Corporate Social Responsibility & Sustainability - 2008

Sustainability encompasses concurrent concerns for social, environmental, and economic outcomes of business activity.

Welcome to NIRI's innaugural membership survey on corporate social responsibility (CSR) and sustainability. Thank you for your time and willingness to participate. Accurate answers provided by IROs will benefit NIRI membership by offering benchmarks across professional peers on an important emerging issue. Approximately 15 minutes will be required to answer all the questions, but providing your stock ticker saves significant time by allowing researchers to match information from public databases.

1. Based on your understanding, which of the following are included in the concept of business sustainability? Please select all that apply.

Business ethics	89	77%
Employee health and safety	83	72%
Consumer health and safety	71	62%
Energy/resources policy	99	86%
Ecology/environmental policy	101	88%
Carbon/other emissions	93	81%
Risk management	73	63%
Governance	77	67%
Long-term profitability	75	65%
Other, please specify:		
1 community support		
2 Close Involvement with Clients		
3 Supply chain, waste & efficiency		
4 Community support		
5 support to local community		
6 vendor selection, chartiable giving, diversity		
7 Philanthropy	7	6%

2. Does your company presently have a coherent strategy for managing corporate sustainability issues?

Yes, it covers the whole business including the supply chain	30	26%
Yes, it covers the business, but not the supply chain	10	9%
Yes, but it's only a token effort	16	14%
No, but we are developing one	28	25%
No, and we have no immediate plans to develop one	30	26%
Total	114	100%

3. On behalf of your company generally, please rate your extent of agreement with the following statements.

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	**Strongly agree**	**Agree**	**Neither agree nor disagree**	**Disagree**	**Strongly disagree**
The company considers impacts on broad ranges of stakeholders when making major decisions.	17	48	14	3	3
	20%	56%	16%	4%	4%
Non-financial objectives are regularly factors in our target returns on projects.	2	24	25	29	5
	2%	28%	29%	34%	6%
When the company doesn't advance positive benefits for stakeholders, we at least work to reduce negative impacts.	12	48	19	3	1
	14%	58%	23%	4%	1%
The company's relationships with NGOs/sustainability activists tend to be cooperative rather than adversarial.	7	27	47	2	2
	8%	32%	55%	2%	2%
Sustainability is more of an opportunity for the company than it is a threat.	10	40	26	8	1
	12%	47%	31%	9%	1%
For the company, the benefits of sustainability initiatives outweigh the costs.	4	27	38	11	5
	5%	32%	45%	13%	6%
Our IR Department has shown leadership in the industry and financial community, advancing the topic of sustainability more than most companies in its peer	2	12	24	34	13
	2%	14%	28%	40%	15%
Our IR Department has been ahead of the curve, helping lead sustainability progress internally.	8	16	25	27	9
	9%	19%	29%	32%	11%
Our IR Department's stance on sustainability is highly dependent on the personal convictions of its top manager.	11	24	26	16	6
	13%	29%	31%	19%	7%

4. On behalf of yourself individually, please register your extent of agreement with the following statements.

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Sustainability issues occupy much of my thinking in my professional role.	1 1%	21 25%	16 19%	29 35%	17 20%
Sustainability issues occupy much of my thinking in my personal life.	4 5%	17 20%	24 29%	21 25%	18 21%
I feel better informed about sustainability issues than most of my colleagues.	11 13%	27 32%	28 33%	14 17%	4 5%
I feel more concerned about sustainability issues than most of my colleagues.	4 5%	19 23%	36 43%	20 24%	4 5%
My company is making less progress with sustainability than I would prefer.	4 5%	22 26%	28 33%	26 31%	4 5%
I exert significant influence with respect to my company's progress with sustainability issues.	3 4%	21 25%	33 39%	24 29%	3 4%
My company's top management team expects the IR Department to play a significant role with respect to strategy development	4 5%	28 33%	29 35%	17 20%	6 7%
My company's board of directors expects the IR Department to play a significant role with respect to strategy development	2 2%	16 19%	34 40%	22 26%	10 12%
Under a different manager, our IR Department would be likely to play less of a leadership role on corporate sustainability issues	2 2%	10 12%	35 42%	29 35%	8 10%

5. Based on your understanding of the views of your company's top leaders (irrespective of your own views), please rate the extent of agreement with the following statements.

