

Scorecard

Refinitiv ESG Score

About Refinitiv ESG Score

COVERAGE OF COMPANIES

15,500+ public

LAUNCH DATE

2003

FOCUS

Company ESG scores

LINK:

[https://www.refinitiv.com/en/sustainable-finance/
esg-scores](https://www.refinitiv.com/en/sustainable-finance/esg-scores)

Refinitiv ESG Score

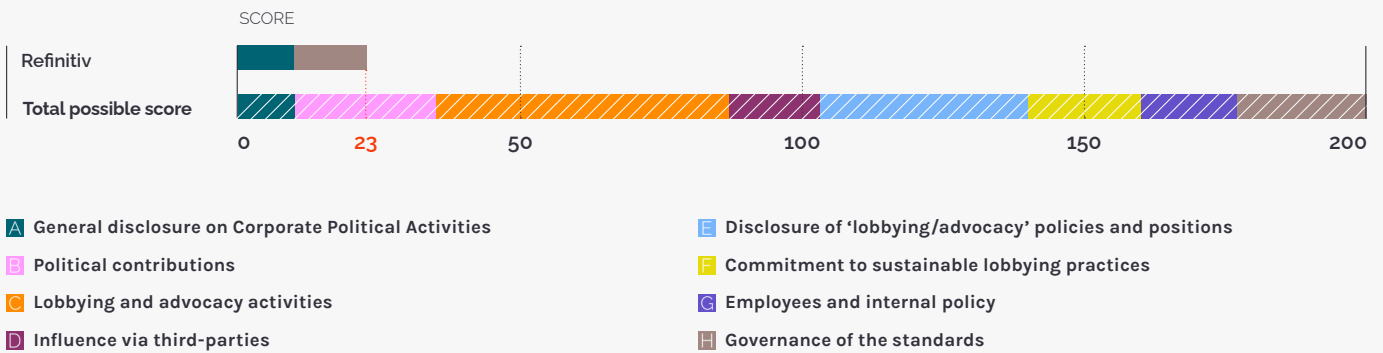
Tracker Rank and Score for Refinitiv

The score is out of a total of 200 and the rank describes the standards position in the 27 standards assessed by the Tracker.



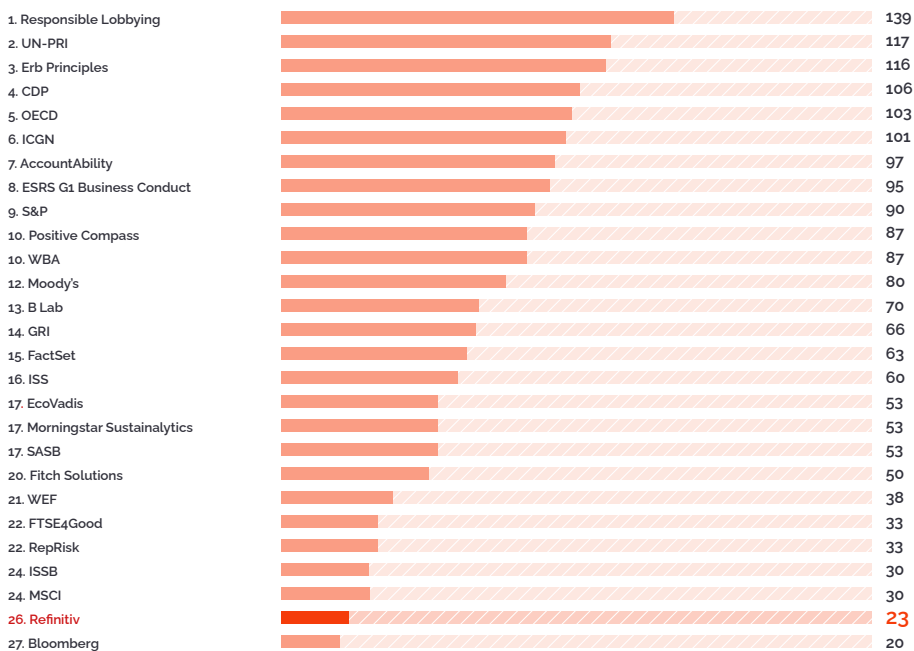
Rank 26 /27

Category scores of Refinitiv



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

Rank and scores for all standards



Description

The Refinitiv ESG score measures a company's ESG performance based on verifiable reported data in the public domain. It captures and calculates over 630 company-level ESG measures, of which a subset of 186 of the most comparable and material per industry power the overall company assessment and scoring process.¹ The category scores are rolled up into three pillar scores – environmental, social and corporate governance. The ESG pillar score is a relative sum of the category weights which vary per industry for the 'Environmental' and 'Social' categories. For 'Governance', the weights remain the same across all industries.²

With over 700 content research analysts trained to collect ESG data, Refinitiv claims to have one of the largest ESG content collection operations in the world. With local language expertise and operating from different locations across the globe, Refinitiv teams process publicly available information sources with the aim of providing up-to-date, objective and comprehensive coverage. There are over 630 ESG measures, which analysts process manually for each company within the ESG universe. According to Refinitiv, each measure undergoes a careful process to standardise the information and guarantee it is comparable across the entire range of companies. The database is updated on a continuous basis, aligned with corporate reporting patterns. Data is refreshed on products every week, including the recalculation of the ESG scores.³

Refinitiv refreshes data more frequently in exceptional cases, including when there is a significant change in the reporting or corporate structure during the year. ESG news and controversies are updated on a continuous basis, as and when such events occur and get picked up by global media.

Score summary

The Refinitiv ESG scoring methodology receives a Tracker score of 23 out of 200, indicating significant room for improvement. It receives points in Tracker Category A 'General disclosure on Corporate Political Activities' but otherwise fails to take a consistent approach to assessing the nature and impact of corporate political activities. It also receives points in Tracker Category H, 'Governance of the standards' as there are mechanisms for Refinitiv's data user clients, and scored companies to provide feedback on the methodologies used.

Opportunities for improvement

As the Refinitiv methodology only receives points for its governance and feedback mechanisms, there are significant opportunities for improvement across each of the 8 Tracker categories. Enhancing coverage of corporate political activities in its ESG ratings would enhance the usefulness of this information for data users, and would also help to build more effective index products, where company ESG ratings are used as an input in index construction methodologies.

Endnotes

- 1 <https://www.refinitiv.com/en/sustainable-finance/esg-scores#global-coverage>
- 2 https://www.refinitiv.com/content/dam/marketing/en_us/documents/methodology/refinitiv-esg-scores-methodology.pdf
- 3 https://www.lseg.com/content/dam/data-analytics/en_us/documents/methodology/lseg-esg-scores-methodology.pdf

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