

Global Winners & Reporting Trends

March 2008



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We have developed the world's first online, global & independent CR Reporting Awards. This report highlights the winners and explores what we have learnt through the process of delivering these inaugural awards.

CorporateRegister.com would like to extend sincere thanks to all those involved in the CR Reporting Awards 2007 – to the companies who entered their reports, the voters who took the time to participate, and our sponsors who supported the initiative.

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The CR Reporting Awards 2007 Category Sponsors

SGS, Bureau Veritas, Responsible Investor, Polar Print, Environmental Finance, Satellite, TBLI, credit360 and AccountAbility



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Dear Stakeholder

Corporate Responsibility Reporting has become an established element of business communications by the world's leading companies*. Over 2,500 CR reports were published during 2007. Those of us wishing to advance the CR agenda – and we assume this is true for all CR stakeholders regardless of region, sector or specialism – can be encouraged that global business is acknowledging and addressing its responsibilities. At the same time major challenges remain:

- How to increase the momentum? Many more companies should be reporting
- How to ensure reports are transparent, credible, communicate well and address the material issues?

We believe the CR Reporting Awards (CRRA) address both these challenges, and that this inaugural event marks a milestone in global reporting. The CRRA will be an annual event.

A 'good' CR report will appeal to a range of stakeholders: some need the numbers, some need the story that goes with the numbers, others only need a part of the story (and with time and patience at a premium, they need to find this quickly). We don't yet have a generally agreed definition of a 'good CR report', but it's not all bad news: we have a number of tools, and a steadily building wealth of experience. These are exciting times for CR reporters. It's easy to forget that not all progress is linear, and it can take us backwards before moving us forward. One of the main tools we have in ensuring we continue to move in the right direction is feedback from informed users, and we see the CRRA as a significant forum for such feedback.

The CR Reporting Awards 2007 are the first awards to accept entries from any reporting company, and to be judged online by an experienced, established global constituency of report readers.

CorporateRegister.com has provided the world's largest directory of CR reports for the past decade. We take an active role in the development of CR reporting and support several of the major initiatives in the field. At the same time we remain completely independent.

We look forward to working ever more closely with our many reporting stakeholders.



Paul Scott
Managing Director



Iain McGhee
Director of Services

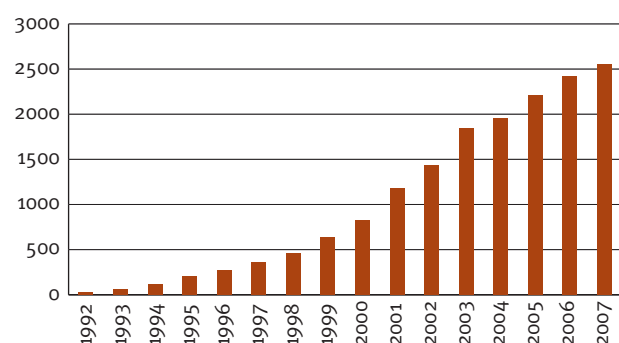
* During 2007, 335 of the Global FT500 issued a CR report (survey and report from CorporateRegister.com)

The state of play How CR reporting has developed and where we are now*

The Growth in CR Reporting

Substantive reporting on non-financial issues first emerged in the late 1980s. Early adopters were those industry sectors already experiencing pressure from both regulators and activists, sectors such as oil & gas, chemicals and utilities. Corporate Register.com has been publishing CR reporting statistics for a decade, contributing to the collective insight into CR reporting. This chart makes a simple point: between 1992 and 2007 reporting grew from an annual 27 reports to the current 2,500.

Figure 1: Global report output per year

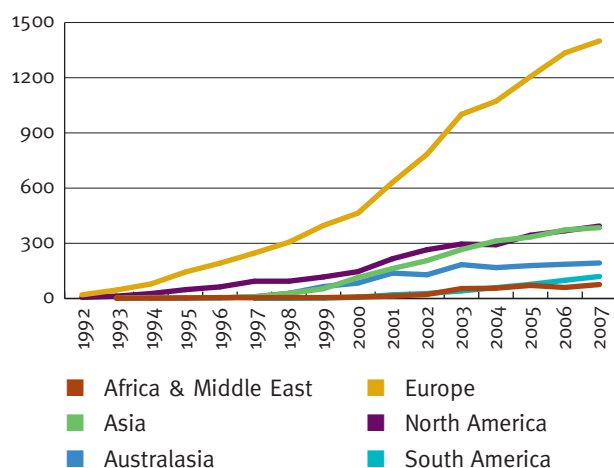


Reporting by Global Region

Not too surprisingly, European and North & Central American companies took the early lead on CR reporting. European reporting is still growing rapidly, producing over three times as many reports as the next most prolific region (a tie between Asia and North & Central America).

Australasia and Asia were the next regions to become substantially productive, closely followed by Africa & Middle East and South America. Notably Asia, despite an initial slow start, has accelerated and now matches the report output of North & Central America.

Figure 2: Report output per year by region

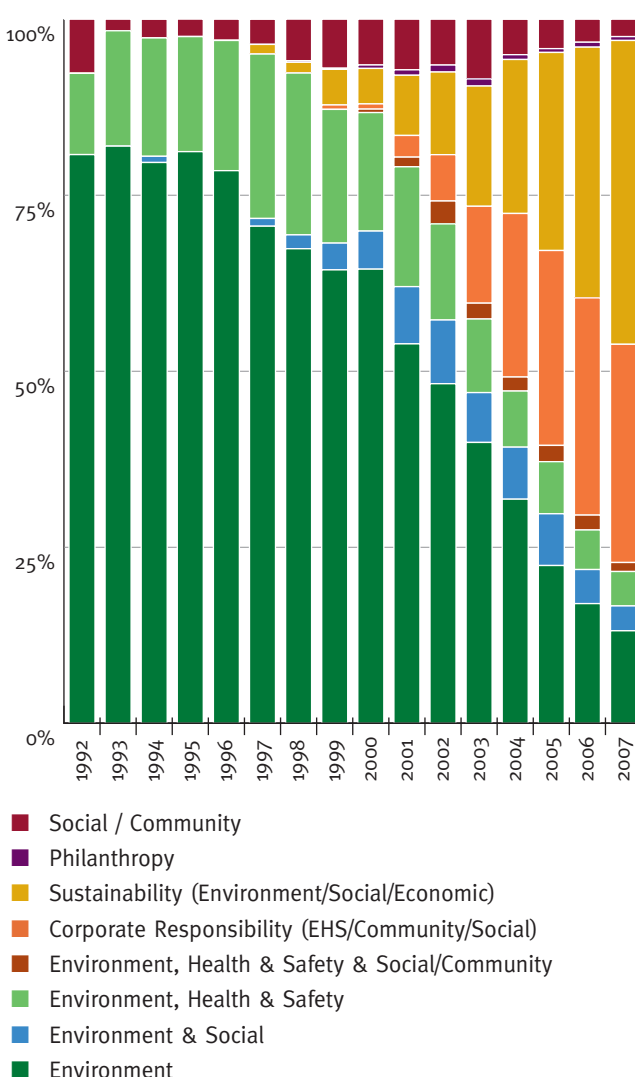


What is being reported – The Development of Multi-issue Reporting

We use the terms 'CR' and 'CSR' reports as a shorthand for a range of documents, ranging from the environmental or community to the more comprehensive 'sustainability' and 'corporate social responsibility' reports.

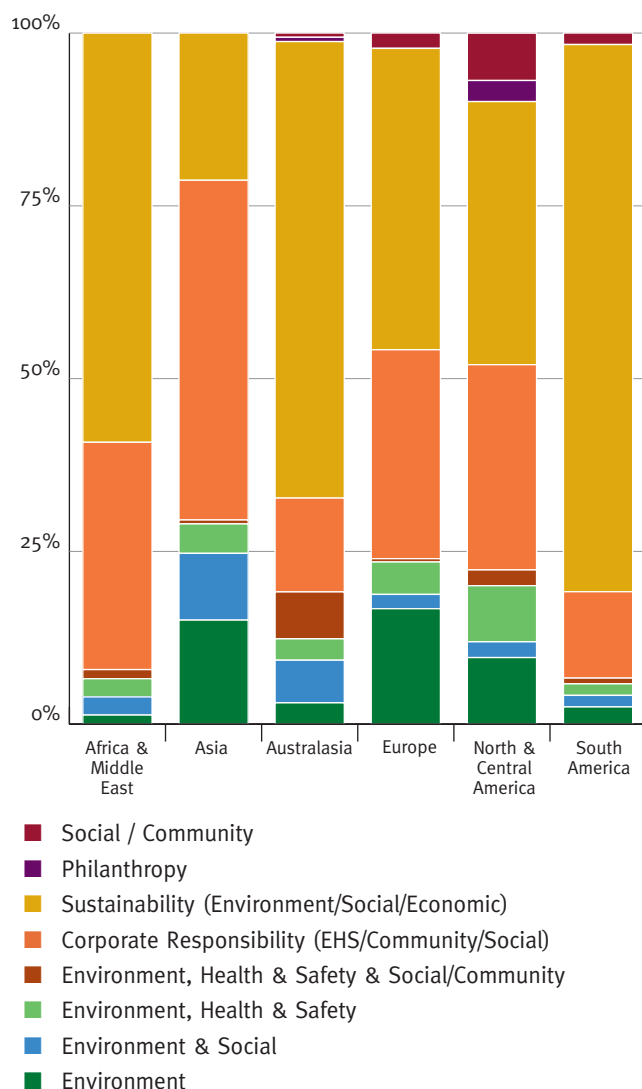
We can see that since the early 1990s the focus of these reports has shifted, and now covers a wide range of non-financial aspects.

Figure 3: Global report output by report 'type' and year



* This is an overview – for more detail please refer to 'Global CR Reporting Trends: Selected highlights from CorporateRegister.com' on p30.

Figure 4: Report 'types' produced in 2007 by region



Regionally there is significant divergence in the 'types' of reports produced in 2007. Africa & Middle East and South America both produce over 90% multi-issue 'Corporate Responsibility' or 'Sustainability' reports. Over 80% of current reports from South America fall into the 'Sustainability' category (those including economic/socio-economic issues) – over twice the rate within Europe. South American reporting is characterised by extensive application of the GRI guidelines, resulting in lengthy multi-issue reports sometimes with a lack of focus on materiality.

External Assurance

The inclusion of an external verification statement is one of a number of ways to enhance the credibility of a CR report. At its best, such a statement gives independent third-party conformation that report content is 'true and fair' (accurate and complete), and the statement may include comments and recommendations. At the very least it represents a commitment of financial and intellectual resources to the reporting process.

In 2007, 29% of CR reports included an external verification statement. CorporateRegister.com considers the AA1000 Assurance Standard (currently in a process of 'wiki' revision) to be particularly significant.

Figure 5: External assurance in 2007 reports

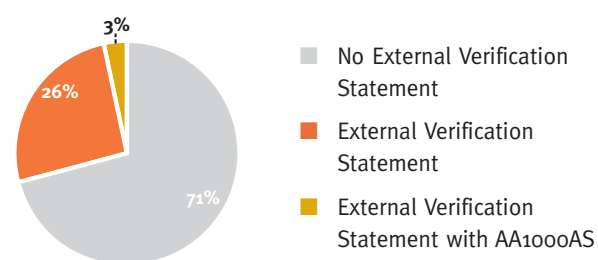
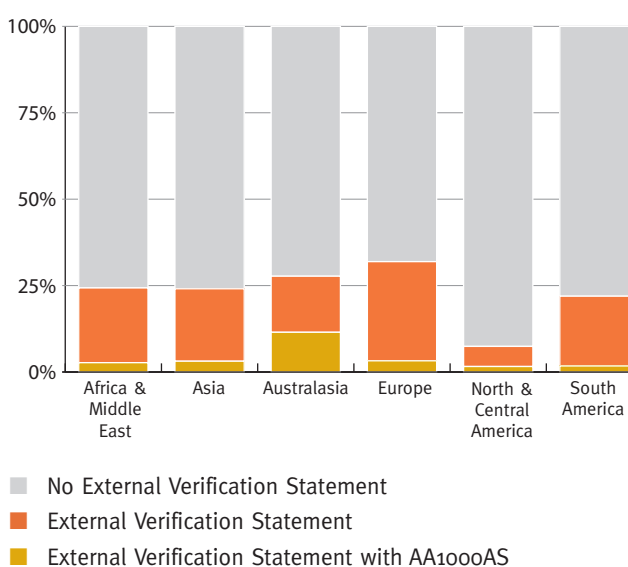


Figure 6: External assurance in 2007 reports by region



Who's reading these CR Reports? CorporateRegister.com Users!

The activity of CorporateRegister.com users varies considerably: some visit daily and others monthly. Between them they access over 2,200 report profiles on the CorporateRegister.com site every day.

Activity on our site increases month on month as general interest in this field grows, and more companies report. The monthly total of reports viewed during January 2008 was over 70,000.

On current rates of growth (new reports and new users) over 1,000,000 reports will be accessed on CorporateRegister.com during 2008.

