

The Geography Risk Ratings form part of LRQA's supply chain ESG risk ratings portfolio that includes ratings for 100+ geographies, 350+ products, as well as controversy intelligence and risk scores for more than 170,000 suppliers. They are designed to provide investors and corporates with deeper from-the-ground intelligence on supply chain ESG risk exposures and trends.

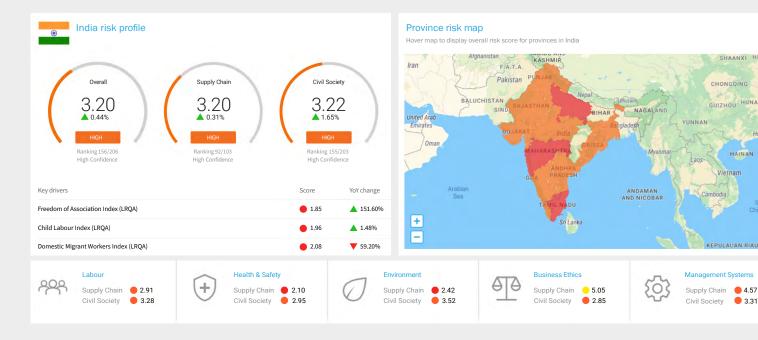
# What are Geography Risk Ratings?

The Geography Risk Ratings are based on the results of more than 20,000 real-world assessments per year, covering 38 sub-indices across 5 key ESG dimensions. They help companies to make more informed decisions relating to the onboarding of new suppliers, the monitoring and management of their existing suppliers, the design of restricted country lists and portfolio analysis.

The Geography Risk Ratings score countries and provinces on their inherent risks as it relates to supply chain sourcing.

We believe these supply chain ESG risk ratings will be the first time investors and corporates are able to access supply chain ESG intelligence based on real-world, ground up audits. This is an important milestone because it will mean users are better able to identify and engage on material issues that may impact business continuity, trade sustainability and critical ESG issues."

	Malaysia	China	Vietnam	India	Taiwan
Supply Chain	<b>3.69</b>	<b>3.40</b>	<b>3.29</b>	<b>3.20</b>	<b>5.11</b>
Labour (25%)	• 2.75	<b>2.95</b>	<b>3.66</b>	<b>2.91</b>	<u> </u>
Health & Safety (20%)	<b>3.77</b>	<b>3.76</b>	• 2.82	<b>2.10</b>	<b>4.07</b>
Environment (25%)	<b>4.03</b>	<b>4.10</b>	<b>3.40</b>	<b>2.42</b>	<u>5.40</u>
Business Ethics (15%)	<b>3.36</b>	<b>1.61</b>	<b>2.76</b>	<u> </u>	• 3.72
Management System (15%)	5.32	<b>4.75</b>	<b>3.56</b>	<b>4.75</b>	6.91





## Five key ESG pillars and 38 sub-indices



- · Child Labour
- Domestic Migrant Workers
- Forced Labour
- Building Safety
- Chemical Related
- Emergency Evacuation
- · Air Emissions
- Environment Management
- Environment Permits
- · Business Integrity
- Policy Index
- Transparency Index
- Code Awareness
- H&S Policy
- · Other Documentation

Humane Treatment

• Freedom of Association

- Migrant Workers
- Wages
- · Working Hours

Machine Safety

Occupational Safety

- · Fire Safety
- Hygiene and Sanitation
- Injuries
- Waste Management
- Wastewater Violations
- Wage Documentation Worker Contracts
- Working Hours Documentation
- · Unauthorised Subcontracting

## Data sources and methodology



### **Audit data**

LRQA conducts more than 20,000 social and environmental assessments per year across the global supply chain. Assessment data are standardised and aggregated at country, sector and province / state level.



#### Public domain data

LRQA leverages public domain data from multilateral organisations and NGOs to complement risk information where audits are less likely to evidence specific violations - e.g. forced labour - or in low sample countries.



### **EiO Sentinel data**

LRQA leverages web data points (i.e. news or public records) to complement the risk information coming from the audits and the public domain data. All the web data points represent company, product or country level risk information gathered from search engines, specialised websites, sanction lists and others.

#### Use cases

#### For corporates

- Provide unique insight into the operating context of the supply chain and associated inherent risk levels.
- Support the development of responsible sourcing strategies that prioritise issues and utilise targeted risk management tools (e.g. specialised assessment and worker surveys) to cater to the needs of a dynamic and agile global supply chain.
- · Understand ESG risks in new or potential sourcing geographies as a part of the due diligence process.

#### For investors

- Access to an expert view on ESG supply chain factors and understand potential risks in current portfolio.
- Inform investment strategies through a comprehensive and unbiased ESG lens and help achieve ESG commitment.
- Gain visibility and transparency over ESG issues for potential investments.

## Coverage

Country-level risk values with relevant confidence values

90+

Sub-national information in the following countries



# Why LRQA data?

LRQA supply chain ESG risk ratings are produced from enhanced, more robust data and empower businesses to align with emerging due diligence expectations and set the standard for supply chain ESG best practice.

LRQA separates itself from the industry standard through its use of comprehensive from-the-ground intelligence from audits, worker voice and eLearning along with adverse media insight to produce holistic risk values.

### **Get in touch**

Visit eiq.ai for more information



LRQA 1 Trinity Park Bickenhill Lane Birmingham **United Kingdom** 





