

## TRIPLE BOTTOM LINE

The triple bottom line refers to the notion that businesses have obligations that go beyond financial success. The basic idea is that corporations should and can manage not just the economically-driven bottom line but also their social & environmental 'bottom lines' too. Companies today are beginning to see the need for a triple bottom line approach, where environmental & social criteria for success are as important as economic.

In order to effectively address the triple bottom line, companies must be clear about the company's purpose, taking into consideration the needs of all stakeholders, for example shareholders, customers, employees, business partners, governments, local communities and the general public. By reporting on the triple bottom line, companies can identify opportunities to reduce their waste, and thereby costs. Given that companies are

financially focused, triple bottom line reporting also assists businesses to 'look at the big picture' in terms of their entire impact. Examples are:

- Waste production/reduction
- Sourcing and using socially and environmentally just materials/products
- Increased financial return for and reduced risk for shareholders
- Attracting and retaining employees
- Improving customer sales and loyalty
- Strengthening community relations
- Contributing to environmental sustainability

In Australia, it is currently up to businesses to invest in the triple bottom line, to seek consumers' trust.

### WHAT CAN I DO?

■ Be a proactive consumer and be aware of the injustices and environmental hazards that some companies produce so we know which ones not to support! Letters or emails can also be written to companies with bad management practices and let them know what you think. Internet sites such as New Internationalist online magazine at <http://www.newint.org/> or Oxfam International at <http://www.oxfam.org.au/> are great starting points.

■ If you are part of a business interested in triple bottom line reporting, there are great websites available, of note is the UN collaborative project, Global Reporting Initiative at <http://www.globalreporting.org/> that develops and provides sustainable reporting guidelines for voluntary use. Report users will find beneficial materials on subjects such as benchmarking and ratings tools and corporate governance.

### MORE INFORMATION

- <http://www.sustainability.com/philosophy/triple-bottom/tbl-intro.asp> - provides great diagrammatic explanation of the triple bottom line
- <http://www.ethyka.com/tbl/> - Triple Bottom Line Victoria is a network of organizations committed toward sustainability
- <http://www.wbcasd.org> - World Business Council for Sustainable Development aims to support business leadership for change toward sustainable development
- <http://www.isa.org.usyd.edu.au/> - the University of Sydney's Integrated Sustainability Analysis website, including sustainability reporting info for businesses