR, clients
Staff retention	ACCSR, clients
Advocacy	ACCSR, clients, broader sustainability community
Partnerships	ACCSR, clients, business partners



Progress and commitments

We are very pleased to have met all but one of the commitments outlined in last year's sustainability report.

We met all our client value goals by continuing to innovate in service delivery and application of on-line tools (such as a shared value measurement framework and a new benchmarking tool), and we delivered relevant and effective short courses (see page 12).

We met all our people-oriented goals by reviewing our values and establishing an employee code of conduct, providing professional development opportunities (see page 14) and provided a collegial working environment (see page 15).

We extended our collaborative approach through our not for profit arm, CSR Connect.ed, by adding new partners to the State of CSR project, and we published the seventh report in the series.

Developing a sustainable procurement policy for ACCSR is a carry-over goal for 2016.

Our commitments for FY16

Strengthening ACCSR's leadership

- Develop a substantive new partnership to strengthen ACCSR's leadership on sustainability issues
- Introduce a new short public access course on Shared Value
- Publish the 8th Annual Review of the State of CSR in Australia and New Zealand

Delivering client value

- Establish longer-term arrangements with clients that enable us to amplify our impact on client outcomes
- Improve data capture from client project close out meetings
- Improve long term value creation for clients

Our people

- Provide inspiring and engaging work
- Provide leadership and professional opportunities for our team
- Maintain a collegial and collaborative, values-driven work place

Our market

- Increase the diversity of services we offer and offer a broader range of services in shared value, human rights, and sustainable supply chains
- Extend the diversity of the sectors we serve
- Maintain a high level of repeat business from clients



Demonstrating leadership

ACCSR is committed to showing leadership in CSR and sustainability practice. We believe it is our responsibility to stay at the forefront of emerging business practices in our role as a specialist consultancy. This is what our clients expect of us, and what we expect from ourselves. Thought leadership remained one of our top material issues this year and our activities have reflected our values of sustainability, partnerships, and professionalism in CSR and sustainability.

CSRConnect.ed

In 2015, we continued our not for profit arm CSRConnect.ed. CSRConnect.ed contributes to the professionalisation and development of corporate social responsibility through educational and networking events, research and partnerships as well as participating in policy debates. We also have a group on LinkedIn that provides a forum for discussion, networking opportunities and up to date industry news. The major activity of CSRConnect.ed in 2015 was publication of the latest *State of CSR in Australia and New Zealand Annual Review*.

Launching *The State of CSR in Australia and New Zealand Annual Review 2015*

We launched *The State of CSR in Australia and New Zealand Annual Review 2015*, the biggest ongoing survey of CSR practice and performance in Australia and New Zealand, in May 2015.

The Review is our pro bono contribution to advancing research and dialogue on CSR in Australia and New Zealand.

The State of CSR in Australia and New Zealand Annual Review 2015 was prepared in conjunction with La Trobe Business School, The Sustainable Business Council of New Zealand, Envirostate, Wright Communications and WME.

The Review was also launched in New Zealand for the first time, in collaboration with the New Zealand Sustainable Business Council.

This year's report focused on 'Initiators, Integrators, Innovators', and it examined responses from more than 1,000 participants, which is our highest level of participation to date.

We used a developmental framework published in a Harvard Business School Working Paper to pinpoint clear differences between organisations at the earliest stages – the Initiators – and organisations further along in their journey – the Integrators –



and then organisations focused on creating maximum value through CSR for both their organisations and their stakeholders – the Innovators. Stakeholder engagement remains the strongest priority of organisations at all stages of their development.

Organisations now have a clear road map for progress and can use the results of this project to consider which issues and skills will be important to prioritise to take their organisations to a more mature stage.

