

ISS ESG SDG SOLUTIONS ASSESSMENT

The SDG Solutions Assessment measures the positive and adverse sustainability impacts of companies' product and service portfolios. It follows a thematic approach that encompasses 15 distinct sustainability objectives, using the UN Sustainable Development Goals (SDGs) as a reference framework. The product's focus is on assessing to what extent companies are making use of existing and emerging opportunities to contribute to the achievement of global sustainability objectives by offering (innovative) products and services with a positive real-life impact.

Outputs

The SDG Solutions Assessment applies a proprietary classification of products and services into five categories – ranging from significant contribution to significant obstruction – based on their direct impact on the achievement of the different sustainability objectives. For each thematic assessment, the share of net sales generated with relevant products and services is quantified per category.

The detailed results are also aggregated into top-level scores for each sustainability objective as well as an SDG Solutions Score (SDGS), which assesses the overall, aggregated impact of a company's product portfolio on the achievement of sustainability objectives as well as an SDGS Social and Environmental, which assess the overall, aggregated impact on the achievement of social and environmental objectives, respectively.

Research Process

The SDG Solutions Assessment is updated annually as well as on an ad-hoc basis in case of relevant corporate actions (e.g. mergers, acquisitions). ISS ESG's SDG Solutions Assessment research process can be broken down as follows:

- Data collection: Corporate disclosures such as annual reports, sustainability reports, company websites, investor presentations and others are screened.
- ESG research: Proprietary ratings and scoring models are applied to derive relevant scores.
- Quality assurance: Draft analyses are systematically proofread by experienced analysts.
- Company feedback: A comprehensive dialogue with the assessed issuers is carried out once every two to three years as part of the ESG Corporate Rating process. Additionally, corporate issuers are welcome to send information/updates for consideration at any time.
- Final results: Granular data to support customized implementation.

**We empower investors and companies to build
for long-term and sustainable growth by providing
high-quality data, analytics, and insight.**

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