



InvestAssure monitors the web for incidents and allegations of unethical corporate behaviour and poor environmental, health and safety performance in emerging economies. Our monthly **ESG Update** provides insights into events and trends for investors and supply chain managers.

Apr-Jun Sample* ESG Alerts from Asia

Shijiazhuang Sanhuan-Smelting, China — Six people suffocated when slag water leaked in an industrial plant and mixed with rainwater.

Lynas, Malaysia — CEO 'underestimated the power of Facebook and Twitter' when he faced local opposition to the world's biggest rare-earths refining plant in Malaysia.

ZTE, international — currently being investigated by the US FBI for dealings with Iran, ZTE has been in 5 alerts relating to IP, corruption and fraud, labour conditions, and business ethics, in Sweden, Philippines, Algeria and Australia.

Wal-Mart, China — accused of food safety violations just months after a scandal over mislabelled pork led to the closure of stores and the resignation of the country head. A corporate task force is active.

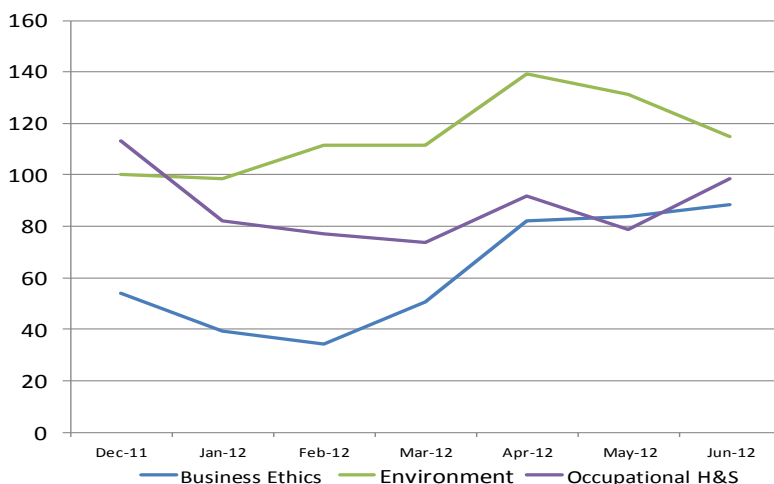
PT. Henrison Inti Persada Woods, Indonesia — subsidiary of **Noble Group** accused of exploitation of marginalised Moi tribe clans for land and timber

Jaiprakash Associates, India — fined US\$18 mill and instructed to dismantle its thermal plant for violating environmental laws.

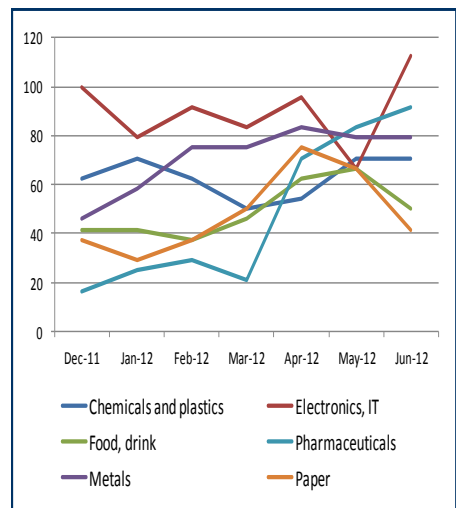
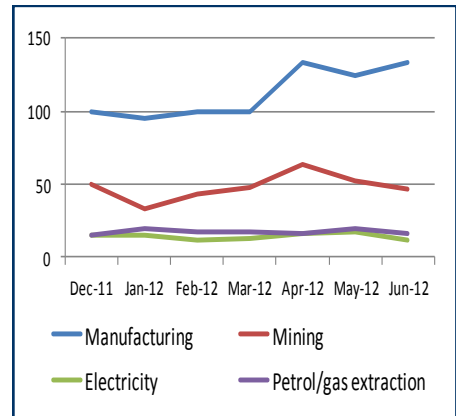
* Full InvestAssure reports provide more detail, risk rating and ESG categorisation

Dramatic Rise in Business Ethics Allegations

Allegations relating to business ethics have doubled in the last half year. The graph shows how our risk alerts have increasingly been related to business ethics. Compared with the environment (set to 100 in Dec 11), our basic 3-month rolling average index for business ethics has risen from about 40 in January to 90 in June. For 3 months its index has matched occupational health and safety. The main sectors in question are IT, electronics, mining, paper and pulp, and oils and fats.



ESG Risk Alert Indices



China Watch

Average Chinese carbon footprint equals European's
622 enterprises shut down in Xiangjiang - risk of heavy metal pollution

China's 20 Billion Dollar Pledge to Africa Needs Social and Environmental Safeguards

Tobacco Giant's Ecology Award Sparks Anger

Chalco report on application of ISO 26000.