

**De Nederlandse Hartstichting
Handboek Duurzaamheidscriteria**

November 2012

A. Absolute bedrijfscreening

De Nederlandse Hartstichting heeft ervoor gekozen om bedrijven te screenen op absolute duurzaamheidscriteria.

In deze screening worden bedrijven onderzocht op betrokkenheid bij een aantal controversiële zaken die vooraf met u zijn besproken en gedefinieerd. De absolute bedrijfscreening kan er toe leiden dat er niet belegd kan worden in betrokken bedrijven of landen en heeft daarom betrekking op zogenaamde filtercriteria. De duurzaamheidscriteria zoals gehanteerd door de Nederlandse Hartstichting worden weergegeven in Annex 1.

B. Relatieve Duurzaamheidsscreening

De Nederlandse Hartstichting heeft ervoor gekozen om bedrijven te screenen op relatieve duurzaamheidscriteria.

Bij een relatieve screening worden de duurzaamheidsprestaties van een bedrijf zowel in positieve als in negatieve zin uitgedrukt in een totaalscore. Deze duurzaamheidsscore heeft een schaal van 0 tot 100 en kan vergeleken worden met de duurzaamheidsprestaties van andere bedrijven binnen een benchmark. De gehanteerde benchmark bestaat uit de ongeveer 2000 bedrijven die Sustainalytics gebruikt op basis van gegevens in de duurzaamheidsdatabase.

De gemiddelde duurzaamheidsscore van de portefeuille van de Nederlandse Hartstichting wordt bepaald door **D**: de duurzaamheidsscore per bedrijf te vermenigvuldigen met **I**: het financiële gewicht van het bedrijf in de portefeuille van de Nederlandse Hartstichting (de relatieve investeringswaarde).

In een formule is dit als volgt weergegeven:

$$\text{Gemiddelde duurzaamheidsscore portefeuille} = \Sigma (D * I)$$

De relatieve screening kijkt naar de gemiddelde duurzaamheidsscores van de onderliggende bedrijven uit de portefeuille in vergelijking met de gemiddelde duurzaamheidsscores in de benchmark. Waar mogelijk wordt dit uitgesplitst per sector. Verder worden per sector de scores van de bedrijven in de portefeuille vergeleken met de duurzaamheidsscores van de best presterende en de 10% slechtst presterende bedrijven zoals die voorkomen binnen de benchmark. Hiermee wordt inzicht verkregen in het verbeterpotentieel van de portefeuille op het gebied van duurzaamheid. Sustainalytics adviseert Staalbankiers om voor haar klanten op lange termijn niet te beleggen in de 10% slechtst presterende bedrijven per sector.

Tenslotte is in Annex 2 nadere informatie opgenomen over Sustainalytics en het onderzoeksplatform van Sustainalytics.

ANNEX 1

1. Common Filter Criteria

P.1 Adult Entertainment

This indicator provides an assessment of whether companies derive revenue from adult entertainment. This includes sex shops, producers of adult movies, cinemas that show adult movies, adult entertainment magazines, and the broadcasting of adult entertainment via Pay-TV.

Definition: The production of materials that explicitly represent the human body or sexual activity with the goal of sexual arousal and/or sexual relief.

Adult Entertainment is considered controversial for some people as it is claimed that adult entertainment undermines faith and family values. Other people claim that the materials show the subordination of (wo)men.

Het huidige filter voor dit criterium is ingesteld op enige betrokkenheid

P.2 Alcohol

This indicator provides an assessment of whether companies derive revenue from alcoholic beverages. This includes producers of these beverages as well as owners of retail stores that specialise in selling alcoholic beverages.

Food retail companies that distribute own label alcoholic beverages products are also considered manufacturers of alcoholic beverages. General retailers are only included under this indicator in case their revenues from alcoholic beverages exceeds 10% of sales (unless they have own-label alcoholic beverages).

Definition Alcohol: Any drink that contains ethanol is called an alcoholic beverage. Examples are spirits, wine, or beer, etc.

Alcoholic beverages are considered controversial because excessive drinking can lead to social problems (addiction) and health problems.

Het huidige filter voor dit criterium is ingesteld op > 5% omzet.

P.3 Controversial Weapons

This indicator provides an assessment of whether companies are involved in the manufacture, marketing, or sale of controversial weapons or important components thereof. The following types of weapons are defined as controversial taking into account relevant international treaties:

- Anti-personnel mines
- Biological and chemical weapons
- Cluster munitions
- Depleted uranium ammunition
- Nuclear weapons

Het huidige filter voor dit criterium is ingesteld op bewijs voor directe betrokkenheid.

P.5 Fur

This indicator provides an assessment of whether companies derive revenue from fur or specialty leather.

