

100 BEST CORPORATE CITIZENS

2023 Methodology

OVERVIEW

3BL's 100 Best Corporate Citizens ranks the 1,000 largest, publicly traded U.S. companies on environmental, social and governance (ESG) transparency and performance. This document outlines the 2023 methodology set by 3BL, including changes from 2022, all factors used to determine the ranking and how the ranking is processed. **For more information visit:** <https://100best.3blmedia.com/faq/>.

Companies are assessed for 100 Best Corporate Citizens based on their ESG transparency and performance, researched from only publicly available information. There is no survey or questionnaire, and no cost or fee to be researched and ranked. 3BL's partner, ISS ESG, conducts the research and processes the ranking. The publicly available sources ISS ESG reviews, include:

- Corporate websites, reports and documents (e.g., annual, corporate responsibility and sustainability reports, SEC filings, policies, etc.)
- Reputable third parties (e.g., CDP, Compustat, FactSet, GRI, UN Global Compact, U.S. EPA)

While there is no formal submissions, companies can verify and respond to how ISS ESG rates the company on factors used in the ranking through their company's ISS ESG online portal. There is no cost to verify data and information with ISS ESG. Each 100 Best factor has an ID number to reference in the ISS ESG online portal. The factor ID number corresponds to the ISS ESG E&S Disclosure QualityScore and Governance QualityScore. Factors without ID numbers – marked N/A – cannot be verified by companies as ISS ESG sources the data and information from a third party (e.g., FactSet) or the factor is researched by ISS ESG but is not yet part of the E&S Disclosure QualityScore or Governance QualityScore. Factor ID numbers with a decimal are subfactors. For example, factor 450.1 in the Employees pillar is a subfactor of factor 450. To verify subfactors, the overarching, or parent factor, must be first satisfied.

Email ESGHelpdesk@iss-esg.com (Cc 100Best@3blmedia.com) to request online portal access and add users, and in your inquiry.

Companies may verify data and information with ISS ESG anytime. The deadline to verify data and information used for 100 Best Corporate Citizens of 2023 is July 21, 2023, 8:00 p.m. PST. **The top 100 will be announced October 18, 2023.**

2023 PILLARS AND WEIGHTING		
Pillar	Pillar Weight	Number of Factors
Climate Change	22.0%	30
Employees	20.5%	40
Environment	19.0%	36
Stakeholders and Society	14.0%	20
Human Rights	11.0%	25
Governance	9.0%	31
ESG Performance	4.5%	2
Total	100%	184

METHODOLOGY CHANGES FROM 2022 TO 2023

Pillar	2023 Changes
Climate Change	<p>Pillar Weight increase - Now 22%</p> <p><u>New Factors</u></p> <ul style="list-style-type: none"> - Is the company a supporter of the Taskforce on Climate-Related Financial Disclosures (TCFD)? (Factor ID 524) - Does the company disclose GHG emission reduction sub-targets? (Factor ID 573) - Does the company disclose clear scope 1 GHG emissions reduction targets? (Factor ID 503) - Does the company disclose clear scope 2 GHG emissions reduction targets? (Factor ID 25) - Disclosure Scope 3 GHG Emissions Reduction Targets - Is the company a member of RE100? (Factor ID 525) <p><u>Factors moved from financial pillar</u></p> <ul style="list-style-type: none"> - Does the company disclose multiple scenarios for the potential impact of climate-related risks and opportunities on its businesses, strategy, and financial planning? (Factor ID 36) - GHG Emissions - Emissions Intensity - Total Emissions (USD) <p><u>Factors Removed</u></p> <ul style="list-style-type: none"> - Does the company define GHG emissions reduction targets at group level? (Factor ID 39)

Pillar	2023 Changes
Employees	<p>Pillar Weight increase - Now 20.5%</p> <p><u>New Factors</u></p> <ul style="list-style-type: none"> - Does the company express a commitment to ensure a safe and healthy working environment? (Factor ID 540) - Does the company refer to established international guidelines on health and safety management systems? (Factor ID 527) - Does the company disclose the existence of occupational health and safety training? (Factor ID 528) - Does the company disclose a process for worker participation in workplace health and safety management? (Factor ID 529) - Does the company disclose occupational health and safety accident metrics? (Factor ID 468) - Does the company disclose the total recordable injury rate (TRIR) of its contractors? (Factor ID 518) - Does the company disclose the total number of fatalities among its contractors? (Factor ID 519) - Does the company disclose its gender pay gap? (Factor ID 497) - Gender pay gap - Mean - Adjusted (Factor ID 500) - Gender pay gap - Median - Adjusted (Factor ID 501) - Does the company provide a breakdown of gender pay gap figures? (Factor ID 502) - Does the company disclose a commitment to prohibit the use of child labor? (Factor ID 533) - Does the company disclose a commitment to prohibit the use of forced labor? (Factor ID 534) - Does the company disclose a commitment to respecting union rights? (Factor ID 535) - Does the company disclose a commitment to respecting workers' freedom of association? (Factor ID 537) - Does the company disclose a commitment to respecting the right to collective bargaining? (Factor ID 538) - Do executive or senior level officials and managers exhibit ethnic and racial diversity? (Factor ID 430) - Do executive or senior level officials and managers exhibit gender diversity? (Factor ID 431) - Does the company disclose the existence of a systematic approach to identify strategic training needs? (Factor ID 576) - Does the company disclose the evaluation of training programmes? (Factor ID 577) - Does the company disclose the average annual hours of training per employee? (Factor ID 578)

