



ESG and impact investing advisory with the goals of value enhancement and risk management.

Blue Dot Capital is a sustainable finance consultancy. We partner with financial services firms to support the end-to-end development and execution of ESG and impact investing programs, capabilities, and products.

Our clients and partners include traditional and alternative investment managers, family offices, and data providers.

# Snapshot: ESG Data Product Launches

## February 2023 Update

We are pleased to share a summary of product launches and extensions, acquisitions, and strategic partnerships of the major ESG data providers over H2 2022 as providers compete to meet the growing ESG data needs of investors, lenders, and companies.

In our previous Snapshot, we had noted that scrutiny of the methodological robustness of ESG data products remains high and proposals to regulate ESG data providers are gathering momentum<sup>1,2</sup>. In a significant move, Japan's Financial Services Agency (FSA) finalized the Code of Conduct for ESG Evaluation and Data Providers and called for ESG data providers to endorse the Code<sup>3</sup>. We will be closely watching how financial regulators around the globe adopt measures related to ESG data providers.

We will continue to closely track the maturing ESG data product landscape as coverage and offerings expand, and methodological transparency improves.

### Our previous ESG Data Product Snapshots

Snapshot: ESG Data Products,  
H1 2022 Update

Snapshot: ESG Data Products,  
February 2022 Update

1. The International Organization of Securities Commissions (IOSCO) is engaging with both national regulators and market participants to push for the implementation of its recommendations calling for [oversight of ESG ratings and data product providers](#).
2. The French and Dutch regulators AMF and AFM have [advocated for an expansion of the regulatory scope to encompass broader ESG data-related products, not just ESG ratings](#).
3. Japan's final [Code of Conduct for ESG Evaluation and Data Providers](#), following solicitation and incorporation of public comments, was published in December 2022.

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# ecovadis

- **December 2022 | IQ Plus Enhancement:** EcoVadis added artificial intelligence (AI) and data mining enhancements to its predictive intelligence solution IQ Plus. Under each company's risk profile, IQ Plus provides supplier-specific insights on the company's transparency across sustainability dimensions. The new advancements are a result of EcoVadis's acquisition of sustainability data mining company ecotrek earlier in 2022.
- **October 2022 | Partnership with Greenomy:** Greenomy and EcoVadis entered into a strategic partnership that will combine EcoVadis' sustainability rating platform and scorecards with Greenomy's automated sustainability reporting Service as a Software (SaaS) portal. The agreement brings Greenomy's EU Taxonomy reporting solution to EcoVadis' corporate customers, with an optional module to help them fulfill their EU Taxonomy requirements and calculate their EU Taxonomy alignment.
- **October 2022 | Listing of EcoVadis Ratings in Microsoft Azure Marketplace:** EcoVadis announced the availability of the EcoVadis Enterprise Sustainable Value Chain Ratings solution, including EcoVadis IQ and the Carbon Action Module (CAM), in the Microsoft Azure Marketplace, an online store providing applications and services for use on Azure.
- **July 2022 | Partnership with Taulia:** EcoVadis will provide ESG ratings for Taulia's Sustainable Supplier Finance solution, allowing companies in any industry globally to identify sustainable suppliers while encouraging suppliers to improve ESG performance with financial incentives. Through the partnership, EcoVadis and Taulia aim to support companies in identifying and monitoring their suppliers' ESG performance and qualifications across the entire supply chain.
- **July 2022 | Acquisition of ecotrek:** Leveraging ecotrek's sustainability data mining (SDM) capabilities, EcoVadis aims to expand risk visibility for companies across the entire supply chain.

# esgbook

- **July 2022 | Fund Scores:** The solution enables investors to analyze and compare sustainability profiles and provides coverage for over 30,000 mutual funds and 4,000 ETFs across equity, corporate fixed income, and hybrid investment strategies. As seen in the Fund Score factsheet, the solution offers Sustainability Profiles comprising a number of sustainability metrics, including performance on 22 ESG topics, relative and absolute ESG Scores, Temperature Scores, and Emissions Intensity Ratios.
- **July 2022 | Adoption of GISD-Specific Metrics:** ESG Book adopted recommendations made by the Global Investors for Sustainable Development (GISD) Alliance for sector-specific, SDG-related metrics. Over 25,000 companies can use ESG Book to report on performance against key specific metrics of SDG performance.