Figure 7: Registered site users: total reports viewed

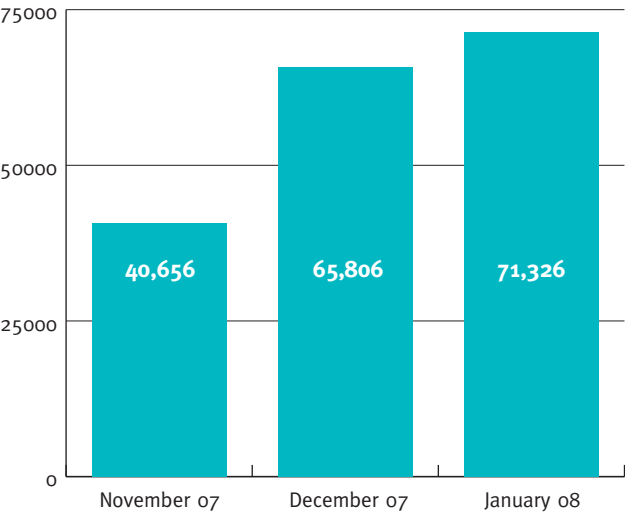


Figure 8: Who's viewing the reports, by region (Nov 07 – Jan 08)

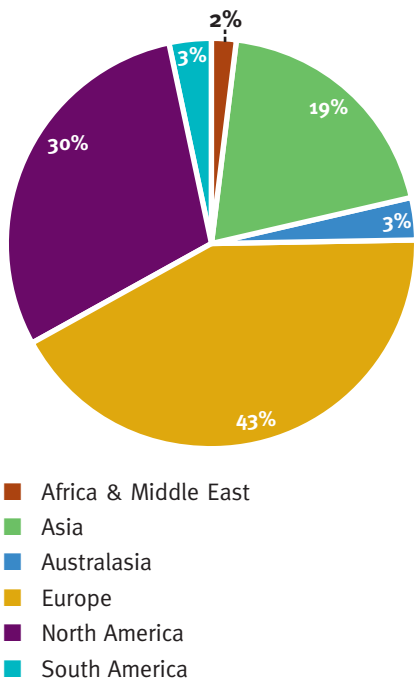
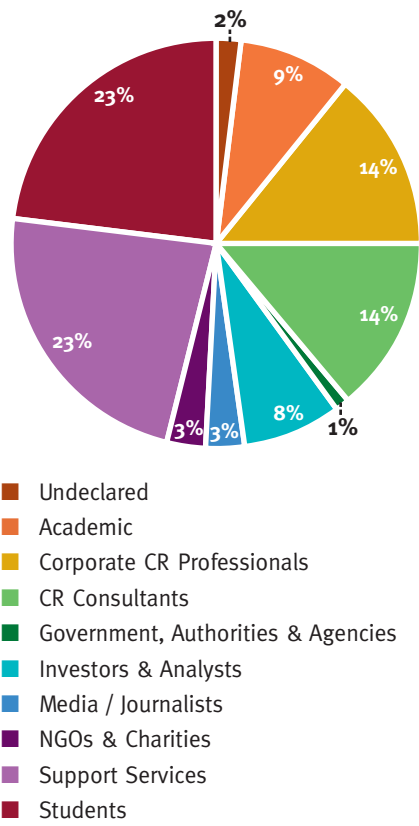


Figure 9: Who's viewing the reports, by stakeholder group (Nov 07 – Jan 08)



CRRA

CRReportingAwards'07

- Entrants and voting process
- The winners, and how they won

The CR Reporting Awards 2007

Entrants and voting process

CorporateRegister.com is proud to present the very first global, independent, online awards for CR reporting.

The Reasoning Behind the Awards

It is important to recognise and to reward achievement. CR reporting is a relatively new field of business communications, where best practice is continually evolving and momentum is growing. Reporting awards are an established mechanism for identifying and rewarding the best – CorporateRegister.com has extensive experience of this, gained through ten years of judging national and international reporting awards.

Over the same ten years, CorporateRegister.com has established an online community of over 20,000 readers of the reports profiled on the site. These readers have witnessed reporting developments and, from their own specialist perspectives, formed views about the content, communication and credibility of many of the 16,000 reports we feature. Our signed-up site users have a proven interest in, and experience of, CR reporting. Who could be more qualified to judge the leading reports of 2007 than these seasoned CR report readers? This is the largest ever expert panel on CR reporting!

How We Organised these First Awards

We created nine reporting categories: A 'Best Report' overall winner, four categories relating to the nature of the report or company (eg Best First time Report, Best Integrated Report) and four categories relating to specific transparency aspects (eg Carbon Disclosure, Relevance & Materiality).

Taking the period September 2006 – September 2007 as the reporting period, we invited 2,000 companies with reports profiled on CorporateRegister.com to participate. We were overwhelmed by the response, and closed the list of entrants after a fortnight, when it had reached 300, to keep it to a manageable size.

All reports were entered into the 'Best Report' category. Each entrant chose a maximum of two of the 'transparency aspects' awards categories, according to the considered strengths of their report.

Awards Timeline

Call for entries
23rd August 2007

Entrants list closed
6th September 2007

Voting opened
25th September 2007

Voting closed
20th January 2008

Winners announced
3rd March 2008

CRRA
CRReportingAwards'07

The CR Reporting Awards Entrants

The 300 reports entered to the CR Reporting Awards have a regional breakdown comparable with the output of all 2007 reports by region, representing a reflective sample of regional reporting trends.

North & Central America and Europe have a strong showing in terms of numbers. Both regions are firmly established in this field and keen to put reports forward for 'rating'. Some regions, such as South America and Asia, were less to the fore.

All current reporting companies were approached regardless of region, and the programme will aim to attract proportionate representation across all regions in future years.

Figure 10a: CR Reporting Awards Entrants by region

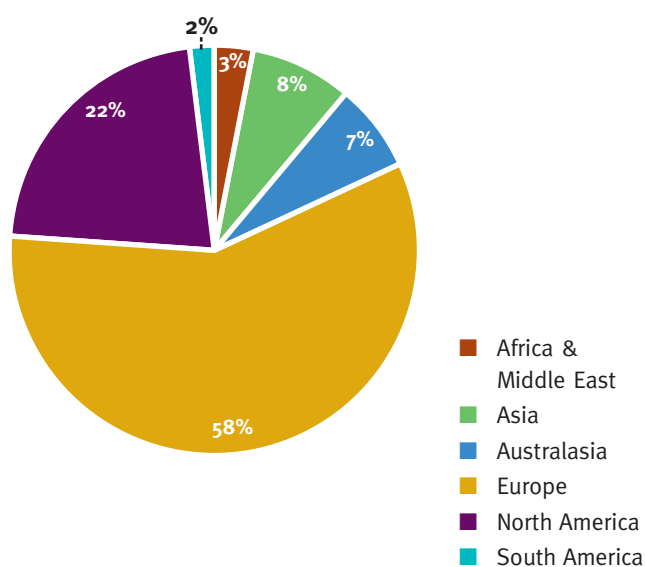
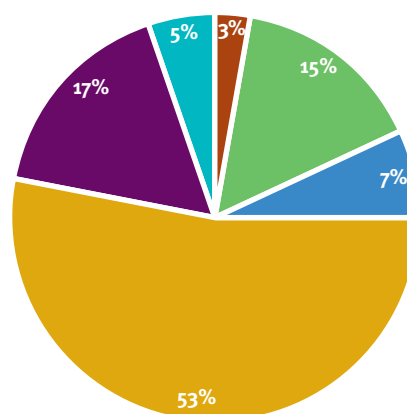
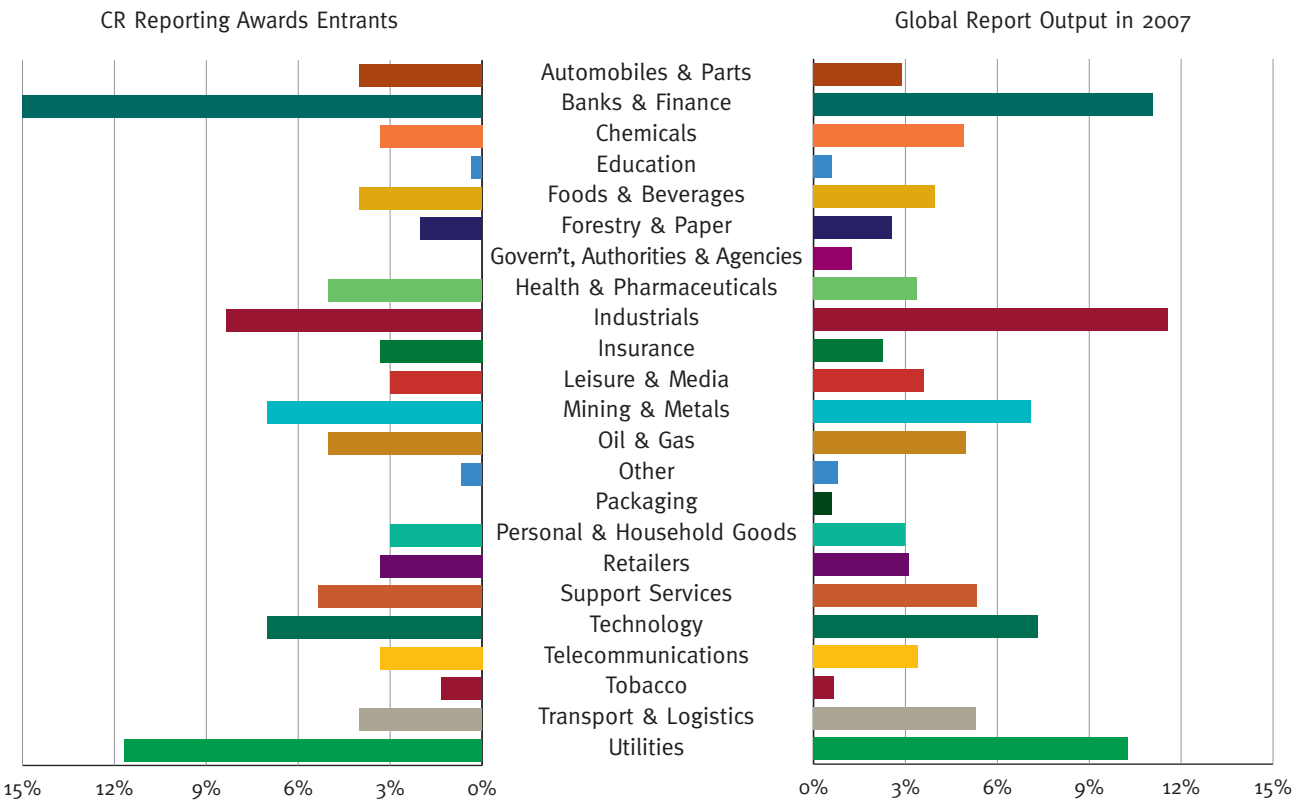


Figure 10b: Global Report Output in 2007 by region



Almost all business sectors tracked by CorporateRegister.com are represented in the CRRA 2007. Aside from slight over-representation by the Banking & Finance and Utilities sectors the distribution of CRRA entrants reflects that of all 2,500 reports published during 2007, by sector.

Figure 11: Entrants by sector



The Results – Online voting

Voting opened September 25, 2007 and closed in mid January 2008. All signed-up users of CorporateRegister.com could view all reports entered across the nine Awards categories and use a single set of votes throughout this period. Our users could review their choices, change their minds and review further reports as often as they wished during this period, until the deadline of January 20.

Voters could view the entries for each Award, and select up to five choices (first choice, second choice etc). A first choice equates to a score of 5, reducing incrementally down to a score of just 1 for fifth choice.

Over the 4 month voting period 4,922 votes were registered. Not all these votes complied with our voting rules, which stipulated that voters could only vote once, and they could not vote for reports from their own company (We considered it unfair if the results were based on numbers of company employees!)

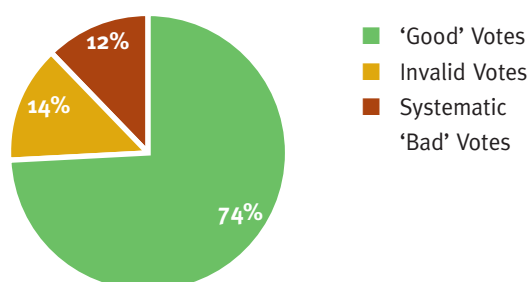
Integrity of the Process

Each voter was limited to a single set of votes. We had measures in place to identify repeat voting (including IP checks), and such votes were discounted.

Our voting rules stated clearly that employees of companies entered in the Awards could not vote for their own company report. We anticipated that some would attempt to do so, and it was important to avoid large numbers of employees 'voting' for their own reports. We discounted all such votes.

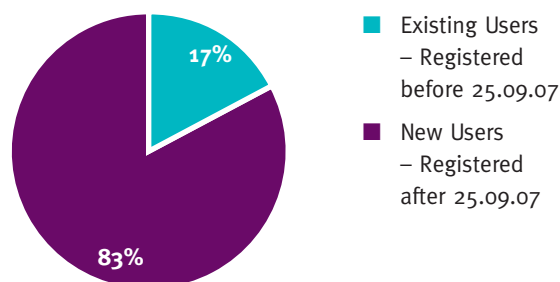
We discounted a total of 1,262 votes. The majority of these (674) were from people who had voted for their own reports (we identified this by self-declarations on registration, correlated against IP address). A further 588 votes were discounted for 'systematic bad voting' (we identified several companies, with two major culprits, which voted systematically and automatically, presumably using special 'voting' software). We intend to publish the names of such companies in future years – you have been warned!

Figure 12: 'Good' votes vs. 'Bad' votes



Who was placing invalid votes? Interestingly, over 83% of the invalid votes placed were from users registering with us after the launch of the awards (September 25). Voting from our existing constituency was more reliable than that from new users, who may have just registered to vote and had no sustained interest in CR reporting.

