

## How to integrate ESG criteria into your investment decisions

### Module 1: Concept Development

An investment concept tailored to your organisation's particular circumstances forms the basis for the integration of ESG criteria into your investment decisions. With more than 20 years of experience in the sustainable investment field to draw on, we can help you develop an appropriate concept structured around negative and positive criteria and an engagement approach.

### Module 2: Portfolio Check

Taking the concept we have developed together as a starting point, we will look at how far your current investments go toward meeting the specified requirements, e.g. with regard to exclusion criteria. This will involve screening your portfolio holdings on an individual issuer basis. We will then draw up a comprehensive report on the results of the analysis. This will form the basis for defining the next steps in the implementation process. There are three basic strategies here, which can be implemented either individually or in combination:

#### Module 3a: Exclusion Lists

From our overall universe, we will filter out those issuers which breach the exclusion criteria you have specified. When selecting these criteria, you can either use international standards such as those of the UN Global Compact as a guideline or compile a list of your own choosing. Following the filtering process, you will receive a list of issuers in which you or your asset manager should not invest.

#### Module 3b: Best-in-Class Universes

From our overall universe, we will compile a list of those issuers which meet the requirements that you have defined. To do this, we will take into account both the exclusion criteria you have selected and the positive criteria relating to social and environmental sustainability. When factoring in the positive criteria, we will take oekom's ratings and the Prime status awarded by oekom research to leading companies and countries as our basis. You will then receive a list of issuers in which you or your asset manager should invest.

#### Module 3c: Engagement

The engagement approach involves you, either acting alone or together with other investors, entering into a constructive dialogue with companies in order to achieve the necessary improvements in sustainable company management. We will prepare all the information necessary to enable you to enter into such a dialogue in full possession of all the facts. This will include selecting suitable companies, documenting the specific shortcomings of the companies concerned and handling the correspondence. If you wish, we will put you in touch with other investors who are pursuing similar goals.

### Module 4: Controlling

On request, we will carry out regular checks, e.g. at six-monthly intervals, of whether the negative and positive criteria have been applied consistently and of whether your investments are meeting the requirements you have specified.

#### Basis

oekom Corporate Universe, comprising around 3,800 issuers from important national and international indexes, as well as oekom Country Universe, comprising 56 countries and the EU