

Scorecard

Bloomberg ESG & Climate Indices

About Bloomberg

COVERAGE OF COMPANIES

4,300

LAUNCH DATE

2020

FOCUS

Environmental and Social (ES) scores

LINK:

[https://www.bloomberg.com/professional/
product/indices/bloomberg-esg-and-climate-
indices/](https://www.bloomberg.com/professional/product/indices/bloomberg-esg-and-climate-indices/)

Bloomberg ESG & Climate Indices Score

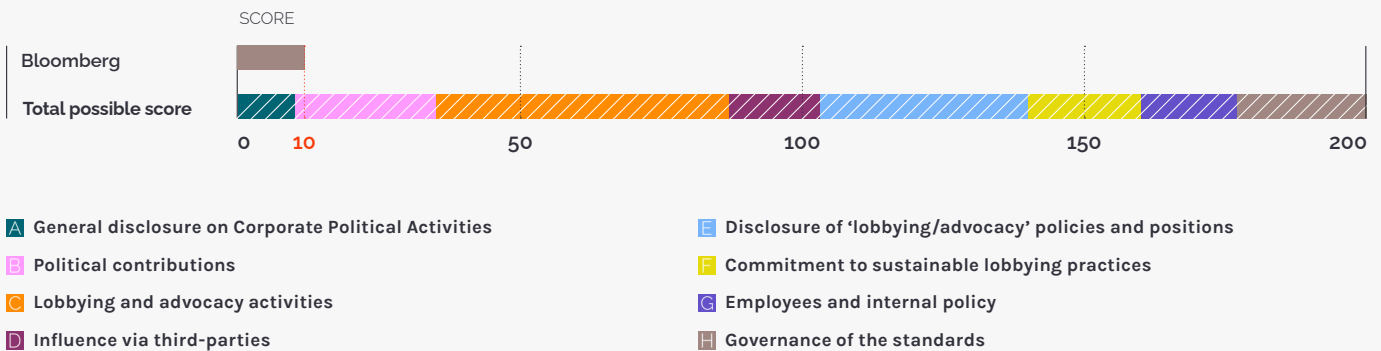


Rank 25 /26

Tracker Rank and Score for Bloomberg

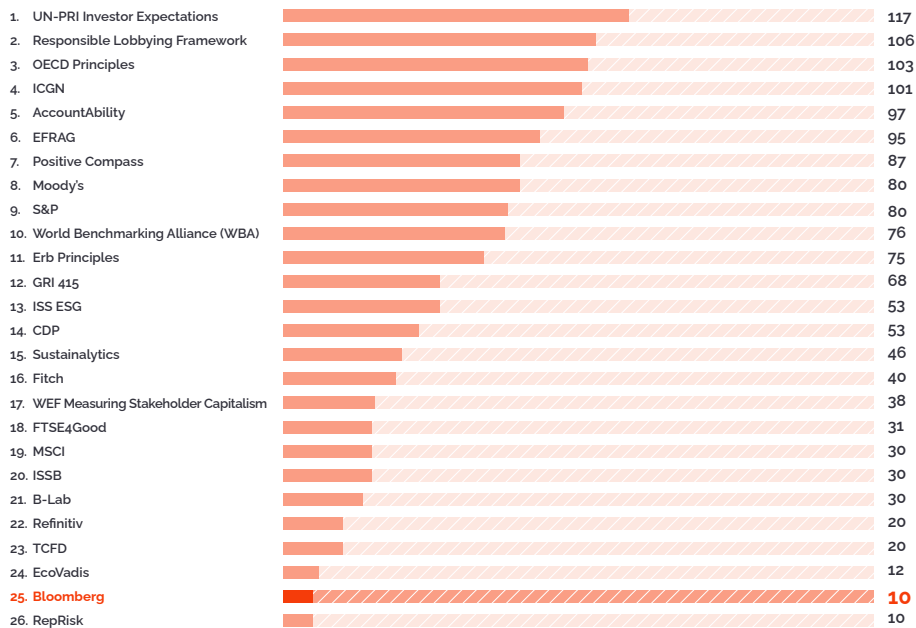
The score is out of a total of 200 and the rank describes the standards position in the 26 standards assessed by the Tracker.

Category scores of Bloomberg



*Categories where the standard received no points do not appear in the colour-coded graph

Rank and scores for all standards



Description

Bloomberg provides a variety of proprietary scores that investors can use to assess company or government disclosure and performance on a wide range of ESG and thematic issues. Bloomberg's ESG and thematic scores are designed to be integrated into company research and portfolio construction. In 2020, the company launched a proprietary ESG score product which includes Environmental and Social (ES) scores for 252 companies in the Oil & Gas sector, and Board Composition scores for more than 4,300 companies across multiple industries.¹ Bloomberg's inhouse ESG data complements partnerships across many different data providers on ESG and climate-linked investment index construction available through the platform. Bloomberg analysts standardise company-reported ESG data and claim to ensure their approach covers 80% or more of a company's operations and workforce.² Bloomberg then uses a combination of internal and external data to build ESG scores and then bespoke investment products with a range of partners.³

Summary

The Bloomberg methodology scores 10 out of a possible 200 points, reflecting limited coverage of corporate political activities in the methodology used across the ESG and Climate Indices family.⁴ The index construction process for these index families draws on Bloomberg ESG data and as well as third party information from MSCI, SASB and others. This approach makes comparison across index methodologies challenging, but in general there is no attempt to systematically and consistently capture corporate political activities across the index families.

Opportunities for improvement

Given the apparent absence of a consistent approach to incorporating corporate political activities into their ESG data gathering and related index construction process, Bloomberg analysts would benefit from reviewing the 8 Tracker assessment categories. Following this review the team could determine an approach to more fully integrating this important set of ESG-related risk and opportunity factors into their index construction process, and explaining their approach to clients.

Endnotes

- 1 'Bloomberg Launches Proprietary ESG Scores' (2020): <https://www.bloomberg.com/company/press/bloomberg-launches-proprietary-esg-scores/>
- 2 <https://assets.bbhub.io/professional/sites/10/Environmental-Social-Scores-Fact-Sheet1.pdf>
- 3 <https://www.bloomberg.com/professional/product/indices/bloomberg-esg-and-climate-indices/>
- 4 <https://www.bloomberg.com/professional/product/indices/esg-and-climate-indices-resources/#sasb>

www.thegoodlobby.eu/initiatives/tracker
info@thegoodlobby.eu

Avenue des Arts 44,
1000 Bruxelles

EU Transparency Register Number:
013786146388-70