

**PRESS RELEASE****DATE OF RELEASE: 15 September 2010****KOREA TOPS ASIAN SUSTAINABILITY RATING™**

The 2010 ASR™ findings are to be announced today at the CSR Asia Summit in Hong Kong. The CSR Asia Summit is the flagship event from CSR Asia, which is the most innovative and challenging conference on corporate social responsibility (CSR) in the Asia-Pacific region. The Summit has brought together over 350 international thought leaders to explore key CSR issues and strategies, bringing new insights for businesses, governments, non-profit organisations and other CSR practitioners.

The 2010 ASR™ scores highlight the leadership of Korean companies on ESG reporting, while mainland Chinese companies were found to be the poorest disclosers. Across the twelve sectors included in our analysis, the highest scoring sector is telecom and the lowest is healthcare. However, the healthcare sector admittedly includes a relatively small universe of companies that is heavily weighted towards mainland China and India.

The ASR™ methodology is based on a set of 100 sustainability indicators, split into four ASR™ categories - General, Environment, Social and Governance, which cover disclosure on the main elements of ESG risk. All public companies should be addressing each of these important factors through disclosure and realistic target setting irrespective of their sector. In theory, any company could aspire to and achieve a 100 percent rating on ASR™ within a few years of monitoring and reporting on these fundamental ESG issues.

The 2010 ASR™ universe comprises 542 companies and includes the largest listed corporate entities based on free float market capitalisation across ten countries and regions. All companies are scored across the same ESG factors based on publicly available information only. In order that the results are as unbiased as possible, there is no engagement or questionnaire of the companies in the methodology.

In general, companies in Asia scored better on Governance compared to either Environment or Social categories, with some level of disclosure even among the regional laggards. For much of our universe, Governance was the only sustainability reporting of any kind and mostly due to regulation or stock exchange listing requirements. This highlights the vital role regulators and exchanges play in setting minimum thresholds for reporting, and the importance of continuously engaging them to help improve corporate ESG reporting in Asia.

Around three quarters of our universe have some form of sustainability disclosure. However, few companies in our universe are willing to provide a direct named contact for ESG queries from stakeholders. Normally, when a contact is given, it is often someone in the PR or corporate communications office, revealing a commonly held belief in Asia that sustainability reporting is more of a marketing tool to prove a company's "green" credentials.

The ASR™ shows that the following companies are top and bottom of the rating. South Korea was the top overall average performer as companies listed in Korea showed more depth in the rating overall as opposed to the situation in other countries or regions which had only a few top performers. The vast difference in scoring between the top and bottom companies demonstrates the huge disparity around sustainability disclosure.

Company	Exchange	Position	ASR™
Taiwan Semiconductor Manufacturing Company	Taiwan	1	87%
United Microelectronics Corporation	Taiwan	2	86%
China Light & Power Holdings Ltd	Hong Kong	3	84%
City Developments Limited	Singapore	4	84%
Wipro Ltd	India	5	83%
Taiwan Cement Co Ltd	Taiwan	538	3%
Indiabulls Real Estate Ltd	India	539	3%
Cheng-Shin Rubber Ind. Co. Ltd	Taiwan	540	3%
GS Holdings Corporation	Korea	541	3%
PT Delta Dunia Makmur Tbk	Indonesia	542	3%

The ASR™ country / region ranking is as follows:

Ranking	Country / Region	AVERAGE ASR™
1	SOUTH KOREA	44%
2	INDIA	43%
3	MALAYSIA	42%
4	THAILAND	40%
5	SINGAPORE	39%
6	INDONESIA	38%
7	TAIWAN	34%
8	HONG KONG	33%
9	PHILIPPINES	29%
10	MAINLAND CHINA	20%

By country /region the companies at the top and the bottom of the ASR™ are as follows:

### Mainland China

Company	Position	Asian Sustainability Rating™
LENOVO GROUP LTD	12	77%
CHINA SHENHUA	40	68%
REN REN LE	536	4%
SHANGHAI BAILI	537	4%

Mainland China leads the ASR™ results in both the number of companies reviewed (208) and market capitalization (US\$ bn 1,951). However, the widespread lack of disclosure, in Mandarin and English, resulted in a last place ranking for mainland Chinese companies in every ASR™ category except Governance (where Taiwan is in 10<sup>th</sup> place).

### Hong Kong

Company	Position	Asian Sustainability Rating™
CLP HOLDINGS LTD	3	84%
CATHAY PACIFIC	8	81%
JARDINE MATHESON	418	16%
HONG KONG LAND	461	12%

Scoring on ASR™ environmental indicators shows a wide disparity. The top companies perform amongst the best in the region but widespread and poor non-material reporting in this area plagued the overall Hong Kong universe. This resulted in Hong Kong in 9<sup>th</sup> place for the Environment rating with only mainland China performing worse.

