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# THE USE OF CORPORATE SUSTAINABILITY INDICES

A CASE STUDY ON THE DOW JONES SUSTAINABILITY INDEX

by

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# THE USE OF CORPORATE SUSTAINABILITY INDICES

## A CASE STUDY ON THE DOW JONES SUSTAINABILITY INDEX

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### **Abstract**

Corporations are under growing pressure from socially responsible investors to consider the environmental and social impacts of their operations. To help highlight corporations that have taken steps to address these issues, a number of sustainability indices have been developed. While there is a growing body of literature that focuses on sustainability indices, little is known on how they are used in practice. The purpose of this project was to explore the use of sustainability indices in corporations. In this project, the Dow Jones Sustainability Index North America (DJSINA) was used as a case study. The project consisted of three key phases: a content analysis of corporate sustainability reports in North America, a survey with Canadian experts on the DJSINA, and a review of the DJSI website. The project highlights the similarities and differences in the use of the DJSI by Canadian and American corporations. As the first study focusing on the use of the DJSINA, the results will be of interest to practitioners and academics in socially responsible investment and corporate sustainability.

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*Doaa Elkhawas*

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## **List of Abbreviations**

CEO	:	Chief Executive Officer
CSP	:	Corporate Sustainability Performance
CSR	:	Corporate Social Responsibility
DJGTSM	:	Dow Jones Global Total Stock Market
DJSI	:	Dow Jones Sustainability Index
DJSINA	:	Dow Jones Sustainability Index North America
DJSIUS	:	Dow Jones Sustainability Index United States
GHG	:	Green House Gas
GRI	:	Global Reporting Initiative
H&S	:	Health and safety
JSI	:	Jantzi Social Index
NGOs	:	Non governmental Organizations
OECD	:	Organization for Economic Cooperation and Development
PM	:	Performance Measurement
REB	:	Research Ethics Board
SAM	:	Sustainable Asset Management
SD	:	Sustainable Development
SRI	:	Socially Responsible Investment
WBCSD	:	World Business Council for Sustainable Development
WECD	:	World Commission on Environment and Development

# **1. Introduction**

## **1.1 Overview**

A growing number of investors view sustainability as a crucial success factor in overall corporate performance. Many now prefer to invest in companies that implement sustainable development (SD) principles through a structured corporate sustainability program. This is reflected in the growing trend towards socially responsible investment (SRI). There are two reasons for this interest. First, the concept of corporate sustainability itself is attractive to investors since it aims to increase long-term shareholder value. Second, sustainability leaders are increasingly expected to show strong performance and favourable risk/return profiles. As a result, SD is now increasingly applied at the corporate level around the world.

To provide investors with insight into corporate sustainability performance, a number of sustainability indices have been developed. The most widely-applied of these indices is the Dow Jones Sustainability Index (DJSI). It is explicitly intended to provide a bridge between companies implementing sustainability practices and investors wishing to achieve high return with less risk. The DJSI provides a measure of the financial performance of companies worldwide that lead the field of sustainability. However, many questions remain on how corporate sustainability indices are actually used in practice. This research study aims to address this gap. The study provides insight into their role in investment decision making, measurement of economic, environmental, and social performance, and competitive benchmarking. Since it is the most widely-used corporate sustainability index in North America, the research focuses on the use of the Dow Jones Sustainability Index North America (DJSINA) in individual corporations.

## **1.2 Problem Statement**

Recently, there has been a substantial amount of worldwide attention on the word sustainability. The term sustainable development became widely used through the work of the World Commission on Environment and Development (WCED), otherwise known as the 'Brundtland Commission'. The Commission was concerned with merging environmental

sustainability with social and economic development. From the Brundtland Commission emerged a document entitled 'Our Common Future' in which SD was defined as "development that meets the needs of the future without compromising the ability of future generations to meet their own needs" (WCED, 1987). Through the work of the Brundtland Commission, corporate sustainability was also defined as "a business and investment approach that seeks to use the best business practices to meet and balance the needs of current and future stakeholders" (WCED, 1987).

One of the keys to understand SD and to assess progress towards corporate sustainability is performance measurement (PM). Sustainability indicators have been designed to measure company performance and to provide information on how a company contributes to SD (Azapagic & Perdan, 2000). Indicators play an important role in translating sustainability issues into quantifiable measures. Indicators are useful in identifying trends and drawing attention to particular issues. They can also be helpful in setting policy priorities and in benchmarking or monitoring performance (Azapagic, 2004).

Since stakeholders want business to be accountable, responsible, and transparent, sustainability reporting has been developed to help address these needs (WBCSD, 2002). Sustainability reporting is about sharing the organization's progress and results with its stakeholders with an emphasis on integrating financial, environmental, and social performance of a company in one report. The Global Reporting Initiative (GRI) is intended to serve as a generally accepted framework for sustainability reporting. "The GRI includes standard disclosures, made up of performance indicators and other disclosure items, as well as guidance on specific technical topics to address in reporting" (GRI, 2010). The voluntary nature of the publications explains the high variability in the contents of sustainability reports and the wide range of disclosed information.

When it becomes difficult to make a decision based on a wide variety of individual indicators with different units, a composite index may be used. A composite index is defined as that which should "ideally measure multidimensional concepts which cannot be captured by a single indicator, such as competitiveness, industrialization, or sustainability" (OECD, 2008). Composite indices are increasingly recognized as a useful tool in policy analysis and public communication. They also provide simple comparisons of companies that can be used to

illustrate complex issues in wide-ranging fields, such as the environment, economy, society or technological development (Saltelli, 2007). However, others find that composite indices might send misleading policy messages if they are poorly constructed or misinterpreted (OECD, 2008).

The DJSI, launched September 1999, is “the first global sustainability index tracking the performance of the leading sustainability-driven companies worldwide” (DJSI, 2010). The DJSI explicitly focuses on the concept of corporate sustainability. It has been claimed that it includes the most successful methodology to identify the leading corporate sustainability performance (CSP) firms from each industry sector (Carleton, 2009). The DJSI was developed by the Sustainable Asset Management (SAM) Group, a Zurich based fund management firm that remains responsible for administering the selection criteria (Fowler and Hope, 2007). The corporate sustainability assessment methodology is structured to cover the three major dimensions of corporate sustainability: the economic, the social, and the environmental dimensions and to measure and verify the CSP of the companies in the investable universe (Knoepfel, 2001).

Although there has been increasing interest in sustainability indices in the past few years from investors and companies, there is still a substantial gap in the literature on how sustainability indices are used in practice (Fowler and Hope, 2007). Moreover, the steps taken by companies to be included in a sustainability index or to keep their inclusion in it have not been previously investigated (Fowler and Hope, 2007). Although sustainability indices sometimes emerge in corporate sustainability reports, little is known about how they can play a role in corporate decision making, the measurement of economic, environmental, and social performance, or to benchmark against industry peers. This research addresses these gaps in depth by providing a detailed case study on the DJSINA.

### **1.3 Purpose and Research Objectives**

The purpose of this research is to explore the use of corporate sustainability indices in corporations. The research presents an investigation on the use of sustainability indices in corporations through a systematic research literature review and a content analysis of corporate sustainability reports. The results of the literature review and content analysis provided a basis for the development of a survey to obtain perspectives from corporate experts and to explore

gaps in the literature. The investigation focuses on the DJSI as a case study, because of its relatively early launch date and its widespread use in practice. Hence, the main research objectives are summarized as follows:

1. To explore how the use of the DJSI is explained in corporations;
2. To examine how the use of the DJSI differs by country;
3. To determine the steps taken by corporations to achieve acceptance by the DJSI; and
4. To find out how selected corporations maintain their inclusion in the DJSI.

#### **1.4 Research Scope**

The review of the literature covers articles published since the release of the Brundtland Commission report in 1987. The DJSI website is thoroughly reviewed to identify data for original analysis. The content analysis of corporate sustainability reports focuses on companies listed in the DJSINA. Finally, the survey focuses on Canadian experts at companies listed in the DJSINA.

#### **1.5 Organization of the Project Paper**

The project paper is organized into five remaining chapters. The next chapter contains a literature review exploring the existing definitions of sustainability, corporate sustainability, corporate sustainability performance, sustainability reporting, corporate sustainability indicators, composite indices, sustainability indices, and finally, the DJSI is discussed in detail. The literature review provides insight into the role of corporate sustainability indices in corporations and highlights the existing gaps. The third chapter identifies the main research questions. The fourth chapter presents the methods that are used to address the research questions: data gathering and data analysis procedures are discussed in detail along with the description of the sample. The fifth chapter presents the results and discussion. Finally, the sixth chapter provides conclusions and recommendations for future research.

## **2. Literature Review**

### **2.1 Introduction**

This chapter summarizes the literature pertaining to the different aspects of the research project. The first section briefly introduces the concept of sustainability. The second section discusses corporate sustainability. Corporate sustainability performance and sustainability reporting are briefly discussed in sections three and four. A description of the development of corporate sustainability indicators, composite indices, sustainability indices, and the relevant research efforts are presented in sections five and six. The majority of the research studies reviewed in the last sections are conducted on the DJSI, its assessment methodology, monitoring process, and impact evaluation.

### **2.2 Sustainability**

Although the term ‘sustainable’ has been used in the English language since at least 1290, ‘sustainability’ is rather new and first gained popular usage in 1972, rising to particular importance in the 1980s (Sumner, 2007). The literature provides rich coverage of what the idea of sustainability involves. For instance, Gorman et al. (2000) proposed that “to sustain something means to keep a phenomenon in existence.” Sustainability is described as a condition of being or an aspiration, as well as a vision, such as that of economic stability or a clean environment (Sumner, 2007). It is also considered as an ethic. Others see it as a process, which means that it involves ongoing development or becoming without end (Sumner, 2007).

It has been claimed that the concept of sustainability is linked to nature, resource management and the disciplines of biology and ecology. However, according to Farrell and Hart (1998), the aim is to change sustainability from being a buzzword to an understandable meaning for both the public and decision makers. As mentioned above, the term sustainability became more popular in the 1980s, particularly after a famous speech given by Lee Talbot, Director of the World Wildlife Fund (WWF) International. He stated: “clearly, sustainability in the management of both individual wild species and ecosystems such as rangelands and forests is critical to human welfare and indeed to human survival” (Sumner, 2007). Over time, a series of activities have

been implemented that have led to the current understanding of SD. The term “sustainable development” became widely used after the Brundtland Commission. It has since been developed into a blueprint for merging economic and ecological necessities (Brown et al., 1988; Turner, 1988; Lowrance, 1990; Svedin, 1992). Daly (1991) and Moser et al. (1993) contributed to make this concept scientifically acceptable (Krotscheck and Narodoslawsky, 1995). Later, the WCED encouraged a variety of sectors, such as governments, non-governmental organizations (NGOs), and community members to participate in ensuring progress towards SD and to assess the need for economically viable solutions and the management of natural resources (Dwivedi et al., 2001).

### **2.3 Corporate Sustainability**

Corporations have responsibilities to both their shareholders and stakeholders and it is necessary to respect non-financial issues (Salizmann et al., 2005). Therefore, businesses should align their activities with the principles of SD (Keeble et al., 2003). Investors see sustainability as a crucial factor in overall business success and many are now investing in companies that set industry-wide best practices with regard to sustainability (Knoepfel, 2001).

Corporate sustainability is fairly a new corporate management concept which recognizes that traditional goals, such as corporate growth and profitability, are important. However, it also requires the corporation to pursue societal goals, specifically those relating to SD, environmental protection, social justice, and economic development (Wilson, 2003). This leads to the complex task of providing competitive products and services in the short-term while seeking to protect and maintain the natural resources required for the future generations (Artiach et al., 2010). The expenses that firms gain as a result of applying sustainability practices may place them at an economic disadvantage comparing to others, less responsible firms, at least in the short term. However, these disadvantages diminish over time and sustainability practices acquire continuity and influence corporate performance positively with long term shareholder values (Lopez et al., 2007). Since sustainability has a positive impact on company performance, corporate sustainability leaders all over the world have focused on developing sustainable products and services while at the same time successfully reducing costs and risks (Fowler and Hope, 2007). For example, they do their best to avoid providing products with huge amounts of waste and high

consumption of energy that undermine local communities or contaminate the environment and to enhance the 'three bottom line' (Grayson et al., 2008).

According to Wilson (2003), corporate sustainability borrows elements from four well-known concepts namely; 1) SD; 2) corporate social responsibility (CSR); 3) stakeholder theory; and 4) corporate accountability theory. Based on Wilson's (2003) study, the four concepts are briefly discussed as follows:

- The contribution of SD to corporate sustainability is twofold. First, it helps to set out the areas that companies should focus on: environmental, social, and economic performance. Second, it provides a common societal goal for corporations, governments, and civil society to work toward the 'three bottom line'.
- Like SD, CSR is also a broad concept deals with the role of business in society. CSR management is very similar to corporate sustainability management, which aims to integrate the economic, environmental, and social aspects of business management. Its main belief is that corporate managers have an ethical responsibility to consider and address the needs of society.
- Freeman (1984) defined a stakeholder as "any group or individual who can affect or is affected by the achievement of the organization's objectives." The main goal of the stakeholder theory is to strengthen relationships between corporations and its external groups in order to achieve business objectives and to develop a competitive advantage.
- Finally, the contribution of corporate accountability theory to corporate sustainability is that it helps define the nature of the relationship between corporate managers and the rest of society. Accountability is "the legal or ethical responsibility to provide an account or reckoning of the actions for which one is held responsible" (Wilson, 2003). Accountability differs from responsibility in that the latter refers to one's duty to act in a certain way.

Although there is undoubtedly a strong interrelation between corporate sustainability and SD, it has been argued that SD by itself does not provide the actual means for what companies in action should look like. The WCED recognized that industry had a significant role to play in achieving SD. While corporations are responsible for economic development, they needed to balance this economic development with social justice and environmental protection. This is

mainly because they have access to most of the natural resources and they have been a major factor of some of the unsustainable conditions (Wilson, 2003).

Industry's response to the WCED's call came in stages. The first serious sign of support came from the International Chamber of Commerce when it established its Business Charter for SD in 1990. This was followed in 1992 by the book "Changing Course" by Stephen Schmidheiny and the Business Council for Sustainable Development, now the World Business Council for Sustainable Development (WBCSD). Since then, many investors and corporations have come forward to show their support for the principles of SD and a number of sustainability initiatives have been presented (Wilson, 2003).

## **2.4 Corporate Sustainability Performance**

Corporate sustainability performance (CSP), "measures the extent to which a firm embraces economic, environmental, social, and governance factors into its operations, and ultimately they exert on the firm and society" (Artiach et al., 2010). Although sustainability has no common way of measuring it, it is necessary that corporations define and measure sustainability performance if they wish to be a source of value creation (Lopez et al., 2007). Investment in CSP is highly beneficial to the organizations' economic growth and profitability. It adds value to any business in a number of ways: enhancing the reputation of the firm and making the firm a more attractive investment to socially responsible investors (Artiach et al., 2010). Generally, socially responsible investors usually apply a social responsibility screen as part of their investment decision-making process (Artiach et al., 2010). They avoid businesses involved in alcohol, tobacco, gambling, weapons, and the military. While financial performance is a key part of SRI, it emphasizes the practice of making investment decisions on the basis of ethical, social, and environmental criteria (Artiach et al., 2010). It is widely recognized by corporate experts and Chief Executive Officers (CEOs) that "what gets measured gets done and what people measure is what matters" (Carleton, 2009). By measuring sustainability, numerous benefits can be achieved. For example, an organization can align employee actions with corporate objectives, provide consistent timely analysis of business performance, measure results, report consistently, and make faster and effective decisions (Sheehan, 2010).

## **2.5 Sustainability Reporting**

Since stakeholders want business to be accountable, responsible, and transparent, sustainability reporting has been developed to help address these needs (WBCSD, 2002). Sustainability reporting is “the practice of measuring, disclosing, and being accountable to internal and external stakeholders for organizational performance towards the goal of sustainable development” (GRI, 2010). Sustainability reporting has grown rapidly over the last few years and now an increasing number of companies disclose information on the internet about their social and environmental performance to demonstrate a commitment to corporate sustainability (Perego, 2009). The disclosure of these information becomes a significant element in corporate management and therefore in its decision-making (Lopez et al., 2007). Sustainability reports are continuing to emerge in corporate reporting, with an emphasis on integrating financial, environmental, and social performance of a company in one report.

The GRI Framework is intended to serve as a generally accepted framework for reporting on an organization’s economic, environmental, and social performance. “It was developed in 1997 by the environmental organization Ceres and the United Nations Environment Program. It was most recently updated in 2006 and has become the most widely used standard for reporting on social, environmental, and economic performance” (Bernhart, 2009). It is designed for use by organizations of any size, sector, or location. The framework contains general and sector-specific content that has been agreed by a wide range of stakeholders around the world to be generally applicable for reporting an organization’s sustainability performance. “The GRI Guidelines consist of principles for defining report content and ensuring the quality of reported information. It also includes standard disclosures made up of performance indicators and other disclosure items, as well as guidance on specific technical topics in reporting” (GRI, 2010). Sustainability reports in general are often used for benchmarking, demonstrating how the organization influences and is influenced by expectations about SD, and comparing performance within an organization and between different organizations over time (GRI, 2010).

## **2.6 Corporate Sustainability Indicators**

There are many definitions of indicators in the literature; for example, “an indicator quantifies and simplifies phenomena and helps us understand complex realities. Indicators are aggregates

of raw and processed data but they can be further aggregated to form complex indices” (IISD, 2010). While indicators can not provide information on everything about the system in question, they should provide enough information to make well decisions possible (Bossel, 1999). In particular, they ought to build the foundation for improved information and data collection and enable an analysis of progress towards identified goals (Spangenberg et al., 2002). Indicators are useful in setting policy priorities and in benchmarking or monitoring performance. In general terms, indicators are designed to answer a fundamental question: “How might we know objectively whether things are getting better or worse?” (Neely, 1998).

The development of sustainability indicators inside a firm remains an ongoing challenge (Searcy et al., 2005). There are a number of issues that influence the development process, including the complex organizational structure, the business streams, functions, and projects (Keeble et al., 2003). Therefore, a number of questions should be raised before developing sustainability indicators, such as how an organization can identify a suitable set of indicators, how effectively different levels of an organization are responsible and showing commitments to sustainability practice, and how an organization measures performance at operational levels where there are direct environmental, economic, and social impacts (Keeble et al., 2003). The development of indicators in a corporate context has been explored by several authors, including Searcy et al. (2005), Searcy (2009), Hubbard (2009), and Keeble et al. (2003). Previous research has also focused on the development of indicators in individual corporations (for example, Searcy et al. 2007, Palme and Tillman, 2008, and Kranjc and Glavic, 2005) and industry sectors (for example, Azapagic, 2004, IChemE, 2003, Nordheim and Barrasso, 2007, Veleva and Ellenbecker, 2001, and Upham and Mills, 2005). Kranjc and Glavic (2003), suggested a standardized set of sustainability indicators for companies covering all main aspects of SD. To allow comparison between companies, they used ISO 31 (1993) as a guide.

## **2.7 Composite Indices**

As previously mentioned, sometimes sustainability indicators are aggregated into a composite index. “A composite index should ideally measure multidimensional concepts which cannot be captured by a single indicator, such as competitiveness, industrialization, or sustainability” (OECD, 2008). Composite indices are much like mathematical or computational models. Composite indices are increasingly recognized as a useful tool in policy analysis and public

communication. They also provide simple comparisons of companies that can be used to illustrate complex and sometimes intangible issues in wide-ranging fields dealing with the environment, economy, society or technological development. It is also easier for the general public to understand and interpret composite indices than to identify common trends across many separate indicators, and they are also useful in benchmarking company performance (Saltelli, 2007). However, others see that composite indices may send misleading policy messages if they are poorly constructed or misinterpreted (OECD, 2008). In any case, there are many debates about whether indicators should be aggregated or not. A useful summary of the pros and cons of developing composite indices is provided by Nardo et al. (2008) and summarized in Table 2-1. Many scholars argue that there are two major reasons for combining indicators: (1) gaining media interest; and (2) gaining the attention of policy makers. However, others believe that one should stop once an appropriate set of indicators has been created and not go the further step of producing a composite index because the accuracy of the weighting process by which the variables are combined is a key challenge (Sharpe, 2004).

The development of composite indices at the national level has been explored by several researchers, including Esty et al. (2005) and Wackernagel and Rees (1996), among others. Previous research has also focused on the development of sustainability indices at the regional level (for example, Dijk and Zhang, 2005 and Atkisson and Hatcher, 2001) and at the corporate level (for example, Kranjc and Glavic, 2005, Singh et al. 2007, and Pohl, 2006). Several processes have been developed to create composite indices. One clear process is provided by the Organization for Economic Cooperation and Development (OECD, 2008). For further details on developing a composite index, the interested reader is referred to Nardo et al. (2008).

**Table 2-1: Pros and cons of developing a composite index (Nardo et al., 2008)**

Pros	Cons
Can assess progress on complex issues over time.	The weighting and normalization methods could be challenged.
Can be used to support decisions and focus attention on complex issues.	May send misleading results if poorly constructed.
Easier to interpret results.	May invite simplistic policy conclusions.
Can facilitate ranking.	May disguise serious failings in some dimensions.

## **2.8 Sustainability Indices**

Numerous composite indices have been developed to assess progress towards sustainability. A sustainability index is simply a composite index defined as “a quantitative aggregation of many indicators and can provide a simplified, coherent, multidimensional view of a system” (Mayer, 2007). Sustainability indices provide objective benchmarks that are linked to economic, environmental, and social criteria. They have been developed specifically to support the decision making process and to indicate whether a system or a process becomes less or more sustainable (Mayer, 2007). Sustainability indices are increasingly used by decision makers; however, it is critical to understand index strengths, weaknesses, biases and scale-dependence ‘weighting criteria’ when using them (Oras, 2005; Hezri and Dovers, 2006; Parris and Kates, 2003; Morse and Fraser, 2005; Ness et al., 2007). In his paper, Mayer (2007) said that “an index must track indicators from social, economic, and environmental dimensions of the system directly.” Many sustainability indices have been developed. Although these indices look different from each other, many of them incorporate the same underlying data because of the limited global sustainability database (Mayer, 2007). Kranjc and Glavic (2005) demonstrated that it is difficult to make business decisions based on a wide variety of indicators with different units and large numbers of performance measurements. Therefore, they proposed a mathematical methodology to develop a composite SD index by aggregating a number of sustainability indicators.

Due to the interest of investors in sustainability practices, a number of sustainability indices have been developed which linked to financial markets (Lopez et al., 2007). Among them are the Jantzi Social Index (JSI), FTSE4Good Index, the FTSE KLD 400, which was formerly known as the Domini 400 Social Index, and the DJSI. The JSI is “a Canadian stock market

index created in 2000. It consists of 60 Canadian companies that pass a set of broadly based environmental, social, and governance rating criteria and the purpose is to measure the effect of a socially and environmentally conscious stock market index on market behaviour” (iShares, 2010). “The FTSE4Good Index Series has been designed to measure the performance of companies that meet globally recognized corporate responsibility standards and to facilitate investment in those companies” (FTSE, 2010). The Domini 400 Social Index is composed of the stocks of 400 U.S. companies that pass comprehensive social and environmental screens (Domini Social Investments, 2010).

## **2.9 The Dow Jones Sustainability Index Family**

The DJSI, launched September 1999, is “the first global sustainability index tracking the financial performance of the leading sustainability-driven companies worldwide” (DJSI, 2010). It consists of a global, European, North American, Asia Pacific, and Korean set of indices (DJSI, 2010). “The DJSI family consists of a broad composite index as well as narrower, subset indices excluding companies that generate revenue from alcohol, tobacco, gambling, armaments and firearms, and/or adult entertainment” (DJSI, 2010). These indices are developed to guide assessments for the purpose of SRI. The DJSI explicitly focuses on the concept of corporate sustainability. The corporate sustainability assessment methodology, developed by SAM is structured to cover the three major dimensions of corporate sustainability: the economic, the social, and the environmental dimensions and to measure and verify the CSP of the companies in the investable universe (Knoepfel, 2001). As a result of the increasing demand on sustainability benchmarks, the Dow Jones STOXX Sustainability Index for Europe’s sustainability leaders was created in 2001, the DJSINA was created in 2005, and the Dow Jones Sustainability Asia Pacific Index was created in early 2009 (DJSI, 2010).

The North American indices comprise the DJSINA and the Dow Jones Sustainability United States Index (DJSIUS), as well as other subset indices excluding companies that generate revenue from alcohol, tobacco, gambling, armaments and firearms as mentioned earlier. It is worth noting that there is no special index for the Canadian corporations. All indices of the DJSI family are assessed according to the same corporate assessment and respective criteria. This is discussed in the next sections (DJSI, 2010).

### 2.9.1 SAM Assessment Methodology

The identification of sustainability leaders for the DJSI is based on the corporate sustainability assessment of SAM. For the DJSINA, SAM selects the top 20% of leading CSP companies among the 600 largest companies from Canada and the U.S. in the Dow Jones Global Total Stock Market Index (DJGTSM) that lead the field in terms of sustainability. SAM collects information about companies' annual sustainability progress through four different sources (DJSI, 2010), which are summarized in Table 2-2.

**Table 2-2: SAM's sources of information (DJSI, 2010)**

SAM Questionnaire	It is distributed to the CEOs of all the companies in the DJSINA. Then, the completed questionnaires have to be signed by a senior company representative.
Company Documentation	It includes sustainability reports, environmental reports, health and safety reports, social reports, annual financial reports, and other sources of company information.
Media, Stakeholders, and all Public Information	SAM's analysts review media, press releases, articles, and stakeholder observations written about a company over the past two years.
Personal Contacts with Companies	An analyst can contact individual companies to discuss issues arising from the questionnaire, company documents, or stakeholder analysis.

### 2.9.2 Criteria and Weightings

The assessment process is based on the application of criteria to consider the opportunities and risks deriving from the economic, environmental and social dimensions for each company. Criteria are identified for each dimension and for all industries. Some criteria are defined as general to all industries while others are industry specific criteria as shown in Table 2-3. The table showed that the DJSI places more weight on economic features than either social or environmental features.

**Table 2-3: Corporate sustainability assessment criteria (Fowler and Hope, 2007)**

Dimension	Criteria	Weighting (%)
Economic: 30.6%	Codes of Conduct/Compliance/Corruption	3.0
	Corporate Governance	5.4
	Customer Relationship Management	3.0
	Financial Robustness	3.6
	Investor Relations	2.4
	Risk & Crisis Management	3.6
	Scorecards/Measurement Systems	4.2
	Strategic Planning	5.4
	Industry Specific Criteria	Industry dependent
Environment: 9.2%	Environmental Policy/management	3.2
	Environmental Performance	4.2
	Environmental Reporting	1.8
	Industry Specific Criteria	Industry dependent
Social: 20.4%	Corporate Citizenship/Philanthropy	2.4
	Stakeholders Engagement	4.2
	Labour Practice Indicators	3.0
	Human Capital Development	1.8
	Knowledge Management	3.0
	Social Reporting	1.8
	Talent Attraction & Retention	2.4
	Standards for Suppliers	1.8
	Industry Specific Criteria	Industry dependent
Industry Criteria & Media/ Stakeholder Analysis: 39.8%		39.8
Total		100.0

Notes: Criteria assessed based on the basis of publicly available information only. Weightings depend on the industry. Source: SAM

### 2.9.3 Corporate Sustainability Score

Based on the four sources of information discussed above, a sustainability performance score is calculated for each company. A company's total corporate sustainability score is calculated by SAM based on a pre-defined scoring and weighting structure. Each question has a predetermined weight for the answer, the question, and for the theme and class within the question. The total score for the question is the combination of these weights. For example, assume that a question got an answer "A" with a score "25", the predetermined question weight is "0.05", and the criterion weight is "0.042". Therefore, the score for that question would be calculated as  $[25 \times .05 \times .042 = 0.0525]$  according to the following formula (DJSI, 2010):

$$TS = \Sigma (ANS \times QUW \times CRW) \text{ for all criteria}$$

where, TS is the Total Score; ANS is the Answer Score; QUW is the Question Weight; and CRW is the Criterion Weight. Based on the score given to the companies, the selection of the top 20% from the 600 biggest companies from Canada and U.S. in the field of sustainability is then done. Although it seems that the score depends only on the questionnaire, all other sources of information provide information to fill in the questionnaire.

