ESG Assessment

January 2021
Moody’s is committed to providing trusted insights and integrated analytics leveraging our deep domain and risk expertise.

- Deep domain expertise in ESG and Climate
- Majority stake in V.E
- Majority stake in Four Twenty Seven

30+ Years of ESG Experience
Our affiliate V.E has been a pioneer in ESG analysis since the 1990s

250+ Global Sustainable bonds and loans
Green, Social, Sustainability Bonds and Sustainability-linked loans and bonds

5,000+ ESG assessments
Covering 273 unique ESG data points, Daily monitoring and alerts for 7,900 companies

6,000+ Climate Risk Scores
Spanning countries, counties, cities, companies & real estate assets globally

Credit Ratings
ESG considerations integrated into credit ratings
Each rating committee memo includes a dedicated ESG section

Risk Management
Identification and quantification of ESG and Climate factors
Integration into our core risk management and analytic solutions
ESG Assessment

Key Features

ESG assessments on 4900 global corporates. Built from a framework of norms-based ESG criteria and integrating real time controversy analysis

Up to 15 years of historical data on a consistent and highly structured methodology.

- Fixed Income and Equity coverage
- Developed and Emerging Markets coverage
- 38 ESG Criteria
- 40 Sector Frameworks

Use Cases

**Asset Owners** – evaluate the risk exposure of your portfolio holdings, identify outliers and engage with management teams to foster investments in sustainability

**Portfolio Managers** – incorporate ESG factors into your portfolio construction and risk assessment

**Banks/Insurance** – understand ESG exposures of companies, industries and sectors as a key component of future return performance
**Methodology**

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<th>Global Standards</th>
<th>Criteria and Sector Frameworks</th>
<th>Assessment Approach</th>
<th>ESG Assessment Report</th>
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<tr>
<td>International Standards and Reference Texts from the UN, OECD, ILO</td>
<td>38 ESG Criteria</td>
<td>Leadership</td>
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<td>6 ESG Domains</td>
<td>Implementation</td>
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<td>40 Sector Models</td>
<td>Results</td>
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ESG assessment methodology built around international standards and reference texts. ISO9001 quality certified research methodologies and processes.
Managerial Analysis

Providing the full picture on ESG management

**Question Type**
- Leadership
- Implementation
- Results

**Question**
- Visibility
- Exhaustiveness
- Ownership
- Means
- Coverage
- Scope
- Indicators
- Stakeholder Feedback
- Controversy Management

**What do we look to measure?**
- How committed is the company. Does it have a strategy, targets and governance oversight?
- What measures has the company put in place to support those commitments and ensure their execution?
- What performance trends are visible, what controversies are visible and how are they managed?

**ESG Scores**
- 100
- 0
ESG Scores to Assess Sectoral Risk

Analytics to achieve full portfolio coverage

118,000+ firms
220+ industries
70+ countries and regions

ESG Scorecard

ESG Score Predictor

ESG Estimate

ESG Rating

Quantitative Layers

Model-driven Machine Learning algorithms for data analytics from complementary data sources

Qualitative Layers

Analyst-driven rating built on the model-driven scores to account for non-financial disclosures & evaluate tailored questionnaires