The indicator focuses on companies that manufacture products made of fur or specialty leather. It also includes companies involved in breeding or hunting animals for their skin/fur such as mink and crocodile farms.

Fur is considered controversial as many alternatives are available for the production of consumer products, and the animal suffering is considered unnecessary.

Het huidige filter voor dit criterium is ingesteld op enige betrokkenheid.

P.8 Military contracting

This indicator provides an assessment of whether companies derive revenue from the manufacturing of weapons or weapon components or from providing tailor-made products or services to the army or the defence industry.

This indicator focuses on companies that manufacture weapons or weapon components and parts or from providing tailor-made products or services to the army or the defence industry. It does NOT include companies that provide dual use products and services or products of strict civilian use (see definitions below).

Definition: Weapons

Weapons include handguns, guns, ammunitions, missiles, military aircrafts, tanks, warships, nuclear warheads, defence components and systems, training/combat simulators, etc. We also look for parts and components (but not for raw materials).

Definition: Tailor-made products for the army or the defence industry

Tailor-made products are not always obvious to identify. Tailor-made products include, for example, special fabrics for bullet proof vests, electronic systems for military aircrafts, etc. Certain providers of services to the weapons or defence industry are also included, such as those providing services for the maintenance of military aircrafts.

Definition: Dual-use products and services

Dual-use products and services are those products that may have both a civilian use and a specific military application (like fuel, communication services, etc.)

Definition: Strict civilian use

Products or services with a strict civilian use are those products that may not have a military application (although they might be useful in a military organisation) like toothpaste, food, postal services, etc.

The use of weapons or weapon components is considered controversial as the use of them can lead to (civilian) casualties.

Het huidige filter voor dit criterium is ingesteld op > 5% omzet.

P.12 Tobacco

This indicator provides an assessment of whether companies derive revenue from tobacco products including cigarettes, cigars, tobacco, paper used by end consumers for rolling cigarettes, filters, snuff tobacco, etc.

This indicator looks at companies that manufacture tobacco products. (Food retail) companies that distribute own label tobacco products are also considered manufacturers of tobacco products. This indicator also covers retailers of these products in case their revenue exceeds 10% of annual revenues (i.e. specialised retailers).

Definition Tobacco: leaves of the tobacco plant dried and prepared for smoking or ingestion. Examples of Tobacco products are: cigarettes, cigars, tobacco, paper used by end consumers for rolling cigarettes, filters, snuff tobacco)

Tobacco is considered controversial because of the negative health consequences (cancer) of long term use of tobacco products that also leading to substantial medical costs for society.

Het huidige filter voor dit criterium is ingesteld op > 5% omzet.

2. Filter Criteria based on Controversies

Companies are filtered based on noted significant involvement (category 4 or 5) related to one or more of the selected filter criteria, in the recent past (typically last 3 years). This assessment is based on a comprehensive evaluation of available facts and takes account of the following: The impact for stakeholders and the environment; the frequency and pattern of such controversies; the seniority of corporate staff responsible; whether the controversies are unusual for the industry; how the facts became public; the status and results of legal proceedings; and the corporate response including possible steps taken to prevent similar controversies in the future.

Filter criteria related to Governance issues

G.1.5 Business Ethics Related Controversies or Incidents

This indicator identifies companies that are involved in recent controversies or incidents over business ethics issues. The indicator covers, for example, controversies or incidents related to illegal or criminal activities, bribery and corruption, tax issues (e.g. illegal tax evasion, aggressive tax avoidance schemes), money laundering, fraud and conflict of interests in business dealings.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

The following specific filters are available to identify certain types of business ethics related controversies or incidents

Bribery and corruption

This filter identifies recent involvement of the company in controversies or incidents over bribery and corruption including ongoing investigations, court rulings, etc.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

G.2.13 Governance Related Controversies or Incidents

This indicator identifies companies that are involved in recent controversies or incidents over governance issues. The indicator covers, for example, controversies or incidents related to executive remuneration, governance structures, accounting irregularities, related parties transactions, conflicts of interests at board level, or shareholder rights (e.g. controversies over voting rights, voting caps, poison pills, insider trading, etc.). Important shareholder resolutions are also covered

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

Filter criteria related to Social issues

S.1.7 Employee Related Controversies or Incidents

This indicator identifies companies that are involved in recent social controversies or incidents related to employees. The indicator covers, for example, employee related controversies or incidents related to poor labour standards, health and safety concerns, the use of child or forced labour, freedom of association, strikes and lockouts, etc.

