

100 BEST CORPORATE CITIZENS

2021 Methodology

OVERVIEW

3BL Media'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 2021 methodology set by 3BL Media, including changes from 2020, all factors used to determine the ranking and how the ranking is processed. **For more information, visit the FAQs page: <https://100best.3blmedia.com/fag/>.**

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 Media'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)

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 2021 is Friday, March 19, 2021, 8:00 p.m. PST. The top 100 will be announced Tuesday, May 18, 2021.

2021 PILLARS AND WEIGHTING		
Pillar	Pillar Weight	Number of Factors
Employees	20.5%	34
Environment	18.0%	27
Climate Change	18.0%	23
Stakeholders and Society	12.5%	17
Human Rights	11.0%	18
ESG Performance	8.0%	2
Governance	7.5%	16
Financial	4.5%	9
Total	100%	146

METHODOLOGY CHANGES FROM 2020 TO 2021

Pillar	2021 Changes
Employees	<ul style="list-style-type: none"> • The Employee Relations pillar is now named the Employees pillar <u>New factors</u> <ul style="list-style-type: none"> • Does the labor rights policy address discrimination including gender, race, disability, ethnicity, nationality, religion, LGBTQ), workforce equality, or fair employment? (Factor ID 430) • Does the company's labor rights policy address discrimination based on gender identity or gender expression? (Factor ID 438) • Does the company's disclosed information on workforce equality include data on equality for senior management? (Factor ID 443) • Does the company provide workforce demographic disclosure? (Factor ID 445) <u>Factors moved from the Employees pillar to the Governance pillar</u> <ul style="list-style-type: none"> • Does the company publicly disclose a gender diversity strategy or similar commitment to ensure appropriate gender representation at the board level? (Factor ID 423) • Does the company apply a diversity strategy to the board level? (Factor ID 427) <u>Factor weight increased</u> <ul style="list-style-type: none"> • Does the company apply a diversity strategy to the senior management level? (Factor ID 428) • Does the company state a commitment to a fair or living wage for all employees? (Factor 484) <u>Factor weight decreased</u> <ul style="list-style-type: none"> • Employee healthcare benefit: Life insurance (Factor ID N/A) • Employee healthcare benefit: Short- and long-term disability insurance (Factor ID N/A)
Environment	<ul style="list-style-type: none"> <u>Factor weight increased</u> <ul style="list-style-type: none"> • Does the company identify specific salient environmental risks? (Factor ID 19) • Does the company disclose its total direct GHG emissions? (Factor ID 51) • Does the company's approach to reducing energy consumption from non-renewable sources include specific information on an implementation timeline? (Factor ID 99) <u>Factor weight decreased</u> <ul style="list-style-type: none"> • Waste - Total weight of generated hazardous waste trend: This factor provides a trend value for the issuer's total weight of generated hazardous waste based on recent-year percent change over a trailing three-year average. (Factor ID 160.1) • Waste - Total weight of generated hazardous waste normalized: This factor provides a normalized value for the issuer's total weight of generated hazardous waste. Data is normalized per 1M USD. (Factor ID 160.2) • Does the company disclose specific targets for reducing hazardous and non-hazardous waste? (Factor ID 181)
Climate Change	<ul style="list-style-type: none"> <u>Factor moved from the Climate Change pillar to the Governance pillar</u> <ul style="list-style-type: none"> • Does the company describe the board's oversight of climate-related risks? (Factor ID 110) <u>Factor weight increased</u> <ul style="list-style-type: none"> • Does the company's climate change disclosure specifically address climate change risks? (Factor ID 22) • Does the company's climate change disclosure specifically provide analysis of performance against targets? (Factor ID 26) • Does the company indicate that GHG emissions reduction targets have been approved by The Science Based Targets initiative? (Factor ID 42) <u>Factor weight decreased</u> <ul style="list-style-type: none"> • Does the company disclose targets for reducing GHG emissions (Factor ID 38) • Does the company disclose its total water use? (Factor ID 199) • Water - Total water consumed normalized: This factor provides a normalized value for the issuer's total water consumed. Data is presented in cubic metres+E80. (Factor ID 199.1)