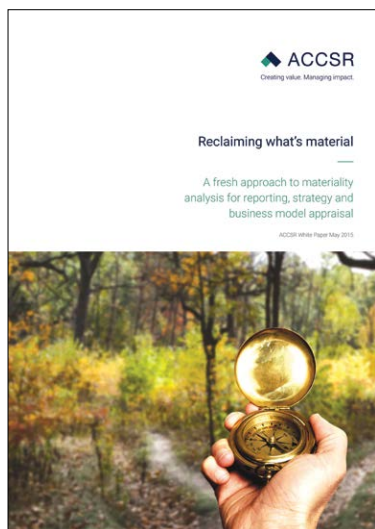
The *State of CSR in Australia and New Zealand Annual Review 2015* was launched in New Zealand in May, 2015. The New Zealand partners are pictured (l-r): Nikki Wright (Wright Communications), Penny Nelson (Executive Director, Sustainable Business Council of New Zealand), Dr Leeora Black (ACCSR), and Calum Refvem (Envirostate).



Revisiting the concept of materiality

In May 2015, we released a white paper: *Reclaiming what's material: A fresh approach to materiality analysis for reporting, strategy and business model appraisal*. The paper outlines some of the common materiality pitfalls, and suggests a more robust approach to materiality, which ACCSR calls a value chain approach. ACCSR's approach is consistent with international frameworks including GRI, Integrated Reporting, and AA1000. The paper also includes ACCSR's top implementation tips.

Access the report from: www.accsr.com.au/news/reclaiming-whats-material-new-whitepaper-accsr/



Professor Gillian Triggs visited ACCSR in June 2015. (l-r): Jonathan Dutton, Soraya Dean, Himesha Jayasinghe, Jacqueline Hartford, Professor Gillian Triggs, Dr Leeora Black, and Jackie Allender

Human rights in the supply chain

We are proud to be collaborating with the Australian Human Rights Commission and the UN Global Compact Network Australia to research the current situation of human rights integration into Australian businesses, with a special focus on supply chain management. The project began in May 2015 and the report will be launched in December 2015.

Scholar in residence, Chris Bartley

Improvements to the way we measure the drivers of a company's social licence to operate were the result of our scholar-in-residence program in February 2015. We were pleased to host Chris Bartley, who recently

completed research with University College of London's Adelaide campus on the social licence to operate (SLO). Chris worked closely with our team on methodological enhancements to our SLO analytics. These enhancements allowed us to develop SLO maps that more clearly visualise the drivers of a social licence for an organisation.

Partnerships

ACCSR continued our valuable partnerships with GRI, UN Global Compact, La Trobe Business School, Green BizCheck, Bureau Veritas, and Incite Sustainability. This year, we also became a member of the Shared Value Project and partnered with the Sustainable Business Council of New Zealand, Wright Communications and Envirosstate on the Annual Review of the State of CSR.

"We work very well together – we understand each other. ACCSR understands our challenges and we appreciate your professionalism and communication with us. The most valuable outcome from the project was the simplicity of the final tool and how useful it will be to understand what we need to know about stakeholders and their issues at any point. We will definitely work with you again. We value your expertise and advice."

Client feedback – Benchmarking analysis completed February 2015

Conferences and publications

ACCSR staff presented at seven conferences and events in FY2015.

- Global Compact Network Australia, Australian Dialogue on Business and Human Rights Mapping Human Rights in the Supply Chain, July 2014
- Governance Institute of Australia – “Shareholder Primacy – Is there a need for change?” October 2014
- Sustainable Business Conference, October 2014
- Shared Value – a discussion with business leaders on ‘The state of shared value in Australia’ April 2015
- Women in Procurement Conference, May 2015
- EY 6th Annual Risk Conference – “From risk to resilience – How the social licence to operate can stabilise the socio-political environment for business” Tel Aviv June 2015
- Supply Chain Sustainability School, NSW launch, June 2015

In February 2015, Dr Leeora Black also published an article in the Journal of Health, Safety, and Environment, “Safety at work is a basic social responsibility”.

ACCSR is also a frequent publisher of industry insights, and how to articles, sharing our expertise via our website’s blog and social media networks. This is a part of our on-going commitment to providing business leadership on CSR and sustainability.



