

Energy Sector

2018 Report – Key Findings



148 companies in the sector

Vigeo Eiris Energy & Utilities cluster

Research manager: Julie Quiedeville
julie.quiedeville@vigeo-eiris.com

Analysts:

Sami Bouaida
Hunde Dhugassa
Hamza El Mernissi
Ahmed El Hitmi
Mariana Islas

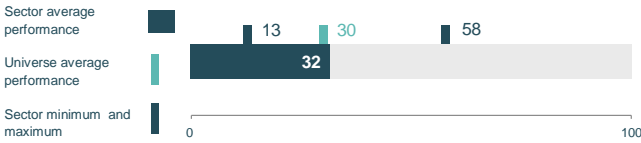
Rachid Lamsairhri
Kachi Nwanna
Abderrahim Ouaderzan
Sanae Outifa
Svetlana Smith

Vigeo Eiris press contacts

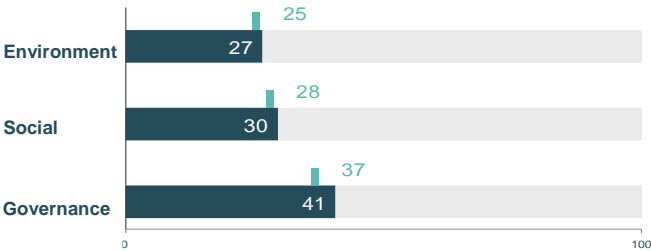
Anita Legrand
anita.legrand@vigeo-eiris.com
+33 (0) 1 55 82 32 44

Safiya Juma
safiya.juma@vigeo-eiris.com
+44 (0) 20 3752 5768

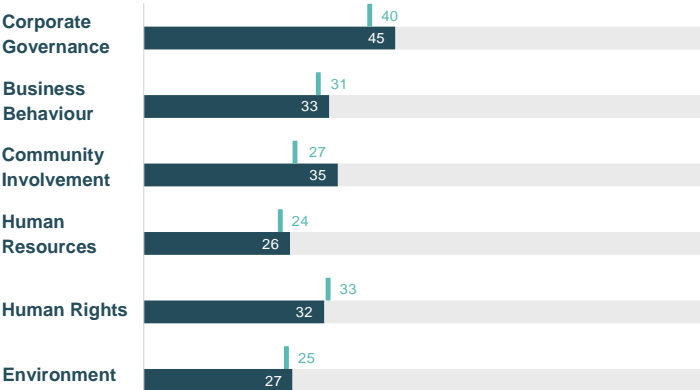
Key Findings 2018 – Energy sector



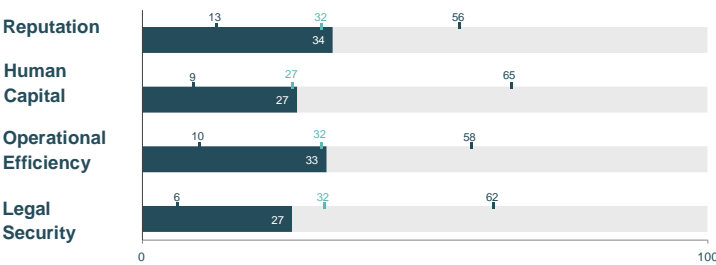
ESG PERFORMANCES – Sector & Universe



DOMAIN PERFORMANCES – Sector & Universe



RISK MITIGATION



TAKEAWAYS

- Energy is one of the highest carbon emitting sectors, while companies' energy transition performances remain weak.
- Investors concerns about this weak performance translate into different strategies, namely activism and divestment.
- Companies still display limited performances regarding fundamental human rights and remain highly exposed to allegations.
- Oil drilling and transportation safety: from recent disasters to upcoming risks.
- Companies' performances mostly improved on the topics of Board of Directors, Executive Remuneration, Social Dialogue and Community investment and engagement.