Figure 13: 'Bad' voters: Existing users vs. New Users



The remaining 3,660 votes (representing 74% of the original voting pool) formed the basis for our results. Our online voting panel comprised 461 users, the largest (and most knowledgeable) reporting awards judging panel anywhere to date. Please refer to the section on 'Who's reading these CR Reports? CorporateRegister.com Users!' for an overview of the credentials of our site users.

Figure 14: Registered site users: CRRA 2007 votes by region

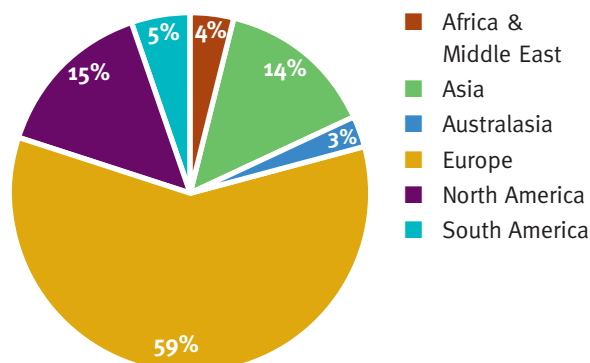
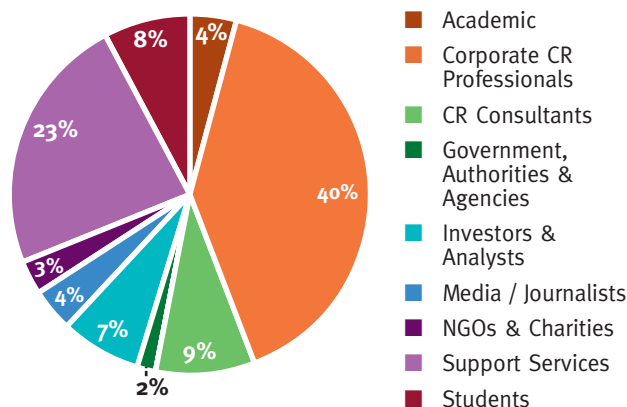


Figure 15: Registered site users: CRRA 2007 votes by stakeholder group



Best Report The winners

Every report entered into the CR Reporting Awards was automatically entered into this category, to identify the best overall report.

What makes a good report? This is open to debate, which makes the results all the more revealing. We asked our users

to consider 5 essential elements: Content, Communication, Credibility, Commitment & Comparability.

The entrants

This category received 300 entrants, of which 80 scored zero by the end of the voting period.

The results

Winner

Vodafone Group plc

Corporate Responsibility Report For the year ended 31 March 2007



Selected voters' comments on the report:

"Very effective, all of what's necessary, little of what is not" CSR Organisation, The Netherlands

"Not many companies can communicate so clearly on the issues that matter" Investor/Analyst, South Africa



Runner Up #1

ABN Amro Holding NV

Runner Up #2

BP plc

4th Chamartín Inmobiliária

5th BHP Billiton Limited

6th Novo Nordisk A/S

7th Volkswagen AG

8th Gas Natural SDG SA

9th BMW AG

10th Akzo Nobel NV

Category sponsor

SGS

SGS is the world's leading inspection, verification, testing and certification company.

SGS is recognized as the global benchmark for quality and integrity. Our global network consists of 50,000 employees and over 1,000 offices and laboratories.

We have a strong track record in providing solutions in the area of sustainable development. SGS offers:

- Support to organisations in establishing their supply chain monitoring programmes. These range from assistance in deciding on which codes to adopt to managing entire programmes.
- A range of assessment solutions using trained, local auditors. In addition to compliance monitoring against a wide range of international standards, 3rd party code and internal requirements, SGS undertakes a wide range of different audits and

appraisals including Multi-stakeholder activities and participatory audits.

- Independent verification of social and sustainability reports against international standards, such as GRI and AA1000. Our approach to report verification is based on four modules that address the varying needs of clients, such as assuring the accuracy of the chosen scope of reporting to establishing management systems for social and environmental reporting to managing relationships with stakeholders.
- A portfolio of solutions for mandatory and voluntary reporting of greenhouse gas emissions (SGS Climate Change Programme).
- Training for suppliers ranging from briefing sessions to explain client requirements to courses on specific issues for management and supervisory levels.

Contact: David Glenister, International Sales Manager & Corporate Sustainability Report Assurance Specialist

+41 (0) 1276 697 980 | david.glenister@sgs.com | www.sgs.com



Best Report How the winners won

Distribution of scores

Figure 16a: All scoring entrants

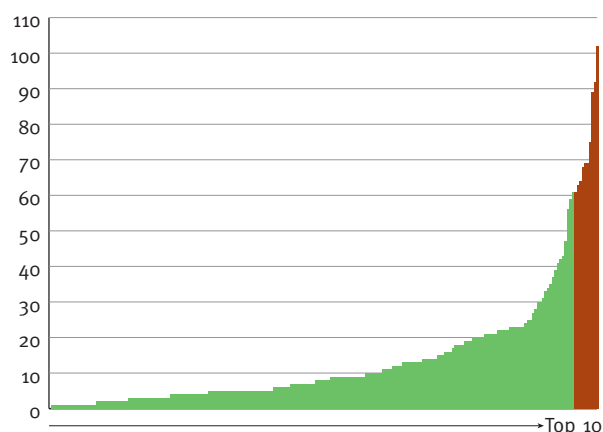
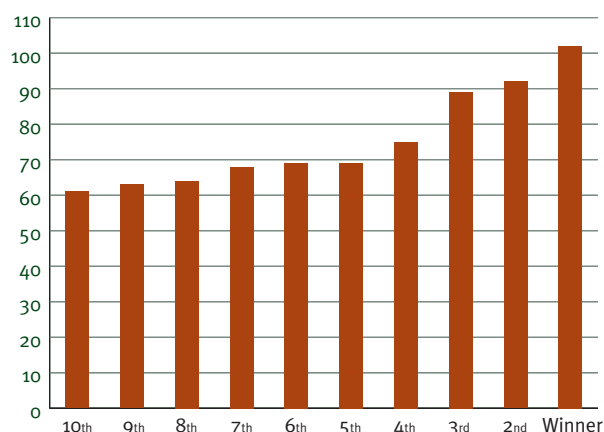


Figure 16b: Top ten scoring entrants



Scoring by stakeholder group, compared with average across all categories

Figure 17a: This category

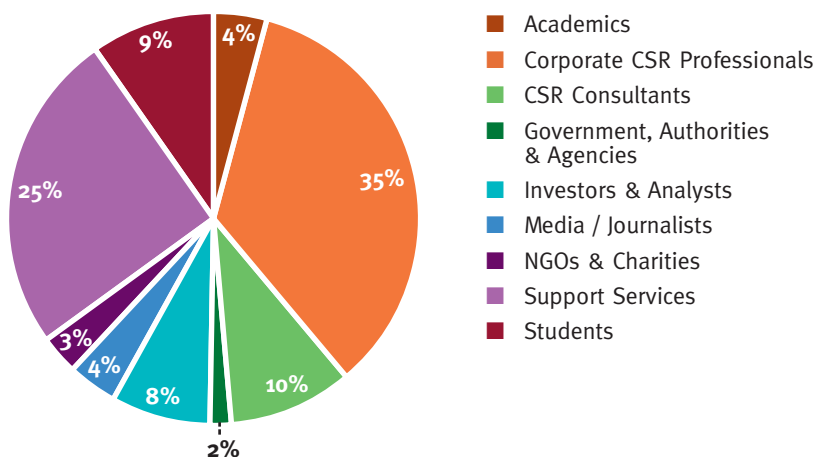


Figure 17b: Overall

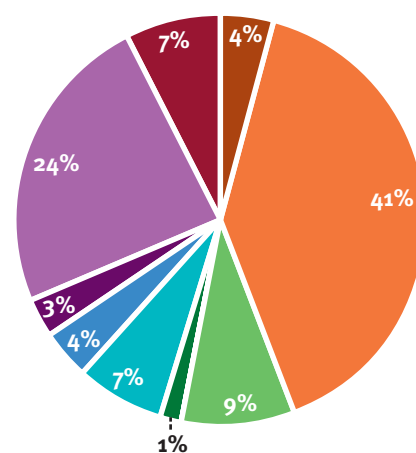
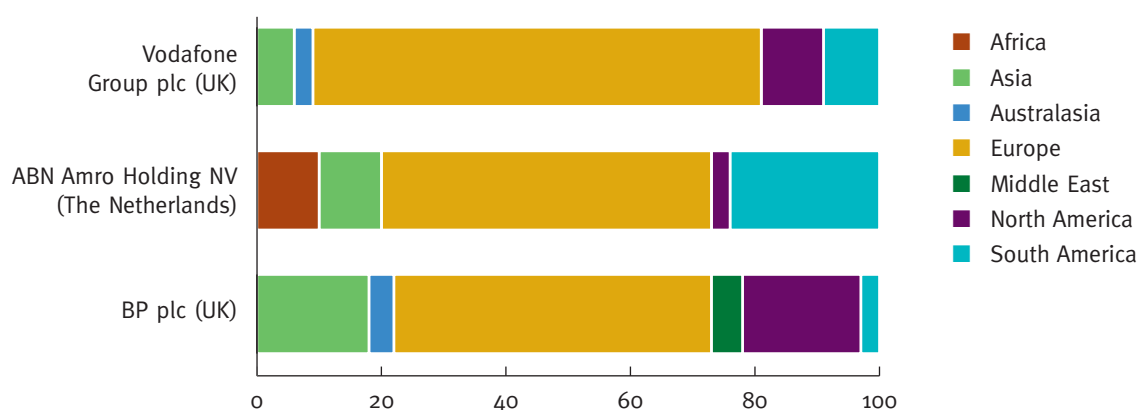


Figure 18: Scoring by region for the top 3 reports



Best First Time Report The winners

The category was for companies who had produced their very first CSR report.

The entrants

This category received 31 entrants, all of which received at least one score by the end of the voting period.

The results

Winner

Green Mountain Coffee Roasters Inc

Corporate Social Responsibility Report Fiscal Year 2005



Selected voters' comments on the report:

"Fantastic effort and execution. Strong metrics, excellent transparency, very thorough and a fun read to boot" CSR Consultant, USA

"Rich in content and examples. Extremely relevant metrics for their industry and a high degree of transparency on key issues." CSR Consultant, USA



Runner Up #1

Pricewaterhouse Coopers

Runner Up #2

De Beers SA

- 4th Vodafone Malta Limited
- 5th Corticeira Amorim SGPS SA
- 6th Forest Products Association of Canada
- 7th Caja de Ahorros Municipal de Burgos
- 8th Bombardier Transportation
- 9th Strategic Sustainability Consulting
- 10th American Electric Power

Category sponsor

Bureau Veritas

The Bureau Veritas Group has consistently built recognised expertise, helping clients comply with and anticipate standards and regulations relating to Quality, Health & Safety, Environment and Social Responsibility.

The Group's network of regional and local offices manages client relationships and delivers a comprehensive range of services. Bureau Veritas is recognised as a leading provider of Corporate Responsibility (CR) strategy, assurance and verification services and has extensive experience in working with leading companies providing innovative solutions reflecting clients' individual needs.

In addition to this core team in the UK we have a global network of CR specialists across 600 locations in 140 countries giving us the ability to support global multinational companies and an understanding of how to apply CR principles at a local market level.

Contact: Ken Smith, Business Director, Environmental Management, Sustainability and Risk
+44 20 7902 6181 | corporateresponsibility@uk.bureauveritas.com | www.bureauveritas.co.uk

Bureau Veritas can assist you with the development of long-term CR strategies, working with senior management to understand your particular organisational needs, risks and opportunities; develop strategies in line with best practice; identify and engage with appropriate stakeholders and help you to report and verify information as a statement of progress to stakeholders.

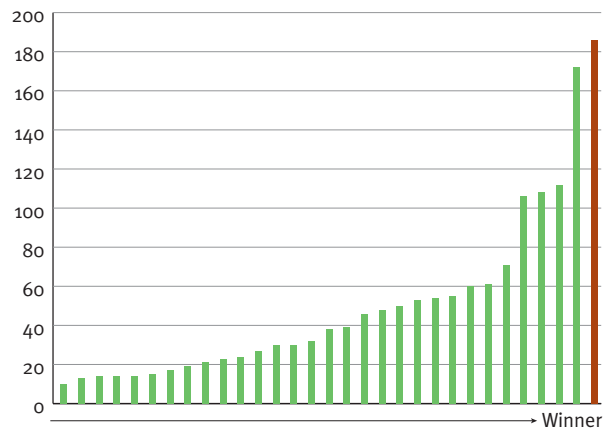
We are experienced in a wide variety of sectors including financial, insurance, aviation, property development, construction, utilities, pharmaceutical, food and tobacco companies.



