

Sustainability Coverage Monitor (SCM) – How it is derived –

The Media Tenor Institute of Media Analysis (Media Tenor) scrutinises the news, opinion and business sections of leading South African print, broadcast and online media to provide a range of media intelligence to the corporate sector. The data used to derive the **Sustainability Coverage Monitor (SCM)** is based on Media Tenor’s comprehensive day-by-day analysis of all relevant company-related articles appearing in 30 broad-based national daily and weekly newspapers and TV news broadcasts. The analysis period for the first quarter sustainability supplement was from January 2009 to February 2010.

The specific publications and channels that Media Tenor covers for this purpose are listed below. This represents a comparable group of broad-based media across the South African spectrum. It also embodies a range of major local publishing houses. Note that this media sample does not include certain sector-specific publications (such as Engineering News and Mining Weekly), nor any industry-specific journals. Undoubtedly, inclusion of such publications will increase the data set considerably, but it will skew the results in favour of certain industry sectors and towards a niche readership. Consequently, we exclude such publications to prevent bias and instead focus only on mainstream media which, given their broader reach, also have a greater impact on brand reputation.

Print Media	TV News	Radio News (main news bulletins only)
Business Day	E-TV News	702 World at 6
Business Report	SABC Africa News Update	Cape Talk
Business Times	SABC Afrikaans News	Highveld
City Press Business	SABC English News	Kaya Fm
Financial Mail	SABC News @ 10	Lesedi FM
FinWeek	SABC SiSwati/Ndebele News	Metro FM
Mail & Guardian	SABC Sotho News	Motsweding
Sake Rapport	SABC Venda/Tsonga News	RSG - Geld Sake
Sake24	SABC Zulu/Xhosa News	SAFM - Market Update
	SABC 3: News @ One	Ukhozi
	Summit TV	Umdlombo Wenene
		YFM

In print media, all articles in the news, political, editorial opinion and business sections are assessed. We exclude ‘advertorials’, advertisements, letters to the editor and all other items that are clearly non-editorial content. On television, the main news reports listed are also scrutinised.

Media Tenor’s analysis of these items is based on standard content examination procedures (see www.mediatenor.co.za for a more technical explanation). In order to be relevant for our sustainability analysis, the articles must make mention of specific companies. Sustainability-related articles of a general nature that do not specifically refer to one or more companies (there are many such media articles) are not included in the analysis. All sustainability-related articles are included in which one or more companies were described in at least five lines or for five seconds. In other words, the analysis focussed only on those sustainability-related articles that made specific reference to one or more companies at a statement level.

Media Tenor uses a series of unique codes to categorise each statement according to the nature of the topic, the company mentioned, and a number of other variables. For the purposes of our

sustainability analysis we selected, from Media Tenor's full list of codes, those topics that we considered to relate to sustainability. We then grouped similar coded topics, as relevant, within one of the following nine 'sustainability categories': sustainability management; sustainability advocacy; external stakeholder relations; compliance with legislation; human resources management; marketplace impact; BEE and transformation; community relations; and biophysical environment. We excluded, from our analysis, all topics that related directly to the financial affairs or performance of a company – such as mergers and acquisitions, corporate restructuring, issuing of share options, government regulations pertaining to companies, management strategy; or public relations.

The SCM is based on an indexation methodology which is derived from several media coverage factors across two aspects, namely media coverage and media tone. For media coverage, each company's score is calculated as the sum of three factors:

- The volume of sustainability-related statements about that company in the media,
- The degree to which each company's coverage is spread across all media titles in the analysis group,
- The extent to which each company's coverage is spread across the spectrum of sustainability issues.

For media tone, each company's score is calculated based on how many of the media statements for that company were considered positive, neutral or negative in tone where:

- The proportion of statements that is positive is scored at +2,
- The proportion of statements that is neutral is scored at +1,
- The proportion of statements that is negative is scored at -2.

Theoretically, each company's score on the media sustainability index could vary between +100 and -100, although these limits would be difficult to achieve. For example, a score of +100 would require a company to have the highest number of media records, spanning all media and sustainability issues, with a positive tone associated with every record. What is more telling is to assess how each company's score has varied from year to year. It is also useful consider the relative scores between companies, particularly when compared with sector peers.

The data used for the calculations included news appearing in the South African press which relates to international brands. We included these companies because they are typically represented in South Africa in one or another capacity, which makes their relative performance of interest to local businesses. We also included news appearing in the South African press relating to the international operations of local brands, because the image and reputation of local brands can be positively or negatively affected by actions in their international operations.

Bearing in mind that it is corporate action and performance that underpins each company's media index score as shown on our SCM, companies should be mindful of those issues that attracted media attention in the first place, and should assess how their actions and performance might be changed for the better.