

CSR Online Awards 2008 – finding the best CSR communicators on the web

# Banca Monte Paschi is leader in Italy for online CSR communications

**Banca Monte dei Paschi di Siena, Italy's third-biggest bank, has taken top spot in Italy's first study of the communication of corporate social responsibility (CSR) on company websites. Eni was runner-up while Pirelli and Telecom Italia came joint-third. On average, Italian sites failed to provide users with key content regarding CSR**

## CSR Online Awards 2008

Milan, March 2008 – The CSR Online Awards have become the first in-depth study in Italy to assess how effectively companies communicate corporate social responsibility online. It judged the performance of the 40 major listed companies (components of the benchmark S&P/MIB40 index) in terms of how well they convey their CSR strategies and initiatives through their corporate websites.

The research sought to answer questions such as: do companies have a section on their websites dedicated to corporate social responsibility? How are CSR targets and goals presented? Do CSR managers provide direct contact information?

The research was carried out by Lundquist, a Milan-based financial communications firm that represents Swedish consultancy Hallvarsson & Halvarsson in Italy. Its goal was to monitor how the internet is being used to communicate CSR activities and to stimulate debate about the importance of digital media as a key channel for CSR initiatives.

### The best companies at communicating CSR online

**Banca Monte dei Paschi di Siena** was judged to be the best company at conveying its CSR online with a total of 61.5 points out of 100. It was closely followed by **Eni** (61 points) with **Pirelli** and **Telecom Italia** (60) tied in third place. Only five other companies managed to score at least 50 points: **UniCredit** (58.5), **Enel** (56.5), **Autogrill** (55), **Italcementi** (54.5) and **Ubi Banca** (53). The overall average score was 31.4 points.

Conducted during September and October 2007, the project involved assessing the Italian-language corporate websites of 40 listed companies using 66 analysis criteria giving a total of up to 100 points per website. The criteria were drawn up and weighted based on a questionnaire sent out to a panel of CSR experts to find out what information is most sought after by web users interested in CSR issues.

The study analysed CSR-related **content** (for a total of 60 points out of 100) but also took into consideration the way that the information was **presented to users online** (maximum of 40 points). In general, CSR content provided on the web was found to be inadequate given the requirements expressed by users. The overall picture improved only in terms of online presentation. Companies appear to have grasped the importance of the internet but are not sufficiently convinced about using it as a key channel for CSR communications.

"Italy's publicly traded companies need to improve their online CSR communications," said Joakim Lundquist, who led the research. "Getting your message across is a fundamental component of socially responsible policies. If you want an effective communications strategy, you need a website that's full of content, easy to navigate and that can satisfy your users' demands."

### CSR Online Awards

Italy's first study into CSR on the web

**40** listed companies assessed (S&P/MIB40 index members)

**66** analysis criteria

Maximum score of **100**: **60%** for contents, **40%** for online presentation

Average score: **31.4**

**80** CSR experts answered questionnaire

### Best in class

#### CSR report

Telecom Italia (9.5 points out of 10)

#### Navigation and accessibility

Autogrill, Pirelli (7.5 points out of 15)

#### Interactivity

Eni (5 points out of 6)

## Research results

The average level of online CSR communications for Italian publicly traded companies is fairly low – an average of 31.4 points out of 100. The 40 benchmark companies, however, break out into five distinct groups:

Rating	Reasons
@@@@@	Outstanding – with more than 80 points. This year, no companies managed to reach this level
@@@@	A group of four companies ( <b>Banca Mps, Eni, Telecom Italia e Pirelli</b> ) scored higher than 60, demonstrating that they managed to provide information that satisfied to a large degree the main needs of CSR users. These four companies have stood out for years for their socially responsible commitment
@@@	A group of eight companies make a positive attempt to meet most of the requirements of the research, scoring at least 40 points. But there are gaps – in some cases quite noticeable – in the information provided and for this reason they fall behind the best companies. They have ample scope to improve their use of the internet for CSR communications
@@	These companies scored between 20 and 40 points, meaning they have websites with some useful information but where negative aspects far outweigh positive points. These companies appear to have only just started utilising the internet for CSR purposes, even though they have taken some initial steps in this direction
@	A group of laggards - companies scoring less than 20 points with websites that fail on almost all fronts and for whom the internet appears to be a foreign land as regards CSR. It's likely that CSR issues themselves have little place within these companies and therefore they have little content to make available online; but it's also possible that they just don't attribute strategic importance to online communications – whether for CSR-related information or any other corporate purposes

Overall, the best companies stand out because they offer all or almost all of the CSR-related information that's being sought online, with a high degree of detail: from their CSR reports – available in various formats and also in English – to their codes of ethics, from a clear presentation of their approaches and CSR policies to environmental data and information about Socially Responsible Investments (SRI).

