



North American companies at greatest risk of violating UN environmental standards, new research finds

- **Analysis coincides with the release of ESG Book's enhanced Risk Score, a transparent, data-driven assessment of corporate exposure to critical ESG topics based on the UN Global Compact, the world's largest corporate sustainability initiative.**
- **ESG Book's research shows that U.S. and Canadian companies are three times more likely to risk violating the UN Global Compact's environmental principles compared to other regions worldwide.**
- **Companies in Asia demonstrate significant risks relating to anti-corruption, with 1 in 20 corporates at risk of violation, data reveals.**
- **Covering over 10,000 companies globally, the Risk Score provides comprehensive analytics on each company's exposure to the UN Global Compact principles of corporate conduct.**
- **Powered by more than 200 metrics, the Risk Score enables users to click from each company's score to raw data and source documentation, with point-in-time history for time series risk analyses.**
- **ESG Book combines market-leading sustainability and climate data, a real-time ESG data disclosure platform, and cutting-edge corporate ESG solutions.**

20 November 2023 – London and New York – ESG Book, a global leader in sustainability data and technology, today released new research showing that companies in the United States and Canada are three times more likely to risk violating United Nations environmental standards compared to other regions worldwide.

The analysis coincides with the release of ESG Book's Risk Score, a transparent, data-driven assessment of corporate exposure to critical ESG topics based on the UN Global Compact, the world's largest corporate sustainability initiative.

In a study of over 10,000 corporations, ESG Book found that North American companies are the most susceptible globally to infringements of the UN Global Compact's environmental principles, with 60 percent of companies identified as being at a heightened risk of contravening the international agreement coming from the United States.

According to ESG Book's data relating to the UN Global Compact's principles - the environment, human rights, labour, and anti-corruption - Asia is identified as the most vulnerable of the major markets, with 15 percent of

Asian companies at risk of infringing the universal principles. This is driven by companies in Korea (28 percent), Japan (19 percent), and China (16 percent), and the risk of anti-corruption breaches in particular.

In Europe, companies are less likely to breach the majority of UN Global Compact principles compared with North American and Asian counterparts. An exception to this is the low exposure of North American companies to anti-corruption risk (0.5 percent), where U.S. firms perform seven times better than the rest of the world (3.5 percent), and three times better than European corporates (1.5 percent).

Powered by more than 200 metrics from ESG Book's proprietary data modules, the Risk Score provides comprehensive analytics on the sustainability risk exposure of over 10,000 companies worldwide.

ESG Book's score is a solution to many of the current market challenges around risk analytics, including opacity around methodologies and data, multi-purpose frameworks that conflate ESG performance and risk, and systematic bias.

The Risk Score comes with a fully transparent methodology and complete disclosure of raw data, allowing users to click from each company's score to the underlying source documentation, with point-in-time history for time series risk analysis. The tool has been developed for use alongside the ESG Performance Score, an assessment of corporate sustainability performance inspired by SASB's materiality framework.

Dr Daniel Klier, CEO of ESG Book, said: "Risk considerations are integral for clear decision-making around ESG investing and management. However, markets are currently being failed by many of the analytics and ratings available, which are often inconsistent, one-dimensional, and based on black-box methodologies."

"As part of ESG Book's suite of data solutions, the Risk Score brings a new level of sophistication to corporate risk analysis, providing complete transparency around how and why companies might be at risk of violating universal principles of corporate conduct."

"The Risk Score is designed with both investors and corporates in mind. Investors can use the score as a universe selection, portfolio monitoring, and engagement tool by identifying companies that are more exposed to critical ESG issues, while corporates can use the score to systematically assess their own exposures, conduct peer comparisons, and identify disclosure gaps."

Combining market-leading sustainability and climate data with an ESG disclosure platform that provides access to almost 160,000 corporate disclosures and analytics, ESG Book directly connects companies with financial institutions. The firm's cloud-based sustainability dashboard is used by the world's largest companies and consultants for ESG performance management, peer benchmarking, and regulatory compliance.

Visit [ESG Book](#) for more information.

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Notes to Editors

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About ESG Book

ESG Book is a global leader in sustainability data and technology. Combining market-leading sustainability and climate data with an ESG disclosure platform that provides access to almost 160,000 corporate disclosures and analytics, ESG Book directly connects companies with financial institutions. The firm's cloud-based sustainability dashboard is used by the world's largest companies and consultants for ESG performance management, peer benchmarking, and regulatory compliance. ESG Book serves over 100 institutional clients globally including Bloomberg, BNY Mellon, Citi, Dow Jones, HSBC, Glass Lewis, JP Morgan, Google, and Nikkei. For more information, visit esgbook.com.