



COMMUNICATION ON PROGRESS

2012-2013

STATEMENT OF CONTINUED SUPPORT

In the last year we have seen more and more companies and their executives understand that the long term financial viability of their own enterprise depends critically on the wellbeing of the communities and environment around them. BISC Group remains committed to embedding CSR as a strategic component in its daily operations.

Our sustainability relies on our dynamic relationship with the environment and society therefore we continue to dedicate the time, effort and resources that ensure we are taking full responsibility for our actions to the highest level by supporting the growth and development of our people and communities while minimizing our impact on the environment.

The communications nature of our work means that we are constantly interacting with organizations from various sectors throughout Lebanon and have the opportunity to affect and influence a large part of the private sector. Therefore, we integrate CSR into all arms of our operations making sure we contribute our core competencies and capabilities to spread the CSR knowledge among all segments of society. This is done through our consultancy work, networking activities, studies and reports, workshops or events on Corporate Social Responsibility.

We strongly believe that although we are a small company, we have a significant responsibility towards the improvement of the well-being of our country and especially that of our stakeholders, therefore we insist on extending the knowledge and experience we have gained of CSR to business figures, business associations, governmental institutions, academics, media, CSOs, and international organizations as a means to improving relationships between corporations and the society.

This second COP is a document portraying our continued commitment to the UN Global Compact and its 10 principles. A review of our policies, practices, achievements, and future plans make evident our relentless support and the ways in which we apply our core values and commitment to social and environmental responsibility.

Khaled Kassar
Founder & CEO

ABOUT BISC GROUP

Who We Are

BISC Group was founded in 1995 as Beirut Information and Studies Center, offering business information, daily banking and financial news monitoring and specialized corporate publishing in the Lebanese Market. All through the last 18 years, BISC Group has been steadily growing and expanding in the Arab region, becoming one of the leading research firms providing country reports, business intelligence, strategic communications and publishing.

Headquartered in Beirut, BISC Group is active in the Middle East with a GCC office based in Dubai since 2003. We have also undertaken projects in the South East Asia region and have a representative office in Singapore.

Corporate Social Responsibility (CSR), based on years of belief, research and experience, is an essential part of BISC Group's core business and consultancy services. Financial & business books, corporate publishing, specialized monitoring reports, as well as daily and weekly business insights, are also an integral part of our business.

Our competitive advantage is our dedicated Team. We have worked hard to attract, train and retain the best economists, researchers, business analysts, communication strategists, journalists, financial & business writers, creative artists and copywriters who are highly recognized in their respective fields.

Our Approach to CSR

Corporate Social Responsibility (CSR), based on years of belief, research and experience, is an essential part of BISC Group's core business and consultancy services. We organize country CSR awareness campaigns and advise companies on complying with best practices, embedding CSR strategies and implement new ideas, initiatives and social project development.

Our Vision

To develop our community by leading the field in business intelligence and corporate citizenship

Our Mission

By advocating universal values, standards and Business Ethics, BISC's mission is to provide the most useful, accurate and highest quality information and raising awareness about CSR.

Our Values

We believe that good ethics and good business go together naturally to produce the best long-term results for all our stakeholders. Integrity, transparency, human capital and ethical business have always been at the heart of BISC Group. They are part of who we are, our values, and our heritage.

SPREADING THE WORD

Since most of our work is in research, media, and communications, we continually work to capitalize on our existing tools in order to effectively reach our stakeholders and the wider audience. Among our main objectives is to spread the CSR message:

BISC GROUP WEBSITE



Our website (www.biscgroup.com) portrays our special interest in CSR as well as our commitment and activities in the field. The BISC CSR page also lists the ten principles of the UNGC to help spread more awareness among website visitors, especially the local and regional ones. Our website also contains a News portal handling different business-related news and articles from around the world, with special focus on topics related to responsible business, sustainability and ethics.

BUSINESS NEWSFLASH

BISC Group issues, on a daily basis, a concise, informative and insightful time-saving daily business news digest tailored to the information needs of Arab, regional and international business readers. Business NewsFlash also dedicates its last page to CSR, in order to further educate its readers on the matter as well as promote CSR initiatives locally and in the region.

