

Question to be posed by financial professionals when dealing with ESG data providers



1 Data quality review

- What is the data validation process?
- What type of **data quality review** are implemented and at what **frequency** are these reviews carried out?
- What **time horizon** does it cover?
- Do you assess the quality of the reported data that you collect?
- What is the process if the data reported is not plausible?

2 Time horizon

- **How often** do you update the data? (e.g., ad-hoc, daily, weekly, quarterly, annually)
- What time horizon does it cover?
- How frequently is the data updated with regards to regulation updates?

3 Data scope and coverage

- Do you cover public and private companies of all sizes?
- Which **asset classes, sectors, and geographies** do you cover?
- Which **data points** do you cover (E, S, G)?
- How do you go about deciding the coverage of data? Do you follow standard indexes? Do you look at the size of the company? Revenue?
- Is there any specific **threshold/methodology/standard** you seek to base your data on?
- Can you provide an example of data for companies XYZ/ABC?
- Do you provide **group structures**?

4 Data sources/type of data

- What are the **sources** of ESG data you rely on (e.g., CSR reports, public information, articles, news, and company information)?
- Do you provide **forward-looking data**?
- Do you provide an **estimate**? If so, what is the process/methodology? Do you test/evaluate your estimated data/estimation models for accuracy when actual data is provided?
- How much % of the data provided is estimated vs reported?
- Do you provide access to group/individual companies' data?

5 Audit trail/metadata

- Do you provide an **audit trail** for the data provided (source of the information, report, documents, articles)?
- What is the **metadata** provided?
- Do you indicate if the data is reported by the company or estimated? If the data has been audited?

6 Products and services

- Do you provide **scoring/ratings**?
- Do you provide **ESG analysis** and/or ESG market insights?
- Do you provide **comparison/benchmark** features?
- Do you provide **PAIs**? Taxonomy-alignment?

7 Methodologies

- Do you have **expert-driven** research?
- Do you use **AI and/or machine-learning** techniques? If so, for which purposes and type of data? How has the model been tested? What is the impact on the audit trail?
- Do you have a methodology **document/definition of KPIs** – and has the methodology been audited?

8 Data management

- What are your **processes, procedures, and methodologies** for data management?
- What would be the required internal resources to manage the data?
- Who maintains the platform?
- For how long are the data kept?
- What is the process when a company corrects/modifies the data?

9 Interaction

- What if I **disagree** with a data point?
- How can I **raise a question** on the data? What is the process?

10 Data delivery structure

- **How** do you deliver the data (e.g., API/SFTP/Platforms such as Aladdin and Factset)?
- How are companies **identified** (e.g., LEI, ISIN,...)?
- Do you take into account **corporate entity mapping** the relationships between issuances, issuers, and parent entities when looking at ESG considerations?
- Do you deliver data at the company **individual/parent** level and/or at **group** level?

11 Pricing structure

- What is your pricing structure?
- Do you charge extra for **reporting and referencing**?
- In case **regulation** requires more data, would it be included, or would it be **additional costs**?

12 Term of usage/redistribution

- Are there **limitations** to the usage or redistribution of data?
 - **Licensing Requirements:** Are there any additional licenses required for the usage or redistribution of the ESG data beyond the initial contract?
 - **Public Display Permissions:** Can the ESG data be displayed publicly on websites or reports, or is it restricted to internal use only?
 - **Data Usage Limitations:** Are there any specific limitations on how the ESG data can be used within the organization, such as restrictions on data modification or integration with other datasets?

13 Interoperability of the data

- To which extent are the **data interoperable**?

14 Contract Agreement exit

- What are the **exit conditions**?
 - Under which conditions can the data **be kept after contract** termination?
 - How far is derived data subject to these terms?

15 Other services

- Are there any **additional services**? If so, what are their **costs**?