

אור ירוק להערכת ESG ולאג"ח ירוק

איתי רפל, מנהל תחום מחקר, S&P מעלות
ספטמבר 2021



S&P Global Ratings ESG Evaluation

The ESG Evaluation is a forward-looking opinion of a company's ability to manage future ESG risks and opportunities. The ESG Evaluation uses company responses from the CSA* and is further supported by deeper engagement between Ratings' Analysts, company management and a board member.

Profile Analysis

- Assesses exposure to observable ESG risks & opportunities
- Considers governance structure in mitigating risks & capitalizing on opportunities

Preparedness Analysis

- Assesses the capacity to anticipate and adapt to a variety of long-term plausible disruptions
- Disruptions not limited to environmental or social scenarios

Risk Atlas



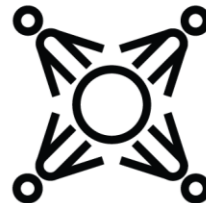
Region and sector macro analysis

CSA*



Data and benchmarks

Meeting



In-person assessment

Adjustments



Analytical judgement
















ESG Evaluation



Assessing ESG Profile: The Profile Score is made up of Sector/Region Score and the Entity-Specific Score

ESG Risk Atlas is used to determine the Sector/Region Score of ESG Evaluation

Each subfactor of the Environmental, Social, and Governance Profile carries different weight (%) as described by the sector-specific **Key Sustainability Factors**

Environmental Profile			Social Profile			Governance Profile		
Sector/Region Score		41/50	Sector/Region Score		43/50	Sector/Region Score		30/35
	Greenhouse gas emissions	Lagging		Workforce and diversity	Good		Structure and oversight	Strong
	Waste and pollution	Good		Safety management	Good		Code and values	Good
	Water use	Good		Customer engagement	Good		Transparency and reporting	Good
	Land use and biodiversity	Good		Communities	Good		Financial and operational risks	None
	General factors (optional)	None		General factors (optional)	None		General factors (optional)	None
Entity-Specific Score		26/50	Entity-Specific Score		30/50	Entity-Specific Score		46/65
E-Profile (30%)		67/100	S-Profile (30%)		73/100	G-Profile (40%)		75/100
ESG Profile (including any adjustments)						72/100		