Pillar	2021 Changes (continued)
Stakeholders and Society	<p><u>New factor</u></p> <ul style="list-style-type: none"> • Lobbying screen. 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. Companies with high lobbying intensity and oppositional lobbying receive a "red flag". Companies to receive a "red flag" are penalized 10 points on their final, overall weighted score. The "red flag" and penalty are not disclosed in the ranking. <p><u>Factor weight increased</u></p> <ul style="list-style-type: none"> • Does the company's disclosed information related to political advocacy include a discussion of the objectives related to the use of company funds for political advocacy? (Factor ID 272) • Community involvement: The factor evaluates the quality and transparency of the company's community involvement initiatives and contributions by analyzing objectives, programs, monitoring and evaluation, and spend. The factor is graded on a twelve-point scale from D- (poor performance) to A+ (excellent performance). (Factor ID N/A) <p><u>Factor weight decreased</u></p> <ul style="list-style-type: none"> • Does the 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)
Human Rights	<p><u>Factor weight increased</u></p> <ul style="list-style-type: none"> • Does the company have an enterprise level human rights policy? (Factor ID 316) • Does the company identify specific salient human rights risks in the most recent annual, integrated, or sustainability report? (Factor ID 381) <p><u>Factor weight decreased</u></p> <ul style="list-style-type: none"> • Does the company indicate that it applies the same human rights policy standards to partners? (Factor ID 340) • Does the company's human rights policy have clear reference to conformance with the OECD Guidelines for Multinational Enterprises? (Factor ID 378)
Governance	<p><u>Factors moved to the Governance pillar from the Employees pillar</u></p> <ul style="list-style-type: none"> • Does the company apply a diversity strategy to the board level (Factor ID 427)? • Does the company publicly disclose a gender diversity strategy or similar commitment to ensure appropriate gender representation at the board level? (Factor ID 423) <p><u>Factor moved to the Governance pillar from the Climate Change pillar</u></p> <ul style="list-style-type: none"> • Does the company describe the board's oversight of climate-related risks and opportunities? (Factor ID 110) <p><u>Factor weight increased</u></p> <ul style="list-style-type: none"> • Does the company describe the board's oversight of climate-related risks and opportunities? (Factor ID 110) • Is the Board of Directors specifically mentioned as having responsibility for the company's human rights policy? (Factor ID 282) <p><u>Factor weight decreased</u></p> <ul style="list-style-type: none"> • What is the classification of the Chairman of the Board? (Factor ID 14) • Are there restrictions as to timing or topics to be discussed, or ownership levels required to call the meeting? (Factor ID 225)
Financial	<p><u>Factor weight increased</u></p> <ul style="list-style-type: none"> • Does the company present and describe multiple scenarios for the potential impact of climate-related risks and opportunities on its business, strategy, and financial planning? (Factor ID 36) <p><u>Factor weight decreased</u></p> <ul style="list-style-type: none"> • Earnings per share (Factor ID N/A)

2021 FACTORS

Pillar	ISS ESG Factor ID	Factor Description	ISS ESG Factor Category
Employees	305	Does the company monitor employee satisfaction or engagement?	QualityScore > Social > Labor, Health, and Safety
Employees	413	Does the company have an enterprise level workforce/labor rights policy?	QualityScore > Social > Labor, Health, and Safety
Employees	422	Does the company publicly disclose a gender diversity strategy or similar commitment to ensure appropriate gender representation at the board, senior management, or workforce levels?	QualityScore > Social > Labor, Health, and Safety
Employees	424	Does the company publicly disclose a gender diversity strategy or similar commitment to ensure appropriate gender representation at the senior management level?	QualityScore > Social > Labor, Health, and Safety
Employees	425	Does the company publicly disclose a gender diversity strategy or similar commitment to ensure appropriate gender representation at the workforce level?	QualityScore > Social > Labor, Health, and Safety
Employees	426	Does the company publicly disclose a diversity strategy or similar commitment to ensure workforce equality beyond gender at the board, senior management, or workforce levels?	QualityScore > Social > Labor, Health, and Safety
Employees	428	Does the company apply a diversity strategy to the senior management level?	QualityScore > Social > Labor, Health, and Safety
Employees	429	Does the company apply a diversity strategy to the workforce level?	QualityScore > Social > Labor, Health, and Safety
Employees	430	Does the labor rights policy address discrimination (including gender, race, disability, ethnicity, nationality, religion, LGBTQ), workforce equality, or fair employment?	QualityScore > Social > Labor, Health, and Safety
Employees	437	Does the company's labor rights policy address discrimination based on sexual orientation?	QualityScore > Social > Labor, Health, and Safety
Employees	438	Does the company's labor rights policy address discrimination based on gender identity or gender expression?	QualityScore > Social > Labor, Health, and Safety
Employees	441	Does the company publicly disclose data on workforce equality connected with gender, race, disability, ethnicity, nationality, religion, LBGTQ, or other potentially protected classes?	QualityScore > Social > Labor, Health, and Safety
Employees	443	Does the company's disclosed information on workforce equality include data on equality for senior management?	QualityScore > Social > Labor, Health, and Safety
Employees	444	Does the company's disclosed information on workforce equality include data on equality for the workforce?	QualityScore > Social > Labor, Health, and Safety
Employees	445	Does the company provide workforce demographic disclosure?	

