

Principles for Responsible Investment Reporting and Assessment Tool

Individual Results August 2009

Name	Nathan Cummings Foundation
Type	Asset Owners
AUM (millions home currency)	380
USD millions	380
Signatory detail	Foundation or endowment
Pension type	
Complexity	Moderately complex
Region	North America
Country	USA
AUM quartile	Smallest quartile
Sign year	2006

Introduction

Thank you for participating in the third annual PRI Reporting and Assessment process. The Tool was designed to assist signatories in their efforts to report on progress under Principle 6, and also to provide a methodology for assessing the efforts of individual signatories as well as the progress of the overall PRI initiative. The full report with aggregate results is available at www.unpri.org/report09/. This document conveys your organisation's results, based on scores calculated using the scoring methodology in the user manual. Individual scores are indicative and will be kept confidential.

Responses have been scored on a per-Principle basis, rather than on an overall basis. This removes the need to weigh or value the Principles in relation to each other, recognising that each approach to PRI implementation will reflect the varying needs of each signatory.

Because of the diversity in the signatory base and the different approaches to responsible investment involved, it was deemed important to score signatories for only the actions that are relevant to their fund and its objectives. Thus, only questions deemed applicable to the particular signatory were assigned points and counted towards the score for that Principle.

There were some questions within the Reporting and Assessment Tool that were not relevant to the assessment process and were therefore not assigned scores. Examples are as follows:

- The questions were informational and not PRI performance-based
- The questions asked for information that cannot be objectively assessed, but was nevertheless useful for building an understanding of signatories' experiences in implementing the PRI
- The question did not reflect actions directly associated with the PRI (e.g. the extent of ethical screening).

Your organisation's results can be found on the next few pages as calculated using the scoring methodology agreed upon by the PRI Assessment Group.

Interpreting your results

This report presents PRI signatory scores for each Principle divided into four quartiles for three groups of respondents. Figure 1 indicates your score relative to all signatories, Figure 2 indicates your score relative to signatories that are the same type of signatory as your organisation (asset owners or investment managers) and Figure 3 indicates your score relative to signatories that are the same type of signatory as your organisation and based in the same region.

Below each figure a table is provided indicating which quartile your organisation is in for each peer group presented in the charts above. A green cell indicates your quartile ranking increased while a red cell indicates your quartile ranking decreased. The minimum number of signatories in your peer group for each year is also indicated.

In addition to these three charts, an appendix has been included which indicates your score relative to additional peer groups based on further criteria. Please note that due to the restricted universe resulting from the application of these further criteria, quartile charts are shown for the Principles where a significant number of signatories within each peer group provided responses. This is to ensure the confidentiality of signatory scores.

The four quartiles are each represented by a coloured segment of the bar chart. The top quartile (1) for each Principle is yellow and the bottom quartile (4) is blue. The top quartile may not reach 100% if no signatories in the peer group achieved a perfect score, while the bottom quartile may not reach 0% if all signatories in the peer group achieved a positive score. The median score is the horizontal line between the orange and green segments of the bar chart. The black diamond shows your organisation's scores for each Principle. The position of the black diamonds can tell you both which quartile your organisation is in and the relative position of your organisation within that quartile. If there is no black diamond for a Principle, your organisation did not respond that year or did not provide enough answers to meet the scoring threshold for that Principle (a score was not provided when there were a large number of 'not applicable' responses within a Principle).

Please note that Figure 5 has been omitted for signatories that did not classify themselves as either non-corporate pension or superannuation or retirement or provident fund or plan, or corporate pension or superannuation or retirement or provident fund or plan.

The PRI scoring methodology has been developed to attempt to represent your organisation's level of implementation of the Principles relative to your peers. However, the scoring methodology and specific questions have changed each year so scores year over year may not be directly comparable.