Best First Time Report How the winners won

Distribution of scores

Figure 19: All scoring entrants



Scoring by stakeholder group, compared with average across all categories

Figure 20a: This category

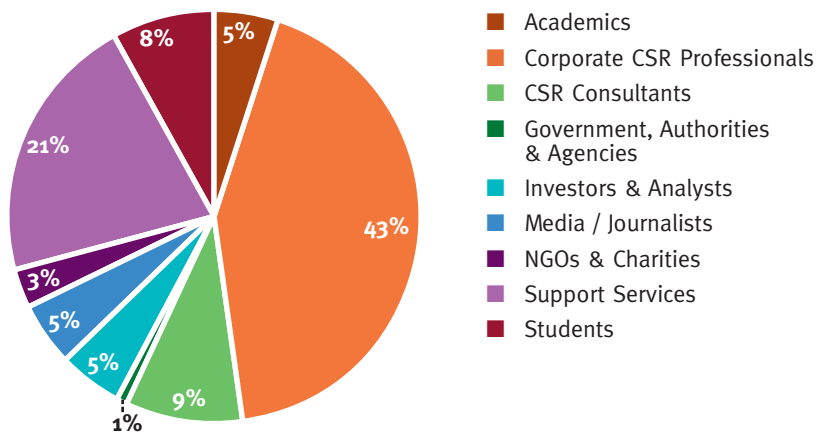


Figure 20b: Overall

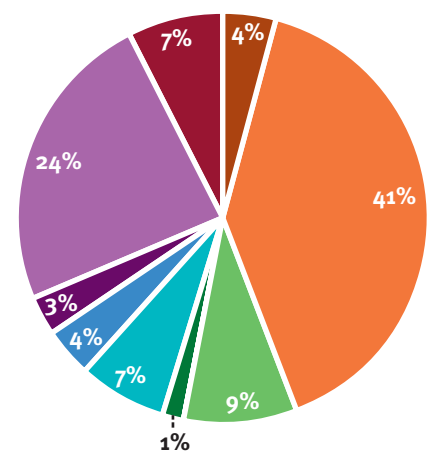
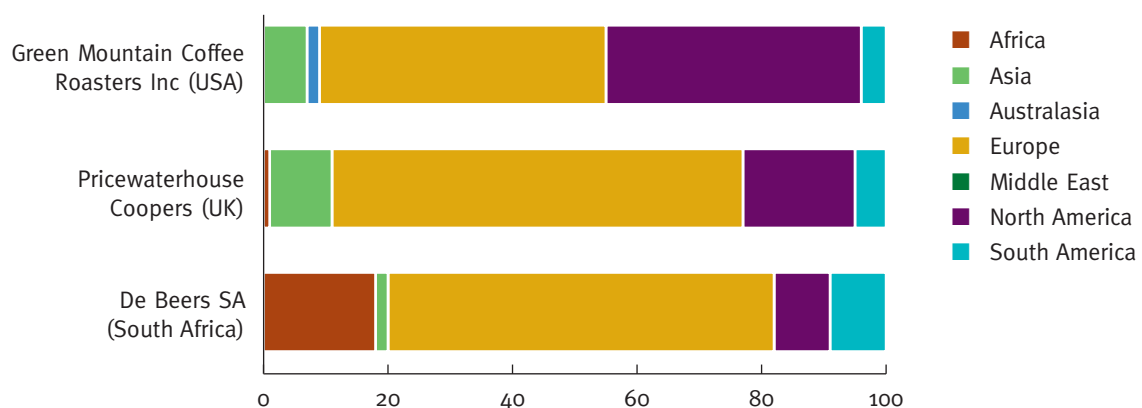


Figure 21: Scoring by region for the top 3 reports



Best SME Report The winners

Our definition of SME (micro, small and medium-size enterprises) is fewer than 250 employees.

The entrants

This category received 13 entrants, all of which received at least one score by the end of the voting period.

The results

Winner

Green Mountain Coffee Roasters Inc

Corporate Social Responsibility Report Fiscal Year 2005



Selected voters' comments on the report:

"Eminently readable, easy to understand, feels authentic, interesting!" Student, USA

"No contest! The honesty just shines through the whole report." Student, India



Runner Up #1 Australian Ethical Investment Ltd

Runner Up #2 Workspace Group plc

- 4th Strategic Sustainability Consulting
- 5th Landcom
- 6th Javierre SL
- 7th Forensic Pathways Limited
- 8th Hauska & Partner Group
- 9th Lebenswelt Heim
- 10th Solutia UK Ltd

Category sponsor

Responsible-Investor.com

If excellence in corporate responsibility delivers greater shareholder value, Responsible-Investor.com is where CSR becomes investor relations reality.

Responsible-Investor.com provides institutional investors with a comprehensive online magazine and information resource which recognises the growing requirement to achieve investment returns within an environmental, social and corporate governance framework.

What does this mean for corporations?

For institutional investors, "climate change, human rights and board remuneration are now coming to the fore as factors that can have a significant impact on investment value." Responsible Investment in Focus: How leading public pension funds are meeting the challenge (UNEP FI & UK SIF, 2007).

"Analysts need information about environmental, social, and governance performance in order to identify the best companies in which to invest. Companies that are transparent will be rewarded by the market." Paul Hilton, director of advanced equities research at Calvert.

Or in the words of Fred Kindle, President and CEO, ABB Ltd: "Environmental, social and human rights concerns influence the bottom line."

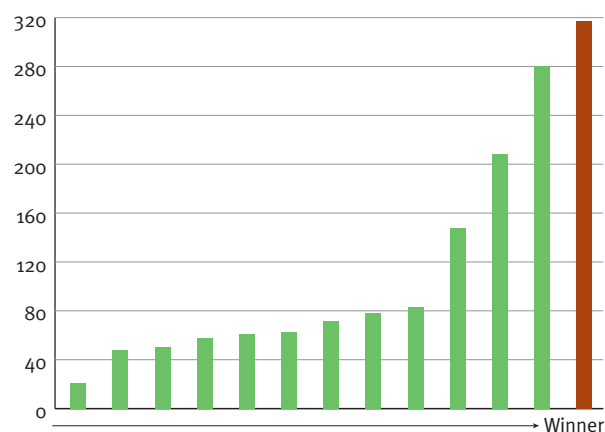


Contact: Tony Hay, Publisher | +44 20 8682 3638 | tony@responsible-investor.com | www.responsible-investor.com

Best SME Report How the winners won

Distribution of scores

Figure 22: All scoring entrants



Scoring by stakeholder group, compared with average across all categories

Figure 23a: This category

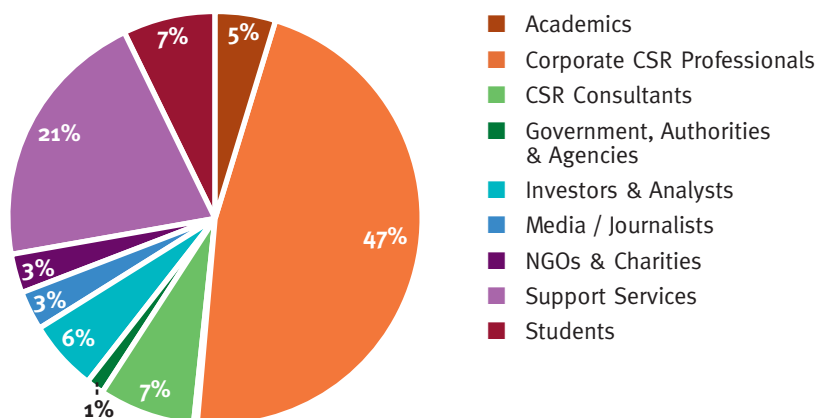


Figure 23b: Overall

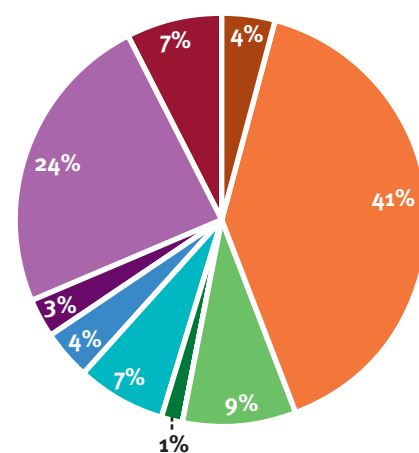
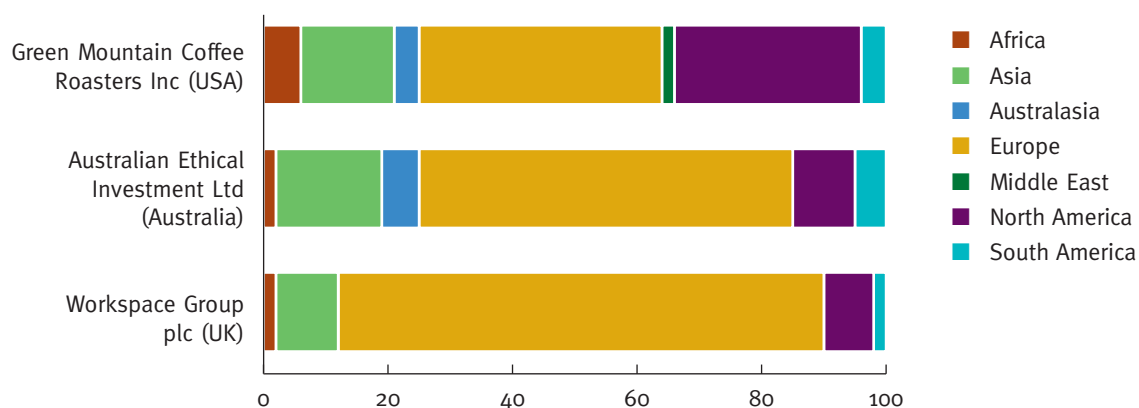


Figure 24: Scoring by region for the top 3 reports



Best Integrated Report The winners

Most corporate responsibility reports are 'stand-alone' ie they are separate from the Annual Report & Accounts (AR&A). Increasingly, companies are combining non-financial aspects into their AR&As, and the best are integrating them fully, rather than including just a small section of non-financial information. The award is for the report that

most successfully integrates the financial & non-financial aspects.

The entrants

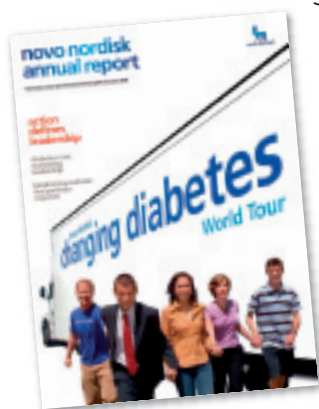
This category received 21 entrants, all of which received at least one score by the end of the voting period.

The results

Winner

Novo Nordisk A/S

Annual Report 2006



Selected voters' comments on the report:

"Novo have reported to a very high standard for many years. This report shows companies can move to the next level, by adapting a quality stand-alone report into an integrated annual / sustainability report, which must be the way to go" CSR Consultant, UK

"They cover all the areas of sustainability and are leaders in proactively bringing sustainability to stakeholders attention" CSR Consultant, India



Runner Up #1

BHP Billiton Limited

Runner Up #2

African Bank

- 4th AXA SA
- 5th Triodos Bank
- 6th Smithfield Foods Inc
- 7th Norsk Hydro ASA
- 8th F Hoffmann – La Roche Ltd
- 9th Gamesa Corporación Tecnología SA
- 10th Hydro Tasmania

Category sponsor

Polar Print Group

Polar Print Group is printer of first choice for the CSR aware buyer. The business' Printing Responsibly™ stance places Corporate and Social Responsibility at the very heart of everything it does, striving to spearhead positive change in the printing industry, an industry which has long held a reputation for being environmentally unfriendly. The business has taken very large and considered steps to get it to the position where it is today.

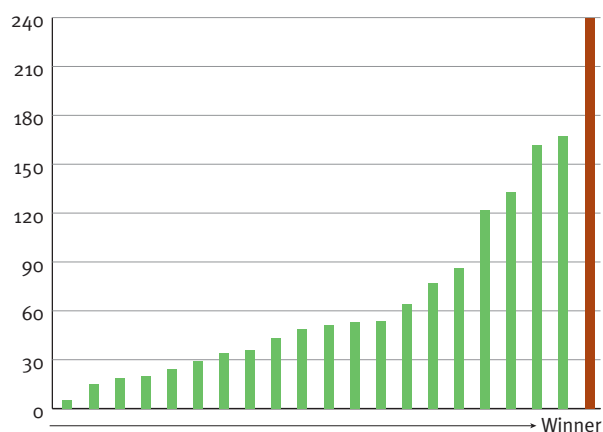


Contact: Stephanie Davies, CSR Marketer | +44 116 274 4774 | StephDavies@polargroup.co.uk | www.polargroup.co.uk