They also have a dedicated section on CSR issues and good or excellent websites as regards navigation, interactive solutions and the quality of the language used.

### Lundquist CSR Online Awards 2008

1	Banca Mps	61.5 points
2	Eni	61
3	Pirelli & C.	60
3	Telecom Italia	60
5	UniCredit	58.5
6	Enel	56.5
7	Autogrill	55
8	Italcementi	54.5
9	Ubi Banca	53
10	Assicurazioni Generali	47
11	Intesa Sanpaolo	41.5
12	Snam Rete Gas	40
13	Terna	37.5
14	Mediolanum	33.5
14	Unipol	33.5
16	Aem	30.5
17	STMicroelectronics	29
17	Banca Popolare di Milano	29
19	Saipem	27
19	Seat Pagine Gialle	27
21	Mediaset	25.5
22	Buzzi Unicem	25
22	Finmeccanica	25
24	Fondiaria-Sai	23.5
25	Parmalat	22.5
26	Fiat	21.5
26	Alleanza Assicurazioni	21.5
28	Prismian	20
29	Tenaris	18.5
30	Mediobanca	18
31	Alitalia	17
32	Impregilo	16.5
32	Atlantia	16.5
32	Banco Popolare	16.5
35	Lottomatica	16
36	Bulgari	12.5
36	Mondadori	12.5
38	Gruppo L'Espresso	11.5
39	Luxottica Group	10.5
40	Fastweb	9.5

## More work needed on content

### CSR content is generally unsatisfactory

The companies analysed struggled especially when it came to content: the average score for this area was only just above 20% (13.5 points out of 60).

This may be due to the fact that many companies do not have sufficient CSR information to convey.

#### Best-in-class: Contents (maximum 60 points)

1	Banca Mps	38 points
2	Telecom Italia	35
3	Pirelli & C.	34
4	Enel	32.5
4	Eni	32.5

### Not enough information on CSR targets, policies and SRI

Identifying your company's **CSR targets and achievements** is a fundamental aspect for monitoring progress. Yet it is an area where the companies analysed performed worst, with 32 out of 40 not making any mention of it on their websites. Many also fail to identify key issues or "hot topics" that are particularly relevant to their business.

#### Best-in-class: Socially Responsible Investment (maximum 6 points)

1	Banca Mps	4 points
1	Ubi Banca	4
3	Aem	3
3	Autogrill	3
3	Pirelli & C.	3

There was also a big gap in terms of communicating **CSR policies**: 75% of the sites studied lacked some kind of announcement by company executives about their CSR strategies. The companies also failed

to highlight the relationship between **CSR and corporate governance**, a connection that was explained by only two companies.

Italian companies also give insufficient attention to Socially Responsible Investment (SRI). While 12 companies give some information about SRI and/or their membership of sustainability indexes, only two publish profiles by sustainability rating agencies. Based on the questionnaire accompanying the study, the most-wanted SRI information is the percentage of shares held by SRI funds, a clear indicator of the company's environmental and social performance.

## Names and formats for the CSR report

There are major differences in the various names companies use to refer to their CSR report, more often called the "*bilancio di sostenibilit *" rather than "*bilancio sociale*". A report was published online by 25 out of the 40 companies with 21 also providing an English language version.

As regards **formats**, the reports are most often published in standard PDF. Only five companies had an interactive HTML report, which is more engaging for users.

### Fair performance on environmental information

The situation is somewhat better as for **environmental information**. Two companies – utilities **Enel** and **Terna** – took full points on this segment.

Half of the companies surveyed published some kind of environmental commitment and 15 of them provided information about environmental certifications (such as ISO 14001 and Emas).

