

Promoting Corporate Environmental, Social and Governance Policies with National Governments and Investors

Introduction

The purpose of this list is to provide examples of environmental, social and governance (ESG) policies promoted by national governments, international organizations, investors, and related organizations worldwide.

- Surveys and Trends

- *Responsible Investor* and *Investment & Pensions Europe Magazine* launch *RI Landscape 2008* re: ESG matters (May 2008)

- http://www.responsible-investor.com/home/article/ri_landscape/

- McKinsey report: most CEOs participating in UN Global Compact include ESG in core strategies (July 2007)

- http://www.unglobalcompact.org/NewsAndEvents/news_archives/2007_07_05d.html

- SocialFunds article re: global ESG disclosure and performance (November 2007)

- <http://www.socialfunds.com/news/article.cgi/2425.html>

- SocialFunds article re: RiskMetrics survey of ESG disclosure and performance (November 2007)

- <http://www.socialfunds.com/news/article.cgi/2429.html>

- IFC and Mercer launch global survey of ESG activities in emerging markets (November 2007)

- <http://www.csrwire.com/News/10266.html>

- National Finance Development Agencies Promoting ESG Performance

- 30 national agencies and IFC sign agreement on ESG due diligence (October 2007)

- http://www.ifc.org/ifcext/economics.nsf/Content/CG_DFIs_Initiative

- National Securities Agencies Promoting ESG Performance

- US SEC releases ESG review of Fortune 500 company reporting (undated; circa 2003)

- <http://www.sec.gov/divisions/corpfin/fortune500rep.htm>

- US GAO report *Environmental Disclosure: SEC Should Explore Ways to Improve*

Tracking and Transparency of Information (July 2004)

- <http://www.gao.gov/docdblite/summary.php?rptno=GAO-04-808&accno=A10929>
- UK Companies Act expands directors' duties and environmental reporting (2006)
 - <http://www.opsi.gov.uk/acts/acts2006/20060046.htm>
 - <http://www.trucost.com/pressreleases/CompaniesAct.html>
- UK Accounts Modernisation Directive requires environmental reporting (2006)
 - <http://www.defra.gov.uk/ENVIRONMENT/business/envrp/index.htm>
 - <http://www.frc.org.uk/>
- UK Financial Services Authority's international activities
 - <http://www.fsa.gov.uk/Pages/About/What/International/index.shtml>
- Philippines Board of Investment requires CSR corporate reporting under 2007 Investment Priorities Plan (August 2007)
 - <http://www.boi.gov.ph/> (go to Incentives, then to Investment Priorities Plan)
- Indonesia adopts Article 74 to require social and environmental responsibility programs for companies related to natural resources (July 2007)
 - <http://www.ibl.or.id/en/ibl/html/gateway.php?sid=news&mode=read&id=77>
- US SEC approves rule to accept International Financial Reporting Standards without reconciliation with GAAP (November 15, 2007)
 - <http://www.sec.gov/news/press/2007/2007-235.htm>
- US SEC requests public comments re: companies doing business in countries designated by the State Department as state sponsors of terrorism (November 16, 2007)
 - <http://www.sec.gov/news/press/2007/2007-237.htm>
- National Stock Exchange Agencies Promoting ESG Performance
 - Shenzhen Stock Exchange releases *Social Responsibility Instructions for Listed Companies* (September 2006)
 - <http://www.szse.cn/main/en/rulseandregulations/sserules/>
 - Shanghai Stock Exchange releases *Report on Corporate Governance* (November 2007)
 - http://www.sse.com.cn/sseportal/en_us/ps/home.shtml
 - National Stock Exchange of India collaboration with CRISIL on ESG Index
 - <http://www.csrwire.com/News/10867.html>
 - <http://www.nse-india.com/>
 - <http://www.crisil.com/>

