

Average ESG Score

# INFORMA D&B INDICATORS ESG SCORE

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Reflects the position of a company in its sector and vis-à-vis companies of comparable size with regard to the ESG factors that characterize it at any given time.

#### **BACKGROUND**

The environmental, social and governance practices of companies — known by the abbreviation "ESG" — will be increasingly more scrutinized due to mounting pressures and political and social demands, coupled with the existence of more and better monitorable data. As it gains more relevance, this type of information will quickly become more consistent, while even more companies will be obliged to disclose it.

ESG factors will make performance assessment more complicated insofar as, in addition to financial information, quantitative and qualitative information will also be considered on environmental, social and ethical practices, human rights, corruption, diversity, etc., together with the respective impacts. While already assessed through their financial parameters, companies will see an increasing weight of ESG indicators during various decisions involving their evaluation, such as supplier procurement, investments, granting credit or even assessment of insurance risks.

In this context, Informa D&B, as a specialist in the business world and corporate performance, has developed the ESG Score, an indicator that categorizes companies in this regard, while reflecting their commitment in contributing with relevant and consistent data for building environmental, social and governance metrics.

The ESG Score reflects the relative position of each company in their sector and vis-à-vis companies of comparable size with regard to a significant number of ESG datasets that characterize it at any given time: practices with direct and indirect repercussions on environmental resources, the company's social commitments to its employees, suppliers, customers and the community at large, together with financial transparency and the company's communication with authorities and other stakeholders.

# SUSTAINABILITY OF THE BUSINESS UNIVERSE

#### Distribution of companies by ESG Score and business sector

						-	by company
Total of business universe	10%	20%	38%		22%	10%	
Real estate	2% 10%	35%		33%	20	)%	3,6
Corporate Services	3% 11%	33%	33%		21%		3,6
Inf. and communication technologies	5% 13%	30%	30%		% 22%		3,5
Wholesale	5% 14%	39	39%		29% 13%		3,3
Energy and Enviroment	5% 169	<b>%</b>	42%		25% 12%		3,2
General Services	7% 17	7%	40%		26%	10%	3,2
Construction	9%	19%	44%		23% 5%		3,0
Retail	11%	23%	40%		20%	6%	2,9
Agriculture and other natural resources	15%	28%		40%	14%	3%	2,6
Industries	16%	29%		39%	13%	<sub>6</sub> 3%	2,6
Transportation	17%	35%		40%	7	<mark>% 1%</mark>	2,4
Hotels and Restaurants	23%	6 3	1%	34%	10°	% 2%	2,4
	Low	<ul><li>Medium</li></ul>	Mediu	ım Me	dium-High	•	High

# **ESG SCORE - INFORMA D&B DEFINITIONS AND METHODOLOGY**

This indicator includes more than 200,000 entities that have published financial information in the past two years, whose annual sales and services, in accordance with the last report published, are less than 50 million euros and more than 25 thousand euros, and which have at least one employee.

According to an assessment of the different datasets and components that characterize it, the company is ranked on a scale/score from 1 to 5:

1 - Low | 2 - Medium | 3 - Medium | 4 - Medium-High | 5 - High

The ESG Score of a company is thus higher as its ESG performance increases compared to its counterparts.

#### **ENVIROMENTAL (E)** SOCIAL (S) GOVERNANCE (E) Variables with a direct or indirect Variables that show the degree of Variables that reflect the company's impact on the environment involvement with regard to social, transparency, its compliance with security, sustainability and equality business obligations and the quality of its relationships with various issues stakeholders Natural resources Human capital Management Carbon intensity by business sector Supplier engagement Corporate compliance Purchases from foreign markets Customer engagement Corporate transparency Community engagement Business sustainability **Environmental opportunities** Social opportunities

# ADVANTAGES OF USING THE ESG SCORE

It allows the identification of sustainability components a company can improve.

Facilitates the selection of business partners based on their sustainability.

Simplifies the sustainability analysis of customer and supplier portfolios.

Complementary response to regulatory requirements.

## INFORMA ESG INTELLIGENCE SOLUTIONS

#### Score ESG - Database licensing

Indicator that classifies companies according to ESG aspects, reflecting the relative position of each company compared to its sector and companies of comparable size.

# **Analysis of ESG Indicators**

Report that analyzes the evolution of a company's ESG indicators over the last 3 years in comparison with companies in the same sector and of the same size.

#### Sustainability indicators - database licensing

Contents of sustainability reports published by Portuguese companies.

#### **D&B Risk Analytics ESG**

Platform that allows you to manage the ESG performance of your value chain with greater depth and detail in a single tool.

#### D&B ESG Ranking - database licensing or integration via API

Global ESG ranking for companies around the world, which gives companies a global position for each of the ESG aspects.

#### OTHER INFORMA D&B INDICATORS

- Risk of failure
- Indicator of payments or Paydex®
- Business sectors (Informa D&B score)

- Risk of Delinguency
- Financial resilience
- Risk of Viability





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