Helping the university sector navigate complex new environments

Soraya Dean

Universities are in a unique position to advance sustainability. Through research and education, this sector creates intellectual capital to test new ideas about developing sustainable solutions to resource challenges. These public-spirited institutions can model what’s possible in the latest technologies and behaviours to drive social change.

Higher education’s stakeholder relationships are a precious resource that can be activated to create social value. Academics who are thought leaders in their fields, and students, who bring passion and energy to their studies, can be a driving force in the transition to a sustainable future.

I was lucky to work closely with Australian universities to develop their sustainability approaches this year. We took a collaborative approach, and engaged with leadership to define the University’s main sustainability impacts and vision. This strongly aligns with the sector’s culture of critical thinking and open debate.

The growing fossil free divestment movement has emerged as a clear challenge for the sector. But I see this as proof that students care about sustainability and want to be more involved in University decision making about how society navigates these challenges.

This is a great opportunity to harness students’ enthusiasm to build their sustainability literacy and foster better operational performance.

I have encouraged our clients to use the growing calls for fossil free divestment as a platform to engage with students about the University’s broader sustainability approach. It has been wonderful to see the universities engage stakeholders about how they can address expectations and go beyond the divestment debate. This has led to open dialogue about how universities can manage operations, leverage research and deliver teaching and learning that trains future leaders in tomorrow’s sustainable industries.



“The quality of analysis and insights in the final report were excellent, our people are calling it ‘the Bible’. The report was practical, very comprehensive, detailed, well structured. It was easy to see what the key information was. It provided really clear direction. I liked the fact that through this project we got exposure to new tools and methods. It helped us with our learning journey. We now have more confidence to act.” Client feedback – Stakeholder analysis and advisory project completed August 2014

Adding value for clients

ACCSR's vision is for a world where business creates positive social, economic, and environmental value for the benefit of all its stakeholders. Our mission is to help people lead and manage their organisations in a way that creates value for all stakeholders. Our consulting clients provide the greatest scope for us to achieve that vision and mission.

With every client engagement we aim to leave the client in a better state than when we started working with them – more empowered to manage CSR and sustainability in their organisations.

Clients often tell us that the ways in which we added most value were in "showing them a different way of doing things". This might mean new insights from analytic and diagnostic approaches, helping them to build more support for their agenda with senior leadership teams and employees, improving policies and performance management systems, integrating CSR strategies with core business, or stakeholder engagement and reporting.

Our long and respected track record in innovative and applied CSR approaches and research means that our advice is based on sound knowledge and solid experience. Our services include assessments, strategy, and advice, and understanding and reporting performance.

In FY2015, 70% of our work came from ongoing clients, which we see as great testament to our quality of work and the value we provide.



Buy in with leadership teams

Jackie Allender

Part of my role when I work with clients is to help facilitate buy-in for the project within the client organisation. We know from our *State of CSR in Australia and New Zealand Annual Review* research that getting buy-in from senior management remains one of the single most difficult issues facing sustainability or CSR professionals. So it is wonderful when a client organisation really takes a CSR project to heart!



This year I worked with several great organisations to develop CSR strategies. Our approach to strategy development aims to engage senior management at the earliest possible stage of the project to get them 'on board' with the purpose of the project and to show how a CSR strategy can support and enhance their business strategy.

With this in mind, for two clients, we conducted a series of interviews with senior management, including executives and Board. The discussions canvassed their views about the most significant CSR issues for their organisation and some of the CSR initiatives already underway in their organisations.

This early engagement not only informed the strategy development, it made sure that those managers had a level of ownership of the subsequent strategy.

I worked with the clients to develop a draft strategy, which was then refined and then validated by the management team in a workshop. The early work to ensure these people had had input to the strategy paid off – and not only were managers actively involved in the workshop, the subsequent strategy had their full endorsement.

A great result – and very satisfying to see!



