

Sustainable Manufacturing Underwriting Benefits

- Interested in cheaper cost of capital?
- Do you want higher returns on investment and ratings?
- Do you want to measure increased profitability and / or share value?

For Manufacturers and Retailers:

The Capital Markets Partnership (CMP) National Consensus Sustainable Manufacturing Underwriting Standard® provides a quantitative *CMP Green Value Score*® showing increased profits and / or share value from a 25-100 score. This Score results from increased revenues and decreased expenses.

There is a national consensus that the best measure of corporate sustainability is the percent of certified sustainable products that a company buys, makes (if applicable), and sells. This is a supply chain / life cycle assessment measure of a company's major environmental and social impacts and benefits, and a principle of the *Green Value Score*® of this Standard.

Background on the Standard:

This consensus Standard is modeled after the unanimously approved Green Building Underwriting Standards, and revised for manufacturers and retailers. The Capital Markets Partnership is an American National Standards Institute Accredited and Audited Standards Developer.

Consensus standards have the highest market value and are a prerequisite for use and adoption because they substantially reduce risk and uncertainty, and have regulated industry since 1898. They are required by law for the federal government.

The Underwriting Standards are part of CMP's Sustainable Investment Initiative and peer reviewed *Capital Markets Briefing Paper: Business Case for Commercializing Sustainable Investment*®, documenting added value, reduced risk, and investor preference of sustainable investment, and released at CMP's NYSE Meeting..

This Underwriting Standard, as developed by leading financial institutions, manufacturers, purchasers, and environmental groups:

- **Documents:** for companies scored and their investors, increased profitability and / or share value from sustainable activities and reduced risk
- **Provides:** increased investor confidence and preference
- **Stimulates sustainable development:** by providing the basis for cheaper cost of capital & higher financial returns and credit and bond ratings
- **Covers:** certified sustainable product and clean vehicle attributes including the LEED Certified Sustainable Product Credit / SMaRT, FSC Certified Wood, US Renewing Forest Label, and Clean Vehicle Standard
- **Ranks:** The most valuable sustainable manufacturing and retailing attributes

CMP GREEN VALUE SCORE FORMULA

NATIONAL CONSENSUS SUSTAINABLE MANUFACTURING UNDERWRITING STANDARD[®] FOR MANUFACTURERS & RETAILERS

CMP GREEN VALUE SCORE[®] MATRIX	Points	Score
<p>Sustainable Manufacturing Underwriting Standard Score 90 Pts. Max.</p>	<input style="width: 50px; height: 20px; border: 2px solid red;" type="text"/>	
<p>Brand Score from SMaRT or Equivalent 10 Pts. Max.</p> <p>The Brand Score for SMaRT or equivalent is calculated by multiplying 0.57 times each SMaRT Credit achieved in the Sustainable Manufacturing Underwriting Score. This 0.57 multiplication factor is derived from the total 57 SMaRT or equivalent points available that add economic value, divided by 100.</p>	<input style="width: 50px; height: 20px; border: 2px solid red;" type="text"/>	
<p>The Brand Score for The Clean Vehicle Standard is for vehicle manufacturers only, and is 10 points for achieving Clean Vehicle Standard Certification.</p> <p>Clean Vehicle Standard Certification</p>	10	
<p>The minimum requirement for a company achieving a Green Value Score is to have at least three product lines certified to SMaRT, FSC, US Renewing Label, Clean Vehicle Standard or equivalent. Further, cumulative bonus points are awarded for companies achieving these certifications for:</p> <p style="margin-left: 40px;"> at least 25% of all products made - 10 points 26% - 50% - 15 points 51% - 75% - 20 points 76% - 100% - 25 points </p>		
Bonus Points for Additional Certified Lines		
CMP GREEN VALUE SCORE[®]		

FOR 100% WOOD or PAPER MANUFACTURERS and RETAILERS

	Points	Score
Renewing Forest Legal Label	25	
FSC Recycled or equivalent	35	
FSC Mixed & Recycled or equivalent	45	
FSC Mixed & Controlled Wood or equivalent	55	
FSC Mixed, Controlled Wood & Recycled or equivalent	65	
FSC Pure or equivalent	75	
At least 25% of all products made are FSC Certified	10	
26-75% of all products made are FSC Certified	15	
76-100% of all products made are FSC Certified	20	
15% Minimum Required Mixed & Recycled Content. >50% =	15	
CMP GREEN VALUE SCORE®		

This Standard is the exclusive jurisdiction of CMP’s Sustainable Manufacturing Underwriting Standard Committee.

CMP’s *Capital Markets Briefing Paper: Business Case for Commercializing Sustainable Investment*® documents four years of peer reviewed due diligence with investors, investment banks and rating agencies, concluding based on national statistically valid data, that green buildings and certified sustainable products are more profitable, less risky, and preferred without exception by investors in a Survey initiated with S&P covering over \$3.3 trillion in assets.

The *Briefing Paper* is supported by the Bank of America and Energy Foundations, JPMorgan, Federal Home Loan Bank, and Anonymous Foundation for green affordable housing investment, and was released at CMP’s August 18, 2009 Press Conference at the New York Stock Exchange.

For Education Programs on the Standard contact CMP. The Standard is available at:
http://webstore.ansi.org/ansidocstore/dept.asp?dept_id=3144