



Press Release

DESPITE TOUGHER CRITERIA, COMPANIES STILL OUTPERFORM ON LATEST SRI INDEX

“This year, it was a bigger challenge for companies to make it onto the Socially Responsible Investment (SRI) Index because the criteria which they were measured against, were more demanding than the previous year,” says Nicky Newton-King, deputy CEO of the JSE Securities Exchange, at the presentation to announce the constituents of the 2005 SRI Index.

“We have said that we would take a developmental approach with the SRI Index and you can see that clearly when comparing this year’s criteria with last year’s. This year, we were interested in understanding how companies had implemented SRI policies and strategies as opposed to last year when we focussed on whether companies had these policies in place,” says Newton-King.

58 companies participated in the 2005 review and, of those, a total of 49 met the criteria. Even though the number of companies that took part in this year’s review was lower than last year, the percentage of companies succeeding in getting onto the Index is much higher than the previous year.”

“South African companies have done a great deal in the sustainability area and deserve to be recognized. While the number of constituents in the Index has decreased slightly from last year, we did expect this given that the criteria were harder to meet this year. The good thing to note is that many organisations are actively embracing the triple bottom line.”

For the first time, the outstanding performers amongst the 2005 SRI Index constituents were announced by environmental classification and in alphabetical order. Newton-King noted that these companies set a particularly good example of how to engage the triple bottom line.

“Seven new companies participated for the first time in 2005, of which 4 qualified, which is a much higher success rate than last year.” Newton-King continues: “The representative spread of constituents of the Index is good. Thirty-two of the Top40 companies feature but we are also seeing good representation amongst the mid to small cap companies. Furthermore, given that participation in the SRI Index is voluntary and is only offered to companies listed on the FTSE/JSE All Share Index, we are very pleased to see that one third of ALSI companies participated, again demonstrating the increasing recognition that companies are giving triple bottom line business practices.”

The SRI Index is the first of its kind in an emerging market and is constructed on the three pillars of the triple bottom line, namely: economic, environmental and social sustainability, with the principles of corporate governance common to all three elements.

End...

FOR FURTHER INFORMATION PLEASE CONTACT:

Roz Thomas
Corporate Communications Consultants (Pty) Ltd
Tel: (011) 783 8926
Fax: (011) 783 7608
Cell: 082 925 8806
Email: rozt@corpcom.co.za

ON BEHALF OF:

Nicky Newton-King
Deputy CEO
JSE Securities Exchange South Africa
Tel: (011) 520 7229
Email: Nickyn@jse.co.za