

# Social Responsibility rating and auditing

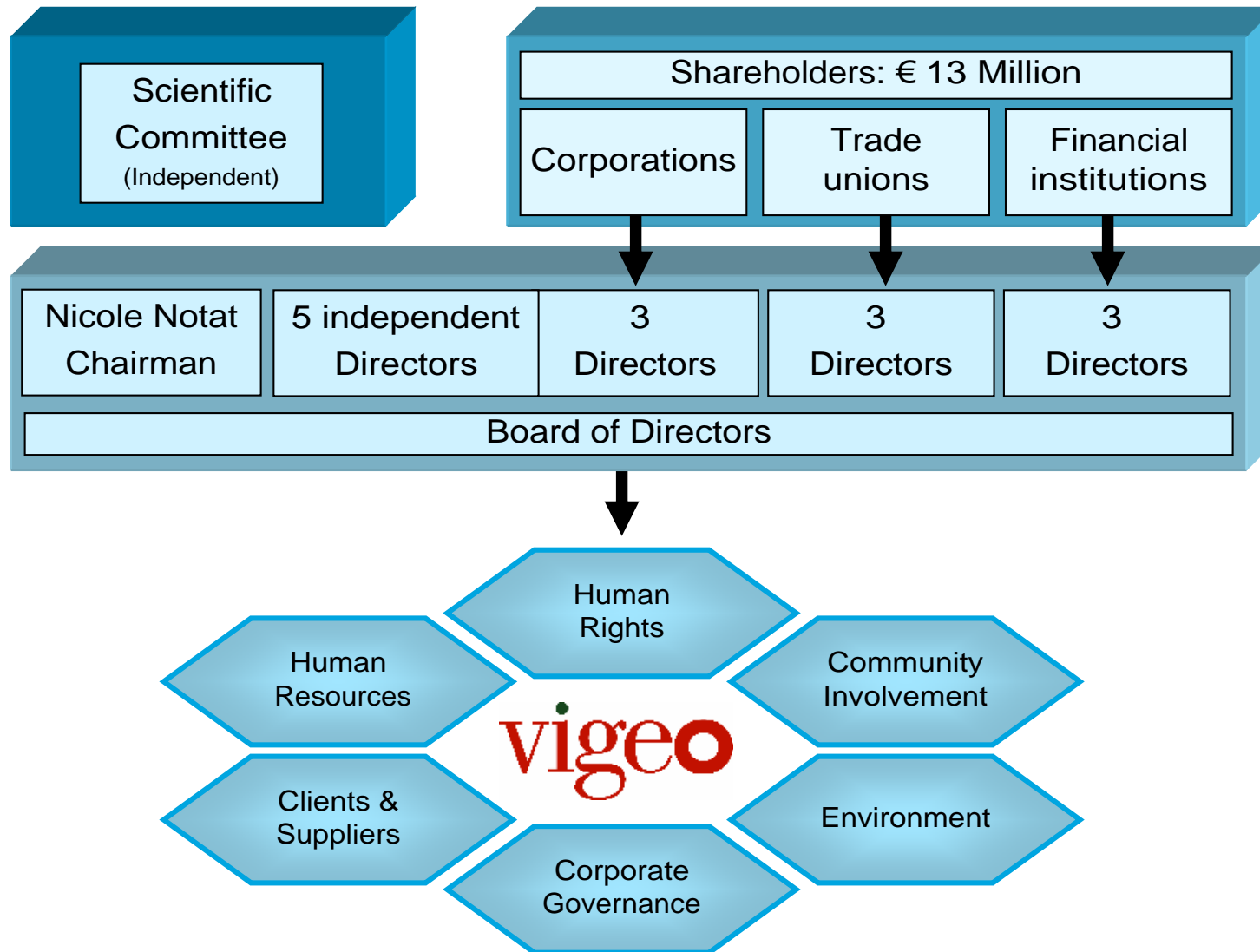


**vigeo**  
corporate social responsibility rating

Évaluation  
Human rights  
Transparence  
Corporate governance  
Ressources  
humaines  
Performance  
Notation  
solu  
Notation  
declarative



# VIGEOGROUP : OVERVIEW





# SHAREHOLDERS

FINANCIAL INSTITUTIONS
CAISSE NATIONALE DES CAISSES D'EPARGNE
AG2R
CREDIT AGRICOLE
IONIS
OFIVALMO
SGAM FINANCE
DEXIA AM
LAZARD FRERES
CECA
MACIF GESTION
CREDIT COOPERATIF

