

New report from Hennick Centre and Jantzi-Sustainalytics provides recommendations to Minister of Finance to enhance corporate social reporting

TORONTO, June 15, 2010 – York University's Jay and Barbara Hennick Centre for Business and Law and Jantzi-Sustainalytics have submitted recommendations to the Minister of Finance on how the Ontario Securities Commission (OSC) can begin to improve corporations' disclosure of their social practices. They will hold a press conference to release the report at 10:30am today, Tuesday, June 15, 2010 at the annual conference of the Social Investment Organization, to take place at the InterContinental Toronto Centre (225 Front Street West, Halton Room).

In their report, *Corporate Social Reporting Initiative*, produced with the generous support of the Association of Certified Chartered Accountants (ACCA), the Hennick Centre and Jantzi-Sustainalytics address the reasons and scope for and the regulation of corporate social reporting, which applies to topics such as human and labour rights, employee health and safety, local community development, and product safety. The Hennick Centre and Jantzi-Sustainalytics recommend that the OSC clarify existing disclosure obligations to indicate the need to consider the materiality of social issues to investors' decisions and long-term corporate performance. They also recommend that the OSC facilitate continued dialogue among relevant stakeholders in order to support a shift toward more standardized metrics and reporting in this area.

"The recommendations and discussion set out in this report provide valuable and timely insights on public company social issue disclosure obligations," said Ontario Minister of Finance Dwight Duncan. "I appreciate the efforts of those who contributed to this report and look forward to reviewing the recommendations in greater detail."

"There is growing momentum in a number of jurisdictions around the world to enhance corporate disclosure on ESG performance," said Kevin Ranney, Global Director, Responsible Investment Services at Jantzi-Sustainalytics. "The OSC has an opportunity to play a leading role in this area, and our recommendations suggest some concrete steps that it can take in doing so."

This report is the outcome of a December 2009 consultation held in response to the April 2009 non-binding resolution by Laurel Broten, MPP for Etobicoke-Lakeshore, passed unanimously by the Legislature. That resolution called on the OSC to conduct a consultation into best practices on corporate social responsibility (CSR) and environmental, social and governance (ESG) reporting standards.

"The knowledge gained through enhanced disclosure provides better protection for individual investors," said MPP Broten. "I appreciate the work put into examining the issue of corporate social performance, given the many complex social issues investors are increasingly considering."

The roundtable consultation and subsequent solicitation of comments drew on the expertise of more than 50 representatives from the investment community, government agencies such as the Ministry of Finance; non-profit organizations such as the Social Investment Organization and the Canadian Coalition for Good Governance; and business, including the mining, energy and banking sectors.

According to Ed Waitzer, Director of the Hennick Centre for Business and Law, "Increasingly corporate leaders and investors alike are focusing on sustainable performance and effective risk management. Both will require heightened levels of social disclosure."

The report is available to the public at: www.hennickcentre.ca and www.sustainalytics.com.

The Hennick Centre for Business and Law is the first Canadian centre to promote and develop joint business and law scholarship and education. The Centre is a joint initiative of Osgoode Hall Law School and the Schulich School of Business at York University. This policy report is part of a series of activities organized by the Centre on issues at the intersection of law, business and public policy.

Jantzi-Sustainalytics provides environmental, social and governance (ESG) research and analysis as well as responsible investment services to investors around the world. The firm offers global perspectives and solutions that are underpinned by local experience and expertise, serving both values-based and mainstream investors that integrate ESG information and assessments into their investment management.

ACCA (the Association of Chartered Certified Accountants) is the global body for professional accountants. ACCA supports its 140,000 members and 404,000 students throughout their careers and provides services through a network of 82 offices and active centres around the world.

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