



FitchRatings

Глобальный взгляд на устойчивое развитие

Кредитоспособность и факторы ESG

Николай Лукашевич, CFA
Глава отдела корпораций
Россия/СНГ

30 октября 2019

Introducing ESG Relevance Scores

- Introduced in early 2019
- Observational – look at how much an ESG element affects a rating
- Relevance Scale of ‘1-5’
- ESG score impact is heavily skewed to negative typically reflecting risks rather than opportunities
- ESG risks are rarely a key driver
 - Only less than 3% of assess issuers have a Relevance Score of 5
- ESG score commonly have some level of influence on the rating decision
 - 22% of issuers have a Relevance Score of 4

Relevance Score Scale

Relevance Scores of '1'-'2'

indicate no impact on the credit rating, either of irrelevance to the sector or to the entity within the sector

Relevance Scores 3

Indicate a minimal risk impact with no or low credit impact

Relevance Scores of 4 or 5

Indicate that the ESG risk is either an emerging risk or contributing factor to the rating

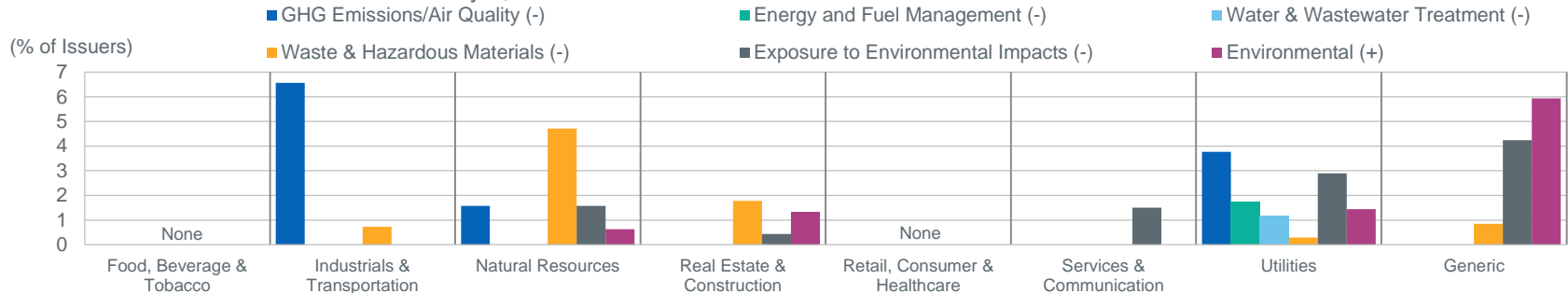
Relevance Score of 5

A risk which by itself has actually driven a rating change

Environmental

Environmental Elements Driving Issuer Impact, By Sector

ESG Score of '4' or '5' - Data as of January 4, 2019

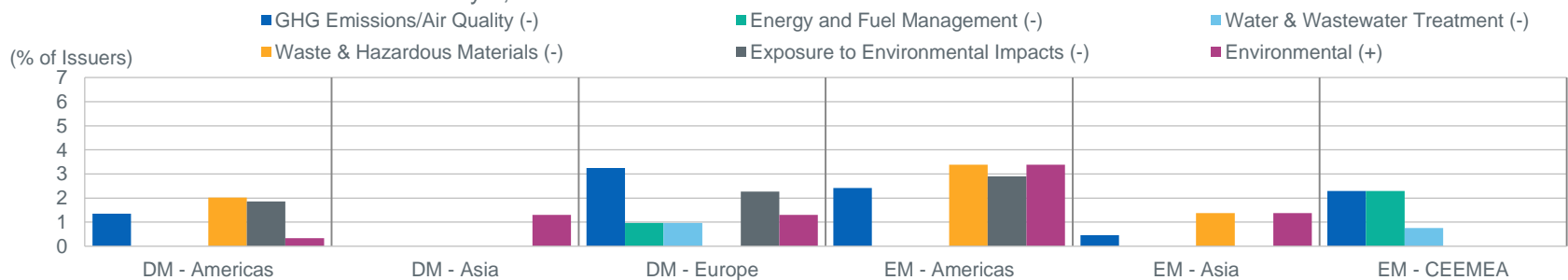


Source: Fitch Ratings

(-) Signifies negative influence on credit risk. (+) Signifies positive influence on credit risk