Best Integrated Report How the winners won

Distribution of scores

Figure 25: All scoring entrants



Scoring by stakeholder group, compared with average across all categories

Figure 26a: This category

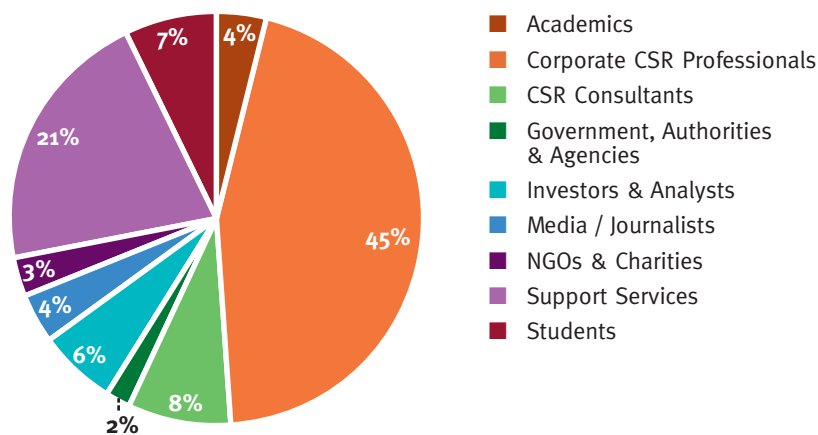


Figure 26b: Overall

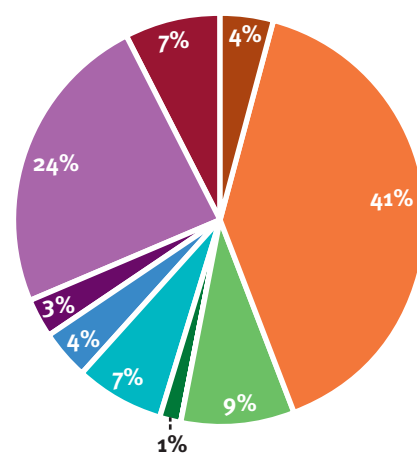
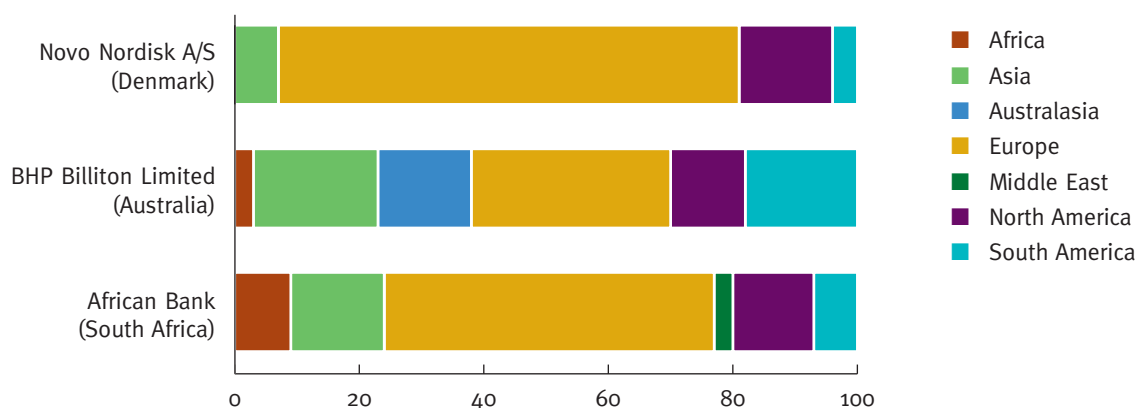


Figure 27: Scoring by region for the top 3 reports



Best Carbon Disclosure The winners

Which report gives the best disclosure of the company's carbon emissions, the implications for climate change, and the mitigation measures taken? We prompted voters to check for policy, quantified data and targets.

The entrants

This category received 39 entrants, of which 1 scored zero by the end of the voting period.

The results

Winner

BMW AG

Sustainable Value Report 2007/2008



Selected voters' comments on the report:

"The concept of clean production is very good. And the listing of the CO₂-Emissions of every car is good, too."
Student, Germany

"Good report – useful information, clearly presented." Student, Colombia

BMW Group



Runner Up #1 Rio Tinto plc

Runner Up #2 Energias de Portugal SA

- 4th Sony Corporation
- 5th Shell Canada Limited
- 6th British Sky Broadcasting Group plc
- 7th Bayer AG
- 8th ScottishPower plc
- 9th Barclays plc
- 10th E.ON AG

Category sponsor

Environmental Finance

Environmental Finance is the only global magazine analysing the impact of environmental issues on the investment, borrowing, insurance and trading decisions affecting industry.

Every issue brings you right up-to-date with all the key developments in emissions trading, renewable energy finance, socially responsible investing, environmental reporting, weather risk management, and environmental insurance.

A subscription to Environmental Finance will ensure that you are fully aware of the government legislation, consumer pressure, investor demands, and industry initiatives that can impact your bottom line and reputation.

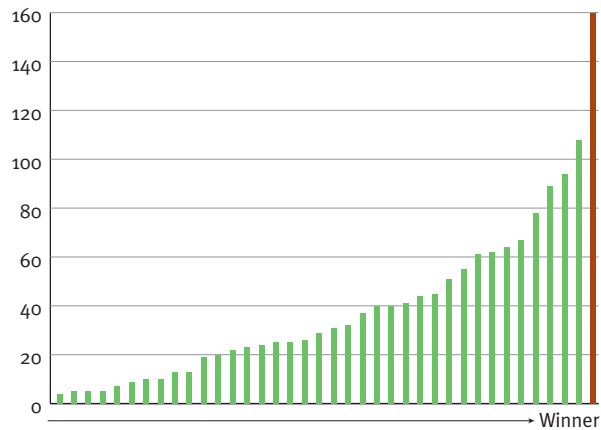
Environmental
Finance
MAGAZINE

Contact: Graham Cooper, Publisher | +44 20 7251 9151 | graham@environmental-finance.com | www.environmental-finance.com

Best Carbon Disclosure How the winners won

Distribution of scores

Figure 28: All scoring entrants



Scoring by stakeholder group, compared with average across all categories

Figure 29a: This category

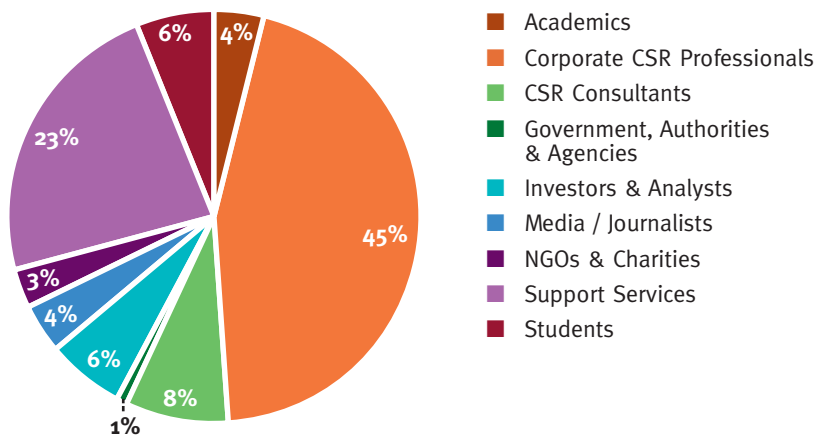


Figure 29b: Overall

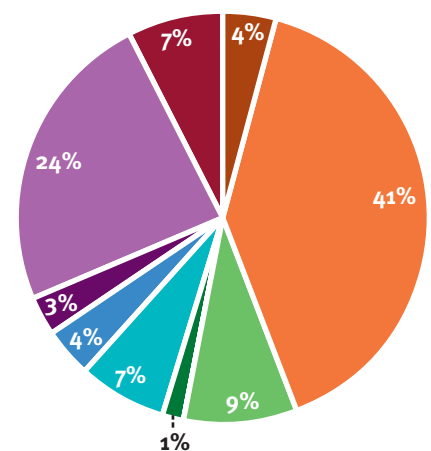
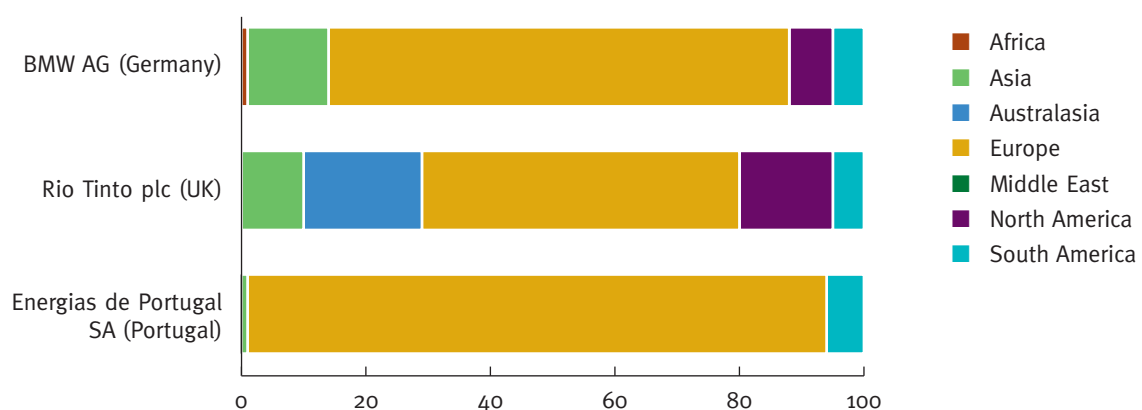


Figure 30: Scoring by region for the top 3 reports



Creativity in Communications The winners

Which report is a real pleasure to read, because the authors have given thought to both the content and the reader? Do you find the report engaging and informative, or boring and unimaginative? This award is for the report which best succeeds in getting its message across, using creativity as a defining factor.

The entrants

This category received 100 entrants, of which 24 scored zero by the end of the voting period.

The results

Winner

Coca-Cola Enterprises Inc

2006 Corporate Responsibility and Sustainability Report



Selected voters' comments on the report:

"Important information presented in a very clear fashion" Academic, USA

"The commitment to replacing water one for one!" Student, Australia

Coca-Cola Enterprises Inc.

Runner Up #1

Hewlett-Packard Company

Runner Up #2

Nokia Group

- 4th African Bank
- 5th DaimlerChrysler AG
- 6th Chamartín Imobiliária
- 7th British Sky Broadcasting Group plc
- 8th Gas Natural SDG SA
- 9th Green Mountain Coffee Roasters Inc
- 10th Nike Inc

Category sponsor

Satellite

Satellite is a full service creative communications agency with a difference – a conscience, and an in-depth understanding of 'Green' and 'Ethical' issues.

We specialise in doing business with organisations that demonstrate high ethical standards, and, like us, conduct their business in a responsible, sustainable way with a minimum of impact on the environment. We believe that sustainability is good for customers, good for the planet and good for business.

Satellite are the founders and producers behind the globally recognised Green Awards which recognises organisations promoting sustainability through communications. The event boasts an array of environmental partners including the United Nations Environment Programme, Friends of the Earth and the UK's Energy Saving Trust.

We help organisations of any size understand and navigate the increasingly complex and dynamic ethical landscape. The ever-changing nature of the ethical and green debate means that we have to be on our toes, constantly updating and refining our knowledge of the issues that matter to businesses, governments, civil society and the general public.

As part of our ethical commitment to our clients we bring this experience to bear in all our business dealings, providing a unique combination of expertise in sustainability, corporate social responsibility, and creative communications.

SATELLITE
the green agency

Contact: Peter Eyres, Regional Director | +44 (0) 7506 708858 | peter@satellitemc.com | www.satellitemc.com

Creativity in Communications How the winners won

Distribution of scores

Figure 31a: All scoring entrants

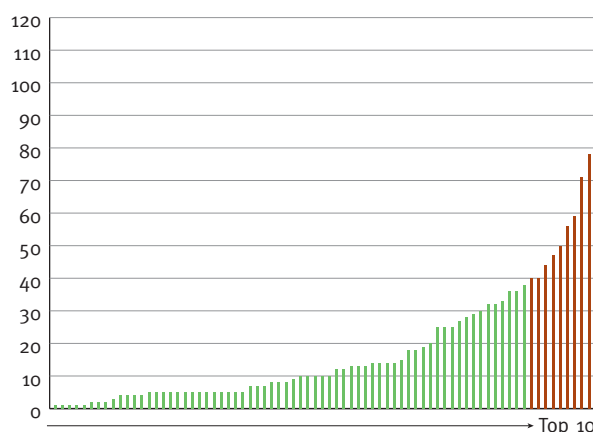
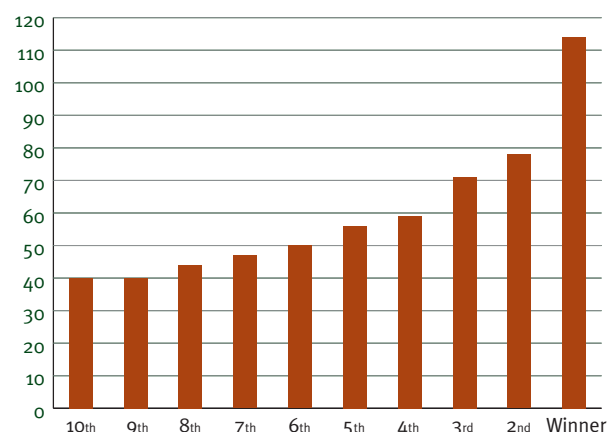


