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The *Cambridge Sustainability Research Digest* is a monthly briefing on a selection of the latest global research on leadership for sustainability, compiled by Rebecca Collins and edited by Wayne Visser for the University of Cambridge Programme for Industry (CPI). For more information on CPI, see www.cpi.cam.ac.uk.

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1) CONTROVERSIAL COMPANIES RANKING (GLOBAL)

Risk solution provider ECOFACT has released a Reputational Risk Index, listing companies which were routinely in the news and criticized by non-governmental organizations in the first half of this year. The RepRisk tool ranks companies on negative press and criticism from NGOs on labour, environmental and corruption issues.

Key findings

Rank	Company	Top issues
1	Samsung	• Corruption, bribery, extortion, money laundering • Human rights abuses and corporate complicity • Local pollution
2	Total SA	• Human rights abuses and corporate complicity • Impacts on ecosystems/landscapes • Impacts on communities
3	Wal-Mart	• Violation of labour standards • Supply chain • Human rights abuses and corporate complicity
4	China National Petroleum Corporation	• Human rights abuses and corporate complicity • Impacts on communities • Impacts on ecosystems/landscapes
5	Royal Dutch/Shell	• Impacts on ecosystems/landscapes • Impacts on communities • Local pollution

- Places 6-10 in the ranking were taken by: ExxonMobil, Citigroup, Nestlé, ArcelorMittal and Chevron.

For more information

Further details can be found at http://www.reprisk.com/repriskabout/ and a full copy of the report can be requested by emailing mansson@ecofact.com

2) ENVIRONMENTAL RISKS SURVEY (GLOBAL)

The Economist Intelligence Unit has surveyed 320 senior global executives on their companies' approach to environmental risks. The study considered issues such as optimising the supply chain to minimise carbon dioxide emissions, increasing energy efficiency, identifying and managing environmental liabilities, the impacts of water pollution, air pollution, emissions, disruption to the supply chain from extreme weather, use of hazardous chemicals and water scarcity.

Key findings

- Around two out of five senior executives admit to neglecting environmental risks.
- 33% of respondents said they managed environmental risks in an 'ad hoc' manner. 10% admitted that environmental risk is not managed at all in their organisation.
- On the factors hindering the executives' ability to take environmental risks into account, 35% said there was a lack of certainty on the impact of their environmental liabilities, while 34% blamed a lack of international harmonisation of regulation.
- Only 41% were confident that they were accurately assessing the scale and scope of their environmental liabilities, while a third said they made good decisions on whether to absorb or transfer these risks.
- Less than half conduct an environmental assessment when developing new products and services, falling to 32% when selecting suppliers or partners, 26% when planning geographical expansion and 19% when planning mergers and acquisitions.
- In 14% of organisations no one had overall responsibility for environmental risk management.

For more information

The full report can be viewed as a PDF at:
http://www.aceeuropeangroup.com/AceEuropeRoot/Media+Centre/Research/EIU+Survey/

3) GREEN INVESTMENT REPORT (GLOBAL)

Merrill Lynch and Capgemini have released the World Wealth Report 2008, which looks at the state of high-net-worth individuals (HNWIs) and what is driving wealth generation.

Key findings

- High-net-worth individuals around the world have boosted their investments in green technologies, with a higher proportion of investments coming from the Middle East and Europe.
- Total investments in clean technology in 2007 added up to $117 billion, up 41% from investments in 2005.
- Venture capital investments went from $3.6 billion in 2006 to $5.2 billion in 2007. Most of the investments are from wealthy private clients.
- Globally, 12% of HNWIs include green technology and alternative energy investments in their portfolio, and 14% of ultra-high-net-worth individuals (Ultra-HNWIs, those with at least $30 million in financial assets) have invested in green technologies.
- Wealthy investors in the Middle East, Europe and Latin America surpass the global percentages. In the Middle East, 20% of HNWIs and 21% of Ultra-HNWIs invest in green, as do 17% of HNWIs and 20% of Ultra-HNWIs in Europe and 15% of HNWIs and 17% of Ultra-HNWIs in Latin America.
- Among investors in the Asia-Pacific region, 13% of HNWIs and 14% of Ultra-HNWIs have green technologies in their portfolios. North America comes in with the lowest percentage of investors, with 5% of HNWIs and 7% of Ultra-HNWIs.
- North American investors were the only ones to report that social responsibility was a primary driver of green investments. About half of other investors said financial returns was the main motivating factor.