## Presentation outperforms content

The companies surveyed performed on average better when it came to **online presentation** – all the various devices and strategies to make information available to web users. The average score for this section of the ranking was 17.9 points out of 40 or 45%, double the average score for contents (22.5%).

The study painted a positive picture in terms of the main requisites of this area, including **copy editing**, **labelling** and **clarity of the texts**.

Strong performances were also noted in terms of **general navigability** and the **visibility** of CSR content. A total of 26 companies had a dedicated CSR section, 19 of which placed it in the first level of the web tree (the other seven in the second level). There is

therefore an overriding tendency to gather CSR content in a specific area, giving it the dignity of its own permanent, easily recognisable space.

#### Best-in-class: online presentation (maximum 40 points)

1	Autogrill	33.5 points
2	Assicur. Generali	29.5
3	Eni	28.5
4	Ubi Banca	27.5
5	UniCredit	27

**Interactivity** appeared to be less well exploited, even though some sites presented interesting solutions. Half of the companies used RSS feeds and podcasts, although CSR games and quizzes were much less common. No company had a corporate blog dedicated to CSR issues – even though it's a feature that the expert panel described as relatively important.

The website of oil company **Eni** stood out in this regard with the highest score for this criteria: it dedicated a whole section to interactive tools, which are clearly highlighted in the menu. Moreover, the website was the most balanced among top-ranking companies between contents (4th in the ranking) and online presentation (3rd position).

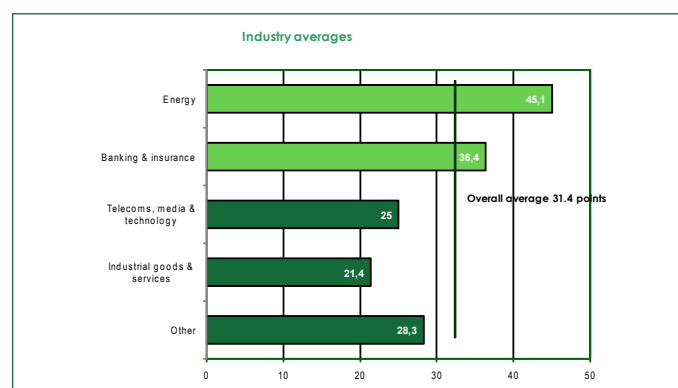
## Performance by size and by sector

There was some degree of correlation between the **market value** of companies and their position in the ranking – but not as much as might have been expected. The average score of the 10 biggest companies by market capitalization (40.75 points) was higher than the average score overall (31.4) but many of these big companies failed to take top positions in the ranking.

Some of the highest-scoring sites were from mid-sized companies such as **Banca MPS**, **Pirelli** and **Autogrill**. Size, therefore, is not always a precondition or even necessary for a company to have an effective CSR communications strategy on the internet.

As regards industry sectors, the highest average score was recorded by energy companies (45.1 points) and by banks and insurers (36.4), both beating the overall average. This confirms that companies operating in critical sectors for the environment and those with business models most influenced by consumer perceptions tend to be most attentive to CSR communication.

## Ranking by industry group



Source: CSR Online Awards

## For further information

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## APPENDIX

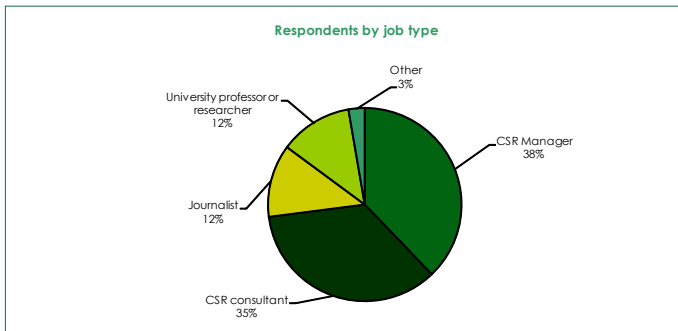
# How the research works

The study undertaken by Lundquist is the first in-depth analysis carried out in Italy into online CSR communication. It analysed the Italian language corporate website of the 40 companies that make up the benchmark S&P/MIB40 index. The research was conducted during September and October 2007.