TOP PERFORMERS

Europe: Repsol (58/100)
 North America: ConocoPhillips (45/100)
 Asia Pacific: Oil Search (51/100)
 Emerging Markets: Ecopetrol S.A. (52/100)

MOST IMPROVED since 2017

Europe: Lundin Petroleum (+10)
 North America: Vermilion Energy (+10)
 Asia Pacific: Oil Search; Idemitsu Kosan (+4)
 Emerging Markets: Kunlun Energy (+13)

MOST MATERIAL DRIVERS

| | |
|--------------------------|---|
| ADVANCED (60-100) | |
| ROBUST (50-59) | |
| LIMITED (30-49) | <ul style="list-style-type: none"> Corruption Board of Directors |
| WEAK (0-29) | <ul style="list-style-type: none"> Environmental strategy Health and safety Fundamental human rights Community investment and engagement Industrial accidents and pollution prevention Biodiversity Climate change |

CARBON FOOTPRINT

Share of companies in each level of carbon footprint intensity



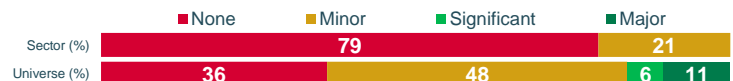
ENERGY TRANSITION

Share of companies in each level of energy transition performance



SUSTAINABLE GOODS & SERVICES

Share of companies in each level of involvement in goods and services contributing to sustainable development



CONTROVERSIES RISK MITIGATION

Share of companies in each performance level in terms of controversy risk management



About this document

This document is an extract of the Vigeo Eiris 2018 Report on the Energy sector.

The full report contains:

- More detailed information on performances and impacts highlighted here (data for each zone, historical evolution on 3 years of global performance and on each criterion, top performers on each domain, etc.)
- Detailed description of each takeaway on risks and opportunities
- The overview of methodological framework applied to the sector (weights of criteria, nature of stakeholders' expectations and their vulnerability on each topic).
- Detailed description of the methodology of all Vigeo Eiris research lines.

If you are interested in knowing more, please contact our customer services team at: global-sales@vigeo-eiris.com.

About Vigeo Eiris

Vigeo Eiris is an independent international provider of environmental, social and governance (ESG) research and services for investors and public & private organisations. We undertake risk assessments and evaluate the level of integration of sustainability factors within the strategy and operations of organisations.

Vigeo Eiris offers a wide range of services:

- ▶ For investors: decision-making support covering all sustainable and ethical investment approaches (including ratings, databases, sector analyses, portfolio analyses, structured products, indices and more)
- ▶ For companies & organisations: supporting the integration of ESG criteria into business functions and strategic operations (including sustainable bonds, corporate ratings, CSR evaluations and more)

Vigeo Eiris methodology and rating services adhere to the highest quality standards. With a team of more than 240 experts of 28 different nationalities, Vigeo Eiris is present in Paris, London, Boston, Brussels, Casablanca, Hong Kong, Milan, Montreal, Rabat, Santiago and Stockholm.

The Vigeo Eiris Global Network, comprising 7 exclusive research partners, is present in Australia, Brazil, Germany, Israel, Japan, Spain and Mexico. For more information: www.vigeo-eiris.com

Vigeo Eiris Press contacts:

| | | |
|---------------|--|-----------------------|
| Anita Legrand | anita.legrand@vigeo-eiris.com | +33 (0) 1 55 82 32 44 |
| Safiya Juma | safiya.juma@vigeo-eiris.com | +44 (0) 20 3752 5768 |

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OUR PARTNERS:

Caer. Sitawi. Imug. Greeneye. Quick. Ecovalores. Ecodes.

OUR OFFICES:

| | | | |
|------------|-------------------|-------------------|--------------------|
| Boston | +1-617-428-0540 | Montreal | +1 514 686 6208 |
| Brussels | +32 2 206 67 91 | Paris | +33 1 55 82 32 40 |
| Casablanca | +212 522 87 14 77 | Rabat | +212 5 37 56 46 32 |
| Hong-Kong | +852 2588 3441 | Santiago de Chile | +56 2 32 24 64 25 |
| London | +44 203 752 5750 | Stockholm | +46 73 663 62 46 |
| Milan | +39 02 27 727120 | | |