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Companies have a duty to report more sustainability-related information, even when doing so goes beyond legal requirements for disclosure	3	23	29	18	11
	4%	27%	35%	21%	13%
Stakeholders will increasingly reward those companies that show above-average performance on sustainability issues	3	39	23	15	5
	4%	46%	27%	18%	6%
Stakeholders will increasingly punish those companies that show below-average performance on sustainability issues	0	36	29	15	5
	0%	42%	34%	18%	6%
The overall social benefits from the business community's investments in sustainability outweigh the costs	4	37	24	15	5
	5%	44%	28%	18%	6%
The benefits to our company from investing in sustainability outweigh the costs.	5	35	24	17	4
	6%	41%	28%	20%	5%
Sustainability issues are more important in our company's industry than for most industries.	9	10	30	25	11
	11%	12%	35%	29%	13%

6. Within the following seven settings today, about how much time is devoted to social/environmental issues (as a percentage)?

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	0%	1-10%	11-25%	26-50%	51%+	N/A
Board meetings	12	46	6	1	1	11
	16%	60%	8%	1%	1%	14%
Executive staff meetings	10	49	11	3	0	5
	13%	63%	14%	4%	0%	6%
Management staff meetings	13	43	15	1	1	4
	17%	56%	19%	1%	1%	5%
IR staff meetings	26	28	10	3	0	12
	33%	35%	13%	4%	0%	15%
IR "roadshow" presentations	41	30	6	0	0	2
	52%	38%	8%	0%	0%	3%
IR "one-on-one" meetings	43	28	7	0	0	1

IR "one-on-one" meetings	54%	35%	9%	0%	0%	1%
Daily IR inquiries	45	29	5	0	0	0
	57%	37%	6%	0%	0%	0%

7. About five years ago, what was the approximate time distribution across the same seven settings?

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	**0%**	**1-10%**	**11-25%**	**26-50%**	**51%+**	**N/A**
Board meetings	37	23	2	2	0	11
	49%	31%	3%	3%	0%	15%
Executive staff meetings	38	27	2	1	0	7
	51%	36%	3%	1%	0%	9%
Management staff meetings	39	26	1	2	0	6
	53%	35%	1%	3%	0%	8%
IR staff meetings	53	13	0	1	0	9
	70%	17%	0%	1%	0%	12%
IR "roadshow" presentations	61	11	0	0	0	5
	79%	14%	0%	0%	0%	6%
IR "one-on-one" meetings	60	12	0	0	0	5
	78%	16%	0%	0%	0%	6%
Daily IR inquiries	57	14	0	0	0	4
	76%	19%	0%	0%	0%	5%

8. About five years from now, what do you estimate the time distribution will be across the same seven settings?

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	0%	1-10%	11-25%	26-50%	51%+	N/A
Board meetings	2	46	18	4	3	4
	3%	60%	23%	5%	4%	5%
Executive staff meetings	2	40	23	6	3	3
	3%	52%	30%	8%	4%	4%
Management staff meetings	4	33	29	5	3	3
	5%	43%	38%	6%	4%	4%
IR staff meetings	14	30	20	5	1	9
	18%	38%	25%	6%	1%	11%
IR “roadshow” presentations	16	38	17	5	1	1
	21%	49%	22%	6%	1%	1%
IR “one-on-one” meetings	21	37	17	3	1	0
	27%	47%	22%	4%	1%	0%
Daily IR inquiries	16	43	14	4	1	0
	21%	55%	18%	5%	1%	0%

9. Please evaluate the importance of each of the following internal role-players in your company in terms of their responsibility for sustainability strategy.