- National Stock Exchange Agencies Promoting ESG Performance with Dedicated Exchanges
 - Brazil's Bovespa
 - <http://www.bovespa.com.br/indexi.asp>
 - Israel's Tel Aviv Stock Exchange with the Maala SRI Index (since 2006)
 - <http://www.tase.co.il/tase/>
 - South Africa's Johannesburg Exchange (since 2004)
 - <http://www.jse.co.za/sri/>
 - Malaysia's Bursa Malaysia: *CSR Framework for Malaysian PLCs* (since 2006)
 - http://www.klse.com.my/website/bm/about_us/the_organisation/csr.html
- National Agencies Promoting ESG Performance
 - US OSHA's *Voluntary Protection Programs* (since 1982)
 - <http://www.osha.gov/dcsp/vpp/>
 - US Department of Commerce's Baldrige Award (since 1987)
 - <http://baldrige.nist.gov/>
 - US Millennium Challenge Corporation's Indicators for Performance includes ESG indicators (since 2004)
 - <http://www.mcc.gov/selection/indicators/>
 - US EPA's *Corporate Leaders Program* (since 2004)
 - <http://www.epa.gov/performance/corporateleaders/>
 - US Food and Drug Administration implements 2007 law authorizing priority review process for drugs to treat neglected diseases (September 2007)
 - http://blogs.cgdev.org/globalhealth/2007/10/fda_priority_review.php
 - UK's Department for Environment, Food and Rural Affairs report *Environmental Disclosures: The Second Major Review of Environmental Reporting in the Annual Report & Accounts of the FTSE All-Share* (2007)
 - <http://www.trucost.com/pressreleases/EA-disclosures.html>
 - Canada's National Round Table on the Environment and the Economy report *Capital Markets and Sustainability: Investing in a Sustainable Future* (February 2007)
 - <http://www.nrtee-trnee.ca/eng/publications/capital-markets/index-capital-markets-eng.htm>
 - <http://www.nrtee-trnee.ca/eng/media/media-releases/20070212-Capital-Markets-eng.htm>

- Canada's National Roundtables on CSR and the Extractive Industry; Advisory Group Report (March 2007)
 - http://geo.international.gc.ca/cip-pic/current_discussions/csr-roundtables-en.aspx
- Australian Department of Treasury task force recommends ESG policy (June 2007)
 - <http://www.treasury.act.gov.au/>
- New Zealand's Crown Company Monitoring Unit requires state-owned enterprises to follow CSR programs (based on 1986 law establishing state-owned enterprises)
 - <http://www.cmau.govt.nz/soe-oem-page5.html>
- Sweden's Ministry of Enterprise, Energy and Communications requires all state-owned companies to follow new guidelines for public reporting (December 3, 2007)
 - <http://www.sweden.gov.se/sb/d/7329/a/93506>
 - <http://www.globalreporting.org/NewsEventsPress/PressResources/>
- China launches the Taida Environmental Index of 40 listed companies (January 2008)
 - <http://www.csr-asia.com/index.php?p=11106>
- China's Assets Supervision and Administration Commission releases CSR guidelines for state-owned enterprises (Spring 2008)
 - <http://www.csr-asia.com/index.php?p=11096>
- National Foreign Affairs Agencies Promoting ESG Policies
 - US Secretary of State's Annual Award for Corporate Excellence (since 1999)
 - <http://www.state.gov/e/eeb/ace/>
 - US Department of State establishes Office of International Labor and Corporate Social Responsibility, convenes Intergovernmental Forum at BSR Conference (Fall 2007)
 - <http://www.state.gov/g/drl/lbr/>
 - <http://www.state.gov/r/pa/prs/ps/2007/oct/94123.htm>
 - the UK Foreign & Commonwealth Office updates its CSR program (since 1995)
 - <http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1159194163723>
 - Norway's Ministry of Foreign Affairs releases its *Oslo Agenda for Change* (2007)
 - <http://www.csr-oslo.org/>
- National and other Governmental Agency Pension Funds Promoting ESG Performance
 - Norway's Ethical Guidelines for the Government Pension Fund
 - <http://www.regjeringen.no/en/dep/fin.html?id=216> (Pension Fund link on left)

- UK's Environment Agency Pension Fund
 - http://www.environment-agency.gov.uk/aboutus/233207/1707397/?lang=_e#
- Canada's CPP Investment Board *Responsible Investing* Policies and Initiatives
 - http://www.cppib.ca/Responsible_Investing/
- CalPERS Investment Policies
 - <http://www.calpers.ca.gov/index.jsp?bc=/investments/policies/home.xml>
- Australia's Regnan Ltd represents governmental and institutional funds totaling more than \$50 billion
 - <http://www.regnan.com.au/>
- National Parliamentary Organizations addressing ESG Policies
 - UK All-Party Parliamentary Group on Corporate Social Responsibility
 - <http://www.parliament.uk/>
 - UK All-Party Parliamentary Group on Socially Responsible Investment
 - <http://www.parliament.uk/>
 - Australian Parliamentary Joint Committee on Corporations and Financial Services
 - http://www.apf.gov.au/Senate/committee/corporations_ctte/
 - US Senate Subcommittee on Securities, Insurance and Investment: Hearing on Climate Risk Petition to the SEC (October 31, 2007)
 - <http://banking.senate.gov/index.cfm?Fuseaction=Hearings.Detail&HearingID=285>
- International Organizations Promoting ESG Performance
 - OECD environmental standards for export credit agencies (December 2003)
 - http://www.oecd.org/document/56/0,3343,en_2649_201185_21688824_1_1_1_1,00.html
 - IFC chairs agreement with 30 national finance agencies (October 2007)
 - http://www.ifc.org/ifcext/economics.nsf/Content/CG_DFIs_Initiative
 - UNEP Finance Initiative reports and work streams
 - http://www.unepfi.org/work_streams/investment/index.html
 - http://www.unepfi.org/work_streams/investment/materiality/
 - http://www.unepfi.org/work_streams/investment/amwg/index.html
 - UNEP Principles for Responsible Investment (launched April 2006)
 - <http://www.unpri.org/>
 - signatories: <http://www.unpri.org/signatories/>