Building CSR capabilities through short courses

We have offered training in the form of short courses since 2004, and reached the milestone of running 132 courses in May 2015. We believe this makes ACCSR Australia's longest-running provider of specialist short courses in CSR.

During the year, we offered short courses in GRI certified sustainability reporting, social licence to operate and stakeholder engagement. Participants were from business, government, and not-for-profit sectors. We also piloted a new workshop on Shared Value with our partners Incite Sustainability, supported by The Shared Value Project and NAB. With 30 participants, it was a great success and will be offered again in 2016.

"[I liked] the practical elements – particularly the mapping tools. I'm already well and truly sold on the value of stakeholder engagement, having worked on a range of hairy projects. So the tools – HOW to do it – that was what I really needed."

Workshop participant

Our dynamic trainers provide high learning outcomes for our workshop participants, as demonstrated through our workshop feedback. In FY2015, 96% of participants rated their personal learning outcomes as excellent or good (see Figure 2).

"The facilitators were extremely knowledgeable and well-spoken on the subject area. It was an excellent course, a fabulous way to get a well-rounded perspective on GRI reporting..."

Workshop participant

ACCSR Short Courses: Participant Feedback

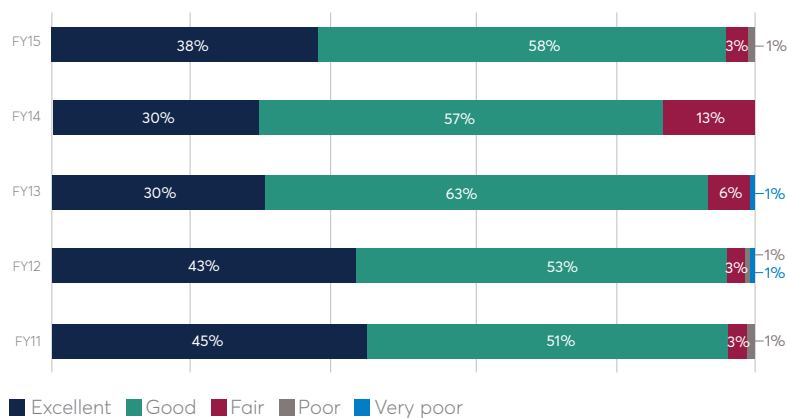
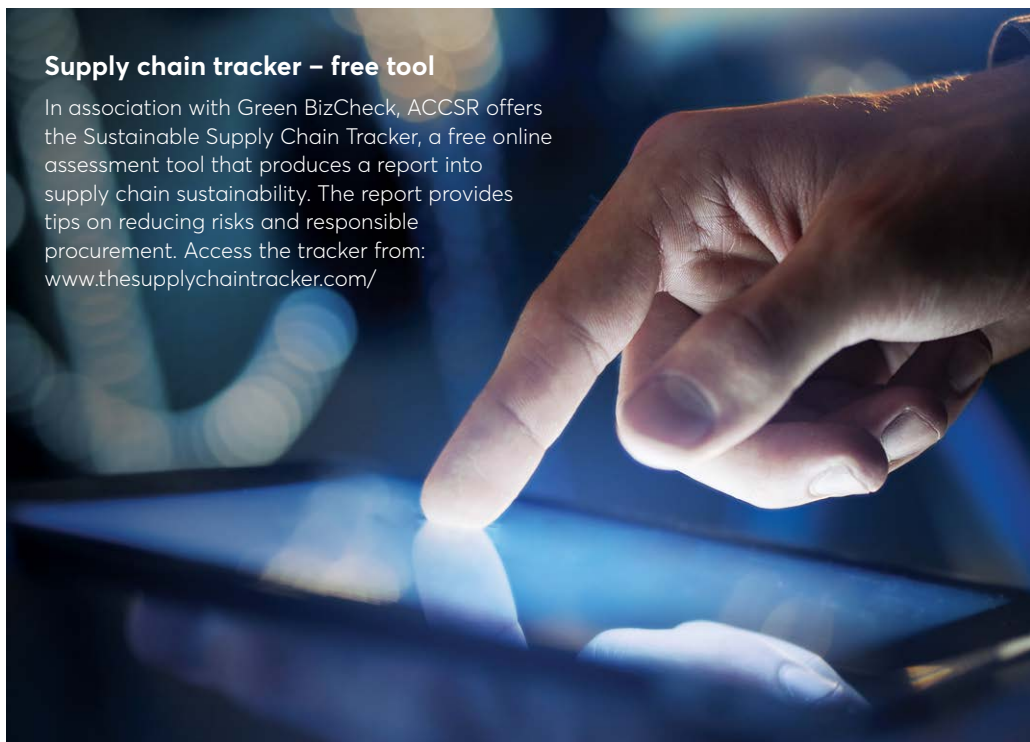


