

SIRAN-KLD Study Shows Nearly Half of S&P 100 Index Companies Now Report on Environmental, Social, and Governance Issues; Over One Third Using the Global Reporting Initiative’s “Sustainability Reporting Guidelines”

Sustainability Reporting Moving into the Mainstream

Boston, MA, April 25, 2007 –The Social Investment Research Analysts Network (SIRAN) and KLD Research & Analytics, Inc. announced the findings of their annual report on environmental and social performance reporting of US companies at the Ceres Conference 2007 on April 25th in Boston.

Now in its third year, the most recent SIRAN-KLD research study shows that nearly half (49) of US companies in the Standard & Poors (S&P) 100 Index are now disclosing information about their environmental, social, and governance (ESG) performance. More than a third of the companies (38) stated they have adopted an internationally recognized reporting standard, the Global Reporting Initiative’s “Sustainability Reporting Guidelines”.

“The current study confirms that reporting on sustainability issues has moved into the corporate mainstream,” said Peter D. Kinder, president of KLD. “Forty-nine of S&P 100 companies issued comprehensive reports in the 2005 – 2006 reporting period, eleven for the first time. Those are significant, impressive numbers.”

Steve Lippman, Vice President of Asset Research at Trillium Asset Management, added additional perspective on the significance of the SIRAN-KLD study. “We’ve essentially reached a tipping point where nearly half of these leadership companies are reporting on their environmental, social, and governance performance. In a few years, this kind of reporting will be standard business practice, and companies that do not issue reports will become the exception, rather than the rule.”

Specific findings of the SIRAN-KLD study on corporate social responsibility include:

- A 14% increase of S&P 100 companies issuing sustainability reports over the previous year’s study;
- Eleven new companies issued comprehensive sustainability reports for the first time, including Bank of America, Caterpillar, Cisco, Heinz, Merck, and Xerox. Some of these companies had previously released topical reports covering environmental health and safety or philanthropy data in previous years, but this study recognizes only those reports covering a broader spectrum of Environmental, Social and Governance (ESG) data;
- More than a third of S&P Index companies said they based their sustainability reports on the widely recognized external standard for reporting, the GRI *Sustainability Reporting Guidelines*. The nearly 12% increase over the previous year reflects a concerted outreach effort by SIRAN members to promote reporting based on the GRI;

- More than three quarters of the S&P 100 companies (79) have special sections of their websites dedicated to sharing information about their social and environmental policies and performance.

KLD's Katy Chapdelaine, research project manager, presented the report findings at the Ceres conference. She explained that the year and a half time frame for this year's study (from June 2005 to December 2006) and the October 2006 publishing of the updated GRI guidelines might have influenced the strong upward trends. The previous year's SIRAN-KLD study covered the one-year period from June 2005 to May 2006.

"This year's study reveals an increasing response to the widespread demand for greater transparency on sustainability issues," said Chapdelaine. "We found that companies in multiple sectors—finance, manufacturing, food and beverage, auto, healthcare—are demonstrating leadership in transparency and using best practices to convey ESG performance."

About KLD Research & Analytics, Inc.

KLD Research & Analytics, Inc. is an independent investment research firm providing investment management tools used by professionals to serve clients requiring investment strategies based on social and environmental responsibility. Since 1988, institutional investors, managers, trustees, consultants and advisors have depended on the quality and expertise of KLD. Institutional money managers worldwide use KLD's research to integrate environmental, social and governance factors into their investment decisions. KLD products and services, including SOCRATES (a web-based, company research tool) are used for screening, compliance, and asset gathering. For more information see www.kld.com.

About the Social Investment Research Analyst Network (SIRAN)

SIRAN is an analyst network that supports more than 150 North American social research analysts from 30 investment firms, research providers, and affiliated investor groups, and is a working group of the Social Investment Forum. The Social Investment Forum is a national nonprofit membership organization that promotes socially responsible investing. For more information, see www.siran.org and www.socialinvest.org.

About the Global Reporting Initiative (GRI)

The GRI is an independent institution that has developed standardized sustainability reporting guidelines with the active participation of representatives from business, accounting, investment, environmental, human rights, research and labor organizations from around the world. GRI indicators include measures of economic performance (such as community donations); environmental performance (such as greenhouse gas emissions and water use); labor practices (such as worker health and safety and diversity); human rights (such as policies around child labor and indigenous rights); society (such as community impacts, bribery, and political contributions); and product responsibility (such as customer health and safety, advertising, consumer privacy). For more information, see www.globalreporting.org.

About Ceres

Ceres is a national network of investors, environmental organizations and other public interest groups working with companies and investors to address sustainability challenges such as global climate change.

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