12 CSR NEWS Friday 28 October 2011

Are investors really interested in CSR data?

The investment community needs access to better social and environmental data

One of the recurring questions in discussions around responsible investment is whether investors actually pay any attention to the data and information provided by companies about their social and environmental performance. Companies frequently complain that investors "never ask about corporate responsibility issues" in meetings between CEOs and analysts/fund managers, and take this as an indication that investors have no interest at all in this type of information.

A recent Harvard Business School working paper by Robert Eccles, Michael Krause and George Serafeim challenges this argument, and suggests that there is in fact a growing investor interest in corporate responsibility information.

Using data from Bloomberg, they analysed the number of times different environmental, social and governance (ESG) were hit (is the number of times a user accessed that particular data point) over the period November 2010 to April 2011.

The information investors look at

While, as the authors acknowledge, the fact that a data point was accessed says nothing about how or if at all that information is used, their data provides some valuable insights into the ESG information that investors do look at.

First, the data point accessed most often is a company's overall disclosure score. This score, calculated by Bloomberg as a weighted average in line with the range of possible metrics the company is reporting. That is, it is a measure of the breadth of reporting.

Second, there is significant interest in greenhouse gas emissions-related data (total emissions and emissions broken down in line with the Greenhouse Gas Protocol's Scopes 1, 2 and 3). This interest is particularly strong on the sell-side, presumably because this data can be directly integrated into financial/discounted cash-flow models.

Third, relatively few investors seem to be looking at data relating to social issues. This probably reflects the practical challenges faced by investors in integrating issues such as human rights into their investment decisions (see, for example, this Ethical Corporation story).

Fourth, the non-financial information in Bloomberg's database received a total of almost six million hits. The paper – in a disappointing omission – does not put this into context (eg by providing comparable information on the number of investors accessing data points such as total sales or EBITA). But the authors do at least note "...the data clearly shows that the market is paying at least some attention to non-financial information although clearly not to the same degree as traditional financial information".

For the few?

When we consider that the number of Bloomberg users is numbered in the hundreds of thousands and that Bloomberg provides data on many thousands of companies, this suggests that it is only a small proportion of Bloomberg users that are actually accessing non-financial data and/or they are looking at relatively few companies.

The wider question is what this means for corporate reporting and for the manner in which investors use, or are likely to use, the data provided by companies.

A recent paper prepared by Matthew Leigh and Matthew Shapiro for the Carbon Disclosure Standards Board suggests that investors can be expected to use data on greenhouse gas emissions if the information is made available in familiar modes such as analyst reports and screen dumps provided by data providers.

In that context, they note that: "Some interviewees believed that Bloomberg's supply of company environmental data to the capital markets had established the legitimacy of environmental investing." However, when Haish and Shapiro interviewed investors, they found: "Investors examined in this study claim to use company carbon reports despite being dissatisfied with those reports."

Quality vs quantity

The lack of attention to data quality for the pricing of data availability above data quality is, implicitly, confirmed by the results presented by Eccles et al. Their research indicates that Scope 1, 2 and 3 greenhouse gas emissions data are being accessed equally (as measured by the number of hits each receives), suggesting there is limited differentiation between the relatively more reliable Scope 1 and 2 data and Scope 3 data.

A similar inference could be drawn from the emphasis being placed on ESG disclosure scores, which captures the breadth of reporting rather than the quality of reported information. None of these comments should be taken as particular criticisms of responsible investment. The reality is that we are where we are, and that the integration of ESG issues into investment decision-making remains in its early stages of development, with many investors having yet to substantially explore how these data may be used in investment decision-making.

The two papers discussed here do, however, point to a central challenge if we are to make progress: to be really useful, non-financial data needs to be of much higher quality than is the case at present.

For that to happen, investors need to pay much greater attention not just to the fact of reporting but to the quality of what is being reported. As yet, there are limited signs that this is happening. The market seems to be in the state of "Give me the best, any data" rather than "Only give me high quality data".