- UN Global Compact's Financial Markets Program
 - http://www.unglobalcompact.org/Issues/financial_markets/index.html
- UN Global Compact, IFC, Swiss Department of Foreign Affairs conference report *New Frontiers in Emerging Markets Investment* (August 2007)
 - http://www.ifc.org/ifcext/enviro.nsf/Content/Publications_SustFinance#WhoCares2007
- EU Shareholder Rights Program (2007)
 - http://ec.europa.eu/internal_market/company/shareholders/indexa_en.htm
- EU Compendium on National Public Policies on CSR (updated annually)
 - http://ec.europa.eu/employment_social/emplweb/csr-matrix/csr_matrix_en.cfm
- EU and others launch *Markets in Financial Instruments Directive* (November 2007)
 - background: <http://en.wikipedia.org/wiki/MiFID>
- UN General Assembly adopts a resolution promoting global partnerships and requests a report on progress in a year (December 2007)
 - http://www.unglobalcompact.org/NewsAndEvents/news_archives/2007_12_05a.html
- Shareholder and Investor Initiatives Promoting ESG Performance
 - 56 financial institutions have adopted the Equator Principles since 2003 (November 2007)
 - <http://www.equator-principles.com/>
 - Ceres, Environmental Defense, States and investors file petition with the US SEC to require corporate reporting on climate risk (September 2007)
 - http://www.ceres.org/news/news_item.php?nid=333
 - <http://www.socialfunds.com/news/article.cgi/2388.html>
 - Aspen Principles report *Long-Term Value Creation: Guiding Principles for Corporations and Investors* chaired by the Aspen Institute (June 2007)
 - <http://www.aspenbsp.org/>
 - Goldman Sachs adopts policies promoting ESG performance
 - http://www2.goldmansachs.com/our_firm/our_culture/corporate_citizenship/index.html
 - Trucost releases report on UK corporate reporting (November 2007)
 - <http://www.trucost.com/pressreleases/EA-disclosures.html>
 - Innovest annual ranking of corporate performance (since 2005)
 - <http://www.global100.org/>

- the Social Investment Research Analyst Network releases *Sustainability Reporting in Emerging Markets: An analysis of the sustainability reporting in selected sectors of seven emerging market countries* (January 2008)

- <http://www.siran.org/emd/>

- SAM Group and Pricewaterhouse Coopers launch *The Sustainability Yearbook 2008* (January 2008)

- <http://www.sam-group.com/yearbook/>

- Leading banks adopt *The Carbon Principles* (February 2008)

- <http://www.citigroup.com/citigroup/press/2008/080204a.htm>

- Private Exchanges Promoting ESG Performance with Specific Markets

- Chicago Climate Exchange (2003)

- <http://www.chicagoclimatex.com/>

- New York Mercantile Exchange (for commodities) announces plans for *The Green Exchange* for launch in Spring 2008

- <http://www.greenfutures.com/>

- International Financial Organizations

- International Organization of Securities Commissions' *Objectives and Principles of Securities Regulation* (May 2003) and *Principles for Ongoing Disclosure and Material Development Reporting by Listed Entities* (October 2002)

- <http://www.iosco.org/about/>

- <http://www.iosco.org/library/>

- International Co-operative Alliance report *Corporate Social Responsibility: the Co-operative Difference* (October 2007)

- <http://www.ica.coop/al-ica/>

- report: <http://www.global300.coop/downloads>

- Professional Organizations

- International Accounting Standards Board's Work Plan (e.g., emissions trading)

