

# Corporate ESG Leaf Score Methodology

Sage applies a custom framework to assess ESG holdings. The framework includes quantitative and qualitative analysis of industry specific ESG risks, third-party data, and a company's individual ESG practices. Through this assessment, Sage generates an ESG Leaf Score for each company, representing its preparedness and performance across a range of ESG indicators. Sage uses these scores to choose best-in-class issuers. Sage uses a blend of quantitative and qualitative analysis to rate around 1,400 corporate issuers.

## Industry Analysis


Analyze industry trends based on the firm's macroeconomic view



Weighting of Financially  
Material ESG Factors



Industry Risk Profile  
Assessment

 We minimize exposure to tobacco, coal mining/extraction, and small arms companies.

## Data Evaluation

Initial assessment utilizes external research: primary data providers are ISS and Bloomberg

3,500+

Data Points



SDG Alignment



Proprietary Market Analysis

## Company Level Analysis

Sage weights E, S, and G factors, with an emphasis on governance



Peer Group  
Comparison



Controversy  
Analysis



ESG Trend  
Analysis

## Sage ESG Leaf Score®

Sage invests only in issuers that have a Leaf Score of 3 or greater



ESG Laggard



Below Average



Average



Above Average



ESG Leader

Not included in Sage ESG portfolios

Included in Sage ESG portfolios

# Municipal ESG Leaf Score Methodology

Sage applies a custom municipal ESG framework that provides an assessment of each municipal issue in terms of its overall project impact across a range of ESG indicators. Through this assessment, Sage generates an ESG Leaf Score for each municipal issue, which indicates its level of ESG impact. Sage portfolios are constructed with municipal securities backed by projects that have an above-average, measurable impact at both the project and community levels. Sage uses a blend of quantitative and qualitative analysis to rate around 1,300 municipal issues.

## Data Evaluation

Initial assessment utilizes external research: primary data providers are Bloomberg and U.S. Census

10+

Data Providers



SDG Alignment



Proprietary Market Analysis

## Nature of Impact Score

Measures the ESG-related relevancy of the project



Low to High Impact Scale

## Intensity of Impact Score

Measures the level of a project's impact on its environment and/or community



Low to High Impact Scale

## Sage ESG Leaf Score®

Sage only invests in municipal bonds with a Leaf Score of 3 or greater



ESG Laggard



Below Average



Average



Above Average



ESG Leader

Not included in Sage ESG portfolios

Included in Sage ESG portfolios

## How we use the Sage ESG Leaf Score®



Client Reporting



Portfolio Construction



Risk Management



Engagement & Thought Leadership