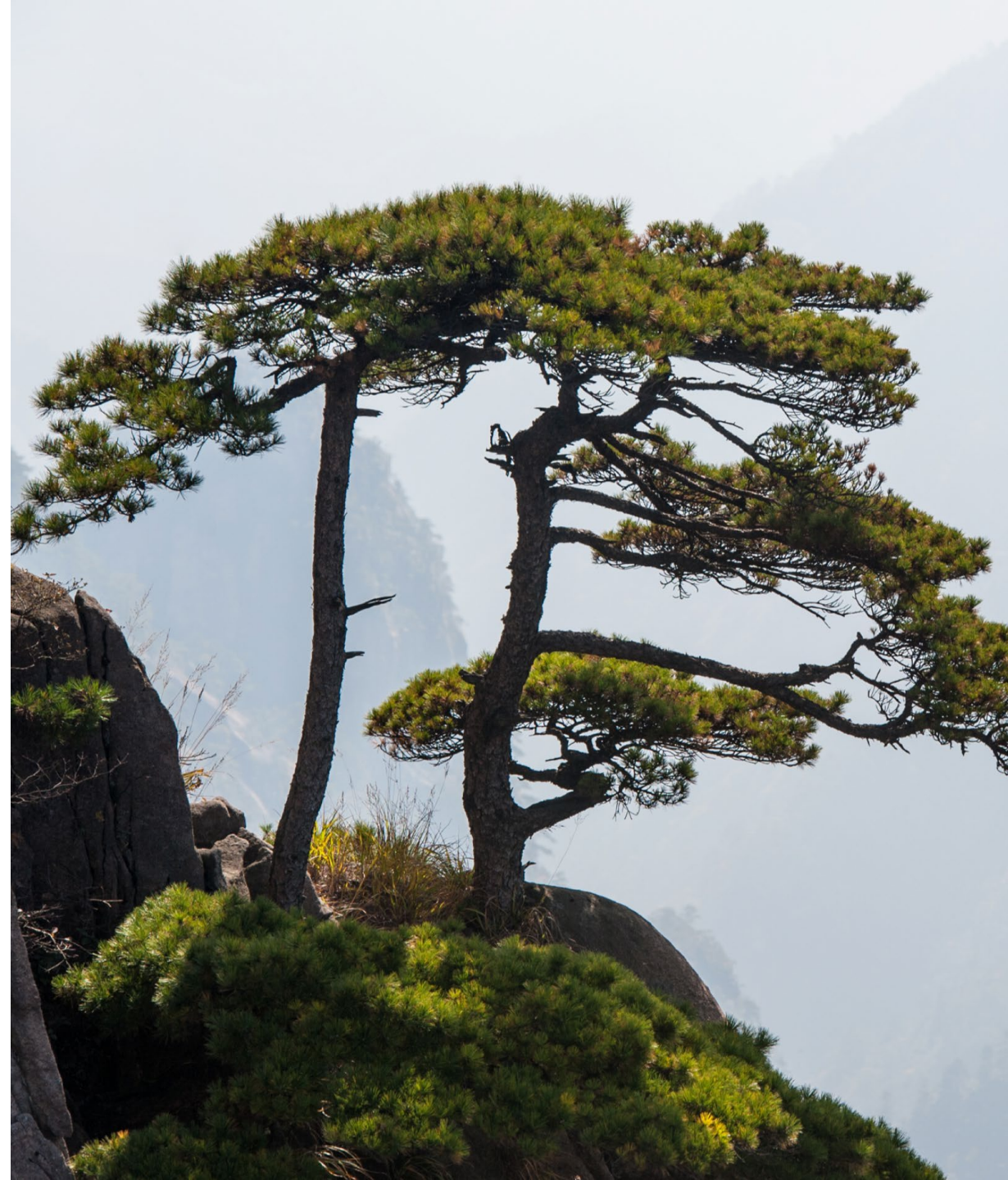


# Preparation Guide: **ESG Risk Rating Full Update**

For Companies Rated Under the  
Core Framework

Last updated: **July 2024**



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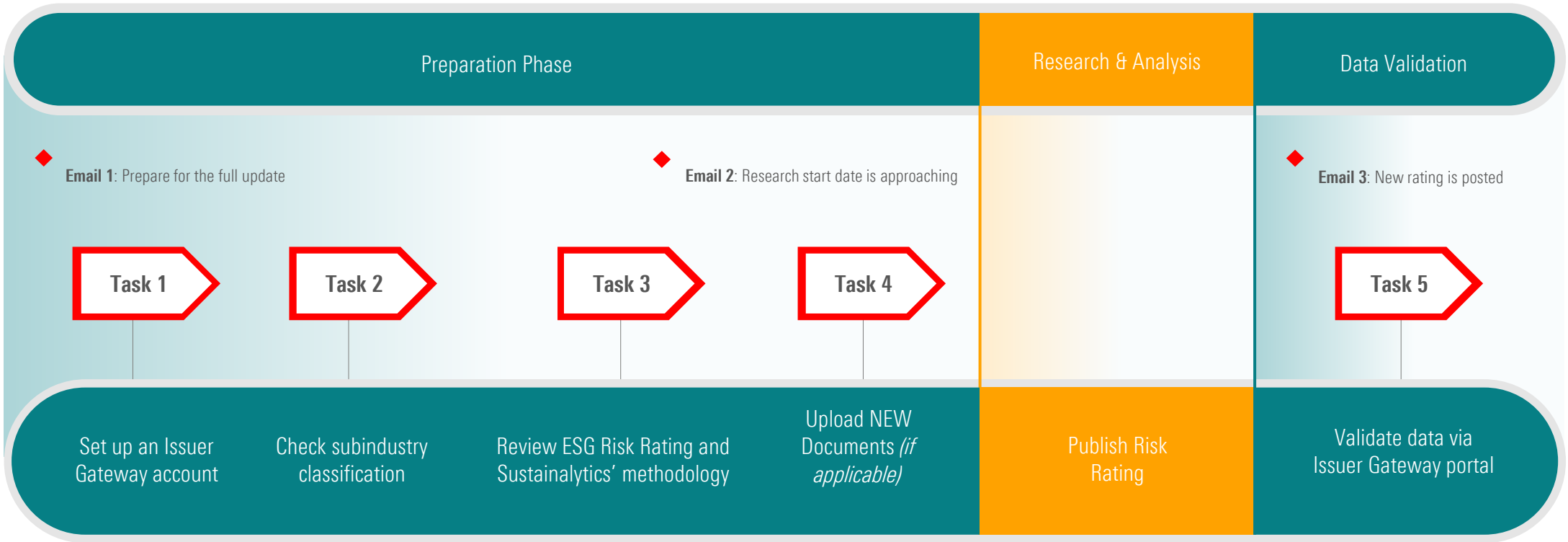
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# Preparation

# Annual Update Process

What Your Company Needs To Do, and When

Email notifications may not be received by an issuer for a variety of reasons. Morningstar Sustainalytics makes a good-faith