Pillar	ISS ESG Factor ID	Factor Description	ISS ESG Factor Category
Employees	450	Does the company provide workforce disclosure on gender and racial/ethnic group representation?	QualityScore > Social > Labor, Health, and Safety
Employees	450.1	Does the company disclose the percentage of women for executives and senior management?	QualityScore > Social > Labor, Health, and Safety
Employees	450.2	Does the company disclose the percentage of women across the total workforce?	QualityScore > Social > Labor, Health, and Safety
Employees	451	Does the company disclose information on gender and racial/ethnic group representation across the total workforce?	QualityScore > Social > Labor, Health, and Safety
Employees	452	Does the company disclose information on gender and racial/ethnic group representation for executives and senior management?	QualityScore > Social > Labor, Health, and Safety
Employees	453	Does the company disclose information on gender and racial/ethnic group representation for professionals or technical staff?	QualityScore > Social > Labor, Health, and Safety
Employees	454	Does the company disclose information on gender and racial/ethnic group representation for non-contingent staff?	QualityScore > Social > Labor, Health, and Safety
Employees	455	Does the company disclose information on gender and racial/ethnic group representation for contingent staff?	QualityScore > Social > Labor, Health, and Safety
Employees	459	Does the company disclose a policy that specifically addresses occupational health and safety?	QualityScore > Social > Labor, Health, and Safety
Employees	460	Does the company's occupational health and safety policy explicitly encompass all facilities and operations?	QualityScore > Social > Labor, Health, and Safety
Employees	467	Does the company disclose information about occupational health and safety performance, including injuries, occupational diseases, and work-related fatalities?	QualityScore > Social > Labor, Health, and Safety
Employees	476	Does the company disclose specific efforts for reducing the occurrence of injuries, occupational diseases, and work-related fatalities?	QualityScore > Social > Labor, Health, and Safety
Employees	479	Does the company disclose information on management systems used to integrate a culture of safety and emergency preparedness?	QualityScore > Social > Labor, Health, and Safety
Employees	484	Does the company state a commitment to a fair or living wage for all employees?	QualityScore > Social > Labor, Health, and Safety
Employees	N/A	Does the company provide healthcare insurance?	US Workforce
Employees	N/A	Does the company provide life insurance benefits?	QualityScore > Social > Labor, Health, and Safety
Employees	N/A	Does the company provide short- and long-term disability insurance?	QualityScore > Social > Labor, Health, and Safety
Employees	N/A	Does the company provide maternity leave (paid and unpaid)?	QualityScore > Social > Labor, Health, and Safety