#### **2.9.4 Corporate Sustainability Monitoring Process**

Corporate sustainability monitoring is a part of the ongoing review process. Once a company is selected as a member in the DJSI, it is continuously monitored for its corporate sustainability performance and management for any critical issues that may arise for environmental, economic, and social issues. Moreover, corporate sustainability monitoring might exclude any company from the index despite its performance during the assessment review. The monitoring process depends on media reviews as well as the analysis of stakeholder information. Some of the critical issues reviewed include: commercial practices such as tax and balance sheet fraud, human rights abuses such as cases involving child labour and discrimination, layoffs or workforce conflicts such as strikes, and catastrophic events or accidents such as workplace safety issues and ecological disasters (DJSI, 2010).

#### **2.9.5 Impact Evaluation**

If a critical issue has been identified during the monitoring process, the first step is to evaluate the degree of this issue within the company. If the effect of the crisis on the status of the company and its core business is extensive or is an important concern for the company, the monitoring moves to the next step. In a second step, SAM analysts should verify the quality of a company's crisis management and assess how well the company informs the public, acknowledges responsibility, involves relevant stakeholders and develops solutions. If the crisis management is considered poor from a sustainability point of view, the DJSI design committee can decide to exclude the company from the DJSINA (DJSI, 2010). To ensure the quality and objectivity of the corporate sustainability assessment, an external reviewer monitors and maintains the accuracy of the assessment procedures and results. The key advantages and disadvantages of the SAM methodology can be summarized as shown in Table 2-4.

**Table 2-4: Advantages and disadvantages of SAM assessment methodology**

Advantages	Disadvantages
Four different sources of information are used in the corporate sustainability assessment: 1) SAM questionnaire, 2) company documentation, 3) media and stakeholders review, and 4) contacts with companies. This means that the assessment does depend not only on the SAM questionnaire, but also on other sources to ensure the transparency of the process.	The identification of companies is based only on stock market and the company's annual capitalization which considered a bias to the market especially for those small or medium size companies.
Criteria definition is based on widely accepted standards, best practices, audit procedures, and extensive input from industry specialists and consultants. These wide sources of information indicate the high level of accuracy in selecting the criteria either it is general or industry specific criteria. Both the general and the industry specific criteria have the same percentage, 50% each.	The weightings that given to the three components of sustainability are very unbalanced and indicates the unfairness of the process. The three shares are 30.6 % for economic factor, 20.4% for social factor, and 9.2% for environmental factor. Therefore, a leading sustainability company might not represent 'sustainability' in case of a different division for the three components. Sustainability in the DJSI is an investment approach which curves more to the economic factor of the triple bottom lines.
The continuous monitoring to the selected companies guarantee that the screening process is transparent and any company could be excluded any time from the DJSI whatever its performance or progress or even its stock market is.	When a company is excluded the reason for its exclusion is not announced. However, part of the transparency and accountability of the methodology is to disclose this kind of information to public and investors.

## 2.10 Summary

Several researchers claim that the DJSI is one of the world's best sustainability indices and that SAM has the best in practice assessment process (Lee 2006; Beleo et al. 2004). However, currently there is no academic research that addresses how the DJSI is actually used, the steps taken by companies to achieve acceptance to the index, or to maintain their inclusion in the DJSI (Fowler and Hope, 2007). Inclusion in the DJSI puts pressure on the selected firms since they must make continued progress to keep their status. The long-term challenge is to extend measurement systems to include the sustainability of business activities, through impact measures, and the competitive advantage they are creating, through customer and financial measures (Carleton, 2009; Lopez et al., 2007). Fowler and Hope (2007) presented a number of additional critiques of the SAM assessment methodology:

- For a company to be included in the DJSI, it must be one of the largest 2,500 companies, by free-market float capitalization in the DJGTSM.

- The aim is to include only industry leading companies which are able to devote to the issues raised in the questionnaire, which considered as a bias to the market.
- Selected companies might not necessarily represent “sustainability” if a more balanced view were taken of the economic, environmental, and social components defined in the index.

Artiach et al. (2010) presented a case study by comparing a group of high-ranking CSP firms in the DJSI World with non-DJSI firms and they found that DJSI firms are significantly different in size, profitability, and level of growth options. They related this to the investment in CSP and argued that investment in corporate sustainability programs help to maintain the firm’s competitive position among other firms in the same industry.

Another useful study was conducted by Lopez et al. (2007). They compared some DJSI firms with other firms on the DJGTSM to examine the effect of applying sustainability practices on the companies’ performance and value creation. They found that there were significant differences between the two samples; for example, profitability measures obtained by DJSI firms with respect to the DJGTSM firms. Furthermore, there was an economic disadvantage, in the short term, to the DJSI firms with respect to the non-DJSI firms. Therefore, the management of those corporations should look past these short-term effects in order to lead the corporations forward.

With the above in mind, this project focuses on studying the use of the DJSI in North American corporations. There were several reasons for focusing on the DJSI, including its widespread use, its recognized best-in-class methodology, the fact that it is based on economic, environmental, and social criteria, and its publicly available data, among others. The research questions, methodology, and results follow in the subsequent sections.

### **3. Research Questions**

This research aims to explore how corporate sustainability indices are used in corporations through a case study on the DJSI. The core question of this research and its associated sub questions are listed below.

#### **3.1 Core Question**

How is the Dow Jones Sustainability Index used in North American corporations?

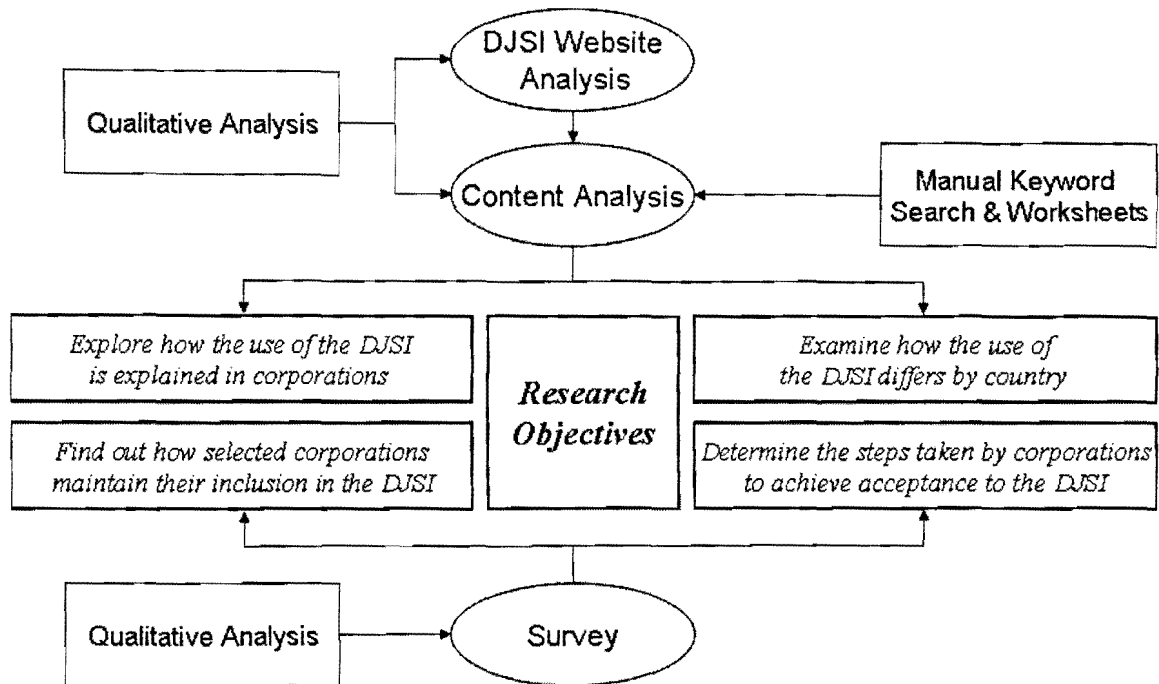
#### **3.2 Sub Questions**

The sub-questions were designed to help address the core question. They include:

- How is the use of the DJSINA explained in the sustainability reports or on the websites of the Canadian and the U.S. corporations listed in the index?
- How does the use of the DJSI differ by country?
- What are the steps taken by corporations to achieve acceptance to the DJSI?
- How do selected corporations maintain their inclusion in the DJSI?

## 4. Methodology

The research methodology consists of three main phases: an analysis to the DJSI website, a content analysis of corporate sustainability reports and a survey with corporate experts. The relationship of these three phases to the key research objectives is illustrated in Figure 4-1.



**Figure 4-1: Research methodology**

Figure 4-1 shows that the DJSI website analysis provided original data for the content analysis. The content analysis was conducted to accomplish the first and second objectives by doing a manual keyword search. Then, all gathered data were presented in worksheets. The survey was conducted to accomplish objectives three and four. All gathered data were analyzed as discussed throughout the next several sections.

## **4.1 The DJSI Website Analysis**

A thorough review of the DJSI website (<http://www.sustainability-index.com/>) was conducted. The purposes of the analysis of the DJSI website were:

- First, to identify companies that have been listed in the DJSINA since its inception in 2005.
- Second, to address the following issues:
  - What is the rationale for the establishment of a special index for U.S. companies, while there is no special index for Canadian companies?
  - What is the rationale and underlying methodologies for the special indices focused on excluding companies that generate their revenues from alcohol, tobacco, adult entertainment, and armaments?
  - What is the meaning and the necessity for requiring a DJSI licence in case of any commercial use, such as a benchmark or as the bases for financial products? What are the potential penalties that could be applied on a company for an unauthorized use of the DJSI?
  - What is the origin of the criteria and weightings for each of the economic, environmental, and social dimensions and on what basis they have been developed?
  - On what basis is the methodology of the DJSI North America selecting leading companies? What is the percentage for the accuracy and transparency of selecting those companies?

Answering these questions helped provide context for the rest of the study.

### **4.1.1 Data Analysis**

To accomplish the first purpose of the DJSI website analysis, all of the DJSINA lists since its inception were explored in order to identify those corporations that have been listed in the index since 2005 (up to May 31, 2010). To address the second purpose, the site was reviewed and a personal contact was initiated with a representative from the SAM group via e-mail. All of the results are presented and analyzed in Section 5.

## **4.2 Content Analysis of Corporate Sustainability Reports**

The aim of the content analysis was to explore how corporate sustainability indices are used in corporations. The DJSINA was used as the research case study. As of May 31, 2010, (the date of the last available list at the time of the review), there were 140 companies listed in the DJSINA. Out of this number, there were 116 U.S. companies and 24 Canadian companies. Only 23 of the Canadian and 98 of the U.S. companies published a sustainability report at the time of the analysis. All available reports were downloaded from the companies' websites, saved, and the web link and the date of the downloaded reports was recorded. Then, each report was reviewed in order to identify any references to the DJSI. References to other sustainability indices, such as the Jantzi Social Index, FTSE4Good Index, and FTSE KLD 400 / Domini 400 Social Index were also recorded. Other key elements searched for in the content analysis were references to the SRI and the GRI.

### **4.2.1 Data Collection Procedures**

Content analysis has many definitions in the literature. One of the broad definitions proposed by Holsti (1969) is "any technique for making inferences by objectively and systematically identifying specified characteristics of messages." Content analysis allows researchers to analyze a massive amount of data easily and to develop valid conclusions in a systematic manner (Stemler, 2001). Krippendorff (2004) noted that the content analysis technique can be a powerful tool if it is used properly to solve problems or answer research questions. In this project, content analysis was used to demonstrate answers for some of the research questions noted in Chapter 3. Sustainability reports published by the DJSINA corporations provided a basis for the content analysis. The content analysis was used in this research to examine patterns and themes in the sustainability reports. Krippendorff (1980) identified six questions which became a basis for conducting any content analysis. These are identified in Table 4-1.

In this project, the first objective was to explore how the use of the DJSI is explained in corporations. To address this, the reports were analyzed to determine how the DJSI is being reported. The report was searched manually for any appearance or reference to the index or its logo. If the DJSI or its logo was highlighted in charts, tables, framed, in bold characters, in the introduction, or in the CEO's message, it was recorded. References to other sustainability

indices were also searched to examine the difference between the DJSI and other sustainability indices in terms of their appearance in the reports or on the websites.

The second objective was to explore how the use of the DJSI in North American corporations differs by country. This would be deducted later from the analysis.

**Table 4-1: The six questions provided by Krippendorff (1980) for conducting any content analysis and their applications in this project**

Krippendorff's Questions	How the questions apply to this Project
Which data are analyzed?	In this study, the data to be analyzed were gathered from sustainability reports, or equivalent, published by the corporations listed in the DJSINA in recent years. The term "or equivalent" refers to other corporate reports commonly associated with sustainability such as CSR, corporate responsibility, public accountability, environmental reports, or citizenship reports, among others. Particular focus on reports published between 2007 and 2010. Other data were also gathered from the websites of the corporations.
How are they defined?	As aforementioned, sustainability reports are publicly available on the internet. They consist of the publication of qualitative and quantitative information on how a company has improved its social, economic, and environmental components over the reporting period (Daub, 2007).
What is the population from which they are drawn?	The population from which the data were drawn is the North American corporations listed in the DJSINA as of May 31, 2010 (DJSI, 2010). The reports selected for analysis were the most recent one for each corporation.
What is the context relative to which the data are analyzed?	As explained before, the context relative to this analysis is to explore how the DJSI is used in North American corporations.
What are the boundaries of the analysis?	This analysis was essentially bounded by a regional criterion: only the DJSI North America was studied which included 140 corporations.
What is the target of the inferences?	The target of the inferences was to extract some results from the content analysis. The results would provide reasonable answers to the research questions and help in drawing valid conclusions.

#### 4.2.2 Sample

As of May 31, 2010 a total of 23 Canadian and 98 U.S. companies published a sustainability report at the time of the analysis. In all cases, the most recent report was used in the analysis. Four U.S. sustainability reports were identified for 2007, nine Canadian and 30 U.S. reports for 2008, 14 Canadian and 52 U.S. reports for 2009, and 12 U.S. reports for 2010. In cases where companies did not develop a sustainability report, the corporation's website was still reviewed for reference to the DJSI. The complete Canadian and U.S. lists are available in Table 4-2 and 4-3, respectively and identified by industry sector. These 140 corporations formed the sample for the study.

**Table 4-2: The Canadian corporations listed in the DJSINA and their industry sectors (DJSI, 2010)**

Corporation	Sector
Bank of Montreal	Financials
Bank of Nova Scotia	Financials
Barrick Gold Corp.	Basic Materials
BCE Inc.	Telecommunications
Bombardier Inc. CI B SV	Industrials
Canadian Imperial Bank of Commerce	Financials
Canadian National Railway Co.	Industrials
Cenovus Energy Inc.	Oil & Gas
Enbridge Inc.	Oil & Gas
EnCana Corp.	Oil & Gas
Goldcorp Inc.	Basic Materials
Manulife Financial Corp.	Financials
National Bank of Canada	Financials
Nexen Inc.	Oil & Gas
Potash Corp. of Saskatchewan Inc.	Basic Materials
Royal Bank of Canada	Financials
Sun Life Financial Inc.	Financials
Suncor Energy Inc.	Oil & Gas
Talisman Energy Inc.	Oil & Gas
Teck Resources Ltd. CI B	Basic Materials
TELUS Corp.	Telecommunications
Toronto-Dominion Bank	Financials
TransAlta Corp.	Utilities
TransCanada Corp.	Oil & Gas

**Table 4-3: The U.S. corporations listed in the DJSINA and their industry sectors (DJSI, 2010)**

Corporation	Sector
3M Co.	Industrials
Abbott Laboratories	Health Care
Accenture Ltd.	Industrials
Advanced Micro Devices Inc.	Technology
Agilent Technologies Inc.	Industrials
Alcoa Inc.	Basic Materials
Allergan Inc.	Health Care
Allstate Corp.	Financials
AmerisourceBergen Corp.	Consumer Services
AOL	Technology
Applied Materials Inc.	Technology
Autodesk Inc.	Technology
Bank of New York Mellon Corp.	Financials
Baxter International Inc.	Health Care
Becton Dickinson & Co.	Health Care
Boeing Co.	Industrials
Bristol-Myers Squibb Co.	Health Care
Campbell Soup Co.	Consumer Goods
Cardinal Health	Consumer Services
Caterpillar Inc.	Industrials

**Table 4-3 (continued)**

<b>Corporation</b>	<b>Sector</b>
Chevron Corp.	Oil & Gas
Chubb Corp.	Financials
Cisco Systems Inc.	Technology
Citigroup Inc.	Financials
Coca-Cola Co.	Consumer Goods
ConocoPhillips	Oil & Gas
Consolidated Edison Inc.	Utilities
Cummins Inc.	Industrials
Dell Inc.	Technology
DeVry Inc.	Consumer Services
Dow Chemical Co.	Basic Materials
Duke Energy Corp.	Utilities
Dun & Bradstreet Corp.	Consumer Services
E.I. DuPont de Nemours & Co.	Basic Materials
Eastman Kodak Co.	Consumer Goods
El Paso Corp.	Oil & Gas
Entergy Corp.	Utilities
Exelon Corp.	Utilities
FedEx Corp.	Industrials
FMC Technologies Inc.	Oil & Gas
Ford Motor Co.	Consumer Goods
FPL Group Inc.	Utilities
Gap Inc.	Consumer Services
General Electric Co.	Industrials
General Mills Inc.	Consumer goods
Genzyme Corp.	Health care
Goldman Sachs Group Inc.	Financials
H & R Block Inc.	Consumer Services
H.J. Heinz Co.	Consumer Goods
Hess Corp.	Oil & Gas
Hewlett-Packard Co.	Technology
Humana Inc.	Health Care
Intel Corp.	Technology
International Business Machines Corp.	Technology
J.C. Penney Co. Inc.	Consumer Services
Johnson & Johnson	Health Care
Johnson Controls Inc.	Consumer Goods
JPMorgan Chase & Co.	Financials
Kimberly-Clark Corp.	Consumer Goods
Kohl's Corp	Consumer Services
Kraft Foods Inc. Cl A	Consumer Goods
Life Technologies Corp.	Health Care
Limited Brand Inc.	Consumer Services
Macy's Inc.	Consumer Services
Manpower Inc.	Industrials
MasterCard Inc. Cl A	Financials
McDonald's Corp.	Consumer Services
McKesson Corp.	Consumer Services
MeadWestvaco Corp.	Industrials
Medtronic Inc.	Health Care

**Table 4-3 (continued)**

<b>Corporation</b>	<b>Sector</b>
Merck & Co. Inc.	Health Care
Microsoft Corp.	Technology
Millipore Corp.	Health Care
Morgan Stanley	Financials
Motorola Inc.	Technology
Newmont Mining Corp.	Basic Materials
Nike Inc.	Consumer Goods
Noble Corp.	Oil & Gas
NYSE Euronext	Financials
Occidental Petroleum Corp.	Oil & Gas
Office Depot Inc.	Consumer Services
PepsiCo Inc.	Consumer Goods
PG&E Corp.	Utilities
Pinnacle West Capital Corp.	Utilities
Plum Creek Timber Co. Inc. REIT	Financials
Praxair Inc.	Basic Materials
Procter & Gamble Co.	Consumer Goods
Progress Energy Inc.	Utilities
ProLogis	Financials
Public Service Enterprise Group Inc.	Utilities
Quest Diagnostics Inc.	Health Care
R.R. Donnelly & Sons Co.	Industrials
Reynolds American Inc.	Consumer Goods
Rockwell Collins Inc.	Industrials
Safeway Inc.	Consumer Services
Schlumberger Ltd.	Oil & Gas
Smith International Inc.	Oil & Gas
Spectra Energy Corp.	Utilities
Staples Inc.	Consumer Services
Starbucks Corp.	Consumer Services
State Street Corp.	Financials
Symantec Corp.	Technology
Target Corp.	Consumer Services
Time Warner Inc.	Consumer services
Travelers Co. Inc.	Financials
United Parcel Service Inc.	Industrials
United Technologies Corp.	Industrials
UnitedHealth Group Inc.	Health Care
Unum Group	Financials
Verizon Communications Inc.	Telecommunications
Walgreen Co.	Consumer Services
Walt Disney Co.	Consumer Services
Waste Management Inc.	Industrials
Weyerhaeuser Co.	Industrials
Whirlpool Corp.	Consumer Goods
Whole Foods Market Inc.	Consumer Services

### 4.2.3 Data Analysis

Once the sample of the study had been established, a pilot test was conducted in order to determine the most appropriate way to address the research questions. The pilot test included five corporations and their initial analysis as a starting point. After that, data were gathered from two different sources: the companies' annual corporate sustainability reports and the companies' websites. A content analysis of all 140 corporate reports and websites was conducted in order to address the research questions. A worksheet was developed to facilitate the analysis. The worksheet recorded the results for each corporation (by row) and the key words that had been searched manually (by column). Tables containing the key references and quotes pertaining to the DJSI were also developed. The complete set of tables and worksheets are available in Appendix A and B.

In the pilot test, it was found that companies use different terminology in their sustainability reports and on their websites. Therefore, a number of terms were used to identify the research keywords: "DJSI", "Dow Jones Sustainability Index", "Dow Jones Sustainability Index North America", "Dow Jones Sustainability North America Index", "Jantzi Social Index", "FTSE4Good Index", "Domini 400 Social Index", "Socially Responsible Investment", "SRI", "Socially Responsible", "Social Investment", "Responsible Investment", "Global Reporting Initiatives", and "GRI". The first three columns of the worksheet recorded the company's name, country, and sector respectively. The fourth and fifth columns recorded the year that the report was published and the number of pages in the report. The sixth column represented the year of initial inclusion in the DJSINA for each company. The data in this column was verified based on a review of the DJSI website. The seventh column noted if there was any reference to the DJSI in the report or on the company's website or both. Column number eight highlighted if the company under review used the DJSI Logo. The next three columns represented other indices the company under review might be listed. Column number twelve represented if a company considered the SRI in their performance. The last column recorded if the company used the GRI as guidelines for reporting on its sustainability performance. For a "YES" answer, the green colour represents data collected from the report, the blue colour represents data collected from the website of the company and the orange colour represents data collected from both, the report and the website. The "NO" answers mean that there is no information available either in the

report or on the website of the identified company. The worksheets are available in Appendix A and B. A detailed analysis is presented in Section 5.

### 4.3 The Survey

A survey was conducted to obtain perspectives from corporate experts and to explore gaps in the literature regarding the use of sustainability indices in the Canadian corporations. The survey provided an indication of how important it is for a company to be included in the existing sustainability indices, such as DJSINA. The survey answered research questions three and four as shown in Figure 4-1.

#### 4.3.1 Survey Procedure

The results of the literature review helped in developing the survey questions. The survey consisted of nine questions. The questions are summarized in Table 4-4. Since the research involved humans, the questions were approved by the Research Ethics Board (REB) at Ryerson University. FluidSurveys software (<http://fluidsurveys.com>) was used to set up the questionnaire and to obtain the data from the participants. The survey was available at the following link: <http://fluidsurveys.com/surveys/d-m-t/dow-jones-sustainability-index/>. The survey was completely voluntary and participants could choose not to answer any particular question. Noting that, the questions were intended to be open-ended because this is an exploratory research and the aim was not to give preconceived notations.

**Table 4-4: The nine questions of the online survey**

No.	Survey Questions
1	What is the name of your company?
2	What is your role within the company?
3	What is the number of employees in your company?
4	What is the primary motivation for sustainability or corporate responsibility initiatives in your company?
5	What benefits, if any, does your company see from being listed in the Dow Jones Sustainability Index?
6	What steps, if any, did your company initially take to be included in the Dow Jones Sustainability Index?
7	What steps, if any, has your company taken to remain included in the Dow Jones Sustainability Index?
8	What suggestions, if any, do you have for improving the Dow Jones Sustainability Index?
9	What areas do you see for future work in corporate sustainability measurement and assessment? What key challenges do you anticipate in these areas?

One of the most challenging issues in conducting the research survey is to find the contact information for the Director of Sustainability or “equivalent person”. Equivalent person refers to

the Director of Corporate Social Responsibility, the Director of the Environmental Sustainability, or others. When the contact information of that person was available, the invitation letter including the survey link, the project information, and the informed consent form was sent to him/her via electronic mail. BCE was excluded since it was removed from the DJSI prior to issuing the invitations to participate. A reminder to complete the survey was sent after two weeks from the date of the first invitation letter.

#### **4.3.2 Sample**

A total of 10 Canadian corporations participated in the research survey. This represented a response rate of 41.7%. These ten corporations represented four different sectors: financials, basic materials, industrials, and oil and gas. Further details on the sample are available in section 5.

#### **4.3.3 Data Analysis**

The results of the survey were presented in aggregate form, meaning that no comments were attributed to a specific individual or a company. A complete record of all answers received to the questions is available in Appendix C. The key results are summarized and analyzed in section 5.

## 5. Results and Discussion

This section presents a summary and discussion of the results gathered in the research. This section is organized around the three primary phases noted in the methodology. First, the results from the DJSI website review are analyzed. Second, the results of the content analysis are presented and discussed. Finally, the results of the survey are examined.

### 5.1 Results from the DJSI Website Analysis

The DJSI website was explored in detail. This analysis provided original data for content analysis and a basis for identifying all the companies that have been listed in the DJSINA since its inception in 2005. It also helped identify areas that needed additional clarification. These areas were addressed through an email consultation with a SAM representative.

#### 5.1.1 Corporations Listed in the DJSINA since 2005

Table 5-1 and 5-2 shows the 12 Canadian and the 60 U.S. corporations, respectively, that have been listed in the DJSINA since its inception in 2005 and up-to May 31, 2010.

**Table 5-1: The Canadian corporations listed in the DJSI since its inception in 2005 and their industry sectors**

Corporation	Sector
Bank of Montreal	Financials
Bank of Nova Scotia	Financials
BCE Inc.	Telecommunications
Canadian Imperial Bank of Commerce	Financials
EnCana Corp.	Oil & Gas
Manulife Financial Corp.	Financials
Nexen Inc.	Oil & Gas
Royal Bank of Canada	Financials
Suncor Energy Inc.	Oil & Gas
TELUS Corp.	Telecommunications
Toronto-Dominion Bank	Financials
TransCanada Corp.	Oil & Gas

Table 5-1 shows that 50% (12 companies) of the Canadian corporations were listed in the DJSINA since its inception in 2005. This percentage represents only three sectors: Financials, Oil and Gas, and Telecommunications with a majority to the financials sector (6 companies).

Table 5-2 shows that about 52% (60 companies) of the U.S. corporations were listed in the DJSINA since its inception in 2005. This percentage represents nine different sectors: Financials, Oil and Gas, Industrials, Consumer Goods, Consumer Services, Basic Materials, Health Care, Technology, and Utilities with a large percentage in the Industrials, Consumer Goods, and Consumer Services sectors (11 companies each). About half of the corporations in the sample for both Canada and the U.S. had been listed in the DJSINA since its inception. However, the U.S. corporations represent further varieties of sectors given the much larger sample in the U.S.