EUROPEAN TRADE UNIONS
CFDT (France)
CC.OO (Espagne)
CISL (Italie)
CSC (Belgique)
UGTE (Espagne)
OGB (Autriche)
UGTP (Portugal)

CORPORATIONS
ACCOR
ADECCO
AGF
AIR France
AIRBUS INDUSTRIES
AMEC SPIE
ALCATEL
ARCELOR
AVENTIS
AXA
BNP PARIBAS
CARREFOUR
CCF
CIE DE ST GOBAIN
CREDIT LYONNAIS
DANONE
EADS
EDF
EGG
FRANCE TELECOM
GDF
LAFARGE
MANPOWER
MCDONALD'S
PECHINEY
PINAULT PRINTEMPS REDOUTE
RENAULT
RHODIA
ROYAL BANK OF SCOTLAND
SANPAOLO IMI SPA
SCHNEIDER ELECTRIC
SUEZ
THALES
TMM
TOTAL
VIVENDI ENVIRONNEMENT

# ● VIGEO'S CSR SERVICES

## Investor- Solicited Ratings

Facilitate investment- decision making process

(Equitics)

- Rating companies listed on the DJStoxx 600
- Clients: fund managers & institutional investors
- Analysis at group level
- Team of SRI analysts

## Corporate- Solicited Audits

CSR management tool

(Overnance)

- Ratings a set company perimeter
- Clients: companies (listed & non- listed)
- Analysis on site & on the basis of defined parameters
- Team of CSR auditors

No consulting, no label, no certification



## EQUITICS INVESTOR CLIENTS

AGF AM – AXA IM – ALLIANZ GLOBAL INVESTORS (UK) –  
BANK SARASIN (CH&FR) - BNP PARIBAS AM – BOISSY GESTION –  
CREDIT AGRICOLE AM – CREDIT MUTUEL FINANCE – DEXIA AM (BE) –  
ECOFI INVESTISSEMENTS GROUPE CREDIT COOPERATIF –  
ECUREUIL GESTION – ETOILE GESTION - FEDERAL GESTION –  
FEDERIS GESTION D'ACTIFS GROUPE MALAKOFF ET MEDERIC –  
GEORGES V AM – GROUPAMA AM - HSBC AM (UK&FR) – I.DE.A.M. –  
IONIS INTERINVESTISSEMENT – ISICA EPARGNE AG2R –  
IXIS ASSET MANAGEMENT – IXIS CORPORATE & INVESTMENT BANK -  
LAZARD FRERES GESTION –  
LOMBARD ODIER DARIER HENTSCHE & CIE (CH) – MACIF GESTION –  
MEESCHAERT – MMGI BANQUE MARTIN MAUREL – NATEXIS ASSET  
MANAGEMENT – NATEXIS EPARGNE ENTREPRISE –  
NSM GESTION GROUPE ABN AMRO - PRADO EPARGNE –  
PRO BTP FINANCE – RCM (DE) – SOCIETE GENERALE AM - SOGEPOSTE –  
VEGA FINANCE

# ● The two main Social responsibility approaches

<p>« Normative »</p> <p>« Ethical convictions »</p>	<p>« Instrumentale »</p> <p>« Ethique de responsabilité »</p>
<ul style="list-style-type: none"> <li>○ Taking in account stakeholders expectations is an end in it self</li> <li>○ Moral, religious and philosophical considerations : « the good does not need justification; it has its own value »</li> <li>○ Stakeholders expectations have equal and intrinseque value</li> <li>○ Company is an institution who must serve broader social targets than maximizing profits</li> </ul>	<ul style="list-style-type: none"> <li>○ Taking in account stakeholders expectations is a mean</li> <li>○ Causality link between stakeholder management and Corporate or Organisational performance</li> <li>○ Hierarchisation of Stakeholders (from the more to the less strategics) in the definition and implementation of corporate or organisationnel commitments, management, accounting and/or reporting</li> </ul>



## 2 TYPES OF SRI

- ◉ « Militant » approach

Negative screening (products, sectors : weapons, nuclear energy ...)