Pillar	ISS ESG Factor ID	Factor Description	ISS ESG Factor Category
Employees	N/A	Does the company provide paternity leave (paid and unpaid)?	QualityScore > Social > Labor, Health, and Safety
Environment	1	Does the company have an enterprise level environmental policy?	QualityScore > Environment > Management of Env Risks and Opportunities
Environment	5	Does the company's environmental policy apply the same standards to suppliers or vendors?	QualityScore > Environment > Management of Env Risks and Opportunities
Environment	7	Does the company disclose the presence of an environmental management system?	QualityScore > Environment > Management of Env Risks and Opportunities
Environment	19	Does the company identify specific salient environmental risks in its latest annual, integrated, or sustainability report?	QualityScore > Environment > Management of Env Risks and Opportunities
Environment	50	Does the company provide quantitative metrics about GHG emissions?	QualityScore > Environment > Carbon and Climate
Environment	51	Does the company disclose its total direct GHG emissions?	QualityScore > Environment > Management of Env Risks and Opportunities
Environment	51.1	GHG Emissions - Preferred Scope 1 - Direct Emissions: This factor provides the issuer's Scope 1 direct emissions. The direct emissions data represents the final, ISS ESG reviewed and approved value based on the ISS ESG Climate Solutions methodology, which selects the most accurate value from available sources.	QualityScore > Environment > Carbon and Climate
Environment	52	Does the company disclose its total Scope 2 GHG emissions?	QualityScore > Environment > Carbon and Climate
Environment	52.1	GHG Emissions - Preferred Scope 2 - Energy Indirect Emissions: This factor provides the issuer's Scope 2 energy indirect emissions. The Energy Indirect Emissions data represents the final, ISS ESG reviewed and approved value based on the ISS ESG Climate Solutions methodology, which selects the most accurate value from available sources.	QualityScore > Environment > Carbon and Climate
Environment	53	Does the company disclose its total Scope 3 GHG emissions?	QualityScore > Environment > Carbon and Climate
Environment	53.1	GHG Emissions - Scope 3 - Other Indirect Emissions: This factor provides the issuer's Scope 3, other Indirect, emissions. For Scope 3 emissions, all provided data has been estimated. Reported Scope 3 emissions are generally unreliable and thus reported Scope 3 emissions are not included in this datapoint.	QualityScore > Environment > Carbon and Climate

Pillar	ISS ESG Factor ID	Factor Description	ISS ESG Factor Category
Environment	62	Does the company disclose its total energy use?	QualityScore > Environment > Carbon and Climate
Environment	62.1	Energy - Total energy use normalized: This factor provides a normalized value for the issuer's total energy use. Data is normalized per 1m USD.	QualityScore > Environment > Carbon and Climate
Environment	62.2	Energy - Total energy use: This factor provides the issuer's total energy use. Data is presented in megawatt hours.	QualityScore > Environment > Carbon and Climate
Environment	97	Does the company's approach to reducing energy consumption from non-renewable sources include relative targets?	QualityScore > Environment > Carbon and Climate
Environment	98	Does the company's approach to reducing energy consumption from non-renewable sources include absolute targets?	QualityScore > Environment > Carbon and Climate
Environment	99	Does the company's approach to reducing energy consumption from non-renewable sources include specific information on an implementation timeline?	QualityScore > Environment > Carbon and Climate
Environment	122	Does the company disclose quantitative information on significant air emissions?	QualityScore > Environment > Waste and Toxicity
Environment	159	Does the company disclose its total hazardous waste generation?	QualityScore > Environment > Waste and Toxicity
Environment	160.1	Waste - Total weight of generated hazardous waste trend: This factor provides a trend value for the issuer's total weight of generated hazardous waste based on recent-year percent change over a trailing three-year average.	QualityScore > Environment > Waste and Toxicity
Environment	160.2	Waste - Total weight of generated hazardous waste normalized: This factor provides a normalized value for the issuer's total weight of generated hazardous waste. Data is normalized per 1M USD.	QualityScore > Environment > Waste and Toxicity
Environment	160.3	Waste - Total weight of generated hazardous waste: This factor provides the issuer's total weight of generated hazardous waste. Data is presented in metric ton.	QualityScore > Environment > Waste and Toxicity
Environment	168	Does the company disclose information on its waste management and recycling programs?	QualityScore > Environment > Waste and Toxicity
Environment	181	Does the company disclose specific targets for reducing hazardous and non-hazardous waste?	QualityScore > Environment > Waste and Toxicity
Environment	182	Does the company's disclosed information regarding targets for reducing hazardous and non-hazardous waste include quantitative targets?	QualityScore > Environment > Waste and Toxicity
Environment	183	Does the company's disclosed information regarding targets for reducing hazardous and non-hazardous waste include specific information on an implementation timeline?	QualityScore > Environment > Waste and Toxicity