Pillar	2023 Changes
	<p><u>Factors Removed</u></p> <ul style="list-style-type: none"> - Does the company's occupational health and safety policy explicitly encompass all facilities and operations? (Factor ID 460) - Does the company disclose information on management systems used to integrate a culture of safety and emergency preparedness? (Factor ID 479) - Does the company disclose information about OH&S performance, including injuries, occupational diseases, and work-related fatalities? (Factor ID 467) - Does the company's disclosed information on workforce equality include data on equality for senior management? (Factor ID 443) - Does the company publicly disclose data on workforce equality connected with gender, race, disability, ethnicity, nationality, religion, LBGTQ, or other potentially protected classes? (Factor ID 441) - Does the company's disclosed information on workforce equality include data on equality for the workforce? (Factor ID 444) - Does the company provide workforce disclosure on gender and racial/ethnic group representation? (Factor ID 450) - Does the company disclose information on gender and racial/ethnic group representation across the total workforce? (Factor ID 451) - Does the company provide workforce demographic disclosure? (Factor ID 445) - Does the company disclose information on gender and racial/ethnic group representation for professionals or technical staff? (Factor ID 453) - Does the company disclose information on gender and racial/ethnic group representation for non-contingent staff? (Factor ID 454) - Does the company disclose information on gender and racial/ethnic group representation for contingent staff? (Factor ID 455) - Does the company have an enterprise level workforce/labor rights policy? (Factor ID 413) - Does the company disclose information on gender and racial/ethnic group representation for executives and senior management? (Factor ID 452) - What is the scope of the company's disclosed training or professional development programs for employees? (Factor ID 304) - Employee healthcare benefit: Maternity leave (paid and unpaid) (Factor ID N/A) - Employee healthcare benefit: Paternity leave (paid and unpaid) (Factor ID N/A)
<p>Environment</p>	<p>Pillar Weight increase - Now 19%</p> <p><u>New Factors</u></p> <ul style="list-style-type: none"> - CR Score - Hazardous waste intensity - What is the disclosed proportion of corporate operations in high water stress areas? (Factor ID 553) - Does the company disclose adapted water management in areas of high water stress? (Factor ID 554) - Does the company disclose risk evaluation that covers accessibility, availability or quality in areas of high water stress? (Factor ID 555)

Pillar	2023 Changes
	<ul style="list-style-type: none"> - Does the company disclose risk evaluation that covers water accessibility in areas of high water stress? (Factor ID 556) - CR Score - Freshwater use intensity - Number of incidents of non-compliance with water regulations (Factor ID 517) - Does the company disclose its energy consumption from renewable sources? (Factor ID 569) - Does the company disclose metrics on its energy consumption from non-renewable sources? (Factor ID 570) - CR Score - Energy intensity - Does the company disclose metrics on its nitrogen oxides (NOx) emissions? (Factor ID 123) - Does the company disclose metrics on its sulphur oxides (SOx) emissions? (Factor ID 124) - Does the company disclose metrics on its volatile organic compounds (VOC) emissions? (Factor ID 125) - Does the company disclose metrics on its particulate matter (PM) emissions? (Factor ID 127) - Does the company disclose metrics on its hazardous air pollutants (HAP) emissions? (Factor ID 128) - Does the company disclose metrics on supplier non-compliance with environmental expectations? (Factor ID 541) - Does the company disclose metrics on corrective actions to mitigate suppliers' non-conformance regarding environmental issues? (Factor ID 542) - Does the company disclose details on significant negative environmental impacts identified in the supply chain? (Factor ID 543) <p><u>Factors Removed</u></p> <ul style="list-style-type: none"> - Waste - Total weight of generated hazardous waste normalized (Factor ID 160.2) - Waste - Total weight of generated hazardous waste (Factor ID 160.3) - Waste - Total weight of generated hazardous waste trend (Factor ID 160.1) - Does the company disclose information on risks associated with water withdrawal or scarcity? (Factor ID 204) - Water - Total water consumed normalized (Factor ID 199.1) - Water - Total water consumed (Factor ID 199.2) - Energy - Total energy use (Factor ID 62.2) - Energy - Total energy use normalized (Factor ID 62.1) - Does the company disclose quantitative information on significant air emissions? (Factor ID 122)
<p>Stakeholders and Society</p>	<p>Pillar Weight increase - Now 14 %</p> <p><u>New Factors</u></p> <ul style="list-style-type: none"> - Is the company a member of the GRI? (Factor ID 526) - Does the company disclose an evaluation of the materiality of sustainability topics? (Factor ID 548)