### The questionnaire

In order to identify what criteria to use in assessing CSR communication on corporate websites, the analysis was based on the qualitative and quantitative results of a questionnaire completed by 80 CSR experts, including CSR managers, consultants, journalists as well as university professors and researchers. They were all Italian and the vast majority have been working on sustainability-related issues for at least three years.

#### Breakdown of questionnaire respondents by job type



Source: CSR Online Awards questionnaire

The questionnaire was used to provide an overview of the kind of CSR information respondents thought would be most useful to them and what they expected to find on the corporate website of a publicly listed company.

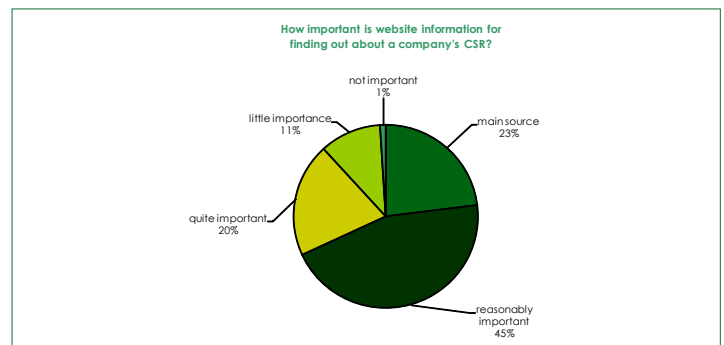
It included 27 questions divided into four sections: the respondents' relationship with CSR, their ideal CSR section, interactivity and CSR best practice.

### Results: what people interested in CSR are looking for online

Three quarters of the experts who answered the questionnaire thought that a dedicated CSR section on a corporate website was very useful.

In addition, 23% of them believed that the primary source of information for a company's CSR strategy and policies was its internet site, signalling how authoritative corporate sites have become as communication tools.

#### Importance of online CSR information



Source: CSR Online Awards questionnaire

The most important CSR document, according to the questionnaire, is the most recent CSR report, followed by those of previous years and the code of ethics. Users also focused attention on the importance of the CSR management system and how CSR policies and targets are integrated within the overall corporate governance system.

As regards interactivity, the most important element for users is the availability of an e-mail address or phone number to get in touch directly with a company's CSR manager. This is followed by an interactive CSR report and by corporate blogs and chats, although these latter features are virtually unheard of in Italy's publicly traded companies.

## How companies are assessed: analysis criteria

The study used a set of 66 analysis criteria, split into two areas: one focusing on **online content**, with a maximum of 60 points, and one judging **online presentation**, for a total of 40 points, making an overall maximum of 100 points.

This breakdown was justified by the fact that effective online communications depends to a large extent on the contents but that other factors have a role to play too. Information must be presented in an appropriate way for online viewing and content made readily available to users.

This involves copy editing, visual communications, interactivity and other features of online presentation that can improve the success of online communications.

## Breakdown of results by area and sub-categories

Online content	No. of criteria	Maximum points
Overview	5	9
CSR policies	6	9
CSR report	5	10
Environmental information	4	5
Community commitment	3	3.5
SRI information	3	6
Human resources	4	6
Associations and awards	3	2
News and events	4	5
CSR resources	5	4.5
<b>Total</b>	<b>42 criteria</b>	<b>60 points</b>

### Ideal name for a CSR section according to the expert panel that answered the questionnaire (multiple answers allowed):

1 Social responsibility	75%
2 CSR	65%
3 Sustainability	63.8%

Online presentation	No. of criteria	Maximum points
Visual communication	3	6
Language	2	6
Navigation and accessibility	11	15
Interactivity	7	12
Commendable information	1	1
<b>Total</b>	<b>24 criteria</b>	<b>40 points</b>