Your results

Figure 1. Nathan Cummings Foundation and all PRI signatory scores

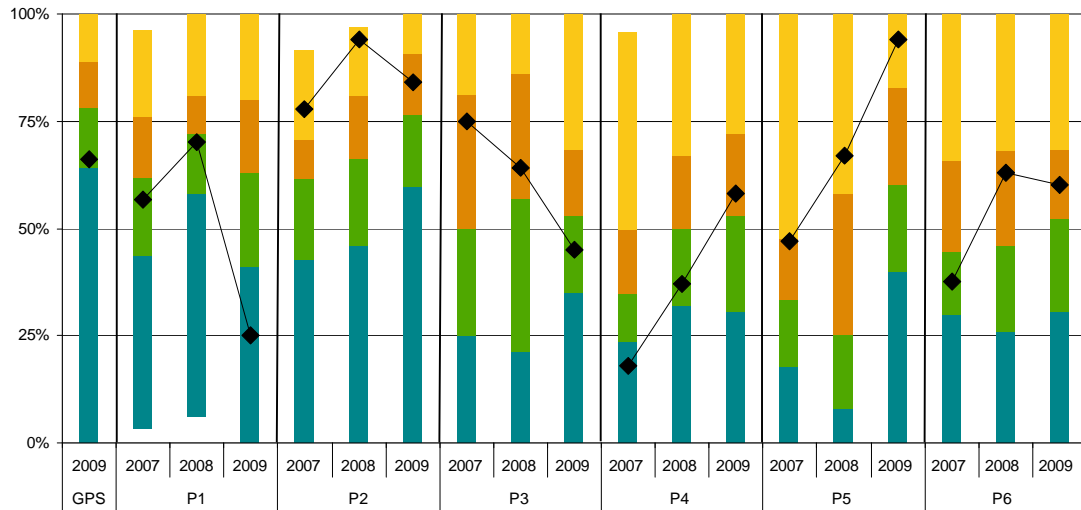


Table 1. Nathan Cummings Foundation quartiles relative to all PRI signatories

	GPS	P1	P2	P3	P4	P5	P6	Min. # peers
2007	N/A	3	1	2	4	2	3	81
2008	N/A	3	1	2	3	1	2	157
2009	3	4	2	3	2	1	2	276

(1)= top quartile; (4)= bottom quartile; green/red represent increases/decreases in quartile ranking

Figure 2. Nathan Cummings Foundation and PRI Asset Owners scores

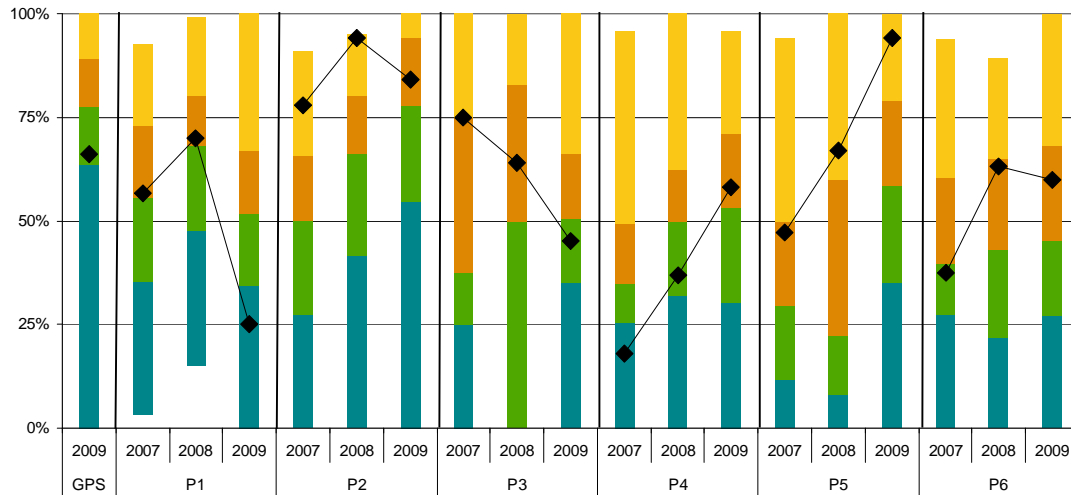


Table 2. Nathan Cummings Foundation quartiles relative to PRI Asset Owners

	GPS	P1	P2	P3	P4	P5	P6	Min. # peers
2007	N/A	2	1	1	4	2	3	49
2008	N/A	2	1	2	3	1	2	80
2009	3	4	2	3	2	1	2	123

(1)= top quartile; (4)= bottom quartile; green/red represent increases/decreases in quartile ranking