⇒ fighting for a cause

- ◉ « Risk » approach

Taking into account social and environmental risks

⇒ Stakeholder management is used to create corporate performance



## Vigeo approach : managerial assessment

1. **Stakeholder's engagement and management** are a means for a global performance
2. Taking in account stakeholders expectations is not necessary a legal requirement but, as a commitment, it is a mean for a performance
3. Organisational or Corporate commitments have to be based on principles and objectives recommended or recognised by international institutions (UN, ILO, OECD...)
4. Stakeholders hierarchisation is not relevant in social responsibility field but hierarchisation of international principles and objectives following sectors, products, services, size, and territories of company or Organisation's activities





## VIGEO MARKET POSITIONNING

VIGEO has developed a methodology and a range of data products that enable asset managers to leverage their research activities on a wide variety of SRI approaches

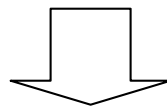


## VIGEO RESEARCH METHODOLOGY: EQUITICS

Rating the social, societal & environmental performance of companies

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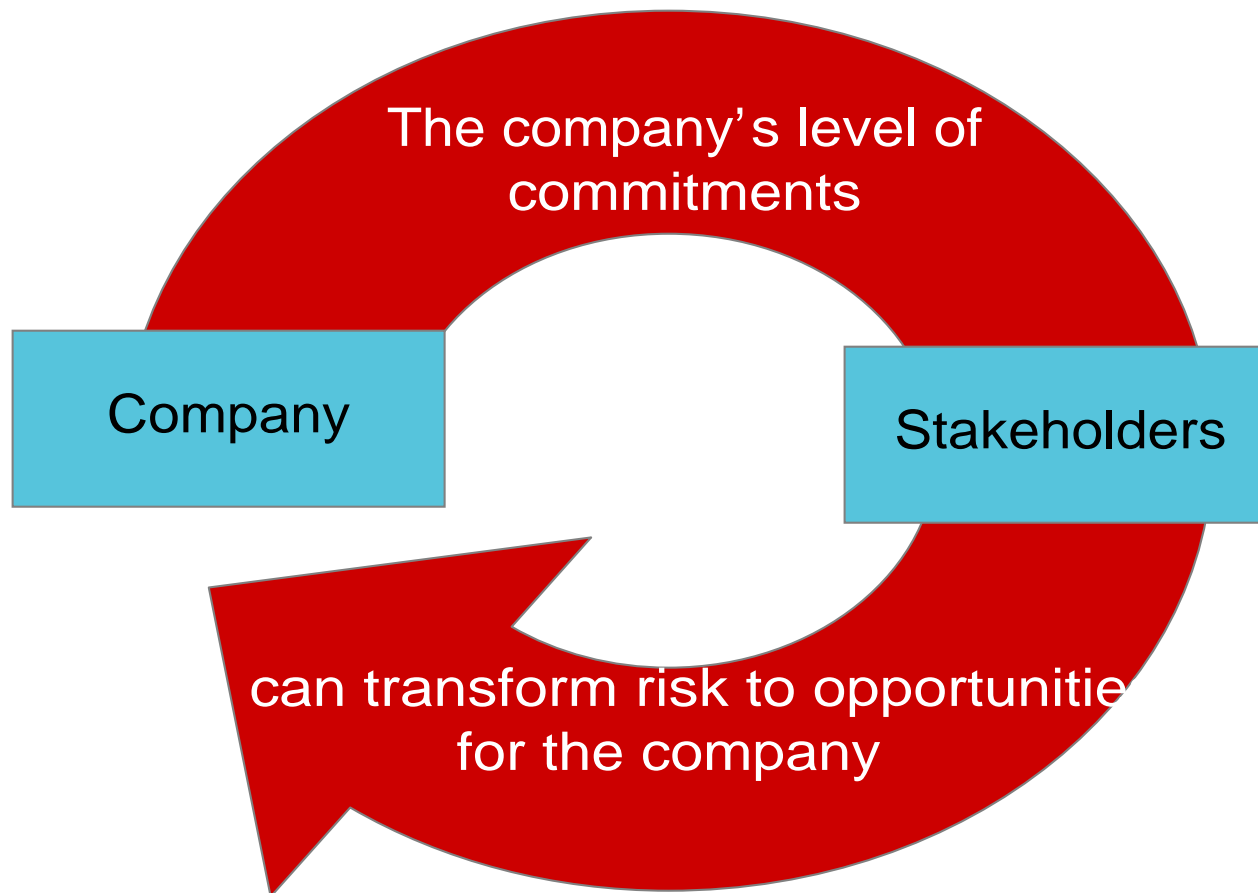
Evaluating of the level to which stakeholder interests are integrated into their management systems