**Table 5-2: The U.S. corporations listed in the DJSI since its inception in 2005 and their industry sectors**

Corporation	Sector
3M co.	Industrials
Abbott Laboratories	Health Care
Accenture Ltd.	Industrials
Advanced Micro Devices Inc.	Technology
Agilent Technologies Inc.	Industrials
Allstate Corp.	Financials
Applied Materials Inc.	Technology
Baxter International Inc.	Health Care
Becton Dickinson & Co.	Health Care
Caterpillar Inc.	Industrials
Chevron Corp.	Oil & Gas
Cisco Systems Inc.	Technology
Citigroup Inc.	Financials
Coca-Cola Co.	Consumer Goods
Dell Inc.	Technology
Duke Energy Corp.	Utilities
Eastman Kodak Co.	Consumer Goods
Entergy Corp.	Utilities
Ford Motor Co.	Consumer Goods
Gap Inc.	Consumer Services
General Electric Co.	Industrials
General Mills Inc.	Consumer goods
Genzyme Corp.	Health care
Goldman Sachs Group Inc.	Financials
H.J. Heinz Co.	Consumer Goods
Hewlett-Packard Co.	Technology
Intel Corp.	Technology
International Business Machines Corp.	Technology
Johnson & Johnson	Health Care
Johnson Controls Inc.	Consumer Goods
Kimberly-Clark Corp.	Consumer Goods
Kraft Foods Inc. CI A	Consumer Goods
Limited Brand Inc.	Consumer Services
McDonald's Corp.	Consumer Services
MeadWestvaco Corp.	Industrials

**Table 5-2 (continued)**

<b>Corporation</b>	<b>Sector</b>
Microsoft Corp.	Technology
Motorola Inc.	Technology
Nike Inc.	Consumer Goods
Noble Corp.	Oil & Gas
Office Depot Inc.	Consumer Services
Pinnacle West Capital Corp.	Utilities
Praxair Inc.	Basic Materials
Procter & Gamble Co.	Consumer Goods
Progress Energy Inc.	Utilities
Quest Diagnostics Inc.	Health Care
R.R. Donnelly & Sons Co.	Industrials
Schlumberger Ltd.	Oil & Gas
Staples Inc.	Consumer Services
Starbucks Corp.	Consumer Services
Target Corp.	Consumer Services
Time Warner Inc.	Consumer services
United Parcel Service Inc.	Industrials
United Technologies Corp.	Industrials
UnitedHealth Group Inc.	Health Care
Walgreen Co.	Consumer Services
Walt Disney Co.	Consumer Services
Waste Management Inc.	Industrials
Weyerhaeuser Co.	Industrials
Whirlpool Corp.	Consumer Goods
Whole Foods Market Inc.	Consumer Services

### 5.1.2 General Inquires

The five questions posed to the SAM representative are presented in Table 5-3. The responses received are also provided. These questions were identified in order to clarify gaps in the publicly available information on the DJSI website.

From Table 5-3, it can be noticed that The DJSINA was established as a response to asset managers and investors in the U.S. and Canada. The index contains the top 20% of the biggest 600 largest companies from Canada and the U.S. in terms of sustainability. This is consistent with the information available on the DJSI website. One point that was noticed during the review of the website is that there is a special DJSI for U.S. companies. However, there is no special index for the Canadian companies. Clarification on this issue was therefore sought. As Table 5-3 notes, the SAM representative indicated that there was particular demand for a U.S.-focused index. The representative also clarified that indices that exclude companies that generate their revenue from alcohol, tobacco, adult entertainment, and armaments were

developed. This is consistent with an overall trend in SRI investment analysis where several indices have emerged based on these exclusionary criteria. When asked about the origin of the criteria and weightings for each of the economic, environmental, and social dimensions, the representative explained that they were developed based on investigation, exploration, and deep analysis for the most updated sustainability issues for each industry sector. Few specific details were provided.

**Table 5-3: Results from the DJSI website analysis**

Questions	Answers
What is the rationale for the establishment of a special index for U.S. companies, while there is no special index for Canadian companies?	"We saw demand for a US-focused index from asset managers and investors both in the US and in Europe. Due to restricted time and resources, we can only create country indices when we experience particular demand. Canadian companies are included in the DJSI North America benchmarks."
What is the rationale and underlying methodologies for the special indices focused on companies that generate their revenues from alcohol, tobacco, adult entertainment, and armaments?	"I believe there was a misunderstanding. We publish Indexes that exclude companies which are active in the above mentioned sectors. The reason for the exclusions is that some investors follow very strict ethical guidelines which determine in which kind of companies they are allowed to invest."
What is the meaning and the necessity for requiring a DJSI licence in case of any commercial use, such as a benchmark or as the bases for financial products? What are the potential penalties that could be applied on a company for an unauthorized use of the DJSI?	"The licensee is needed to use the intellectual property involved with the DJSI for any financial products. License holders receive daily, up-to-date information on the weightings and divisors of the index components (companies represented in the index), as well as notifications of major corporate actions (mergers, acquisitions etc.). The licensee also entitles the holder to use the DJSI brand in marketing its products. Unauthorized use of the DJSI can lead to legal actions."
What is the origin of the criteria and weightings for each of the economic, environmental, and social dimensions and on what basis they have been developed?	"At SAM-group, we have a very experienced, dedicated group of analysts, who identify sustainability themes for each industry sector. The analysts gather research and adapt our industry specific questionnaires to the most recent sustainability issues, as well as, identifying novel areas of concern for their industries."
On what basis is the methodology of the DJSI North America selecting leading companies? What is the percentage for the accuracy and transparency of selecting those companies?	"The DJSI North America contains the top performing 20% of the 600 largest companies from Canada and the US in terms of sustainability."

## 5.2 Results from the Reports Content Analysis

In this sub-section, the results of the content analysis of the sustainability reports are presented. The reports are first analyzed by country. For both Canada and the U.S., the discussions are organized into nine sections, including: a summary of the industry sectors represented in the study, the names of the reports sampled, the average length of the reports, the year of initial inclusion in the DJSINA for the corporations in the sample, the use of the DJSI logo, data gathered on the use of other sustainability indices, a summary of material gathered on SRI, and the use of the GRI guidelines. Examples of the use of the DJSI in both Canadian and American corporations are then presented and discussed. Finally, the sub-section ends with a comparison of reporting on the DJSI in Canadian and U.S. corporations.

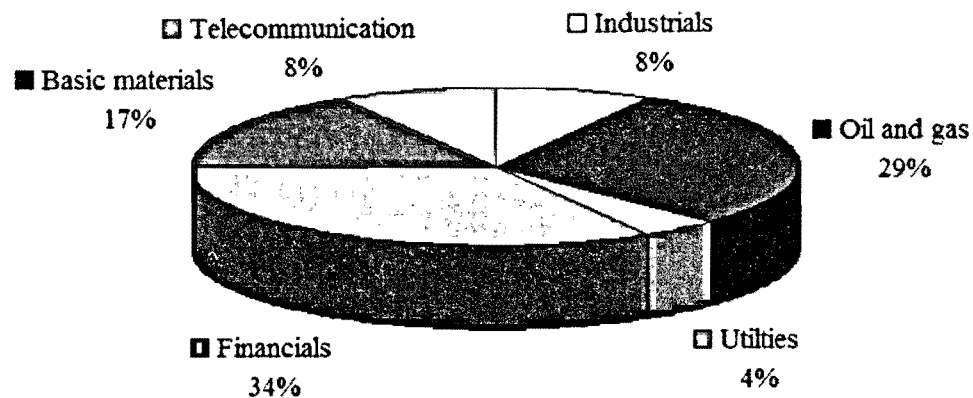
### 5.2.1 The Canadian Reports Analysis

#### 5.2.1.1 Industry Sectors

The 24 Canadian corporations included in the DJSINA are categorized by sector as shown in Table 5-4 and Figure 5-1. Six different industries were included in the DJSINA. The financial and oil and gas sectors represent the majority of companies included in the DJSINA. Basic materials companies are also well represented. Telecommunication, industrials, and utilities companies also had representation on the list.

**Table 5-4: Number of the Canadian corporations per sector in the DJSINA**

Industry Sector	Number of Corporations
Financials	8
Oil and Gas	7
Basic Materials	4
Telecommunications	2
Industrials	2
Utilities	1

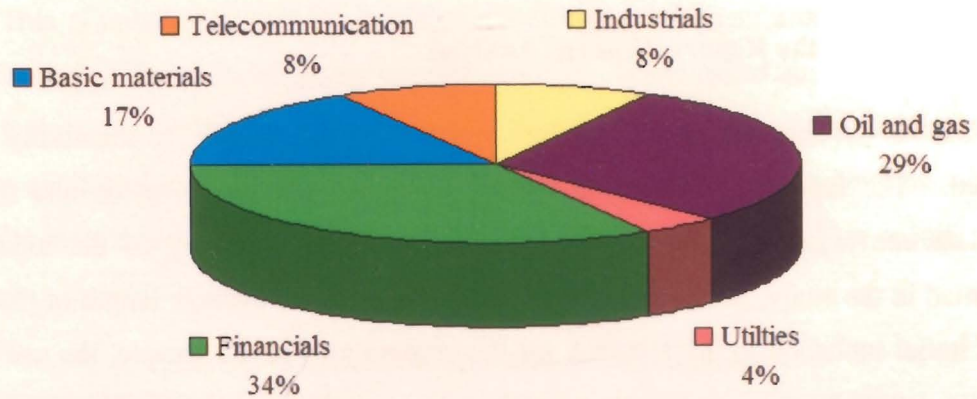


**Figure 5-1: Percentages of the Canadian corporations per sector in the DJSI**

#### **5.2.1.2 Name of Reports**

The focus of the content analysis was on sustainability reports or their equivalent. Therefore, the research sample's reports were categorized by name in order to provide a detailed picture on the variety of reports analyzed in this study. The 23 Canadian corporate sustainability reports are categorized by name as shown in Table 5-5. As previously noted, one company had not published a sustainability report at the time of the report review.

It should be noted that for simplicity, reports entitled "corporate sustainability", "summary on sustainability", or "online sustainability report" were all classified under the title of "sustainability report". The full breakdown of these report names is available in Appendix A. Table 5-5 shows that half of the studied reports were called either, "sustainability reports" or "responsibility reports". The other common name was "corporate social responsibility report". The fact that 7 different names were used for only 23 corporations highlights the lack of standardization in sustainability reporting.



**Figure 5-1: Percentages of the Canadian corporations per sector in the DJSI**

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**Table 5-5: Number and name of the Canadian reports in the DJSINA**

Name of Report	Number of Reports	Name of Corporation
Sustainability Report	6	Goldcorp Inc., Nexen Inc., Potash Corp. of Saskatchewan Inc., Suncor Energy Inc., Teck Resources Ltd. CI B, and TransAlta Corp.
Responsibility Report	6	Barrick Gold Corp., BCE Inc., EnCana Corp., Talisman Energy Inc., Toronto-Dominion Bank, and TransCanada Corp.
Corporate Social Responsibility Report	5	Bank of Nova Scotia, Bombardier Inc. CI B SV, Enbridge Inc., National Bank of Canada, and TELUS Corp.
Corporate Responsibility Report and Public Accountability Statement	2	Bank of Montreal and Royal Bank of Canada
Public Accountability Statement	2	Manulife Financial Corp. and Sun Life Financial Inc.
Annual Accountability Report	1	Canadian Imperial Bank of Commerce
Corporate Citizenship Report	1	Canadian National Railway Co.

### 5.2.1.3 Average Length of Report

The mean and median values of length for each type of report were calculated. A summary is provided in Table 5-6, including the minimum and maximum lengths.

**Table 5-6: Average length of the Canadian reports per name**

Name of Report	Number of Reports	Mean Length	Maximum Length	Minimum Length	Median Value
Sustainability Report	6	66	181	20	43
Responsibility Report	6	37.5	73	16	32
Corporate Social Responsibility Report	5	75.6	171	30	39
Corporate Responsibility Report and Public Accountability Statement	2	61.5	83	40	61.5
Public Accountability Statement	2	46	48	44	46
Annual Accountability Report	1	197	197	197	197
Corporate Citizenship Report	1	35	35	35	35

From Table 5-6, a wide range of report lengths is apparent. For instance, the shortest report was 16 pages (Encana Corporation). This report highlighted only a few issues, which included people, safety, environment, engagement, and community investment. The longest report was CIBC's (197 pages), which provided information about financial, environmental, social, management, and shareholder issues. There were four reports longer than 100 pages, including two corporate social responsibility reports (Bombardier Inc., 106 pages and Enbridge Inc., 171

pages), one annual accountability report (CIBC, 197 pages), and one sustainability report (Potash Corp., 181 pages). The wide variation in the length further underscores the lack of common agreement of what should be included in sustainability reports and how that material should be addressed.

#### **5.2.1.4 Year of Inclusion in the DJSINA**

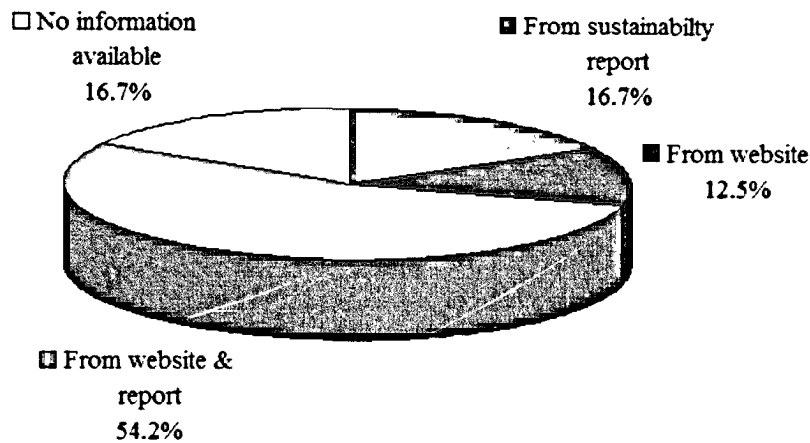
As illustrated in Table 5-7, 50% (12 companies) of the Canadian companies included in the sample had been listed in the DJSINA since its inception in 2005. Three corporations were added in 2009. All other corporations had been listed since at least 2008. A summary of each corporation's initial inclusion in the DJSINA is provided in Appendix A.

**Table 5-7: Year of inclusion in the DJSINA and number of the Canadian corporations**

<b>Year of Inclusion in the DJSINA</b>	<b>Number of Corporations</b>
2005	12
2006	3
2007	4
2008	2
2009	3

#### **5.2.1.5 References to the DJSI**

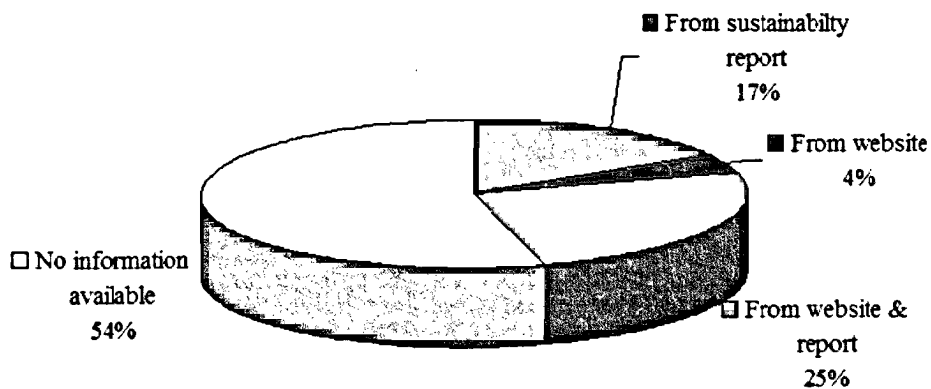
About 83% (20 companies) have references to the DJSI in their reports or on their websites. Of the 24 companies, 54.2% (13 companies) refer to the DJSI in both their sustainability reports and their websites, 16.7% (4 companies) refer to the DJSI in their sustainability reports only, and 12.5% (3 companies) refer to the Index on their websites only. About 16.7% (4 companies) have no references to the DJSI at all. Seven companies contain formal and signed statements from the CEOs in their sustainability reports that make reference to the DJSI. As a representative example, Encana Corporation's corporate responsibility report contains a formal, signed statement from the President and CEO who said "In addition to being listed on the DJSI for the second year in a row, we have been awarded a SAM award for demonstrating leadership in sustainability. We are the only North American company under the 'Oil & Gas Producers' category to be recognized with a class distinction in the Sustainability Yearbook 2009." A complete summary of the comments on the DJSI from the CEOs is provided in Appendix A.



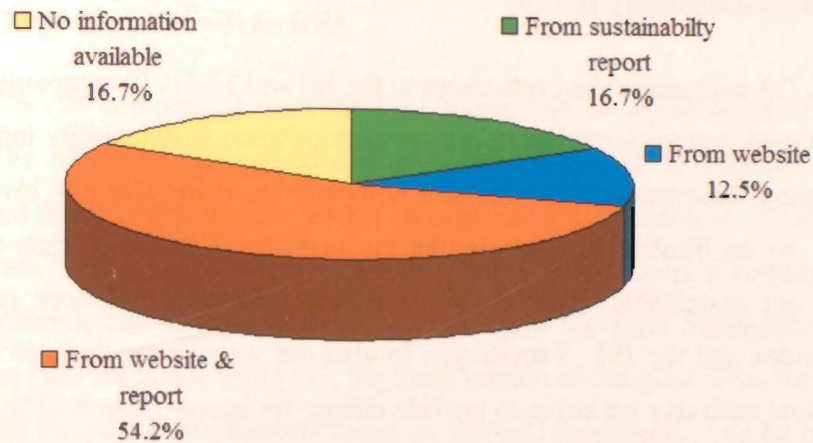
**Figure 5-2: Number of the Canadian corporations that had references to the DJSI**

#### 5.2.1.6 Use of Logo

The use of the DJSI logo had not been previously investigated in the literature. Figure 5-3 shows a breakdown of a total of 46% (11 companies) that used the DJSI Logo in their reports, websites, or both.



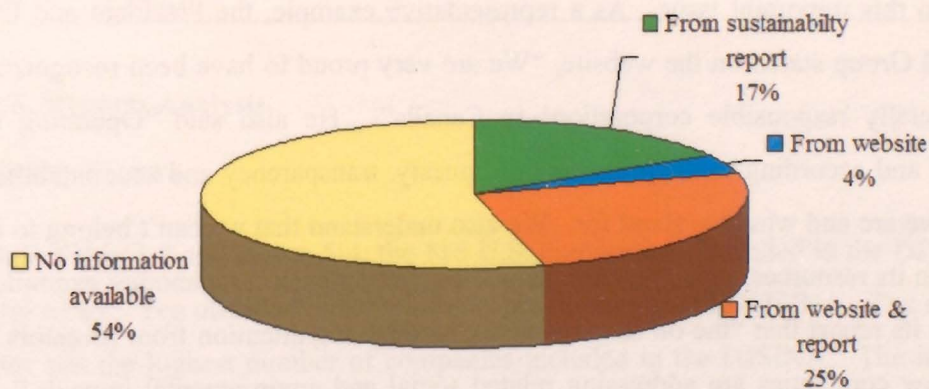
**Figure 5-3: Number of the Canadian corporations that used the DJSI logo**



**Figure 5-2: Number of the Canadian corporations that had references to the DJSI**

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**Figure 5-3: Number of the Canadian corporations that used the DJSI logo**

#### **5.2.1.7 Other Sustainability Indices**

About 54% (13 companies) had references to the JSI and 37.5% (9 companies) had references to the FTSE4Good Index. Inclusion in one or more of these sustainability indices is beneficial for any company because in this way the company is recognized by investors and other stakeholders. As an illustrative example, the President and CEO of Encana Corporation said, “Once again, our sustainable approach to resource development has been recognized by the World DJSI Index and the JSI. I invite you to visit our website regularly to learn more about EnCana and how each day we strive to provide energy for people, responsibly.” Also, it was on Bank of Montreal’s website that, “BMO Financial Group was selected for inclusion in the FTSE4Good Index. FTSE indices are used extensively by a range of investors such as consultants, asset owners, fund managers, investment banks, stock exchanges and brokers.” A complete summary of the comments on the JSI and the FTSE4Good Index is available in Appendix A.

#### **5.2.1.8 Socially Responsible Investment - SRI**

About 71% (17 companies) of the Canadian companies commented on SRI in their sustainability reports or on their websites. This underscores the attention these companies are paying to this important issue. As a representative example, the President and CEO of BMO Financial Group stated on the website, “We are very proud to have been recognized among the most socially responsible corporations in Canada”. He also said “Operating our business ethically and according to the principles of honesty, transparency and accountability are central to who we are and what we stand for. We also understand that we can’t belong to a community – share in its resources, enjoy its benefits without giving back.” As another example, Nexen Inc. stated in its report that “the oil sands industry is attracting attention from investors who want to know how companies are addressing related social and environmental impacts.” A complete summary of the comments on SRI is available in Appendix A.

### 5.2.1.9 Global Reporting Initiative - GRI

A total of 83% (20 companies) used the GRI framework to report on their sustainability performance. The literature highlighted that the GRI framework is intended to serve as a generally accepted framework for reporting on an organization's economic, environmental, and social performance. As an illustrative example, Barrick Gold Corp.'s responsibility report declared that, "Barrick has chosen to report according to the GRI Sustainability Reporting Guidelines for the past six years, using G3, the third version of the guidelines for the past three years. The annual Responsibility Reports based on the GRI framework, can be used by us and by our stakeholders to benchmark our performance against others in our industry." A complete list of companies using the GRI is available in Appendix A. The 20 companies are classified by sector and presented in Table 5-8. The table shows that the financial sector has the highest rate of usage of the GRI in the Canadian corporations studied.

**Table 5-8: Number of the Canadian corporations that used the GRI classified by sector**

Industry Sector	Number of Corporations
Financials	6
Oil & Gas	5
Basic Materials	4
Telecommunications	2
Industrials	2
Utilities	1

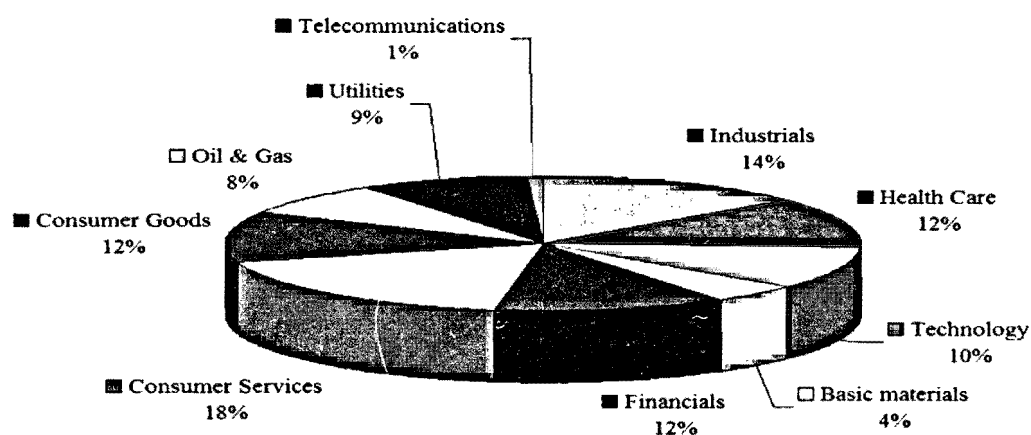
### 5.2.2 The U.S. Reports Analysis

#### 5.2.2.1 Industry Sectors

As shown in Table 5-9 and Figure 5-4, the 116 U.S. corporations included in the DJSINA are categorized by sector. Ten different industry sectors are included in the DJSINA. The consumer services sector has the highest number of companies included in the DJSINA. The industrials sector comes in the second place and consumer goods, financials, and health care sectors come in the third place. This is an indication to the wide varieties of services that U.S. corporations have. A number of other sectors were also well represented in the sample.

**Table 5-9: Number of the U.S. corporations per sector in the DJSINA**

Industry Sector	Number of Corporations
Consumer Services	21
Industrials	16
Health Care	14
Financials	14
Consumer Goods	14
Technology	12
Utilities	10
Oil and Gas	9
Basic Materials	5
Telecommunications	1



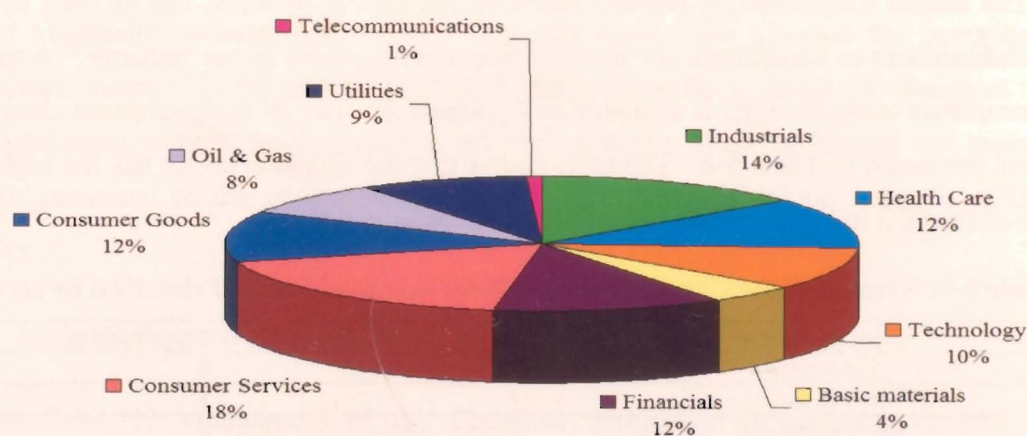
**Figure 5-4: Percentages of the U.S. corporations per sector in the DJSINA**

#### 5.2.2.2 Name of Reports

Of the 116 U.S. corporations, there are 18 companies that did not publish a sustainability report, or its equivalent, at the time of the review. Therefore, only 98 sustainability reports have been reviewed and categorized by name as shown in Table 5-10. It is worth noting that for simplicity, “sustainability highlights”, “sustainability summary”, “sustainability performance report”, “sustainability priorities report”, “sustainability review”, “sustainability progress report”, “blueprint for sustainability”, “business and sustainability report”, “sustainability overview”, and “corporate sustainability report” were all classified under one name which is “sustainability report”. A complete list of all report names listed by company is available in Appendix B. Table 5-10 shows that a majority (58%) of the studied reports are called either “sustainability reports” or “responsibility reports”. Other names included, “corporate or global social responsibility

**Table 5-9: Number of the U.S. corporations per sector in the DJSINA**

Industry Sector	Number of Corporations
Consumer Services	21
Industrials	16
Health Care	14
Financials	14
Consumer Goods	14
Technology	12
Utilities	10
Oil and Gas	9
Basic Materials	5
Telecommunications	1



**Figure 5-4: Percentages of the U.S. corporations per sector in the DJSINA**

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report”, “corporate or global citizenship report”, “environmental report”, and others as shown. The wide variety of names used further underlines the lack of standards in developing corporate sustainability reports.

