

Press Release

6th May 2015

Sydney, 6 May 2015: Sixth Annual ESG Research Australia (ESG RA) Awards function held today in Sydney.

- **Best piece of new ESG Research by an Individual Analyst or Team: Modern Slavery & Child Labour by Elaine Prior of Citi**
- **Best Piece of Ongoing ESG Research by an Individual Analyst or Team: Australian ESG/SRI AGM Series by Sandra McCullagh of Credit Suisse**
- **Best ESG Broking Firm for the 6th year in a row: Citi**

At a luncheon function today in Sydney attended by over 70 people representing some of Australia's leading superannuation funds, fund managers and broking firms, the coveted annual ESG Research Australia (ESG RA) Awards were announced. ESG RA is an association of Australian superannuation funds, fund managers and asset consultants which has the single objective of increasing the quantity and quality of broker research in Australia that includes consideration of ESG issues. Membership currently represents over 50 institutions managing over \$100 billion in Australian equities, and includes some of Australia's largest superannuation funds and fund managers.

A new Award was introduced this year for Best Piece of Ongoing Research by an Individual Analyst or Team. The new Award is recognition of the importance and value attributable to the growing body of ongoing ESG studies. Such research is very useful in ESG integration as it enables calibration of change: the new Award enables explicit recognition of this valuable research.

Twenty-one pieces of research conducted during 2014 were nominated by members for consideration. **Governance** pieces featured prominently in the nominations with seven of the twenty one pieces relating to remuneration, board composition, corporate structure and bribery and corruption. The topics of **remuneration and board composition** lend themselves to more quantified analysis, and several of the nominated governance pieces provided pragmatic guides to analysing company remuneration reports. **Environmental** pieces focused predominantly on climate change, and were largely strategic think pieces relating to carbon policy and associated investment risks. **Social** topics covered by the nominated research included slavery and child labour, employee engagement and safety.

The awards ceremony also included an experienced panel debating many of the very relevant issues raised by this broad array of research reports produced in 2014. The panel was expertly moderated by the newly-appointed ACSI CEO, Louise Davidson and her panellists included some very well-known names in the local ESG field, namely Pablo Berrutti, Head of Responsible Investment Asia Pacific at CFS and Chair of RIAA; Andrew Gray, Manager, Investments Governance at Australian Super; Liza



MacDonald, Responsible Investment Manager at First State Super and Michael Walsh, Executive Director of UCA Funds Management, a long-standing supporter of ESG RA's work.

"The need to define objectively what factors may be material in a sector, and how they can measurably affect the investment performance of individual companies one way or the other has been an ongoing issue in the development of ESG research," said Rob Fowler, Chair ESG RA and Executive Manager, Investments & Governance at the \$30bn HESTA fund. "These awards are now in their 6th year and we are delighted to see that the quality of research provided by the local broking community continues its upward trajectory. As stewards of our fellow Australians superannuation savings, it is incumbent upon those of us in the financial industry to continue to encourage and reward this research so that we can make decisions that are in the long-term best interests of all of us. We warmly congratulate our winners and encourage all broking firms in Australia to bring focus on this vitally important area of research.

For a full list of the Awards since inception please see below:

Best Piece Of New ESG Research By An Individual Analyst Or Team

- 2009 Good Ethics & Culture = Good Investment Returns, Andrew Gray, Goldman Sachs JB Were
- 2010 Equity Strategy: Introducing the Goldman Sachs and Partners Australia Structural Leaders Framework, Hamish Tadgell and Jien Goh, Goldman Sachs
- 2011 Evaluating Employee Engagement, Aimee Kaye, Macquarie Securities
- 2012 Australian ESG/SRI, Sandra McCullagh, Credit Suisse
- 2013 Unburnable Carbon: A Catalyst for Debate, Elaine Prior, Citi
- 2014 Modern Slavery & Child Labour, Elaine Prior, Citi

Best Piece Of Ongoing ESG Research By An Individual Analyst Or Team

- 2014 Australian ESG/SRI AGM Series, Sandra McCullagh and Chris Parks, Credit Suisse

Best ESG Broking Firm

- 2009 Citi
- 2010 Citi
- 2011 Citi
- 2012 Citi
- 2013 Citi
- 2014 Citi

-ends-



About ESG Research Australia

ESG Research Australia commenced operation in 2009 and has grown to a membership of 50 institutional investors. Its members include fund managers, superannuation funds and asset consultants, representing over \$100 billion in active Australian equities funds under management, and total funds under management of over \$450 billion.

ESG Research Australia has the single objective of increasing the quality and quantity of research by Australian brokers that includes longer term environmental, social, and governance factors. Further information about ESG Research Australia – including a list of members – can be found at www.esgra.org.au.

Although ESG Research Australia is focused on research on Australian companies, it represents part of an international effort to improve investment practices by taking into account ESG factors. The organisation has a close relationship with the United Nations Principles for Responsible Investment (UNPRI).

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