Identification of the related risks and opportunities



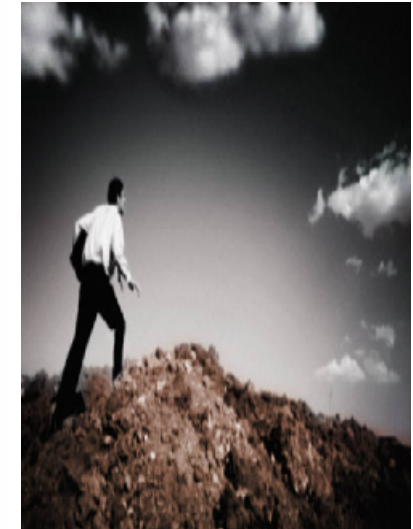
## VIGEO MODEL: MANAGEMENT EVALUATION



Réputation- Human capital- Efficiency- Legal risks- market risks- Transparency- risk

# Definition of Vigeo's risk categories

<b>Reputation</b>	<ul style="list-style-type: none"> <li>- Brand recognition, allegations, controversies</li> <li>- Social acceptability</li> <li>- Attracting new skills</li> <li>- License to operate</li> </ul>
<b>Human Capital</b>	<ul style="list-style-type: none"> <li>- Stability of work relations and social conflict mitigation</li> <li>- Retention of skills and know-how</li> <li>- Corporate culture and values</li> </ul>
<b>Operations</b>	<ul style="list-style-type: none"> <li>- Control of operating costs</li> <li>- Competitiveness of products and services</li> <li>- Effectiveness of organisation and processes</li> <li>- Innovation and prevention of technological obsolescence</li> <li>- Gains in productivity</li> <li>- Efficiency of strategic planning</li> </ul>
<b>Legal</b>	<ul style="list-style-type: none"> <li>- Litigations, trials, legal proceedings, and fines</li> </ul>
<b>Market Authorisation</b>	<ul style="list-style-type: none"> <li>- Marketing and products/services acceptance</li> <li>- Procurement security and quality</li> </ul>
<b>Transparency</b>	<ul style="list-style-type: none"> <li>- Communication of required information</li> </ul>