**Table 5-10: Number and name of the U.S. reports in the DJSINA**

Name of Report	Number of Reports	Name of Corporation
Sustainability Report	34	3M Co., Alcoa Inc., Allergan Inc., Autodesk Inc., Baxter International Inc., Becton Dickinson & Co., Bristol-Myers Squibb Co., Caterpillar Inc., Coca-Cola Co., ConocoPhillips, Consolidated Edison Inc., Cummins Inc., Duke Energy Corp., E.I. DuPont de Nemours & Co., Eastman Kodak Co., El Paso Corp., Entergy Corp., Ford Motor Co., FPL Group Inc., Hess Corp., Johnson Controls Inc., Kimberly-Clark Corp., MeadWestvaco Corp., Millipore Corp., Morgan Stanley, Newmont Mining Corp., Noble Corp., Procter & Gamble Co., Public Service Enterprise Group Inc., Spectra Energy Corp., United Parcel Service Inc., Waste Management Inc., Weyerhaeuser Co., Whirlpool Corp.,
Corporate Responsibility Report	23	Advanced Micro Devices Inc., Chevron Corp., Chubb Corp., Dell Inc., Intel Corp., International Business Machines Corp., JPMorgan Chase & Co., McDonald’s Corp., Medtronic Inc., Merck & Co. Inc., Motorola Inc., Nike Inc., PG&E Corp., Pinnacle West Capital Corp., Praxair Inc., Progress Energy Inc., Prologis, Quest Diagnostics Inc., Starbucks Corp., Target Corp., United Technologies Corp., Verizon Communications Inc., Walt Disney Co.
Corporate/Global Social Responsibility	18	Allstate Corp., Bank of New York Mellon Corp., Campbell Soup Co., Cisco Systems Inc., FMC Technologies Inc., Gap Inc., General Mills Inc., H.J. Heinz Co., J.C. Penney Co. Inc., Manpower Inc., occidental Petroleum Corp., R.R. Donnelly & Sons Co., Reynolds American Inc., Safeway Inc., State Street Corp., Time Warner Inc., United Health Group Inc., Unum Group
Corporate/Global Citizenship Report	14	Abbott Laboratories, Accenture Ltd., Agilent Technologies Inc., Applied Materials Inc., Citigroup Inc., FedEx Corp., General Electric Co., Hewlett-Packard Co., Life Technologies Corp., McKesson Corp., Microsoft Corp., Office Depot Inc., PepsiCo Inc., Schlumberger Ltd.
Environmental Report	3	Boeing Co., Goldman Sachs Group Inc., Plum Creek Timber Co. Inc. REIT
Environmental, Health, and Safety Report	1	Rockwell Collins Inc.
Corporate Report	1	Dow Chemical Co.
Corporation Progress Report	1	Exelon Corp.
Annual Report	1	Genzyme Corp.
Staples Soul Report	1	Staples Inc.
Contributing to Healthier World	1	Humana Inc.

### 5.2.2.3 Average Length of Report

The mean and median values of length for each type of report were calculated. A summary is provided in Table 5-11, including the minimum and maximum lengths.

Table 5-11 shows a wide range of report lengths is recognized. For example, the shortest report in the U.S. sample was Allstate Corporation's 2008 responsibility summary (3 pages). This report provided a brief summary of social responsibility at Allstate Corporation. The longest report was Newmont Mining Corporation's sustainability report (322 pages). The report was very comprehensive and provided details about almost everything in the company. It included information about financial, environmental, social, management, community, health and safety, shareholder issues, and others. There were ten reports longer than 100 pages. Among them there were five corporate social responsibility reports (Campbell Soup Co. 122 pages; Cisco systems inc., 237 pages; Gap Inc., 161 pages; General Mills Inc., 102 pages; and H.J. Heinz Co., 108 pages). Of the other five, four were sustainability reports (Autodesk Inc., 105 pages; Cummins Inc., 106 pages; Newmont Mining Corp., 322 pages; and United Parcel Service Inc., 106 pages) and the last one was a corporate responsibility report (Nike Inc., 176 pages). Overall, there was no common length of a sustainability report for the U.S. corporations in the sample. Again, this serves to underscore the many different interpretations of what should be in a sustainability report and how it should be reported.

**Table 5-11: Average length of the U.S. reports per name**

<b>Name of Report</b>	<b>Number of Reports</b>	<b>Mean Length</b>	<b>Maximum Length</b>	<b>Minimum Length</b>	<b>Median Value</b>
Sustainability Report	33	52.2	322	8	36
Corporate Responsibility Report	22	56.5	176	4	50
Corporate/Global Social Responsibility	18	63.5	237	3	37
Corporate/Global Citizenship Report	14	41.2	72	15	41
Environmental Report	3	45	63	26	46
Environmental, Health, and Safety Report	1	15	15	15	15
Corporate Report	1	24	24	24	24
Corporation Progress Report	1	30	30	30	30
Annual Report	1	36	36	36	36
Staples Soul Report	1	25	25	25	25
Contributing to a healthier world	1	11	11	11	11

Note: Public Service Enterprise Group Inc. and United Technologies Corp. have online reports

#### **5.2.2.4 Year of Inclusion in the DJSINA**

As can be seen from Table 5-12, about 52% (60 companies) of all 116 U.S. companies in the sample were listed in the DJSI since its inception in 2005. Many companies were also recently

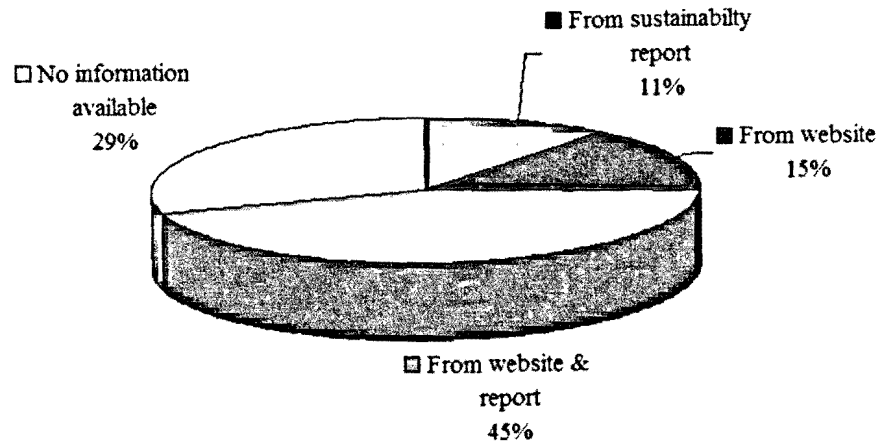
added to the DJSINA, with 27 joining the list in 2009. A complete summary of when each corporation was first listed in the DJSINA is available in Appendix B.

**Table 5-12: Year of inclusion in the DJSINA and the number of the U.S. corporations**

Year of Inclusion	Number of Corporations
2005	60
2006	10
2007	8
2008	11
2009	27

#### 5.2.2.5 References to the DJSI

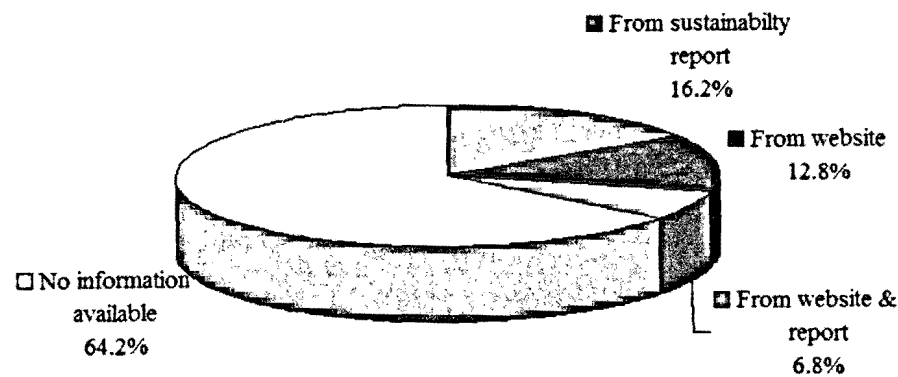
Figure 5-5 shows that about 71% (82 companies) of the reports contained references to the DJSI. 45% (52 companies) referred to the DJSI in both their sustainability reports and on their websites, 11% (13 companies) referred to the DJSI in their sustainability reports only, and 15% (17 companies) referred to the Index on their websites only. 25% (29 companies) contained formal, signed statements from their CEOs in their sustainability reports that made reference to the DJSI. For example, the Chairman and CEO of Coca-Cola Company said “In 2009, we were included in the DJSI World and DJSINA. Our continued inclusion reflects our leadership in setting standards in sustainable growth and in achieving exceptional environmental, social, and economic performance.” As another example, the Chief Administrative Officer for AMD said “inclusion in the DJSINA underscores our commitment to operating with integrity, responsibility and the utmost respect for people and the environment”. The Vice President of Environment, Health and Safety at Con Edison said “Listing on the DJSI is an important benchmark for us.” He also stated that “Our corporate commitment on environmental, health, safety, and sustainability issues is a definitive part of our company and all its operations. The 14,000 people who work together at Con Edison understand how integral that commitment is to everything we do.” Other examples are available in Appendix B. Additional discussion on the use of the DJSI in corporations is available in Section 5.1.3.



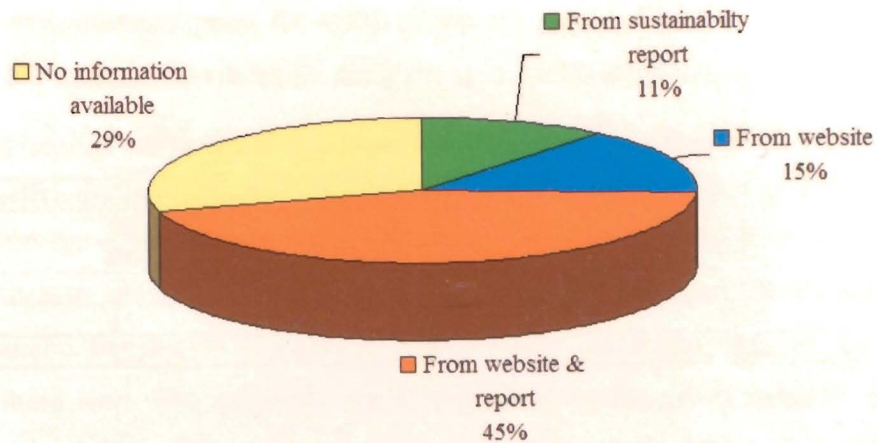
**Figure 5-5: Number of the U.S. corporations that had references to the DJSI**

#### 5.2.2.6 Use of Logo

Figure 5-6 shows that only 35.8% of the 116 U.S. companies use the DJSI Logo in their reports, websites, or both. Again, the use of the DJSI logo has not been discussed in the literature but it is discussed later in the survey.



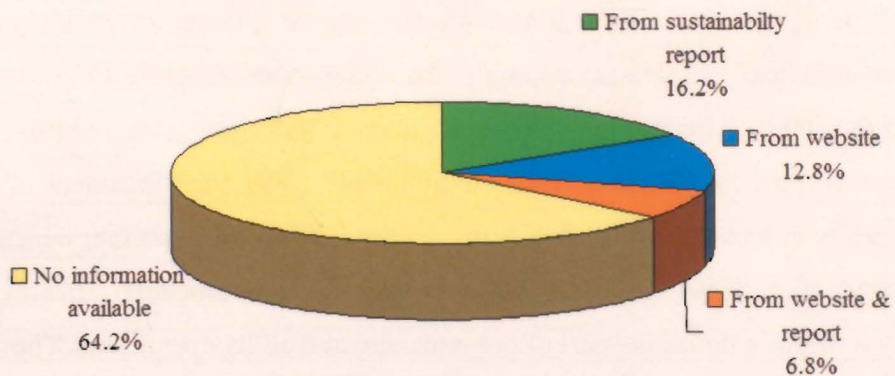
**Figure 5-6: Number of the U.S. corporations that used the DJSI logo**



**Figure 5-5: Number of the U.S. corporations that had references to the DJSI**

#### 5.2.2.6 Use of Logo

Figure 5-6 shows that only 35.8% of the 116 U.S. companies use the DJSI Logo in their reports, websites, or both. Again, the use of the DJSI logo has not been discussed in the literature but it is discussed later in the survey.



**Figure 5-6: Number of the U.S. corporations that used the DJSI logo**

#### **5.2.2.7 Other Sustainability Indices**

About 24% (28 companies) and 11% (13 companies) of the 116 companies had references to the FTSE4Good Index and the Domini 400 social index, respectively. These indices assure the leadership of these corporations in the sustainability field. As declared by the CEO of Becton Dickinson & Co. in their report, “As we pursue our purpose of ‘Helping all people live healthy lives,’ we strongly believe in balancing the ‘triple bottom line,’ achieving strong economic performance, promoting environmental stewardship and advancing social responsibility. I am pleased that our efforts are gaining prestigious recognition such as our continued inclusion in the FTSE4Good index.” It was stated in Johnson Controls Inc.’s report that, “Our sustainability performance is recognized by numerous respected corporate social responsibility and sustainability investment indices such as Domini 400 Social Index.” A complete summary of the comments on the FTSE4Good Index and the Domini 400 Social Index is available in Appendix B.

#### **5.2.2.8 Socially Responsible Investment - SRI**

About 44% (52 companies) of the U.S. corporations in the sample mentioned their socially responsible investment efforts and recognitions in their reports or websites. For example, Abbott Laboratories Corporation was named one of the top three 2010 Best in Class companies in its industry sector by Storebrand Investments, a leading SRI firm. As another example, in late 2009, Advanced Micro Devices Inc. (AMD) team conducted a study to understand the perspectives and expectations of their customers, peer companies, and SRI advisors. The study focused on the perceptions and expectations of their corporate responsibility programs. The common messages were that “these stakeholders would like AMD to engage more deeply and communicate more frequently on corporate responsibility matters. Specifically, several stakeholders would like our corporate responsibility efforts to be more entrenched in our business practices and our customer relationships. The data from this study and other inputs are currently being utilized to evaluate possible changes to our corporate responsibility strategy.” Additional examples are available in Appendix B.

### 5.2.2.9 Global Reporting Initiative - GRI

About 57% (67 companies) of the 116 U.S. companies in the sample used the GRI framework to report on their sustainability performance. As an illustrative example, Applied Materials Inc.'s 2009 citizenship report included the following statement, "This report follows the Reporting Framework and Sustainability Reporting Guidelines set forth by the GRI. It includes descriptions, historic data and perspectives on the company's significant economic, environmental, and social impacts and contributions for fiscal year 2009." Additional examples are available in Appendix B. The 67 companies are classified by sector and presented in Table 5-10. The table shows that the technology and consumer goods sectors were the only sectors with more than 10 corporations applying the GRI guidelines. The utilities, health care, and industrials sectors also had a relatively high number of corporations applying the GRI guidelines.

**Table 5-13: Number of the U.S. corporations that used the GRI classified by sector**

Industry Sector	Number of Corporations
Technology	11
Consumer Goods	10
Health Care	9
Utilities	9
Industrials	8
Financials	6
Consumer Services	5
Oil and Gas	5
Basic Materials	4
Telecommunications	0

### 5.2.3 The use of the DJSI in the Canadian and the U.S. Corporations Listed in the DJSINA

From the content analysis, it can be demonstrated that 79% of the Canadian corporations (19 companies) and about 52% of the U.S. corporations (60 companies) have significant statements related to the actual use of the DJSI in corporations. These statements are available in Appendix A and B. Six different uses of the DJSI were extracted from the content analysis and discussed below.

#### 5.2.3.1 Benchmarking

The DJSI was used by some corporations as a benchmark. Four Canadian and 10 U.S. corporations had statements related to this. However, relatively little detail on how the

corporations used the DJSI in this way was provided in the reports. Most corporations that noted its use in benchmarking were relatively brief. An illustrative example is given by Bank of Nova Scotia, “The DJSINA comprises the top companies in terms of economic, environmental and social criteria for the North American region and provides a benchmark for sustainability-driven North American equity portfolios.” The Canadian Imperial Bank of Commerce described the DJSI as “an influential benchmark for socially responsible asset managers.” As a third example, the UnitedHealth Group Inc. announced that “The DJSI recognizes and benchmarks companies that set industry-wide best practices in corporate sustainability” A complete list of corporations mentioning the use of the DJSI as a benchmark is available in Table 5-14. A complete list of the relevant statements is available in Appendix A and B.

**Table 5-14: Corporations with significant statements related to the use of the DJSI in benchmarking**

Canadian Corporations	U.S. Corporations
Bank of Nova Scotia, Barrick Gold Corp., BCE Inc., and Canadian Imperial Bank of Commerce	Advanced Micro Devices Inc., Autodesk Inc., Bank of New York Mellon Corp., Cisco Systems Inc., Consolidated Edison Inc., PG&E Corp., ProLogis, United Parcel Service Inc., United Technologies Corp., and UnitedHealth Group Inc.

### 5.2.3.2 Investment Decision-Making

Although the DJSI is frequently used as a guide in selecting sustainability leaders for asset managers and socially responsible investors, only five Canadian and five U.S. corporations explicitly recognized this in their reports. As Barrick Gold Corp. mentioned, “the DJSI is considered influential in investment-decision making, particularly for socially responsible investors.” Moreover, as Alcoa Inc. noted, the “DJSI is an important guide for investors to assess a company’s non-financial performance.” This statement indicates that the DJSI is not only a measure for the financial performance but also for other non-financial activities. Table 5-15 presents the corporations with statements related to the use of the DJSI in investment decision-making. A complete summary of the statements is available in Appendix A and B.

**Table 5-15: Corporations with significant statements related to the use of the DJSI in investment decision-making**

<b>Canadian Corporations</b>	<b>U.S. Corporations</b>
Barrick Gold Corp., BCE Inc., Bombardier Inc. CI B SV, Canadian Imperial Bank of Commerce, and Royal Bank of Canada	Alcoa Inc., Becton Dickinson & Co., El Paso Corp., McDonald's Corp., and Unum Group

### **5.2.3.3 Business Ranking**

Corporations increasingly need to know how they rate against their peers in order to compete. A limited number of corporations in the sample noted the role of the DJSI in facilitating this process. For example, Enbridge Inc. explained the role of the DJSI in this way as, "The DJSI provides business rankings based on information about organizations' social, ethical and environmental policies and practices." As a second example, Abbott Labs noted that "The DJSI World ranks Abbott among the top 10 percent of the world's leading 2,500 companies, based on an assessment of economic, social and environmental performance." Table 5-16 illustrates the five corporations with statements related to the use of the DJSI in business ranking. A complete summary of the relevant statements is available in Appendix A and B.

**Table 5-16: Corporations with significant statements related to the use of the DJSI in business ranking**

<b>Canadian Corporations</b>	<b>U.S. Corporations</b>
Enbridge Inc., National Bank of Canada, and TELUS Corp.	Abbott Labs. and Kimberly-Clark Corp.

### **5.2.3.4 Risk Management**

The DJSI was used by some of the corporations in the sample to help explain how the corporation managed its environmental, social, and economic risks. It was also used to help identify areas for future work and for improvement. As declared by Nexen Inc., "The DJSI is used in managing environmental, social and governance risk and assesses how well publicly traded companies are doing this." Another illustrative example is provided by Encana Corp., "The DJSI is used in management, stakeholder relations and corporate governance." Entergy Corp. claimed that "The annual review of the DJSI is based on a comprehensive analysis of corporate economic, environmental and social performance that assesses issues such as corporate

governance, risk management, climate change mitigation, supply chain standards and labour practices.” Table 5-17 illustrates corporations with statements related to the use of the DJSI in risk management. Appendix A and B contains a complete summary of the relevant statements from the reports or websites.

**Table 5-17: Corporations with significant statements related to the use of the DJSI in risk management**

<b>Canadian Corporations</b>	<b>U.S. Corporations</b>
Encana Corp. and Nexen Inc.	Bristol-Myers Squibb Co., Cisco Systems Inc., Entergy Corp., H.J. Heinz Co., Nike Inc., Plum Creek Timber Co. Inc. REIT, Public Service Enterprise Group Inc., Rockwell Collins Inc., and Spectra Energy Corp.

### 5.2.3.5 Measuring Sustainability Performance

A number of corporations noted that the DJSI is used to measure, evaluate, and improve sustainability performance in environmental, social, and economic fields. For example, Bombardier Inc. noted that “The DJSI tracks the financial performance of companies who are leaders in business sustainability. It also evaluates companies’ long-term economic, environmental, and social performance.” Table 5-18 shows corporations with statements related to the use of the DJSI in measuring sustainability performance. A complete summary of the relevant statements is available in Appendix A and B.

**Table 5-18: Corporations with significant statements related to the use of the DJSI in measuring sustainability performance**

<b>Canadian Corporations</b>	<b>U.S. Corporations</b>
BCE Inc., Bombardier Inc. CI B SV, National Bank of Canada, and Potash Corp. of Saskatchewan Inc.	Spectra Energy Corp. and Verizon Communications Inc.

### 5.2.3.6 Highlighting Sustainability Achievements

Several corporations noted that the DJSI helped provide it with recognition of achievement. For example, Bell Canada Enterprises announced that “BCE has been named to the DJSINA”. BCE is one of only eighteen Canadian companies to be recognized for excellence in corporate sustainability. Also, Encana’s CEO declared “In addition to being listed on the DJSI for the second year in a row, we have been awarded a SAM award for demonstrating leadership in

sustainability. We are the only North American company under the ‘Oil & Gas Producers’ category to be recognized with a class distinction in the Sustainability Yearbook 2009.” As another example, the Chairman of the Board and CEO of JC Penny said, “We were glad to see our efforts recognized by our inclusion in the DJSINA and among the top four retailers in Newsweek’s Greenest Big Companies in America. To reaffirm our commitment to environmental responsibilities, JC Penney has set a goal to reduce facility energy use by 20% per gross square foot by 2015”. Moreover, Johnson & Johnson Corporation announced on its website that inclusion in the DJSI is an environmental award. Furthermore, Life Technologies CEO noted that “We’re proud to again be recognized for our achievements in conservation and global citizenship.” A summary of the companies using the DJSI to highlight sustainability achievement is provided in Table 5-19. A complete summary of the relevant statements is available in Appendix A and B.

**Table 5-19: Corporations with significant statements related to the use of the DJSI in highlighting sustainability achievements**

<b>Canadian Corporations</b>	<b>U.S. Corporations</b>
Bank of Montreal, Bank of Nova Scotia, Barrick Gold Corp., BCE Inc., Bombardier Inc. CI B SV, Canadian National Railway Co., Cenovus Energy Inc., EnCana Corp., Goldcorp Inc., Manulife Financial Corp., National Bank of Canada, Potash Corp. of Saskatchewan Inc., Sun Life Financial Inc., TELUS Corp., Toronto-Dominion Bank, and TransAlta Corp.	3M co., Abbott Laboratories, Accenture Ltd., Advanced Micro Devices Inc., Agilent Technologies Inc., Alcoa Inc., Becton Dickinson & Co., Bristol-Myers Squibb Co., Cisco Systems Inc., Citigroup Inc., Coca-Cola Co., Consolidated Edison Inc., Cummins Inc., Dell Inc., Dow Chemical Co., Duke Energy Corp., Eastman Kodak Co., El Paso Corp., Entergy Corp., Exelon Corp., Ford Motor Co., General Electric Co., Genzyme Corp., H.J. Heinz Co., Humana Inc., J.C. Penney Co. Inc., Johnson & Johnson, Johnson Controls Inc., Kimberly-Clark Corp., Life Technologies Corp., Manpower Inc., McDonald’s Corp., MeadWestvaco Corp., Medtronic Inc., Merck & Co. Inc., Motorola Inc., Newmont Mining Corp., Nike Inc., Noble Corp., Occidental Petroleum Corp., PepsiCo Inc., Pinnacle West Capital Corp., Praxair Inc., ProLogis, Public Service Enterprise Group Inc., Safeway Inc., Spectra Energy Corp., Staples Inc., United Parcel Service Inc., United Technologies Corp., UnitedHealth Group Inc., Unum Group, Verizon Communications Inc., Walt Disney Co., and Waste Management Inc.

#### **5.2.4 A Comparison between the Canadian and the U.S. Corporations**

A comparison between the Canadian and the U.S. corporations was conducted. The key points are summarized in Table 5-20. Both countries were fairly similar overall, but there were several substantial differences. For instance, a broader range of sectors was included in the sample of U.S. corporations. This was not necessarily a surprise given the much larger sample.

In both countries, there was no standard use for report names or standard lengths of reports. As previously noted, this highlights the lack of standardization of sustainability reporting. About half of the corporations in the sample for both Canada and the U.S. had been listed in the DJSINA since its inception. Moreover, most corporations in both countries made reference to the DJSI in their reports or websites with a slightly greater percentage in the Canadian corporations. Less than half of the corporations in both countries used the DJSI logo. The JSI is a Canadian index and the Domini 400 Social Index is a U.S. index. About half of the Canadian corporations referred to the JSI in their reports or websites. However, only 11% of American corporations referred to the Domini 400 Social Index. It is also apparent that more Canadian companies made reference to SRI and the GRI. Finally, there were a higher proportion of Canadian companies that explained how they used the DJSI.

**Table 5-20: A comparison between the Canadian and the U.S. corporations**

Points of Comparison	Canadian Corporations	U.S. Corporations
Number of listed corporations (as of May 31, 2010)	24	116
Industry Sectors included in the DJSI	Six different industry sectors: Financials, Basic Materials, Telecommunications, Industrials, Oil and Gas, and Utilities.	Same six sectors that represent the Canadian companies plus other four: Consumer Goods, Consumer Services, Technology, and Health Care.
Name and length of reports	No common name or length for a sustainability report	
Inclusion in the DJSINA since its inception	50%	52%
Reference to the DJSI	83%	71%
The DJSI logo	46%	36%
Inclusion in the JSI	54%	N/A
Inclusion in the FTSE4Good Index	38%	24%
Domini 400 Social Index	N/A	11%
SRI	71%	44%
GRI	83%	57%
The use of the DJSI	79%	52%

### 5.3 Results from the Survey Analysis

The aim of the survey was to obtain perspectives from corporate experts and to explore gaps in the literature regarding the use of the DJSI in the Canadian corporations. As shown earlier in Table 4-4, the survey contained nine questions. There were three general questions about the name of the company, the role of the participant, and how many employees the company had. The other six questions were related to corporate sustainability and the DJSI. A summary of the

results obtained by question is provided below and sorted by sector. A complete record of all comments received in the survey is provided in Appendix C.

### 5.3.1 Industry Sectors Participated in the Survey

Experts from 10 Canadian corporations participated in the survey. A summary of the participants by industry sector is presented in Table 5-21. Requests were sent to experts in all of the corporations listed in the sample, with the exception of BCE. Eight corporations did not respond to the request to participate. Of the remaining corporations in the sample, four financial corporations declined to participate either due to the volume of similar requests or because they did not wish to publicly disclose any additional information. One oil and gas corporation also said that they do not participate in any research survey. All other Canadian corporations in the sample participated in the survey.

**Table 5-21: Industry sectors participated in the survey**

Industry Sector	Number of Participated Corporations per Total listed Corporations
Financials	3 out of 8
Basic Materials	2 out of 4
Telecommunications	0 out of 2
Industrials	1 out of 2
Oil & Gas	4 out of 7
Utilities	0 out of 1

### 5.3.2 The Role of the Participated Persons

The participants in the survey had a wide variety of specific titles. However, all of the participants played a role in the corporation's sustainability initiatives and had direct knowledge of its activities related to the DJSI. A complete summary of the titles of the participants is provided in Table 5-22.

**Table 5-22: The role of the participants**

Industry Sector	The role of the Participants
Financials	Manager of Corporate Responsibility and Sustainability, Director of Corporate Affairs and Sustainability, and Assistant Vice President of Communications.
Basic Materials	Manager of Sustainability and Manager of CSR.
Industrials	Communication Advisor Responsible for CSR reporting and DJSI submission.
Oil & Gas	Director of Sustainability and CSR, Member of the Sustainable Development Group, General Manager of Social Responsibility, and Corporate Responsibility Group Lead.

### 5.3.3 Number of Employees within the Participating Companies

All participated companies were quite large. Given the scope of the DJSINA, this was not surprising. The range of employees was from just over 3,000 to well over 50,000.

### 5.3.4 Sustainability Motivation

In this question, participants were asked to comment on their corporation's motivation for sustainability or corporate responsibility initiatives in their companies. Table 5-23 summarizes the key responses received by sector.

Table 5-23 shows that the participants believe that sustainability initiatives help strengthen the relationships between the company and its stakeholders (social benefit), help minimize emissions and protect the environment (environmental benefit), and positively affect their business from a financial perspective (economic benefit). These motivations are consistent with what has been cited in the literature.