Figure 2: Responses to the statement "Personal learning needs were met".

Supply chain tracker – free tool

In association with Green BizCheck, ACCSR offers the Sustainable Supply Chain Tracker, a free online assessment tool that produces a report into supply chain sustainability. The report provides tips on reducing risks and responsible procurement. Access the tracker from: www.thesupplychaintracker.com/



Our changing market place

In our materiality review, stakeholders noted the changing market place for sustainability consulting services due to recent mergers of two boutiques with large accounting firms. Our stakeholders felt the mergers present an opportunity for ACCSR to stand out to new clients with a more flexible, customised and quality service than global consulting firms.

Stakeholders also spoke about the challenge of doing more with less, as companies continue with cost cutting due to an uncertain macro-economic outlook.

However, stakeholders also expressed optimism about a shift towards increasing awareness of CSR and sustainability at senior levels, identifying an opportunity for ACCSR to demonstrate the economic value and commercial benefits of embedding CSR and sustainability.

From our materiality review:

"The opportunity is (that) there's a gradual shift towards sustainability and corporate sustainability. People dropped the ball on it a little bit for a while there, but it's definitely coming back." Client

"I think in this world of mega-consultancies there's a real opportunity in being different. I wouldn't like to see ACCSR get gobbled up ... I guess I find it more difficult to navigate the larger consultancies." Client

"I'm probably going to remain in the boutique space. But also, I find they're a bit more flexible and adaptive, and they work just a touch harder to keep their competitive advantage." Client

"The response from the big guys was very generic. We just thought we'd get the most dedicated attention from a smaller organisation." Client



Creating shared value – a quick 'how to' guide

Miguel Oyarbide

Over the last few years, we have seen an extraordinary shift in the approach to community investment. Perhaps a sign of the post-recession world we live in, companies are moving from philanthropy towards shared value strategies: companies do not just donate resources altruistically to the community – they seek to address societal needs in ways that also creates value for the business.

These strategies are ultimately business growth strategies, requiring companies to rethink productivity across their value chain, reconceive products and markets, and create enabling environments through partnerships.

This requires well-thought out processes and tools for measuring and tracking progress to enable continuous learning and improvement.

This year we worked with clients to develop shared value strategies and measurement frameworks.

There is no silver bullet to create shared value, but we have learned many things on the way that are part of the solution:

- **Design principles matter** – clearly defined principles must be the foundation of a shared value strategy and framework as they provide an overarching structure or reference to guide every step of the development and implementation
- **Clarify your theory of change** – you need to articulate your goals, how they are related over the short, medium, and long-term, and the necessary drivers to attain each of them
- **Be realistic** – your actions should have realistic timeframes to be successful and you should establish realistic goals for each of them
- **What's your evidence?** Ensure you have valid indicators to match the level of evidence you'll need to make decisions, appropriate tools to collect information, and clear measures of success (i.e. you won't understand behaviour changes only by looking at resources invested).



Our people

It is most important to ACCSR that we provide a great place to work. This is a source of competitive advantage for us both in the attraction and retention of the best people, and in providing consistency and excellent for our clients. Being a great place to work includes providing meaningful work, a friendly and supportive work place culture and plenty of opportunities for professional development.