Pillar	2023 Changes
	<ul style="list-style-type: none"> - Does the company disclose the existence of business ethics supplier risk assessments? (Factor ID 530) - Does the company disclose the existence of an anonymous whistleblower mechanism for employees? (Factor ID 564) - Does the company disclose the existence of a confidential whistleblower mechanism for employees? (Factor ID 565) - Does the company disclose an express commitment to not retaliate against whistleblowers? (Factor ID 566) - Does the company publicly disclose the reporting channel (phone number (phone number, e-mail address, link to reporting platform) to a whistleblower mechanism for employees? (Factor ID 567) - Does the company disclose the monetary value of lobbying activity? (Factor ID 539) - Does the company disclose political contributions? (Factor ID 568) - Does the company disclose a community consultation system that includes a stakeholder identification process? (Factor ID 536) - Does the company disclose an anti-corruption due diligence process for third parties? (Factor ID 552) <p>Removed Factors</p> <ul style="list-style-type: none"> - Does this company have any reports or information on its website equivalent to that found in a CSR/EHS report? (Factor ID 245) - Does the company publicly disclose a Code of Vendor Conduct? (Factor ID 359) - Does the company have a confidential hotline and stated protection of whistleblowers? (Factor ID 259) - Does the company publicly disclose information on the use of corporate funds for the purposes of political advocacy, including lobbying, campaign contributions, and contributions to tax-exempt groups including trade associations? (Factor ID 268) - Does the company's disclosed information related to political advocacy include the amounts spent on political advocacy? (Factor ID 269) - Does the company's disclosed information related to political advocacy include, at a minimum, the five largest political, lobbying, or tax-exempt group expenditures? (Factor ID 271) - Does the company disclose a formal system to implement stakeholder consultation and engagement? (Factor ID 402)
Human Rights	<p>Pillar Weight increase - Now 11 %</p> <p>New Factors</p> <ul style="list-style-type: none"> - Does the company express an expectation on suppliers to respect internationally recognized human rights? (Factor ID 560) - Does the company express an expectation on suppliers to adhere to the UN Guiding Principles on Business and Human Rights? (Factor ID 562) - Does the company disclose that it contractually requires suppliers to respect internationally recognized human rights? (Factor ID 561)

Pillar	2023 Changes
	<ul style="list-style-type: none"> - Does the company disclose that it contractually requires suppliers to adhere to the UN Guiding Principles on Business and Human Rights? (Factor ID 563) - Does the company disclose metrics on supplier non-compliance with social expectations? (Factor ID 571) - Does the company express a commitment to adhering to the UN Declaration on the Rights of Indigenous Peoples? (Factor ID 574) - Does the company express a commitment to adhering to ILO Convention 169 on Indigenous Peoples? (Factor ID 575) - Does the company embed in a public policy a commitment to free, prior and informed consent (FPIC)? (Factor ID 404) - Does the company embed in a public policy a commitment to respect the rights of indigenous peoples? (Factor ID 330) - Is the company a signatory to the Women's Empowerment Principles? (Factor ID 523) - Does the company express a commitment to adhering to the UN Guiding Principles on Business and Human Rights? (Factor ID 544) - Does the company express a commitment to adhering to the OECD Guidelines for Multinational Enterprises? (Factor ID 546) <p><u>Factors Removed</u></p> <ul style="list-style-type: none"> - Does the company disclose information on the applicability of its human rights policy to operations, suppliers, vendors, or partners? (Factor ID 336) - Does the company indicate that it applies the same human rights policy standards to partners? (Factor ID 340) - Does the company indicate that it applies the same human rights policy to suppliers/vendors? (Factor ID 342) - Does the company's human rights policy address the protection of minority groups' rights? (Factor ID 317) - Does the company indicate that the company's human rights policy supports any specific recognized public convention? (Factor ID 375) - Is the company's human rights policy a global policy applying the same comprehensive standards to all company operations regardless of geographic location? (Factor ID 338)
Governance	<p>Pillar Weight increase - Now 9 %</p> <p><u>New Factors</u></p> <ul style="list-style-type: none"> - Does the company disclose anti-corruption training? (Factor ID 531) - Does the company disclose the existence of corruption risk assessments? (Factor ID 532) - What is the disclosure level of environmental or social performance measures for the executive short-term incentive plan? (Factor ID 394) - What is the disclosure level of environmental or social performance measures for any executive long-term incentive plan? (Factor ID 395) - What is the standard deviation of director age? (Factor ID 388) - Does the company report that it obtained external assurance for its sustainability disclosure? (Factor ID 549)

Pillar	2023 Changes
	<ul style="list-style-type: none"> - Does the company disclose the level of external assurance of its sustainability disclosures? (Factor ID 550) - Does the company disclose the ESG scope of external assurance of its sustainability disclosures? (Factor ID 551) - Does the company embed in a public policy a prohibition on facilitation payments? (Factor ID 558) - Does the company embed in a public policy a prohibition on bribery? (Factor ID 559) <p><u>Factors moved from Financial Pillar</u></p> <ul style="list-style-type: none"> - Does the company disclose a link between consideration of ESG risks and performance, and executive remuneration? (Factor ID 291) <p><u>Factors Removed</u></p> <ul style="list-style-type: none"> - Does the company provide external assurance or independent verification of its sustainability disclosures? (Factor ID 247)
ESG Performance	<p>Pillar Weight Decrease- Now 4.5 %</p> <ul style="list-style-type: none"> • Was 5.5% in 2022 Ranking
Financial	<p>Financial Pillar has been removed</p> <ul style="list-style-type: none"> • It had 4.5% weight in 2022 Ranking