**Table 5-23: Sustainability motivation**

Sector	Sustainability Motivation
Financials	<ul style="list-style-type: none"><li>- Business benefit and success.</li><li>- Strong relationships with stakeholders, including customers, investors, and employees.</li><li>- Competitive advantage.</li><li>- Minimizing emissions.</li><li>- Saving the company in operating budget.</li></ul>
Basic Materials	<ul style="list-style-type: none"><li>- Long term profitability.</li><li>- Win-win relationships with stakeholders.</li><li>- Safe and healthy workplace for employees.</li><li>- Protecting the environment.</li><li>- Sharing the benefits with local communities and hosting nations.</li></ul>
Industrials	<ul style="list-style-type: none"><li>- Competitive advantage (energy efficient products and operations).</li><li>- Improved relations with stakeholders.</li><li>- Reduced impact on the environment.</li></ul>
Oil & Gas	<ul style="list-style-type: none"><li>- Social benefit.</li><li>- To meet the increasing expectations of stakeholders.</li><li>- Developing resources in a responsible way.</li><li>- Economic prosperity.</li><li>- Healthy environment.</li><li>- Improve the triple bottom line.</li><li>- Shareholder value.</li><li>- Improve efficiencies.</li><li>- Increase positive impact</li></ul>

### 5.3.5 Benefits from Being Listed in the DJSI

In this question participants were asked about the benefits that their companies gain from being listed in the DJSI. Table 5-24 summarizes the key answers received by sector.

From Table 5-24, it can be noticed that the sustainability experts agreed that being listed in the DJSI provides the company with high reputation among industry leaders, helps attract investors (especially those focused on SRI), and helps identify areas for future improvement. Again, these benefits are consistent with those commonly cited in the literature on corporate sustainability.

**Table 5-24: Benefits from inclusion in the DJSI**

Sector	Benefits from being listed in the DJSI
Financials	<ul style="list-style-type: none"><li>- Bragging rights.</li><li>- Attracting investors by using the DJSI Logo.</li><li>- Evaluating year over year performance.</li><li>- Identifying areas for improvement.</li><li>- Benchmarking against industry leaders.</li><li>- Enhancing brand.</li><li>- Validation to stakeholders that a company is performing well on sustainability.</li></ul>
Basic Materials	<ul style="list-style-type: none"><li>- Increasing the number of stock holders.</li><li>- SAM feedback helps identifying areas for improvement.</li><li>- Significant reputational benefits.</li></ul>
Industrials	<ul style="list-style-type: none"><li>- Increased visibility among SRI.</li><li>- Recognition of leadership in CSR.</li><li>- The DJSI submission improves internal reporting.</li><li>- Continuous improvement.</li></ul>
Oil & Gas	<ul style="list-style-type: none"><li>- Positively influences investors.</li><li>- Allowing for growing and development.</li><li>- Leadership role in sustainability performance.</li><li>- Good management because what gets measured, gets managed.</li><li>- Awareness of key issues that must be addressed.</li><li>- Provide a comprehensive benchmark of the company performance and against other peers.</li></ul>

### 5.3.6 Initial Steps Taken by Companies to be Included in the DJSI

In this question participants were asked about the steps that their company initially took to be included in the DJSI. Table 5-25 provides a summary of the key responses by sector.

**Table 5-25: The steps taken by companies to be included in the DJSI**

Sector	Initial Steps taken by companies to be included in the DJSI
Financials	- Ensuring comprehensive data for responses to SAM questionnaire.
Basic Materials	- Special committee to respond to SAM questionnaire. - Consultation with SAM group. - Annual profile submission with improved responses.
Industrials	- Assessing other initiatives, ranking, and indices. - Looking at the advantages and costs related to the DJSI.
Oil & Gas	- Good non-financial performance (ethics, fairness, EH&S, social/community relations, etc.). - Being credible and trustworthy and doing all the right things. - Introducing new approaches that will add to the company. - Inclusion in the DJSI is a very resource intensive exercise but valuable.

Most of the answers were about how to respond to the SAM questionnaire. As Table 5-25 indicates, some of these responses included: ensuring thorough data, convening a special committee to respond, and consulting SAM analysts. As an example of one sector's response, the experts from the oil and gas sector provided a number of valuable answers. For example, one of the experts mentioned that delivering good non-financial performance in some fields like environmental-health and safety and community relations was already a key corporate priority and completing the DJSI questionnaire therefore involved no additional initiatives. Another expert from the same industry said that inclusion in the DJSI is a very resource intensive exercise, but it adds value to the company. Additional details are provided in Appendix C.

### 5.3.7 Steps Taken by Companies to Remain Included in the DJSI

In this question participants were asked about the steps that their company took to remain included in the DJSI. Table 5-26 summarizes the key responses by industry sector.

The answers from Table 5-26 highlight that remaining in the DJSI is not an easy task. The participants highlighted that the company must continually improve. For example, the financial sector's experts noted that an essential issue was to increase the number of internal stakeholders who respond to the questionnaire to assure comprehensive data availability. However, they also mentioned the need for the continuous development of their internal programs. The basic materials' participants also expressed a need to improve the internal programs and to respond to the questionnaire seriously. The industrials sector's participant said that the company always seeks to improve the scores in some areas and identifies weaknesses to guide updates and

modifications. The participant also added that the company's team works with a third party firm. The oil and gas participants were more concerned about their environmental and social impacts and the strong relations with their stakeholders. They also added that inclusion in the DJSI helps the company to accomplish high performance. Moreover, reporting initiatives ensure that the company has continuous progress on its sustainability performance. A complete summary of the answers received from the experts is available in Appendix C.

**Table 5-26: The steps taken by companies to remain included in the DJSI**

<b>Sector</b>	<b>Steps taken by companies to remain included in the DJSI</b>
Financials	<ul style="list-style-type: none"> <li>- Increased the number of internal stakeholders who respond to the questionnaire.</li> <li>- Inclusion in the DJSI is not the specific driver of the company but it serves as validation that the company is taking the right actions.</li> <li>- Continuing to develop programs and remain a leader among commercial real estate managers.</li> </ul>
Basic Materials	<ul style="list-style-type: none"> <li>- Improve the program.</li> <li>- Increased number of people who respond to the questionnaire.</li> <li>- The DJSI assessment is very serious so the company dedicates significant time and resources to complete the profile.</li> </ul>
Industrials	<ul style="list-style-type: none"> <li>- Sought to improve the score in some areas.</li> <li>- Contacted the DJSI to get feedback on the company's performance and identify areas of improvement.</li> <li>- Worked with third party firm.</li> </ul>
Oil & Gas	<ul style="list-style-type: none"> <li>- Good non-financial performance (ethics, fairness, EH&amp;S, social/community relations, etc.).</li> <li>- Being credible and trustworthy and doing all the right things.</li> <li>- Sustainability reporting initiatives.</li> <li>- Identify weaknesses and work on them with experts.</li> <li>- Find the lowest score and introduce new approaches that will add value to the company without changing the process.</li> <li>- Improve the company's performance and DJSI helps to accomplish that.</li> </ul>

### 5.3.8 Suggestions to Improve the DJSI

Concerning the suggestions that the experts might have for improving the DJSI, Table 5-27 provides a summary of the key responses received by sector.

Several insights were provided by the experts. The financial sector's experts noted that the assessment process should follow the GRI guidelines. They also noted that sharing the analysis between all the listed companies would help to foster implementation of best practices. The industrials sector's participant pointed to the unfairness in the assessment process in scoring companies from the same industry on the same indicators. This comment may have been motivated by the concern that the assessment would not take unique local circumstances into

account. The oil and gas sector's participants suggested that the SAM questionnaire should avoid lengthy questions and should use information available in the online sustainability/CSR report in their assessment. As above mentioned, one expert suggested merging the DJSI requirements with the GRI and focusing on key material issues. Also, the responses indicated that the participants were willing to receive a more detailed scorecard that clearly highlights potential areas for improvement in the company. One of the participants mentioned the high cost of the preparation process. This comment echoes other comments on streamlining the assessment process and consolidating the number of sustainability assessments currently in use.

**Table 5-27: Suggestions for improving the DJSI**

<b>Sector</b>	<b>Steps taken by companies to improve the DJSI</b>
Financials	<ul style="list-style-type: none"> <li>- The assessment should follow the GRI guidelines.</li> <li>- Share more analysis with all responding companies to help foster implementation of best practices.</li> </ul>
Basic Materials	<ul style="list-style-type: none"> <li>- No suggestions provided from this sector.</li> </ul>
Industrials	<ul style="list-style-type: none"> <li>- Recognize that some companies, although they are in the same industry, should not be scored on the very same indicators.</li> </ul>
Oil & Gas	<ul style="list-style-type: none"> <li>- Avoid lengthy questions because most of the information is available in the online CSR report.</li> <li>- SAM evaluators should merge their requirements with the GRI and judge the companies' sustainability/CSR report.</li> <li>- Focus on the most key material issues.</li> <li>- Sustainability reporting must be more focused on what exactly investors /stakeholders want to know about.</li> <li>- The DJSI loses credibility when they change the scores after announcing the results.</li> <li>- Analysis is very costly and offered little insight.</li> <li>- They should make their results available like other surveys such as Goldman Sachs.</li> <li>- Asking for a more detailed scorecard.</li> </ul>

### 5.3.9 Areas for Future Work in Corporate Sustainability and the Key Challenges

In this question participants were asked to suggest areas for future work in corporate sustainability measurement and assessment. Moreover, they were also asked in the same question to identify any key challenges in this area. Table 5-28 summarizes the key answers received by sector.

The sustainability experts suggested several areas for the future work in corporate sustainability. Several experts highlighted the need to standardize corporate sustainability assessments. This would help reduce duplication of their efforts in responding to survey requests. Responding to external surveys consumes a considerable amount of company

resources. The number of assessments also creates confusion in terms of evaluating companies on their sustainability performance. Consolidating the number of assessments would therefore help provide a clearer basis on which to make comparisons between companies. Many other specific examples were also provided. For example, one of the financial sector's participants mentioned that the GHG and water footprints need some work in terms of measurement and assessment because of some similarities in their data. A similar comment applied to sustainability measures in general. There is a need to clarify the measures that should be reported and the data involved in their analysis. The current lack of standards makes effective communication of sustainability initiatives a challenge. A complete summary of the responses received is provided in Appendix C.

**Table 5-28: Suggested areas for future work in corporate sustainability and the anticipated key challenges**

Sector	Areas for future work in corporate sustainability	Key Challenges
Financials	<ul style="list-style-type: none"> <li>- Comparability of data, particularly GHG and water footprints, is an area where there might be future work in terms of measurement and assessment.</li> </ul>	<ul style="list-style-type: none"> <li>- Most sustainability requests come in the same time which needs a lot of employees, time, and efforts.</li> <li>- Not all the collected data is meaningful for investors.</li> <li>- Sustainability field is now full of designations and assessments; therefore, investors and other stakeholders have to be educated on meaning and credibility of these designations.</li> <li>- The biggest challenge is the lack of a framework allowing comparison between companies and industries.</li> <li>- Until a standard for reporting on emissions and environmental performance is established, it will remain a challenge to satisfy most observers.</li> </ul>
Basic Materials	<ul style="list-style-type: none"> <li>- Executive compensation, good governance, environmental targets, safety culture and leadership, recruiting high quality employees, and training high potential employees.</li> </ul>	
Industrials	<ul style="list-style-type: none"> <li>- There is too much duplication and too many questionnaires from sustainability firms which need to simplify and standardize.</li> </ul>	<ul style="list-style-type: none"> <li>- Meaningful KPIs for community investment remain rare and companies still rely on output based KPIs.</li> </ul>
Oil & Gas	<ul style="list-style-type: none"> <li>- Embedding more formal "sustainability screens" when making business decisions.</li> <li>- The abundance of new reporting initiatives and surveys needs to be more consistent and focused.</li> </ul>	<ul style="list-style-type: none"> <li>- Reporting is important but repeatedly answering same questions is not value adds.</li> <li>- There is no effective online communication.</li> <li>- Responding to the increasing calls for disclosure of environmental and social risks in traditional shareholder communication, harmonizing with sustainability reporting, and consider materiality issues.</li> </ul>

## 6. Conclusions

### 6.1 Summary of Findings

The exploration of the literature revealed that a lot of work had been done on sustainability, corporate sustainability, performance measurements, sustainability reporting, sustainability indicators and indices. However, there is an identified gap on the role of sustainability indices and how they are used in corporations. For that reason, this project focused on addressing the core research question ‘how is the DJSI used in North American corporations?’ Several key sub-questions were also designed to fill the identified gap. The research questions were addressed based on a thorough analysis of the DJSI website, an in-depth content analysis of corporate sustainability reports and websites for the 24 Canadian and 116 U.S. corporations listed in the DJSINA as of May 31, 2010, and a survey with experts from 10 Canadian corporations. A summary of the sub-questions and the key findings is provided in Table 6-1.

**Table 6-1: The key research findings sorted by research sub-question**

Sub-Questions	Key Findings
How is the use of the DJSINA explained in the sustainability reports or on the websites of the Canadian and the U.S. corporations listed in the index?	<p>From the content analysis, it is clear that there were a number of corporate statements regarding the use of sustainability indices in corporations. However, relatively few specific details were provided. The most significant statements were related to the role of the index in:</p> <ul style="list-style-type: none"> <li>- Benchmarking</li> <li>- Investment decision making</li> <li>- Business ranking</li> <li>- Risk management</li> <li>- Measuring and improving performance</li> <li>- Highlighting sustainability achievements</li> </ul>
How does the use of the DJSI differ by country?	<p>The comparison between the Canadian companies and the U.S. companies showed that there are substantial similarities and differences between the two countries in terms of using the DJSI. Some of the key findings included:</p> <ul style="list-style-type: none"> <li>- About half of the corporations in the sample for both Canada and the U.S. had been listed in the DJSINA since its inception.</li> <li>- Most corporations in both countries made reference to the DJSI in their reports or websites with a slightly greater percentage of Canadian corporations making such references.</li> <li>- Less than half of the corporations in both countries used the DJSI logo.</li> <li>- A higher proportion of Canadian companies explained how they used the DJSI.</li> </ul>

**Table 6-1 (continued)**

Sub-Questions	Key Findings
What are the steps taken by corporations to achieve acceptance to the DJSI?	<p>Relatively few specific details were provided by the survey participants. The most significant steps provided by the experts included:</p> <ul style="list-style-type: none"> <li>- Companies pay attention to their non-financial performance such as, ethics, EH&amp;S, social/community relations.</li> <li>- Introducing new corporate sustainability initiatives and approaches that will improve the company's performance.</li> <li>- Consultation with the SAM group in order to identify weak points.</li> <li>- Hiring special committee to respond to the SAM questionnaire.</li> </ul>
How do selected corporations maintain their inclusion in the DJSI?	<p>Several specific measures were highlighted by the participants. The most significant steps included:</p> <ul style="list-style-type: none"> <li>- Enhancing sustainability programs.</li> <li>- Improving the company's scores in some identified areas.</li> <li>- Obtaining advantages from SAM's feedback on the company's performance.</li> <li>- Increasing the number of stakeholders who respond to the questionnaire.</li> </ul>

Table 6-1 shows that the first phase of this research methodology, i.e. the review for the DJSI website, helped identify original data for the literature and the content analysis; provide insight into the SAM assessment methodology; identify all companies listed in the index since its inception; and bring to light other areas that needed clarification.

The second phase of the project was the content analysis. The content analysis provided insight into some of the roles of the DJSI in the Canadian and American corporations. These included: 1) benchmarking; 2) investment decision making; 3) business ranking; 4) risk management; 5) measuring and improving performance; and 6) highlighting sustainability achievements. Those roles were extracted from the references, the statements, and the quotes that were gathered from the reports and the websites of the 140 corporations. However, relatively few specific details were provided by the corporations on the role of the DJSI in corporate management and internal decision-making. The comparison between the corporations based in Canada and the U.S. illustrated that there were several similarities and differences between the two countries.

The third phase of the project focused on a survey with experts from the Canadian corporations. The survey was conducted to support the findings of the literature review and the content analysis as well as to answer research sub-questions three and four. The participants highlighted the role of sustainability in their corporations (for example, in supporting business success, strengthening relationship with stakeholders, and reducing the impact on the environment). They also mentioned the benefits they gained from being listed in the DJSINA

(for example, increased visibility, increasing number of stock holders, recognition by investors, and improving performance). The experts provided several critiques about the index and its assessment methodology (for example, lengthy questions, should follow the GRI indicators, should share analysis and publish results). The steps that are taken by corporations to achieve acceptance in the DJSI were also investigated (for example, evaluating the company's current performance, introducing new corporate sustainability initiatives, and consultation with the SAM group). The experts proposed some actions that their corporations take to maintain their inclusion (for example, enhancing sustainability programs, improving the company's scores in some identified areas, and obtaining advantages from SAM feedback on the company's performance). Finally, the participants suggested some areas for future work in corporate sustainability.

Overall, the project provided insight into the core research question. The project highlighted that there are several potential roles for the DJSI in North America. These include:

- identifying the top companies in terms of economic, environmental and social criteria for the North American region,
- benchmarking against industry leaders,
- helping to meet the growing market demand for professional, objective and reliable sustainability benchmarks,
- influencing investment decision-making and attracting investors, particularly for SRI,
- providing business rankings,
- helping manage environmental, social and governance risk,
- tracking the performance of leading sustainability driven companies,
- measuring publicly traded companies' sustainability performance,
- increasing the number of stock holders,
- improving companies' sustainability programs by identifying weak points,
- enhancing companies' brands,
- influencing companies' growth and development, and
- screening sustainability leaders.

## **6.2 Contributions**

As highlighted in the literature, there is a need to study the use of corporate sustainability indices in corporations. This research filled an identified gap in the literature on the use of the DJSI. In addition, it provided insight into the role of the DJSI in corporations. To the best of the author's knowledge, this was the first academic study that looked at this area. Thus, this project presented an original research topic in the field of sustainability that had practical implications. The analysis for the DJSI website helped identify original data for the content analysis and clarify confusing areas. The research showed that there was some information about the DJSI in the Canadian and the U.S. sustainability reports or websites. Although relatively few details were provided about its actual use, the study identified six different uses for the DJSI from the content analysis. The content analysis showed some similarities regarding the use of the DJSI in Canada and the U.S. The survey helped identify the steps that are taken by companies to be included in the DJSI and to maintain their inclusion. These were all original contributions. The project also provided general insight into sustainability reporting. As indicated by the wide variety of material observed, there is a lack of standardization in sustainability reports. This was clear by the wide variety of names, lengths of reports, inconsistent use of the GRI, and questions about what should be reporting related to the SRI.

It is anticipated that the findings of this research will find several applications in North American corporations. The insight gained into the role of the DJSI in benchmarking, investment decision-making, business ranking, measuring and improving performance, and highlighting sustainability achievements could help foster other corporations to improve their economic, environmental, and social performance. In addition, the clarification of benefits and challenges in gaining acceptance to the DJSINA may help encourage other corporations that are not currently listed to pursue listing in the DJSINA or other indices.

## **6.3 Limitations**

There are some limitations to this research project. For example, the content analysis focused only on those companies listed in the DJSINA as of May 31, 2010. The date of the review was identified because companies included in the DJSINA are monitored continuously and the list has been updated many times since the review was started. Moreover, during this time, some

companies were deleted and others were added. Also, the review of the sustainability reports was done on the most recent report of a company at the time of the review. As a result, there might be a more recent report that has been published during the research study but after the review was started. It is also worth noting that corporate sustainability reports might be more marketing oriented; therefore, corporations usually select what they like to share or disclose with public. Thus, the content analysis was based on what companies in this project sample choose to provide in their reports or on websites.

There are other regional DJSI indices and other specialized indices that are not included in this study. Among these indices are subsets of the DJSINA, including the Dow Jones sustainability United States Index (DJSIUS) and the (DJSINA excluding Alcohol, Gambling, Tobacco, Armaments and Firearms) and the (DJSIUS excluding Alcohol, Gambling, Tobacco, Armaments and Firearms). The survey focused only on the Canadian corporations listed in the DJSINA and the findings from the survey were based on a relatively small sample size.

#### **6.4 Recommendations for Further Research**

There are several potential areas for further research on the DJSI and other sustainability indices. The content analysis highlighted some of the actual uses of corporate sustainability indices into corporations through the DJSI. However, the role of these indices into corporate management and internal decision-making are still not completely clear. The survey with the corporate experts provided valuable viewpoints about the steps taken by companies to be named to the DJSI and how those companies maintain their inclusion in the index. It would be interesting to expand the survey to the American companies and to conduct in-depth interviews to follow up on the survey findings. The results of this study provide also a baseline for in depth analysis of other sustainability indices such as the Jantzi Social Index, FTSE4Good Index, Domini 400 Social Index, or the DJSINA subset indices. There is also the possibility of conducting a sensitivity analysis of different measurement schemes for the DJSI. This would also necessitate additional research on the construction of sustainability indices. Other suggested areas for study were also provided by the experts via the online survey. Some of the suggestions included: conducting research about 'The effect of standardization at the corporate level', particularly for issues such as sustainability reporting, sustainability indicators, and sustainability indices.

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## 8. Appendices

### Appendix A: Supplementary Information on the Canadian Corporations Listed in the DJSINA (as of May 31, 2010)

Company Name	References related to the DJSI
Bank of Montreal	From Report: Leadership in Corporate Responsibility: BMO is listed on the DJSINA. From Website: BMO has been selected for the fifth consecutive year for inclusion in the DJSINA. This recognition places BMO in the leading 20% in terms of sustainability of the 600 biggest North American companies in the Dow Jones World Index.
Bank of Nova Scotia	From Report: Message from Rick Waugh, President & Chief Executive Officer: "We achieved a major CSR milestone when we were named as one of only 11 blue chip Canadian companies on the DJSI World last year". From Website: Scotia bank is included in a number of indices based on our performance on environmental, social and corporate governance criteria, these indices include: The DJSINA. It comprises the top companies in terms of economic, environmental and social criteria for the North American region and provides a benchmark for sustainability-driven North American equity portfolios.
Barrick Gold Corp.	From Website: Barrick Gold Corporation has been added to the annual DJSINA for the first time, ranking the company as best-in-class for its ongoing commitment to sustainability. One of the world's foremost indices of corporate social responsibility, DJSI is based on a comprehensive review of corporate sustainability practices by companies. Independent research conducted for DJSI focuses on a broad range of economic, social and environmental performance criteria, using both general and industry-specific measures. "We are very pleased that Dow Jones has recognized Barrick as a leader in corporate social responsibility," said Greg Wilkins, Barrick CEO and President. "We are convinced that our global commitment to responsible mining is making us a stronger and more successful business. I know that our employees are committed to responsible mining practices every day and have made this significant recognition possible." In commenting on the ranking, CEO Wilkins renewed the company's pledge to continuously improve Barrick's corporate social responsibility performance. Established in 1999, DJSI is used by investors and asset managers as a benchmark and is considered influential in investment decision-making, particularly for socially responsible investors.
BCE Inc.	From Report: BCE is included in several leading global sustainability indices including the DJSI. From Website: BCE is pleased to announce it has been named to the DJSINA for 2006. BCE is one of only 18 Canadian companies to be recognized for excellence in corporate sustainability. The DJSI is an investment index which benchmarks North America's corporate leaders in SD. The DJSI evaluates the economic, environmental and social performance of North American companies on the basis of 19 rigorous criteria, including corporate governance, human capital development, customer relationship management, community investment and eco-efficiency. "This DJSI is recognized by financial markets around the world and validates our efforts in the area of corporate responsibility," said Bernard le Duc, Vice-President, Investor Relations, BCE and Bell Canada.
Bombardier Inc. CI B SV	From Report: Pierre Beaudoin, President and CEO said, "We take pride in our listing, again, on two DJSI." From Website: Bombardier is listed as an index component to the DJSINA and DJSI World.

