

# GISR GUIDANCE FOR PRODUCT DATA POINTS

## CORPORATE ESG RATINGS, RANKINGS OR INDEXES

### PART I: PRODUCT DESCRIPTION

**Product Name:** Name of rating, ranking or index product.

**Type:** Select only one box to indicate if the product is a rating, ranking or index, as defined below:

**Rating:** Company Ratings ascribe an alphanumeric “score” to companies based on their performance against a given set of ESG criteria.

**Ranking:** Company Rankings place a specific set of companies in order of performance against a given set of ESG criteria.

**Index:** Indexes are a group of securities that meet ESG criteria relative to specific markets or sectors for the purpose of benchmarking investment performance and/or serving as the basis for investment products.

**Primary Audience:** The primary audience(s) for this product. (Select **primary** audience; select more than one if audiences are of equal importance.) For “other,” please describe other Audience in text box.

**Description:** Brief description of this product.

**URL for More Information:** URL for this product.

**Total Number of Companies:** Total number of companies rated, ranked or included in this product.

**Evaluation/Selection Criteria:** A brief description of the criteria used to evaluate companies, or to determine their inclusion, in this product.

**Underlying Universe:** Total number and description of all companies against which the selection/evaluation criteria was applied (e.g., S&P 500; 403 companies in the Fortune Global 500 that responded to questionnaire; and 300 small & mid cap companies drawn from sectors with links to sustainability, such as renewable energy, recycling and water treatment).

**Rating Scale:** If appropriate, the range of possible scores assigned to companies, e.g., 0 – 100, 1 – 5, A – F, etc.

**Market Cap Coverage:** Market capitalization of companies covered by this product. (Select all that apply.)

**Large-Cap:** \$10 billion+

**Mid-Cap:** \$2 billion to \$10 billion

**Small-Cap:** Less than \$2 billion

**Privately Held:** Company is not publicly traded on a stock exchange.

**Geographic Coverage:** Geographic location(s) of companies covered by this product. For “other,” please describe geographic area in text box. (Select all that apply.) [Note: If this product is comprised of a global cross-section of companies, select “global” only. Do not also check off the specific geographic locations.

**Additional Research Providers:** Name of additional organizations that provide research for this product.

**External Platform:** External platforms (e.g., Bloomberg, Google Finance) through which this product’s rating or ranking is available.

## **PART II: ISSUES AND INDICATORS**

**Issue/Category Coverage:** Issues and/or categories this product uses to evaluate companies. (Select all that apply.) [Note: If ESG Combined is selected, do not select Environmental, Social or Governance separately.]

**ESG Combined:** This product evaluates companies on sustainability criteria that encompass a mix of environmental, social and governance issues.

**Environmental:** This product evaluates companies on environmental criteria.

**Social:** This product evaluates companies on social criteria.

**Governance:** This product evaluates companies on governance criteria.

**Incorporates Financial:** This product evaluates companies on financial criteria.

**Total Number of ESG Issues Covered:** Indicate the total number of issues this product incorporates into its company evaluations. [Note: Issues are distinct from indicators, which are used to measure issues and are included in the next section. For instance, a product incorporates the “issue” of climate change and uses the amount of greenhouse gas emissions as an “indicator.”]

**Environmental Issues:** List all environmental issues this product incorporates into its company evaluations.

**Social Issues:** List all social issues this product incorporates into its company evaluations.

**Governance Issues:** List all governance issues this product incorporates into its company evaluations.

**Other Issues:** List any other issues this product incorporates into its company evaluations.

**Total Number of ESG Indicators Covered:** Indicate the total number of indicators (metrics or methods of measurement) this product uses to evaluate companies. [Note: Indicators are distinct from Issues, which you listed above. Indicators are used to measure issues. For instance, a product incorporates the “issue” of climate change and uses the amount of greenhouse gas emissions as an “indicator.”]

**Environmental Indicators:** List all environmental indicators (metrics or methods of measurement) this product uses to evaluate companies.

**Social Indicators:** List all social indicators (metrics or methods of measurement) this product uses to evaluate companies.

**Governance indicators:** List all governance indicators (metrics or methods of measurement) this product uses to evaluate companies.

**Other indicators:** List any other indicators (metrics or methods of measurement) this product uses to evaluate companies.