commitment to send notifications to all issuers that we have an email contact for.



Legend

Company's tasks

Sustainalytics' tasks

# Task 1: Set Up An Issuer Gateway Account

## Access All Key Resources

Use the [Issuer Gateway](#) to access Sustainalytics ESG research on your company.

See the [Information Center](#) for key resources including:

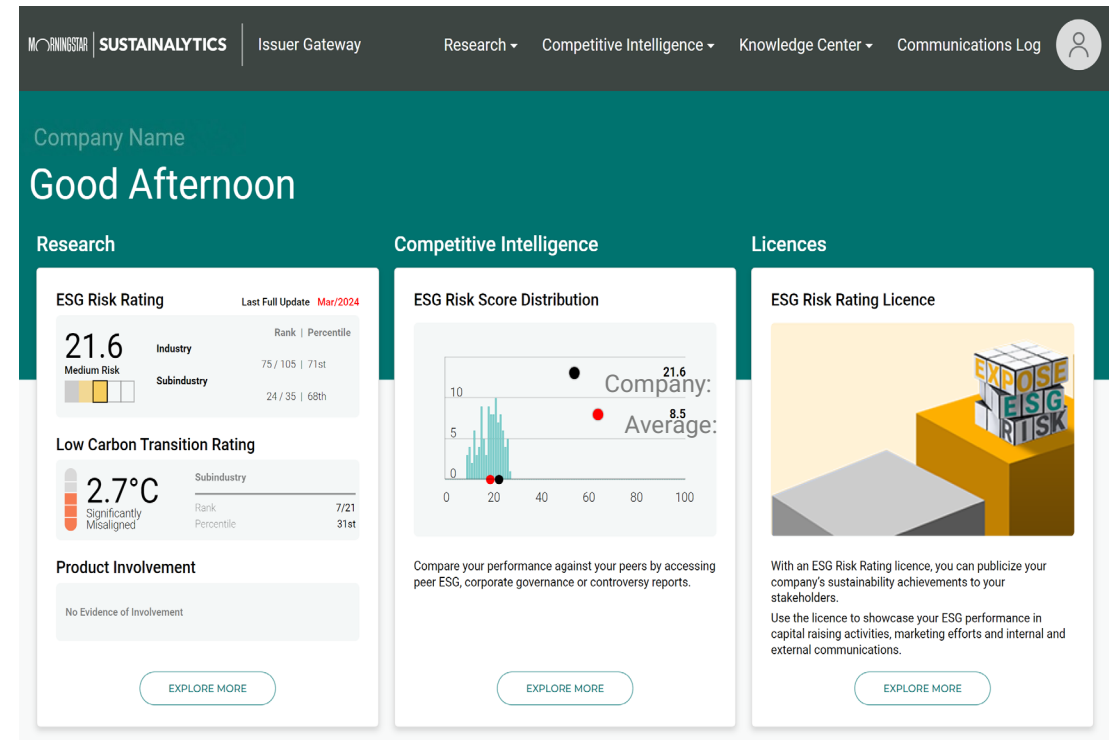
- [ESG Risk Rating FAQ](#)
- [Methodology Abstract](#)
- [Common Documents per subindustry](#)
- [Guidance on Data Validation](#)