Company Name	References related to the DJSI
	<p>Launched in 1999 and used by investors to guide investment decisions, the DJSI tracks the financial performance of companies who are leaders in business sustainability. It evaluates companies' long-term economic, environmental, and social performance, publicly identifying the top 10 percent of performers in areas of sustainability.</p> <p>Companies listed on the index are reviewed each year to ensure they meet strict criteria which cover issues such as corporate governance, risk management, branding, climate change, supply chain standards and labour practices. Being listed on the DJSI is a global recognition that indicates to customers, investors, regulators, the public, current and potential employees and other stakeholders that Bombardier incorporates economic, environmental and social performance into the way we do business.</p>
CIBC	<p>From Report: A constituent of the DJSI World for eight consecutive years, and a member of the DJSINA since its inception in 2005.</p> <p>From website: CIBC was selected as a component of the DJSI, an influential benchmark for socially responsible asset managers.</p>
Enbridge Inc.	<p>From Report: Enbridge received the following CSR-related awards and recognition in 2008 and early 2009. Criteria such as financial health; environmental performance; workplace health, safety and fairness; community relations; and public disclosure were considered. DJSINA 2008, 2009. A number of investor indices provide business rankings based on information about organizations' social, ethical and environmental policies and practices. These indices are based on the concept that a company's commitment to CSR will sustain and grow long term shareholder value. Enbridge is included in the following indices: DJSINA.</p> <p>From website: Through the stakeholder mapping exercise, Enbridge determined that its stakeholders include: CSR rating organizations such as the DJSI.</p>
Encana Corp.	<p>From report: International recognition:</p> <p>"In addition to being listed on the DJSI for the second year in a row, we have been awarded a SAM award for demonstrating leadership in sustainability. We are the only North American company under the 'Oil &amp; Gas Producers' category to be recognized with a class distinction in the Sustainability Yearbook 2009" said Randy Eresman, President &amp; CEO.</p> <p>From website: EnCana Corporation been named to the DJSI World and the DJSINA for a fourth consecutive year. "EnCana is honoured to be ranked among the world's best companies when it comes to sustainable development," said Ivor Ruste, EnCana's Executive Vice-President, Corporate Responsibility &amp; Chief Risk Officer.</p> <p>In this year's assessment, EnCana was the only North American company named to the Oil and Gas Producers' sector of the 2009 DJSI World. This sustainability index recognizes a select list of 317 companies globally. Further, EnCana was named a "sustainability leader", one of only 12 companies from its sector on the 2009 DJSI World. The indices are compiled by SAM, an independent asset management company that is responsible for assessing and selecting companies to the Dow Jones Sustainability family of indexes which tracks the financial performance of leading sustainability-driven companies worldwide. The list of companies named to the two indexes is based on an analysis of corporate economic, environmental and social criteria, including the evaluation of climate change strategies, energy consumption, human resources development, knowledge management, stakeholder relations and corporate governance.</p>
National Bank of Canada	<p>From report: In 2009, for the third consecutive year, the Financial Group's shares were included in the DJSINA owing to its excellent performance in the area of SD. This index includes the leading sustainability-driven companies in North America, determined by applying a set of some 20 strict economic, environmental and social criteria.</p> <p>From website: In 2007, National Bank was named to the DJSINA, which ranks the top North American companies in terms of economic, environmental and social performance.</p>
Nexen Inc.	<p>From report: Managing Environmental, Social and Governance Risk: A number of investor-driven initiatives have begun to assess how well publicly traded companies are doing this. For instance, SAM produces the DJSI World, which tracks the financial performance of</p>

Company Name	References related to the DJSI
	leading sustainability driven companies. Nexen was named to the index in 2008 for the eighth consecutive year.
Potash Corp. of Saskatchewan Inc.	<p>From report: Sustainability Investor Indexes: In 2009, we were the only fertilizer manufacturer to be selected for the DJSINA. The DJSI are one of the most globally recognized measures of publicly traded companies' sustainability performance. The annual review of companies is based on analysis of corporate governance and environmental and social performance, assessing issues such as corporate ethics, risk management, climate change mitigation, supply chain standards and labour practices.</p> <p>From website: "PotashCorp is honoured to be listed on the DJSINA" Potash Corp President and CEO Bill Doyle said in response to the news. "The economic, environmental and social targets we set for our company reflect our strategies for long-term growth and sustainability. We are pleased to be recognized for our efforts." The DJSI are one of the most prestigious measures of publicly traded companies' sustainability performance. The annual review of companies is based on "analysis of corporate economic, environmental and social performance, assessing issues such as corporate governance, risk management, branding, climate change mitigation, supply chain standards and labor practices," according to the DJSI. "We appreciate this recognition from Dow Jones, but first and foremost our responsibility is to our many stakeholders," Doyle said. "We want to best serve our employees, our customers, our investors and everyone else who has a stake in our company, and ensure PotashCorp has a positive, long-term impact in the communities where we do business."</p>
Royal bank of Canada	From report: We continue to be listed on Canadian and global indices used by SRI to identify financial, social and environmental leaders, including the following in 2009: DJSI World (10th consecutive year) and DJSINA.
Sun Life Financial Inc.	<p>From report: Awards and Recognition: Sun Life was honoured with a range of awards for our CSR and business practices. We were named a member of the DJSINA for 2009-2010.</p> <p>In 2009, Sun Life was selected for the third consecutive year as a member of the DJSINA. This index identifies best-in-class leaders in sustainability from several industry sectors.</p> <p>From website: Our efforts have helped keep thousands of kilograms of solid waste out of landfills and earned us international recognition as a leader in sustainable practices. Our work has earned us a spot on the DJSINA.</p>
Suncor Energy Inc.	<p>From report: The DJSI follows a best-in-class approach comprising the sustainability leaders from each industry. Suncor has been part of the index since the DJSI was launched in 1999.</p> <p>From website: Suncor has been named to the DJSI for ten consecutive years. The DJSI tracks the financial performance of leading sustainability-driven companies worldwide, based on economic, social and environmental criteria. Although no longer listed on the DJSI World Index, the company remains a member of the DJSINA.</p>
Talisman Energy Inc.	From report and website: Talisman is committed to conducting its business safely, in an ethically, socially and environmentally responsible manner. The company is included in the DJSINA.
Teck Resources Ltd. CIB	From website: Teck has been named to the DJSINA.
TELUS Corp.	<p>From report: "The dedication of the TELUS team to maintaining robust and transparent disclosure on CSR is earning our company global recognition. I am pleased that for the eighth consecutive year TELUS was listed on the DJSI World, said Darren Entwistle, President and CEO.</p> <p>From website: Environmental Recognition: Listed on the 2007 DJSI World, a ranking of the world's top economic, environmental and social leaders – this marks the seventh consecutive year for TELUS, the only North American telecom on the list.</p>
Toronto-Dominion	From website: The TD Global Sustainability Fund will invest primarily in companies from anywhere in the world that are viewed as best-

Company Name	References related to the DJSI
Bank	in-class with respect to environmental, social and/or economic sustainability factors, and therefore included in the DJSI World. DJSI World uses the independent and widely respected SAM Research's Corporate Sustainability Assessment as the basis for its selections.
TransAlta Corp.	<p>From report: The DJSINA selects the top 20 per cent of companies in each sector according to sustainability practices out of the 600 largest North American companies. Inclusion is recognition of sustainability practices and this is TransAlta's third consecutive year.</p> <p>From website: The DJSINA selects the top 20 per cent of companies in each sector according to sustainability practices out of the 600 largest North American companies. Inclusion is recognition of sustainability practices and this is TransAlta's third consecutive year on the index.</p>
TransCanada Corp.	<p>From report: Our company is included in two DJSI, which track the financial performance of the world's leading 'sustainability-driven' companies. This is the seventh year in a row that we have made the DJSI World. We have also been recognized on the DJSINA for the fourth consecutive year.</p> <p>From website: TransCanada is a member of both the World and North American DJSI.</p>

Company Name	Quotes related to the DJSI
Bank of Nova Scotia	"We achieved a major CSR milestone when we were named as one of only 11 blue chip Canadian companies on the DJSI World last year", said Rick Waugh, President & Chief Executive Officer.
Barrick Gold Corp.	"We are very pleased that Dow Jones has recognized Barrick as a leader in corporate social responsibility", said Greg Wilkins, Barrick CEO and President.
BCE Inc.	"This DJSI is recognized by financial markets around the world and validates our efforts in the area of corporate responsibility," said Bernard le Duc, Vice-President, Investor Relations, BCE and Bell Canada.
Bombardier Inc. CI B SV	"We take pride in our listing, again, on two DJSI", said Pierre Beaudoin, President and CEO.
Encana Corp.	<p>"In addition to being listed on the DJSI for the second year in a row, we have been awarded a SAM award for demonstrating leadership in sustainability. We are the only North American company under the 'Oil &amp; Gas Producers' category to be recognized with a class distinction in the Sustainability Yearbook 2009", said Randy Eresman, President &amp; CEO.</p> <p>"EnCana is honoured to be ranked among the world's best companies when it comes to sustainable development", said Ivor Ruste, EnCana's Executive Vice-President, Corporate Responsibility &amp; Chief Risk Officer.</p>
Potash Corp. of Saskatchewan Inc.	"PotashCorp is honoured to be listed on the DJSI. The economic, environmental and social targets we set for our company reflect our strategies for long-term growth and sustainability. We are pleased to be recognized for our efforts. We appreciate this recognition from Dow Jones, but first and foremost our responsibility is to our many stakeholders. We want to best serve our employees, our customers, our investors and everyone else who has a stake in our company, and ensure PotashCorp has a positive, long-term impact in the communities where we do business", PotashCorp President and CEO Bill Doyle said.
TELUS Corp.	"The dedication of the TELUS team to maintaining robust and transparent disclosure on CSR is earning our company global recognition. I am pleased that for the eighth consecutive year TELUS was listed on the DJSI World", said Darren Entwistle, President and CEO.

Company Name	References related to the JSI
Bank of Montreal	<p>From report: BMO is listed on the DJSI, the JSI and the FTSE4Good Series Index, indices that measure our sustainability performance.</p> <p>From website: BMO is currently a constituent of the JSI. Jantzi Research evaluates companies based on a wide range of ESG indicators and monitors performance using their Best of Sector approach. Jantzi's research analysis is used by a growing number of institutions and individual investors who consider environmental, social and governance performance, in addition to financial performance, in the management of their investments.</p>
Bank of Nova Scotia	<p>From website: JSI is a market capitalization-weighted common stock index consisting of 60 Canadian companies that pass a set of broadly based social and environmental screens.</p>
BCE Inc.	<p>From report: BCE is included in several leading global sustainability indices including the DJSI, the FTSE4Good Global Index, and the JSI.</p> <p>From website: BCE is a member of the JSI, a socially screened, market capitalization-weighted common stock index modeled on the S&amp;P/TSX 60. It consists of 60 Canadian companies that pass a set of broadly based environmental, social, and governance rating criteria. Data for the JSI is gathered by Jantzi Research Inc., an independent investment research firm that evaluates and monitors the environmental, social, and governance performance of securities.</p>
CIBC	<p>From report: A member of the JSI since its inception in 2000.</p> <p>From website: JSI consists of 60 Canadian companies that pass a set of broadly-based social and environmental screens.</p>
Enbridge Inc.	<p>From report: A number of investor indices provide business rankings based on information about organizations' social, ethical and environmental policies and practices. These indices are based on the concept that a company's commitment to CSR will sustain and grow long term shareholder value. Enbridge is included in JSI.</p>
Encana Corp.	<p>From report: "On a final note, it is always gratifying to be recognized for our efforts. Once again, our sustainable approach to resource development has been recognized by the World DJSI Index and the JSI. I invite you to visit our website regularly to learn more about EnCana and how each day we strive to provide energy for people – responsibly" said Randy Eresman, President &amp; CEO.</p> <p>From website: On a final note, it is always gratifying to be recognized for our efforts. Once again, our sustainable approach to resource development has been recognized by the World DJSI and the JSI.</p>
National Bank of Canada	<p>From website: For several years now, the Bank has also been included in the JSI, which consists of 60 Canadian companies selected for their exemplary social and environmental practices. This index is used to track the financial performance of socially responsible companies. An increasing number of managers of ethical portfolios rely on these and other similar indexes when selecting which securities to include in their investment portfolios.</p>
Nexen Inc.	<p>From report: Nexen's 2008 Awards and Recognition include: JSI.</p>
Potash Corp.	<p>From report: Sustainability Investor Indexes:</p> <p>We are also on Canada's JSI.</p> <p>From website: PotashCorp has been recognized in several ways for its sustainability efforts this year including: a listing on the JSI.</p>
Royal bank of Canada	<p>We continue to be listed on Canadian and global indices used by SRI to identify financial, social and environmental leaders, including the JSI (ninth consecutive year).</p>
Suncor Energy Inc.	<p>From report: Logo only</p> <p>From website: The JSI, an independent investment research firm that evaluates and monitors the social and environmental performance of</p>

Company Name	References related to the JSI
	approximately 300 companies and income trusts, has consistently recognized Suncor for its performance.
Talisman Energy Inc.	From report: Logo only From website: Talisman is committed to conducting its business in an ethically, socially and environmentally responsible manner. The Company is included in the JSI.
TransAlta Corp.	From website: Jantzi Research Inc., an independent investment research firm, recognized TransAlta for its industry leadership in setting standards for best practices in sustainable development, and for demonstrating superior environmental, social and economic performance.

Company Name	References to the FTSE4Good Index
Bank of Montreal	<p>From report: BMO is listed on the FTSE4Good Series Index that measures our sustainability performance.</p> <p>From website: For the fifth consecutive year, BMO Financial Group was selected for inclusion in the FTSE4Good Index. FTSE is an independent company jointly owned by The Financial Times and the London Stock Exchange. FTSE does not give financial advice to clients, allowing for the provision of objective market information. FTSE indices are used extensively by a range of investors such as consultants, asset owners, fund managers, investment banks, stock exchanges and brokers.</p>
BCE Inc.	<p>From report: BCE is included in several leading global sustainability indices including the FTSE4Good Global Index.</p> <p>From website: BCE is part of the FTSE4Good Global Index, an innovative series of real-time indices designed to reflect the performance of socially responsible equities. The series created and managed by global index provider FTSE Group, covers four markets: UK, Europe, US and Global. Four tradable and four benchmark indices make up the FTSE4Good index series. A committee of independent practitioners in SRI and CSR review the indices to ensure that they are an accurate reflection of current CSR best practice.</p>
CIBC	<p>From report: Listed on the FTSE4Good Index since its inception in 2001.</p> <p>From website: FTSE4Good Index measures the performance of companies that meet globally recognized corporate responsibility standards, and facilitates investment in those companies. CIBC has been included on the FTSE4Good Index since its inception in 2001.</p>
Potash Corp.	<p>From report: We are also on England's FTSE4Good Index.</p> <p>From website: PotashCorp has been named a member of the FTSE4Good Index Series, which provides investors with exposure to companies that meet global corporate social responsibility standards. The FTSE4Good Index Series is produced by the FTSE Group, an independent company owned by The Financial Times and the London Stock Exchange that creates and manages indices and data services. Companies are named to the index based on criteria that measures their performance in working towards environmental sustainability, developing positive relationships with stakeholders and upholding universal human rights.</p>
Royal bank of Canada	<p>From report: We continue to be listed on Canadian and global indices used by SRI to identify financial, social and environmental leaders, including the FTSE4Good Index in 2009.</p>
Sun Life Financial Inc.	<p>From report: Sun Life was honoured with a range of awards for our corporate social responsibility and business practices. We were listed for the ninth consecutive year in the FTSE4Good Index, which provides investors with a list of companies that meet globally recognized corporate responsibility standards.</p> <p>FTSE4Good Index was launched in 2001 by the Financial Times and the London on Stock Exchange to identify companies that meet globally recognized standards for environmental sustainability, social betterment, stakeholder relations and human rights protection. Sun Life has been included in the index since its inception.</p> <p>From website: We've been included on the FTSE4Good Index since its inception, which identifies companies that meet globally recognized standards for environmental sustainability, social betterment, stakeholder relations, and human rights protection.</p>
Suncor Energy Inc.	<p>From report: Logo only</p> <p>From website: Suncor is also listed on the FTSE4Good Index, a global benchmarking tool used by investors and researchers to measure the performance of environmentally and socially responsible companies.</p>
TransAlta Corp.	<p>From website: The FTSE4Good Index Series has been designed to measure the performance of companies that meet globally recognized corporate responsibility standards.</p>

Company Name	References to the SRI
Bank of Montreal	From website: "We are very proud to have been recognized among the most socially responsible corporations in Canada," said Bill Downe, President and CEO, BMO Financial Group. "Operating our business ethically and according to the principles of honesty, transparency and accountability are central to who we are and what we stand for. We also understand that we can't belong to a community – share in its resources, enjoy its benefits without giving back."
Bank of Nova Scotia	From report: "We were also proud to be named one of Canada's 50 most socially responsible corporations for 2009 by Jantzi Research and Maclean's magazine. To receive this kind of recognition is encouraging: it tells me we are heading in the right direction. At the same time, we realize that we can and will strive for further improvement", said Rick Waugh, President & CEO. From website: Scotiabank agrees to provide loans only to those projects where borrowers can demonstrate that their projects are developed in a socially responsible manner and according to sound environmental management practices.
Barrick Gold Corp	From report: Aaron Regent, President and CEO said "Responsible Mining is central to our way of doing business at Barrick. It is also vital to the future of the mining business. Only by operating in a safe and socially responsible manner can we maintain our license to operate and ultimately be successful as a company." From website: Barrick's stakeholder groups Stakeholders are people or groups that have an interest in the activities of our company. They include: Socially responsible investment group.
Bombardier Inc. CI B SV	From report: Pierre Beaudoin, President and CEO said "These ongoing investments attest to our belief that excellence in corporate social responsibility makes business sense in all economic cycles. That is why we made corporate social responsibility a key element of our new business strategy."
Canadian National Railway Co.	From website : At CN, we recognize our citizenship responsibility to the communities in which we operate – not only in our commitment to safety and the environment, but also in making our communities better places to live and work. This spirit of caring is expressed in a responsible community investment program that is focused in three core areas: Health and Safety for Young People, Transportation Education, and CN Railroaders in the Community. As an engaged corporate citizen we are equally committed to working with community leaders and safety-related organizations to help prevent fatalities and injuries.
Encana Corp.	From report and website: "We're proud of the progress we've made thanks to the efforts of staff and external stakeholders, the recognition we've together received and our commitment to continuous improvement. Our Corporate Responsibility Policy outlines our commitment to conducting business ethically, legally and in a manner that is fiscally, environmentally and socially responsible, while delivering sustainable value and strong financial performance", said Randy Eresman, President & CEO.
Manulife Financial Corp.	From report: "We not only help our customers achieve financial protection and security for their futures, we also serve as one of the largest long-term investors in our local economies. We understand the importance our investments play in supporting economic, environmental and social recovery in North America and around the world and we manage them responsibly and sustainably", said Donald A. Guloien, President and CEO. From website: Manulife named one of Canada's most socially responsible corporations.
National Bank of Canada	From report: Encouraging responsible investment: In light of the social, environmental and human challenges facing our society, a growing number of investors want to do their part by placing their trust in companies that act responsibly. National Bank Financial Group, via its subsidiary Natcan Investment Management, offers responsible investment solutions that incorporate a proven management philosophy and an approach that favours public corporations with a strategic, proactive vision of corporate responsibility. Natcan is a signatory of the UN's Principles for Responsible Investment, a series of guidelines recognized worldwide which serve to help incorporate extra-financial information (on environmental, societal and corporate governance) into portfolio management.

Company Name	References to the SRI
	From website: CSR is a fundamental value for National Bank Financial Group. In all our business and administrative units, our teams integrate the social, ethical and environmental dimensions of our activities into economic considerations. Our goal is to meet the expectations of all our stakeholders and act as a socially responsible institution in all business situations and all economic contexts.
Nexen Inc.	From report: SRI and the Oil Sands: The oil sands industry is attracting attention from investors who want to know how companies are addressing related social and environmental impacts. Nexen joined a panel of environmentalists and ethical investing experts at the SRI in the Rockies conference in Whistler, B.C., in 2008 to explain the steps we are taking to mitigate our environmental footprint in the oil sands. The panel focused on the need for cross-sector collaboration and the need to communicate our progress regularly to the investment community.
Royal bank of Canada	From report: SRI, we regularly provide information to the SRI community. However, we believe that the proliferation of sustainability ratings, indices and information requests from NGOs and other interested parties can divert a company's resources from designing, implementing and managing actual social and environmental programs. As a result, in order to focus our energy and resources on the indices that are most relevant to our stakeholders, we regularly perform a strategic review of SRI researchers, rating agencies and analysts worldwide. From website: RBC Funds are managed by RBC Asset Management Inc., Canada's largest mutual fund family, with over \$92 billion in assets under management. Our wide selection of mutual funds and portfolio solutions spans all asset classes, geographies and investment styles. RBC Funds also encompass tax-efficient, currency-neutral, and socially responsible investment options.
Sun Life Financial Inc.	From report: Sun Life was honoured with a range of awards for our CSR and business practices. We were selected as one of the most Socially Responsible Corporations in Canada, in the Janzi-Maclean's corporate Social Responsibility Report for 2009.
Suncor Energy Inc.	From report: Suncor strives to be an employer of choice by providing competitive compensation and benefits, opportunities for professional advancement and the chance to be part of a socially responsible and ethical company. From website: At Petro-Canada, we are proud of the successes we have achieved from partnering with local communities – going beyond what is required to lower our impact on the environment. We know there is much more to do, but these are just some of the many stories demonstrating how we integrate our commitment to being a socially responsible company into our business operations.
Talisman Energy Inc.	From report: Talisman was asked to be an expert contributor to a guidance document on responsible investment in conflict-affected countries, being developed for investors and companies. The document is slated for release at the 2010 Global Compact Leaders Summit. From website: Talisman is committed to conducting its business safely, in an ethically, socially and environmentally responsible manner.
TELUS Corp.	From report: We solicit strategic input from various stakeholders and other sources, including: external stakeholders, customers, shareholders, debtholders, non-governmental organizations, peer organizations, socially responsible investment companies, governments, TELUS Community Boards, and suppliers.
Toronto-Dominion Bank	From report: One of Jantzi-Maclean's 50 Most Socially Responsible Corporations. From website: Each employee of TD Investment Services Inc. is legally bound to adhere to The TD Bank's Guidelines of Conduct. The Guidelines of Conduct encompass the fundamental principles, norms and behaviours of The TD Bank as a good corporate citizen, and ensure the Bank's activities are conducted in a socially responsible and ethical manner.
TransAlta Corp.	From report: In 2008, 2130 of 2131 employees signed off on the Code of Conduct. It includes the following topics to which employees are expected to comply: ethical business conduct, H&S, environment and SD, and social responsibility.

Company Name	References to the GRI
Bank of Montreal	<p>From report: We've used the GRI 2006 Sustainability Reporting Guidelines (G3) and Financial Services Sector Supplement to shape our report again this year.</p> <p>From website: At BMO, we report on the economic, social and environmental components of our corporate responsibility performance and activities based on the GRI.</p>
Bank of Nova Scotia	<p>From report and website: For the first time, assurance for this report's GRI table has been provided by Canadian Business for Social Responsibility. CBSR reviewed the information included here to ensure that it meets GRI reporting requirements.</p>
Barrick Gold Corp.	<p>From report: The GRI vision is that reporting on economic, environmental and social performance by organizations is as routine and comparable as financial reporting. The GRI pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. This framework sets out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. Barrick has chosen to report according to the GRI Sustainability Reporting Guidelines for the past six years, using G3, the third version of the guidelines for the past three years. The annual Responsibility Reports, based on the GRI framework, can be used by us, and by our stakeholders, to benchmark our performance against others in our industry.</p> <p>From website: The GRI hope is that reporting on economic, environmental and social performance by all organizations becomes as routine and comparable as financial reporting. GRI accomplishes this vision by developing, continually improving and building capacity around the use of its Sustainability Reporting Framework. The GRI indicators and supplements are the most widely used framework for reporting. The reporting framework is used by the UN Global Compact and the ICM. Our 2008 Responsibility Report has been written in accordance with the Global Reporting Initiative's G3 Sustainability Reporting Guidelines and the GRI Mining and Metals Sector Supplement. We believe it represents a balanced and reasonable presentation of our organization's economic, environmental and social performance. The GRI Indicator List addresses how we report on the G3 Standard Disclosure requirements in the 2008 Online Responsibility Report.</p>
BCE	<p>From report: A GRI content index is available on our website to help readers to access report content using the GRI - G3.</p> <p>From website: BCE's 2008 Corporate Responsibility Report was prepared in reference to the new GRI - G3 guidelines.</p>
Bombardier Inc. CI B SV	<p>From report: Bombardier Transportation used the (GRI G3) in preparing this report.</p> <p>From website: EHS Data Management System: While we currently report a number of key indicators, we are planning to implement a refined HSE metrics database, resulting in a Global Reporting Initiative-based set of generally accepted economic, environmental and social performance indicators.</p>
CIBC	<p>From report: The CIBC Annual Accountability Report 2009 has been developed with reference to the (GRI) G3 Guidelines and the Financial Services Sector Supplement.</p> <p>From website: CIBC follows a number of non-financial reporting standards and guidelines to present a balanced and reasonable summary of our environmental performance. Most notably, we have applied the (GRI) G3 Guidelines and corresponding Financial Services Sector Supplement for Environmental Performance.</p>
Canadian National Railway Co.	<p>From report: "Our 2008 Delivering Responsibly report has been greatly expanded to include reporting on the many areas in which we are working hard to create a more sustainable future. The work has been inspired by (GRI) guidelines which provide an internationally accepted framework for sustainability reporting", said E. Hunter Harrison.</p>
Enbridge Inc.	<p>From report: Enbridge's 2009 CSR Report was prepared using the (GRI) G3 sustainability reporting guidelines, which serve as a generally accepted framework for reporting on an organization's economic, environmental and social performance.</p> <p>From website: They were designed for use by organizations of any size, sector or location and take into account the practical</p>

Company Name	References to the GRI
	considerations faced by organizations ranging from small enterprises to those with extensive and geographically dispersed operations. The guidelines contain general and sector-specific content that has been agreed on by a wide range of stakeholders around the world to be generally applicable for reporting an organization's sustainability performance.
Encana Corp.	From website: (GRI) is a multi-stakeholder governed institution collaborating to provide the global standards in sustainability reporting. We use the latest G3 guidelines as a framework for what to report and how to measure performance.
Goldcorp Inc.	From report: This is a condensed report. It outlines the key elements of our sustainability approach, which is given in more detail in our (GRI)-based Sustainability Report.
National Bank of Canada	From report: Lastly, the Financial Group followed some of the performance indicators included in the GRI Guidelines in preparing this social responsibility report. From website: The Financial Group follows some of the performance indicators included in the GRI Guidelines in preparing its social responsibility report, which is published every March.
Nexen Inc.	From report: This report was prepared using the GRI G3 Guidelines, to a level of B+ Self Declared.
Potash Corp.	From report: This section details PotashCorp's economic impact on stakeholders. Our measures comply with standards set by the most recent (G3) (GRI). From website: PotashCorp today released its 2008 Sustainability Report, updating the company's social, economic and environmental performance. The report, "More per acre... the sustainable solution", seeks to focus attention on the long-term issue of global food production, which has been overshadowed by current economic conditions. The complete report, including historical data built around GRI recommendations.
Royal bank of Canada	From report: We observe the reporting guidelines suggested by the GRI. Both our website and this 2009 Corporate Responsibility Report and Public Accountability Statement contain a GRI index showing where all of our GRI-related sustainability information can be found.
Suncor Energy Inc.	From report: The following report on sustainability was created by using the Global Reporting Initiative (GRI) G3 Guidelines. From website: The report incorporates principles and protocols from the Global Reporting Initiative and World Business Council for Sustainable Development.
Talisman Energy Inc.	From report and website: the report has been prepared in accordance with the Global Reporting Initiatives (GRI) G3 Sustainability Reporting Guidelines, Application Level A+.
Teck Resources Ltd. CIB	This report, which summarizes our sustainability data from January to December 2008, has been prepared in accordance with the (GRI) (G3) Guidelines. The GRI Reporting Principles, Technical Protocols, Indicator Protocols and the Mining and Metals Sector Supplement (January-April 2009 Draft) guided the structure and content of this report.
TELUS Corp.	From report: "Our review criteria were based on the GRI Sustainability Reporting Guidelines", said Pricewaterhouse Coopers LLP Vancouver, British Columbia, Canada.
Toronto-Dominion Bank	From report: TD began reporting on our operations according to the GRI (G3) in 2007. We are progressively improving the standard of our reporting. In this year's report, we are including more performance-based information that links our initiatives with our business priorities.
TransAlta Corp.	From report: Our review criteria were based on the GRI Sustainability Reporting Guidelines, TransAlta management definitions, and generally accepted industry standards for environment, health and safety reporting.

