



# ESG CORPORATE RATING

## TAKE YOUR ESG INVESTMENT STRATEGY TO THE NEXT LEVEL

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## INTEGRATE MATERIAL ESG INFORMATION INTO YOUR INVESTMENT PROCESSES

Today's leading investors incorporate environmental, social and governance (ESG) considerations into their investment processes and use these insights to guide their investment choices, product development, proxy voting and engagement strategies.

ISS ESG's Corporate Rating provides investors with highly relevant, material and forward-looking ESG data and performance assessments. Originally developed by oekom research, the methodology has been consistently updated for more than 25 years, to deliver high-quality and in-depth research on companies' sustainability performances.

The ESG Corporate Rating supports investment strategies' alignment with



- ✓ UN Global Compact
- ✓ UN Sustainable Development Goals
- ✓ International Labour Organization
- ✓ OECD Guidelines for Multinational Enterprises
- ✓ UN Principles for Responsible Investment
- ✓ EU Sustainable Finance Regulation

## GET A HOLISTIC VIEW OF A COMPANY'S SUSTAINABILITY PERFORMANCE



Sector-specific and materiality-focused approach



Forward-looking performance assessment



Granular and rule-based methodology



High level of detail and transparency

# KEY COMPONENTS OF THE CORPORATE RATING

## PERFORMANCE SCALE & PRIME STATUS

The Corporate Rating assesses companies' sustainability performance on an absolute best-in-class basis. An analyst opinion complements each rating to provide a qualitative commentary of key rating results across the three dimensions of sustainability opportunities, sustainability risks and governance. Prime status is attributed to those companies with an overall rating / ESG performance above the sector-specific Prime threshold, which means that they fulfil ambitious absolute performance requirements. In addition to the overall rating, a decile rank indicates performance relative to industry peers.



### THE RATING SCALE RANGES FROM D- TO A+



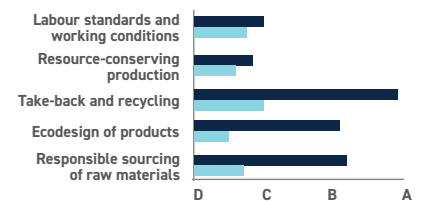
## INDUSTRY-SPECIFIC RATING INDICATORS

The performance assessment draws from a pool of over 800 indicators, of which approximately 90% are industry-specific. The rating structure provides different weights at the topic level and the overall E, S and G pillars depending on the industry.

For each industry, five key issues, representing more than 50% of the overall weight in any rating, are identified. Those key issues represent the most material sustainability issues for the given industry and companies are compared to their peers on how they address these key issues.

### EXAMPLES OF SECTOR KEY ISSUES

Electronic Devices & Appliances



### CROSS-SECTORAL INDICATORS (extract)

#### Environment

- Energy Management
- Climate Change Strategy
- Water Risk and Impact
- Environmental Impact of Products

#### Social

- Equal Opportunities
- Health and Safety
- Human Rights
- Suppliers

#### Governance

- Board Independence
- Shareholder Democracy
- Business Ethics
- Payments to Governments

### INDUSTRY-SPECIFIC INDICATORS (examples)

#### Oil, Gas and Consumable Fuels

- Access to sustainable energy
- Environmentally safe operations of facilities
- Reduction of gas flaring
- Pipeline integrity and safety management

#### Automobile

- Strategy regarding new mobility concepts
- CO2 emissions of passenger cars
- Alternative drives and fuels
- Security of electronic system



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