

ISS ESG SCORECARDS

Informed by the ISS ESG Corporate Rating, as well as the SDG Solutions Assessment and Carbon Risk Rating offerings, the ISS ESG Scorecard is an intuitive assessment tool which facilitates an industry-specific scoring of a company's ESG risk situation and sustainability opportunities measured across core ESG dimensions. It is specifically designed to assess privately-held companies.

Each ISS ESG Scorecard is comprised of standardized elements, which provide for detailed assessments and allow users to put into context analyzed companies. The assessment part of the ISS ESG Scorecard encompasses generic risk elements including climate, social, and governance risks, an industry key issues element, as well as an element assessing the Sustainable Development Goals (SDG) impact of the analyzed company's products and services. The two remaining elements, the Industry Profile and the EU Taxonomy, are informational and facilitate the localization of assessed companies in an industry.

Outputs

The ISS ESG Scorecard enables users to make a qualitative assessment on ESG performance and includes an automatic scoring engine which calculates scores on a scale from 0-100 for each element as well as an overall score. A company's ESG performance is also displayed on a heat bar to better visualize results. Furthermore, a risk level is determined, which indicates a company's risk exposure regarding each dimension. Risk is classified in five levels: Very high (0 - <20), High (20 - <40), Medium (40 - <60), Low (60 - <80), and Very low (80-100).

Research Process

The ISS ESG Scorecard is designed as a "Do-It-Yourself" tool for clients to perform ESG risk analyses of private companies. ISS ESG provides a user manual and introductory training to clients to ensure consistent application. As part of the scoring process, users take into consideration qualitative as well as quantitative information.

Annual reviews and updates of the industry-specific scorecard models ensure that all assessment elements are kept up to date in line with salient ESG developments.

Use of Estimated Data

Users of the ESG Scorecard typically gather data and information required for the scoring process from the assessed entity, which can reduce the need to base assessments on estimated data. Generally, the quality of data and information used in the scorecard is the sole responsibility of the user. ISS ESG does not provide data to populate the ESG Scorecards.

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for long-term and sustainable growth by providing
high-quality data, analytics, and insight.**

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