# ISS ESG

- **November 2022 | Enhanced Corporate Rating Solution:** ISS ESG launched a standalone Financial Rating and a combined ESG Financial (ESGF) Rating to supplement its core ESG Corporate Rating.
- **October 2022 | Methodology Updates for Governance QualityScore (GQS):** ISS ESG announced the release of methodology enhancements to its GQS scoring solution for global institutional investors. The release includes the introduction of 23 new factors while applying 52 existing factors to companies based in new jurisdictions for increased global comparability of best governance practices.

- **September 2022 | Freshwater Index Series:** ISS ESG announced the launch of a proprietary Freshwater Index Series to enable investors to address freshwater risk while maintaining alignment with traditional ESG standards.
- **September 2022 | Biodiversity Impact Assessment Tool:** The tool aims to support investors seeking to align with rapidly evolving voluntary and statutory biodiversity disclosure frameworks across the globe, and help investors measure the impact of their investment portfolios on biodiversity.
- **August 2022 | EU Taxonomy Data:** ISS ESG announced it will provide EU Taxonomy data to augment the climate-related data already being provided under a framework agreement developed by the Eurosystem central banks (19 national central banks of the euro area countries and the European Central Bank (ECB)). Deutsche Bundesbank, which acted as the Lead Central Bank for the procurement process, entered into the climate data-related contract with ISS earlier in 2022 and more recently augmented it with EU Taxonomy data.

## MOODY'S

- **November 2022 | Partnership with McKinsey:** Moody's and McKinsey joined forces to launch a suite of solutions aimed at helping banks identify, measure, and act on climate change-related risks and opportunities.
- **September 2022 | ESG insurance underwriting solution for Property & Casualty insurers:** The solution is a collaborative effort with global specialty reinsurer, Chaucer Group, combining their expertise in underwriting with Moody's ESG and wider integrated risk modeling capabilities. The solution aims to enable customers to integrate ESG factors into commercial underwriting and portfolio management activities.
- **July 2022 | Expansion of ESG Credit Impact Scores Coverage:** Moody's expanded ESG Credit Impact Scores will cover healthcare, agriculture, transport, and logistics companies.

## MSCI

- **December 2022 | MSCI ONE:** MSCI ONE is an open architecture technology platform built on Microsoft Azure that offers global institutional investors an integrated experience to access content across MSCI's portfolio of products and solutions. MSCI ONE will act as a single point of access for a dozen MSCI services, including MSCI Climate Solutions (including Climate Lab).
- **December 2022 | Forthcoming Biodiversity Tools:** MSCI announced the forthcoming launch of tools to help investors identify companies at risk of contributing to biodiversity loss and deforestation. The tools, which MSCI aims to make available to investors in early 2023, include MSCI Biodiversity-Sensitive Areas Screening Metrics and MSCI Deforestation Screening Metrics.
- **November 2022 | Expansion of Implied Temperature Rise (ITR) Solution Coverage:** MSCI announced the expansion of its ITR solution to cover funds and indexes, equipping equity and fixed income investors with consistent and comparable metrics to align their investment portfolios with global temperature targets. Expanding the tool to the fund and index level gives investors access to ITR data for more than 56,000 equity and fixed-income funds through the MSCI Fund Ratings Tool and index-level ITRs in the MSCI Index Profile Tool.
- **November 2022 | EBA ESG Pillar 3 Disclosure Alignment Tool:** The solution supports banks that seek to align with the European Banking Authority's (EBA) ESG Pillar 3 prudential framework in measuring and reporting on ESG and climate-related risks. The solution supports granular reporting required by the EBA's Implementing Technical Standards (ITS) on Pillar 3 disclosures on ESG risks.

- **October 2022 | Client-Driven Index Solutions for Asset Owners:** MSCI announced the launch of Institutional Client-Designed Indexes (iCDI), furthering the abilities of institutional asset owners to customize and adapt indexes that underpin their investment strategies. Asset owners can select initial index criteria for an iCDI, which can target ESG, Climate, Factor, Thematic, or any other considerations.
- **October 2022 | MSCI Backs Evora Global:** MSCI, along with Bridges Fund Management and Farview Equity, backed Evora Global. Evora helps real estate companies with their ESG strategies, sustainable finance, and climate risk management and disclosure, both through advisory services and use of its software.

## REFINITIV

- **December 2022 | Partnership with Clarity AI:** Refinitiv – a London Stock Exchange Group (LSEG) business - announced a partnership with sustainability tech platform Clarity AI to develop the Sustainable Finance Disclosure Regulation (SFDR) Reporting Professional. SFDR Reporting Professional will help LSEG’s customers comply with the SFDR through accurate reporting of 20 mandatory and optional fields.