Figure 31b: Top ten scoring entrants



Scoring by stakeholder group, compared with average across all categories

Figure 32a: This category

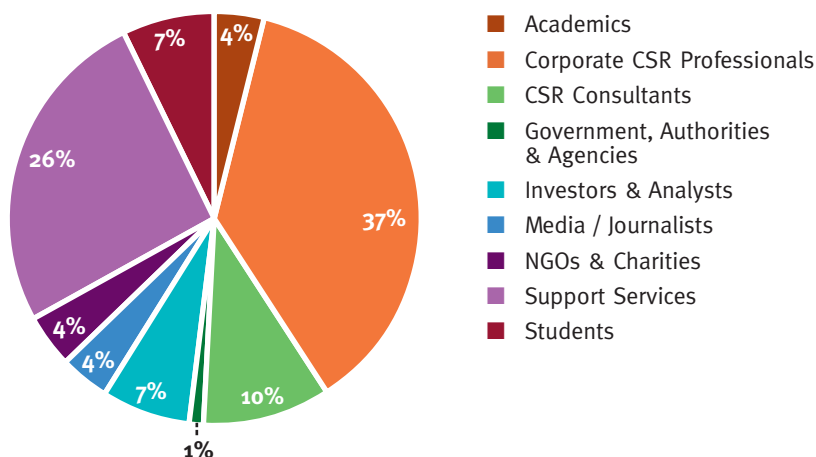


Figure 32b: Overall

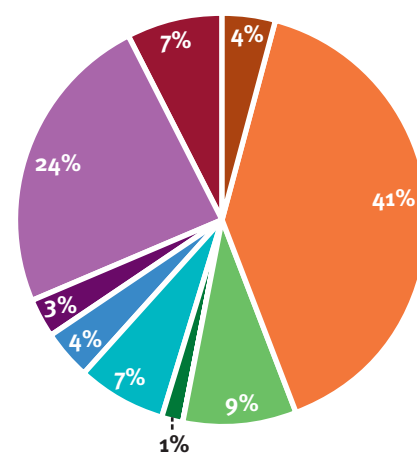
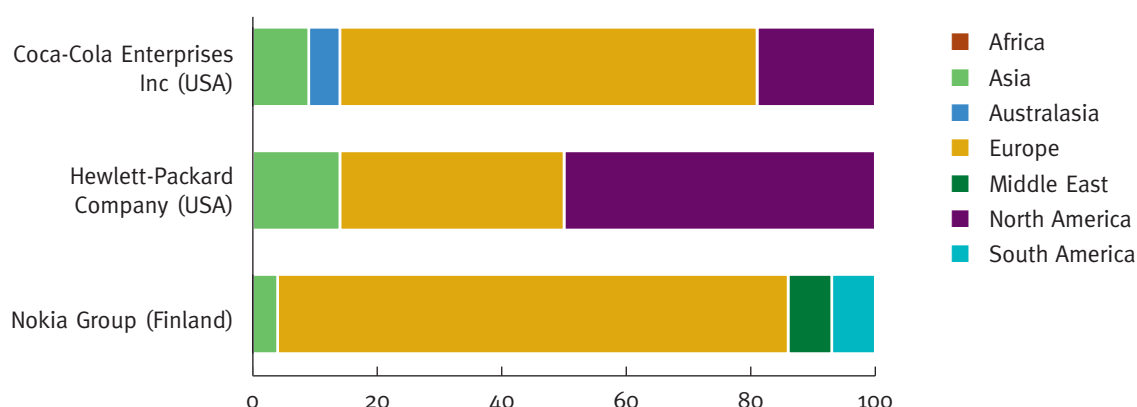


Figure 33: Scoring by region for the top 3 reports



Relevance & Materiality The winners

How many times have we seen reports which are long on length but short on relevant content? Which don't tell us about the non-financial issues which impact company performance, but lay down a smokescreen of non-essential information? This award is for the report which cuts to the chase and tells us about the material issues (ie those specific to the company performance and sector, the risks

and opportunities), clearly and succinctly. A short report which gives us the relevant information should win over a blockbuster of several hundred pages.

The entrants

This category received 167 entrants, of which 56 scored zero by the end of the voting period.

The results

Winner

BP plc

Sustainability Report 2006



Selected voters' comments on the report:

"Great online tools, excellent external assurance, a lot of information made highly accessible. BP continue to show they take reporting seriously, evidenced by the links to site and regional reports around the world."

CSR Consultant, UK



Runner Up #1

ABN Amro Holding NV

Runner Up #2

Akzo Nobel NV

- 4th Royal Dutch Shell plc
- 5th ABB Ltd
- 6th Corticeira Amorim SGPS SA
- 7th Ford Motor Company
- 8th Chamartín Inmobiliária
- 9th Vodafone Group plc
- 10th HSBC Holdings plc

Category sponsor

TBLI Conference

TBLI Conference is the premier conference on ESG (Environmental, Social and Governance) or extra financial investing. The financial community is showing more and more interest in analyzing all forms of risks and returns, which is what extra-financial or ESG investing provides. Triple Bottom Line Investing (TBLI) is based on the principle that positive financial, social, and environmental returns are not mutually exclusive – sound investments ensure returns in all three areas.

For the past 9 years, the TBLI Conference has become the major international event for learning and networking in the field of Sustainable Investment. ESG or Extra Financial investing looks at financial, social and environmental, as well as governance risks and returns.

TBLI Conference is a 2-day event that brings together all the leading thought leaders around ESG.

Over 500 participants attended in previous years and we anticipate over 600 in 2008. The theme for TBLI 2008 is "FAST-TRACKING ESG" – keynote speeches and breakout sessions will focus on the growth of SRI in mainstream investment, the new initiatives that are driving this growth, and the emerging opportunities in alternative asset classes.



Contact: Robert Rubinstein, Founder & CEO | +31(0)20 428 6752 | robert@tbli.org | www.tbli.org

Relevance & Materiality How the winners won

Distribution of scores

Figure 34a: All scoring entrants

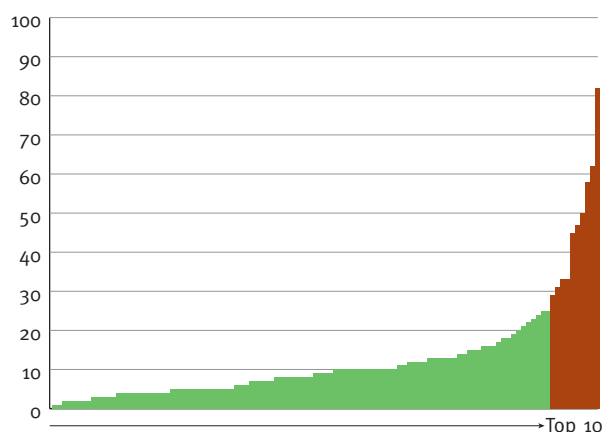
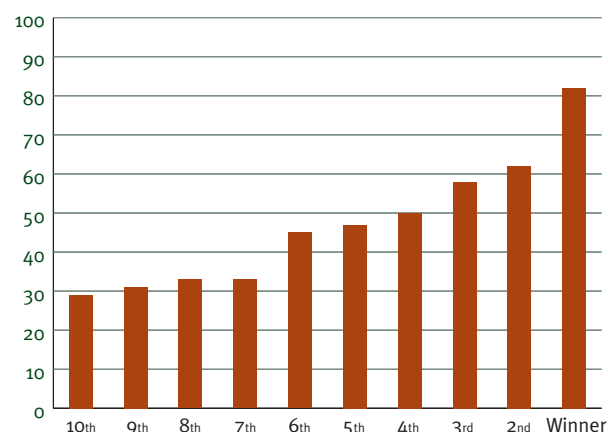


Figure 34b: Top ten scoring entrants



Scoring by stakeholder group, compared with average across all categories

Figure 35a: This category

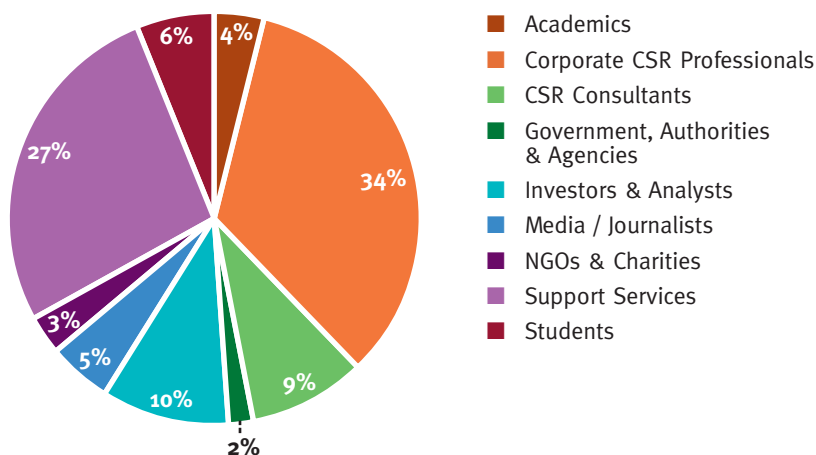


Figure 35b: Overall

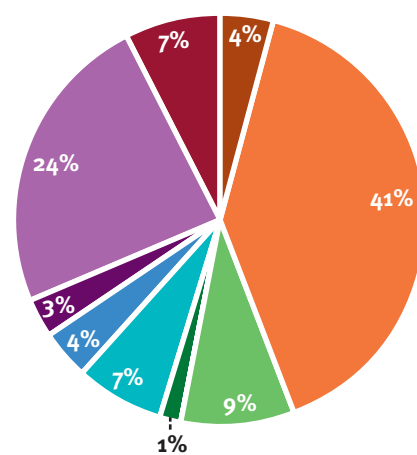
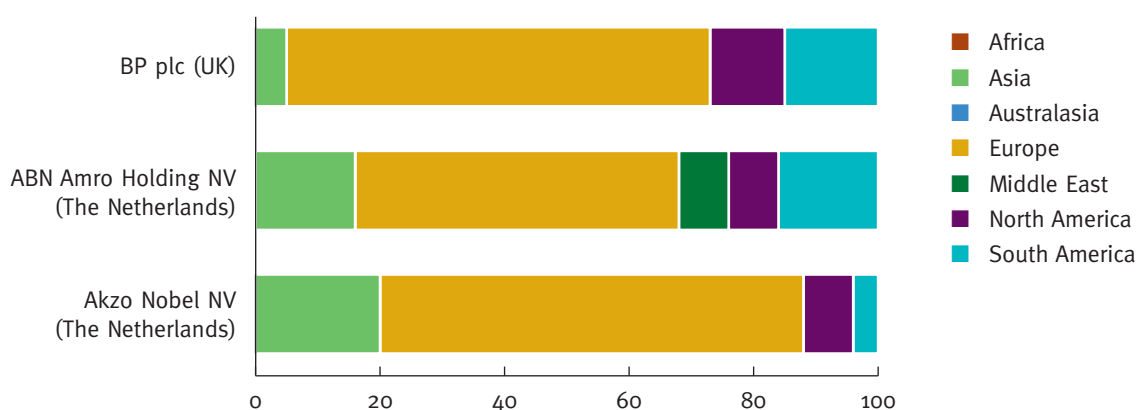


Figure 36: Scoring by region for the top 3 reports



Openness & Honesty The winners

It's sometimes difficult to tell the whole truth. It's easy to highlight the good news and ignore the bad. Whether performance is poor or excellent is less relevant for this award. This award is for the report which comes clean, tells both the good and the bad news, and which convinces us that this is a balanced picture.

The entrants

This category received 156 entrants, of which 48 scored zero by the end of the voting period.

The results

Winner

Bayer AG

Bayer Sustainable Development Report 2006



Selected voters' comments on the report:

"Straightforward with a lack of spin. Performance Indicators are outlined without attempting to influence the reader – very open, very honest."

Corporate CSR Professional, Australia



Bayer

Runner Up #1

Nike Inc

Runner Up #2

Corticeira Amorim SGPS SA

- 4th African Bank
- 5th GAP Inc
- 6th BHP Billiton Limited
- 7th Vodafone Group plc
- 8th Coca-Cola Hellenic Bottling Co SA
- 9th General Electric Company
- 10th Energias de Portugal SA

Category sponsor

credit360

credit360 is a unique web-based CSR and sustainability data management and communication system, designed by corporate responsibility and sustainability specialists to meet the requirements of global leaders in environmental management, social accountability, stakeholder engagement and community involvement. credit360 users include Alliance Boots, Ford Motor Company, Mountain Equipment Corporation, HSBC, BskyB, National Grid and McDonalds Europe.



Contact: Business Development Team | +44 (0)1223 257727 | sales@credit360.com | www.credit360.com

Openness & Honesty How the winners won

Distribution of scores

Figure 37a: All scoring entrants

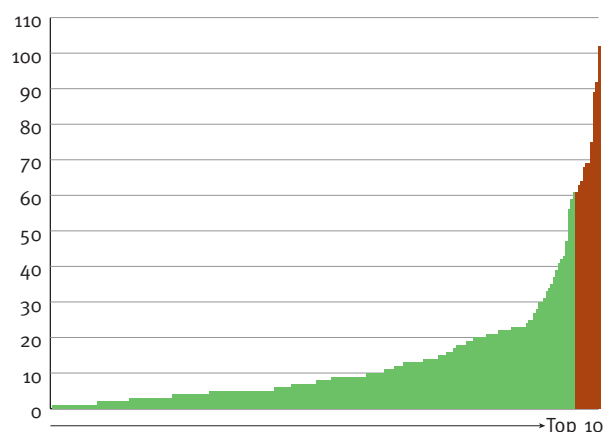
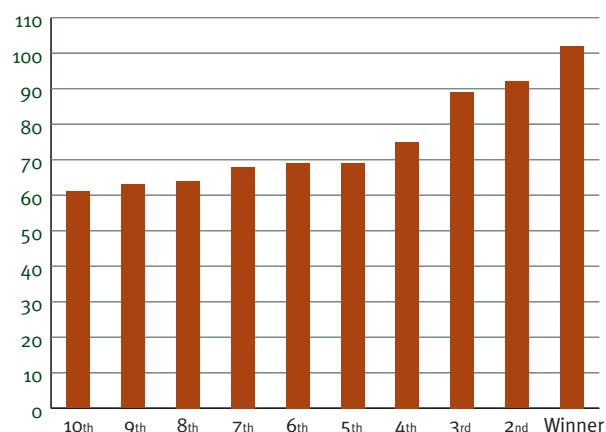


