

DH EAS Business Services LLC (Veralto)

Industrial Machinery | US

PROVISIONAL ESG RATING

MSCI
ESG RATINGS



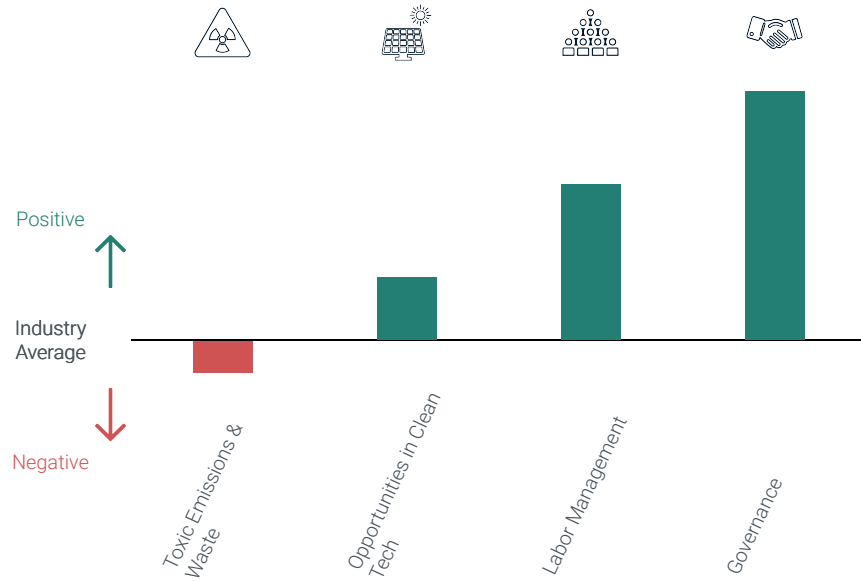
CCC B BB BBB A AA AAA

RATING ACTION DATE: September 01, 2023

LAST REPORT UPDATE: September 01, 2023

Score attribution by key issue

This chart highlights the company's positioning relative to the industry average for each Key Issue that contributed to its ESG Rating as of September 01, 2023.



Last ESG Rating action

Rating action date: September 01, 2023

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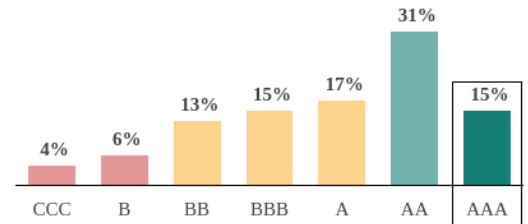
ESG Rating history



ESG Rating history shows five most recent rating actions

ESG Rating distribution

Universe: MSCI ACWI Index constituents, Industrial Machinery, n=48



Key scores

Metric	Weight	Score (0-10)
Industry-Adjusted Score (Last Updated: September 01, 2023)		10.0
Weighted-Average Key Issue Score (Last updated: {})		6.7
Environmental Pillar Score	33%	5.3
Social Pillar Score	20%	7.6
Governance Pillar Score	47%	7.4

Report table of contents

Section	Page
ESG Rating tearsheet	
Rating model details	P02
Recent developments	P03
Corporate governance summary	P04
ESG Rating drill down	P05

What is an ESG Rating? MSCI ESG Ratings aim to measure a company's resilience to long-term ESG risks. Companies are scored on an industry-relative AAA-CCC scale across the most relevant Key Issues based on a company's business model.

ESG Rating scorecard

As of September 01, 2023

KEY ISSUE	WEIGHT	INDUSTRY AVERAGE	SCORE (0-10)	CHANGE	EXPLANATION
Weighted-Average Key Issue Score		5.3	6.7		
> ENVIRONMENT	33%	4.9	5.3		
Opportunities in Clean Tech	20%	4.4	5.5		<ul style="list-style-type: none"> Significant revenues from clean tech product lines relative to peers
Toxic Emissions & Waste	13%	5.6	4.9		<ul style="list-style-type: none"> 53% of operations from business lines with relatively high toxic emissions and waste intensities Limited evidence of initiatives to address environmental impacts from air, water and waste emissions compared to peers
> SOCIAL	20%	5.2	7.6		
Labor Management	20%	5.2	7.6		<ul style="list-style-type: none"> Evidence of employee engagement programs and initiatives including regular engagement surveys
> GOVERNANCE	47%	5.6	7.4		
Corporate Governance		6.4	7.6		<ul style="list-style-type: none"> The company falls into the highest scoring range relative to global peers, reflecting governance practices that appear to be generally well aligned with investor interests.
Corporate Behavior		6.0	8.1		<ul style="list-style-type: none"> Evidence of detailed policies on business ethics and corruption

* denotes company-specific Key Issue

This table shows the Key Issue scores and weights contributing to the company's ESG Rating and any changes to those scores since the last ESG Rating action. The range of possible scores is 0-10, where 10 is best and 0 is worst.