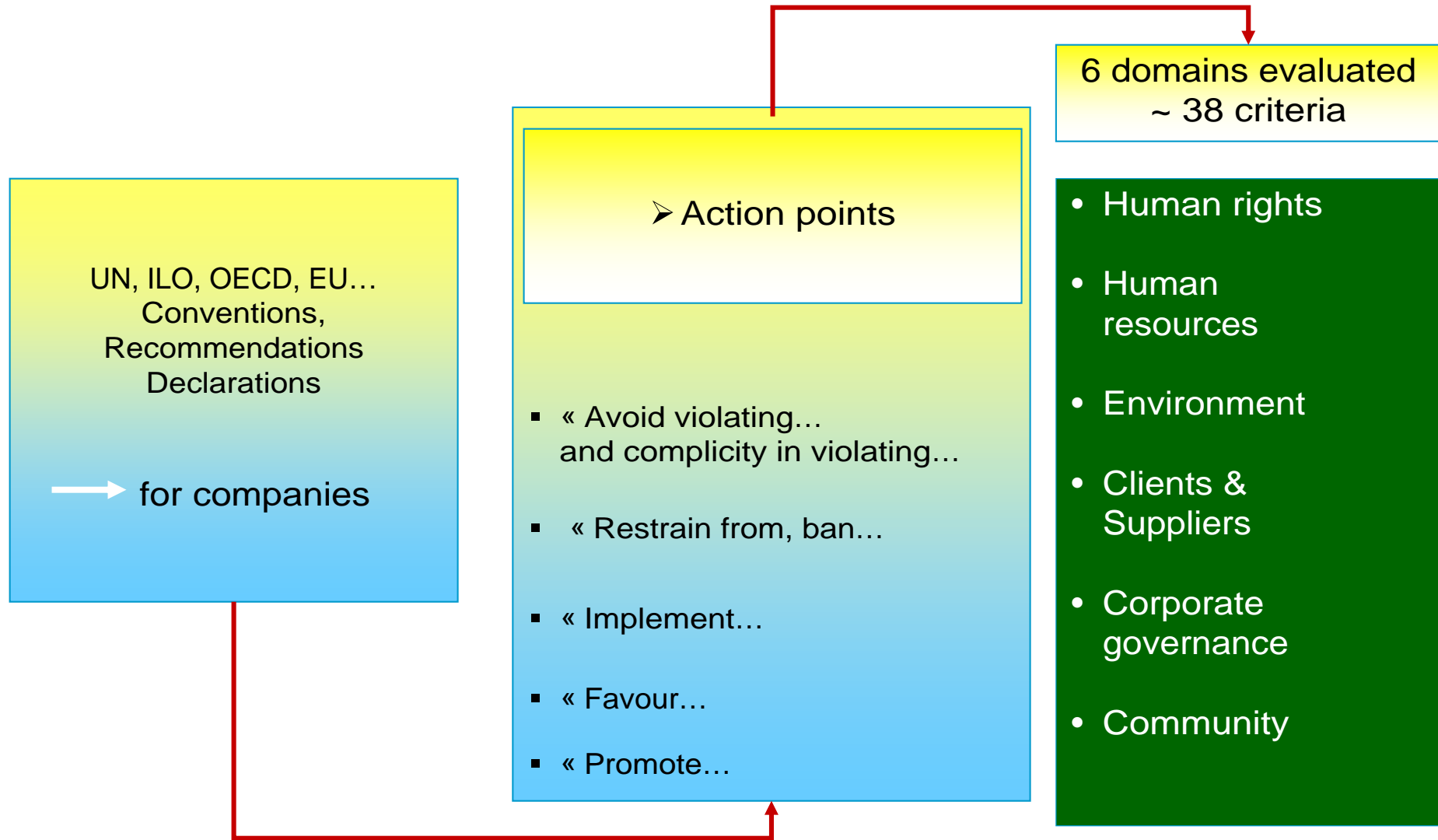


## Social responsibility – Definitions

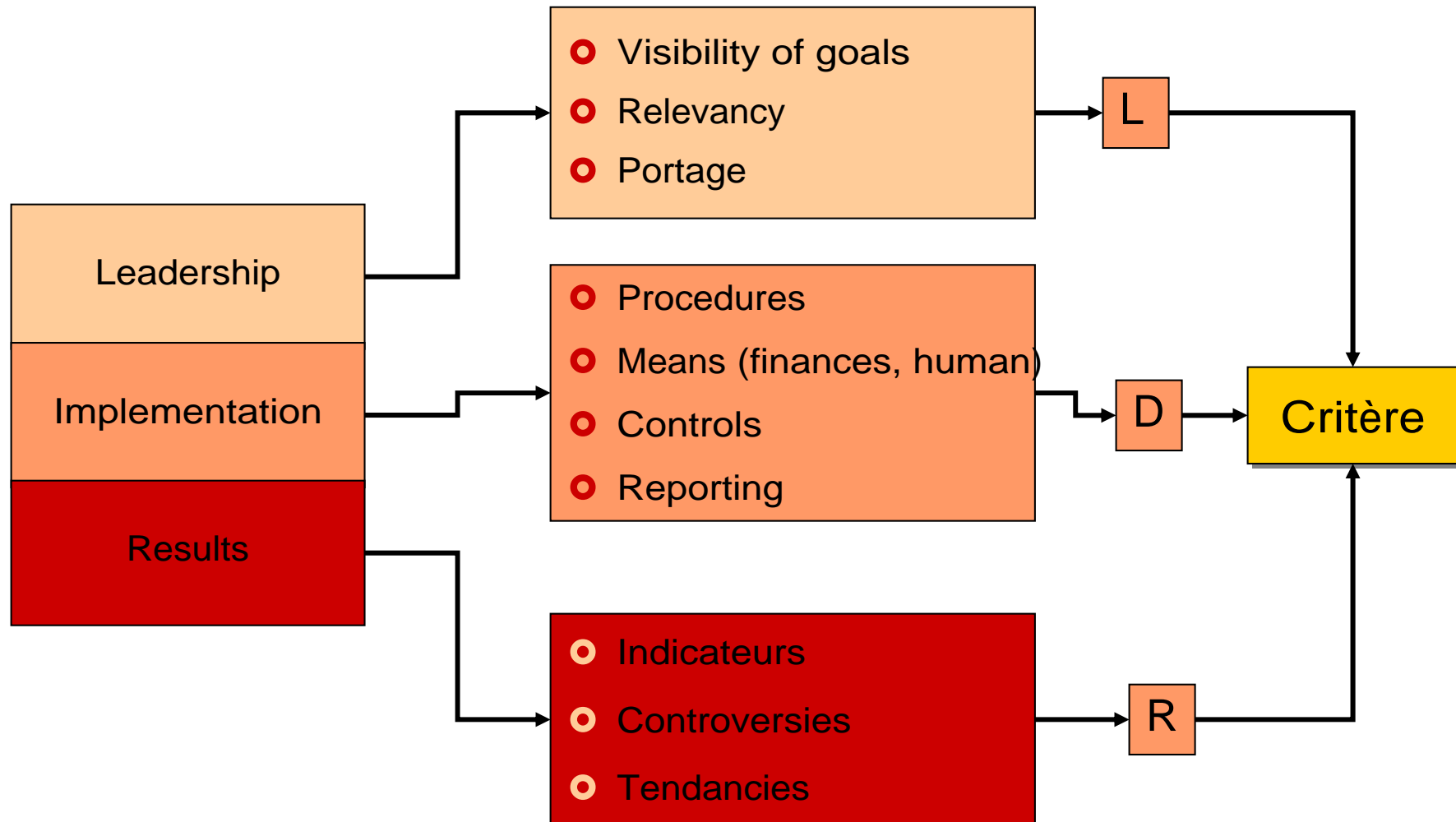
- Social responsibility is :
  - strategic investment and managerial commitment
    - to prevent direct or indirect violations, to respect, and to promote fundamental rights, expectations and interests of stakeholders
    - and to account about it