Figure 37b: Top ten scoring entrants



Scoring by stakeholder group, compared with average across all categories

Figure 38a: This category

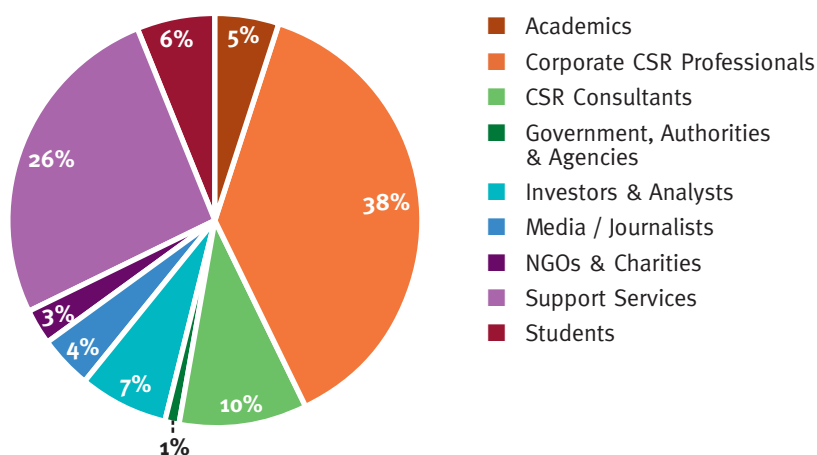


Figure 38b: Overall

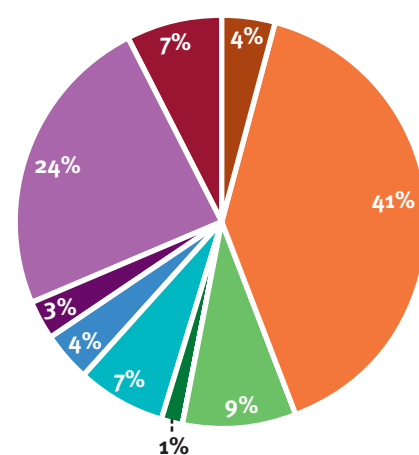
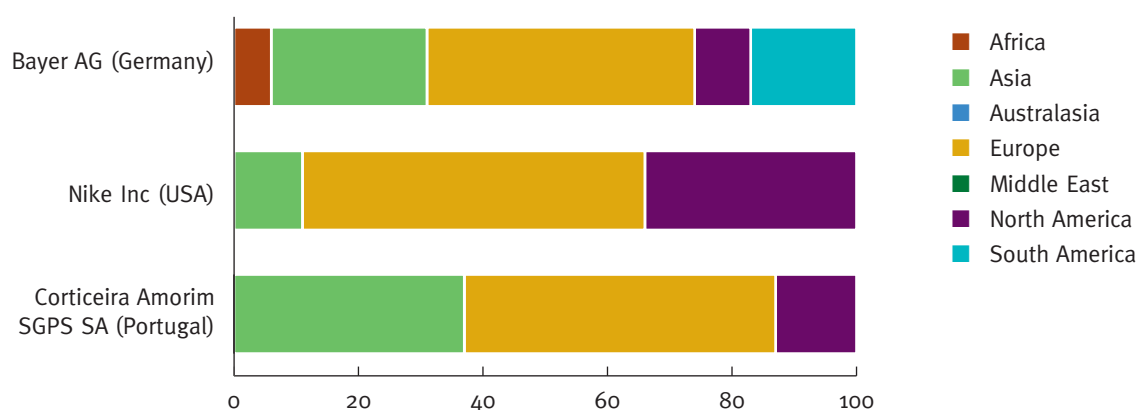


Figure 39: Scoring by region for the top 3 reports



Credibility through Assurance The winners

Many of the best reports include a section on external assurance – the company engages an independent third party to verify aspects of the report, and publishes its methodology, conclusions and recommendations. This award is a joint award between the reporting company and the external assurance body, and is awarded for the

assurance statement which adds the most credibility to the overall report.

The entrants

This category received 59 entrants, of which 7 scored zero by the end of the voting period.

The results

Winner

BP plc

Sustainability Report 2006

(Assurance Provider – Ernst & Young)



Selected voters' comments on the report:

"The thorough verification statement gives us confidence in the reporting process & accuracy of the published information – we can rely on statements and data." Investor/Analyst, UK



ERNST & YOUNG

Runner Up #1

Royal Dutch Shell plc

(Independent Stakeholder Panel)

Runner Up #2

ABN Amro Holding NV

(Ernst & Young The Netherlands)

- 4th General Electric Company
(Independent Stakeholder Panel)
- 5th Westpac Banking Corporation
(Banarra Sustainability Assurance & Advice)
- 6th Banco Espirito Santo SA
(Deloitte & Associados SROC SA)
- 7th Gas Natural SDG SA
(PricewaterhouseCoopers Asesores de Negocios SL)
- 8th De Beers SA (African Institute of Corporate
Citizenship (AICC) / Maplecroft / SGS UK)
- 9th Brisa – Auto-estradas de Portugal SA
(Deloitte & Associados SROC SA)
- 10th Asia Pacific Resources Holdings Ltd
(Bureau Veritas (M) Sdn Bhd)

Category sponsor

AccountAbility

AccountAbility is an international think tank established in 1996 to promote accountability innovations for sustainable development. AccountAbility's innovations include the AA1000 Standards, the Partnership, Governance and Accountability Network and the Responsible Competitiveness Index. With offices in London and Washington D.C. and team members in Geneva, Brussels, San Francisco, Sao Paulo and Beijing, we work with our 300 members to help them build alignment between corporate responsibility and business strategy.

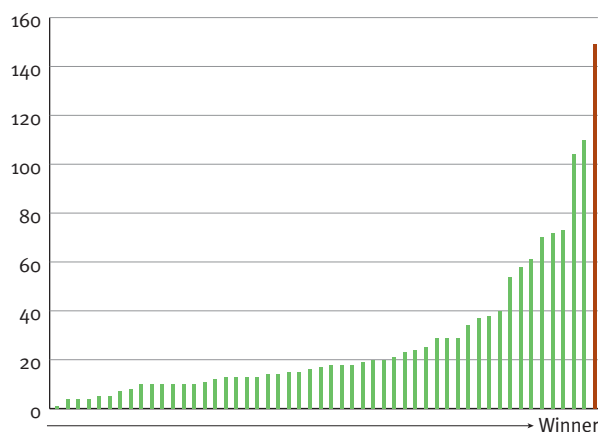


Daniel Wastell, Standards Manager | +44 207 549 0400 | Daniel@accountability21.net | www.accountability21.net

Credibility through Assurance How the winners won

Distribution of scores

Figure 40: All scoring entrants



Scoring by stakeholder group, compared with average across all categories

Figure 41a: This category

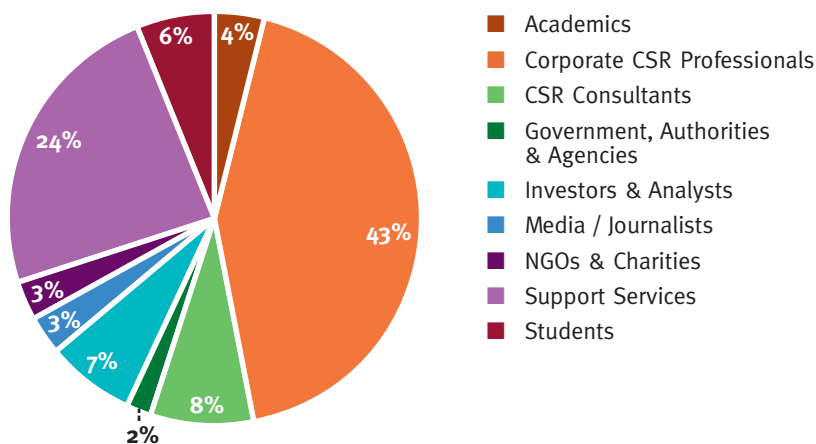


Figure 41b: Overall

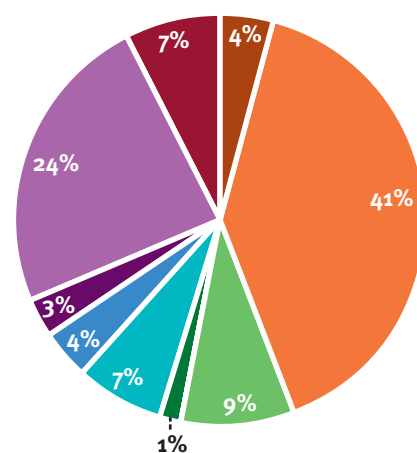
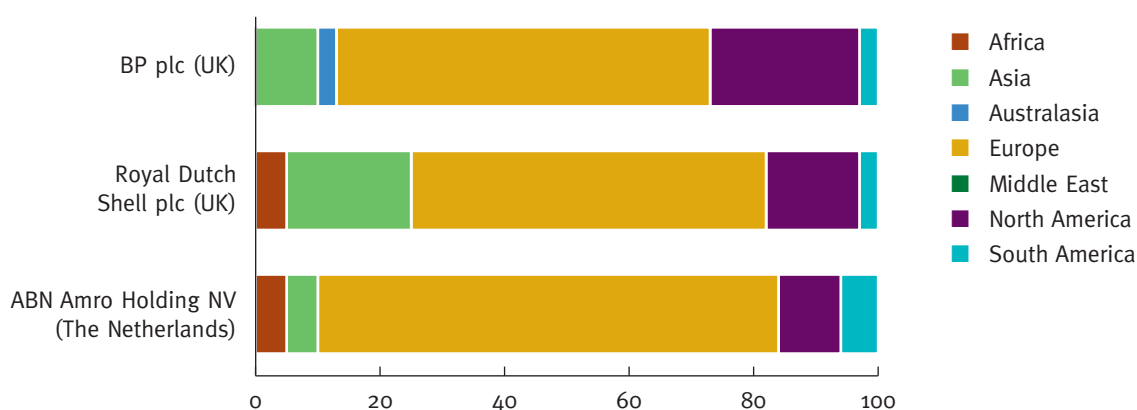


Figure 42: Scoring by region for the top 3 reports



Global CR Reporting Trends

Selected Insights from CorporateRegister.com

The following evaluation uses data from the CorporateRegister.com database of over 16,000 CR reports.

Regional Reporting in Context

For a contextualised view of current reporting, we have compared regional report output and Gross Domestic Product – Purchasing Power Parity (GDP PPP) for all regions with reports published during 2007.*

While this is illustrative rather than exhaustively scientific, the results are informative. European CR reports constitute 53% of global report output in 2007, while Europe's GDP (PPP) share is only 30%. Conversely, North & Central American GDP (PPP) stands at 28%, but the same region only contributed 17% of the CR reports produced in 2007. A similar disparity can be seen in Asia.

Figure 43a: 2007 report output by region

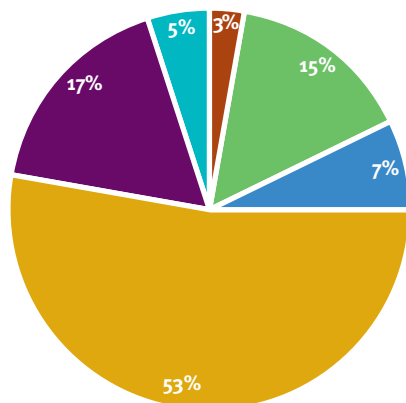
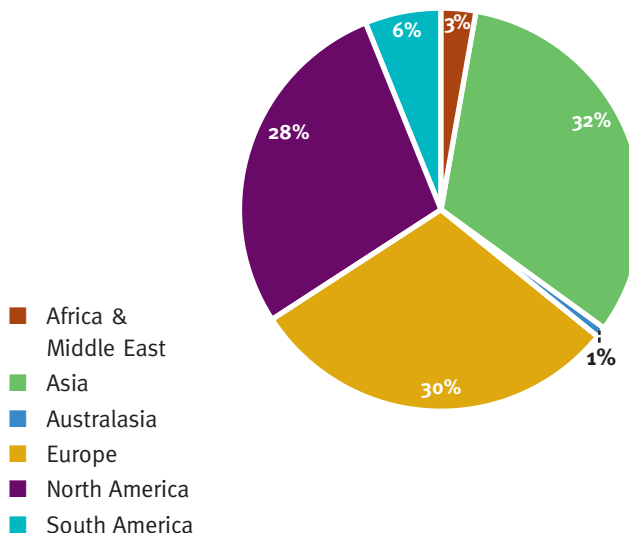


Figure 43b: 2007 reporting regions by GDP (Purchasing Power Parity)



THE CRRA WINNERS

(Top 3 reports across all 9 categories)

68% of the CRRA winners were *European* reporters

No *South American* or *Asian* reports made it into the top 3 of any of our 9 categories

* GDP (PPP) data from: The CIA World Fact Book 2007 <https://www.cia.gov/library/publications/the-world-factbook/index.html>

Standardised Approaches – Are companies adopting the GRI Guidelines?

The evolution in report content over the past 15 years may be attributed to various factors. The emergence of reporting guidelines, such as the 'G2' & 'G3' Global Reporting Initiative (GRI) guidelines, encourages a more holistic approach to CR reporting, although the trend was already evident long before the 2002 release of the first GRI guidelines. The GRI guidelines have articulated principles and themes which were already emerging from the corporate recognition of and engagement with evolving stakeholder expectations.

