



ESG

## ENVIRONMENTAL, SOCIAL & GOVERNANCE IS THE 7<sup>TH</sup> DATASET OF NRG METRICS DATABASE

### ESG DATABASE4 IN NUMBERS

- 3 categories
- 13 subcategories
- 59 countries
- 50 stock indexes covered.
- 152 variables
- 4.500 companies

### CATEGORIES AND SUBCATEGORIES

Society	Environment	Employees
Assurance and Standards	Energy	Hires and Turnovers
Community Engagement	Emissions	Diversity
Anti-corruption	Water	Health and Safety
Discrimination and Harassment Incidents	Waste-Materials	Training and Development
	Environmental Compliance	

**Environmental, Social & Governance (ESG) Dataset is the 7th dataset of NRG Metrics database.**

The ESG Dataset is divided into 3 main categories of variables: Society, Environment, Employees and 13 subcategories. More specifically, regarding the first category of variables (Society) we provide the following subcategories: Assurance and Standards, Community Engagement, Discrimination and Harassment Incidents and Anti-corruption. Environmental variables are divided into five subcategories: Energy, Emission, Water, Waste-Materials and Environmental Compliance. Finally, the last category, Employees, is separated in the following subcategories: Hires and Turnovers, Diversity, Health & Safety and Training & Development.

With more than 150 variables and 4,500 companies, we created a complete dataset for the Environmental, Social & Governance category.

Regarding the sample of companies, we sought information from all the companies that belong to the large capitalization category in the 59 countries that we include in the NRG Metrics Database. In addition, we added to our sample the medium capitalization companies from 4 countries (USA, UK, Canada, Australia).

ESR dataset is added to the other 6 datasets of NRG Metrics to create the most complete ESG Database.



## Q & A

### 1. Why did you create a ESG dataset?

We created the ESG Dataset for three main reasons:

**First**, ESG attracts more and more the interest of researchers, companies, institutional investors, media, policy makers, etc.

**Second**, there is an increased awareness and disclosure of ESG activities.

**Third**, the ESG dataset nicely complements the existing NRG Metrics datasets (Corporate Governance, Ownership Structure, Compensation, etc.) to create the most comprehensive ESG Database.

### 2. What are the criteria for the selection of variables?

The variable selection is based on the following procedure:

A. We divided the total dataset into 3 categories (Environment, Society, Employees) and 13 subcategories.

B. We follow the international standards (GRI, SASB) to include variables that respond to the needs of different stakeholders.

C. We set a threshold for the occurrence rate of each variable or the importance per country.

### 3. What kind of variables are included in the dataset?

We include numerical variables that reflect specific information provided by the sample companies such as, Scope 1, Water consumption, Waste Total, Energy Use, etc. We generally avoid including binary variables (e.g., Yes or No) whenever possible.

### 4. What kind of sources do you use?

We only use the official information provided by listed companies. We obtain data from a variety of sources including Annual Reports, Corporate Social Responsibility Reports, Integrated Reports etc.

### 5. How do you collect data?

Our specialized and well-trained analysts collect data from the above-mentioned sources. We do not collect data that just appear on the internet using artificial intelligence techniques.

### 6. Why does the sample start in 2015?

Because the quantity and quality of ESG information is generally limited, even for large-cap companies before 2015.

## 7. Why did you only include large-cap companies in your sample?

Our pilot study for mid- and small-cap companies revealed that less than 10% of those companies provide meaningful ESG information. However, we include mid-cap companies from 4 countries (USA, UK, Canada, Australia) that provide sufficient information. We continuously assess the ESG reporting practices of all countries and companies in order to increase our coverage.

## 8. Is it possible that a large-capitalization firm is not included in the ESG dataset?

Yes, it is possible that a large-capitalization firm that does not provide ESG information is excluded from the sample.

## 9. Does NRG Metrics continue collecting ESG data for a company that was previously part of a large capitalization index but was subsequently removed?

Yes, it does.

## 10. What is the coverage for the CSR Dataset?

Country	Region	Stock Index	Country	Region	Stock Index
Austria	Europe	ATX	USA	America	S&P 500, S&P 400, RUSSELL 1000
Belgium	Europe	BEL-20	Canada	America	TSX60, TSX Completion, TSX Composition
Denmark	Europe	OMX COPENHAGEN 20	Brazil	America	BOVESPA
Finland	Europe	OMX HELSINKI 25	Mexico	America	INMEX
Norway	Europe	OBX	Qatar	Rest of the World	QE
Spain	Europe	IBEX 35	Hong-Kong	Rest of the World	HANG-SENG
Greece	Europe	FTSE/Athex Large Cap	India	Rest of the World	SENSEX
Switzerland	Europe	SMI, SLI	Indonesia	Rest of the World	LQ 45
Ireland	Europe	ISEQ 20	Japan	Rest of the World	NIKKEI 225
Netherlands	Europe	AEX 25	Malaysia	Rest of the World	FTSE Bursa Malaysia KLCI
France	Europe	CAC 40, CAC NEXT 20,	Philippines	Rest of the World	PSEI
Portugal	Europe	PSI 20	Singapore	Rest of the World	STI
Sweden	Europe	OMX STOCKHOLM 30	South Korea	Rest of the World	
Germany	Europe	DAX, M-DAX, TEC-DAX, H-DAX	Taiwan	Rest of the World	
Italy	Europe	MIB	Thailand	Rest of the World	SET 50
UK	Europe	FTSE 100, FTSE 250, FTSE 350	Australia	Rest of the World	S&P ASX 50, S&P ASX 100, S&P ASX 200
Poland	Europe	WIG 20	New Zealand	Rest of the World	NZX 20
Russia	Europe	RTS	South Africa	Rest of the World	FTSE/JSE Top 40
Turkey	Europe	ISE 30			
S.E. European countries	Europe				



## Indicative List of Variables

### Society

Assurance and Standards	Community Engagement	Discrimination and Harassment Incidents	Anti-corruption
ESG Committee	Cash Donations	Discrimination and harassment incidents	Anti-corruption training-Board of Directors (%)
Assurance Standard	Donations Total	Monetary losses	Anti-corruption training-Employees (%)
Assurance Provide	Volunteer hours		Anti-corruption training-Suppliers (%)
Reporting Standard 1	Volunteer employees		Incidents of corruption

### Environment

Energy	Emissions	Water	Waste-Materials	Environmental Compliance
Energy Use	Scope 1	Water Discharged	Waste Total	Environmental Expenditures
Direct Energy	Scope 2	Water Withdrawal	Non-Hazardous Waste	Non-compliance with environmental laws
Renewable Energy	Scope 3	Water consumption	Hazardous Waste	
Electricity	Greenhouse gas (GHG) emissions intensity	Water Recycled	Waste Recycled	

### Employees

Hires and Turnovers	Diversity	Health and Safety	Training and Development
Total No. of Employees	Gender	Lost Working Days	Training Costs Total
New employee hires	Age Group	Absentee Rate	Employee Health & Safety Training Hours
Employee turnover	Region	Injury Rate	Training employees
Voluntary Turnover	Minority	Accidents	Trade Union Representation (%)