

2010 Global 100 Most Sustainable Corporations Announced in Davos

DAVOS, Switzerland, January 27, 2010 – Corporate Knights, the magazine for clean capitalism, announced its sixth annual Global 100 list of the most sustainable large corporations in the world. This edition of the Global 100 list establishes a new standard of transparency for such rankings.

The 2010 Global 100 tapped intelligence from the world's largest sustainability research alliance put together by Legg Mason's Global Currents Investment Management and Phoenix Global Advisors LLC to isolate the top ten per cent of companies from a universe of 3000 global stocks, which were then transparently ranked based on 10 indicators, with data sourced from ASSET4, a Thomson Reuters business, and The BLOOMBERG PROFESSIONAL® service. The Global 100 includes companies from 24 countries encompassing all sectors of the economy, with a collective enterprise value of \$4 trillion, and three million employees.

The top rank overall went to General Electric Company, supplier of the multibillion dollar Ecomagination line, whose score was bolstered by its industry leading ratio of sales to waste (\$729,685 in sales per tonne of waste produced, good for 89th percentile of Capital Goods industry group), strong board gender diversity (almost a quarter of directors were female), and an impressive doubling of its carbon productivity (sales/tonnes of total CO₂e) from 2006 to 2008, cutting total carbon emissions from 10.8 million tonnes to 6.5 million tonnes, while increasing sales from \$150 billion to \$181 billion. In addition to its carbon productivity improvements, GE also increased its annualized resource productivity in excess of the six per cent "sustainable path" threshold from 2006 to 2008 for waste, energy, and water, while paying 98% of its reported tax obligations over the same period.

Among the 24 countries, the United Kingdom led the way with 21 Global 100 companies (one more than they had in 2009). The United States followed with 12 (down from 20 in 2009). Canada and Australia tied for third with nine companies a piece (up from five, and four respectively). Rounding out the top ten scoring countries with the most constituents were Switzerland (six), France (five), Japan (five), Germany (four), while Brazil, Denmark, Finland and Sweden each registered three Global 100 constituents. Fifty per cent of the 2009 companies remained on the list in 2010.

In addition to social indicators such as CEO-to-average worker pay and diversity of board directors, the 2010 Global 100 established and measured companies against an objective 'sustainable path' standard for energy, carbon, water, and waste ratios, which was set at achieving annualized resource productivity gains in excess of the 6 per cent, a threshold informed by research by Lord Nicholas Stern, the McKinsey Global Institute, and Factor Four literature. By this measure, 71% of the 2010 Global 100 are on a path towards sustainable resource use.

Toby Heaps, Editor-in-Chief of Corporate Knights Magazine, says, "By using clear metrics to show investors which companies stand out from their peers, we hope to create a virtuous cycle where the most sustainable companies attract the most capital and earn the best returns."

From its inception in February 2005, the Global 100 Most Sustainable Corporations has achieved a total return of 23.67%, outperforming its benchmark (the MSCI All Country World Index) by 334 basis points per annum to January 25th, 2010.

To determine the Corporate Knights Global 100 for 2010, the following significant improvements were made:

1. Environment, social and governance (ESG) information was obtained from a group of data providers rather than a single data provider.
2. ESG data was integrated with financial data to enhance analysis.

3. Companies were ranked transparently by a set of ten objective sustainability indicators as opposed to a "black-box" approach.
4. A greater number of companies from emerging markets were included in the analysis.

Matthew Kiernan, chief executive of Inflection Point Capital Management, a new sustainability-focused asset management venture, whose 5-factor model underpins the list, notes: "Given the range and quality of inputs in creating the Global 100, we would expect the Global 100 to become over time the 'international gold standard' for sustainability indexes. We anticipate that demand from leading institutional investors will be strong."

Michael T. Dieschbourg, President and CEO, Head of ESG, Global Currents Investment Management, comments: "All of us at Global Currents are honoured to be part of a global effort to bring sustainable investing into the mainstream of investment choices for institutions. We believe the merging of sustainable factors from a Risk/Reward viewpoint with financial factors allows all investors the opportunity to understand and benefit from the growing ESG research choices."

This year's Global 100 were recognized at the Davos World Economic Forum at a private dinner hosted by Corporate Knights and Inflection Point Capital Management. The dinner discussion, which included asset managers with a combined \$2 trillion in assets under management, was moderated by Moisés Naím, Editor-in-chief of Foreign Policy Magazine, explored the proposal put forward by George Soros, Chairman of Soros Fund Management, to create a \$100 billion Green Fund for developing countries by tapping International Monetary Fund special drawing rights (SDRs).

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For full rankings and other details, please see: www.global100.org

About Corporate Knights:

Founded in 2002, Corporate Knights Inc. is an independent Canadian-based media company focused on prompting and reinforcing sustainable development. <http://www.corporateknights.ca/>

The Global 100 Most Sustainable Corporations in the World is an annual project initiated by Corporate Knights, the magazine for clean capitalism. In 2010, Corporate Knights collaborated with three strategic partners to identify the Corporate Knights Global 100 Most Sustainable Corporations in the World: Inflection Point Capital Management, a sustainability-focused asset management venture founded by Dr. Matthew Kiernan, Legg Mason's Global Currents Investment Management, and Phoenix Global Advisors LLC (a consulting and technology platform focused on sustainability).

Launched in 2005, the Global 100 is announced each year at the World Economic Forum in Davos.