The assessment is based on a contextual assessment of the case(s) taking into account amongst others the following: The seriousness of the case; the frequency and/or pattern of such controversies; company personnel involved and their seniority; the extent to which the controversies stand out given the nature and practice in the industry; and the corporate response including possible steps taken to prevent similar controversies in the future.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

The following specific filters are activated to identify certain types of employee related controversies or incidents

Child labour

This filter identifies recent involvement in controversies or incidents over the use of child labour related to the company's employees as defined by the International Labour Organisation (ILO).

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

Health & safety

This filter identifies recent involvement in controversies or incidents over health and safety related to a company's employees.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

Forced labour

This filter identifies recent involvement in controversies or incidents over forced labour related to employees as defined by the International Labour Organisation (ILO).

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

Basic labour rights (ex Child and Forced Labour)

This filter identifies recent involvement in controversies or incidents over basic labour rights related to the company's employees as defined by the International Labour Organisation (ILO) other than child labour and forced labour. This includes for example the right to collective bargaining, freedom of association, non-discrimination, minimum living wage, etc.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

S.2.3 Contractor & Supply Chain Related Controversies or Incidents

This indicator identifies companies that are involved in recent social controversies or incidents related to contractors and the supply chain. The indicator covers, for example, controversies or incidents in the supply chain or amongst contractors related to poor labour standards, health and safety concerns, the use of child or forced labour, freedom of association, strikes and lockouts, etc.

The assessment is based on a contextual assessment of the case(s) taking into account amongst others the following: The seriousness of the case; the frequency and/or pattern of such controversies; company personnel involved and their seniority; the extent to which the controversies stand out given the nature and practice in the industry; and the corporate response including possible steps taken to prevent similar controversies in the future.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

Specific filters are activated to identify certain types of contractors & supply chain related controversies or incidents

Child labour

This filter identifies recent involvement of contractors or suppliers in controversies or incidents over the use of child or forced labour as defined by the International Labour Organisation (ILO).

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

Health & safety

This filter identifies recent involvement of contractors or suppliers in controversies or incidents over health and safety.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

Forced labour

This filter identifies recent involvement of contractors or suppliers in controversies over forced labour as defined by the International Labour Organisation (ILO).

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

Basic labour rights (ex Child and Forced Labour)

This filter identifies recent involvement of contractors or suppliers in controversies over basic labour rights as defined by the International Labour Organisation (ILO) other than child labour and forced labour. This includes for example the right to collective bargaining, freedom of association, non-discrimination, minimum living wage, etc.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

S.4.3 Society & Community Related Controversies or Incidents

This indicator identifies companies that are involved in recent controversies or incidents related to local communities or society in general. The indicator covers, for example, controversies or incidents related to human rights, collaboration with repressive regimes, conflicts with local communities.

The assessment is based on a contextual assessment of the case(s) taking into account amongst others the following: The seriousness of the case; the frequency and/or pattern of such controversies; company personnel involved and their seniority; the extent to which the controversies stand out given the nature and practice in the industry; and the corporate response including possible steps taken to prevent similar controversies in the future.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

Specific filters are available to identify certain types of society & community related controversies or incidents

Local Communities Filter

This filter identifies recent involvement in controversies or incidents over local communities.

These type of controversies may relate to environmental, social or human rights related controversies or incidents with a strong impact on local communities.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

High Impact Projects Filter

This filter identifies recent involvement in controversial projects. Such controversial projects are mainly located in non-OECD countries and typically involve companies that active in the following sectors/industries: construction & engineering, energy, electrical equipment, financials, extractive industries (e.g. mining and forestry), and utilities. The projects itself are typically related to major infrastructure projects such as hydroelectric dams, transport infrastructure, mining projects, forestry projects, etc.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

Filter criteria related to Environmental issues

E.1.12 Operations Related Controversies or Incidents

This indicator identifies companies that are involved in recent environmental controversies or incidents related to their own operations. The indicator covers, for example, controversies or incidents related to environmental pollution caused by the company's operations, fines and incidents related to poor environmental practice, waste management practice, toxic emissions, or environmental damage to ecosystems caused by operations.

The assessment is based on a contextual assessment of the case(s) taking into account amongst others the following: The seriousness of the case; the frequency and/or pattern of such controversies; company personnel involved and their seniority; the extent to which the controversies stand out given the nature and practice in the industry; and the corporate response including possible steps taken to prevent similar controversies in the future.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

E.2.2 Contractors & Supply Chain Related Controversies or Incidents

This indicator identifies companies that are involved in recent environmental controversies or incidents related to their contractors or the supply chain. The indicator covers, for example, controversies or incidents related various types of environmental concerns at the level of suppliers, environmental damage caused in the supply chain such as deforestation, destruction of natural habitats or the lack of environmental standards at the level of contractors.