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	Extremely important	Very important	Important	Slightly important	Not important at all	N/A
Board of directors	14	15	27	15	4	1
	18%	20%	36%	20%	5%	1%
CEO	29	23	17	6	1	0
	38%	30%	22%	8%	1%	0%
CFO and/or other C-level officer(s)	11	30	18	14	3	0
	14%	39%	24%	18%	4%	0%
Counsel/Legal head	10	25	23	14	3	1
	13%	33%	30%	18%	4%	1%
Specific CSR/sustainability-focused executive	30	13	6	2	2	23
	39%	17%	8%	3%	3%	30%
Risk/Compliance head	9	24	22	10	5	6
	12%	32%	29%	13%	7%	8%
Investor Relations head	9	22	22	14	8	1
	12%	29%	29%	18%	11%	1%
Public Affairs head	14	23	21	5	2	11
	18%	30%	28%	7%	3%	14%
Operational managers	8	21	24	17	5	1
	11%	28%	32%	22%	7%	1%
Human Resources head	3	23	27	15	7	0
	4%	31%	36%	20%	9%	0%
Other, please specify below	2	2	2	0	1	27
	6%	6%	6%	0%	3%	79%

10. If you selected "other" in the previous question, please specify here.

4 Responses:
1 facilities managers, manufacturing personnel
2 Strategy
3 Community Relations
4 Quality Assurance managers

11. Please list the stock tickers of five to ten firms considered (by you and/or analysts) to comprise your company's peer group. Alternately, you may provide company names.

65 Responses: Confidential

12. Please rate your company's sustainable-business performance in comparison to that of its peer group's average in terms of:

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	Much better	Better	About the same	Worse	Much worse
Financial performance	6	29	31	5	0
	8%	41%	44%	7%	0%
Social contribution	6	14	43	8	0
	8%	20%	61%	11%	0%
Environmental impact	4	19	42	6	0
	6%	27%	59%	8%	0%

13. With respect to the following major issues in the field of investor relations, sustainability is presently:

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	Much more pressing	Somewhat more pressing	About equally pressing	Somewhat less pressing	Much less pressing
Changes in the capital markets	3	2	11	17	39
	4%	3%	15%	24%	54%
Quantitative trading	2	7	20	18	25
	3%	10%	28%	25%	35%
Evolving regulations	4	5	21	26	16
	6%	7%	29%	36%	22%
Shareholder activism	3	8	23	18	20
	4%	11%	32%	25%	28%
Globalization	5	8	23	15	20
	7%	11%	32%	21%	28%
Replacement of GAAP with IFRS	3	12	18	18	20
	4%	17%	25%	25%	28%
XBRL encoding of financial statements	4	14	22	17	15
	6%	19%	31%	24%	21%
Other technological advancements in reporting	4	13	25	16	13
	6%	18%	35%	23%	18%
Governance changes	1	12	29	17	12
	1%	17%	41%	24%	17%
Communications convergence (IR, PR, Web, etc.)	1	14	27	23	7
	1%	19%	38%	32%	10%
Growth and impacts of hedge funds	1	14	11	24	22
	1%	19%	15%	33%	31%
Maintaining analyst relationships/coverage	2	5	8	23	34
	3%	7%	11%	32%	47%
Earnings guidance (whether/when/what to provide)	2	4	13	18	35
	3%	6%	18%	25%	49%
Other issue(s), please specify below	0	0	4	2	6
	0%	0%	33%	17%	50%

14. If you selected "other" in the previous question, please specify the issue(s) here.

1 Response:
1 Sustainability is a lower priority for U.S. shareh

15. Does your company publish the following sustainability-oriented information?

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	Yes, we presently publish this	No, but we're planning to soon	No, and we have no plans to publish this
CSR/Sustainability-specific annual report(s)	19 27%	9 13%	42 60%
CSR/Sustainability-specific Web pages	27 38%	13 18%	31 44%
Donations to community groups (cash, in-kind, and/or pro bono)	34 49%	7 10%	29 41%
Violations of any code of business ethics by employees	11 16%	4 6%	55 79%
Details of employee counts and/or jobs created/lost, by gender, age, and minority group membership	8 11%	4 6%	59 83%
Level of formal worker representation/trade union membership	20 29%	1 1%	48 70%
Direct and indirect energy consumption and source/type of energy	15 21%	12 17%	43 61%
Energy saved due to conservation and/or efficiency improvements	21 30%	14 20%	35 50%
Company's overall carbon footprint	12 17%	20 28%	39 55%
Nature, scope, results, and/or effectiveness of programs tracking environmental impacts	13 19%	19 28%	37 54%
Nature, scope, results, and/or effectiveness of programs tracking social impacts	11 15%	18 25%	42 59%
Human rights performance within supply chain	7 10%	8 11%	55 79%
Other issue(s), please specify below	0 0%	2 18%	9 82%