Figure 3. Nathan Cummings Foundation and PRI Asset Owners in North America scores

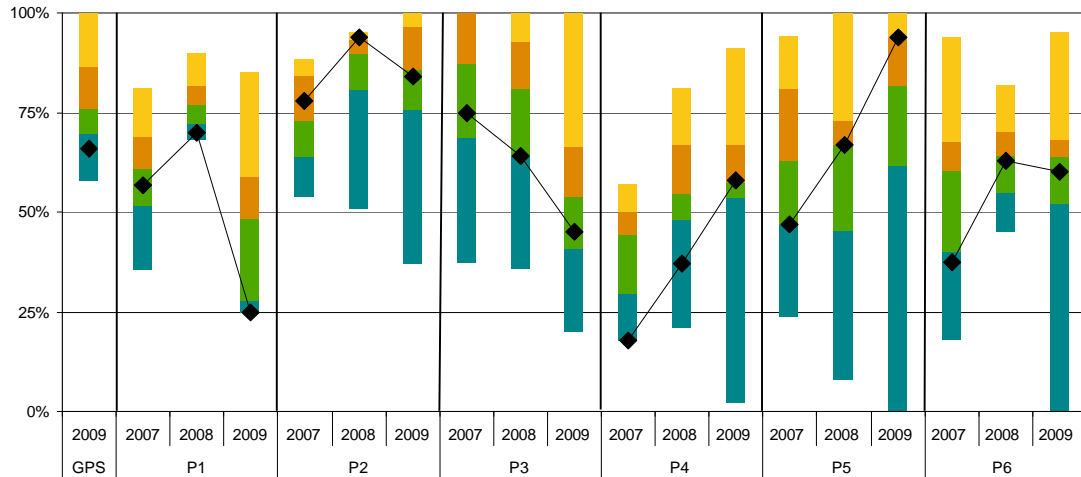


Table 3. Nathan Cummings Foundation quartiles relative to PRI Asset Owners in North America

	GPS	P1	P2	P3	P4	P5	P6	Min. # peers
2007	N/A	3	2	3	4	3	4	8
2008	N/A	4	1	3	4	2	3	12
2009	4	4	3	3	2	1	3	16

(1)= top quartile; (4)= bottom quartile; green/red represent increases/decreases in quartile ranking

General PRI guidance for further implementation of the Principles

Principle-specific guidance may be found below to help you improve or expand your approach to PRI implementation. Guidance has been provided only for those principles where your score is below the median score of your signatory type (Figure 2.; asset owners or investment managers). If you score above the median in all Principles, you will not see any Principle specific guidance below. The advice is not necessarily comprehensive and it may not be applicable to all organisations. Each signatory should establish their own approach to responsible investment, and this may involve actions different from those listed below.

Additional implementation support can be found in the [PRI in Practice](#) section of the PRI Signatory Intranet (login: priintranet, password: pri28) and other PRI workstreams provide signatories with a range of additional information and suggestions to support implementation efforts.

Governance, Policy and Strategy

- Introduce and review regularly a policy that makes specific reference to responsible investments. Address - within this policy - issues related to environment, social and governance issues.
- Within your policy address ESG issues across all relevant asset classes and all Principles.
- Ensure that your policy approach to responsible investments is translated into a plan of action and thus reflected in strategic planning, business planning and other relevant internal management processes.

Principle 1

- Move beyond specialised ESG mandates and ensure all investment professionals responsible for investment decisions are educated in ESG issues and aware that these issues can affect performance.
- **Internally managed assets:**
 - where possible, incorporate ESG analysis in each step of your investment process, including research, investment valuation, investment selection and portfolio construction.
 - ensure relevant ESG information and analysis is available to and used by those responsible for investment decisions. ESG information and analysis can be procured from brokers or dealers, specialist research firms, subscriptions to ESG

research databases, or research and analysis can be undertaken by internal resources.

- **Externally managed assets:** ask investment manager(s) how ESG issues are incorporated into investment analysis and decision-making and mandate regular reporting on the consideration of ESG issues. Consider these capabilities when searching for, selecting and retaining investment managers.

For more ideas on how to implement Principle 1, review the case studies on pages 15, 16 and 20-22 in the [2009 Report on Progress](#).