The assessment is based on a contextual assessment of the case(s) taking into account amongst others the following: The seriousness of the case; the frequency and/or pattern of such controversies; company personnel involved and their seniority; the extent to which the controversies stand out given the nature and practice in the industry; and the corporate response including possible steps taken to prevent similar controversies in the future.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

E.3.2 Products & Services related controversies or incidents

This indicator identifies companies that are involved in recent environmental controversies or incidents related to their products or services. The indicator covers, for example, controversies or incidents related to the poor environmental performance of a company's products or services, the risks the products/services pose to the environment and public health, or concerns related to the products at their end of the life-cycle.

The assessment is based on a contextual assessment of the case(s) taking into account amongst others the following: The seriousness of the case; the frequency and/or pattern of such controversies; company personnel involved and their seniority; the extent to which the controversies stand out given the nature and practice in the industry; and the corporate response including possible steps taken to prevent similar controversies in the future.

Het huidige filter voor dit criterium is ingesteld op categorie 4 en 5 betrokkenheid

ANNEX 2

Sustainalytics

Sustainalytics is in januari 2002 door PGGM, Fortis MeesPierson en Triodos Bank opgericht en richt zich op het verzamelen van betrouwbare informatie over de duurzaamheid van Nederlandse beursgenoteerde ondernemingen aan de hand van een gestandaardiseerde methode. Sustainalytics levert via haar onderzoeksplatform eenduidige bedrijfsprofielen en -ratings die internationaal door tientallen institutionele beleggers en financiële instellingen worden gebruikt. Sustainalytics heette tot maart 2009 Dutch Sustainability Research.

Sustainalytics beschikt over een onderzoeksplatform met duurzaamheidsinformatie van ongeveer 2.000 ondernemingen. (Zie Box 1).

Box 1: Platform

Kenmerken:

- Lokale kennis en ervaring;
- Ongeëvenaarde onderzoekscapaciteit;
- Hoge mate van kwaliteit mede via een stringent kwaliteitssysteem, uitgebreide handboeken en peer reviews;
- Breed duurzaamheidsperspectief: bedrijfsethiek, samenleving, corporate governance, klanten, werknemers, leveranciers, milieu, controversiële bedrijfsactiviteiten;
- Diepgaande bedrijfsanalyses: publieke verslagen en communicatie; principes en beleid, managementsystemen, prestaties;
- Direct contact met bedrijven, NGO's, vakbonden en andere belanghebbenden.

Sustainalytics biedt een groot aantal producten:

1. Bedrijfsratings en profielen (zie box 2);
2. Portefeuillescreenings;
3. Controversial Weapons Radar, voor beleggers die niet willen beleggen in bedrijven die betrokken zijn bij cluster wapens, anti-persoonsmijnen, kernwapens, chemische en biologische wapens en wapens met verarmd uranium.
4. Global Compact Compliance Service, voor beleggers die niet willen beleggen in bedrijven die niet voldoen aan de principes van UN Global Compact. Dit zijn 8 fundamentele principes over minimale arbeidsomstandigheden, mensenrechten, het voorkomen van omkoping & corruptie en van structurele ernstige milieuschade.
5. Engagement services
6. Advies ten aanzien van corporate governance;
7. Advies ten aanzien van duurzaam beleggen.

Duurzaamheidsonderzoek is hierbij voorhanden voor zowel landen, bedrijven als multilaterale instellingen en voor aandelen en obligaties.

Box 2: Research Methodologie

Kenmerken:

- Op maat aanpassen van de weging voor ieder van de 50+ indicatoren;
- Het zelf bepalen van bedrijfstak specifieke gewichten of hanteren van de Sustainalytics-standaard;
- Keuze uit een set van circa 40 reguliere filtercriteria;
- Het in het systeem vastleggen van portefeuilles voor snelle portefeuilleanalyses;
- Het bewaren van individuele instellingen;
- Toegang tot meer dan tien typen ratingrapporten;
- Downloaden van rating samenvattingen en/of gedetailleerde bedrijfsprofielen;

- Exporteren van bestanden inclusief unieke aandelencodes die integratie van de ratings/screenings in financiële databases mogelijk maakt.

Het bedrijfsprofiel en de ratings, welke ieder jaar worden geüpdate, bevat drie hoofdthema's te weten:

1. Environment
2. Social
3. Governance

Onder deze hoofdthema's vallen de volgende sub-thema's:

- Bedrijfsethiek;
- Corporate Governance
- Overheid
- Samenleving;
- Klanten;
- Werknemers;
- Milieu;
- Leveranciers;

Sustainalytics onderzoekt deze onderwerpen op transparantie, beleid, management en prestaties. Sustainalytics past een Quality Management System (QMS) toe dat verplicht is voor alle analisten. De richtlijnen van het QMS hebben betrekking op het onderzoeksproces en de rapportage van de resultaten.