# REFERENCE MODEL – 6 DOMAINS REVIEWED



# Structure of commitment analysis

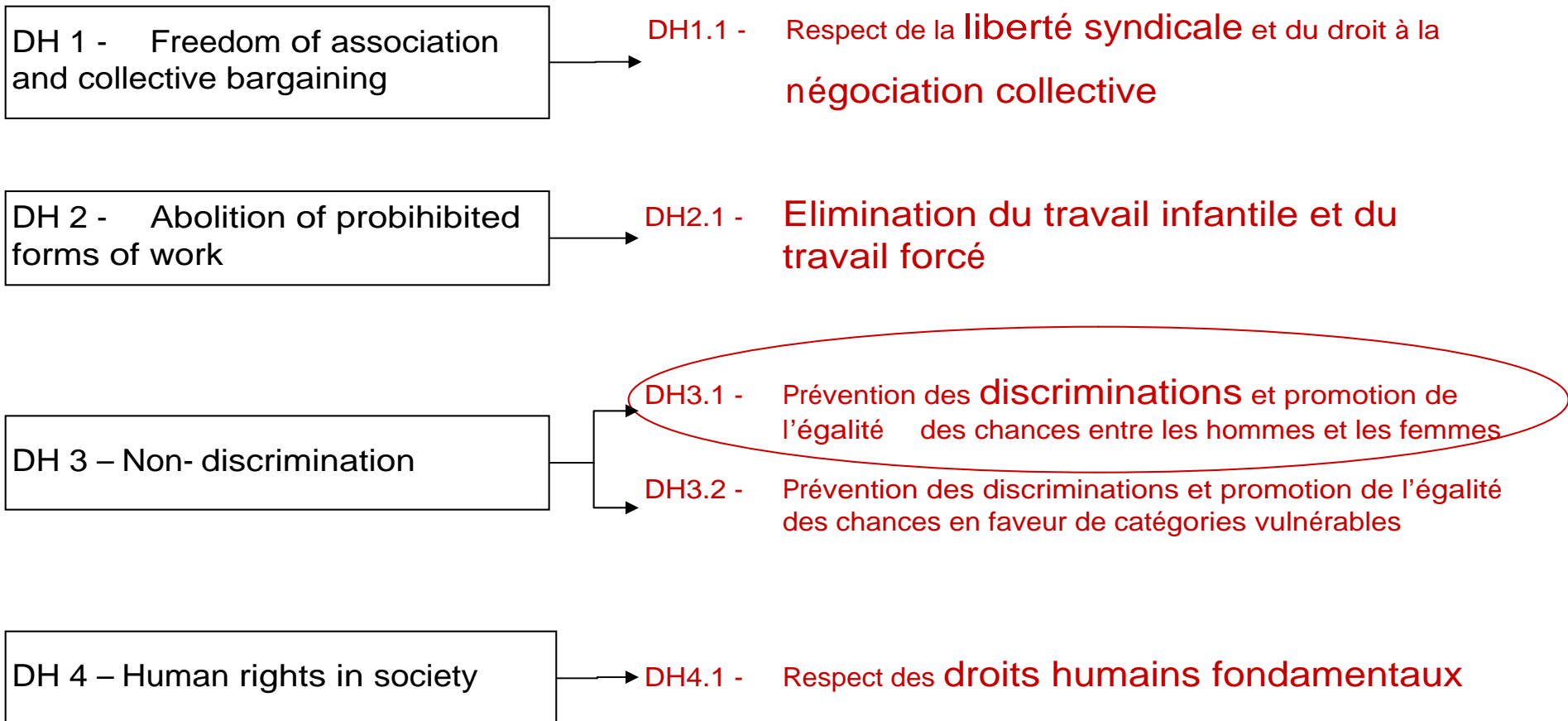








# DROITS HUMAINS





## REFERENTIEL NORMATIF DU CRITERE NON DISCRIMINATION

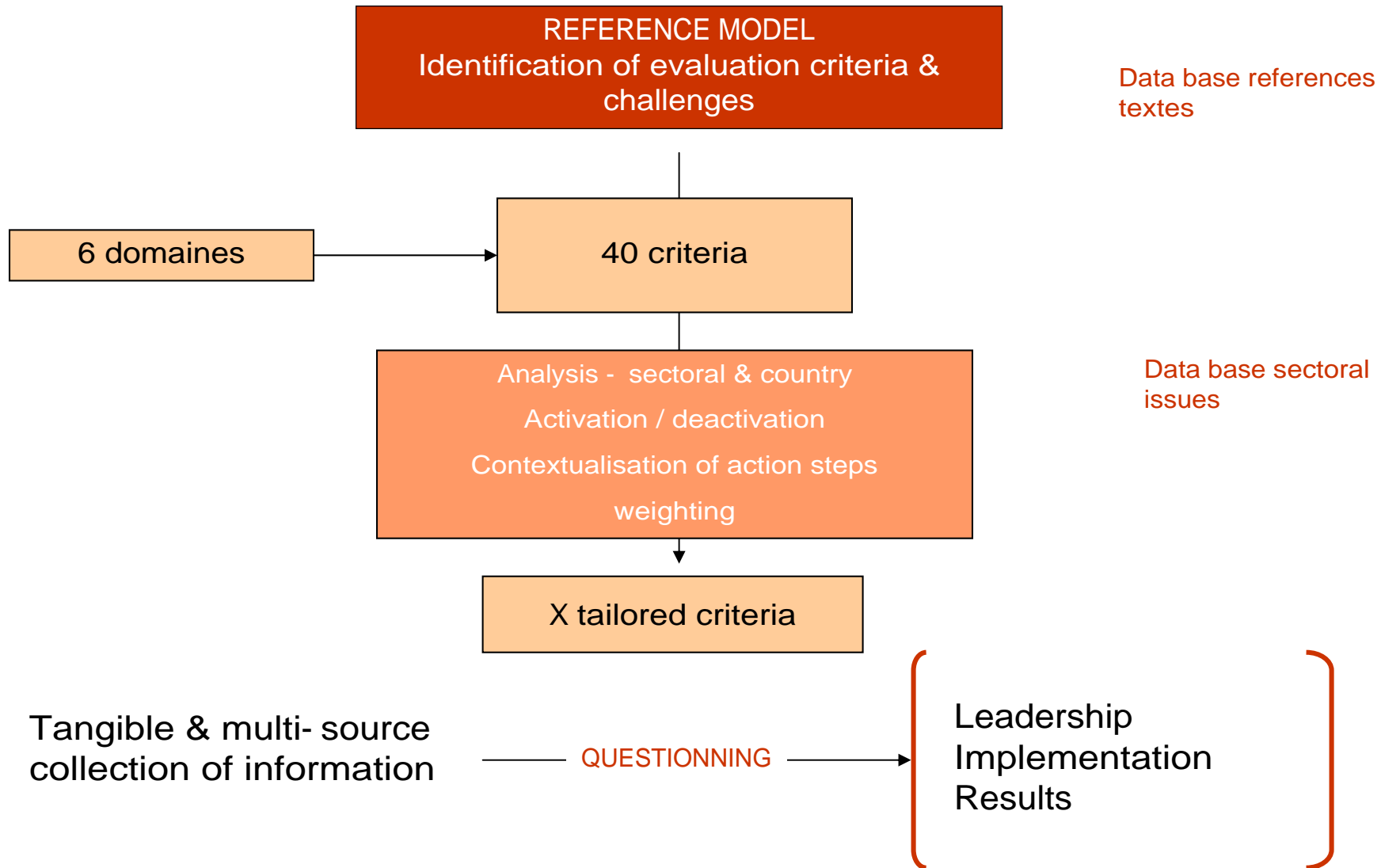
- **ONU**: Convention internationale sur l'élimination de toutes les formes de discrimination raciale
- **ONU**: Déclaration sur l'élimination de la discrimination à l'égard des femmes, 1967
- **OIT** : Déclaration relative aux principes et droits fondamentaux, 1998
- **OIT** : Convention 111 concernant la discrimination (emploi et profession), 1958
- **OIT** : Convention 100 sur l'égalité de rémunération, 1951
- **OIT** : Recommandation 111 concernant la discrimination (emploi et profession) , 1958
- **OIT** : Recommandation 90 sur l'égalité de rémunération, 1951
- **OIT** : Convention 138 sur l'âge minimum d'admission à l'emploi, 1973
- **OIT** : Convention 156 concernant l'égalité de chances et de traitement pour les travailleurs des deux sexes : travailleurs ayant des responsabilités familiales, 1981
- **OIT** : Déclaration de principes tripartite sur les entreprises multinationales et la politique sociale, 1977, révisée 2000
- **OCDE**, Principes directeurs à l'intention des entreprises multinationales, 1976, révisés 2000