## Selection of criteria used in the assessment and examples of best practice

Criterion	Definition
<b>A1 Introduction to CSR</b>	<p>Just as a company spells out its overall mission and vision, it should also make clear its CSR commitment and how it intends to manage the social and environmental impacts of its business</p> <p>Example: <b>Italcementi</b>  <a href="http://www.italcementigroup.com/ITA/Sviluppo+Sostenibile/Strategia+del+Gruppo/">http://www.italcementigroup.com/ITA/Sviluppo+Sostenibile/Strategia+del+Gruppo/</a></p>
<b>B6 CSR and corporate governance</b>	<p>Although these two topics are often considered separately, it's important for a company to recognise an explicit interconnection between the two</p> <p>Example: <b>Enel</b>  <a href="http://www.enel.it/azienda/sostenibilita/identita_e_governo/governance/">www.enel.it/azienda/sostenibilita/identita_e_governo/governance/</a></p>
<b>C1 CSR report in various formats</b>	<p>Documents are usually provided online in standard PDF format. But there are alternatives, such as bookmarked PDF and interactive HTML versions, which can enhance users' access to information</p> <p>Example: <b>Buzzi Unicem</b>  <a href="http://www.buzziunicem.it/online/BuzziUnicem/Home/Sostenibilita/Pubblicazioni.html">http://www.buzziunicem.it/online/BuzziUnicem/Home/Sostenibilita/Pubblicazioni.html</a></p>
<b>D4 Environmental performance data</b>	<p>Although the proper place for reporting environmental data is the CSR report, it's useful to provide some of the key facts and figures online laying out the company's environmental impact</p> <p>Example: <b>Terna</b>  <a href="http://www.terna.it/default/Home/AZIENDA/sostenibilita/ambiente/tabid/225/Default.aspx">www.terna.it/default/Home/AZIENDA/sostenibilita/ambiente/tabid/225/Default.aspx</a></p>
<b>E1 Community commitment</b>	<p>Some companies have set up foundations or non-profit organisations to manage their social programmes. Others have chosen to act through partnerships with third parties. Whatever the choice, companies should provide information about how they have decided to manage their community involvement.</p> <p>Example: <b>Ubi Banca</b>  <a href="http://www.ubibanca.it/pagine/UBI_Collettivita_IT.aspx">http://www.ubibanca.it/pagine/UBI_Collettivita_IT.aspx</a></p>
<b>F1 Socially Responsible Investment (SRI)</b>	<p>SRI and CSR are closely related so it's clearly useful if companies can offer information about socially responsible investments as they pertain to their CSR programme, especially their membership of sustainability indexes such as the Dow Jones Sustainability Index, Ftse4Good index, ECPI Ethical indexes, Avanzi Sri Indexes and the Axia Ethical Index.</p> <p>Example: <b>Telecom Italia</b>  <a href="http://www.telecomitalia.it">www.telecomitalia.it</a> &gt; Sostenibilità &gt; Socially Responsible Investing</p>

Criterion	Definition
<b>G2 Equal opportunities</b>	<p>Supporting equal opportunities, especially between men and women, is a key issue for CSR. It's important for companies to show they have a longstanding awareness of the matter and declare openly their position, for example by presenting principles or guidelines</p> <p>Example: <b>Banca Mps</b> <a href="http://www.mps.it/It+Nostr+Valori/Personale/Ambiente+di+lavoro/Pari+opportunit%C3%A0.htm">http://www.mps.it/It+Nostr+Valori/Personale/Ambiente+di+lavoro/Pari+opportunit%C3%A0.htm</a></p>
<b>Q1 CSR contacts</b>	<p>A company shows that it's keen to hear from its users and stakeholders when it provides contact information online. There can be various methods to do this but giving users a range of options and making them as specific as possible (with personal contact details) demonstrates how open an organisation is towards the public</p> <p>Example: <b>Autogrill</b> <a href="http://www.autogrill.com/sociale/contatti.aspx?fake=5459811d28d34a53a7b00b322579a68f">www.autogrill.com/sociale/contatti.aspx?fake=5459811d28d34a53a7b00b322579a68f</a></p>