Rating model details

DH EAS Business Services LLC (Veralto) was rated based on a standard version of the Industrial Machinery Industry ESG Rating Model.

MODEL VERSION:

Represents the MSCI ESG Ratings model version used to assess the company. Please refer to the "ESG Ratings Methodology" document for more details on the model versions.

Data review policy

DH EAS Business Services LLC (Veralto) was provided the opportunity to review its data prior to publication of this report.

This section only captures inputs provided by companies through our online issuer portal that may have an impact on the weighted Key Issues for the company

Key documents used for updates, as of September 01, 2023

Company Filing	Fiscal Year	Filing Release Date	Incorporated in data and scores	Incorporated in ESG Rating
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Key document types reflected here include Annual Reports (AR), CSR, Sustainability or ESG reports. Partially Incorporated = some but not all of the underlying data and related scores reflect the latest filing; Pending = Not yet incorporated; Fully Incorporated = All relevant data from filing has been incorporated into the underlying data and scores. Updates related to Carbon data are not included here. Please refer to "Recent developments affecting ESG scores" for more information.



Recent developments affecting ESG scores

Date ▲	Type	Score (0-10)	Change	Explanation
	Current Weighted-Average Key Issue Score	6.7		
Sep 01, 2023	ESG Rating action	6.7	▲6.7	We initiate coverage of DH EAS Business Services LLC (Veralto at 'AAA'.
Sep 01, 2023	Data Update: Corporate Governance			<p>Flags Added: Annual Director Elections, Auditor Report Concerns, Business Combination Provision, Bylaws Amendments, CEO Equity Policy, Clawbacks & Malus, Confidential Voting, Controlling Shareholder, Cumulative Voting, Director Equity Policy, Director Removal Without Cause, Executive Pay Disclosure, Fair Bid Treatment Provisions, Majority Voting, Proxy Access, Shareholder Rights to Convene Meeting, Strong Classified Board Combination, Dispersed Ownership Concerns, Overboarded Non-Exec Directors</p> <p>Flags Removed: Auditor Report Concerns, CEO Equity Policy, Clawbacks & Malus, Controlling Shareholder, Cumulative Voting, Executive Pay Disclosure</p> <p>Governance Score changed based on the listed Key Metric(s): Auditor Tenure</p>
Sep 01, 2023	Data Update: Exposure			Change in exposure score for the following Key Issue(s): Corporate Behavior, Labor Management, Opportunities in Clean Tech, Toxic Emissions & Waste, Corporate Behavior
Sep 01, 2023	Data Update: Clean Technology			Revenue estimates for involvement in clean technology updated

This table outlines the latest changes to specific data points that have occurred, the trigger for change (e.g. issuer feedback, data update or methodology enhancements) and the overall impact on the company's Weighted Average Key Issue Score.

Most recent controversies

There are no recent new controversies or updates to ongoing controversies for this company.

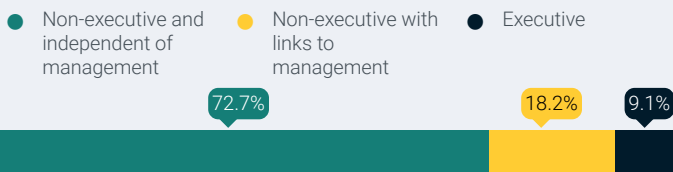
Corporate governance summary

82nd global percentile

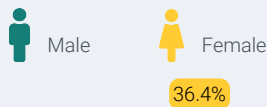
90th home market percentile

Board of directors

Board type: Unitary Board



Board diversity



Ownership summary

Capital structure: Single Equity Class
Top shareholders: There is no principal shareholder at this firm.