Quick Links:

- [issuergateway.sustainalytics.com](https://issuergateway.sustainalytics.com)

Contact Sustainalytics with any questions:

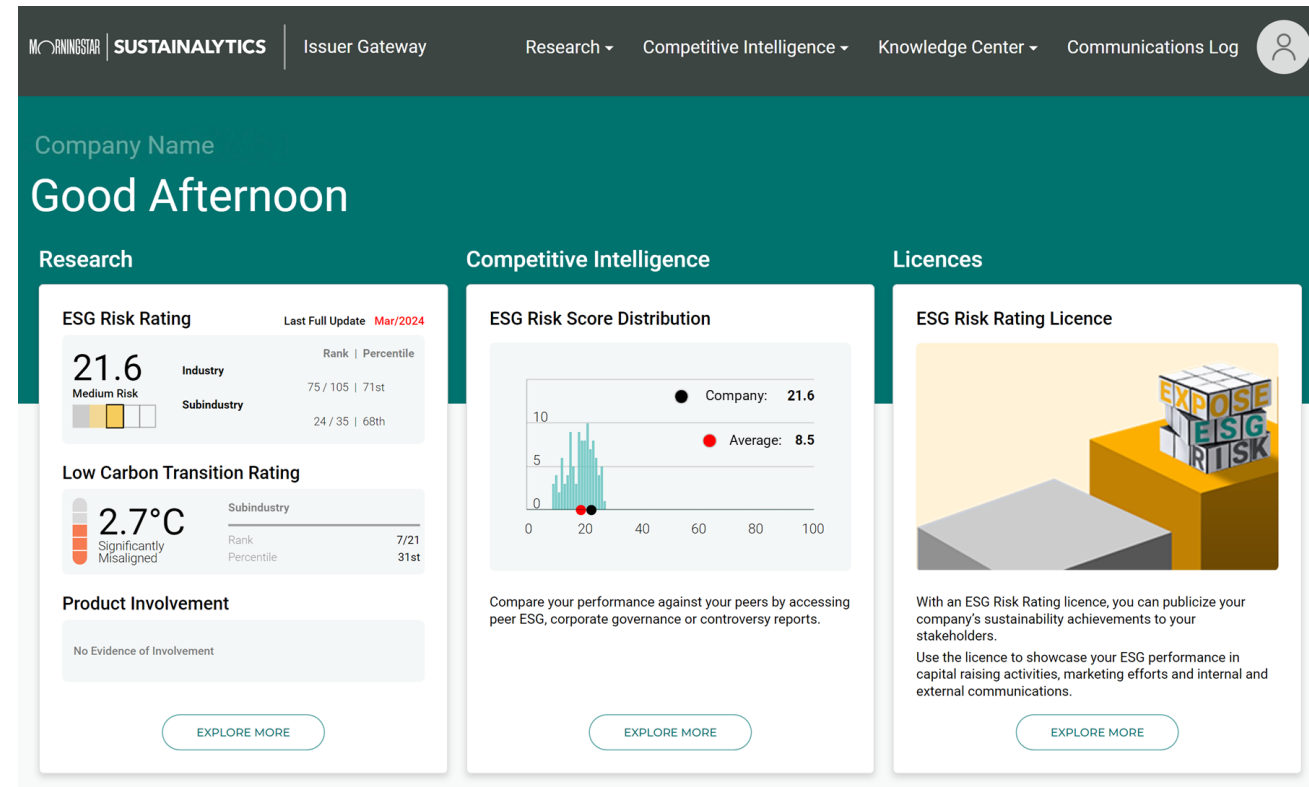
- [issuer.relations@morningstar.com](mailto:issuer.relations@morningstar.com)