## CSR Online Awards 2008

Rank	Company name	Website	Score
1	Banca Mps	<a href="http://www.mps.it">www.mps.it</a>	61.5
2	Eni **	<a href="http://www.eni.it">www.eni.it</a>	61
3	Telecom Italia	<a href="http://www.telecomitalia.it">www.telecomitalia.it</a>	60
3	Pirelli & C.	<a href="http://www.pirelli.com">www.pirelli.com</a>	60
5	UniCredit	<a href="http://www.unicreditgroup.eu">www.unicreditgroup.eu</a>	58.5
6	Enel	<a href="http://www.enel.it">www.enel.it</a>	56.5
7	Autogrill	<a href="http://www.autogrill.com">www.autogrill.com</a>	55
8	Italcementi	<a href="http://www.italcementigroup.com">www.italcementigroup.com</a>	54.5
9	Ubi Banca	<a href="http://www.ubibanca.it">www.ubibanca.it</a>	53
10	Assicurazioni Generali	<a href="http://www.generali.com">www.generali.com</a>	47
11	Intesa Sanpaolo	<a href="http://www.group.intesasanpaolo.com">www.group.intesasanpaolo.com</a>	41.5
12	Snam Rete Gas	<a href="http://www.snamretegas.it">www.snamretegas.it</a>	40
13	Terna	<a href="http://www.terna.it">www.terna.it</a>	37.5
14	Mediolanum	<a href="http://www.mediolanum.it">www.mediolanum.it</a>	33.5
14	Unipol	<a href="http://www.unipolgf.it">www.unipolgf.it</a>	33.5
16	Aem ***	<a href="http://www.aem.it">www.aem.it</a>	30.5
17	STMicroelectronics *	<a href="http://www.st.com">www.st.com</a>	29
17	Banca Popolare di Milano	<a href="http://www.bpm.it">www.bpm.it</a>	29
19	Saipem	<a href="http://www.saipem.it">www.saipem.it</a>	27
19	Seat Pagine Gialle	<a href="http://www.seat.it">www.seat.it</a>	27
21	Mediaset	<a href="http://www.gruppomediaset.it">www.gruppomediaset.it</a>	25.5
22	Buzzi Unicem	<a href="http://www.buzziunicem.it">www.buzziunicem.it</a>	25
22	Finmeccanica	<a href="http://www.finmeccanica.com">www.finmeccanica.com</a>	25
24	Fondiaria-Sai	<a href="http://www.fondiaria-sai.it">www.fondiaria-sai.it</a>	23.5
25	Parmalat	<a href="http://www.parmalat.it">www.parmalat.it</a>	22.5
26	Fiat	<a href="http://www.fiatgroup.com">www.fiatgroup.com</a>	21.5
26	Alleanza Assicurazioni	<a href="http://www.alleanzaassicurazioni.it">www.alleanzaassicurazioni.it</a>	21.5
28	Prysmian *	<a href="http://www.prysmian.com">www.prysmian.com</a>	20
29	Tenaris *	<a href="http://www.tenaris.com">www.tenaris.com</a>	18.5
30	Mediobanca	<a href="http://www.mediobanca.it">www.mediobanca.it</a>	18
31	Alitalia	<a href="http://www.corporate.alitalia.com">www.corporate.alitalia.com</a>	17
32	Impregilo	<a href="http://www.impregilo.it">www.impregilo.it</a>	16.5
32	Atlantia	<a href="http://www.atlantia.it">www.atlantia.it</a>	16.5
32	Banco Popolare	<a href="http://www.bancopopolare.it">www.bancopopolare.it</a>	16.5
35	Lottomatica	<a href="http://www.gruppolottomatica.it">www.gruppolottomatica.it</a>	16
36	Bulgari	<a href="http://www.bulgari.com">www.bulgari.com</a>	12.5
36	Mondadori	<a href="http://www.mondadori.it">www.mondadori.it</a>	12.5
38	Gruppo Editoriale L'Espresso	<a href="http://www.gruppoespresso.it">www.gruppoespresso.it</a>	11.5
39	Luxottica Group	<a href="http://www.luxottica.com">www.luxottica.com</a>	10.5
40	Fastweb	<a href="http://www.company.fastweb.it">www.company.fastweb.it</a>	9.5

### Source: CSR Online Awards

\* English language website assessed because it was the primary channel for online CSR communications.

\*\* New website launched in February 2008.

\*\*\* At the time of the assessment, Aem was a component of the S&P/MIB40 index. As of 2/1/2008, the company changed its name to A2A following Aem's merger with ASM Brescia.

The CSR Online Awards assessed how companies included in the benchmark S&P/MIB40 index communicate their CSR strategies and initiatives on their corporate website. The evaluation allowed for a maximum of 100 points for each site: 60 for content, 40 for online presentation. A total of 66 analysis criteria were used (42 for contents, 24 for presentation). The assessment was carried out in September and October 2007 with each site evaluated twice by different analysts.