

SUMMER IN THE CITY



3RD ANNUAL CSR INVESTING SUMMIT

Dissecting ESG Ratings: Understanding Ratings Construction

Coverage	<p>Equities = 4,500 corps (80% of global equity value)</p> <p>Muni Bonds = 4,000 CUSIPs (1,000 issuers)</p> <p>REITs + Mutual Funds + ETFs + 401(k) plans</p>
Region	<p><i>Equities:</i> North America, Latin America, Europe, AsiaPacific, Africa</p> <p><i>Munis:</i> Cities/States, Univ/K12, Hospitals, Water/Sewer, Energy, Ports/Roads, Sovereigns, Agencies (IFC, WB, FNMA)</p>
History	<p><i>Equities:</i> since 2007</p> <p><i>Munis:</i> since late 2012</p>
Data Sources	<p><i>Equities:</i> primary research + third party</p> <p><i>Munis:</i> primary research + third party</p>
Publish Frequency	<p><i>Equities:</i> rolling reporting, annual metrics, quarterly updates</p> <p><i>Munis:</i> rolling reporting, annual metrics</p>
Quality Assurance	HIP Analyst Verified
Key Principles	<p><u>ESG as Drivers of Future Risk + Return Potential</u></p> <p>Issuers compete on HIP Rating to benefit society + investors</p>