2023 FACTORS

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
Climate Change	524	Is the company a supporter of the Taskforce on Climate-Related Financial Disclosures (TCFD)?	QualityScore > Environment>Carbon and Climate
Climate Change	50	Does the company disclose metrics on its GHG emissions?	QualityScore > Environment>Carbon and Climate
Climate Change	51	Does the company disclose its scope 1 (direct) GHG emissions?	QualityScore > Environment>Carbon and Climate
Climate Change	52	Does the company disclose its scope 2 (indirect) GHG emissions?	QualityScore > Environment>Carbon and Climate
Climate Change	53	Does the company disclose scope 3 (other indirect) GHG emissions?	QualityScore > Environment>Carbon and Climate
Climate Change	51.1	GHG Emissions - Preferred Scope 1 - Direct Emissions: This factor provides the issuer's Scope 1 Direct emissions (tCO ₂ e). The Direct emissions data represents the final, ISS ESG reviewed and approved value based on the ISS ESG methodology, which selects the most accurate value from available sources.	Raw Data>Carbon and Climate
Climate Change	52.1	GHG Emissions - Preferred Scope 2 - Energy Indirect Emissions: This factor provides the issuer's Scope 2 Energy Indirect emissions (tCO ₂ e). The Energy Indirect Emissions data represents the final, ISS ESG reviewed and approved value based on the ISS ESG methodology, which selects the most accurate value from available sources.	Raw Data>Carbon and Climate
Climate Change	53.1	GHG Emissions - Scope 3 - Other Indirect Emissions (tCO ₂ e): This factor provides the issuer's Scope 3 "Other Indirect" emissions (tCO ₂ e). The Scope 3 emissions data represents the final, ISS ESG reviewed and approved value based on the ISS ESG methodology, which selects the most accurate value from available sources.	Raw Data>Carbon and Climate
Climate Change	58	Does the company disclose that it has obtained independent third-party verification for its GHG emissions?	QualityScore > Environment>Carbon and Climate

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
Climate Change	38	Does the company disclose clear quantitative GHG emissions reduction targets?	QualityScore > Environment>Carbon and Climate
Climate Change	573	Does the company disclose GHG emission reduction sub-targets?	QualityScore > Environment>Carbon and Climate
Climate Change	503	Does the company disclose clear scope 1 GHG emissions reduction targets?	QualityScore>Environment>Carbon and Climate>
Climate Change	25	Does the company disclose clear scope 2 GHG emissions reduction targets?	QualityScore > Environment>Carbon and Climate
Climate Change	NA	Disclosure Scope 3 GHG Emissions Reduction Targets: This factor identifies if a company discloses clear, measurable targets towards reducing their scope 3 greenhouse gas emissions.	ESG Raw data> Environment >Climate Change
Climate Change	42	Does the company have an approved net-zero Science Based Target?	QualityScore > Environment>Carbon and Climate
Climate Change	40	Does the company have an approved near-term Science Based Target?	QualityScore > Environment>Carbon and Climate
Climate Change	26	Does the company report on progress against GHG emission reduction targets?	QualityScore > Environment>Carbon and Climate
Climate Change	21	Does the company disclose a climate change policy or equivalent information that specifically addresses the company's climate change risks, performance and opportunities?	QualityScore > Environment>Carbon and Climate
Climate Change	22	Does the company disclose its climate change risks?	QualityScore > Environment>Carbon and Climate
Climate Change	23	Does the company disclose a climate change strategy?	QualityScore > Environment>Carbon and Climate
Climate Change	24	Does the company disclose a climate change performance?	QualityScore > Environment>Carbon and Climate
Climate Change	28	Does the company disclose climate change opportunities?	QualityScore > Environment>Carbon and Climate
Climate Change	105	Does the company disclose management's role in assessing and managing climate-related risks and opportunities?	QualityScore > Environment>Carbon and Climate
Climate Change	106	Does the company describe how processes for identifying, assessing and managing climate-related risks are	QualityScore > Environment>Carbon and Climate

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
		integrated into its overall risk management?	
Climate Change	107	Does the company disclose metrics used to assess climate-related risks and opportunities in line with its strategy and risk management process?	QualityScore > Environment>Carbon and Climate
Climate Change	37	Does the company disclose a climate impact scenario that references 1.5°C limits?	QualityScore > Environment>Carbon and Climate
Climate Change	36	Does the company disclose multiple scenarios for the potential impact of climate-related risks and opportunities on its businesses, strategy and financial planning?	QualityScore > Environment>Carbon and Climate
Climate Change	96	Does the company disclose a clear approach to reduce energy consumption from non-renewable sources?	QualityScore > Environment>Carbon and Climate
Climate Change	525	Is the company a member of RE100?	QualityScore > Environment>Carbon and Climate
Climate Change	N/A	GHG Emissions - Emissions Intensity - Total Emissions (USD)	Carbon and Climate>Carbon and Climate
Employees	540	Does the company express a commitment to ensure a safe and healthy working environment?	QualityScore>Social>Labor, Health, and Safety
Employees	459	Does the company embed in a public policy a commitment to ensure a safe and healthy working environment for its workers?	QualityScore > Social>Labor, Health, and Safety
Employees	476	Does the company describe measures to improve its health and safety performance?	QualityScore > Social>Labor, Health, and Safety
Employees	527	Does the company refer to established international guidelines on health and safety management systems?	QualityScore > Social>Labor, Health, and Safety
Employees	528	Does the company disclose the existence of occupational health and safety training?	QualityScore > Social>Labor, Health, and Safety
Employees	529	Does the company disclose a process for worker participation in workplace health and safety management?	QualityScore > Social>Labor, Health, and Safety

