

APPENDIX 48-2 -D: Evaluating Companies

I examined three datasets that use ESG metrics, Environment, Society, and Governance. All ranked corporations are listed on worldwide stock exchanges.

Global 100 Most Sustainable Companies

[Corporate Knights](#) is a Canadian magazine publisher that describes itself as the voice for “clean capitalism”. Clean capitalism is defined as “an economic system in which prices incorporate social, economic and ecological benefits and costs, and actors know the full impacts of their actions.” Its research arm publishes the rankings that were introduced [in 2005](#) at the World Economic Forum. To be eligible for the Global 100 ranking, a company’s gross revenue for the ranked fiscal year (FY2020 in 2022 ranking) must be more than US\$1 billion, and the company must be publicly traded.

The ranking has 21 indicators. Weights vary by industry except for percent of clean revenue. The [dataset](#) with the 100 companies and all their indicators is available to download. This ranking appears in other sustainability articles, sometimes without providing the source. In addition to environmental rankings on energy, carbon, water and waste, there are indicators for economic performance such as percent spent on clean energy.

Corporate Knights concludes “that sustainability is good business and enables companies to outperform their peers” (Scott).

Resources, including eligibility requirements, methodology, taxonomy, and indicators are available here: <https://www.corporateknights.com/rankings/global-100-rankings/2022-global-100-rankings/2022-global-100-fags-and-resources/>

Dataset list: display on screen or scroll down to a link for the dataset.

<https://www.corporateknights.com/rankings/global-100-rankings/2021-global-100-rankings/2021-global-100-ranking/>

2005 Global 100 Most Sustainable Corporations Announced in Davos accessed at https://www.corporateknights.com/wp-content/uploads/2014/07/January28_2005.pdf

Scott M. (Jan 2021). The global 100: How the world’s most sustainable companies outperform. <https://www.corporateknights.com/leadership/2021-global-100-progress-report/>

Wall Street Journal Report: Sustainably Managed Companies

WSJ created its own list of 100 companies to create long-term shareholder value. The list is created by using AI and human oversight. The initial index was released in October 2020 and is available at <https://webreprints.djreprints.com/57697.html>. An updated version was released in February 2021 and access is only by subscription to the *Wall Street Journal* or a database that includes the *Wall Street Journal*. For example, the list is available in Proquest Recent Newspapers -*Wall Street Journal* in an article dated 14 October 2021 on page R-7 and in Factiva, dated 12 October. I am using the 2020 list since it is available to the public

How the WSJ Rankings of Sustainably Managed Companies was compiled: The 100 most sustainably managed companies were determined using a blend of artificial intelligence and human validation (12 Oct 2020). *Wall Street Journal (Online)* in Proquest These are the ranking categories available with world number one (14 Oct 2020):

- Overall – Sony (Japan)
- Environment - Ereğli Demir ve Çelik Fabrikaları (Turkey)
- Human capital - Alstrom (France)
- Social capital – Merk KGaA (Germany)
- Business model and innovation – Tatung (Taiwan)

S&P Global

S&P Global Sustainability Yearbook 2021

<https://www.spglobal.com/esg/csa/yearbook/ranking/index.aspx>

The forward of the Yearbook states that “This new level of disclosure is testimony to one of the silver linings of 2020. The convergence of the Covid-19 pandemic increased consciousness of race, diversity, and inclusion in our communities and the devastation created by extreme weather and climate change have cemented the theme sustainability as the business community’s No. 1 priority.”

7,000 companies were assessed and 633 companies in 61 industries from 40 countries are in the 2021 Yearbook. Companies are rated rather than ranked: Gold 70, Silver 74, Bronze, 98, and a reward for companies achieving the strongest improvement in their industries, Industry Movers, 52. Companies are evaluated relative to other companies in their industries. To be included in the Yearbook, a company must be within the top 15% of its industry and have an ESG score within 30% of the industry’s top performing company. Click [here](#) for a list of 2021 industry leaders. Products including company scores are available to members.

Each industry report contains Driving Forces, Highlighted criteria and dimension weights, sustainability leaders and members, industry statistics. The Environmental dimension includes Climate Strategy, Environmental Policy and Management Systems, and Operational Eco-Efficiency. There are also weightings for the Social and Governance & Economic Dimension. Data comes from publicly available sources. There are a total of 21 key performance indicators across the three ESG categories.

DJSI Industry leaders (Nov 2021). <https://www.spglobal.com/esg/csa/csa-resources/industry-leaders>

Article 48-2 Table Appendix D, listing the top companies in each ranking, follows this list of S&P resources.

Data intelligence: https://www.spglobal.com/esg/solutions/data-intelligence?utm_source=google&utm_medium=cpc&utm_campaign=ESG_Solutions_Search&utm_term=esg%20scores&utm_content=534418150449&gclid=EAlaIqObChMIpr_wpbvh9AIVDyCtBh13yAuZEAYB_CAAEgKSqvD_BwE

The sustainability yearbook 2021 with quick links. <https://www.spglobal.com/esg/csa/yearbook/>
 Provides link to register for the entire yearbook with minimal information requested.
<https://www.spglobal.com/esg/csa/yearbook/downloads/index>

ESG (Environment, Society, Governance) Score
<https://www.spglobal.com/esg/csa/yearbook/ranking/>

Article 48-2 Table Appendix D: Top “green” companies, columns 11-13

Corporate Knights provides the most data. The most recent report was issued January 2021.
Wall Street Journal issued its first ranking in October 2020 and issued an updated rankings in February 2021. I am using the 2020 list since it is accessible, and I have more data elements.

Companies in **RED** are ranked in Co KN and WSJ
 S&P Global – Y is YES for companies with gold or silver ratings.

Corporate Knights		S&P Gold or Silver	WSJ -Oct 2020			WSJ Oct 2020 Environmental leaders	
1 Schneider Electric SE	FR	Y	Sony	JP		Ereğli Demir ve Çelik Fabrikaları	TU
2 Ørsted A/S	DE		Philips	NL		Evrız	UK
3 Banco do Brazil SA	BR		Cisco Systems	US	Y	Evergreen Marine	TW
4 Neste Oyj	FI		Merck KGaA	DE		JFE Holdings	JP
5 Stantec Inc	CA		Iberdrola	SP		AGC	JP
6 McCormick & Co Inc.	US		LG Electronics	SK	Y	Genting	MY
7 Kering SA	FR		Melia Hotels Int	SP		Melia Holdings	SP
8 Metso Outotec	FI		HP/Hewlett-Packard	US	Y	Heidelberg Cement	DE
9 Am Water Works Co	US		Georg Fischer	CH		Siam Cement	TH
10 Canadian Ntl Railroad	CA		Sekisui Chemical Ltd	JP		Crown Holdings	US

See Article 48 Part2 Table 1 columns 11-13 for number of companies by country.