Pillar	ISS ESG Factor ID	Factor Description	ISS ESG Factor Category
Environment	366	Does the company's Code of Vendor Conduct address the environmental impact of supplier products or services?	QualityScore > Environment > Management of Env Risks and Opportunities
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's climate change disclosure specifically address climate change risks?	QualityScore > Environment > Carbon and Climate
Climate Change	23	Does the company's climate change disclosure specifically address climate change strategy?	QualityScore > Environment > Carbon and Climate
Climate Change	24	Does the company's climate change disclosure specifically address climate change performance?	QualityScore > Environment > Carbon and Climate
Climate Change	25	Does the company's climate change disclosure specifically address climate change targets?	QualityScore > Environment > Carbon and Climate
Climate Change	26	Does the company's climate change disclosure specifically provide analysis of performance against targets?	QualityScore > Environment > Carbon and Climate
Climate Change	28	Does the company's climate change disclosure specifically address climate change opportunities?	QualityScore > Environment > Carbon and Climate
Climate Change	37	Does the company's climate change disclosure include an impact scenario that references 2°C limits?	QualityScore > Environment > Carbon and Climate
Climate Change	38	Does the company disclose targets for reducing GHG emissions?	QualityScore > Environment > Carbon and Climate
Climate Change	39	Does the company define GHG emissions reduction targets at group level?	QualityScore > Environment > Carbon and Climate
Climate Change	40	Are the company's GHG emissions reduction targets clearly aligned with the 2°C scenario?	QualityScore > Environment > Carbon and Climate
Climate Change	42	Does the company indicate that GHG emissions reduction targets have been approved by The Science Based Targets initiative?	QualityScore > Environment > Carbon and Climate
Climate Change	58	Has the company obtained independent third-party verification for its GHG disclosure?	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	105	Does the company describe 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 integrated into the organization's overall risk management?	QualityScore > Environment > Carbon and Climate

Pillar	ISS ESG Factor ID	Factor Description	ISS ESG Factor Category
Climate Change	107	Does the company disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process?	QualityScore > Environment > Carbon and Climate
Climate Change	199	Does the company disclose its total water use?	QualityScore > Environment > Natural Resources
Climate Change	199.1	Water - Total water consumed normalized: This factor provides a normalized value for the issuer's total water consumed. Data is presented in cubic meters.	QualityScore > Environment > Natural Resources
Climate Change	199.2	Water - Total water consumed: This factor provides the issuer's total water consumed. Data is presented in cubic meters.	QualityScore > Environment > Natural Resources
Climate Change	200	Does the company's disclosed data regarding water use identify the total water withdrawn?	QualityScore > Environment > Natural Resources
Climate Change	201	Does the company's disclosed data regarding water use identify the total water consumed?	QualityScore > Environment > Natural Resources
Climate Change	202	Does the company break out its disclosed water withdrawal by source?	QualityScore > Environment > Natural Resources
Stakeholders and Society	239	Is the company a participant to the UN Global Compact?	QualityScore > Social > Stakeholders and Society
Stakeholders and Society	241	Does the company report sustainability metrics in accordance with the Global Reporting Initiative?	QualityScore > Social > Stakeholders and Society
Stakeholders and Society	245	Does the company have any reports or information on its website equivalent to that found in a CSR/EHS report?	QualityScore > Social > Stakeholders and Society
Stakeholders and Society	250	Does the company have a publicly disclosed business ethics policy or Code of Conduct?	QualityScore > Social > Stakeholders and Society
Stakeholders and Society	259	Does the company have a confidential hotline and stated protection of whistleblowers?	QualityScore > Social > Stakeholders and Society
Stakeholders and Society	267	Does the company have a publicly disclosed policy relating to the use of company funds for political purposes?	QualityScore > Social > Stakeholders and Society
Stakeholders and Society	268	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?	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.	QualityScore > Social > Stakeholders and Society
Stakeholders and Society	269	Does the company's disclosed information related to political advocacy include the amounts spent on political advocacy?	QualityScore > Social > Stakeholders and Society
Stakeholders and Society	270	Does the company's disclosed information related to political advocacy include the recipients?	QualityScore > Social > Stakeholders and Society