This figure is subject to rounding

Assessing ESG Profile: Governance & Sector Risk Atlas

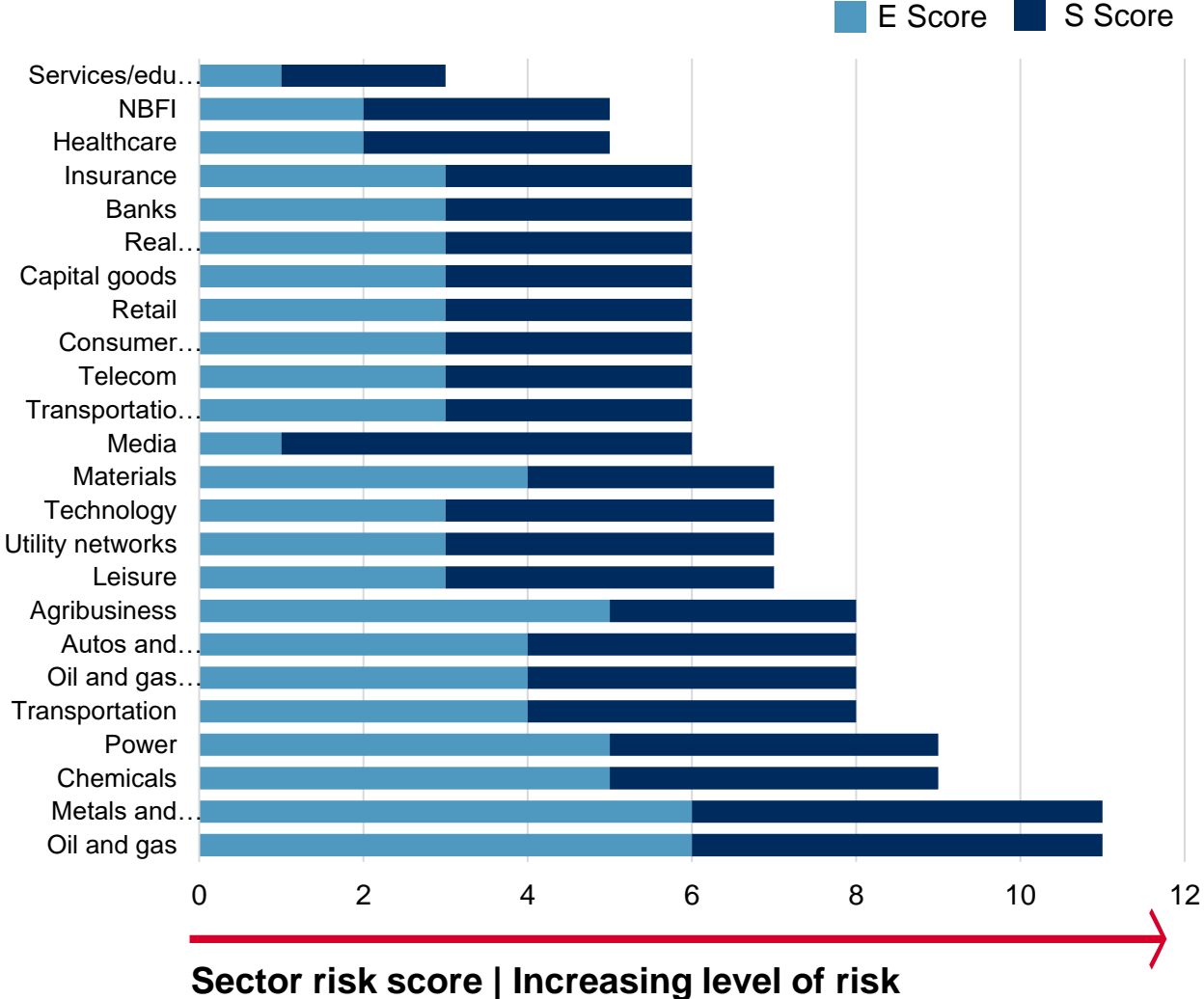
Governance Risk Atlas



The Risk Atlas ranks countries and regions on a scale of 1-6 for corporate governance, with a score closer to 1 representing relatively stronger standards.













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Sector Risk Atlas



Assessing ESG Profile: Key Sustainability Factors

Entity-specific scores assessed on a **relative** basis, against **sector peers**

Environmental	Social	Governance
 Greenhouse gas emissions	 Workforce and diversity	 Structure and oversight
 Waste and pollution	 Safety management	 Code and values
 Water use	 Customer engagement	 Transparency and reporting
 Land use	 Communities	 Financial and operational risks



Ability to **adjust**: factor weights, factor scores, and profile scores. View our Key Sustainability Factors by sector for more information.

Consumer Goods


Key Sustainability Factors For ESG Evaluations





ANALYTICAL CONTACTS
Florence Doremy
Paris
+33-1-4079-2001
florence.doremy@spglobal.com