- <http://www.iasb.org/>

- Chartered Accountants of Canada supports ESG corporate reporting (February 2007)

- http://www.cica.ca/index.cfm/ci_id/36164/la_id/1

- Forum on International Convergence of Accounting in Emerging Markets and Transition Economies (July 2007)

<http://www.iasb.org/News/Press+Releases/Convergence+of+accounting+in+emerging+and+transition+economies.htm>

- European Federation of Financial Analysts Societies' Commission on Extra-Financials establishes Committee on Corporate Responsibility (Fall 2007)

- <http://www.effas.com/en/commissions.htm> (go to Extra-Financials link)

- International Non-Governmental and Consulting Organizations Promoting ESG Performance

- Global Reporting Initiative Guidelines now used by more than 1,000 companies (GRI was launched in 1997; the guidelines were launched in 2000)

- <http://www.globalreporting.org/>

- SustainAbility's *Global Reporters* Program has released four biannual reports on corporate non-financial reporting (since 2000)

- http://www.sustainability.com/insight/global_reporters.asp

- East-West Management Institute surveys of CSR reporting in Central and Eastern Europe (since 2003)

- <http://www.pfsprogram.org/>

- the Association for Sustainable & Responsible Investment in Asia releases report on ESG disclosure for listings on the Hong Kong Stock Exchange (August 2006)

- <http://www.asria.org/publications>

- International Organization for Standardization's Advisory Group on Social Responsibility preparing voluntary guidance ISO 26000 (planned for 2010)

- <http://www.iso.org/sr>

- Key International Organizations for Future Partnerships

- UNEP Finance Initiative

Geneva

- <http://www.unepfi.org/>

- UN Global Compact

New York, NY

- <http://www.unglobalcompact.org/>

- International Finance Corporation

Washington, DC

- <http://www.ifc.org/>

- World Bank's *FIRST Initiative* Program (ESG performance in emerging markets)
Washington, DC
- <http://firstinitiative.org/>
- International Organization of Securities Commissions
Madrid
- <http://www.iosco.org/>
- World Federation of Exchanges
Paris
- <http://www.world-exchanges.org/>
- Association for Sustainable & Responsible Investment in Asia
Hong Kong
- <http://www.asria.org/>
- Resources for Research
 - GovernanceMetrics International
New York, NY
- <http://www.gmiratings.com/>
- Partners: <http://www.gmiratings.com/>
 - Enhanced Analytics Initiative (an international research collaboration)
- <http://www.enhancedanalytics.com/>
 - IBLF and IIED report *Exploring the Role of Development Cooperation Agencies in Corporate Responsibility* (May 2004)
- <http://www.iblf.org/resources/general.jsp?id=46>
 - the World Economic Forum and AccountAbility release *Mainstreaming Responsible Investment* (January 2005)
- <http://www.accountability21.net/publications.aspx?id=1228>
 - European Alliance for CSR, EABIS and others launch *Corporate Responsibility and Market Valuation of Financial and Non-Financial Performance* (June 2007)
- <http://www.csreurope.org/pages/en/marketvaluation.html>
 - Goldman Sachs report *GS Sustain* (June 2007)
- http://www.unglobalcompact.org/NewsAndEvents/news_archives/2007_07_05d.html
 - Germany's GTZ and the Bertelsmann Foundation release *The CSR Navigator: Public Policies in Africa, the Americas, Asia and Europe* (October 2007)
- <http://www.gtz.de/en/leistungsangebote/21388.htm>

- UNEP Finance Initiative report *Demystifying Responsible Investment Performance* (October 2007)
 - http://www.unepfi.org/work_streams/investment/amwg/

- The Prince of Wales Accounting for Sustainability Initiative's report *Accounting for Sustainability* (December 2007)
 - <http://www.accountingforsustainability.org.uk/>

- Josep Lozano et al., *Governments and Corporate Social Responsibility: Public Policies Beyond Regulation and Voluntary Compliance*; Palgrave; December 2007

- Oxford Business School's Skoll Centre for Entrepreneurship report *Creating a Social Stock Exchange*; 2007
<http://www.sbs.ox.ac.uk/skoll/research/Short+papers/Creating+an+Ethical+Stock+Exchange.htm>

- World Bank Program: *Reports on the Observance of Standards and Codes*
 - <http://www.worldbank.org/ifa/rosc.html>

- the Social Investment Forum's list of organizations using ESG factors in rating publicly traded companies
 - <http://www.socialinvest.org/directory/> (go to Social Investment Research)