Company Name	Reports' Names	Published Year	Reports' Websites and Review Date
Bank of Montreal	Corporate Responsibility Report and Public Accountability Statement	2009	Retrieved May 25, 2010 from <a href="http://www2.bmo.com/bmo/files/images/7/1/BMO_CRPAS2009en.pdf">http://www2.bmo.com/bmo/files/images/7/1/BMO_CRPAS2009en.pdf</a>
Bank of Nova Scotia	Corporate Social Responsibility Report	2009	Retrieved May 25, 2010, from <a href="http://www.scotiabank.com/images/en/files/aboutscotia/22864.pdf">http://www.scotiabank.com/images/en/files/aboutscotia/22864.pdf</a>
Barrick Gold Corp.	Responsibility Report	2009	Retrieved May 25, 2010, from <a href="http://www.barrick.com/Theme/Barrick/files/docs_ehss/2009-Responsibility-Report.pdf">http://www.barrick.com/Theme/Barrick/files/docs_ehss/2009-Responsibility-Report.pdf</a>
BCE Inc.	Corporate Responsibility Report	2009	Retrieved May 25, 2010, from <a href="http://prod05.bce.ca/data/documents/responsibility/Bell_2009_CR_report_en.pdf">http://prod05.bce.ca/data/documents/responsibility/Bell_2009_CR_report_en.pdf</a>
Bombardier Inc. CI B SV	Corporate Social Responsibility Report	2009	Retrieved May 25, 2010, from <a href="http://www.bombardier.com/files/en/supporting_docs/BI-ONLINE_Bombardier_2009_CSR_Report.pdf">http://www.bombardier.com/files/en/supporting_docs/BI-ONLINE_Bombardier_2009_CSR_Report.pdf</a>
CIBC	Annual Accountability Report	2009	Retrieved May 25, 2010 from <a href="http://www.cibc.com/ca/pdf/about/aar09-en.pdf">http://www.cibc.com/ca/pdf/about/aar09-en.pdf</a>
Canadian National Railway Co.	Corporate Citizenship Report	2008	Retrieved May 28, 2010, from <a href="http://www.cn.ca/documents/Corporate_Citizenship/Delivering_Resp_EN.pdf">http://www.cn.ca/documents/Corporate_Citizenship/Delivering_Resp_EN.pdf</a>
Enbridge Inc.	Corporate Social Responsibility Report	2009	Retrieved May 28, 2010, from <a href="http://www.enbridge.com/csr2009/downloads/Enbridge-2009-CSR-Report.pdf">http://www.enbridge.com/csr2009/downloads/Enbridge-2009-CSR-Report.pdf</a>
EnCana Corp.	Corporate Responsibility Highlights	2008	Retrieved May 28, 2010, from <a href="http://www.encana.com/responsibility/reporting/pdfs/cr-highlights-report-2008.pdf">http://www.encana.com/responsibility/reporting/pdfs/cr-highlights-report-2008.pdf</a>
Goldcorp Inc.	Sustainability Report Summary	2008	Retrieved May 28, 2010, from <a href="http://clients.blendermedia.com/files/goldcorp/Goldcorp_SCR_Summary_2008.pdf">http://clients.blendermedia.com/files/goldcorp/Goldcorp_SCR_Summary_2008.pdf</a>
Manulife Financial Corp.	Public Accountability Statement	2009	Retrieved May 29, 2010, from <a href="http://www.manulife.com/public/files/200/1/2009PAScomplete.pdf">http://www.manulife.com/public/files/200/1/2009PAScomplete.pdf</a>
National Bank of Canada	Our Social Responsibility Report	2009	Retrieved May 29, 2010, from <a href="http://www.nbc.ca/bnc/files/bncpdf/en/2/Bilan_final_EN_2009.pdf">http://www.nbc.ca/bnc/files/bncpdf/en/2/Bilan_final_EN_2009.pdf</a>
Nexen Inc.	Sustainability Report	2008	Retrieved May 29, 2010, from <a href="http://www.nexeninc.com/en/EnvironmentAndSafety/ReportsandPublications.aspx">http://www.nexeninc.com/en/EnvironmentAndSafety/ReportsandPublications.aspx</a>
Potash Corp. of Saskatchewan Inc.	Sustainability Report	2009	Retrieved May 29, 2010, from <a href="http://www.potashcorp.com/media/POT_2009_OSR_ALL_PAGES.pdf">http://www.potashcorp.com/media/POT_2009_OSR_ALL_PAGES.pdf</a>
Royal Bank of Canada	Corporate Responsibility Report and Public Accountability Statement	2009	Retrieved May 29, 2010, from <a href="http://www.rbc.com/responsibility/pdf/RBC-CRR-Report-2009-e.pdf">http://www.rbc.com/responsibility/pdf/RBC-CRR-Report-2009-e.pdf</a>

Company Name	Reports' Names	Published Year	Reports' Websites and Review Date
Sun Life Financial Inc.	Public Accountability Statement	2009	Retrieved May 30, 2010, from <a href="http://www.sunlife.com/static/global/files/Corporate%20responsibility/PAS%202009/pa_e_PAS_Book_09.pdf">http://www.sunlife.com/static/global/files/Corporate%20responsibility/PAS%202009/pa_e_PAS_Book_09.pdf</a>
Suncor Energy Inc.	Summary Report on Sustainability	2009	Retrieved May 30, 2010, from <a href="http://www.suncor.com/pdf/2009_Report_on_Sustainability_Summary.pdf">http://www.suncor.com/pdf/2009_Report_on_Sustainability_Summary.pdf</a>
Talisman Energy Inc.	Corporate Responsibility Report	2009	Retrieved May 30, 2010, from <a href="http://cr.talisman-energy.com/upload/media_element/4/02/talisman_2009_cr_report.pdf">http://cr.talisman-energy.com/upload/media_element/4/02/talisman_2009_cr_report.pdf</a>
Teck Resources Ltd. CIB	Sustainability Report	2008	Retrieved May 30, 2010, from <a href="http://www.teck.com/Generic.aspx?PAGE=Sustainability&amp;portalName=tc">http://www.teck.com/Generic.aspx?PAGE=Sustainability&amp;portalName=tc</a>
TELUS Corp.	Corporate Social Responsibility Overview	2008	Retrieved May 30, 2010, from <a href="http://csr.telus.com/_files/pdf/csr_08_report_full_en.pdf">http://csr.telus.com/_files/pdf/csr_08_report_full_en.pdf</a>
Toronto-Dominion Bank	Corporate Responsibility summary Report	2009	Retrieved May 30, 2010, from <a href="http://www.td.com/corporateresponsibility/crr2009/pdf/footer/CR_Summary_Report.pdf">http://www.td.com/corporateresponsibility/crr2009/pdf/footer/CR_Summary_Report.pdf</a>
TransAlta Corp.	Report on Sustainability	2008	Retrieved May 30, 2010, from <a href="http://www.transalta.com/sites/default/files/2008%20Report%20on%20Sustainability.pdf">http://www.transalta.com/sites/default/files/2008%20Report%20on%20Sustainability.pdf</a>
TransCanada Corp.	Corporate Responsibility Report	2008	Retrieved May 30, 2010, from <a href="http://www.transcanada.com/social/responsibility/2008/common/pdfs/TCP_corporate_responsibility_report_2008.pdf">http://www.transcanada.com/social/responsibility/2008/common/pdfs/TCP_corporate_responsibility_report_2008.pdf</a>

### Content analysis worksheet for the Canadian corporations

S	Country	Company Name	Sector	Report's Year	No. of Report's Pages	Year of Inclusion in DJSI NA	DJSI NA	Use of Logo	Jantzi Social Index	FTSE4Good Index	Domin 400 Social Index	SRI	GRI
1	Canada	Bank of Montreal	Financials	2009	40	2005	Y	Y	Y	Y	N	Y	Y
2	Canada	Bank of Nova Scotia	Financials	2009	30	2005	Y	Y	Y	Y	N	Y	Y
3	Canada	Barrick Gold Corp.	Basic Materials	2009	73	2007	Y	N	N	N	N	Y	Y
4	Canada	BCE Inc.	Telecommunications	2009	32	2005	Y	Y	Y	Y	N	Y	Y
5	Canada	Bombardier Inc. CI B SV	Industrials	2009	106	2007	Y	N	N	N	N	Y	Y
6	Canada	Canadian Imperial Bank of Commerce	Financials	2009	197	2005	Y	Y	Y	Y	N	N	Y
7	Canada	Canadian National Railway Co.	Industrials	2008	35	2009	N	N	N	N	N	Y	Y
8	Canada	Cenovus Energy Inc.	Oil and Gas	N/A	N/A	2009	N	N	N	N	N	N	N
9	Canada	Enbridge Inc.	Oil and Gas	2009	171	2007	Y	N	Y	N	N	N	Y
10	Canada	EnCana Corp.	Oil and Gas	2008	16	2005	Y	Y	Y	N	N	Y	Y
11	Canada	Goldcorp Inc.	Basic Materials	2008	30	2009	N	N	N	N	N	N	Y
12	Canada	Manulife Financial Corp.	Financials	2009	48	2005	N	N	N	N	N	Y	N
13	Canada	National Bank of Canada	Financials	2009	32	2007	Y	Y	Y	N	N	Y	Y
14	Canada	Nexen Inc.	Oil and Gas	2008	56	2005	Y	N	Y	N	N	Y	Y
15	Canada	Potash Corp. of Saskatchewan Inc.	Basic Materials	2009	181	2008	Y	N	Y	Y	N	N	Y
16	Canada	Royal Bank of Canada	Financials	2009	83	2005	Y	N	Y	Y	N	Y	Y
17	Canada	Sun Life Financial Inc.	Financials	2009	44	2006	Y	Y	N	Y	N	Y	N

S	Country	Company Name	Sector	Report's Year	No. of Report's Pages	Year of Inclusion in DJSI NA	DJSI NA	Use of Logo	Jantzi Social Index	FTSE4Good Index	Domini 400 Social Index	SRI	GRI
18	Canada	Suncor Energy Inc.	Oil and Gas	2009	20	2005	Y	Y	Y	Y	N	Y	Y
19	Canada	Talisman Energy Inc.	Oil and Gas	2009	26	2006	Y	Y	Y	N	N	Y	Y
20	Canada	Teck Resources Ltd. CI B	Basic Materials	2008	20	2008	Y	N	N	N	N	N	Y
21	Canada	TELUS Corp.	Telecommunications	2008	39	2005	Y	N	N	N	N	Y	Y
22	Canada	Toronto-Dominion Bank	Financials	2009	32	2005	Y	N	N	N	N	Y	Y
23	Canada	TransAlta Corp.	Utilities	2008	89	2006	Y	Y	Y	Y	N	Y	Y
24	Canada	TransCanada Corp.	Oil and Gas	2008	46	2005	Y	Y	N	N	N	N	N

## Appendix B: Supplementary Information on the U.S. Corporations listed in the DJSINA (as of May 31, 2010)

Company Name	References related to the DJSI
3M Co.	<p>From report: In recognition of 3M's commitment to sustainability, the company has been selected for inclusion in the 2010 DJSI that tracks the performance of the leading sustainability-driven companies worldwide. In addition, 3M was distinguished as a leader in the index with a "gold class" distinction.</p> <p>From website: In recognition of 3M's sustainability achievements, the company was recognized by the DJSI with Gold Class Distinction in the 2010 Sustainability Index. Gold Class Distinction is granted to DJSI sector leaders scoring 75% or better and index members that achieve a score that is within 5% of the sector leader's score.</p>
Abbott Labs.	<p>From report: For a fourth consecutive year, Abbott was named to the DJSI World and the DJSINA. The DJSI World ranks Abbott among the top 10 percent of the world's leading 2,500 companies, based on an assessment of economic, social and environmental performance.</p> <p>From website: Abbott, the global health care company, announced today that it was recognized on the DJSI World and the DJSINA for the fourth consecutive year. This selection recognized Abbott's continued global leadership in economic, environmental and social performance. Abbott was the only U.S.-based, Fortune 100-ranked health care manufacturer in its category to be listed on both the North America and world Indexes.</p> <p>DJSI annual review considers sustainability leaders from each industry on a global and regional level. The DJSI involve thorough analyses of corporate governance, risk management, climate change mitigation, supply chain standards and labour practices. The indexes account for general and industry-specific criteria for each 57 industries defined according to the Industry Classification Benchmark. Market participants around the world watch the results of the annual review of the DJSI family closely. Currently, asset managers in 16 countries have licensed the indexes to manage a variety of sustainability-driven portfolios. As a member of the DJSI World, Abbott is among the top 10 percent of the 2, 500 largest terms of sustainability</p>
Advanced Micro Devices Inc.	<p>From report: "We were recognized by several organizations for our continued commitment to being a responsible corporate citizen including: The DJSI World for the seventh consecutive year", said Dirk Meyer, President and CEO. AMD remained on the DJSI World in 2008, the DJSIUS, and the DJSINA.</p> <p>From website: AMD announced it has been added to the recently launched DJSINA and DJSIUS which track best-in-class companies in the U.S. and throughout North America based on social, economic, and environmental criteria, such as corporate governance, climate change, eco-efficiency, and labour practices. The DJSINA and DJSIUS are part of the DJSI family and provide solid benchmarks for sustainability-driven North American and U.S. equity portfolios. The DJSINA includes the top 20% in terms of sustainability in each sector out of the largest 600 North American companies. The DJSIUS is subset of the DJSINA.</p>
Agilent Technologies Inc.	<p>From report: Selected as an index component for: DJSINA and DJSI World. As an index member, Agilent is recognized for its commitment to socially and environmentally responsible business practices and corporate governance policies.</p>
Alcoa Inc.	<p>From report: We were recognized for our sustainability efforts in 2009 through inclusion in the DJSI for the eighth consecutive time.</p> <p>From website: Alcoa announced today that it has been selected as a component of the DJSINA. The inclusion in the index marks the seventh year in a row that Alcoa has been a part of the DJSI. It is an important guide for investors to assess a company's non-financial performance. Selection is based on an analysis of a company's economic, environmental and social performance. Issues evaluated include risk management, branding, climate change mitigation, supply chain standards and labour practices.</p>

Company Name	References related to the DJSI
Allergan Inc.	From report: Allergan has been evaluated by many organizations and through these assessments is a two-time consecutive member of the DJSINA and USA.
Applied Materials Inc.	From report: INDICES: DJSI
Autodesk Inc.	From website: In 2009, Autodesk was selected as an index component on the DJSI for a second consecutive year. Launched in 1999, DJSI was the first global index series tracking the financial performance of the leading sustainability-driven companies worldwide. Based on the cooperation of Dow Jones Indexes, STOXX Limited and SAM it provides asset managers with reliable and objective benchmarks to manage sustainability portfolios. Currently more than 70 DJSI licenses are held by asset managers in 16 countries to manage a variety of financial products.
Bank of new York Mellon Corp.	From report: Benchmark: DJSI, which focus on Environmentally sustainable operations and/or products.
Baxter International Inc.	From report: Logo only From website: Baxter announced today that it has been named 2007 Medical Products Industry Leader of the DJSI World and the DJSINA. This marks the ninth consecutive year that the company has been listed in the DJSI and the sixth year the company has been named Medical Products Industry Leader since the launch of the DJSI in 1999.
Becton Dickinson & Co.	From website: For the second consecutive year, BD has been selected as a component of the DJSI World. BD's inclusion in the Index resulted from an annual analysis of corporate sustainability leadership around the world Results influence the investment decisions of asset managers who utilize the DJSI family of indexes. BD also remains on the 120-company DJSINA for the third consecutive year.
Bristol-Myers Squibb Co.	Bristol-Myers Squibb was recently recognized in the 2009 DJSINA of leading sustainability-driven companies. The Index selects companies based on a systematic corporate sustainability assessment that identifies the leading sustainability-driven companies in each industry sector. These insights are used to generate attractive long-term investment returns by the Dow Jones Sustainability Investment Group and are made available to other investors. A total of \$9 billion is invested in its family of Sustainability Index funds, and the index is used by other funds. "We are delighted to be included in this prestigious and important recognition," says Susan Voigt, vice president, Environment, Health, Safety and Sustainability. "The DJSI has one of the most comprehensive criteria for corporate sustainability, and this is a real tribute to our company and its employees at every level of the organization." The DJSI follow a best-in-class approach and includes sustainability leaders from each industry on a global and regional level. The annual review is based on a thorough analysis of corporate economic, environmental and social performance, assessing issues such as corporate governance, risk management, branding, climate change mitigation, supply chain standards and labor practices. Bristol-Myers Squibb was listed as among 139 companies that met the criteria for the North American Index. "It's a moving target, and every year the bar gets higher," says Robert Draeger, director, EHS Strategies and Outreach, noting that the company had last been included on the Index in 2006. "What put us over the top? It was really a broad combination of many things, with contributions from across the entire company." In making its assessment, Dow Jones uses a comprehensive questionnaire that was distributed to 2,500 companies worldwide, including 600 North American firms.
Campbell Soup Co.	From report: Were named to the DJSI 2009/10. From website: Acknowledgment of Campbell's environmental stewardship and management approach: Member DJSI 2009/10.
Caterpillar Inc.	From report: DJSI World. Included since 2000.
Chevron Corp.	From report and website: A sampling of 2009 awards and recognition: DJSINA for the fifth consecutive year.

Company Name	References related to the DJSI
Cisco Systems Inc.	<p>From report: DJSINA and World Indexes, The first global indexes tracking the financial performance of leading sustainability-driven companies worldwide; based on the cooperation of Dow Jones Indexes, STOXX Limited, and SAM, DJSI provides asset managers with reliable and objective benchmarks to manage sustainability portfolios.</p> <p>From website: In 2006, Cisco was added to the DJSI World Index. The DJSI defines corporate sustainability as "a business approach that creates long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments."</p>
Citigroup Inc.	<p>From report: In 2009, we were included in the DJSINA and World. Our continued inclusion reflects our leadership in setting standards in sustainable growth and in achieving exceptional environmental, social and economic performance.</p> <p>From website: In 2009, Citi was included, for the eighth consecutive year, in the DJSI World and DJSINA.</p>
Coca-Cola Co.	<p>From report: "In 2009, we were included in the DJSI World and DJSINA. Our continued inclusion reflects our leadership in setting standards in sustainable growth and in achieving exceptional environmental, social and economic performance", said Muhtar Kent, Chairman and Chief Executive Officer.</p> <p>From website: The Coca-Cola Company has made the DJSI World for the first time ever -- a testament to the Company's ongoing sustainability efforts. The DJSI World identifies companies that exemplify leadership in sustainability among the top 10 percent of the world's biggest 2,500 companies. A total of 33 companies joined the index in 2009.</p>
ConocoPhillips	<p>From report: ConocoPhillips is a member of the 2008-2009 DJSINA.</p> <p>From website: In 2009, ConocoPhillips was named to the DJSI NA, which lists North America's leading, sustainability-driven companies.</p>
Consolidated Edison Inc.	<p>From report: Con Edison was named to the DJSINA, a list that analyzes corporate performance in order to highlight leading companies from an economic, environmental, and social perspective.</p> <p>From website: Con Edison has been named to the DJSINA, an elite, annually issued list that analyzes corporate performance in order to highlight leading companies from an economic, environmental, and social perspective. The DJSI's best-in-class approach identifies sustainability leaders from each industry on global and regional levels. The analysis is conducted by SAM, an investment boutique focused exclusively on sustainability investing, with its results announced together with Dow Jones Indexes and STOXX Ltd., two leading global index providers. "Listing on the DJSI is another important benchmark for us," said Randolph S. Price, vice president of Environment, Health and Safety at Con Edison. "Our corporate commitment on environmental, health, safety, and sustainability issues is a definitive part of our company and all its operations.</p>
Cummins Inc.	<p>From report: Cummins Again Recognized as Sustainability Leader on Global, Regional Levels: The DJSI named Cummins Inc. as one of the world's top 11 leaders in sustainability among industrial companies in its 2008 sustainability review. DJSI named Cummins to two of its multi-sector indices: the World index for the fourth year in a row (the top 10 percent of the world's largest 2,500 companies in corporate sustainability) and the North American index for the second year in a row.</p>
Dell Inc.	<p>From report: Environmental goals: Participate in the DJSI.</p>
Dow Chemical Co.	<p>In 2008, we were proud to receive important recognition for our sustainability efforts related to groundbreaking products, innovative processes, and transparency in reporting and overall leadership. For example, we were: Named for the eighth time to the DJSI World.</p> <p>From website: The DJSI World recently announced its rating of The Dow Chemical Company as one of the top performers in the global chemical industry - marking the ninth time Dow has received this recognition since the launch of the Index a decade ago. In addition to improving its rating from last year, Dow achieved the highest scores in the sector for operational eco-efficiency, customer relationship management and environmental reporting. The Company's overall score was 86 percent - 32 percentage points higher than the average for the industry group. Dow was one of 10 chemical companies to be recognized in the World Index. "We are always honoured to be</p>

Company Name	References related to the DJSI
	<p>recognized by this premier rating organization, which reinforces to the world the great progress we're making in every operation, geography and business," said Dave Kepler, Dow executive vice president and chief sustainability officer. "As a chemical company, our role is particularly vital to solving world challenges, and external validation like this shows that we are rising to the occasion." "This recognition reflects the fact that Dow's commitment to smart solutions, innovations for tomorrow, responsible operations, and partnering for change delivers results that are good for business and good for the world," said Neil Hawkins, Dow vice president of sustainability and EH&amp;S. "The listing confirms our leadership in advancing all aspects of sustainability, openly collaborating with customers, suppliers, communities, civil society.</p>
Duke Energy Corp.	<p>From report: In 2009, duke energy was named to the DJSINA companies in the electric utility sector – for the fourth consecutive year. From website: Duke Energy has been named to the DJSINA companies in the electric utility sector for the fourth consecutive year. "Earning a spot on the DJSI is an important achievement for Duke Energy," said Chairman, President and CEO Jim Rogers. "This recognition confirms we're headed in the right direction with regard to balancing the needs of our customers, the environment and Duke Energy shareholders."</p>
E.I. DuPont de Nemours&Co.	<p>From website: DuPont has been listed on the DJSI since its inception in 1999. DuPont named to the DJSNA, 2009.N/A</p>
Eastman Kodak Co.	<p>From report: Kodak was again named to the DJSI. Kodak was first named to the Index in 2001. The annual review of the DJSI is based on a thorough assessment of corporate economic, environmental and social performance. From website: Kodak is committed to global sustainability. Some examples include membership on the DJSI.</p>
El Paso Corp.	<p>From report and website: We remain committed to executing on sustainability across our businesses. A measure of that commitment is our addition in 2009 to the Dow Jones Sustainability World Index and the DJSINA in the oil and gas industry. These indexes track the sustainability of the world's leading companies in 57 industries and include only the top 10 percent of the world's largest 2,500 companies. We're proud to be included on these important indexes, which are watched by a growing number of investors. As we continue to build a legacy of sustainability at El Paso, we want to thank you for allowing us to be stewards of your company, the environment, and your investment. We will continue our efforts to earn that trust every day", said Doug Foshee, Chairman, President and CEO.</p>
Entergy Corp.	<p>From report: "Making a Commitment to Sustainable Development: In 2008, we were gratified by the recognition earned by our sustainability efforts. Entergy has been named to the exclusive DJSI for seven consecutive years, and we have been the only U.S. utility on the World Index for the last three years", said J. Wayne Leonard, Chairman and CEO. From website: The DJSI again named Entergy Corporation to its exclusive DJSI World and North American Index for 2008-2009. For the third year in a row, Entergy was the only U.S. utility selected to the world index. This is also the seventh consecutive year that the DJSI has included. The DJSI follow a best-in-class approach and include sustainability leaders from each industry on a global and regional level. The annual review is based on a comprehensive analysis of corporate economic, environmental and social performance that assesses issues such as corporate governance, risk management, climate change mitigation, supply chain standards and labor practices. It accounts for general as well as industry-specific sustainability criteria, for each of 57 industries defined according to the Industry Classification Benchmark.</p>
Exelon Corp.	<p>From report: "We were again recognized by the DJSI", said John W. Rowe, Chairman and CEO. Dow Jones recognized our sustainability commitment for the third consecutive year by including Exelon in the DoJSINA. Finally, SAM included Exelon in their Sustainability Yearbook, awarding the company "Silver Class" honors for its climate change strategy and initiatives. Exelon is one of only two U.S. electric companies recognized in the yearbook. From website: In recognition of Exelon's leadership in corporate sustainability and environmentally sound business practices, the</p>

Company Name	References related to the DJSI
	<p>company was named to the DJSINA for the fourth consecutive year. Exelon achieved an overall sustainability performance score of 74 percent, compared to the average score of 56 percent for the electric utility sector. This is an increase from Exelon's score of 71 percent in 2008. "Exelon's continuous efforts in sustainability were translated this year by a higher performance and an inclusion in the DJSI North America," said Jean-Francois Meymandi, equity analyst for SAM, the sustainability investment firm that conducted the analysis for DJSI. "The company showed specific good performance in risk and crisis management, climate strategy and corporate citizenship."</p> <p>DJSI North America recognizes the leading 20 percent of the 600 largest North American companies, in terms of sustainability performance. Companies are selected according to a systematic corporate sustainability assessment that identifies the leading sustainability-driven companies in each of 57 industry groups.</p>
FedEx Corp.	From report: Some of Our Awards and Recognitions in 2009: DJSINA.
Ford Motor Co.	From website: In 2009, Ford was included in the DJSINA based on favourable evaluations of our sustainability programs.
FPL Group Inc.	From website: DJSINA selects the top 20 percent of 600 largest companies in sustainability performance.
Gap Inc.	Gap Inc. is listed on the following social investment indices: DJSI.
General Electric Co.	<p>From website: "GE's accountability and transparency is also reflected in our presence on the DJSI, which is a global index that tracks the financial performance of leading sustainability-driven companies worldwide. We recently completed the annual DJSI questionnaire and the results will be released the first week of September and are hoping it will lead to GE's inclusion for the sixth straight year in this important index. Again, I'd like to thank all of those who provided feedback and counsel on completing the DJSI", said Bob Corcoran, VP of Corporate Citizenship.</p>
Genzyme Corp.	<p>From report: In the current environment of economic challenge, Genzyme programs to support the communities where we live and work are more important than ever. For a number of years, Genzyme has been included in the DJSI World for economic, environmental and social performance, recognizing our programs to support health and science education, responsible environmental practices and contributions to local community organizations and employee volunteerism.</p> <p>From website: In 2009, for the fifth consecutive year, Genzyme was recognized as a corporate sustainability leader among healthcare sector companies in addition to qualifying for the DJSI World for the first time. Corporate Sustainability is a business approach that creates long-term shareholder value by embracing opportunities and managing risks related to economic, environmental and social developments.</p>
H.J. Heinz Co.	<p>From report: We are proud of our continued inclusion in three high-profile indexes – the Dow Jones Sustainability Indexes, the Calvert Social Index and the Domini 400 Social Index – that track the financial performance of companies that demonstrate excellence in their attention to and management of environmental, social and governance issues.</p> <p>Our high ranking in the DJSINA, which tracks the performance of the largest sustainability leaders in North America, indicates our Company's progress and performance. Since 2007, our ranking in this index has improved 15% to put Heinz near the top of the list of North America's most sustainable companies.</p> <p>From website: Heinz is proud to be included in three high-profile key indexes - the Dow Jones Sustainability Indexes, the Calvert Social Index and the Domini 400 Social Index - that track the financial performance of companies demonstrating excellence in their attention to and management of environmental, social and governance issues.</p>
Hewlett-Packard Co.	From website: HP has been on the DJSI for seven consecutive years, achieving top scores for the last three years.
Humana Inc.	<p>From report: For the second year, Humana was named to the prestigious Dow Jones Sustainability U.S. Index, a recognition that called attention to the company's economic, social, and environmental performance. Humana was one of just two major health benefits companies on the list. Only 125 North American companies made the annual list, based on an analysis of a company's corporate governance, risk management, branding, climate change, supply chain standards, and labor practices.</p>

Company Name	References related to the DJSI
	From website: Humana has been named to the DJSI for the third year in a row, a tribute to our economic, social and environmental performance.
Intel Corp.	From report: Listed on North America and World DJSI (12th year). From website: Listed in both the DJSI World and North American Indexes). From website: The only way to stay on these lists is to continue to improve. So we look each year at our sub scores in each of the categories to see where we have gaps and recommend areas for action (either expanding our disclosure or identifying opportunities for performance improvement).
International Business Machines Corp.	From website: IBM was included in the DJSI is the world's first equity benchmark to track the financial performance of sustainability leaders.
J.C. Penney Co. Inc.	From report: "We were glad to see our efforts recognized by our inclusion in the DJSINA and among the top four retailers in Newsweek's Greenest Big Companies in America. To reaffirm our commitment to environmental responsibilities, JCPenney has set a goal to reduce facility energy use by 20% per gross square foot by 2015", said Myron E. (Mike) Ullman, III Chairman of the Board and CEO. From website: J. C. Penney Company, Inc.has been named to the 2009 DJSI of the leading companies in North America for corporate sustainability. "Being named to the DJSI and included in Newsweek's first Green Rankings is welcome recognition for the work being done by our Associates across the Company to incorporate sustainable practices into our business," said Myron E. (Mike) Ullman III, chairman and CEO. "Operating in an environmentally and socially responsible manner benefits our business, our customers and our communities, and it's integral to achieving our goal to become America's preferred place to shop."
Johnson & Johnson	From website: Johnson & Johnson – Environmental Awards:Included in the DJSI, since 2000
Johnson Controls Inc.	From report: External Recognition: Our sustainability performance is recognized by numerous respected corporate social responsibility and sustainability investment indices. DJSI World and DJSINA. From website: DJSINA: (Johnson Controls added September 2005) Includes the top 20 percent of companies in terms of sustainability performance for each DJSI sector. There are 125 out of 600 companies included in the North American index in 2008.
JP Morgan Chase & Co.	From report: JP Morgan has been included in the DJSI for the past years.
Kimberly-Clark Corp.	From report: "These efforts are reasons why, for the fifth year in a row, we led the personal products category among companies in the DJSI World. This ranking is based on the long-term economic, environmental and social performance of leading global companies across 57 industries", said Tom Falk, Chairman and CEO. From website: For the 5 <sup>th</sup> successive year, Kimberly-clark named personal products industry sustainability leader by the 2009 DJSI World.
Life Technologies Corp.	From report: Life Technologies was again selected as a member of the DJSI World in 2009, and was also named to the DJSINA. Membership in the DJSI is reserved for the top 10 percent of the 2,500 largest companies in terms of sustainability, and Life Technologies was one of only two U.S.-based biotechnology companies to be listed on both the North America and World Indexes. In 2009. From website: Life Technologies Corporation, a provider of innovative life science solutions, today announced it was named a member of the DJSI World for the second year in a row, demonstrating the company's global leadership in business, environmental and social