Pillar	ISS ESG Factor ID	Factor Description	ISS ESG Factor Category
Stakeholders and Society	271	Does the company's disclosed information related to political advocacy include, at a minimum, the five largest political, lobbying, or tax-exempt group expenditures?	QualityScore > Social > Stakeholders and Society
Stakeholders and Society	272	Does the company's disclosed information related to political advocacy include a discussion of the objectives related to the use of company funds for political advocacy?	QualityScore > Social > Stakeholders and Society
Stakeholders and Society	359	Does the company publicly disclose a Code of Vendor Conduct?	QualityScore > Social > Stakeholders and Society
Stakeholders and Society	402	Does the company disclose a formal system to implement stakeholder consultation and engagement?	QualityScore > Social > Stakeholders and Society
Stakeholders and Society	403	Does the company disclose information about stakeholder engagements carried out during the past year?	QualityScore > Social > Stakeholders and Society
Stakeholders and Society	N/A	Community involvement: The factor evaluates the quality and transparency of the company's community involvement initiatives and contributions by analyzing objectives, programs, monitoring and evaluation, and spend. The factor is graded on a twelve-point scale from D- (poor performance) to A+ (excellent performance).	ISS ESG Company Rating > Community Involvement
Stakeholders and Society	N/A	Lobbying screen. 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. Companies with high lobbying intensity and oppositional lobbying receive a "red flag". Companies to receive a "red flag" are penalized 10 points on final, overall weighted score. Note that the "red flag" and subsequent penalty are not publicly disclosed in the ranking.	N/A
Human Rights	316	Does the company have an enterprise level human rights policy?	QualityScore > Social > Human Rights
Human Rights	317	Does the company's human rights policy address the protection of minority groups' rights?	QualityScore > Social > Human Rights
Human Rights	318	Does the company's human rights policy address the protection of women's rights?	QualityScore > Social > Human Rights
Human Rights	331	Does the company's human rights policy include a commitment to stakeholder involvement in the development of the 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 explicitly identify the right to water as a fundamental human right in its environmental policy, human rights policy, or other policy document?	QualityScore > Social > Human Rights
Human Rights	336	Does the company disclose information on the applicability of its human rights policy to operations, suppliers, vendors, or partners?	QualityScore > Social > Human Rights

Pillar	ISS ESG Factor ID	Factor Description	ISS ESG Factor Category
Human Rights	338	Is the company's human rights policy a global policy applying the same comprehensive standards to all company operations regardless of geographic location?	QualityScore > Social > Human Rights
Human Rights	340	Does the company indicate that it applies the same human rights policy standards to partners?	QualityScore > Social > Human Rights
Human Rights	342	Does the company indicate that it applies the same human rights policy standards to suppliers/vendors?	QualityScore > Social > Human Rights
Human Rights	345	Does the company have an audit program in place to evaluate its suppliers' performance in the area of human rights?	QualityScore > Social > Human Rights
Human Rights	360	Does the company's Code of Vendor Conduct address child labor?	QualityScore > Social > Human Rights
Human Rights	361	Does the company's Code of Vendor Conduct address forced labor?	QualityScore > Social > Human Rights
Human Rights	375	Does the company indicate that the company's human rights policy supports any specific recognized public convention? Examples include the United Nations Principles for Responsible Investment, the Equator Principles, Carbon Principles, UN Global Compact and CERES Principles.	QualityScore > Social > Human Rights
Human Rights	376	Does the company's human rights policy have clear reference to conformance with the UN Universal Declaration of Human Rights?	QualityScore > Social > Human Rights
Human Rights	378	Does the company's human rights policy have clear reference to conformance with the OECD Guidelines for Multinational Enterprises?	QualityScore > Social > Human Rights
Human Rights	379	Does the company's human rights policy have clear reference to conformance with the UN Guiding Principles on Business and Human Rights?	QualityScore > Social > Human Rights
Human Rights	381	Does the company identify specific salient human rights risks in the most recent annual, integrated, or sustainability report?	QualityScore > Social > Human Rights
Human Rights	416	Does the company disclose the priority non-conformance rate and associated corrective action rate for suppliers' compliance with labor rights policies?	QualityScore > Social > Human Rights
ESG Performance	N/A	The ISS ESG Corporate Rating assess a company's sustainability performance with regard to managing risks and seizing opportunities. The Corporate Rating uses over 100 quantitative and qualitative, industry-specific and materiality-focused ESG criteria. Companies are then rated on a letter grade performance scale.	ISS ESG Corporate Rating
ESG Performance	N/A	ISS ESG Controversy Score: This factor provides a numeric value for the company's overall controversy score. Individual controversies are categorized as Potential, Moderate, Severe, and Very Severe according to uniform evaluation parameters based on international norms and standards. If ISS ESG identifies a Severe or Very Severe controversy, the company is penalized 10 points on its final, overall weighted score.	ISS ESG Controversies Score

