



G&A Institute's Sustainability Update (I5.A3.12.2011) Does Sustainability & Responsibility Reporting Matter to Investors? An Analysis by G&A Institute of Fortune 500 Company Reporting and Stakeholder Response

BY: G&A INSTITUTE

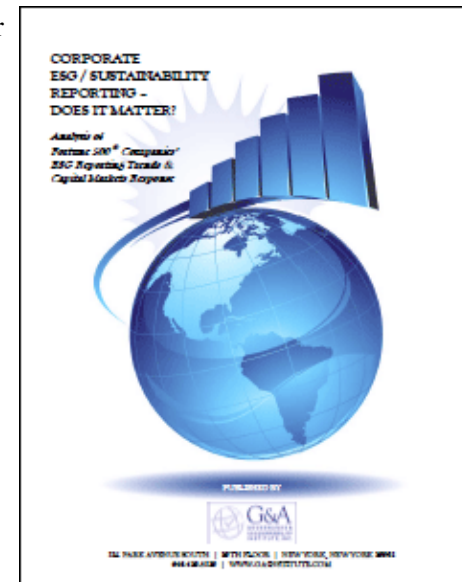


ISSUE 5 | ARTICLE 3 | DECEMBER 2011

**Does Sustainability & Responsibility Reporting Matter to Investors?
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Reporting and Stakeholder Response**



Governance & Accountability Institute asked that question in an analysis done after the 2010 corporate sustainability and responsibility reports were all in (those published in the calendar year).



Specifically, we wondered does reporting according to the Global Reporting Initiative (GRI) framework matter to institutional investors (asset owners and asset managers), and to the organizations that compile reputational rankings, lists and scores?

G&A's grad level interns, **Michelle Thompson**, M.P.A., and **Natalia Valencia** (M.P.A.), **Columbia University**, performed an extensive analysis of Fortune 500 companies using the GRI framework for their reporting over the period January 1, 2006 to December 31, 2010 (most issuing reports then in 2010).

Specific questions explored:

- Does reporting according to the GRI framework matter to capital market players?
- Do these players assign a premium to corporate issuers (reporters in GRI terminology) that creates measurable share price outperformance for these companies?
- Does GRI reporting influence the creators of leading sustainability / ESG / SRI equity indexes and related investment management products (such as inclusion in the indices)?
- Does GRI reporting influence third parties that create rankings and ratings relative to ESG corporate performance in credible and closely-followed compilations of US companies?

The researchers found positive associations in many cases qualified yes answers, in effect.

The findings are in the G&A Institute *Corporate ESG / Sustainability / Responsibility Reporting Does It Matter? Analysis of Fortune 500 Companies ESG Reporting Trends & Capital Market Response, and Possible Associations with Rankings and Ratings*



The report is

here: <http://www.ga-institute.com/research-reports/corporate-esg-sustainability-reporting-does-it-matter/report-form.html>

We request that readers complete the form for access.

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