Company Name	References related to the DJSI
	issues. “We’re proud to again be recognized for our achievements in conservation and global citizenship,” said Greg Lucier, Chairman and CEO of Life Technologies. “We remain committed to being a company that is known for the sustainability of our environmental efforts, the strength of our philanthropic activities, and the integrity and diversity of our workforce.”
Manpower Inc.	From report: For the second year in a row, Manpower was named to the DJSI. DJSI recognition is based on its evaluation of a company’s performance in areas such as corporate governance, environmental performance, human rights policies and other social criteria. The index provides an objective benchmark for financial products that are linked to economic, environmental and social criteria. The DJSI assessment is based on both industry-specific and general criteria, including comparisons against our peers and other companies in the DJSI.
McDonald’s Corp.	<p>From report: “We grow our business profitably – Integrating social and environmental considerations into all aspects of our business is a key to our continued profitability. Our policies, programs and progress are From report: appreciated by the investor community, as McDonald’s has been a member of the DJSI since 2004 and has also been named to several other leading socially responsible indexes”, said Jim Skinner, CEO.</p> <p>From website: For the third year in a row, McDonald’s has been selected for inclusion in the Dow Jones World and Dow Jones North America Sustainability Indexes. These indexes recognize companies that are industry leaders on a broad range of economic, environmental, and social issues. McDonald’s is one of the very few food service retailers to be so honoured. The DJSI are among the world’s most prestigious stock indexes for SRI. Inclusion reflects an expert judgment that a company is creating long-term shareholder value by strategically managing social responsibility-related opportunities and risks.</p>
MeadWestvaco Corp.	<p>From report: Named to the DJSI World. Launched in 1999, the DJSI are the first global indexes tracking the financial performance of the leading sustainability-driven companies worldwide. Ranked best-in-class for the fourth straight year in DJSI World’s Containers &amp; Packaging group.</p> <p>For the last five years, MWV has been selected as a member of the prestigious DJSI World. And for four years in a row, MWV has ranked best-in-class in the Containers &amp; Packaging group, demonstrating outstanding leadership in the global industry. Put simply, the DJSI World connects corporate sustainability with financial performance, and highlights those companies with the best record. This distinction assures customers and investors that a respected outside organization has thoroughly evaluated MWV on sustainability issues relevant to business today and has ranked our company as a leader among its peers.</p> <p>From website: MeadWestvaco Corp. today announced it is listed on the 2010 DJSI World for the seventh consecutive year, and is ranked best in class in the Containers &amp; Packaging sector for the sixth year. The DJSI World recognizes the world’s leading companies in the areas of economic, environmental and social performance, and evaluates organizations based on their commitment to and success in integrating sustainability into core business objectives and performance.</p>
Medtronic Inc.	From website: Recognizing its leadership in meeting the From website: needs of economic, environmental, and social stakeholders, Medtronic, Inc. has been named a member company in the DJSI for North America. “We are honoured to be selected for inclusion in these sustainability investment indexes,” said Bill Hawkins, chairman and chief executive officer of Medtronic. “As outlined in our inaugural Corporate Responsibility Report, we want to be recognized as a company of the highest integrity, a good corporate citizen of the communities and countries where we do business. Promoting a sustainable world is vital to our future, advancing the Medtronic Mission, and creating long-term sustainable value for all of our stakeholders.”
Merck & Co. Inc.	From report and website: Merck has been placed on the DJSINA, which is based on a thorough analysis of corporate economic, environmental, and social performance. The Index captures the leading 20 percent in terms of sustainability out of the largest 600 NA companies.
Motorola Inc.	From website: The 2009-2010 DJSI World and DJSINA have ranked Motorola, Inc. as a leader for its environmental, social and

Company Name	References related to the DJSI
	<p>economic performance, the company announced today. Motorola received the highest score among communication technology companies in several categories, including brand management, codes of conduct and compliance, corporate citizenship and philanthropy, and privacy protection.</p> <p>“Motorola is proud of the progress we are making every day in sustainable practices that have helped earn Motorola recognition by DJSI for the sixth year in a row,” said Karen Tandy, senior vice president, public affairs and communications, Motorola. “To help build a more sustainable world, we invest in underserved communities and support programs that make science, math and engineering accessible and compelling to young people. We are aggressively working to reduce our carbon footprint, improve the environmental profile of our products, help our customers to be greener and improve the social and environmental conditions in our supply chain.”</p> <p>Launched in 1999, the DJSI are among the first global indexes tracking the financial performance of the leading sustainability-driven companies worldwide. As a member of DJSI World, Motorola is among the top 10 percent of the largest 2,500 companies in the DJSI World.</p>
Newmont Mining Corp.	<p>From report: During 2008, we were again selected to the prestigious DJSI-World, which reflects our employees' dedication to operating our business in an environmentally sound, economically efficient and socially sustainable way.</p> <p>From website: Demonstrating leadership in safety, stewardship of the environment and social responsibility as one of our guiding values, Newmont was included in the esteemed DJSI for the third consecutive year, and listed on both the DJSINA and the DJSI World in 2008.</p>
Nike Inc.	<p>From report and website: The DJSI assesses the opportunities and risks deriving from a company's economic, environmental and social developments, based on a defined set of criteria and weightings. The indexes only select and rank companies that are among the sustainability leaders in their field. Sustainable Asset Management includes NIKE, Inc. as a component of the DJSI.</p>
Noble Corp.	<p>From report: The DJSI tracks the performance of more than 300 companies in 24 countries that lead their industries in terms of corporate sustainability. Noble has been a DJSI index component for approximately four years and is the only drilling contractor listed. SAM selected Noble as a Sustainability Leader for 2008/2009 in the Oil Equipment and Services sector. The designation is based on SAM's assessment of the economic, environmental and social dimensions of 24 sector companies during its 10-year review of companies for the (DJSI).</p> <p>From website: In 2005: The DJSI selected Noble to be an index component. The DJSI tracks the performance of more than 300 companies in 24 countries that lead their industries in terms of corporate sustainability.</p>
Occidental Petroleum Corp.	<p>From report: “In 2009, Oxy was selected for the DJSINA, based on an evaluation of our governance and sustainability performance”, said Ray R. Irani, Chairman and CEO.</p> <p>From website: In 2009, Oxy was included in the DJSINA, which comprises the top 20% of companies from the 600 largest North American companies in the DJTSMI in terms of sustainability. Index companies are evaluated in key areas including corporate governance, environmental and safety performance, and labor practices.</p>
PepsiCo Inc.	<p>From report: PepsiCo named to the DJSI World and DJSINA for the third time. Knowing the commitment of many investor groups to sustainability, we apply for admission to the DJSI each year. PepsiCo has been named as a member of the North America Index and named a member of the World Index.</p> <p>From website: PepsiCo has been named as a member of DJSINA five times and the World Index four times in recognition of the company's economic, environmental and social performance. Inclusion is based on a wide range of criteria including corporate governance, environmental in terms of sustainability of the 600 biggest North American companies.</p>
PG&E Corp.	<p>From report: We also earned a spot on the DJSINA, a recognized benchmark for corporate responsibility.</p> <p>From website: PG&amp;E was selected for the second consecutive year to the DJSINA and, for the first time, to the DJSI World. PG&amp;E is one of only two U.S. utilities selected for the World Index and one of 10 U.S. utilities picked for the North America Index.</p>

Company Name	References related to the DJSI
Pinnacle West Capital Corp.	<p>From report: Selected Awards and Recognition: Pinnacle West was listed in the 2009 DJSINA and in the 2009 DJSIUS as a sustainability leader for the fifth year in a row.</p> <p>From website: Has been selected for the 2007 DJSIUS, the premier index recognizing sustainable business practices for publicly held corporations. The evaluation criteria provides investors and asset managers a number of sustainability benchmarks including climate change strategies, energy consumption, human resources development, knowledge management, stakeholder relations and corporate governance.</p> <p>“The quality of a company's strategy, management and performance in dealing with opportunities and risks deriving from economic, environmental and social developments can be quantified and used to identify and select leading companies for investment purposes,” the Dow Jones stated in this year's index summary.</p> <p>The results of the annual review will influence the investment decisions of asset managers in 15 countries who have licensed the DJSI family for a variety of sustainability-driven portfolios – including mutual funds, segregated accounts and structured products, as well as an exchange traded fund.</p>
Plum Creek Timber Co. Inc. REIT	<p>From website: Today announced that Dow Jones has renamed the company to its DJSI that tracks the economic, environmental and social performance of companies.</p> <p>The review of companies is based on a thorough analysis of corporate economic, environmental and social performance, assessing such criteria as corporate governance, risk management, climate change mitigation, supply chain standards, labor practices and more.</p>
Praxair Inc.	<p>From report: Repeatedly, we have been selected for inclusion in the Dow Jones World Sustainability Index, putting us among the top 10% of the world's largest chemical companies for financial, environmental and social responsibility performance.</p> <p>From website: For the fifth consecutive year, Praxair has been selected as a component of the DJSI World. As a member of the index, Praxair is among the top 10 percent of the largest 2,500 companies worldwide based on selected sustainability criteria. Praxair is also a member of the DJSINA.</p>
Procter & Gamble Co.	<p>From report and website: P&amp;G has been a member of the DJSI since its inception.</p>
Progress Energy Inc.	<p>From report: Recent Recognition: DJSINA for five consecutive years.</p> <p>From website: For the sixth year in a row, Progress Energy has been named to the DJSINA, which lists companies that lead their industries in managing economic, environmental and social issues.</p>
ProLogis	<p>From report: SRI indexes include: DJSI World and DJSINA.</p> <p>From website: Launched in 1999, the Dow Jones Sustainability Indexes are the first global indexes tracking the financial performance of the leading sustainability-driven companies worldwide and providing asset managers with reliable and objective benchmarks to manage sustainability portfolios. ProLogis was added to the North American and World indexes in September 2008, placing it among a select group of firms recognized for their commitment to corporate responsibility.</p>
Public Service Enterprise Group Inc.	<p>N/A From website: PSEG Saluted as International Sustainability Leader:</p> <p>Dow Jones recognizes NJ energy company's commitment to economic, environmental and social responsibility: (September 9, 2010 - Newark, NJ) - Public Service Enterprise Group (NYSE: PEG) was today named for the first time to the Dow Jones Sustainability World Index. The world index is limited to the top 10 percent of sustainability performers among the corporations included in the Dow Jones Global Total Stock Market Index (DJGTSM). PSEG was also included in the Dow Jones Sustainability North America Index for the third time. The Dow Jones Sustainability Index (DJSI) tracks the financial performance of the leading sustainability-driven companies worldwide. The DJSI selects leading companies for investment purposes, based on the quality of a company's strategy,</p>

Company Name	References related to the DJSI
	management and its performance in dealing with opportunities and risks deriving from economic, environmental and social developments. The results are watched by market participants and are used by asset managers in 16 countries to manage a variety of sustainability-driven portfolios, such as mutual funds.
Quest Diagnostics Inc.	From report: Sustainability Index participation includes: Dow Jones World. From website: For five years running, our commitment to corporate responsibility has earned us a coveted spot on the DJSI World.
Reynolds American Inc.	From report: Our commitment to corporate social responsibility was one of the factors that helped make RAI the only U.S. tobacco company to be awarded membership in the DJSI for 2008/2009 and again for 2009/2010. From website: Logo only
Rockwell Collins Inc.	From website: Has been named to the 2009-2010 DJSI. The DJSI follow a best-in-class approach and include sustainability leaders from each industry on a global and regional level respectively. The annual review of the DJSI family is based on a thorough analysis of corporate economic, environmental and social performance, assessing issues such as corporate governance, risk management, branding, climate change mitigation, supply chain standards and labor practices.
Safeway Inc.	From report and website: In September 2009, Safeway was named to the DJSINA, which captures the leading 20% of the largest 600 North American companies in terms of sustainability. Launched in 1999, the DJSI are the first global indexes to track the financial performance of the leading sustainability-driven companies worldwide. Our inclusion in the DJSI demonstrates that the value of our sustainability efforts goes beyond the obvious benefits to our planet and communities. Our corporate social responsibility is an "invest-able" concept which helps us to drive long-term shareholder value, while also building upon our reputation as a responsible corporate citizen.
Spectra Energy Corp.	From report: Awards and Recognition: Spectra Energy has again been named to the DJSINA for the second year in a row. The DJSI NA lists North America's leading, sustainability-driven companies based on a measurement of overall financial, environmental and social performance. From website: Spectra Energy Corp has again been named to the DJSINA, which lists North America's leading, sustainability-driven companies based on a measurement of overall financial, environmental and social performance. Launched in 1999, the DJSI are the first to track financial performance of sustainability-driven companies on a worldwide basis. Corporate sustainability, as defined by the DJSI, is a business approach that seeks to create long-term shareholder value by embracing opportunities and managing risks derived from economic, environmental and social developments. "We are honoured to again be named to the DJSI; an honour that reflects the work our employees do each and every day to ensure we balance our business needs with stakeholder interests," said Greg Ebel, president and chief executive officer, Spectra Energy Corp. "We work hard to integrate economic, environmental and social factors into our business strategy and inclusion in the DJSI is an important validation of those efforts." In selecting the top performers in each business sector, DJSI reviews companies on both broad and industry-specific sustainability criteria, assessing performance in areas such as corporate governance, environmental standards, climate change policy, risk management, supply chain standards, labour practices and employee development. The index is reviewed annually by Dow Jones and SAM Group.
Staples Inc.	From report: Corporate responsibility recognition: In September 2007, for the fourth consecutive year, Staples was selected as a component of the Dow Jones Sustainability Indexes (DJSI). Staples scored 55, compared to the retail industry average score of 41. The DJSI track the performance of sustainability leaders on a global scale.
State Street Corp.	From report: Four years consecutively listed on the DJSI. From website: DJSI are one of the world's largest institutional asset managers.
Symantec Corp.	From website: DJSI are Global indexes tracking the financial performance of the leading sustainability-driven companies worldwide.

Company Name	References related to the DJSI
	Symantec is a member of both the DJSINA and the World Sustainability Index.
Target Corp.	From report: 2009, Target recognized on DJSINA.
United Parcel Service Inc.	From report: In 2008, UPS was selected for the sixth time for the DJSINA. From website: UPS again has been selected as a member of the DJSINA. The index provides benchmarks to institutional and retail investors on the financial performance of companies that lead their industry in terms of corporate sustainability.
United Technologies Corp.	From website: UTC has been named to the 2009-2010 DJSI. The indexes are the longest-running global sustainability benchmarks and follow a best-in-class approach to identify sustainability leaders from each industry on a global and regional level. UTC has been a member of the Dow Jones Sustainability Indexes every year since the indexes began in 1999.
UnitedHealth Group Inc.	From report: For the 11th straight year, UnitedHealth Group was named to both the DoJSINA and DJSI World. From website: UnitedHealth Group today announced that the company has been named to both the DJSINA and the DJSI World. UnitedHealth Group attained the highest total Index score in the Healthcare Provider Sector, and was a leader among peer companies worldwide in corporate governance, service to patients, partnerships toward sustainable health care, stakeholder engagement, and corporate citizenship and philanthropy. The company also attained top scores in labor practice indicators and employee talent attraction and retention. This marks the 12th consecutive year that UnitedHealth Group has been included in the DJSI. The DJSI recognize and benchmark companies that set industry-wide best practices in corporate sustainability, including: Integrating long-term economic, environmental and social aspects in their business strategies while maintaining global competitiveness and brand reputation. UnitedHealth Group cultivates these attributes to attain its mission to help people live healthier lives and as the foundation for the company's efforts to help make the health care system work better for everyone. The Sustainability Indices are reviewed annually by Dow Jones and the Zurich-based Sustainable Asset Management Group (SAM), a global investment firm. Companies on the Dow Jones Global Index are evaluated on a range of general business criteria as well as on industry-specific sustainability trends. The DJSI NA captures the leading 20 percent of the 600 largest North American companies, while the DJSI W includes the top 10 percent from the 2,500 largest companies worldwide. Corporate social responsibility has become a significant factor in investment decisions globally and SAM's sustainability data are fully integrated into its investment offerings.
Unum Group	From report and website: Unum Named to the DJSINA. Launched in 1999, the DJSI are the first global method to track financial performance of the leading sustainability-driven companies worldwide. Based on the cooperation of Dow Jones Indexes, Stoxx Limited and the SAM Group, they provide asset managers with reliable and objective benchmarks to manage sustainability portfolios. More and more, investors are diversifying their portfolios by investing in companies that set industry-wide best practices in sustainability. Corporate sustainability is attractive to investors because it aims to increase long-term shareholder value through managing risks derived from economic, environmental and social developments. Also, sustainability leaders are increasingly expected to show superior performance and favourable risk/return profiles. The Indexes are selected by a systematic assessment and include only the leading sustainability companies worldwide.
Verizon Communications Inc.	From report: Verizon was named to the DJSINA which lists leading companies as measured by governance, social and environmental performance. Verizon is also included in the following socially responsible investment lists: FTSE4Good Index, KLD 400, Ethibel Sustainability Index and Calvert's Large Cap Value Fund. What we did? Received first-ever ranking on the DJSINA. From website: 2009: Verizon has been added to the DJSINA, which lists North America's leading companies as measured by governance, social and environmental performance. Verizon is the only telecommunications company in the U.S. to be named to the index. The DJSINA tracks the financial performance of the top 20 percent, in terms of sustainability, of the 600 biggest North American companies in the Dow Jones Global Total Stock Market Index. Top performers are evaluated by a variety of criteria including operational eco-

Company Name	References related to the DJSI
	efficiency, environmental reporting, codes of conduct, corporate citizenship, standards for suppliers and corporate governance. The annual review accounts for general as well as industry-specific sustainability criteria for each of 58 sectors defined according to the Industry Classification Benchmark.
Walt Disney Co.	From website: The Walt Disney Company has been selected as a member of the DJSI. DJSI are a cooperation of Dow Jones Indexes, STOXX Limited and SAM Group. By bringing together the expertise of two leading index providers and the pioneer in sustainability investing, the DJSI family rests on a solid foundation to meet the growing market demand for professional, objective and reliable sustainability benchmarks. The DJSI recognize the top companies in terms of economic, environmental and social criteria and provide solid benchmarks for sustainability-driven portfolios. The Walt Disney Company is very proud to be a member of both the DJSINA and the DJSI World.
Waste Management Inc.	From report: Waste Management's achievement in driving more sustainable waste services is well recognized. In 2007, for the third straight year, Waste Management was named to the DJSI, a selection of companies judged on their global leadership in sustainability and economic performance. For all three years, Waste Management far outperformed the average DJSI score for the waste and disposal service sector. From website: We are proud of our record with the DJSI.
Weyerhaeuser Co.	From report: DJSI: Member 2006/07. From website: Weyerhaeuser Company: today announced that it is the only building materials company named to the DJSINA that tracks North American companies in terms of their economic, environmental and social performance. The DJSI follows a best-in-class approach and includes sustainability leaders from each industry on a global and regional level. The annual review is based on an assessment of corporate economic, environmental and social performance, covering issues such as corporate governance, risk management, branding, climate change mitigation, supply chain standards and labor practices. The DJSI results are available to asset managers around the world for a variety of sustainability-driven investment portfolios. "Our viability as a company depends on our long-term commitment to continuous improvement in protecting the land, and nurturing the forest." said Dan Fulton, president and chief executive officer. "Our inclusion on the DJSI Indices is validation of our belief in the renewable resource – trees - that forms the base of our sustainable business." Launched in 1999, the Dow Jones Sustainability Indexes track the market performance of sustainability-driven companies worldwide. Companies are invited to participate in the review process, and the selection of index companies is based on an assessment of general and industry-specific criteria. "We're honored to again be included in the DJSINA" Fulton said. "Third-party validation of our sustainability practices is important confirmation for our customers, employees, communities and shareholders that we are on the right path."
Whirlpool Corp.	From report: Whirlpool was included in the Dow Jones Sustainability World Index in 2006 and the DJSINA in 2007 and 2008. From website: Recognition for Sustainable Business Practices: DJSINA

Company Name	Quotes related to the DJSI
Advanced Micro Devices Inc.	<p>"We were recognized by several organizations for our continued commitment to being a responsible corporate citizen including: The DJSI World for the seventh consecutive year", said Dirk Meyer, President and CEO.</p> <p>"AMD's inclusion in these indexes underscores our commitment to operating with integrity, responsibility and the utmost respect for people and the environment," said Tom McCoy, Chief Administrative Officer for AMD.</p>
Alcoa Inc.	<p>"Recognition as a sustainability leader by inclusion in the DJSI since 2001 exemplifies Alcoa's commitment to sustainability. We are proud of this achievement, because we believe progress in sustainability contributes to our value as a company", said Klaus Kleinfeld, Alcoa President and CEO.</p>
Bank of New York Mellon Corp.	<p>"The DJSI were the first global benchmarks to capture the performance of companies that exhibit the highest commitment to integrating corporate sustainability principles in their business operations or practices. Both DJSI and SAM are enthusiastic in our efforts to provide the most objective and reliable family of sustainability indexes available. We do this by adhering to a transparent and rules-based approach and by applying quality sustainability criteria", said Michael A. Petronella, president, Dow Jones Indexes.</p>
Baxter International Inc.	<p>"We're proud to be recognized again for our commitment to a range of activities that help ensure a sustainable world. As a global corporation, we believe that we have a responsibility to balance society's current and future needs with the goals of the business", said Robert L. Parkinson, Jr., Baxter's chairman and CEO.</p>
Becton Dickinson & Co.	<p>"I am pleased that our efforts are gaining prestigious recognition such as our continued inclusion in the DJSI World and DJSINA", said Edward J. Ludwig, Chairman and CEO.</p>
Bristol-Myers Squibb Co.	<p>"We are delighted to be included in this prestigious and important recognition. The DJSI has one of the most comprehensive criteria for corporate sustainability, and this is a real tribute to our company and its employees at every level of the organization", says Susan Voigt, vice president, Environment, Health, Safety and Sustainability</p> <p>"It's a moving target, and every year the bar gets higher", says Robert Draeger, director, EHS Strategies and Outreach, noting that the company had last been included on the Index in 2006. "What put us over the top? It was really a broad combination of many things, with contributions from across the entire company."</p>
Coca-Cola Co.	<p>"In 2009, we were included in the DJSI World and DJSINA) and the FTSE 4Good Index for the eighth consecutive year. Our continued inclusion reflects our leadership in setting standards in sustainable growth and in achieving exceptional environmental, social and economic performance", said Muhtar Kent, Chairman and CEO.</p>
Consolidated Edison Inc.	<p>"Listing on the DJSI is another important benchmark for us", said Randolph S. Price, vice president of Environment, Health and Safety at Con Edison.</p>
Dow Chemical Co.	<p>"This recognition reflects the fact that Dow's commitment to smart solutions, innovations for tomorrow, responsible operations, and partnering for change delivers results that are good for business and good for the world. The listing confirms our leadership in advancing all aspects of sustainability, openly collaborating with customers, suppliers, communities, and civil society", said Neil Hawkins, Dow vice president of sustainability and EH&amp;S.</p>
Duke Energy Corp.	<p>"Earning a spot on the DJSI is an important achievement for Duke Energy", said Chairman, President and CEO Jim Rogers.</p>
El Paso Corp.	<p>"We're proud to be included on these important indexes, which are watched by a growing number of investors. As we continue to build a legacy of sustainability at El Paso, we want to thank you for allowing us to be stewards of your company, the environment, and your investment. We will continue our efforts to earn that trust every day", said Doug Foshee, Chairman, President and CEO.</p>
Entergy Corp.	<p>"We believe DJSI sets the standards that we must meet or exceed every day in everything we do. In 2008, we were gratified by the recognition earned by our sustainability efforts. Entergy has been named to the exclusive DJSI for seven consecutive years, and we have</p>

Company Name	Quotes related to the DJSI
	been the only U.S. utility on the World Index for the last three years”, said J. Wayne Leonard, Chairman and CEO.
Exelon Corp.	“We were again recognized by the Dow Jones Sustainability Index and the Carbon Disclosure Project Leadership Index”, said John W. Rowe, Chairman and CEO. “Exelon’s continuous efforts in sustainability were translated this year by a higher performance and an inclusion in the DJSI North America”, said Jean-Francois Meymandi, equity analyst for SAM, the sustainability investment firm that conducted the analysis for DJSI. “The company showed specific good performance in risk and crisis management, climate strategy and corporate citizenship.”
General Electric Co.	“GE’s accountability and transparency is also reflected in our presence on the Dow Jones Sustainability Index (DJSI), which is a global index that tracks the financial performance of leading sustainability-driven companies worldwide. We recently completed the annual DJSI questionnaire and the results will be released the first week of September and are hoping it will lead to GE’s inclusion for the sixth straight year in this important index. Again, I’d like to thank all of those who provided feedback and counsel on completing the DJSI”, said Bob Corcoran, VP of Corporate Citizenship [136].
J.C. Penney Co. Inc.	“We were glad to see our efforts recognized by our inclusion in the DJSINA and among the top four retailers in Newsweek’s Greenest Big Companies in America. To reaffirm our commitment to environmental responsibilities, JCPenney has set a goal to reduce facility energy use by 20% per gross square foot by 2015”, said Myron E. (Mike) Ullman, III Chairman of the Board and CEO.
Kimberly-Clark Corp.	“These efforts are reasons why, for the fifth year in a row, we led the personal products category among companies in the DJSI World. This ranking is based on the long-term economic, environmental and social performance of leading global companies across 57 industries”, said Tom Falk, CEO.
Life Technologies Corp.	“We’re proud to again be recognized for our achievements in conservation and global citizenship,” said Greg Lucier, Chairman and CEO of Life Technologies. “We remain committed to being a company that is known for the sustainability of our environmental efforts, the strength of our philanthropic activities, and the integrity and diversity of our workforce.”
McDonald’s Corp.	“We grow our business profitably – Integrating social and environmental considerations into all aspects of our business is a key to our continued profitability. Our policies, programs and progress are appreciated by the investor community, as McDonald’s has been a member of the DJSI since 20004 and has also been named to several other leading socially responsible indexes”, said Jim Skinner, CEO.
MeadWestvaco Corp.	“MWV’s commitment to environmental stewardship and sustainable business practices are key drivers in both our long-term strategy and our day-to-day decisions”, said John A. Luke, Jr., chairman and CEO of MWV. “As a global leader in packaging serving the world’s most recognized brands, we have an opportunity to significantly impact our own industry, and contribute to the goals of our customers by being a responsible partner.” He added, “The recognition we receive through the DJSI World reminds us of the progress we’ve made, and encourages us to achieve a higher standard for ourselves each year.”
Medtronic Inc.	“We are honoured to be selected for inclusion in the DJSI”, said Bill Hawkins, Chairman and CEO of Medtronic.
Motorola Inc.	“Motorola is proud of the progress we are making every day in sustainable practices that have helped earn Motorola recognition by DJSI for the sixth year in a row”, said Karen Tandy, senior vice president, public affairs and communications, Motorola.
Occidental Petroleum Corp.	“In 2009, Oxy was selected for the DJSINA, based on an evaluation of our governance and sustainability performance”, said Ray R. Irani, Chairman and CEO.
PepsiCo Inc.	“Recognition on these indexes remains a strong validation of our efforts to act responsibly, encourage healthier lifestyles, minimize our environmental footprint and invest in our people and communities”, said Indra Nooyi, PepsiCo Chairman and CEO.
PG&E Corp.	“More than ever, it is impossible to separate a company’s long-term business outlook from its performance on sustainability issues,” said Peter A. Darbee, Chairman, CEO and President of PG&E Corporation. “Making smart investments with an eye toward sustainability considerations are fundamental to creating lasting value for shareholders and customers. We are honored to be selected for listing on the DJSI.”