Principle 3

- Encourage companies to disclose ESG policies, practices and performance either in regular financial reports or standalone reports. Independently from where they are reported, highlight that ESG issues can have a direct impact on financial performance.
- Collaborate with other investors to request ESG information. Collaborating with other investors can be efficient for both investors and companies as investors can work together to determine which information they need and companies can respond in the same way to multiple investors with similar interests.

For more ideas on how to implement Principle 3, monitor the PRI Engagement Clearinghouse for collaborative engagement opportunities and review the case studies on pages 35-38 in the [2009 Report on Progress](#).

Mandatory disclosure language

Should you wish to disclose your results externally, the following statement must accompany any reference to your quartile results or the presentation of the charts. In addition, signatories should not use the score for overt promotional purposes.

“Scores have been calculated based on signatories’ self assessment and using the scoring methodology approved by the PRI Assessment Group. Although a limited verification exercise was undertaken with a proportion of signatories, responses have not been independently audited by the PRI Secretariat, PRI Assessment Group, or any other third party. Individual results including comparisons to the overall results (quartiles) are indicative and do not imply an endorsement of signatory activity. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of information presented, and no responsibility or liability can be accepted for any error, omission or inaccuracy in this information.”

Contact information

Should you have any questions about your score or the methodology, please do not hesitate to contact the Reporting and Assessment team at assessment@unpri.org.

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Appendix

Figure 4. Nathan Cummings Foundation and PRI Foundation or endowment scores

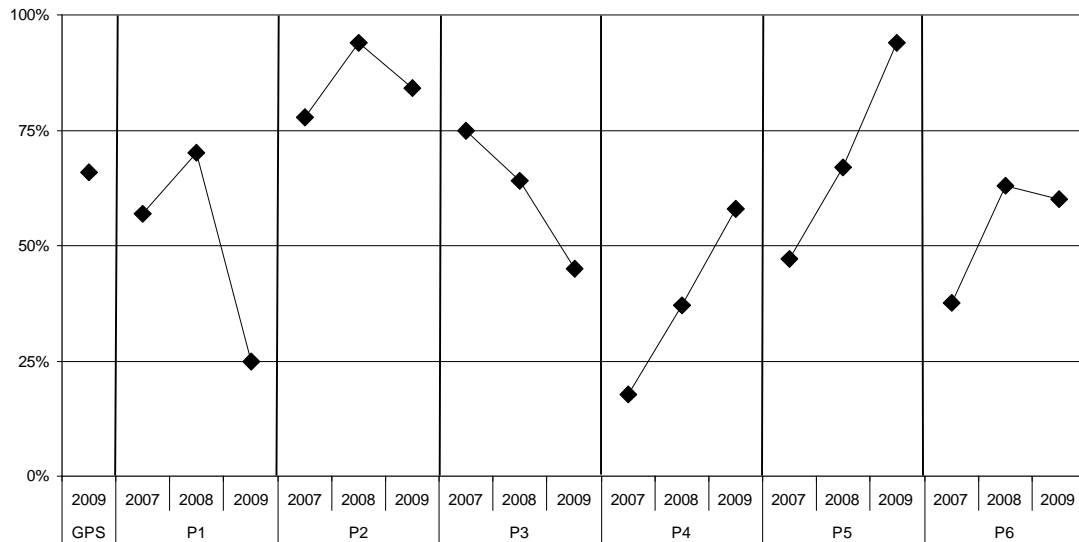


Table 4. Nathan Cummings Foundation quartiles relative to PRI Foundation or endowment signatories

	GPS	P1	P2	P3	P4	P5	P6	Min. # peers
2007	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1
2008	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3
2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6

(1)= top quartile; (4)= bottom quartile; green/red represent increases/decreases in quartile ranking

Figure 6. Nathan Cummings Foundation and PRI Asset Owners with Moderately complex level of complexity scores