## RepRisk

- **October 2022 | RepRisk Geospatial Analytics:** RepRisk and the Integrated Biodiversity Assessment Tool (IBAT) Alliance collaborated to unlock biodiversity insights via RepRisk Geospatial Analytics. An extension of RepRisk’s flagship product, the RepRisk ESG Risk Platform, Geospatial Analytics facilitates robust biodiversity risk assessment for market practitioners and solves common pitfalls around the quality and availability of both biodiversity and proximity data. RepRisk Geospatial provides biodiversity due diligence data, showing the proximity of 60,000+ mining and oil and gas projects to 270,000+ protected areas and 16,000+ Key Biodiversity Areas, then rolling those insights up to project owner and operator companies.

## SUSTAINALYTICS a Morningstar company

- **December 2022 | Expansion of ESG Risk Ratings Coverage:** Morningstar Sustainalytics announced an expansion of its ESG Risk Ratings coverage to enable material ESG risk assessment across more asset classes and regions. With a nearly 30% increase in comprehensive issuer ratings, the firm’s coverage universe includes over 16,300 analyst-based ESG Risk Ratings, spanning public equity, fixed-income, and privately held companies. Additionally, the expanded research universe covers more Chinese companies listed in Shanghai and Shenzhen.
- **September 2022 | Strategic Agreement with XDI:** Morningstar Sustainalytics established a strategic agreement with XDI, which focuses on physical climate risk analysis on companies and their operational assets. Morningstar Sustainalytics’ Physical Climate Risk Metrics are powered by XDI’s Climate Risk Engines.
- **September 2022 | Investable World:** Investable World is a data-driven digital experience designed to make sustainable investing more understandable, engaging, and actionable for investors. The platform includes a free, interactive data visualization tool that allows investors to filter a universe of more than 750 thematic funds globally across water, food, energy, health, and community themes according to their chosen intersecting variables of maturity, performance, risk, and sustainable impact.



- **November 2022 | ESG Ratings for Global Labelled Structured Bonds:** Sustainable Fitch launched its ESG Ratings for global labeled structured bonds and covered bonds. Sustainable Fitch will offer entity ratings, framework ratings, and instrument ratings for covered bonds, and framework and instrument ratings for asset-backed security (ABS) bonds. Sustainable Fitch's current dataset of labeled structured bonds is in excess of USD100 billion. Sustainable Fitch aims to achieve full coverage of labeled bonds by early 2023, including public finance, agency, and sovereign debt issuances.
- **September 2022 | ESG Ratings, Data & Analysis:** ESG Ratings, Data & Analysis offers granular and transparent ESG ratings and sub-scores at an entity, framework, and instrument level. ESG ratings are provided on an absolute and cross-comparable rating scale, with qualitative commentary from ESG analysts.
- **September 2022 | ESG Scores for Leveraged Finance:** The ESG scores provide the collateralized loan obligation (CLO) investment community with an absolute scoring system that allows granular assessment of ESG factors for leveraged finance entities and labeled issuance.
- **July 2022 | Climate Vulnerability Scores for Retail Sector:** Fitch Ratings extended its Climate Vulnerability Scores to the retail sector found apparel and durable goods and consumer electronics (DGCE) to be the segments of the retail sector that are most vulnerable to climate risk.

## S&P Global

- **September 2022 | Physical Risk Exposure Scores and Financial Impact dataset:** Bringing together the data capabilities of S&P Global Trucost and The Climate Service, an S&P Global Company acquired in January 2022, the Physical Risk Exposure Scores and Financial Impact dataset provides information on the exposure of over 20,000 companies and over 870,000 asset locations to a range of climate change-related hazards across a range of four CMIP6 Shared Socioeconomic Pathway (SSP) climate change scenarios. The dataset includes exposure scores, describing the exposure of an asset or company to climate change hazards, and financial impact metrics reflecting the projected future financial costs of changing hazard exposure expressed as a percentage of the value of the exposed assets.
- **September 2022 | Strategic partnership with Novata:** S&P Global Market Intelligence partnered with Novata, an ESG data platform built for the private markets, to provide private market investors with a holistic data solution that simplifies the process of collecting both financial and ESG data. Through this partnership, Novata's platform will be made available for S&P Global Market Intelligence. The platform is intended to be made available through S&P Global Market Intelligence's iLEVEL offering, a portfolio monitoring software solution that enables General Partners (GPs) and Limited Partners (LPs) to streamline financial data collection.

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