Chart of the Week

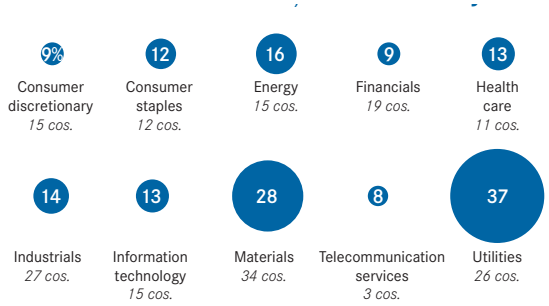
THE CONFERENCE BOARD INITIATIVE ON SUSTAINABILITY™

Environmental Fines

FROM *SUSTAINABILITY PRACTICES: 2013 EDITION*

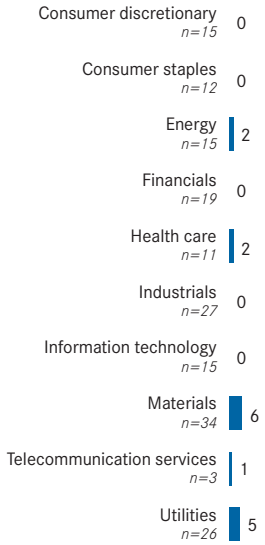
Only 15 percent of S&P Global 1200 companies and 10 percent of S&P 500 companies reported the number of environmental fines paid. Companies in the utilities sector were most likely to report both the number of fines paid and the total amount of fines paid. Along with companies from the materials sector, utilities companies were among the companies reporting the highest median number of fines. In terms of environmental fines paid, companies in the energy sector reported the highest median amount ($53,674), followed by companies in the materials and utilities sectors.

Number of Environmental Fines, Disclosure Rate by Sector



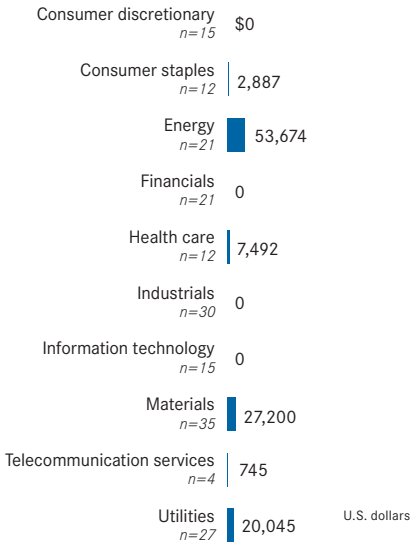
Source: The Conference Board/Bloomberg, 2013.

Number of Environmental Fines, Median by Sector



Source: The Conference Board/Bloomberg, 2013.

Amount in Environmental Fines, Median by Sector



Source: The Conference Board/Bloomberg, 2013.

Why it matters…

- The disclosure of environmental fines is an important element of corporate sustainability reporting that can help company stakeholders (investors, employees, communities, etc.) to make informed decisions about the risks associated with investing in, partnering with, or working for a particular company.
- A high number of environmental fines can be a sign of other problems within an organization, including management problems that can negatively affect a company's health and safety and quality performance.

For more information on this and over 70 other sustainability metrics, download *Sustainability Practices: 2012 Edition* at: http://www.conferenceboard.org/sustainabilitypractices or contact Matteo Tonello at matteo.tonello@conferenceboard.org

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