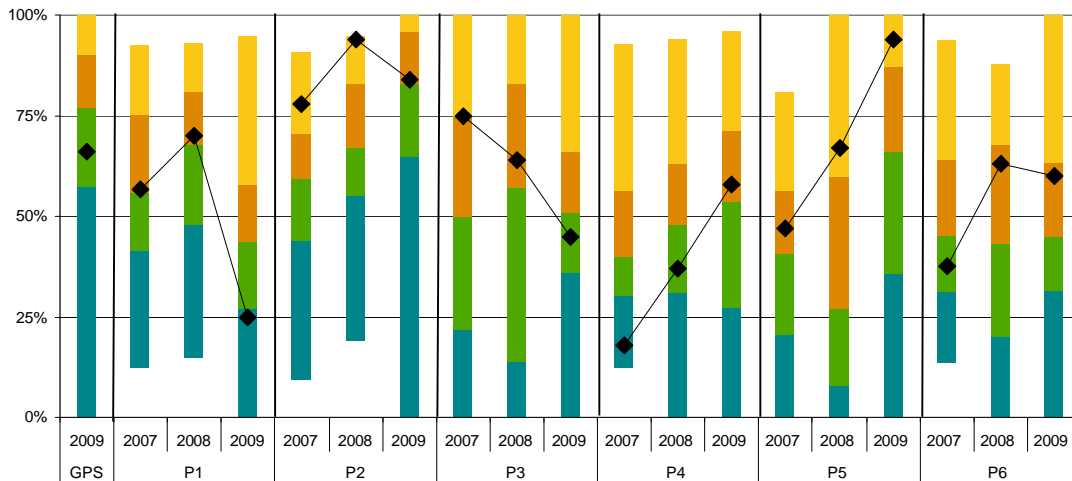


Table 6. Nathan Cummings Foundation quartiles relative to PRI Asset Owners with Moderately complex level of complexity

	GPS	P1	P2	P3	P4	P5	P6	Min. # peers
2007	N/A	2	1	1	4	2	3	26
2008	N/A	2	1	2	3	1	2	41
2009	3	4	2	3	2	1	2	59

(1)= top quartile; (4)= bottom quartile; green/red represent increases/decreases in quartile ranking

Figure 7. Nathan Cummings Foundation and PRI Asset Owners with Smallest quartile AUM scores

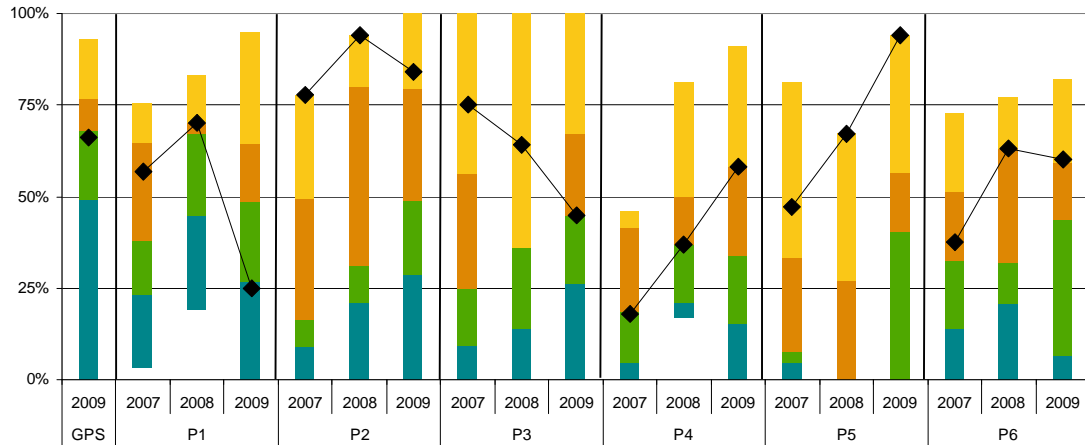


Table 7. Nathan Cummings Foundation quartiles relative to PRI Asset Owners with Smallest quartile AUM

	GPS	P1	P2	P3	P4	P5	P6	Min. # peers
2007	N/A	2	1	1	3	1	2	8
2008	N/A	1	1	1	2	1	1	9
2009	3	4	1	2	1	1	1	28

(1)= top quartile; (4)= bottom quartile; green/red represent increases/decreases in quartile ranking

Figure 8. Nathan Cummings Foundation and PRI Asset Owners that joined the PRI in 2006 scores

