

Member of DJSI World, DJSI Asia Pacific, DJSI Korea

Company Information

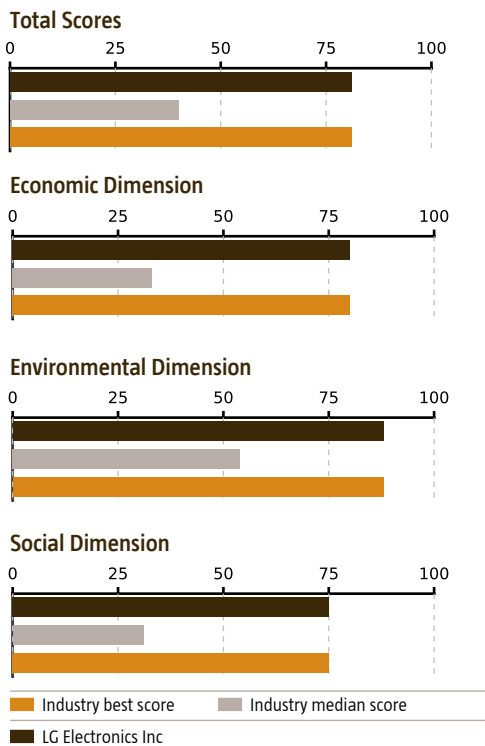
Country: Republic of Korea

Index market cap*: 7,222

*USD millions

Source: S&P Global BMI, 31 July 2018

2018 Assessment Results



Industry Overview	Maximum Score	Median Score
Total	81	40
Economic Dimension	80	33
Environmental Dimension	88	54
Social Dimension	75	31

DJSI World	Maximum Score	Median Score
Total	81	73
Economic Dimension	80	69
Environmental Dimension	88	81
Social Dimension	75	71

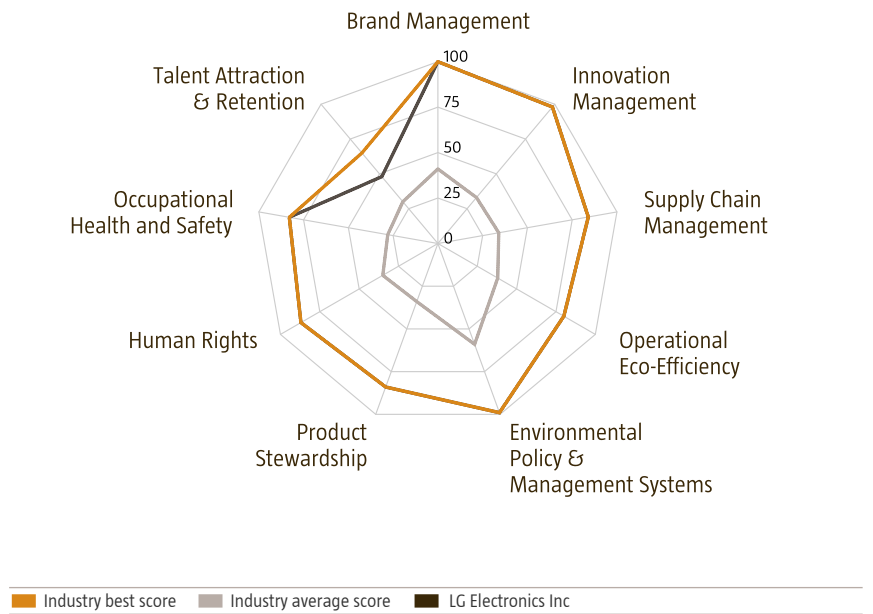
LG Electronics Inc leads the Leisure Equipment & Products and Consumer Electronics industry in RobecoSAM’s Corporate Sustainability Assessment based on its Total Sustainability Score in 2018. This report provides a broad overview of the performance of the Leisure Equipment & Products and Consumer Electronics industry and the relative positioning of LG Electronics Inc at the dimension and criteria level.

Industry Drivers

The leisure equipment & consumer electronics industry is highly competitive, and industry drivers include product quality, differentiation, time to market and brand strength. Since new products become commoditized quickly, companies need to focus on innovation, particularly R&D, to maintain their competitive advantage and brand perception. Similarly, many companies in the industry must manage the cyclicity of new product releases. Given the labor-intensity in the manufacturing phase, companies have to closely monitor working conditions in their supply chains, particularly in developing countries. In addition, firms must manage environmental challenges throughout the product lifecycle including product modularity, the use of toxic substances in the manufacturing process and within products, operational eco-efficiency and recycling through effective take-back programs for the proper disposal of used and obsolete products.

Company Performance

RobecoSAM has selected the most relevant criteria in each sustainability dimension based on their weight in the assessment and their current or expected significance for the industry. The spider chart below visualizes the performance of the industry leader against the best score achieved in each criterion and the median industry score.



Corporate Sustainability Assessment

The RobecoSAM Corporate Sustainability Assessment (CSA) is a comprehensive annual evaluation of companies' sustainability practices and performance. Every March, RobecoSAM extends invitations to over 3,500 of the largest, listed companies globally to participate in the assessment by completing an in-depth questionnaire. Assessment results are published in September, following the analysis of companies' submissions complemented by additional research performed by RobecoSAM.

RobecoSAM's CSA is one of the longest standing ESG rating methodologies worldwide, dating back to 1999. The CSA assesses companies on the basis of 80 – 120 industry-specific questions across 60 industries focusing on financially material economic, environmental, and social factors that are relevant to companies' success, but that are under-researched in conventional financial analysis. Every year, the CSA undergoes rigorous methodological review in order to ensure that the most current material sustainability topics, as well as emerging, long-term sustainability themes often of interest to investors are reflected, and companies are challenged on topics that lack disclosure today.

The results of the CSA are used for the annual rebalancing of the iconic Dow Jones Sustainability Indices (DJSI) and are made available to investors, researchers, and non-governmental organizations through the Bloomberg Professional platform. The results of the CSA are also used for the creation of the RobecoSAM Sustainability Yearbook, one of the most comprehensive annual publications on corporate sustainability.

Additional Resources

For more information on the CSA and a complete list of all Dow Jones Sustainability Indices constituents visit www.robecosam.com/CSA

Assessed companies can access their own results and benchmark themselves against their peers directly through the online assessment portal.

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