Environmental Elements Driving Issuer Impact, By Region

ESG Score of '4' or '5' - Data as of January 4, 2019



Source: Fitch Ratings

(-) Signifies negative influence on credit risk. (+) Signifies positive influence on credit risk

Environmental

- Environmental – more relevant for ratings in industrials and transportation, utilities and natural resources sectors.
- Emissions-related – more than half of credit-related environmental elements are related to carbon and greenhouse gas emissions, common for industrial and transportation
- Operational even-risk related – more common for natural resources (e.g. oil spills)
- Some are regional-specific (e.g. UK water utilities)
- Positive impacts are rare (e.g. due to sale of excess energy from cogeneration for pulp&paper and forest products companies)

Social

Social Elements Driving Issuer Impact, By Sector

ESG Score of '4' or '5' - Data as of January 4, 2019



Source: Fitch Ratings

(-) Signifies negative influence on credit risk. (+) Signifies positive influence on credit risk

Social Elements Driving Issuer Impact, By Sector

ESG Score of '4' or '5' - Data as of January 4, 2019



Source: Fitch Ratings

(-) Signifies negative influence on credit risk. (+) Signifies positive influence on credit risk

Social

- Social risks are relevant for a larger percentage of non-financial corporates than environmental
- Food, tobacco and beverages – are sensitive to health-related shifts in consumption regulation
- Healthcare and pharmaceuticals – face social and political pressure and contain healthcare costs

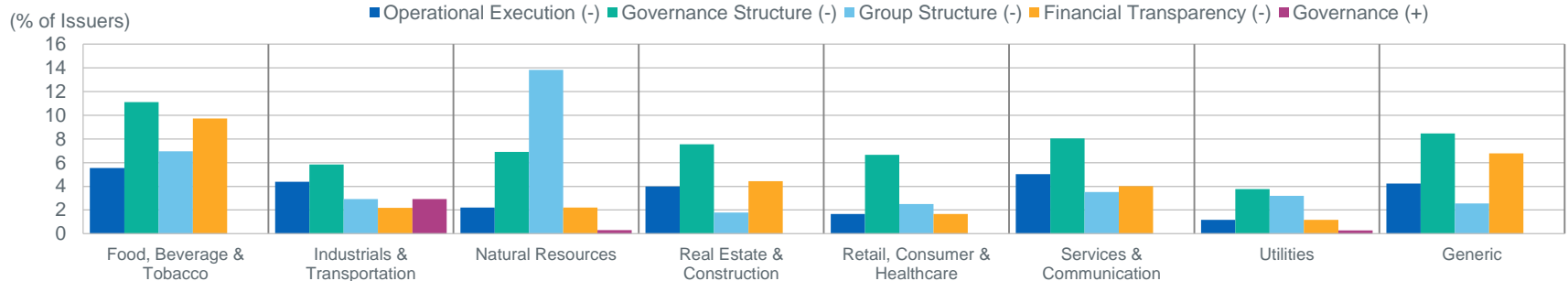
Natural resources

- Social risks triggered by social resistance or community-related issues (e.g. social protests against large-scale projects, construction of pipelines and mines)
- Social pressures may also materialize through pricing, e.g. EM markets energy companies in the Americas