Beth Burke
London
+44-20-7176-9829
beth.burke@spglobal.com

Barbara Castellano
Milan
+39-27-211-1203
barbara.castellano@spglobal.com

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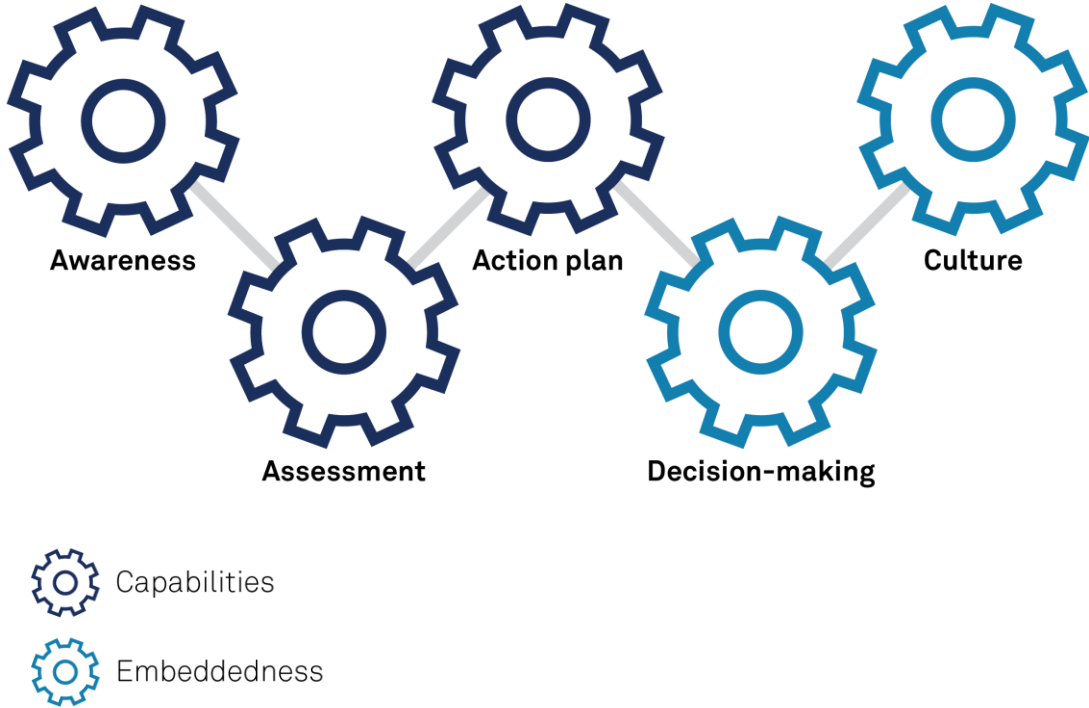
Factor	Weight	Key performance indicators
 Waste and pollution	40%	<ul style="list-style-type: none"> - Total waste (tonnes [t] of waste, by revenues and by volume) - % of waste that is recycled/reused/recovered - % of waste that is hazardous
 Water	20%	<ul style="list-style-type: none"> - Water use intensity (cubic meters [m3] by revenues and by volume) - Operations exposed to water-stressed regions (as % of cost of goods sold and plant locations) - Net fresh water consumption (m3)
 Land use and biodiversity	20%	<ul style="list-style-type: none"> - Sustainable sourcing of main raw materials (third-party certification)
 Greenhouse gas emissions	20%	<ul style="list-style-type: none"> - Scope 1 emissions intensity (tonnes of carbon dioxide equivalent [tCo2e], by revenues and by volume) - Scope 2 emissions intensity (tCo2e, by revenues and by volume) - Energy intensity

Assessing Preparedness

Emerging & Strategic Risks

Climate Change	Energy & Fuel	Water Scarcity
Ecosystem Decline	Deforestation	Food Security
Wealth Distribution	Urbanization	Material Resource Scarcity
Cyber Security	Childhood Obesity	Ageing & Wellbeing

Anticipating & Adapting to Disruption



Preparedness Meeting evaluates management capabilities and integration of ESG in the business

The Preparedness opinion is described qualitatively following the scale shown below.

The analysts **may raise or lower** the final ESG Evaluation score to reflect a risk or opportunity not fully captured under the individual Profile or Preparedness factors, or to ensure comparability with the ESG Evaluation scores of other entities.

Preparedness	Low	Emerging	Adequate	Strong	Best in class
Awareness	Developing	Good	Excellent		
Assessment	Developing	Good	Excellent		
Action	Developing	Good	Excellent		
Culture	Developing	Good	Excellent		
Decision-making	Developing	Good	Excellent		

**Preparedness Opinion
(Scoring Impact)**
Strong (+ 7)

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