### **PART III: METHODOLOGY**

**Methodological Basis:** Select all of the following methodological approaches used by this product.

**Customized/User-Defined:** This product's methodology is unique to or defined by a specific user.

**Disclosure-based:** This product evaluates companies based on the extent and robustness of their disclosure on ESG criteria, including information on corporate policies. [Note: This approach does *not* include an assessment of a company's *performance* based on the information disclosed.]

**Performance-based:** This product uses performance-based metrics on ESG criteria to evaluate companies.

**Trends-based:** This product uses backward-looking metrics on ESG criteria to evaluate companies' performance over at least two years.

**Goals-based/normative:** This product evaluates companies based on performance against a set of benchmarks or performance goals *established by your agency*.

**Sustainability Context:** This product evaluates companies' ESG performance in the context of science-based thresholds and limits (e.g., rate of water use compared to a sustainable rate of water supply in a particular locale), or widely-accepted norms pertaining to long-term human and ecological well-being (e.g., ILO Core Labor Standards).

**Sector-based Comparison:** This product evaluates companies relative to the performance of other companies within an industry sector.

**Methodology Update Frequency:** This product updates its methodology on the following schedule. (Select only one.) [Note: This refers to the update of the product's *methodology*, not the individual *evaluations* of companies or outcomes of the methodology. Frequency of evaluation updates is addressed elsewhere in your agency's profile.]

**Annual:** This product updates its methodology once a year.

**Bi-annual:** This product updates its methodology twice a year.

**Quarterly:** This product updates its methodology four times a year.

**Monthly:** This product updates its methodology each month.

**As needed:** This product updates its methodology when your agency deems it necessary.

**Other:** Please describe the update schedule in text box.

**Methodological Method:** This product uses the following approach to evaluate companies. (Select only one.)

**Analyst-based:** An analyst or team of analysts have primary responsibility for and make the final determinations on company evaluations.

**Model-based:** A computer model/algorithm is primarily responsible for and makes the final determinations on company evaluations.

**Hybrid:** A combination of analysts and computer modeling has shared responsibility for company evaluations.

**Data Sources:** This product uses the following data sources to evaluate companies. (Select all that apply.)

**Company Disclosure:** Company-produced materials, including website information, Sustainability & Corporate Social Responsibility Reports, regulatory filings, corporate brochures and corporate presentations.

**Company Direct Contact:** Direct communication with companies, including meetings, phone interviews, email exchanges and survey responses.

**CSO/NGO Disclosure:** Civil society organization/non-governmental organization-produced materials, including website information, reports and presentations.

**CSO/NGO Direct Contact:** Direct communication with civil society organization/non-governmental organization, including meetings, phone interviews and email exchanges.

**Trade Union Disclosure:** Trade union-produced materials, including website information, reports and presentations.

**Trade Union Direct Contact:** Direct communication with Trade Unions, including meetings, phone interviews and email exchanges.

**Media:** Third party communication sources, including digital, press, TV and radio.

**Government:** Government-produced materials, including website information, reports and presentations.

**ESG Data Provider:** ESG data provided by a third party, e.g. Bloomberg.

**Other:** Other sources not listed above. Please describe sources in text box.

**Data Gaps:** When information that is part of a standard company evaluation is unavailable, this product takes the following approach. (Select all that apply.)

**Exclude company for missing data:** This product excludes companies from evaluation or inclusion if data is unavailable to apply this product's evaluation criteria.

**Assign company failing score for missing data:** This product assigns companies a failing score or lowest ranking or rating if data is unavailable to apply this product's evaluation criteria.

**Penalize company for missing data:** This product assigns companies a lower (although not necessarily an automatic failing or lowest) score, rating or ranking if data is unavailable to apply this product's evaluation criteria.

**Not counted:** This product excludes any metric without data in a company's final evaluation *without penalty*.

**Substitute industry average data:** This product substitutes data based on industry averages if specific company data is unavailable to apply this product's evaluation criteria.

**Substitute model-drive data:** This product substitutes model-driven data if specific company data is unavailable to apply this product's evaluation criteria.

**Not applicable:** Data gaps are not applicable to this product.

**Other:** This product addresses data gaps in other ways not listed above. Please describe alternative treatment of data gaps in text box.