Governance

Governance Elements Driving Issuer Impact, By Sector

ESG Score of '4' or '5' - Data as of January 4, 2019

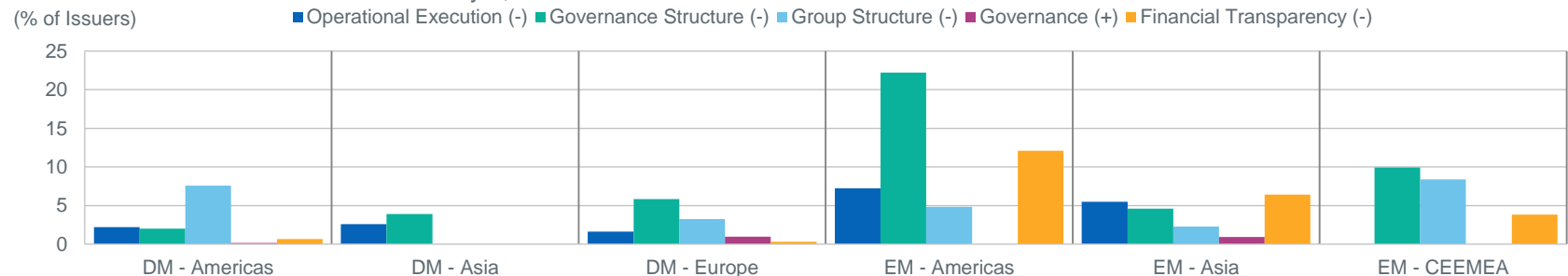


Source: Fitch Ratings

(-) Signifies negative influence on credit risk. (+) Signifies positive influence on credit risk

Governance Elements Driving Issuer Impact, By Region

ESG Score of '4' or '5' - Data as of January 4, 2019



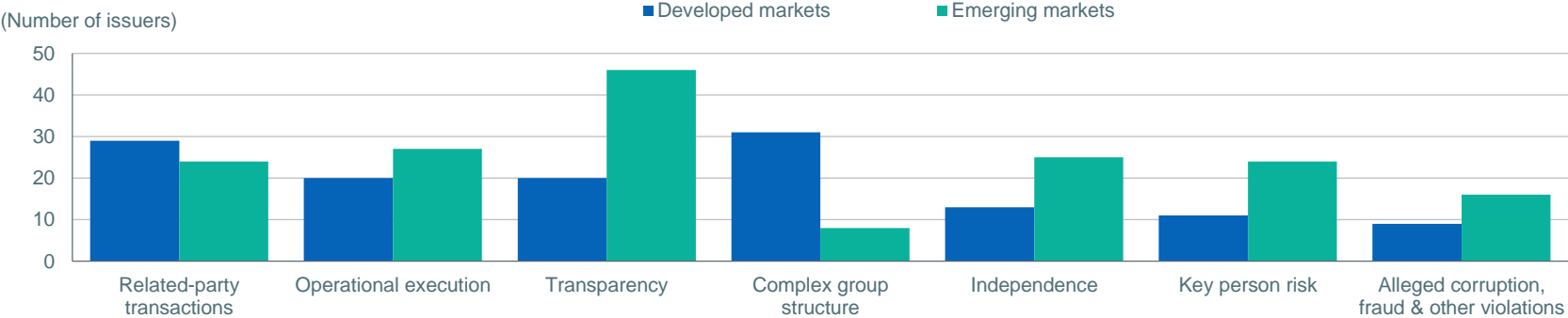
Source: Fitch Ratings

(-) Signifies negative influence on credit risk. (+) Signifies positive influence on credit risk

