



## B3 announces the 13<sup>th</sup> ISE – Corporate Sustainability Index portfolio

**São Paulo, November 23, 2017** - B3 announced today the release of the thirteenth Corporate Sustainability Index (ISE) portfolio, effective from January 2, 2018 to January 4, 2019. The new portfolio, whose technical partner since its inception is the Sustainability Research Center at Fundação Getulio Vargas (GVces), comprises 33 stocks of 30 companies. The companies are drawn from 12 industry sectors and together account for a market capitalization of BRL1.28 trillion, or 41.47% of the combined figure for all the companies traded on B3, based on the November 21, 2017 closing.

### New Portfolio – 2018

AES Tiete	CCR	CPFL	Engie	Klabin	Natura
B2W	Celesc	Duratex	Fibria	Light	Santander
Banco do Brasil	Cemig	Ecorodovias	Fleury	Lojas Americanas	Telefônica
Bradesco	Cielo	EDP	Itaú Unibanco	Lojas Renner	Tim
Braskem	Copel	Eletropaulo	Itaúsa	MRV	Weg

*\* For the ISE annual process announced today, 179 companies with the 200 most liquid equities on B3 were invited. Of these, 41 signed up for the process in three categories: 37 as Eligible, 3 as Simulated and 1 as Trainee.*

### Current Portfolio – 2017 (valid until January 05, 2018)

AES Tiete	BRF	Copel	Eletronbras	Fleury	Lojas Renner	SulAmerica
B2W	CCR	CPFL	Eletropaulo	Itaú Unibanco	Light	Telefônica
Banco do Brasil	Celesc	Duratex	Embraer	Itaúsa	MRV	Tim
Bradesco	Cemig	Ecorodovias	Engie	Klabin	Natura	Weg
Braskem	Cielo	EDP	Fibria	Lojas Americanas	Santander	

Since its inception in 2005, the ISE gained +185.01% against +113.72% for Ibovespa (based on November 21, 2017 closing). In the same period, the ISE was also less volatile: 24.67% compared to 27.46% for Ibovespa.

The ISE process included the external assurance by KPMG, which issued the index "Limited Assurance with no Reservations" status. The ISE assurance process has been performed since 2012 ensuring greater credibility and reliability to the index. Furthermore, the ISE has also maintained its daily press monitoring partnership with the company Imagem Corporativa. .

With transparency being one of B3's key agenda items, the publication of answers to the evaluation questionnaire is a pre-requisite for companies to join the ISE. The answers given by the 30 companies are published on the ISE website: [www.isebvmf.com.br](http://www.isebvmf.com.br).

### X-RAY OF THE 2018 PORTFOLIO

- 98% of companies seek to include sustainability related aspects to their employee performance targets (95% in 2017). Furthermore, 85% of companies award and recognize their employees for their sustainability performance (73% in 2017).
- Over the past three years, 92% of companies have conducted studies on their vulnerabilities to climate change and its potential impacts on their business (71% in 2017).

- 91% of companies take into account the risks and opportunities posed by climate change in their strategic planning and/or risk management processes (85% in 2017).
- 96% of companies declare they consider adapting to climate change in the design and/or review of their business ventures, processes, products, and/or services (74% in 2017).
- 49% of the companies have incorporated internal carbon price into their business as a tool to reduce their carbon emissions (18% in 2017).
- Just like in 2017, 100% of companies in the ISE portfolio publish a Sustainability Report in accordance with GRI directives.
- 93% of companies include periodical assessments of socio-environmental issues at meetings of the Board of Directors or of the committees that report to the Board (88% in 2017). However, only 24% of the companies incorporate in the selection process of their managers criteria and aspects related to their behavior and knowledge regarding social-environmental issues (26% in 2017).
- 51% of companies have one or more women on the Board of Directors (50% in 2017), 31% of companies declare they still do not have women on their Board nor do they have a plan in place to promote gender diversity and balance (41% in 2017).
- 14% of companies have one or more afro-descendants on their Board of Directors (12% in 2017). 69% of companies still do not have black persons on their Board nor do they have a plan in place to promote racial diversity and equality (79% in 2017).
- 100% of companies declare to have performed analyses to identify whether there is a direct and relevant connection between their business

practices resulting from voluntary commitments and Sustainable Development Goals (SDGs) (87% in 2017).

- 91% of companies declare to have adopted practices that contribute to SDG 9 - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation (54% in 2017).
- 98% of companies declare to have adopted practices that contribute to SDG 12 - Ensure sustainable production and consumption patterns (81% in 2017).
- 6% of companies declare to have adopted practices related to SDG 14 – Conservation and sustainable use of oceans, seas and marine resources for sustainable development (8% in 2017).
- 87% of companies declare to have adopted practices that contribute to SDG 16 - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels (67% in 2017).

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### **About ISE**

*The Corporate Sustainability Index (ISE) was created in 2005, being the fourth of its kind in the world. Companies that have the 200 most liquid equities on B3 are invited to join the process.*

*ISE's fund option for the investor with an awareness of this agenda is the ETF ISUS11, which was listed on October 31, 2011.*

*ISE's methodology is the responsibility of the Sustainability Research Center at Fundação Getúlio Vargas, which is based on a questionnaire that has seven dimensions. The assessment of companies occurs in two fields: quantitative (answers to the questionnaire) and qualitative (submission of supporting documentation in sample form). Furthermore, ISE partners with Imagem Corporativa for daily press monitoring and KPMG for external ISE process assurance.*

*ISE's highest level of corporate governance is the ISE Advisory Board (CISE), which is presided over by B3 and is made up of more than ten bodies: the Association of Capital Markets Analysts and Investment Professionals (Apimece) – CISE Vice President, the Brazilian Association of Pension Funds (Abrapp); the Brazilian Financial and Capital Markets Association (Anbima), the Group of Institutes, Foundations and Enterprises (GIFE); the Brazilian Institute of Independent Auditors (IBRACON), Brazilian Institute of Corporate Governance (IBGC), the Ethos Institute for Business and Social*

*Responsibility, the International Finance Corporation (IFC), the United Nations Environment Programme (UNEPFI), and the Brazilian Ministry of the Environment (MMA).*

**For further information visit the website:**

[http://www.bmfbovespa.com.br/pt\\_br/produtos/indices/indices-de-sustentabilidade/indice-de-sustentabilidade-empresarial-ise.htm](http://www.bmfbovespa.com.br/pt_br/produtos/indices/indices-de-sustentabilidade/indice-de-sustentabilidade-empresarial-ise.htm)