## NON DISCRIMINATION : PRINCIPES D'ACTION

1. S'interdire toute distinction, exclusion ou préférence de nature à détruire ou altérer l'égalité des chances et de traitement en matière d'emploi et de profession, notamment :
  - accès et maintien dans l'emploi ; conditions de travail ; promotion ; formation professionnelle ; rémunération et autres avantages.
  
2. Mettre en œuvre des mesures positives permettant :
  - aux travailleurs, sans distinction de sexe, de concilier leurs responsabilités familiales avec leurs responsabilités professionnelles
  - de protéger les personnes et/ou groupes vulnérables et de leur assurer des mesures de promotion de l'égalité des chances et de traitement.

# SYNTHESE DE LA METHODOLOGIE VIGEO



# ● QUELQUES RESULTATS

DOMAIN HUMAN RIGHTS



# HUMAN RIGHTS

DH1 - Respect for human rights

DH1.1 - Respect for human rights standards and prevention of violations

DH2 - Respect for human rights in the workplace

DH2.1 - Respect for freedom of association and the right to collective bargaining

DH2.4 - Non-discrimination

DH2.5 - Elimination of child labour and forced labour

## ● Some results

### DOMAIN HUMAN RIGHTS

○ Average score : 40.81 / 100

- mini : 33.1 environment
- maxi : corporate governance : 45.22

# ● Human rights

## ○ sectors ranking:

- insurance : 55.6
- Aerospace : 55
- Fixed telecom : 54
- ...
- Braodcasting and advertising : 28
- Transport and logistics : 28.8
- Software : 30



# ● Human rights (2004)

## ○ Country ranking

- Luxembourg : 51.8
- Suède : 48.9
- Finlande : 48.5
- Allemagne : 42.8
- France : 42.2
  
- ...
- Grèce : 30.1
- Irlande : 30

## ● DH 2.1 : Respect of freedom of association and promotion of collective bargaining

○ AVERAGE : 38.4

- Leadership : 30.75 (9 to 44)
- Implementation : 26.83 (9 to 36)
- Results : 57.5 (42 to 74)

## ● DH 2.1 : Respect of freedom of association and promotion of collective bargaining

### ○ Sector ranking :

- Air transport : 60.1
- Forest products and paper : 50.8
- Bank : 49.8
- ...
- Chemicals : 24.4
- Transport and logistics : 24.38
- Broadcasting and advertising : 23.8

## ● DH 2.1 : Respect of freedom of association and promotion of collective bargaining

### ○ Country ranking :

- Luxembourg : 53
- Norvège : 46.1
- Suède : 46
- Allemagne : 42.2
- France : 42.9
  
- ...
- Irlande : 25.1
- Autriche/Portugal : 28



En savoir plus :

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