Ownership classification: Widely Held

CEO

Name: Jennifer Honeycutt
Tenure: <1 Year
Total realized pay*: N/A
Total summary pay*: N/A

*CEO pay figures are sourced from listed company annual reports and proxy filings. When a new CEO is named the pay figures for the previous CEO will be displayed until this information has been updated for the new CEO

Peer benchmarking

	Opportunities in Clean Tech	Toxic Emissions & Waste	Labor Management	Corporate Governance	Corporate Behaviour	Rating & Trend
DH EAS Business Services LLC (Veralto)	●●●●	●●	●●●●	●●●●	●●●●	AAA ◀▶
XYLEM INC.	●●●●	●●●●	●●●	●●	●●●	AAA ◀▶
PENTAIR PUBLIC LIMITED COMPANY	●●●●	●●	●●●●	●●●	●●●●	AAA ▲
FORTIVE CORPORATION	●●●	●●●	●●●●	●●	●●●●	AA ◀▶
THE TIMKEN COMPANY	●●●●	●●	●●●	●●	●●●	A ▲
SNAP-ON INCORPORATED	●●	●●●●	●●	●	●●●●	BBB ▼

QUARTILE KEY : Bottom Quartile ● Top Quartile ●●●●

RATING TREND KEY : Maintain ◀▶ Upgrade ▲ Upgrade by two or more notches ▲▲ Downgrade ▼ Downgrade by two or more notches ▼▼

The five industry peers are companies in the Industrial Machinery ESG Rating Industry, as of September 01, 2023, selected based on similarities in four attributes (ESG Key Issue weights, industry classification, region, and size), sorted by ESG Rating (best to worst).



ESG Rating drill down

Description	As of prior rating action date:		As of last rating action date: Sep 01, 2023		As of last report update date:		Difference	
	Score	Weight	Score	Weight	Score	Weight	Score	Weight
ESG Rating Letter Grade			AAA				-	-
Industry Adjusted Score			10.0				-	-
Industry Minimum Score			3.4				-	-
Industry Maximum Score			6.5				-	-
Weighted Average Key Issue Score			6.7				-	-
Environmental Pillar Score			5.3	33.0%			-	-
Opportunities in Clean Tech Key Issue Score			5.5	20.0%			-	-
Exposure Score			5.1				-	-
Business Segment Exposure Score			5.1				-	-
Management Score			5.7				-	-
Management Score - Excluding Controversies			5.7				-	-
Practices Score			4.9				-	-
Performance Score			7.5				-	-
Controversy Deduction			0.0				-	-
Toxic Emissions & Waste Key Issue Score			4.9	13.0%			-	-
Exposure Score			5.5				-	-
Business Segment Exposure Score			5.5				-	-
Management Score			3.4				-	-
Management Score - Excluding Controversies			3.4				-	-
Practices Score			2.3				-	-
Performance Score			5.5				-	-
Controversy Deduction			0.0				-	-
Social Pillar Score			7.6	20.0%			-	-
Labor Management Key Issue Score			7.6	20.0%			-	-
Exposure Score			6.3				-	-
Business Segment Exposure Score			6.6				-	-
Geographic Exposure Score			6.6				-	-
Company-Specific Exposure Score			4.3				-	-
Management Score			6.9				-	-
Management Score - Excluding Controversies			6.9				-	-
Practices Score			6.9				-	-
Controversy Deduction			0.0				-	-
Governance Pillar Score*			7.4	47.0%			-	-
Governance Pillar Deductions**			-2.6				-	-
Corporate Governance Deductions			-1.9				-	-
Board			-0.4				-	-
Pay			-0.1				-	-

DH EAS Business Services LLC (Veralto)

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ESG RATINGS



CCC B BB BBB A AA AAA

RATING ACTION DATE: September 01, 2023
LAST REPORT UPDATE: September 01, 2023

Description	As of prior rating action date:		As of last rating action date: Sep 01, 2023		As of last report update date:		Difference	
	Score	Weight	Score	Weight	Score	Weight	Score	Weight
Ownership & Control			-1.4				-	-
Accounting			0.0				-	-
Corporate Behavior Deductions			-0.7				-	-

**Beginning November 2020, the Environmental Pillar Score and Social Pillar Score are calculated based on the weighted average of underlying Key Issue Scores, while the Governance Pillar Score is calculated based on 10 minus the sum of Corporate Governance and Corporate Behavior deductions. In the ESG Rating drill-down, deductions are scaled to indicate impact on the overall Governance Pillar Score. In subsequent sections of the report, deductions are scaled to show impact on the Corporate Behavior and Corporate Governance Theme Scores.



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