

# ESG Data Recalculation Policy and Guidelines

v1.3



# Contents

---

ESG Data Recalculation Policy .....	3
ESG data complaints process.....	4
ESG Data Recalculation Guidelines .....	5
Further information.....	6

# ESG data recalculation policy

---

## ESG data recalculation policy

This document sets out FTSE Russell's ESG Data Recalculation Process. This applies to FTSE ESG Data Products listed in the [Guide to FTSE and Third Party ESG Data used in FTSE Russell Indices.pdf](#).

FTSE Russell makes every effort to maintain its data and indices to high standards; nevertheless, inaccuracies may arise in the products from time to time and investors, index constituents, licensees or other market participants should be aware of this. Inaccuracies in FTSE ESG data products may arise as a result of a range of events including: the process and complexities of capturing ESG data from a wide variety of underlying data sources; the timings of when a company updates or releases such information; disagreement over whether a company meets a specific ESG indicator; the process of interacting with a company to capture feedback on their publicly disclosed information; entering company data into FTSE Russell systems; the result of automated calculation where applicable; and the provision of inaccurate, incomplete or late data whether occurring internally or externally to FTSE Russell.

Where an inaccuracy in a FTSE ESG data product is identified, FTSE Russell will follow the guidelines set out in this document when determining if this should be recalculated. These guidelines, however, should not be construed as definitive rules that determine the steps FTSE Russell will take whenever an inaccuracy is identified.

It is possible that circumstances, including external events beyond the control of FTSE Russell, may necessitate changes to, or the cessation of, a ESG data product and therefore, any financial contracts or other financial instruments or investment funds that reference any ESG data product should be able to withstand, or otherwise address the possibility of changes to, or cessation of, the product.

ESG data product users should assess the merits of the relevant ESG data product series' rules-based methodology and take independent investment advice before making investment decisions based on this data. Users should also be aware that ESG data is based on evolving standards and can feature nuances in interpretation and analysis.

No liability whether as a result of negligence or otherwise is accepted by FTSE Russell for any losses, damages, claims and expenses suffered by any person as a result of:

- any reliance on these guidelines;
- any errors or inaccuracies in these guidelines;
- any non-application or misapplication of the policies or procedures described in these guidelines; and/or
- any errors or inaccuracies in the compilation of any ESG data product or any constituent data.

# ESG data complaints process

---

## Complaints

The FTSE Russell complaints procedure can be accessed using the following link:

[Benchmark\\_Determination\\_Complaints\\_Handling\\_Policy.pdf](#)

If a company wishes to challenge its ESG Data, it should contact [FTSE4Good@FTSERussell.com](mailto:FTSE4Good@FTSERussell.com); queries outside of this channel may be delayed or missed. The reasons for challenging ESG Data should be stated, have regard to the ESG Data Recalculation Guidelines, and any documentary evidence in support of the claim should be attached. In considering the claim, FTSE Russell may only take account of publicly available information available at the time of the ESG Data assessment.

When making its decision in line with ESG Data Recalculation Guidelines and Policy, FTSE Russell will make reference to the data collection process outlined earlier in this document and the indicator guidance made available to analysts. FTSE Russell aims to ensure that the correct ESG Data collection processes have been followed and that the methodologies have been applied consistently across companies.

FTSE Russell will review the company's ESG Data based on its own analysis and evidence provided by or on behalf of the company, with reference to the ESG Data Recalculation Guidelines. If a ESG Data change is supported, it will be implemented at a subsequent data update. If a data update is not supported by FTSE Russell, the complainant will be informed of this outcome with the rationale for the decision.

# ESG data recalculation guidelines

## ESG data recalculation guidelines

Event type	Decision criteria	ESG data update
<b>Challenge to the incorporation of company feedback</b>	If FTSE Russell determines that the feedback process was not followed correctly and that updates to the ESG data are required.	At the next quarterly update of ESG data
<b>ESG data miscalculation</b>	Following investigation by FTSE Russell, it is found there was a miscalculation of ESG data.	At the next quarterly update for ESG data.
<b>New information availability</b>	ESG data takes into account publicly available information at the time of the assessment and not subsequent publications.	Information provided after the closing of the company feedback process will be considered at the next quarterly update of ESG data.

### Indices that use ESG Data

ESG data products are used as inputs into FTSE Russell ESG indices and are listed on the FTSE Russell website and the relevant ground rules.

**Further information about the FTSE Russell Equity Index Recalculation Policy can be accessed using the following link:**

[Equity Index Recalculation Policy and Guidelines.pdf](#)

An update in ESG data may impact ESG equity index inclusion and will depend on the frequency of the index rebalance.

# Further information

---

For further information on FTSE Russell Indexes, please visit [www.lseg.com/en/ftse-russell/](http://www.lseg.com/en/ftse-russell/) or e-mail [info@ftserussell.com](mailto:info@ftserussell.com).

---

## Disclaimer

© 2024 London Stock Exchange Group plc and its applicable group undertakings ("LSEG"). LSEG includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE Global Debt Capital Markets Inc. and FTSE Global Debt Capital Markets Limited (together, "FTSE Canada"), (4) FTSE Fixed Income Europe Limited ("FTSE FI Europe"), (5) FTSE Fixed Income LLC ("FTSE FI"), (6) FTSE (Beijing) Consulting Limited ("WOFE"), (7) Refinitiv Benchmark Services (UK) Limited ("RBSL"), (8) Refinitiv Limited ("RL") and (9) Beyond Ratings S.A.S. ("BR"). All rights reserved.

FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator. Refinitiv Benchmark Services (UK) Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

FTSE Russell® is a trading name of FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL and BR. "FTSE®", "Russell®", "FTSE Russell®", "FTSE4Good®", "ICB®", "WMR™", "FR™", "Beyond Ratings®" and all other trademarks and service marks used herein (whether registered or unregistered) are trade marks and/or service marks owned or licensed by the applicable member of LSEG or their respective licensors and are owned, or used under licence, by FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL or BR.

All information is provided for information purposes only. All information and data contained in this publication is obtained by LSEG, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical inaccuracy as well as other factors, however, such information and data is provided "as is" without warranty of any kind. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the accuracy, timeliness, completeness, merchantability of any information or LSEG Products, or of results to be obtained from the use of LSEG products, including but not limited to indices, rates, data and analytics, or the fitness or suitability of the LSEG products for any particular purpose to which they might be put. The user of the information assumes the entire risk of any use it may make or permit to be made of the information.

No responsibility or liability can be accepted by any member of LSEG nor their respective directors, officers, employees, partners or licensors for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any inaccuracy (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analysing, editing, transcribing, transmitting, communicating or delivering any such information or data or from use of this document or links to this document or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if any member of LSEG is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of LSEG nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing in this document should be taken as constituting financial or investment advice. No member of LSEG nor their respective directors, officers, employees, partners, or licensors make any representation regarding the advisability of investing in any asset or whether such investment creates any legal or compliance risks for the investor. A decision to invest in any such asset should not be made in reliance on any information herein. Indices and rates cannot be invested in directly. Inclusion of an asset in an index or rate is not a recommendation to buy, sell or hold that asset nor confirmation that any particular investor may lawfully buy, sell or hold the asset or an index or rate containing the asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the applicable member of LSEG. Use and distribution of LSEG data requires a licence from LSEG and/or its licensors.