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
Employees	468	Does the company disclose occupational health and safety accident metrics?	QualityScore > Social>Labor, Health, and Safety
Employees	518	Does the company disclose the total recordable injury rate (TRIR) of its contractors?	QualityScore > Social>Labor, Health, and Safety
Employees	519	Does the company disclose the total number of fatalities among its contractors?	QualityScore > Social>Labor, Health, and Safety
Employees	430	Does the company disclose an anti-discrimination commitment covering specified demographic groups?	QualityScore > Social>Labor, Health, and Safety
Employees	437	Does the company disclose a commitment against workplace discrimination on the grounds of sexual orientation?	QualityScore > Social>Labor, Health, and Safety
Employees	438	Does the company disclose a commitment against workplace discrimination on the grounds of gender identity?	QualityScore > Social>Labor, Health, and Safety
Employees	424	Does the company disclose gender diversity targets at management level?	QualityScore > Social>Labor, Health, and Safety
Employees	428	Does the company disclose ethnic/racial diversity targets at management level?	QualityScore > Social>Labor, Health, and Safety
Employees	425	Does the company disclose gender diversity targets across its workforce?	QualityScore > Social>Labor, Health, and Safety
Employees	426	Does the company disclose ethnic/racial diversity targets?	QualityScore > Social>Labor, Health, and Safety
Employees	422	Does the company disclose gender diversity targets?	QualityScore > Social>Labor, Health, and Safety
Employees	429	Does the company disclose ethnic/racial diversity targets across its workforce?	QualityScore > Social>Labor, Health, and Safety
Employees	497	Does the company disclose its gender pay gap?	QualityScore > Social>Labor, Health, and Safety
Employees	500	Gender pay gap - Mean - Adjusted	QualityScore > Social>Labor, Health, and Safety
Employees	501	Gender pay gap - Median - Adjusted	QualityScore > Social>Labor, Health, and Safety
Employees	502	Does the company provide a breakdown of gender pay gap figures?	QualityScore > Social>Labor, Health, and Safety

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
Employees	446	Does the company disclose metrics on racial diversity?	QualityScore > Social>Labor, Health, and Safety
Employees	447	Does the company disclose metrics on age diversity?	QualityScore > Social>Labor, Health, and Safety
Employees	448	Does the company disclose metrics on ethnic diversity?	QualityScore > Social>Labor, Health, and Safety
Employees	449	Does the company disclose metrics on gender diversity?	QualityScore > Social>Labor, Health, and Safety
Employees	484	Does the company disclose a commitment to pay a living wage?	QualityScore > Social>Labor, Health, and Safety
Employees	305	Does the company monitor employee satisfaction or engagement?	QualityScore > Social>Labor, Health, and Safety
Employees	533	Does the company disclose a commitment to prohibit the use of child labor?	QualityScore > Social>Labor, Health, and Safety
Employees	534	Does the company disclose a commitment to prohibit the use of forced labor?	QualityScore > Social>Labor, Health, and Safety
Employees	535	Does the company disclose a commitment to respecting union rights?	QualityScore > Social>Labor, Health, and Safety
Employees	537	Does the company disclose a commitment to respecting workers' freedom of association?	QualityScore > Social>Labor, Health, and Safety
Employees	538	Does the company disclose a commitment to respecting the right to collective bargaining?	QualityScore > Social>Labor, Health, and Safety
Employees	430	Do executive or senior level officials and managers exhibit ethnic and racial diversity?	QualityScore > Governance> Board Structure
Employees	431	Do executive or senior level officials and managers exhibit gender diversity?	QualityScore > Governance> Board Structure
Employees	450.1	Percentage of women for executives and senior management: This factor provides the issuer's percentage of women for executives and senior management.	Raw Data>Labor, Health, and Safety
Employees	450.2	Percentage of women across the total workforce: This factor provides the issuer's percentage of women across the total workforce.	Raw Data>Labor, Health, and Safety

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
Employees	576	Does the company disclose the existence of a systematic approach to identify strategic training needs?	QualityScore > Social>Labor, Health, and Safety
Employees	577	Does the company disclose the evaluation of training programmes?	QualityScore > Social>Labor, Health, and Safety
Employees	578	Does the company disclose the average annual hours of training per employee?	QualityScore > Social>Labor, Health, and Safety
Environment	159	Does the company disclose metrics on its total hazardous waste?	QualityScore > Environment>Waste and Toxicity
Environment	NA	CR Score - Hazardous waste intensity: The indicator evaluates the company's hazardous waste intensity performance based on an assessment of hazardous waste intensity trends. The indicator is graded on a twelve-point scale from D- (poor performance) to A+	ESG Rating>Corporate Rating>Eco-efficiency>Indicator Scores>
Environment	181	Does the company disclose specific targets for reducing hazardous and non-hazardous waste? (Q1241)	QualityScore > Environment>Waste and Toxicity
Environment	183	Does the company disclose an implementation timeline towards reducing hazardous and non-hazardous waste?	QualityScore > Environment>Waste and Toxicity
Environment	168	Does the company disclose information on its waste management and recycling programmes?	QualityScore > Environment>Waste and Toxicity
Environment	182	Does the company disclose quantitative targets towards reducing hazardous and non-hazardous waste?	QualityScore > Environment>Waste and Toxicity
Environment	200	Does the company disclose its total water withdrawal?	QualityScore > Environment>Natural Resources
Environment	201	Does the company disclose its total water consumption?	QualityScore > Environment>Natural Resources
Environment	202	Does the company disclose its total water consumption?	QualityScore > Environment>Natural Resources
Environment	553	What is the disclosed proportion of corporate operations in high water stress areas?	QualityScore>environment>Natural Resources>Natural Resources
Environment	554	Does the company disclose adapted water management in areas of high water stress?	QualityScore>environment>Natural Resources>Natural Resources