**Evaluation Update Frequency:** This product updates its evaluation of companies (e.g. scores, ratings, rankings) on the following schedule. (Select all that apply.) [Note: This refers to the update of the product's **evaluations** of companies or outcomes of the methodology, not the product's **methodology** itself. Frequency of methodology updates is addressed elsewhere in your agency's profile.]

**Annual:** This product updates its evaluations of companies once a year. Enter date of annual evaluation in text box.

**Bi-annual:** This product updates its evaluations of companies twice a year. Enter dates of bi-annual evaluations in text box.

**Quarterly:** This product updates its evaluations of companies four times a year.

**Monthly:** This product updates its evaluations of companies each month.

**Ongoing:** This product continually updates evaluations of companies on an ongoing basis; when new company information becomes available, analysts update evaluations as soon as possible.

**Controversies/incidents exception:** Discovery of ESG-related controversial business activities and/or incidents supersedes this product's regular update cycle; discovery of controversies and incidents determined material by this product's methodology triggers re-evaluations of companies.

**Other:** Please describe the update schedule in text box.

**Controversies/Incidents:** This product addresses the discovery of ESG-related controversial business activities and/or incidents after a rating or ranking has been assigned or an index has been compiled. (Select all that apply.)

**Alert service:** This product alerts clients when companies become involved in ESG-related controversial business activities and/or incidents.

**Supersede update cycle:** Discovery of ESG-related controversial business activities and/or incidents supersedes this product's regular update cycle; discovery of controversies and incidents determined material by this product's methodology triggers re-evaluations of companies.

**Next update cycle:** Discovery of ESG-related controversial business activities and/or incidents is incorporated into the product's next scheduled update.

**Not included:** This product does not include or evaluate ESG-related controversial business activities and/or incidents.

## **PART IV: DISCLOSURE**

**Client Disclosure:** Your agency provides clients with the following materials related to this product. (Select all that apply.)

**Issues – Complete List:** A complete list of all issues this product uses to evaluate companies.

**Issues – Partial List:** A partial list of issues this product uses to evaluate companies.

**Indicators – Complete List:** A complete list of all indicators (metrics or methods of measurement) this product uses to evaluate companies.

**Indicators – Partial List:** A partial list of indicators (metrics or methods of measurement) this product uses to evaluate companies.

**Ratings Methodology:** A thorough summary description of the methodological approach underpinning this product.

**Ratings Model:** The complete algorithm, including indicators and weightings, underpinning this product.

**Data Sources:** The data sources that this product uses to evaluate companies.

**Public Disclosure:** Your agency makes publicly available (at no charge) the following materials related to this product. (Select all that apply.)

**Issues – Complete List:** A complete list of all issues this product uses to evaluate companies.

**Issues – Partial List:** A partial list of issues this product uses to evaluate companies.

**Indicators – Complete List:** A complete list of all indicators (or metrics) this product uses to evaluate companies.

**Indicators – Partial List:** A partial list of indicators (or metrics) this product uses to evaluate companies.

**Ratings Methodology:** A thorough summary description of the methodological approach underpinning this product.

**Ratings Model:** The complete algorithm, including indicators and weightings, underpinning this product.

**Data Sources:** The data sources that this product uses to evaluate companies.

**Profile/Rating:** Company profiles or assessments (e.g., score, rating or ranking) of all evaluated companies.

**Sector Benchmarking Report:** A report providing an overview of the sustainability policies and performance of evaluated companies within a particular sector.

**Sector Benchmarking Report (with company evaluations):** A report providing an overview of the sustainability policies and performance of evaluated companies within a particular sector, **and** a comparative ranking or rating of evaluated companies within the sector.

**Rated Company Disclosure:** Your agency provides all companies evaluated by this product with the following materials. (Select all that apply.) [Note: The options distinguish between materials offered for a fee and materials offered at no charge.]

**Issues – Complete List for a fee:** Your agency provides and charges for a complete list of all issues this product uses to evaluate companies.

**Issues – Complete List at no charge:** Your agency provides a free complete list of all issues this product uses to evaluate companies.

**Issues – Partial List for a fee:** Your agency provides and charges for a partial list of issues this product uses to evaluate companies.

**Issues – Partial List at no charge:** Your agency provides a free partial list of issues this product uses to evaluate companies.

**Indicators – Complete List for a fee:** Your agency provides and charges for a complete list of all indicators (or metrics) this product uses to evaluate companies.

