

Behind the Terminal: Understanding the Bloomberg ESG Numbers

If you are a public company, Bloomberg monitors your environmental, social, and governance (ESG) performance. Since 2009, Bloomberg researchers have continually compiled ESG data on thousands of companies from published disclosures and news items, and turned it into one number: a disclosure score. This score, along with Bloomberg's other ESG products, helps investors assess your company's transparency, risks, and opportunities.

What does this score mean, and what's behind it?

BASICS

- Companies included.... 11,000+
- Data coverage.....
 - energy & emissions
 - waste data
 - women on the board
 - independent directors
 - workforce accidents
 - sector specific
- Data sources.....
 - annual reports
 - sustainability reports
 - press releases
 - third-party research

0 to 100

is the range of the Bloomberg ESG disclosure score. It does not measure performance, but transparency. The more information disclosed, the higher the disclosure score.

1

was the lowest score in 2014, rounded up.

89

was the highest score in 2014.

DATA

- Examples of data tracked**
- Political donations
 - Employee training costs
 - Employee turnover percentages
 - Percentage of women employees
 - Number of environmental spills
 - Percentage of water recycled
 - Amount of investment in sustainability

800

different metrics are tracked that cover all aspects of ESG, from emissions to shareholder rights.

DISCLOSURE

Seven essential indicators ranked by disclosure rates

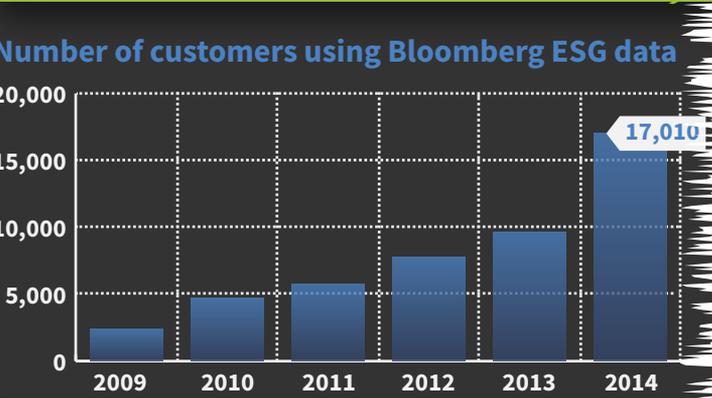
Indicator	2012 Disclosure Rate
1. Payroll	59%
2. Energy	40%
3. GHGs	39%
4. Water	25%
5. Waste	24%
6. Employee turnover	12%
7. Injury rate	11%

Note: Disclosure rates among publicly-traded companies
Source: Corporate Knights Capital, "Measuring Sustainability Disclosure: Ranking the World's Stock Exchanges"



Only 2.8% of the 4,609 global public companies with more than \$2 billion in market cap disclosed all seven indicators to the left, according to Corporate Knights.

USAGE



The number of analysts using Bloomberg ESG data rose 76% from 2013 to 2014.

MAKE IT WORK FOR YOU

Bloomberg ESG captures many qualitative and quantitative indicators that investors and analysts can use in evaluating how well your company is adapting to our changing world—and your commitment to transparency and accountability.

- To improve your disclosure score:**
- Investigate disclosure expectations for your industry
 - Consider a reporting framework like the GRI or UNGC
 - Format ESG data as text to allow for searching
 - Ensure disclosures are published at least annually and accessible to Bloomberg analysts
 - Verify the accuracy of your data in Bloomberg

Icons created by Gregor Črešnar from the Noun Project, Circuit Lines by freevectorsonline.com, data sources include "Sustainability & Big Data" by Karalius and Schrank, "Barriers and enablers of sustainable investment: Exploring a framework of KPIS for ESG integration" by Dumas, and "Bloomberg Impact Report 2014".