

Dear Madam, Sir,

On behalf of Refinitiv, I would like firstly to thank the European Commission for its ambitious and forward-thinking consultation on the Renewed Sustainable Finance Strategy, and for the opportunity to contribute to the current thinking via this response. We acknowledge the critical role the financial sector plays in supporting countries to implement the 2030 Agenda for Sustainable Development and the need to complement these efforts with new approaches, new tools, and more collaboration to build momentum and accelerate progress.

Refinitiv is one of the leading providers of financial markets data and infrastructure, serving over 40,000 institutions in 190 countries. Refinitiv provides data and insights, trading platforms, and open data and technology platforms that connect the global financial community to transact and manage risk in a safe, effective and efficient way. We support the EU's aims of enhancing data-driven innovation within the single market and believe in the critical role of data when it comes to tackling widely shared and global societal problems such as climate change, environmental degradation and financial crime.

Refinitiv is committed to doing its part in driving sustainable development. As a leading provider of Environmental, Social and Governance (ESG) data and services to the global financial industry (covering 9,000 companies, representing over 70% of global market capitalisation and over 400 different data points), as a TEG member and as founding member of The Future of Sustainable Data Alliance, Refinitiv is committed to supporting the aims of the European Green Deal and playing an important role in the financial infrastructure that will accelerate the shift to a sustainable and equitable economy. To underscore our commitment to a sustainable future, Refinitiv is already carbon neutral as of 2020 and a leader in green transformation, both in the technology community and in the wider European business community.

As a company, we believe that optimising innovation and developing and supporting digital finance is critical to empower economic growth and a sustainable future. Achieving the 2030 Agenda will require the full participation of the private sector as well as the public sector. It is key, therefore, that the EU creates a business-friendly legislative framework, which will attract investment from the private sector rather than rely solely on the investment from the public sector.

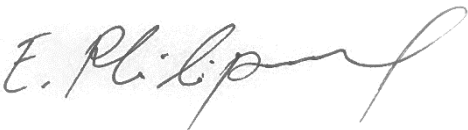
Cultivating a vibrant and innovative private sector will also go hand-in-hand with attracting vital skills to empower the European workforce and European research institutions. To this end, we believe that the creation of European sectoral data spaces, including the European Green Deal data space, will only foster and encourage innovation if underpinned by a healthy legal framework, public-private sector partnerships and appropriate incentives that makes the European economy more globally competitive.

More specific to the issues raised in this consultation, we believe that company disclosure and standards of reporting on environmental, social and governance issues are critical for driving accurate investor information, public discourse, and regulatory guidance. To harness the full potential of the private sector in the transition to a sustainable economy, it is important to establish mandatory reporting of key ESG company level data points which are material to sustainable outcomes (e.g. carbon emissions). Furthermore, standards for key ESG company reported data are necessary to ensure that investors can make reliable comparisons and assessments. We do not, however, support standardisation of ESG scoring metrics. The data used to derive ESG scores is rich and complicated, and investors must maintain agency in determining which pieces of information are of most importance

to them. Standardisation of ESG scores risks limiting cognitively diverse approaches to different elements of sustainability.

We also believe that transparency is critical to driving positive outcomes at both a financial and societal level. To this end – for the purposes of company scoring – we do not use, create, or collect data that is not disclosed and publicly available. As such, we can create a complete line of auditability all the way from documents (such as annual reports), to the company data points in our database, to the company overall scores, and to fund ratings which are based on robust fund holdings data. At Refinitiv, ESG data is manually processed, audited and standardized by a large (100+ analysts), highly skilled workforce in Europe as well as other regions to ensure local language expertise in processing ESG data from local documents and information sources.

Yours faithfully,



**Elena Philipova**

Global Head ESG, Refinitiv

Technical Expert Group on Sustainable Finance, European Commission