For more information

The full report can be viewed as PDF at: http://www.ml.com/media/100472.pdf

4) GREEN MARKETING REPORT (UK/US/France/Germany)

The Climate Group and US brand consultancy Lippincott have surveyed a total of 4,000 respondents split equally between the U.S., United Kingdom, Germany and France on the subject of green marketing and brand communications.

Key findings

- The total number of people concerned about climate change continues growing, but consumers are not convinced that the business sector is doing as much as it should.
- Companies are failing to adequately communicate their climate change-related efforts to consumers.
- 74% of US respondents could not name a single brand that is taking a lead on climate change. The figure for UK respondents was 69%.
- US respondents named GE, BP, Toyota, Wal-Mart and Exxon as the leading U.S. companies battling climate change. UK consumers named Tesco, BP, The Co-operative, Marks & Spencer and Sainsbury's.
- In the German top five, Greenpeace and WWF appear.
- 22% of Americans surveyed feel "I am personally making a significant effort to help reduce climate change through how I live today", up from 13% in 2007.
- At the same time, confidence remains low, and belief that climate change will be halted is falling: from 9% in 2007 to 7% in the US. This profile of high commitment and low confidence is similar in the other countries surveyed.
- Consumers are not finding the current messages compelling enough to build "traction". In particular, many consumers demand substantial evidence in order to trust the claims made by businesses about green issues.
- The research also indicates that on the whole, consumers want businesses to be more aggressive in tackling climate change.
- The respondents were grouped into the following segments based on their responses:

Respondent Segment	%age of Respondents	Key Characteristics
Campaigners	27%	Deeply committed but require supporting evidence to trust
Optimists	17%	Committed and want to feel good
Confused	19%	Undecided and need clarity of why and how
Followers	9%	Partially committed, want to look good
Unwilling	12%	Accept climate change as an issue but not prepared to act
Rejecters	16%	Actively reject both the issue and taking action

For more information

The full report can be viewed as a PDF at:
http://www.theclimategroup.org/assets/resources/Climate_Change_UK_07.pdf

5) MBA EMPLOYMENT SURVEY (US)

A survey of 759 graduating MBAs from eleven top business schools across the US was undertaken by David Montgomery of the Stanford University Graduate School of Business and Catherine Ramus of the University of California Santa Barbara.

Key Findings

- A company's CSR performance is a major factor when selecting a new employer and students are willing to sacrifice a portion of their salary to work for a firm that shares their outlook.
- On average, graduates expected to a salary of US$103,650 a year from their first job, but over 97% would be willing to sacrifice almost US$15,000 a year to work at a company that exhibited a combination of good employee and stakeholder relations, strong environmental performance and ethical business conduct.
- The intellectual challenge offered by a role was the number one factor in selecting a job, while money and location were tied for second place.
- A reputation for "ethical conduct and caring policies" was also ranked highly by respondents, who weighted them as having 75% of the importance within the intellectual challenge criteria.
- Other components of CSR policies, such as environmental performance and community relations, were also cited by respondents as having a significant effect on graduates' job selection decisions.

For more information

Further details on the research can be found at
http://www.gsb.stanford.edu/news/research/montgomery_mba.html

6) SUSTAINABILITY REPORTING STUDY (US)

The Sustainable Investment Research Analyst Network (SIRAN) and KLD Research Analytics Inc. have released a report on the improvements in sustainability reporting of the Standard & Poor's 100 Index. Individual companies were judged on having: a separate sustainability website section, annual report, GRI references, GRI content, goals and benchmarks, and accordance to GRI guidelines.

Key Findings

- By and large, public companies have taken great strides in reporting their sustainability efforts.
- 86% of companies on the Standard and Poor's 100 Index have corporate sustainability websites, compared to 58% in 2005.
- Roughly half produced a sustainability report last year, 26% higher than in 2005, when 39 companies issued reports.
- The companies with the top reporting scores were Dow Chemical, Ford Motor Co., General Electric, Intel and Weyerhaeuser Corp.
- Overall, a third of the S&P 100 companies included a GRI Index in their reports, an increase of 70% from the 20 companies that did so two years earlier.
- 41 companies now include a reference or references to the GRI standards, up 71% from just 24 in 2005.

For more information

Further information can be found at http://www.siran.org/pdfs/SIRANPR20080717.pdf

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