

Guidelines Briefing Part 2: AA1000 - Accountable sustainability

Posted by [Oliver Balch](#) [1] on Apr 30, 2010

The AA1000 standards provide a principles-based approach for corporate responsibility

The AA1000 standards provide a principles-based approach for corporate responsibility. AA1000 represents not one standard, but three. All are linked by a common purpose: to provide accountability to stakeholders regarding companies' approach to managing sustainability.

The standards owe their origins to AccountAbility, a London-based sustainability specialist.

The AA1000 AccountAbility Principles Standard (AA1000APS) leads the pack in terms of providing an ideological hook on which the other standards hang. Originally included as part of the original 2003 version AA1000 Assurance Standard (AA1000AS), the principles now stand by themselves.

At its core, AA1000APS seeks to enable organisations to develop a strategic response to sustainability-related issues. It does so through a "principles-based approach". Rather than providing organisations with a checklist of requirements, it lays out three broad themes.

- **Inclusivity:** engaging with stakeholders and involving them meaningfully in the organisation's sustainability approach.
- **Materiality:** identifying the most important issues to the organisation and its stakeholders.
- **Responsiveness:** taking action on the most important issues and communicating those actions.

The AA1000AS and the AA1000 Stakeholder Engagement Standard (AA1000SES) are built around these three principles.

Report assurance

AA1000AS was launched in 2003. However, the current version dates back to an extensive review in 2008. The standard is used by the assurers of sustainability reports. It sets out guidelines for their independent appraisal of an organisation's management strategies, processes and systems relating to sustainability.

AA1000's emphasis on strategy rather than historical performance chimes well with reporting companies, most of which acknowledge that they have some way to go in becoming fully sustainable.

"In essence, [AA1000AS] seeks to evaluate how far you have got on your journey to sustainability," says Jason Perks, director of the at London-based sustainability consultancy Two Tomorrows.

"It's not saying 'are you or are you not responsible?', but it says that you should report openly and transparently where you are at and where your challenges lie," he says.

The focus on transparency is fundamental to the AA1000 process. To be truly sustainable,

AccountAbility maintains, organisations must listen and give account to their stakeholders, both internal and external.

Open source

In keeping with this core belief, stakeholders have played a central role in the standards' development from the outset. This has continued through the review process. The latest review of AA1000AS in 2008, for example, was entirely open-source. Stakeholders could access the draft version online and edit it live.

"AA1000 is not the product of industry or standard body, with particular interests groups ... companies know that it is representative of a wide range of stakeholders around the world," Perks says.

The principle of stakeholder engagement must also be reflected by the participating organisation. Guidance is given through AA1000SES. This standard can be used by itself or in conjunction with AA1000AS or other standards, such as the Global Reporting Initiative.

AA1000SES was launched in draft form in 2005. It is currently under revision, with a reworked version expected in early 2011. The insights offered by the AA1000 process into stakeholder perceptions represents one of the most widely cited benefits by users of the standards.

"Applying AA1000AS ... has helped us to prioritise and progress our response to material issues and to build and maintain trust among our stakeholders," says Ruth Woodall, sustainability reporting manager at the Co-operative Group.

Another benefit of the AA1000 assurance process is internal learning. Assurers do not simply evaluate a company's compliance. They provide observations and recommendations for improvement as well.

Compliance assessment

This critical perspective differentiates AA1000AS from ISAE 3000, the only other reporting assurance standard for non-financial data.

AA1000AS is not just an analysis of historical data [as in ISAE 3000's case]," says Alan Knight, associate senior partner at AccountAbility. "It also requires the assurer to determine how well an organisation evaluates what sustainability issues it needs to deal with and whether it is doing so comprehensively."

In the case of the Guardian newspaper group, for example, its AA1000AS evaluation report recommends a focus just on a few quantitative targets in the future.

"The risk for [the Guardian] is always having new initiatives and failing to deliver long-term results," the assurance statement advises.

Concerns exist among some auditors that the AA1000 series could become over-prescriptive. Some commentators say that the series is perhaps guilty of overuse of corporate responsibility jargon, making them less accessible for non-native English speakers.

Yet they remain the only assurance standards designed specifically for sustainability reporting. If they didn't exist, they would need to be invented.

Useful links

Accountability: www.accountability.org [2]

Links:

[1] <http://www.ethicalcorp.com/users/oliver-balch>

[2] <http://www.accountability.org>

