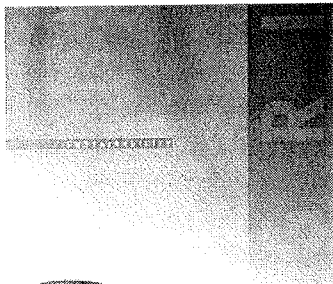


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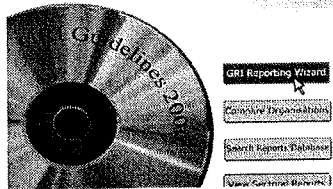
SRI firms give boost to GRI reporting standard in US

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A leading group of socially responsible investment managers across America has given their backing to the Global Reporting Initiative sustainability reporting standard.



17 investment firms, who say they represent over \$147 billion in assets, are urging companies around the world, and particularly in the US, to up their game when it comes to public reporting on corporate governance, environmental, labour and other key issues.



Demand for social, environmental and ethical risk management (SEE) information from companies is at all an all time high for many firms, says the investing group, which contains firms such as Trillium, Boston Common Asset Management, Calvert, Domini Social Investments and Walden Asset Management.

**GRI gets a flip in the US
from SRI investors**

been "skyrocketing".

Trillium Asset Management analyst Steve Lippman even says such information demands on SEE risks for businesses have

Therefore, the investor group said today, companies should consider standardising the information they publicly offer to investment and other analysts on SEE risks by using the Global Reporting Initiative's (GRI) sustainability reporting guidelines.

The GRI says that its guidelines have been produced with the active participation of representatives from business, accounting, investment, environmental, human rights, research and labour organisations from around the world.

Indicators developed by the group for companies to report on include measures of economic performance such as total payroll and community donations, environmental performance, labour practices and human rights.

Others include community impacts, bribery, and political contributions. The GRI's indicators also ask companies to take into account product responsibility performance such as customer health and safety, advertising and consumer privacy.

The investors involved in the statement say that using GRI to report can "increase the credibility, comparability, and utility of...reporting."

They also said today that if more companies reported in accordance with the GRI guidelines (rather than with reference to them), that such reporting "could actually work to reduce the burden on companies" of the SEE risk disclosure demands being made of them by analysts.

In a statement today the investor group, which represents most of the big SRI firms in the US, said this is because a "Global Reporting Initiative report (by a company) should be the first document investors and research analysts consult for social and environmental performance information before asking companies to fill out surveys and questionnaires."

Later, after the statement had been released, Trillium's Steve Lippman, Intel's Dave Stangis and the GRI's chief executive Ernst Ligteringen took part in a conference call on the subject for the media.

The mandatory debate

Asked about whether GRI could be used in mandatory reporting, Ernst Ligteringen said that it was possible. But Mr Ligteringen also added that he thinks mandatory social and environmental reporting would not necessarily lead to better reporting overall.

Mr Ligteringen said that "premature regulation" can be problematic. When it comes to some forms of compulsory environmental disclosure, he said, "Tick box outcomes can be meaningless."

He also noted, that in his view, while reporting of one form or another is being made mandatory in some countries by for example, the Johannesburg Stock Exchange Index in South Africa, most governments are "struggling with definitions of content" when it comes to what should be in a report.

Dave Stangis, Intel's corporate responsibility manager, echoed this point, saying that is "a lot of subjectivity" in the stakeholder world about what should be in social and environmental reports.

Mr Ligteringen encourages those companies that fear mandatory reporting to make sure their voluntary efforts are best in class, "if you move forward in a voluntary way on reporting that meets the needs of stakeholders, that will lessen the calls for mandatory reporting" he said today.

Steve Lippman, an analyst with Trillium Asset Management said that although increased disclosures on some ethical related issues are now mandated in Securities and Exchange Commission disclosures by companies, these requirements, while on the statute books, "are not enforced well" by the SEC.

Lippman says that it is clear to Trillium that "social and environmental risks can have a long term impact on shareholder value", and that "the GRI (standard) can provide the information in a way that is credible and useful" to the investing community.

Dave Stangis, corporate responsibility manager at Intel, said that he opposes compulsory social and environmental reporting, as the movement is "not mature enough to be put into a mandatory framework".

He concluded today that although there may be a time when SEE reporting will be mandatory, in his view, "that time is not now".

But Intel is now a big fan of GRI. "In trying to address a multitude of stakeholders, companies need to build on a platform of credibility", says Stangis. GRI, he believes, helps deliver that.

He also praised socially responsible investment analysts for helping his firm by providing "great feedback" on what they ought to be disclosing.

"We held back a little at first on GRI", admitted Stangis today, as the company wanted to see how others were able to use it. Now though, they are enthusiastic supporters.

GRI, he says, provides "a great roadmap" for sustainability reporting.

Out of the hundreds of American corporations reporting on SEE issues, only Dow Chemical, Ford Motor Company, General Motors, International Paper, Rio Tinto Borax and Intel Corporation report fully "in accordance" with the GRI guidelines, Mr Ligteringen said today.

The reader can obtain more information and a streamed audio replay of the tele-conference at: www.socialinvest.org