

ESG  17
SCREEN

2023

**SDG SCORES
OVERVIEW**



Screen17 SDG Scores

Making the SDGs investible

The Sustainable Development Goals (SDGs) are a set of 17 interrelated goals adopted by the United Nations General Assembly in 2015 to promote sustainable development in all countries. The SDGs cover a broad range of issues, including ending poverty and hunger, improving health and education, promoting gender equality, ensuring access to clean water and energy, reducing inequality, protecting the environment, and promoting peace and justice.

Although originally developed for countries, the SDGs and their underlying targets can be applied equivalently to companies. However, while the SDGs are an established and effective framework, they lack a standardized approach to quantify the individual sustainability performance of a particular entity. By mapping Screen17's Sustainability Drivers to the related SDGs, Screen17 provides a uniform, standardized framework to score the SDGs and make them investible.

For investors, this means that their portfolios can be scored against a recognized set of global standards, the SDGs, while also ensuring that the scores are fully relevant to the corporate context and are transparent, easy to understand and comparable to other entities across industries.

Sustainability Driver Framework & SDG Scores

To standardize the SDGs and relate them to corporations rather than countries, the SDG scores are informed by and matched to Screen17's Sustainability Driver Framework. While Screen17's Sustainability Driver scores and SDG scores are linked it is important to note that they are not the same concept:

Sustainability Driver Framework: Sustainability Drivers are specific research-informed aspects of corporate performance that affect or "drive" its sustainability assessment, for example, Work Force Diversity & Inclusion. See Sustainability Driver Overview for more details.

SDG Scores: SDG Scores are a numerical representation of companies' contribution to the UN SDGs created by mapping the Screen17 Sustainability Drivers to the relevant SDGs.

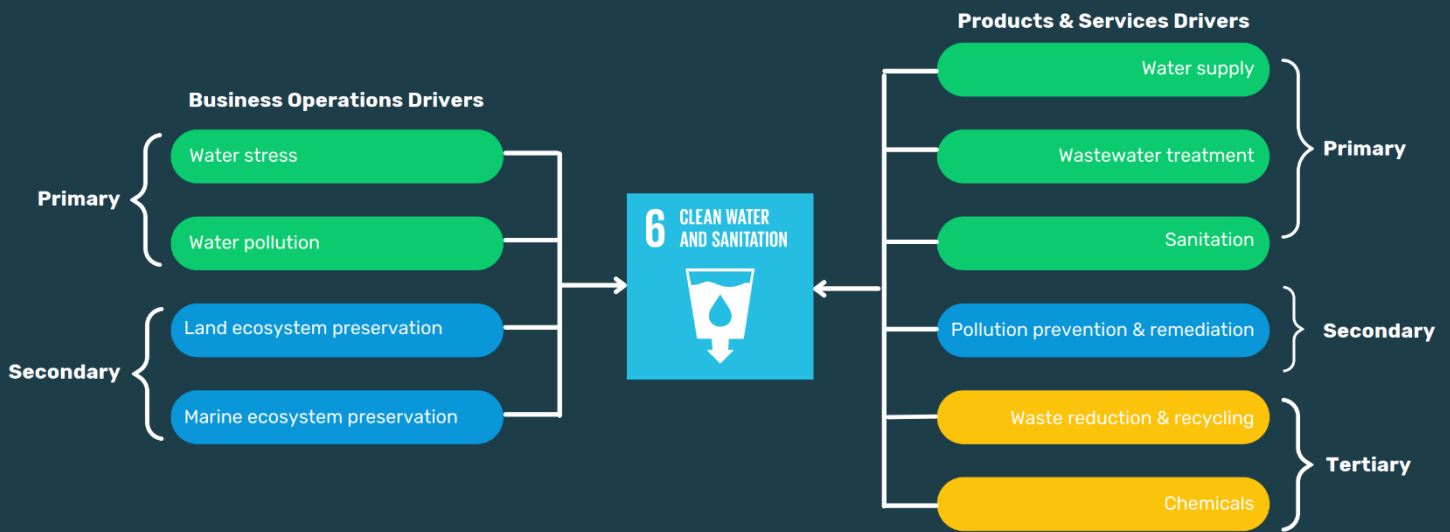
There are three main steps that are involved in the calculation of the SDG scores–

- 01** The relevance of the Sustainability Drivers to the corresponding SDG,
- 02** Scoring the SDGs within both the Business Operations and Products & Services dimensions,
- 03** Aggregating the SDG scores to produce both dimensional SDG scores and one combined SDG score.

Sustainability Driver mapping weights

To align the Sustainability Driver Framework with the SDGs, they must first be mapped to the relevant Sustainability Drivers. Since the importance of the mapped Sustainability Drivers for specific SDGs can vary to a great extent, the scores rely on three different relevance levels - Primary, Secondary, and Tertiary. Each relevance level is associated with a specific relevance weight, measuring a Sustainability Driver’s contribution to the goal. The assessment of each Sustainability Driver’s relevance is based on scientific findings, expert opinions, and feedback from clients.