**Indicators – Complete List at no charge:** Your agency provides a free a complete list of all indicators (or metrics) this product uses to evaluate companies.

**Indicators – Partial List for a fee:** Your agency provides and charges for a partial list of indicators (or metrics) this product uses to evaluate companies.

**Indicators – Partial List at no charge:** Your agency provides a free partial list of indicators (or metrics) this product uses to evaluate companies.

**Ratings Methodology for a fee:** Your agency provides and charges for a thorough summary description of the methodological approach underpinning this product.

**Ratings Methodology at no charge:** Your agency provides a thorough summary description of the methodological approach underpinning this product for free.

**Ratings Model for a fee:** Your agency provides and charges for the complete algorithm, including indicators and weightings, underpinning this product.

**Ratings Model at no charge:** Your agency provides the complete algorithm, including indicators and weightings, underpinning this product for free.

**Data Sources for a fee:** Your agency provides the data sources that this product uses to evaluate companies for a fee.

**Data Sources at no charge:** Your agency provides the data sources that this product uses to evaluate companies for free.

**Individual Profile/Rating for a fee:** Your agency provides and charges for a final profile or assessment (e.g., score, rating or ranking) of the evaluated company.

**Individual Profile/Rating at no charge:** Your agency provides a free final profile or assessment (e.g., score, rating or ranking) of the evaluated company.

**All Profiles/Ratings for a fee:** Your agency provides and charges for company profiles or assessments (e.g., score, rating or ranking) of all companies evaluated by this product.

**All Profiles/Ratings at no charge:** Your agency provides free company profiles or assessments (e.g., score, rating or ranking) of all companies evaluated by this product.

**Sector Benchmarking Report for a fee:** Your agency provides and charges for a report providing an overview of the sustainability policies and performance of evaluated companies within a particular sector.

**Sector Benchmarking Report at no charge:** Your agency provides a free report providing an overview of the sustainability policies and performance of evaluated companies within a particular sector.

**Sector Benchmarking Report (with company evaluations) for a fee:** Your agency provides and charges for a report providing an overview of the sustainability policies and performance of evaluated companies within a particular sector, **and** a comparative ranking or rating of evaluated companies within the sector.

**Sector Benchmarking Report (with company evaluations) at no charge:** Your agency provides a free report providing an overview of the sustainability policies and performance of evaluated companies within a particular sector, **and** a comparative ranking or rating of evaluated companies within the sector.

**Other:** Additional materials related to this product. Please describe materials and whether there are associated fees in the text box.

**Rated Company Interaction:** Your agency provides the following opportunities for interaction with all companies evaluated by this product. (Select all that apply.)

**Rater responds to requests for assistance on survey/questionnaire:** Your agency has an established process to respond to company inquiries on any survey/questionnaire associated with this product (if applicable).

**Rater offers opportunity to review and comment on rating/profile:** Your agency has an established process to provide an opportunity for evaluated companies to review and comment on this product's evaluation of them.

**Rater offers opportunity to review and comment on rating/profile before it is finalized:** Your agency has an established process to provide an opportunity for evaluated companies to review and comment on this product's evaluation of them **before** the evaluations are shared with clients or the public.

**Rater has protocol/policy to address errors or grievances:** Your agency has an established process to correct factual errors in the product's evaluations and to review and respond to companies' concerns that the evaluations, or information on which they are based, are inaccurate. Provide URL link or brief description of this process in the text box.

**Rater provides free feedback to improve/enhance score and performance:** In response to requests by evaluated companies, your agency identifies changes the company could implement to improve or enhance its performance and evaluation (**at no charge**).

**Rater offers advisory services for a fee:** In response to requests by evaluated companies, your agency identifies changes the company could implement to improve or enhance its performance and evaluation (**for a fee**).

**No interaction:** Your agency does not interact (with respect to this product) with companies this product evaluates.

**Other:** Additional opportunities for interaction (with respect to this product) that your agency provides evaluated companies. Please describe in text box.

**Survey Use:** Select "Yes" if your agency sends surveys or questionnaires to companies to gather or verify information.

**Survey Cycle Date:** Date upon which your agency sends surveys or questionnaires to companies.

**Survey Cycle:** Additional information on the schedule on which your agency sends surveys or questionnaires to companies.

**Response Times:** Time allotted to companies to complete and return surveys or questionnaires upon initial receipt.