## Task 2: Check Subindustry Classification

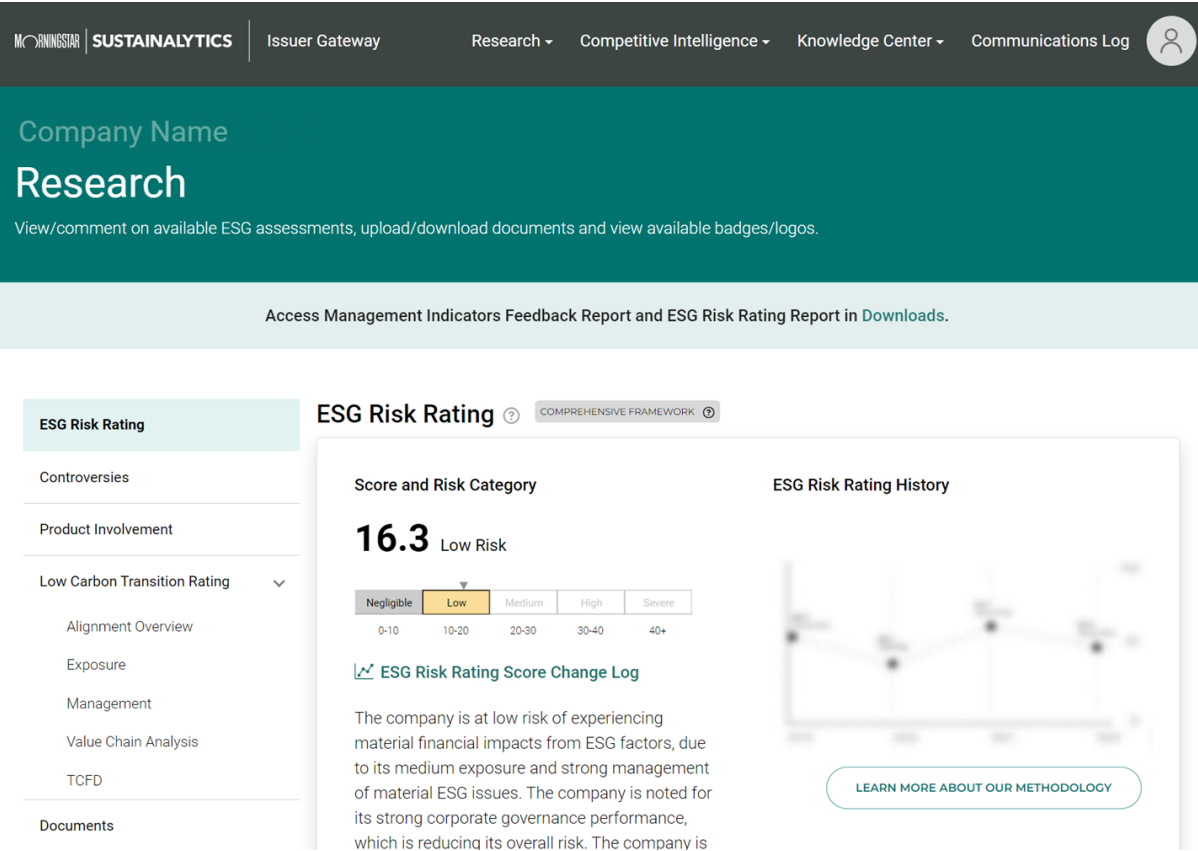
Contact Issuer Relations Team if Subindustry is Incorrect

- Review ESG Risk Rating details via the Research tab.
- Take note of your company's subindustry classification. Material ESG Issues are assigned at the subindustry level.
- If you believe the subindustry classification is incorrect, provide details using the [Subindustry Review Form](#).
- Email form immediately to:  
[issuer.relations@morningstar.com](mailto:issuer.relations@morningstar.com)



# Task 3: Review ESG Risk Rating & Sustainalytics' Methodology

Details Available via Research Tab



Access  
Morningstar  
Sustainalytics' ESG  
Risk Rating  
Methodology  
Abstract [here](#).