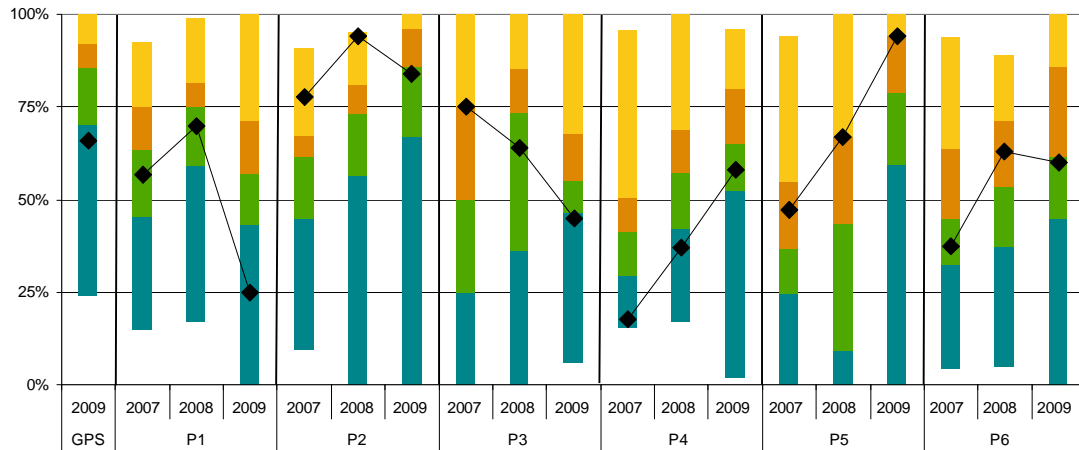


Table 8. Nathan Cummings Foundation quartiles relative to PRI Asset Owners that joined the PRI in 2006

	GPS	P1	P2	P3	P4	P5	P6	Min. # peers
2007	N/A	3	1	1	4	2	3	39
2008	N/A	3	1	3	4	1	2	50
2009	4	4	3	4	3	1	3	53

(1)= top quartile; (4)= bottom quartile; green/red represent increases/decreases in quartile ranking

Figure 9. Nathan Cummings Foundation and PRI Asset Owners in USA scores

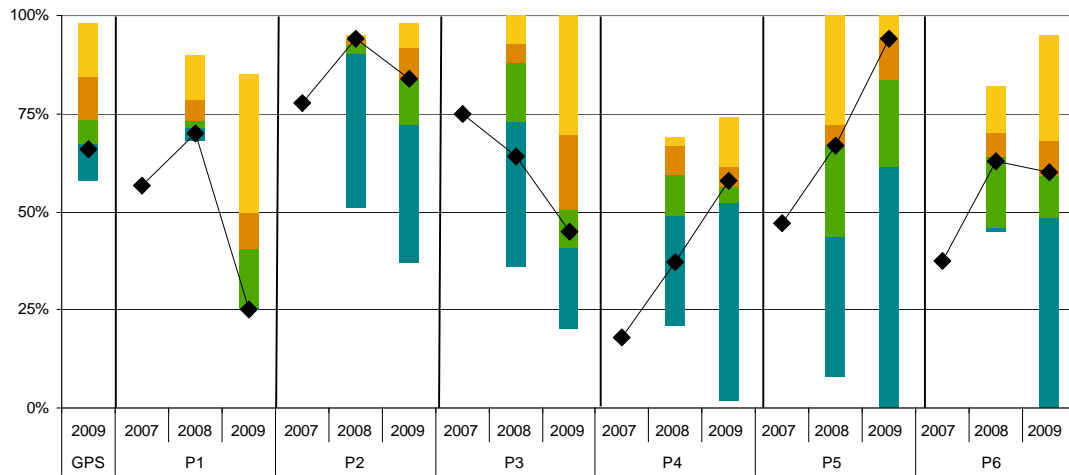


Table 9. Nathan Cummings Foundation quartiles relative to PRI Asset Owners in USA

	GPS	P1	P2	P3	P4	P5	P6	Min. # peers
2007	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5
2008	N/A	4	1	4	4	2	3	8
2009	4	4	2	3	2	1	2	12

(1)= top quartile; (4)= bottom quartile; green/red represent increases/decreases in quartile ranking