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
Environment	555	Does the company disclose risk evaluation that covers accessibility, availability or quality in areas of high water stress?	QualityScore>environment>Natural Resources>Natural Resources
Environment	556	Does the company disclose risk evaluation that covers water accessibility in areas of high water stress?	QualityScore>environment>Natural Resources>Natural Resources
Environment	199	Does the company publicly report metrics on water use?	QualityScore > Environment>Natural Resources
Environment	NA	CR Score - Freshwater use intensity: The indicator evaluates the company's freshwater use efficiency performance based on an assessment of freshwater use intensity trends and, in the case of some industries, also absolute freshwater use performance. The indicator is graded on a twelve-point scale from D- (poor performance) to A+ (excellent performance).	ESG Rating>Corporate Rating>Eco-efficiency
Environment	517	Number of incidents of non-compliance with water regulations	QualityScore > Environment>Natural Resources
Environment	97	Does the company disclose relative targets towards reducing energy consumption from non-renewable sources?	QualityScore > Environment>Carbon and Climate
Environment	569	Does the company disclose its energy consumption from renewable sources?	QualityScore > Environment>Carbon and Climate
Environment	570	Does the company disclose metrics on its energy consumption from non-renewable sources?	QualityScore > Environment>Carbon and Climate
Environment	99	Does the company disclose an implementation timeline towards reducing energy consumption from non-renewable sources?	QualityScore > Environment>Carbon and Climate
Environment	62	Does the company disclose its aggregated energy consumption?	QualityScore > Environment>Carbon and Climate
Environment	NA	CR Score - Energy intensity: The indicator evaluates the company's energy-efficiency performance based on an assessment of energy use intensity trends and, in the case of some industries, also absolute energy intensity performance. The indicator is	ESG Rating>Corporate Rating>Eco-efficiency

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
		graded on a twelve-point scale from D- (poor performance) to A+ (excellent performance).	
Environment	98	Does the company disclose absolute targets towards reducing energy consumption from non-renewable sources?	QualityScore > Environment>Carbon and Climate
Environment	123	Does the company disclose metrics on its nitrogen oxides (NOx) emissions?	QualityScore>Social>Waste and Toxicity
Environment	124	Does the company disclose metrics on its sulphur oxides (SOx) emissions?	QualityScore>Social>Waste and Toxicity
Environment	125	Does the company disclose metrics on its volatile organic compounds (VOC) emissions?	QualityScore>Social>Waste and Toxicity
Environment	127	Does the company disclose metrics on its particulate matter (PM) emissions?	QualityScore>Social>Waste and Toxicity
Environment	128	Does the company disclose metrics on its hazardous air pollutants (HAP) emissions?	QualityScore>Social>Waste and Toxicity
Environment	366	Does the company disclose that its supplier policy addresses the environmental impact of supplier products or services?	QualityScore > Environment>Management of Environmental Risks and Opportunities
Environment	541	Does the company disclose metrics on supplier non-compliance with environmental expectations?	QualityScore > Environment>Management of Environmental Risks and Opportunities
Environment	542	Does the company disclose metrics on corrective actions to mitigate suppliers' non-conformance regarding environmental issues?	QualityScore > Environment>Management of Environmental Risks and Opportunities
Environment	543	Does the company disclose details on significant negative environmental impacts identified in the supply chain?	QualityScore > Environment>Management of Environmental Risks and Opportunities
Environment	1	Does the company embed in a public policy a commitment to environmental management?	QualityScore > Environment>Management of Environmental Risks and Opportunities

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
Environment	5	Does the company disclose a supplier environmental policy?	QualityScore > Environment>Management of Environmental Risks and Opportunities
Environment	7	Does the company disclose the existence of an environmental management strategy?	QualityScore > Environment>Management of Environmental Risks and Opportunities
Environment	19	Does the company sustainability disclosure identify specific salient risks that its activities and business relationships pose on the environment?	QualityScore > Environment>Management of Environmental Risks and Opportunities
ESG Performance	N/A	ISS ESG Performance Score: This factor provides a numerical score from 0 to 100. Prime Status is based on the ISS ESG rating and a sector specific Prime threshold. The ESG Performance Score, however, is comparable over all rated entities. All rated entities with values > 50 are Prime, companies with values < 50 are Not Prime.	ISS ESG Corporate Rating>Corporate Rating
ESG Performance	N/A	SDG Impact Rating: This factor assesses the overall impact of an issuer on the Sustainable Development Goals on a scale of -10 to +10	
Governance	14	What is the classification of the Board Chair?	QualityScore > Governance> Board Structure
Governance	44	What percentage of the directors attended less than seventy-five percent of all meetings?	QualityScore > Governance> Board Structure
Governance	77	Are all directors elected annually?	QualityScore > Governance>Shareholders Rights
Governance	201	Has a regulator initiated an investigation of the company, directors, or executives?	QualityScore > Governance>Audit/Risks
Governance	282	Is the Board of Directors specifically mentioned as having responsibility for the company's human rights policy?	QualityScore > Sociak>Stakeholders and Society
Governance	225	Are there material restrictions to call a special meeting?	QualityScore > Governance>Shareholders
Governance	110	Does the company disclose board oversight of climate-related risks and opportunities?	QualityScore > Environment>Carbon and Climate