Pillar	ISS ESG Factor ID	Factor Description	ISS ESG Factor Category
Governance	14	What is the classification of the Chairman of the Board?	QualityScore > Governance > Board
Governance	44	Did any directors attend less than 75% of the aggregate board and applicable key committee meetings without a valid excuse?	QualityScore > Governance > Board
Governance	77	Are all directors elected annually?	QualityScore > Governance > Shareholders
Governance	110	Does the company describe the board's oversight of climate-related risks and opportunities?	QualityScore > Environment > Carbon and Climate
Governance	201	Is the company, or any of its directors and officers, currently under investigation by a regulatory body?	QualityScore > Governance > Audit
Governance	225	Are there material restrictions as to timing or topics to be discussed, or ownership levels required to call the meeting?	QualityScore > Governance > Shareholders
Governance	258	Does the company provide anti-corruption training to all employees, including management?	QualityScore > Governance > Stakeholders and Society
Governance	276	Does the company have a dedicated environment, corporate social responsibility, health and safety, or sustainability committee?	QualityScore > Governance > Stakeholders and Society
Governance	282	Is the board of directors specifically mentioned as having responsibility for the company's human rights policy?	QualityScore > Governance > Stakeholders and Society
Governance	300	Has ISS' qualitative review identified a pay-for-performance misalignment?	QualityScore > Governance > Compensation
Governance	348	Does the company disclose the existence of a formal CEO and key executive officers succession plan?	QualityScore > Governance > Board
Governance	349	Does the board have any mechanisms to encourage director refreshment?	QualityScore > Governance > Board
Governance	354	What is the proportion of women on the board?	QualityScore > Governance > Board
Governance	423	Does the company publicly disclose a gender diversity strategy or similar commitment to ensure appropriate gender representation at the board level?	QualityScore > Social > Labor, Health, and Safety
Governance	427	Does the company apply a diversity strategy (beyond gender) to the board level?	QualityScore > Social > Labor, Health, and Safety
Governance	N/A	Identifies whether chairman of the board is also the CEO	QualityScore > Governance > Board > Factor ID 14 as guidance

Pillar	ISS ESG Factor ID	Factor Description	ISS ESG Factor Category
Financial	36	Does the company present and describe multiple scenarios for the potential impact of climate-related risks and opportunities on its businesses, strategy, and financial planning?	QualityScore > Environment > Carbon and Climate
Financial	286	Has the company explained how the variable pay award, dependent on non-financial performance, was assessed for the year under review?	QualityScore > Social > Stakeholders and Society
Financial	291	Does the company provide information indicating a link between consideration of ESG risks and performance, and executive remuneration?	QualityScore > Social > Stakeholders and Society
Financial	N/A	Return on assets	Financial Ratios > Issuer Financials
Financial	N/A	Earnings per share	Financial Ratios > Issuer Financials
Financial	N/A	EBITD margin	Financial Ratios > Issuer Financials
Financial	N/A	Annualized total shareholder return measured over trailing 36 months	Financial Ratios > Share Price and Dividend Performance
Financial	N/A	Price to cashflow ratio	Financial Ratios > Valuation Measures
Financial	N/A	Dividend as percent of share price	Financial Ratios > Valuation Measures

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 and Information

Binary	Numeric	Qualitative
<ul style="list-style-type: none"> • 'True' counts as a positive value • 'False' and 'Blank / Not Provided' counts as neutral weight 	<ul style="list-style-type: none"> • Numeric values compare to all other company numeric values to generate a 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 Media does not disclose individual factor weights so the ranking can't 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 rank.
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: When several company scores tie, there is 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 a second-place rank will place third. Second place is sacrificed for the tie-gap, so third is the next available rank after the tie-gap.
5. The controversy screen (ESG Performance pillar) is applied. If ISS ESG identifies a Severe or Very Severe controversy, the company is penalized 10 points on its final, overall weighted score and the overall weighted score is adjusted accordingly. Controversies and subsequent penalties are not publicly disclosed in the ranking.
6. The lobbying screen is applied. 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. Companies with high lobbying intensity and oppositional lobbying receive a "red flag". Companies to receive a "red flag" are penalized 10 points on their final, overall weighted score and the overall weighted score is adjusted accordingly. The "red flag" and subsequent penalty are not publicly disclosed in the ranking.