An example relating to SDG 6 - Clean Water & Sanitation can be seen below:



Individual Dimensional SDG Scores

In line with the Sustainability Driver Scores, the SDG scores are divided into the two dimensions of Business Operations and Products & Services. This allows for better comparability as the basis for SDG score calculations differ to some degree between dimensions. As a result, 34 individual SDG scores are available (17 scores per dimension).

The Products & Services dimension is assessed using the Products & Services that a company engages in and the level of exposure, measured in relative revenue share, that an entity has to a particular product or service. The Business Operations dimension includes all the main aspects of a company’s internal operations. The scores are the product of a company’s sustainability management and performance and its GICS Materiality score.

As mentioned above, the weighted driver scores are a product of the Driver Scores and their relevance weights. Thus, the score for an individual SDG is the sum of the weighted scores of all relevant drivers. The scoring range is [-100,100]

Overall SDG Scores

SDG scores are combined to provide a broad overview of the SDG performance of a particular entity. These combined scores provide a holistic overview of an entity and

allow investors to clearly see whether an entity meets their required criteria or not. There are 2 levels of overall SDG scores, namely the two “dimensional scores” and the overall entity SDG score. The overall dimensional SDG score is calculated as the average of either the 17 individual Business Operations or Products & Services SDG scores. The overall entity SDG score is calculated as the average of the two “dimensional scores”.

For example, an overall Business Operations dimensional score would be calculated as follows:

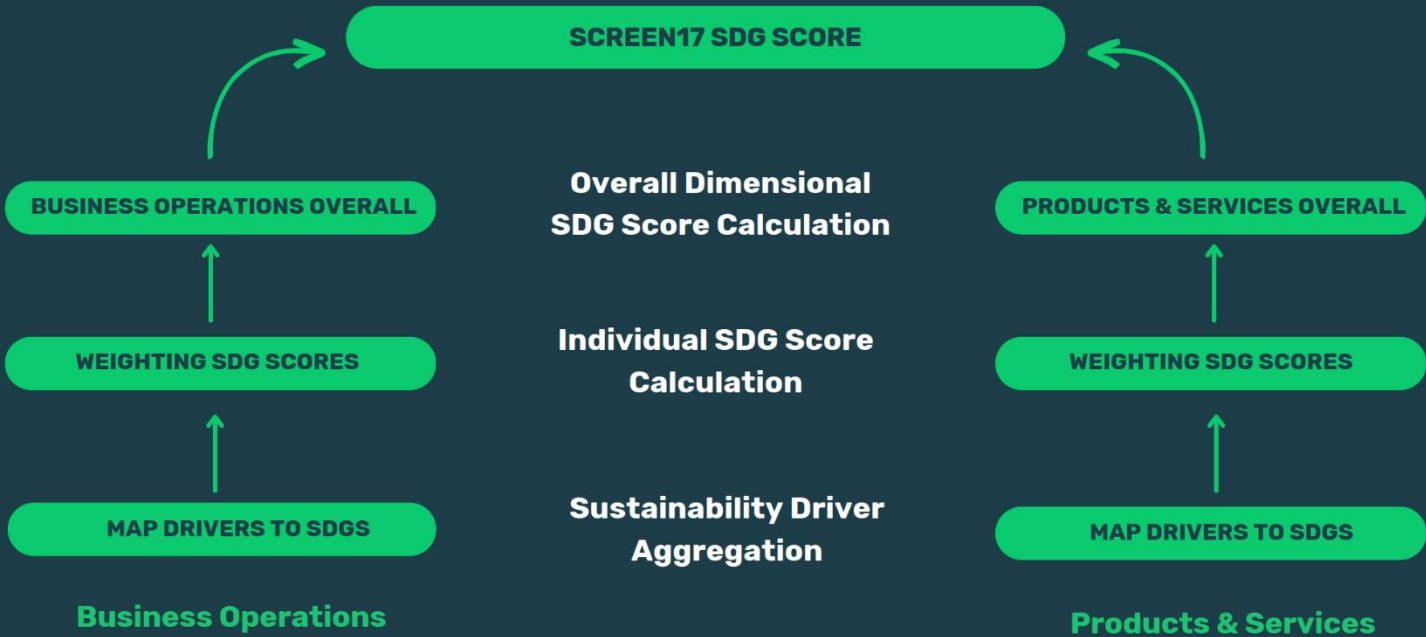


Sum of SDG scores: 204
 Overall SDG score: 204/17



Summary of Screen17 SDG Scoring Methodology

Overall Aggregated SDG Score



Contact us with any questions or requests via:

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screen17.com

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