EM/DM Regional Differences

Governance risks are more relevant in emerging markets

Most Common Governance Issues



Source: Fitch Ratings

Governance Elements More Likely Jointly Relevant

Joint Occurrences Of ESG Elements Driving Issuer Credit Impact															
	ENVIRONMENTAL					SOCIAL					GOVERNANCE				
	EAQ	EFM	EWT	EHZ	EIM	SCR	SCW	SLB	SEW	SIM	GEX	GGV	GST	GTR	
EAQ		17%	0%	2%	0%	4%	0%	0%	0%	3%	1%	3%	2%	0%	
EFM	6		0%	0%	9%	0%	0%	0%	0%	0%	0%	1%	0%	2%	
EWT	0	0		0%	19%	0%	4%	0%	0%	0%	0%	0%	6%	0%	
EHZ	1	0	0		0%	20%	2%	6%	0%	9%	1%	3%	4%	7%	
EIM	0	3	5	0		0%	6%	0%	0%	7%	0%	2%	6%	0%	
SCR	2	0	0	8	0		0%	10%	0%	12%	3%	4%	4%	4%	
SCW	0	0	2	1	4	0		2%	0%	11%	6%	2%	6%	2%	
SLB	0	0	0	2	0	3	1		0%	4%	0%	1%	1%	3%	
SEW	0	0	0	0	0	0	0	0		0%	0%	0%	0%	0%	
SIM	3	0	0	8	6	10	11	3	0		3%	2%	4%	3%	
GEX	1	0	0	1	0	2	5	0	0	3		12%	5%	17%	
GGV	4	1	0	4	2	5	3	1	0	3	16		13%	22%	
GST	2	0	5	4	6	4	7	1	0	6	6	21		11%	
GTR	0	1	0	5	0	3	2	2	0	3	14	28	13		
	Number of Issuers with both elements scoring '4' or '5'														
	Number of Issuers with both elements scoring '4' or '5', as a percentage of Issuers with either elements scoring '4' or '5'														
EAQ - Greenhouse Gas Emissions/Air Quality; EFM – Energy & Fuel M anagement; EWT – Water & Wastewater Treatment;															
EHZ – Waste & Hazardous Materials; EIM – Exposure to Environmental Impacts															
SCR – Community Relations & Social Access; SCW – Customer Welfare, Product Safety, Data Security;															
SLB – Labor Relations & Practices; SEW – Employee Well-being; SIM – Exposure to Social Impacts															
GEX – Operational Execution; GGV – Governance Structure; GST – Group Structure; GTR – Financial Transparency															
Source: Fitch Ratings															

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: [HTTPS://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](https://fitchratings.com/understandingcreditratings). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEB SITE AT WWW.FITCHRATINGS.COM. PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE. FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF THIS SERVICE FOR RATINGS FOR WHICH THE LEAD ANALYST IS BASED IN AN EU-REGISTERED ENTITY CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH WEBSITE.

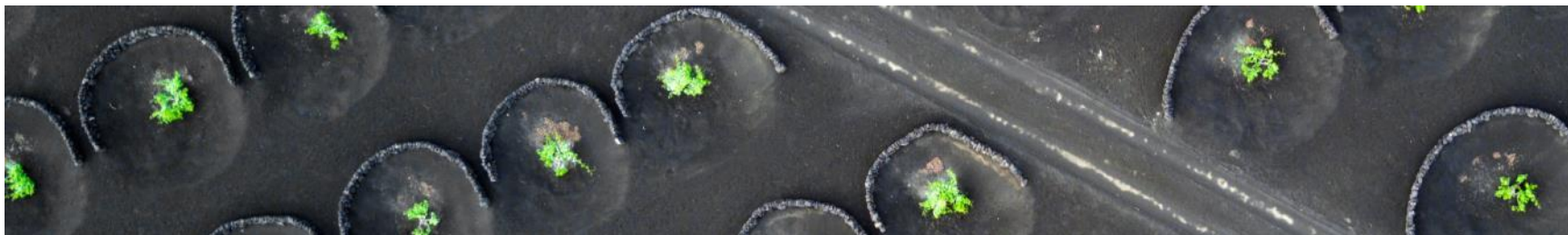
Copyright © 2019 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004.

Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved. In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts.

As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001.



fitchratings.com

New York
33 Whitehall Street
New York, NY 10004

London
30 North Colonnade
Canary Wharf
London, E14 5GN

Moscow
Valovaya ulitsa, 26
Moscow 115054



Nikolai Lukashevich
Senior Director
Head of Russia/CIS Corporates

nikolai.lukashevich@fitchratings.com



Julia Belskaya von Tell
Senior Director
Business Development

julia.belskayavontell@fitchratings.com



Mikhail Soloviev
Director
Business Development

mikhail.soloviev@fitchratings.com