

## **GISR Takes Major Step Towards Establishing a Standard of Excellence for Corporate Sustainability Ratings**

SAN FRANCISCO, April 30, 2013 3BL Media – The Global Initiative for Sustainability Ratings (GISR) today announced the Beta Version of a set of core Principles as part of an international effort to drive excellence in corporate sustainability ratings, rankings and indices.

Launched in June 2011 by Ceres and Tellus Institute, GISR is a global non-profit initiative aimed at moving markets to the advantage of corporate sustainability leaders. GISR will not rate companies on sustainability. Instead, it will accredit other sustainability ratings, rankings or indices to apply its standard for measuring excellence in corporate sustainability performance.

Currently, more than 100 ratings, ranking and indices are evaluating the performance of more than 10,000 companies. They are using more than 2,000 indicators of corporate sustainability performance.

“This abundance of sustainability information may seem to be a boon to investors, but the signal to noise ratio, coupled with the absence of a generally accepted global standard as GISR is pursuing, has curbed ratings’ use, uptake and ultimately impact among investors,” said Mindy Lubber, president of Ceres, who announced the GISR effort in advance of Ceres annual conference May 1-2 in San Francisco. “In the same year, companies that score high on one rating system may score low on others, often confounding investors, confusing companies and constraining ratings’ potential to move markets towards more sustainable outcomes.”

To address this challenge, GISR aims to accelerate the integration of environmental, social and governance (ESG) issues and indicators in investment decision-making. It will do so by building a new standard that equips investors, companies and other stakeholders with the tools to recognize true excellence in corporate sustainability.

“GISR’s goal is to create a benchmark of excellence that will bolster investor confidence in sustainability ratings and increase their uptake,” said Mark Tulay, GISR Program Director. “This, in turn, will grow the market for ratings and unleash their full potential to move capital toward true sustainability leaders. In a world fraught with uncertainty, such outcomes will play a vital role in bringing long-term prosperity and resilience to investors, companies and society at-large.”

A multi-stakeholder initiative with involvement from investors, companies and non-governmental organizations (NGOs), GISR’s standard development process includes three components: Principles, Issues and Indicators. The Principles, announced today, identify the core attributes of a ratings framework applicable to all sustainability ratings, rankings and indices. The Principles were developed with input from hundreds of GISR investor, corporate and NGO partners. “Issues” are themes, topics or aspects of sustainability material used to assess a company’s sustainability performance, such as water, carbon emissions and human rights. “Indicators” are the metrics applied to issues that measure a company’s sustainability performance.

Today marks the release of the Beta Version of the 12 Principles, which include: Transparency, Impartiality, Continuous Improvement, Inclusiveness, Assurability, Materiality, Comprehensiveness, Sustainability Context, Long-Term Horizon, Value Chain, Balance and Comparability.

The public comment period will be open from June 1 – July 31, 2013. The Principles may be found at [www.ratesustainability.org](http://www.ratesustainability.org).

“We need to transition into the next generation of ratings,” said Allen White, Founder of GISR and Co-Founder and Former CEO of GRI. “Investors are increasingly aware that businesses in the 21st century face powerful forces that pose formidable risks to corporate performance, forces linked to ecological and social perils facing the global economy. Once defined solely in terms of financial metrics, savvy investors now understand that a company’s value is inextricably linked to how well it measures, preserves and enriches human, intellectual, natural, and social capital, all which contribute to the financial prosperity of the organization. GISR will promote a race-to-the-top among raters and, in turn, enrich and accelerate business’ contribution to the global sustainability agenda.”

#### UPS and McDonald’s Join Supporting Stakeholder Program

Also today, GISR also announced UPS and McDonald’s commitment to its Supporting Stakeholder Program. They join the growing list of companies, investors and NGOs that are playing an active role in the GISR standard development process, such as Bloomberg, TIAA-CREF, UBS, Intel, AMD, Deloitte, Pax World, GRI and SASB. For more information about the Supporting Stakeholder Program, visit: [www.ratesustainability.org](http://www.ratesustainability.org).

#### About Global Initiative for Sustainability Ratings (GISR)

Launched in June 2011 as a joint program of Ceres and Tellus Institute, the Global Initiative for Sustainability Ratings (GISR) is a global non-profit, mission driven program aimed at moving markets to the advantage of true sustainability leaders. GISR’s mission is to design and steward a global sustainability (ESG) ratings standard to expand and accelerate the contribution of business and other organizations worldwide to sustainable development. GISR will not rate companies. Instead, it will accredit other sustainability ratings, rankings or indices to apply its standard for measuring excellence in sustainability performance. For more information, visit [www.ratesustainability.org](http://www.ratesustainability.org).

#### About Ceres

Ceres is a nonprofit organization mobilizing business leadership on sustainability challenges such as global climate change and water scarcity. Ceres directs the Investor Network on Climate Risk (INCR), a network of 100 institutional investors with collective assets totaling more than \$11 trillion. For more information about Ceres and its upcoming annual conference in San Francisco, visit [www.ceres.org](http://www.ceres.org).

#### About Tellus Institute

The Tellus Institute, founded in 1976, is among the world’s leading sustainability research and policy organizations. Its work focuses on the creation of scenarios, tools and networks designed to drive transformational change in business, civil society, global governance and, more broadly, public discourse surrounding global futures. The Institute is founder/co-founder of numerous sustainability initiatives,

including the Global Reporting Initiative (GRI) Great Transition Initiative (GTI), Corporation 20/20 and the Sustainable Consumption Research and Action Initiative (SCORAI). For more information, visit [www.tellus.org](http://www.tellus.org).

Media Contact:

Melissa Small

GISR

[melissa.small@ratesustainability.org](mailto:melissa.small@ratesustainability.org)

617. 247.0700 Ext. 167

Contact

Peyton Fleming

+1 (617) 733-6660

[fleming@ceres.org](mailto:fleming@ceres.org)

Ceres

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