During the reporting period one new consultant joined our team and one departed. We added one contractor, Senior Associate Dr Richard Parsons, an expert in social research and community engagement. At the end of the reporting period, we had a team of eight – four women and four men (including two contractors).

We were also delighted to host two interns, one from RMIT University, and one from Deakin University.

All consultants received two performance reviews during the reporting period.

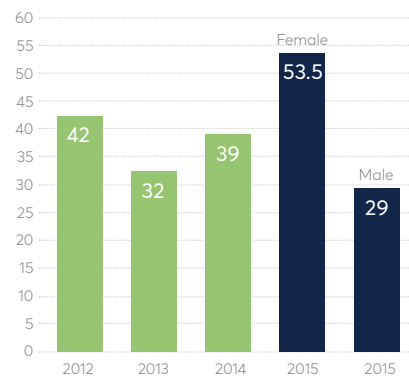
Professional development

We invest significantly in employee training because it directly affects our ability to help build our client's capability, and because employees value it for their own career development. Employee training is embedded in our professional development policy. All of our staff are entitled to a week's training every year, and receive a professional development budget, in addition to attending ACCSR's short courses. External skills development in FY2015 included social network analysis, social return on investment, and report writing excellence. In FY2015 our employees received an average of 44.3 hours of training each (see Figure 3).

Employee code of conduct

One of our goals carried over from FY2014 was to establish an employee code of conduct. We achieved this goal in February 2015. Our employees developed our employee code of conduct. It reflects our way of working with clients and helps us to uphold our business values of sustainability, partnerships, and professionalism on a day-to-day basis, and reminds us of the type of company we continuously aim to be.

Figure 3: Average training hours per employee



Training hours for part time employees are pro-rata

Health, safety and wellbeing

In FY2015, we recorded no incidents of injury, occupational disease, or fatalities. The health and wellbeing of our employees continues to be of utmost importance. We provide flexible work arrangements, including part time work and work at home days, including additional leave without pay if required.

About ACCSR

The Australian Centre for Corporate Social Responsibility (ACCSR) provides advisory, research and training services to help organisations build their capabilities to create value for their stakeholders. Our office is based in Melbourne, but we offer our services throughout Australia and internationally.

We strive to be a trusted CSR advisor to our clients by understanding their needs and providing practical solutions to improve their social, environmental and business performance. For more information on our services, visit our website www.accsr.com.au

Our supply chain

ACCSR's supply chain impacts are minimal due to the small service-based nature of the organisation. Our major purchases are on contractors (who work with us in our office or from their homes during peak work load times), travel for business purposes, and office supplies. We purchase carbon offsets for all flights and office supplies made from recycled materials where they are available.

Our governance and values

ACCSR is the registered trading name of Synergy Communications Pty Ltd (ABN 71007 029 610). We engage our staff at least annually in discussions about ACCSR's strategic directions; however, the Managing Director remains responsible for final decisions about the business. We comply with all relevant laws in the places where we operate and seek external advice, as appropriate, when making business decisions.

ACCSR's core values are sustainability, partnerships, and professionalism. These values reflect who we are and guide the approach to our services, the way we work with our clients and the outcomes we strive for.

We have also implemented an environmental policy, a professional development policy, a formal performance management system, and a code of conduct. We also have a systematic approach to ensure our client's privacy and data security through our non-disclosure agreements and project contracts.

For more information on our core values and policies, please visit our website www.accsr.com.au

Exciting approach to stakeholder engagement

Himesha Jayasinghe

One of the exciting projects we worked on this year was a stakeholder engagement project for a highly reputable membership organisation with a long legacy that is facing its own challenges in continued business sustainability and customer value.

As the client moves to serve a future society that is very different from its past, it has some unique opportunities to address emerging social needs in an exciting and innovative way.

The project involved structured interviews with the client's stakeholders – business partners, government, community groups, thought leaders and industry groups – to ask about the most important issues to address and what they see as its role in future society.