### India

Company	Position	Asian Sustainability Rating™
WIPRO LTD	5	83%
DR REDDY'S LABS	7	83%
UNITECH LTD	435	14%
INDIABULLS REAL ESTATE	539	3%

Reporting in India is strong in every category except Governance. In the General category India comes in first place, with over the companies included delivering material sustainability reports that are relevant to the company's business model.

### Indonesia

Company	Position	Asian Sustainability Rating™
UNILEVER INDONESIA	9	79%
ASTRA INTERNATIONAL	42	68%
GUDANG GARAM	433	14%
DELTA DUNIA MAKMUR	542	3%

Even though Indonesia is rich in natural resources, there was an absence of material reporting on environmental indicators in Indonesia. Only one company provided detailed emissions information. This lack of information was particularly prevalent within the extractives sector.

## Malaysia

Company	Position	Asian Sustainability Rating™
DIGI	11	78%
BRITISH AMERICAN TOBACCO MALAYSIA	17	76%
MAXIS BHD	300	24%
PPB GROUP BERHAD	310	23%

Malaysian companies scored well in the Social category, with leading companies reporting on their stakeholder engagement with employees, customers, suppliers and the communities in which they operate. However, in all sectors in the Malaysian universe almost all companies score below 25% for the environmental reporting.

## Philippines

Company	Position	Asian Sustainability Rating™
AYALA LAND	15	78%
MANILA WATER	64	61%
SAN MIGUEL CORPORATION	474	11%
JOLLIBEE	502	9%

Outside of a few top-performing companies the Philippines universe is characterized by widespread non-disclosure. Reflecting on the deeply entrenched culture of corporate philanthropy many companies see sustainability as the activities of the company foundation rather than an embedded part of corporate practice.

## Singapore

Company	Position	Asian Sustainability Rating™
CITY DEVELOPMENTS	4	84%
CAPITALAND LTD	37	69%
PARKWAY HLDGS	350	20%
SUNTEC REIT	437	14%

There is currently only limited disclosure in Singapore beyond Governance issues. There is huge potential for change given the recently announced policy and guidelines for sustainability disclosure by the Stock Exchange.

## South Korea

Company	Position	Asian Sustainability Rating™
SK TELECOM	24	73%
POSCO	26	72%
HYOSUNG CORPORATION	491	10%
GS HOLDINGS	541	3%

Korea demonstrates a strong level of disclosure against all categories except Governance. Leading global brands are evidently leading this trend. These highly visible global companies have undertaken a range of initiatives in an effort to align themselves with global trends on energy efficiency, climate change and resource utilization which is clearly driving disclosure.

## Taiwan

Company	Position	Asian Sustainability Rating™
TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY	1	87%
UNITED MICROELECTRONICS	2	86%
TAIWAN CEMENT	538	3%
CHENG SHIN RUBBER	540	3%

Taiwanese companies score at the two extremes of the ASR™. The top scorers reflects the competitive requirements faced by their globally renowned IT sector but sustainability management is still far from the norm in Taiwan.

## Thailand

Company	Position	Asian Sustainability Rating™
SIAM CEMENT PLC	19	74%
PTT PCL	32	70%
TMB BANK PLC	336	21%
CP THAILAND	520	8%

Disclosure promotion in Thailand has to date focused only on governance. There is still largely weak performance in environmental and social reporting. Not one Thai company had a direct named contact for sustainability enquiries. No company in the Thai universe sets targets for energy or water use or waste production, a key component of any sustainability strategy.

The ASR™ is a proprietary ESG benchmarking methodology that was developed in collaboration between Responsible Research and CSR Asia. ASR™ examines publicly available information of all the leading listed companies in the ten countries / regions of the MSCI AC (All Country) Asia ex Japan and provides investors, companies and other stakeholders with a view of strategic sustainability of these companies.

The data in ASR™ 2010 can be used by responsible investors to benchmark portfolios and add a sustainability dimension to investment decision-making and engagement practices. Companies and their stakeholders can also use the tool to monitor their progress on sustainability and to review ESG management and disclosures from business partners and competitors. Individual company or peer analysis can be provided for companies wishing to know how their peers are performing on sustainability disclosure. Investors, NGOs and the media are also invited to access indicator data.

For more information on the ASR™, please contact

Erin Lyon, Executive Director, CSR Asia.

Tel: (+65) 6884 5928

HP: (+65) 9637 9580

Email: [elyon@csr-asia.com](mailto:elyon@csr-asia.com)

Lucy Carmody, Executive Director of Responsible Research,

Tel: (+65) 9386 6664

Email: [lucy@responsibleresearch.com](mailto:lucy@responsibleresearch.com)