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
Governance	258	Does the company disclose that it provides anti-corruption training to all employees, including management?	QualityScore > Social>Stakeholders and Society
Governance	531	Does the company disclose anti-corruption training?	QualityScore > Social>Stakeholders and Society
Governance	532	Does the company disclose the existence of corruption risk assessments?	QualityScore > Social>Stakeholders and Society
Governance	276	Does the company disclose the existence of a dedicated Environment, Corporate Social Responsibility, Health and Safety, or Sustainability board committee?	QualityScore > Social>Stakeholders and Society
Governance	N/A	% of independent board members in the sustainability committee	ESG Rating > Quantitative Raw Data > Social>
Governance	300	Has ISS identified a pay-for-performance misalignment?	QualityScore > Governance>Compensation
Governance	394	What is the disclosure level of environmental or social performance measures for the executive short-term incentive plan?	QualityScore > Governance>Compensation
Governance	395	What is the disclosure level of environmental or social performance measures for any executive long-term incentive plan?	QualityScore > Governance>Compensation
Governance	291	Does the company disclose a link between consideration of ESG risks and performance, and executive remuneration?	QualityScore > Social>Stakeholders and Society
Governance	N/A	Identifies whether chairman of the board is also the CEO	Board > Board Policies>Board>Board Policies
Governance	348	Does the company disclose a CEO and key executive succession plan?	QualityScore > Governance> Board Structure
Governance	349	Does the board have a retirement and/or tenure policy?	QualityScore > Governance> Board Structure
Governance	354	What is the percentage of women on the board?	QualityScore > Governance> Board Structure
Governance	423	Does the company disclose gender diversity targets at Board level?	QualityScore > Social>Labor, Health, and Safety
Governance	427	Does the company disclose ethnic/racial diversity targets at Board level?	QualityScore > Social>Labor, Health, and Safety

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
Governance	388	What is the standard deviation of director age?	QualityScore > Governance> Board Structure
Governance	549	Does the company report that it obtained external assurance for its sustainability disclosure?	QualityScore>Social>Stakeholders and Society
Governance	550	Does the company disclose the level of external assurance of its sustainability disclosures?	QualityScore>Social>Stakeholders and Society
Governance	551	Does the company disclose the ESG scope of external assurance of its sustainability disclosures?	QualityScore>Social>Stakeholders and Society
Governance	402	Does the company disclose an approach on identifying and mitigating information security risks?	QualityScore > Governance>Audit/Risks
Governance	409	Does the company have information security risk insurance?	QualityScore > Governance>Audit/Risks
Governance	410	Is the company externally audited or certified by top information security standards?	QualityScore > Governance>Audit/Risks
Governance	558	Does the company embed in a public policy a prohibition on facilitation payments?	QualityScore>Social>Stakeholders and Society
Governance	559	Does the company embed in a public policy a prohibition on bribery?	QualityScore>Social>Stakeholders and Society
Human Rights	560	Does the company express an expectation on suppliers to respect internationally recognized human rights?	QualityScore > Social>Human Rights
Human Rights	562	Does the company express an expectation on suppliers to adhere to the UN Guiding Principles on Business and Human Rights?	QualityScore > Social>Human Rights
Human Rights	561	Does the company disclose that it contractually requires suppliers to respect internationally recognized human rights?	QualityScore > Social>Human Rights
Human Rights	563	Does the company disclose that it contractually requires suppliers to adhere to the UN Guiding Principles on Business and Human Rights?	QualityScore > Social>Human Rights
Human Rights	414	Does the company disclose a supplier labor policy?	QualityScore > Social>Labor, Health, and Safety
Human Rights	345	Does the company disclose the existence of supplier social audits?	QualityScore > Social>Stakeholders and Society

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
Human Rights	360	Does the company disclose a supplier policy that prohibits the use of child labor?	QualityScore > Social>Labor, Health, and Safety
Human Rights	361	Does the company disclose a supplier policy that prohibits the use of forced labor?	QualityScore > Social>Labor, Health, and Safety
Human Rights	416	Does the company disclose metrics on corrective actions to mitigate suppliers' non-conformance regarding social issues?	QualityScore > Social>Labor, Health, and Safety
Human Rights	571	Does the company disclose metrics on supplier non-compliance with social expectations?	QualityScore > Social>Human Rights
Human Rights	574	Does the company express a commitment to adhering to the UN Declaration on the Rights of Indigenous Peoples?	QualityScore > Social>Human Rights
Human Rights	575	Does the company express a commitment to adhering to ILO Convention 169 on Indigenous Peoples?	QualityScore > Social>Human Rights
Human Rights	404	Does the company embed in a public policy a commitment to free, prior and informed consent (FPIC)?	QualityScore>Social>Stakeholders and Society
Human Rights	330	Does the company embed in a public policy a commitment to respect the rights of indigenous peoples?	QualityScore > Social>Human Rights
Human Rights	318	Does the company disclose a human rights policy that addresses the protection of women's rights?	QualityScore > Social>Human Rights
Human Rights	523	Is the company a signatory to the Women's Empowerment Principles?	QualityScore > Social>Labor, Health, and Safety
Human Rights	544	Does the company express a commitment to adhering to the UN Guiding Principles on Business and Human Rights?	QualityScore>Social>Human Rights
Human Rights	379	Does the company embed in a public policy a commitment to adhere to the UN Guiding Principles on Business and Human Rights?	QualityScore > Social>Human Rights
Human Rights	546	Does the company express a commitment to adhering to the OECD Guidelines for Multinational Enterprises?	QualityScore > Social>Human Rights