Through this engagement, we developed stakeholder network maps that depict how issues are connected and the strength of stakeholders' relationships with the client and between the stakeholders themselves. They formed the basis for identifying strategic areas for the business to work on and the most effective partners for collaboration on issues of common interest.

Placing these findings within the broader macro-economic, social, environmental, and technological context enhanced our client's understanding of changing customer needs and expectations, and areas for strategic focus.

In addition to the value we add for clients, I find these projects intellectually stimulating. I enjoy the collaborative discussions we have, amongst our team and with the client, to create useful recommendations.



INDEPENDENT VERIFICATION STATEMENT



**BUREAU
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To: The Stakeholders of ACCSR

Introduction and objectives of work

Bureau Veritas Australia Pty Ltd has been engaged by ACCSR Consulting Pty Ltd to provide independent verification of its 2015 Sustainability Report. This Verification Statement applies to the related information included within the scope of work described below.

This information and its presentation in the ACCSR 2015 Sustainability Report are the sole responsibility of the management of ACCSR. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent verification on the accuracy of information included. This is the 3rd year in which we have provided verification over ACCSR's Sustainability Report.

Scope of work

ACCSR requested Bureau Veritas to perform a Basic Assurance of the following data and information included in the ACCSR 2015 Sustainability Report for the reporting period of 1st of July 2014 to 30 of June 2015:

- SECTION: About this report
Paragraph 2 - "This report is developed in accordance withthe Global Reporting Initiative (GRI) G4 Framework at a Core level". GRI G4 Content Index – General Standard Disclosures Table.
- SECTION: Building CSR capabilities through short courses
Paragraph 4 – "In FY2015, 96% of participants rated their personal learning outcomes as excellent or good."
Figure 2 – Responses to the statement, "Personal learning needs were met."
- SECTION: Our People
Paragraph 1 – "At the end of the reporting period, we had a team of eight – four women and four men (including two contractors)."
- SECTION: Our People
Paragraph 4 – "In FY2015 our employees received an average of 44.3 hours of training each (see Figure 3)."
Figure 3 – Average training hours per employee
- SECTION: Our People
Paragraph 3 – "All consultants received two performance reviews during the reporting period."
- SECTION: Our Stakeholders and Material Issues
Paragraph 4 – "Our material issues continue to be leadership, providing client value and providing a great work place for our people. Our stakeholders expect us to be at the forefront of thought leadership, educating organisations about good business and sustainability performance. They expect us to be understanding of client needs, while providing a high level of client engagement."
Figure 1 - ACCSR's material issues ranked from most to least salient based on external stakeholder feedback

Methodology

As part of its independent verification, Bureau Veritas undertook the following activities:

1. Interviews with relevant personnel of ACCSR and a sample of external stakeholders;
2. Review of documentary evidence produced by ACCSR;
3. Audit of performance data, a 30% sample of which back to source;
4. Review of ACCSR systems for quantitative data aggregation and analysis



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Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Verification of Sustainability Reports on data accuracy, based on current best practice in independent assurance.

The work was planned and carried out to provide limited, rather than absolute assurance and we believe it provides an appropriate basis for our conclusions.

Our findings

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the reviewed statements within the scope of our verification are inaccurate and the information included therein is not fairly stated;
- It is our opinion that ACCSR has established appropriate systems for the collection, aggregation and analysis of quantitative data.

Limitations and Exclusions

Excluded from the scope of our work is any verification of information relating to:

- Activities outside the defined verification period;
- Positional statements (expressions of opinion, belief, aim or future intention by ACCSR) and statements of future commitment;

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with over 180 years history in providing independent assurance services, and an annual turnover in 2014 of 4.17 billion Euros.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.

The Bureau Veritas have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting verification and assurance over environmental, social, ethical and health and safety information, systems and processes, has over 18 years combined experience in this field and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

Bureau Veritas Australia Pty Ltd

11th December 2015

Andrew Mortimore

Head of Sustainability Services



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