



INSTITUTIONAL SHAREHOLDER SERVICES

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## **Institutional Shareholder Services Introduces Sustainability Risk Reports**

### ***Industry's Most Comprehensive Database Draws on Over 400 Environmental, Social and Governance Indicators to Help Investors Manage Compliance and Portfolio Risk***

Rockville, Maryland; May 23, 2007: Institutional Shareholder Services (ISS), the world's leading provider of corporate governance and proxy voting services, today announced the availability of its global Sustainability Risk Reports database. Drawing on an extensive set of over 400 environmental, social and governance (ESG) factors, ISS' in-depth company profiles offer rich qualitative analysis combined with a relative scoring system to help investors assess companies' ESG performance and compare against industry peers.

Environmental and social issues such as climate change, energy use, labor and human rights are rapidly translating into mainstream investment issues. Their increasing importance is driving institutional investors to incorporate more extensive sustainability considerations into the investment process. Leveraging the analysis and scoring embedded in ISS' Sustainability Risk Reports enables investors to analyze the potential sustainability-related risks and opportunities of portfolio companies.

"Shareholders not only expect their asset managers to know whether companies are acting as good corporate citizens, but also to consider ESG performance when managing their portfolios," said John Deosaran, ISS' Vice President of ESG Analytics. "With ISS' Sustainability Risk Reports database, investment managers can identify those ESG factors that best align with their client-driven mandates, and determine appropriate investment weightings, turning compliance priorities into a competitive edge."

Building upon its proven corporate governance model ("CGQ") introduced in 2002, ISS is the first to deliver a reliable, objective and transparent scoring system for environmental and social performance. The breadth of ISS' sustainability scoring factors encompasses key areas such as carbon emissions, energy use, labor standards and ethics. ISS also analyzes each company's disclosure practices, adherence to ESG policies and its Board's oversight of ESG issues. Investment managers can leverage ISS' reports and scoring model to identify sustainability-related risk in portfolio companies and to manage client-driven mandates related to environmental, social and governance screening.

"Investors are asking increasing numbers of companies to provide more information around their ESG efforts, yet disclosure practices vary widely," added Deosaran. "To obtain a comprehensive picture, investors need a consistent framework to evaluate ESG practices. ISS' Sustainability Risk Reports database offers a uniform methodology to benchmark companies' sustainability actions so investors can make more informed investment choices."

ISS' global coverage universe for its Sustainability Risk Reports database includes the S&P 500, TSX 300 and European MSCI EAFE companies. The Sustainability Risk Reports are available via the Governance Analytics® platform, the industry's leading online platform for proxy voting and corporate governance. To learn more about ISS' ESG services, please visit: <http://www.issproxy.com/esg/index.html>.

#### **About Institutional Shareholder Services**

ISS, the world's leading provider of corporate governance and proxy voting solutions, is a subsidiary of RiskMetrics Group. Founded in 1985, ISS provides proxy research, voting services and corporate governance advisory services to financial institutions and corporations worldwide. Together, ISS and RiskMetrics Group help investors manage across multiple classes of interrelated risk. ISS is headquartered in Rockville, Maryland with offices in Washington, DC, Amsterdam, Brussels, Chicago, London, Manila, Melbourne, New York, Paris, Tokyo and Toronto. For more information on ISS, visit [www.issproxy.com](http://www.issproxy.com).

Contact: Cheryl Gustitus  
Senior Vice President, Communications

Tel: 301.556.0538  
Email: [cheryl.gustitus@issproxy.com](mailto:cheryl.gustitus@issproxy.com)

Sarah Cohn  
Director, Communications

Tel: 212.354.4643  
Email: [sarah.cohn@issproxy.com](mailto:sarah.cohn@issproxy.com)

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