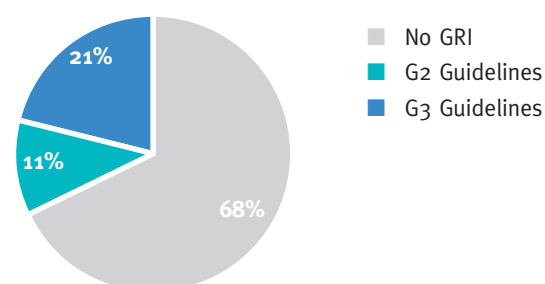
The Global Reporting Initiative guidelines were developed through multi-stakeholder dialogue to arrive at a list of 'indicators' against which a company may report non-financial performance. The first version of the guidelines was released in 2002 ('G2'). The latest version ('G3') was released in October 2006.

GRI guidelines provide a form of checklist. They allow a reporter to identify potential reporting issues, and a report reader to locate and compare information.

CorporateRegister.com considers any report containing a GRI contents index (mapping indicators to corresponding locations within the report) to be a 'GRI report', which may use either the G2 or G3 versions of the guidelines. We provide the authoritative online directory of all reports following the GRI guidelines – see www.corporateregister.com/gri

Of the 2,500 reports produced in 2007, 32% used the GRI guidelines, and of these, a third still favours the G2 version (issued in 2002) over the new G3 guidelines.

Figure 44: Application of GRI guidelines in reports published in 2007



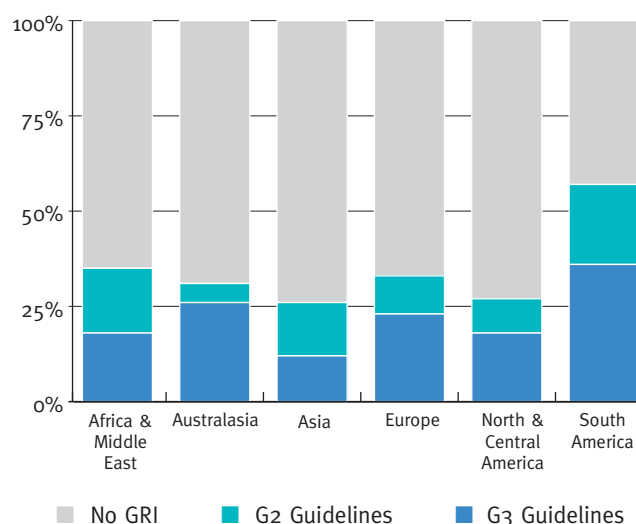
GRI guidelines represent a progressive approach to formalising CR reporting. However, their influence may not be as widespread as many believe: over two thirds of current reporters do not use them. Of those that do, it appears that many tend to 'retrofit' the GRI guidelines, ie first develop the report then cross-check with the guidelines to produce the GRI contents index. This raises interesting questions for

reporters and guideline setters alike – please send us your views info@corporateregister.com

The application of GRI guidelines is relatively consistent across regions. South America is a surprising outlier: reporting is in its infancy but GRI guidelines are more likely to be used than in Europe and elsewhere. The same can be said for Africa & Middle East where GRI uptake is ranked second globally.

The transition from the G2 to G3 guidelines is patchy. We have already indicated that globally a third of current GRI reports still use the older G2 version of the guidelines. Australasia bucks this trend with only 16% of the region's GRI reporters still using G2.

Figure 45: Regional application of GRI guidelines in reports published in 2007

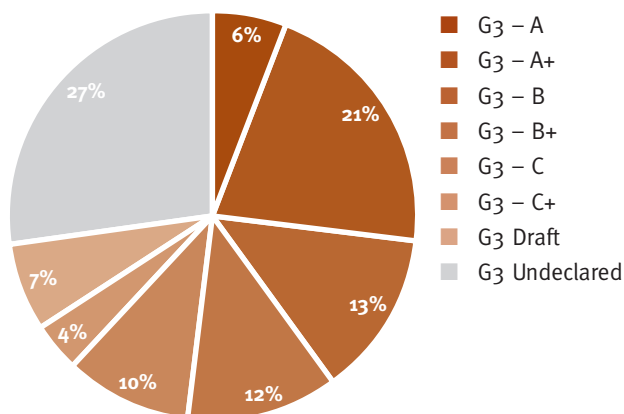


The latest GRI guidelines published in October 2006 (the 'G3' guidelines) warrant an extra level of analysis. The G3 involves an 'application level' system whereby a report can be assigned a letter (A, B, or C) which relates to the number of GRI indicators covered. Additionally, if the report includes an external verification statement a plus symbol '+' can be appended to the letter. The final layer is the application level check: a reporter can either choose to 'self-declare', have their application level 'third party checked' or have the level 'GRI checked'. In all this leaves us with 18 different combinations. Please visit the GRI website for further information on this system.

In theory the application level system should provide an efficient indicator of the depth of reporting amongst those applying the GRI G3 guidelines. Reports at 'A' level address more indicators than those at 'C' level. At this stage, in the interests of creating a useful chart we have ignored the third tier of the application level system i.e. how the application level has been checked.

The data reveals two salient points. Not only are reporters equally distributed across the application levels, but no fewer than 27% of reports applying the G3 guidelines in 2007 had no declared application level.

Figure 46: Application levels of 'G3' reports published in 2007



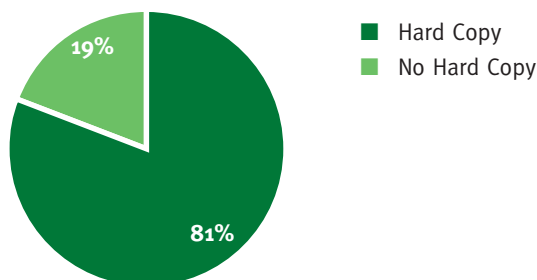
Approximately 1 in 5 companies applied the G3 guidelines in 2007, yet of these companies a quarter failed to declare an application level for their reports – an integral part of the G3 system. Are companies finding it hard to interpret the new guidelines? Is there a reluctance to apply an external coding which could easily be perceived as a 'grade' to a report? Again we welcome any feedback on these findings – info@corporateregister.com

The End of Hard Copy Reporting?

Many in this field assume that hard copy reporting is declining and HTML or 'online' reporting is the format to use. There is clear value in using HTML reporting to offer more efficient access to large amounts of granular data. One drawback is that many reporters cannot resist the temptation to dump vast quantities of information in an online report. Other reporters create a rolling CR report site which is indistinguishable from the main corporate website – the reader cannot see which information belongs in the report and which does not.

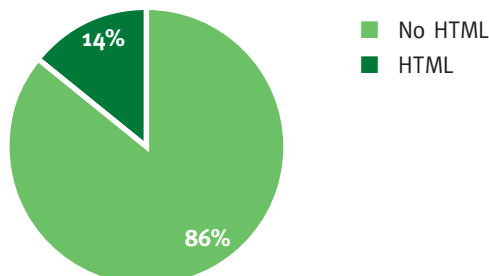
The data shows that the printed report refuses to die: 81% of 2007 reports were produced in hard copy (and almost all are also available electronically). The printed report is still necessary, both as a bona fide business document but also because it remains more readable and accessible to many stakeholders.

Figure 47: Hard copy reporting in 2007



Our data for 2007 reveals that HTML reporting is less popular than many believe. Only 14% of reports last year had an online, HTML format (and even these reports may also have been produced in other formats).

Figure 48: HTML/online reporting in 2007



WHAT THE CRRA WINNERS DO

(Top 3 reports across all 9 categories)

19 of the 22 CRRA winning reports applied the GRI guidelines

WHAT THE CRRA WINNERS DO

(Top 3 reports across all 9 categories)

50% of the CRRA winners had an HTML/online version of their report

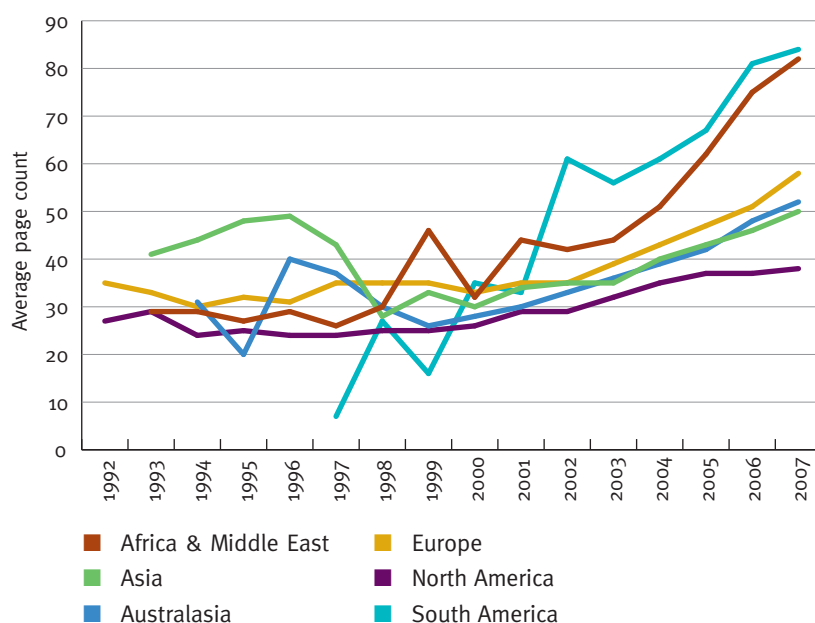
82% of the CRRA winners produced a hard copy version of their report

Report Length – Balancing Depth with Readability

The page count of a report is a revealing if simple indicator of reporting quality. In the 15 years from 1992 to 2007 the average page count across all CR reports has increased from just over 30 pages to 55. This is a reflection of the broadening of content in CR reports. As illustrated in previous charts, we have witnessed a smooth transition from single issue to multi-issue reporting – more issues require more pages. The challenge for a good reporter is to find the balance between producing a comprehensive report, covering all material issues, and ensuring it remains of a readable length.

Reporters across all regions have increased the page count of their reports over the past 15 years. Europe, Australasia and Asia have followed very similar paths all settling at between 50-58 pages in 2007. More revealingly North American reporters have experienced a more modest development with a 2007 average of just 38 pages. The lengthiest reports are from Africa & Middle East and South America, the former largely due to the preference for producing fully integrated annual & sustainability reports, and the latter due to the inclination to apply GRI guidelines (with voluminous GRI content indexes). As with Spanish reports, South American reports can often devote upwards of 10 pages for a GRI content index referencing responses to all GRI indicators. No doubt a thorough approach, though one must consider the role of materiality.

Figure 49: Regional report length over time



WHAT THE CRRA WINNERS DO

(Top 3 reports across all 9 categories)

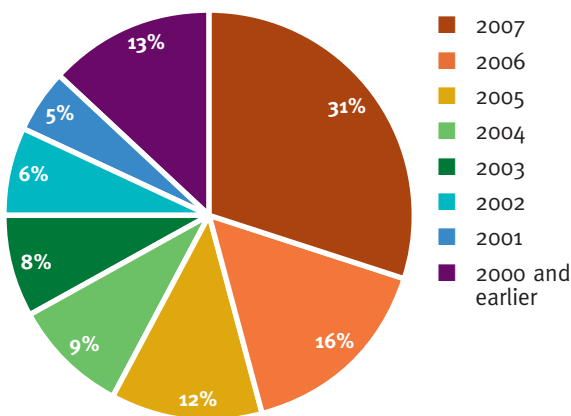
The average page count for the CRRA winners was **95** pages

The shortest CRRA winning report was **18** pages, the longest **313**

A Final Observation: The Value in Looking Back Before Moving Forward

Having archived the world’s non-financial reports over the past decade, we assumed current users accessed current reports, and that interest in previous reports would fade over time. Our user statistics show a different picture. Between November 2007 and January 2008, of the 180,000 CR reports viewed by CorporateRegister.com users only 30% were published in 2007. Stakeholders are still accessing older reports. Current and future output is guided by the past, in a steady evolution. We hope our free online resource and the CR Reporting Awards continue to contribute to this process.

Figure 50: Reports viewed on CorporateRegister.com by year of publication (Nov 07-Jan 08)



About CorporateRegister.com: Global CR resources

CorporateRegister.com was founded in 1998 as a website dedicated to providing global CR resources. At the start of 2008 over 20,000 registered users benefited from free access to over 16,000 CR reports, updates of the latest reports, upcoming events, related news items and a comprehensive directory of CR reporting service providers.

We offer an array of services to CR reporters and the organisations which assist in CR report development. We create awareness of new CR reports, facilitate online stakeholder dialogue, and connect service providers with CR report developers.

We value our independence and impartiality, and exist as a link between CR reporters and CR stakeholders. Our mission is to continue to provide high quality CR related information to an informed global audience.



Which **A**uditor
Consultant will you choose for your next CR report?
Designer
Printer



You need the right partners to build a great CR report.

With over 3,500 companies providing these services you might have more options than you realise. Find all of them profiled in our free **ReportingPartners Directory**

Visit the ReportingPartners Directory on www.corporateregister.com/reportingpartners



Printing Responsibly™ by **Polar Print Group Limited** to ISO9001, ISO14001, OHSAS18001, ISO12647/2, FSC and PAS75 standards.

Printed alcohol-free, using vegetable-oil based inks. Paper has 55% recycled fibre from both pre- and post-consumer waste; 45% virgin ECF (Environmental Chlorine Free) fibre – certified in accordance with the rules of the Forest Stewardship Council.

- **Paper supplied** on a Carbon Neutral basis by **Mason's Paper** – 9 Lives 55 Silk
- **Product printed** on a Carbon Balanced basis by **Polar Print Group Limited**

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