

Limitations in data sources, methodologies, and information

Limitations of data sources

The development of our climate and biodiversity rating models relies on the integration of proven internal data and information from external databases, data providers/tools, or international organizations. This process involves structural limitations related to the availability and consistency of information.

Data availability

- Reliance on market data providers: our advanced models require granular financial and operational indicators. The comprehensiveness of our analyses therefore depends on the availability, accuracy, and level of detail of the business segment or value chain data provided by our external providers.
- Limitations of macroeconomic and multilateral data: some of our assessments incorporate indicators from major international institutions. The availability of this data depends directly on local geopolitical contexts or on governments' administrative capacity to audit their national statistics, which can result in missing, outdated, or obsolete data for certain regions.
- Heterogeneity and asymmetry in global reporting: non-financial transparency varies significantly across jurisdictions, company sizes, and regulatory frameworks. The lack of standardised disclosure by issuers (particularly regarding the precise geographic location of their infrastructure or markets) leads us to model and estimate certain variables to ensure consistent and objective market coverage.
- Dependence on environmental inventory update cycles: the accuracy of footprint or impact calculations is intrinsically linked to the frequency of updates, the completeness, and the quality of the scientific reference databases used by the industry.

Data consistency

The consistency and homogeneity of input data are fundamental prerequisites for our methodologies and products. To address the inherently heterogeneous nature of the raw data collected, our processes incorporate verification and re-evaluation protocols. Through our internal reference models and sector-specific analyses, data from various sources are harmonized within a single data model, thereby ensuring the comparability of final ratings and minimising inconsistencies.

Limitations of the methodologies

The characteristics and structural limitations inherent in climate and biodiversity modelling and rating exercises are as follows:

Use of estimates and sector-specific benchmarks

To ensure broad rating coverage and compensate for the lack of direct disclosures by certain entities, our models incorporate estimation methodologies and sector-specific benchmarks. Although these approximations ensure the overall consistency of the assessments, their statistical representativeness and level of granularity may vary for specific economic segments or niche activities with a more limited data history.

Potential dependencies and biases related to available data

The methodologies we develop are applied to data we collect from companies' disclosure documents. In some cases, the dimensions we wish to assess may be difficult to measure in practice due to the absence of necessary data in public reports. We mitigate this limitation by using estimates or sector-specific and/or geographic indicators wherever possible.

Furthermore, we rely on scientific and academic research—which is still evolving in the fields of climate and biodiversity—which may limit certain aspects we wish to assess. In these specific cases, the methodologies depend on the progress of research and cannot capture aspects that are not yet well-established (e.g., invasive alien species and marine aquatic biodiversity).

Evolution of prospective scenarios and scientific frameworks

Our assessments incorporate forward-looking assumptions based on current scientific knowledge and major international reference scenarios (particularly regarding transition trajectories). As these reference frameworks are evolving, our methodological assumptions are regularly adjusted to align with the latest scientific advances. These necessary updates anchor the ratings within their temporal context without compromising the consistency of our analyses. These structural limitations are an integral part of non-financial risk analysis. We encourage our users to view our ratings as part of a multidimensional assessment.

Limitations of the information

The development of our ratings is based on the collection, processing, and cross-referencing of multiple sources of financial and non-financial information. Access to this information is subject to structural limitations common to the entire data market, which fall into three categories:

Comprehensiveness of information

The accuracy of our assessment models depends directly on the level of detail and granularity of the segmented data available on the market for each company. When information regarding an entity's business activities, value chain, or environmental and biodiversity metrics lacks precision or is aggregated too broadly, the rating models must rely on a simplified view of the actual operational structures of the companies in question.

This limitation is mitigated by verifying published data using proprietary sector-specific and/or geographic estimators or indicators, which results in corrections when necessary.

Timeliness and time lags in data

Climate and biodiversity ratings reflect the most recent available data and the time required to obtain it, but they involve unavoidable time lags. This time lag stems, on the one hand, from the schedule for the publication of annual and sustainability reports by the entities themselves (companies, financial institutions, governments) and, on the other hand, from the time required to consolidate, standardise, and make this information available through market reference databases. Ratings therefore reflect a situation as of a given reference date and cannot incorporate strategic changes in real time.

Accuracy and reliability of primary sources

The reliability of our final results depends on the accuracy of the underlying data reported by companies or collected by upstream data providers. These limitations are mitigated by the application of rigorous consistency checks. Any reporting errors, approximations, or methodological revisions at the source of these benchmark indicators are reported to the relevant providers.

July 2026