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
Human Rights	378	Does the company embed in a public policy a commitment to adhere to the OECD Guidelines for Multinational Enterprises?	QualityScore > Social>Human Rights
Human Rights	376	Does the company embed in a public policy a commitment to adhering to the Universal Declaration of Human Rights?	QualityScore > Social>Human Rights
Human Rights	331	Does the company disclose a commitment to stakeholder involvement in the development of a human rights policy, the implementation of the policy, and/or the evaluation of effective outcomes of the policy's implementation?	QualityScore > Social>Human Rights
Human Rights	335	Does the company embed in a public policy an acknowledgement of the human right to water?	QualityScore > Social>Human Rights
Human Rights	316	Does the company embed in a public policy a commitment to adhere to internationally recognized human rights?	QualityScore > Social>Human Rights
Human Rights	381	Does the company sustainability disclosure identify specific salient risks that its activities and business relationships pose on human rights?	QualityScore > Social>Human Rights
Stakeholders and Society	239	Is the company a participant in the UN Global Compact?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	241	Is the company's sustainability reporting informed by GRI Standards?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	526	Is the company a member of the GRI?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	548	Does the company disclose an evaluation of the materiality of sustainability topics?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	250	Does the company disclose the existence of a code of conduct on business ethics?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	530	Does the company disclose the existence of business ethics supplier risk assessments?	QualityScore > Social>Stakeholders and Society

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
Stakeholders and Society	564	Does the company disclose the existence of an anonymous whistleblower mechanism for employees?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	565	Does the company disclose the existence of a confidential whistleblower mechanism for employees?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	566	Does the company disclose an express commitment to not retaliate against whistleblowers?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	567	Does the company publicly disclose the reporting channel (phone number (phone number, e-mail address, link to reporting platform) to a whistleblower mechanism for employees?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	267	Does the company expressly prohibit political donations?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	539	Does the company disclose the monetary value of lobbying activity?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	568	Does the company disclose political contributions?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	272	Does the company disclose objectives related to political advocacy?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	268.1	Political Advocacy - Amount spent political advocacy normalized: This factor provides a normalized value for the issuer's amount spent on political advocacy. Data is normalized per 1m USD.	Raw Data>Stakeholders and Society
Stakeholders and Society	270	Does the company disclose the monetary value of its political contributions by recipient?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	536	Does the company disclose a community consultation system that includes a stakeholder identification process?	QualityScore > Social>Stakeholders and Society
Stakeholders and Society	403	Does the company disclose information about stakeholder engagements carried out during the past year? (Q310501)	QualityScore > Social>Stakeholders and Society

Pillar	ISS Factor ID	Factor Description	ISS ESG Factor Category
Stakeholders and Society	N/A	<p>CR Score - Community involvement: The indicator evaluates the quality of the company's community involvement initiatives as well as the company's transparency on community contributions. . This indicator analyzes:</p> <ul style="list-style-type: none"> a. Objectives of community activities b. Community involvement programs c. Monitoring and evaluation of community projects d. Disclosure of community spending <p>The indicator is graded on a twelve-point scale from D- (poor performance) to A+ (excellent performance).</p>	ISS ESG Company Rating>Community Involvement
Stakeholders and Society	552	Does the company disclose an anti-corruption due diligence process for third parties?	QualityScore > Social>Stakeholders and Society

CALCULATING THE RANKING

Three Types of Factors, Examples:

Disclosure	Policy	Performance
Does the company's climate change disclosure specifically address climate change risks?	Does the company indicate it applies the same human rights policy standards to suppliers and vendors?	Does the Company's climate change disclosure specifically address climate change performance?

Three Forms of Data & Information:

Binary	Numeric	Qualitative
<ul style="list-style-type: none"> 'True' counts as positive value 'False' and 'Blank / Not Provided' counts as neutral 	<ul style="list-style-type: none"> Numeric values compare to all other company numeric values to generate a relative ranking 'Blank / Not Provided' rank worse than the worst numerical respondent in any factor 	<ul style="list-style-type: none"> 'Full Credit' for robust disclosures 'Partial Credit' for insufficient disclosures 'Blank / Not Provided' rank worse than the worst partial credit respondent

PROCESSING THE RANKING

1. Weight each individual factor within a pillar. Some factors have higher relative weights.
 - a. 3BL does not disclose individual factor weights so the ranking cannot be replicated.
2. Calculate the underlying score for each pillar, then rank the full Russell 1000 within that pillar in ascending order (1 is the best ranking).
3. Apply the pillar weightings to generate an overall weighted average ranking for each company. The higher the weighted average, the better a company's ranking.
4. **Tie-Gaps.** If multiple companies achieve an identical score, there will be a gap between that score and the next closest score. For example, if two companies tie for the top rank, the company or companies that earned the second highest ranking will rank third. Second place is sacrificed for the tie-gap, so third is the next available rank.
5. The controversy screen is applied. If ISS ESG identifies either a 'Severe' or 'Very Severe' controversy, the company is penalized 10 points on its final, overall weighted score. Controversies and subsequent penalties are not publicly disclosed in the ranking.
6. The lobbying screen is applied. Our partners at InfluenceMap (<https://influencemap.org/>) will measure the intensity of company lobbying and whether this lobbying is supportive or oppositional to Paris Climate Agreement-aligned policy benchmarks.
 - a. Companies with a high lobbying intensity and oppositional lobbying will receive a "red flag" and will be penalized 10 points on its final overall weighted score. The "red flag" and subsequent penalty are not publicly disclosed in the ranking.
 - b. Companies determined to be using their influence and lobbying efforts with high intensity to support Paris Climate Agreement-aligned policies will receive a "green flag" and will have 5 points added to its final overall weighted score.