## Task 4: Upload NEW ESG Disclosure Documents

- Using the Issuer Gateway portal, upload new ESG disclosure documents. Please focus on NEW documents. If an existing document is easily found and downloadable from a company website, Morningstar Sustainalytics likely has this document. (i.e., our analysts have likely accessed the annual report and sustainability report via the company website).
- Find guidance on providing supporting evidence in the [Information Center](#).
- See list of [common documents \(per subindustry\)](#).
- See how Morningstar Sustainalytics uses internal documents (non-material, non-confidential) [here](#).
- Learn how to [Upload Documents](#).



# Summary of Document Types

- Morningstar Sustainalytics will review the following types of documents only:
  - **Public**
  - **Public – Accessible Upon Request**
  - **Internal**
- We do **NOT** accept:
  - **Confidential**
  - **Material Non-Public Information**

Type of Documents we DO Accept	Type of Documents we DO NOT Accept
<b>Public</b> Published on the website or as part of a filing available to the public at large.	<b>Confidential</b> Proprietary information, including details relating to business activities and operations, technical information, and trade secrets, that is confidential to its owner at the time of disclosure and should be understood by a reasonable person to be of a proprietary or confidential nature.
<b>Public - Accessible Upon Request</b> Not published on the website, but the company will share the information upon request and without restriction.	<b>Material Non-Public Information</b> This information refers to any information that may have a positive or negative impact on the market price of the company's securities and could be reasonably expected to be considered relevant by reasonable investors in their investment decision-making.
<b>Internal</b> Information not published on the website and which the company may not share. Although this information is not material - i.e., may not affect the price of the securities/ financial instrument - it may, if widely disclosed, commercially affect the issuer.	

**Research Completed and Updated Risk Rating Posted Online**

# Research & Analysis

## ESG Research Team Completes Full Update



- During the research and analysis phase, analysts review relevant documentation and update management indicators accordingly.



- After a quality review process, Sustainalytics posts the updated rating to the following three platforms:
  1. [Issuer Gateway portal](#) (used by companies)
  2. [Global Access portal](#) (used primarily by investors). Corporate sustainability professionals can access the ESG Risk, Climate, Impact, and Compliance research viewed by over 1,100 institutional investors globally. [Learn more here.](#)
  3. [Sustainalytics corporate website](#) (summary details only)
- Companies receive an email alert.

## **How to Review and Validate Data After the Rating is Posted**

## Task 5: Data Validation - Management Indicators

Review Management and Event Indicators

### Issuer Gateway

- Log into the Issuer Gateway to review the Updated ESG Risk Rating.
- Companies can provide comments on two sets of indicators: Management and Event Indicators.
- See guidance on [Validating Data here](#).

### Steps to Submitting Comments on Management Indicators

- In the Research tab, scroll down to the Material ESG Issues (MEI) section. See a list of indicators associated with each MEI. Review the data for each indicator.
- If you have a comment, select the Comment button. When done, save all comments.
- Submit all saved comments in one batch. To submit comments, go to the Support tab, select the Communications Log and submit all comments together.
- Sustainalytics will post a response in the Communications Log. Companies will receive an email notification to view response.

## Task 5: Data Validation – Event Indicators

Review Impact of Any Controversial Events on ESG Risk Rating Score



- Companies can view the ESG-related controversial events that impact the Risk Rating score.
- The scoring impact of Events can be viewed online at the end of the Management Indicators section.
- Details on how Event Indicators are scored are available in the appendix of the ESG Risk Rating Report PDF.

## **Contacting Morningstar Sustainalytics**

## Post-Update Phase



- Use the [Issuer Gateway](#) to submit comments or upload new, relevant documents. Updates will be made according to research capacity and at the discretion of the Morningstar Sustainalytics Research Team.



- Or email questions to: [issuer.relations@morningstar.com](mailto:issuer.relations@morningstar.com).



# About Morningstar Sustainalytics

Learn more at [www.sustainalytics.com](http://www.sustainalytics.com) or email at [contact@sustainalytics.com](mailto:contact@sustainalytics.com)

Morningstar Sustainalytics is a leading ESG research, ratings, and data firm that supports investors around the world with the development and implementation of responsible investment strategies. For 30 years, the firm has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors. Today, Morningstar Sustainalytics works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. The firm also works with hundreds of companies and their financial intermediaries to help them consider sustainability in policies, practices, and capital projects. With 17 offices globally, Morningstar Sustainalytics has more than 1,800 staff members, including more than 800 analysts with varied multidisciplinary expertise across more than 40 industry groups. For more information, visit [www.sustainalytics.com](http://www.sustainalytics.com).



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