16. If you selected "other" in the previous question, please specify the issue(s) here.

0 Responses

17. Is the following information in your company's sustainability reporting independently verified/audited?

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	**Yes**	**No, not independently verified/audited**	**We don't report on this**
Employment conditions	5 7%	16 23%	49 70%
Social initiatives and impact	7 10%	22 31%	41 59%
Environmental initiatives and impact	11 16%	20 29%	39 56%

18. Across your entire company, how many staff are dedicated primarily to sustainability activities?

63 Responses: Average 3.25 FTEs

19. Across your entire company, approximately what total budget is dedicated primarily to sustainability program (non-salary) expenditures?

to a handful of seven-figure budgets.

20. Approximately what is your company's annual Investor Relations budget (including salaries, travel, and consultants/vendors)?
57 Responses: Average = Approximate $882,000

21. Approximately what amount of your company's annual Investor Relations budget goes toward outside consultants/vendors?
58 Responses

22. How many years of IR-related work experience do you have?		
Fewer than 2 years	5	7%
2 to 5 years	14	20%
6 to 10 years	23	33%
11 to 20 years	27	39%
I helped invent IR	1	1%
Total	70	100%

23. What is your current role?		
Investor relations officer (head of department)	43	63%
Investor relations specialist (not head of department)	14	21%
Other corporate executive also head of IRO	5	7%
Corporate executive other than IRO	2	3%
IR Counselor	0	0%
Service provide	0	0%
Presently between jobs	0	0%
Other, please specify	4	6%
Total	68	100%

24. What is your age?		
Less than 30	1	1%
30-39	16	23%
40-49	26	38%
50-59	15	22%
60 or more years	11	16%
Total	69	100%

25. In what field did your IR career originate?		
Finance/accounting/treasury	27	40%
Marketing/PR	2	3%
Communications/journalism	13	19%
Operations/technical	6	9%
Banking/financial services	8	12%
HR/administrative	1	1%
Career began in IR	6	9%
Other, please specify	5	7%
Total	68	100%

37. How do you expect the adoption of sustainability practices to impact your company's profitability over the short-term (0-2 years)?		
Increase profitability substantially	1	2%
Increase profitability slightly	12	20%
No impact on profitability	29	48%
Reduce profitability slightly	11	18%
Reduce profitability substantially	0	0%
We are not implementing sustainability practices	7	12%
Total	60	100%

38. How do you expect the adoption of sustainability practices to impact your company's profitability over the long-term (5-10 years)?		
Increase profitability substantially	7	12%
Increase profitability slightly	29	48%
No impact on profitability	12	20%
Reduce profitability slightly	6	10%
Reduce profitability substantially	0	0%
We are not implementing sustainability practices	6	10%
Total	60	100%

39. What benefits does your company expect to derive from adopting beyond-compliance sustainability practices? Select all that apply.		
Improved ability to attract/retain customers	36	62%
Improved ability to attract/retain employees	42	72%
Improved ability to attract/retain investors	41	71%
Ability to be listed on more Socially Responsible Investing indices	33	57%
Improved shareholder value	37	64%
Increased profitability	24	41%
Ability to identify and manage reputational risks	37	64%
Better quality products and processes	25	43%
Improved relations with governments/regulators	30	52%
Networking with NGOs helpful for addressing other issues	17	29%
Reduced exposure to targeted taxes/regulatory load	14	24%
None	4	7%
Other, please specify	3	5%

40. Which of the following obstacles pose the greatest challenge to making further progress on sustainability? Select all that apply.		
Internal resistance to beyond-compliance activity	16	29%
Developing internal agreement on particular sustainability goals and methods	17	30%
Aligning sustainability goals with established corporate strategy	22	39%
Developing targets, measures, and methods for sustainability goals	26	46%
Monitoring and enforcing compliance with sustainability tactics	13	23%
Prioritizing and coordinating multiple sustainability programs	19	34%
Risk that sustainable practices will raise costs relative to competitors	21	38%
Investor pressure not to compromise short-term financial goals	14	25%
Lack of clear direction from the Board and/or top leadership	18	32%
Lack of focused responsibility/accountability for sustainability	26	46%
Lack of structure from governmental authorities	10	18%
Insufficient resources devoted to sustainability planning and/or implementation	31	55%
Other, please specify	5	9%