BISC GROUP PUBLICATIONS & CONSULTING SERVICES



BISC Group offers consultancy, networking, studies and reports, workshops and events on Corporate Social Responsibility. BISC also issues books and publications, with the latest book "What's CSR", a knowledge-based guide aimed at raising awareness about and ensuring the proper understanding of CSR. We make sure all BISC publications emphasize business responsibility while aiming to raise awareness on CSR and promoting ethical performance in the business environment.

COMMITTING TO THE 10 PRINCIPLES OF THE UNGC

Herewith the additional ways in which BISC Group supports and promotes the UN Global Compact Principles:

HUMAN RIGHTS

- **Principle 1:** Business should support and respect the protection of internationally proclaimed human rights
- **Principle 2:** Business should ensure that they are not complicit in human rights abuses.

Approach	Practice
By advocating business ethics, BISC Group focuses on the values of diversity, teamwork, and community impact, and strives to be a catalyst in the community and a brand synonymous with commitment to long-term goals and solutions.	“Human Rights” is a major topic tackled throughout our publications and other media outlets. We work relentlessly to change private and public behavior towards society by using our website and daily newsletter to shed light on untapped matters and raising public debate on issues related to human rights, violations in particular.
BISC Group builds and maintains strong relationships with Civil Society Organizations (CSOs) targeting humanitarian and developmental causes.	Our work entails us to cooperate on a national level with NGOs, educational institutions, and other non-profit organizations to plan and implement developmental projects aiming to raise societal standards, especially where human rights’ issues are concerned. Ten NGOs from various fields and expertise have benefited from a exhibition space that offered the opportunity to connect and partner with the private sector.

LABOUR

- **Principle 3:** Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- **Principle 4:** Business should support the elimination of all forms of forced and compulsory labour.
- **Principle 5:** Business should support the effective abolition of child labour.
- **Principle 6:** Business should support the elimination of discrimination in respect of employment and occupation.

Approach	Practice
BISC Group provides fair consideration, remuneration, reward and incentive to all personnel at the company, and constantly works on developing and improving appropriate remuneration, reward and incentive mechanisms and frameworks.	<ul style="list-style-type: none"> - Processes of remuneration are agreed upon and implemented with complete transparency, in accordance with appropriate levels of confidentiality. - BISC Group encourages and rewards outstanding performance and contribution to organizational success. Methods of encouragement vary from financial incentives to any kind of status empowerment.
BISC Group enforces Labor Laws of Lebanese Government prohibiting employment discrimination.	- In addition to home practice, BISC Group strongly encourages anti-discrimination policies, activities, and projects through its consulting services and media platform.
BISC Group is against child labor and complies with the minimum age provisions of Lebanese Labor law and regulations.	BISC Group tend to offer job opportunities to graduates based on the belief that every person has to complete his/her studies and following the rule of fair opportunities for all. Through its services, BISC Group also advocates against child labor and all forms of child abuses.

ENVIRONMENT

- **Principle 7:** Business should support a precautionary approach to environmental challenges.
- **Principle 8:** Business should undertake initiatives to promote greater environmental responsibility.
- **Principle 9:** Business should encourage the development and diffusion of environmentally friendly technologies.

Approach	Practice
Internal operations at BISC Group are usually undergone with an environmental friendly approach.	<ul style="list-style-type: none"> - Daily practices at the company premises are performed while taking into consideration issues such as energy saving, waste management, recycling material, among others. - BISC Group new publications are mostly done with certified and recyclable material. Books and guides are printed on 100% recyclable material.
BISC Group promotes environmental innovations and eco-friendly technologies and solutions.	BISC Group encourages environmental friendly products, projects, and technologies through its different media outlets.

ANTI-CORRUPTION

- **Principle 10:** Business should work against corruption in all its forms, including extortion and bribery.

Approach	Practice
BISC Group is against all forms of corruption.	- BISC Group is committed to ethical behavior, accuracy and transparency.
BISC Group's media outlet works in favor of anti-corruption behavior.	- Through its different media outlets, BISC Group condemns and discourages corporate and public corruption acts, and encourages transparent and ethical practices.

CONTACT US

For any inquiry, feedback or comment, please do not hesitate to contact us.

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