Table 5.1: SVC Metrics weighting overview, VCr2026

ID	Metric name	Metric weight within Pillar	Metric weight within VCr
Sub-Rating I: Power			**33.33%**
Rating Area (i) Non-market Power			**11.11%**
Pillar (i.1)	**State Capture** (4 Metrics)		**3.70%**
sc.POC	Political Contributions	25.00%	0.93%
sc.SOE	State Owned Enterprises	25.00%	0.93%
sc.PJI	Peace, Justice and Strong Institutions	25.00%	0.93%
sc.SIN	Sins Revenue	25.00%	0.93%
Pillar (i.2)	**Regulatory Capture** (8 Metrics)		**3.70%**
rc.LOC	Lobbying Contributions	12.50%	0.46%
rc.LIE	Litigation Expenses	12.50%	0.46%
rc.CRF	Corruption Fines	12.50%	0.46%
rc.CRT	Corruption Training	12.50%	0.46%
rc.HRS	Human Rights Score	12.50%	0.46%
rc.CLC	Child Labor Controversies	12.50%	0.46%
rc.CCA	Compliance Cost Avoidance	12.50%	0.46%
rc.LPA*	Lobbying Policy Alignment	12.50%	0.46%
Pillar (i.3)	**Human Capture** (13 Metrics)		**3.70%**
hc.GWG	Gender Wage Gap	7.69%	0.28%
hc.BDN	International Board Representation	7.69%	0.28%
hc.BDG	Board Gender Parity	7.69%	0.28%
hc.EMG	Ethnic Minorities Salary Gap	7.69%	0.28%
hc.TUR	Trade Union Representation	7.69%	0.28%
hc.STE	Stakeholder Engagement	7.69%	0.28%
hc.VTO	Voluntary Turnover of Employees	7.69%	0.28%
hc.ITO	Involuntary Turnover of Employees	7.69%	0.28%
hc.FWH	Flexible Working Hours	7.69%	0.28%
hc.DCS	Daycare Services	7.69%	0.28%
hc.EDI	Employees with Disabilities	7.69%	0.28%
hc.MTR	Management Training	7.69%	0.28%
hc.SCL*	Supply Chain Labor Allegations	7.69%	0.28%

ID	Metric name	Metric weight within Pillar	Metric weight within VCr
Sub-Rating I: Power			**33.33%**
Rating Area (ii) Market Power			**22.22%**
Pillar (ii.4)	**Coalition Dominance** (4 Metrics)		**5.56%**
co.CPO	Cartel Power	25.00%	1.39%
co.CED	Coalition Economic Dominance	25.00%	1.39%
co.CEC	Coalition Economic Concentration	25.00%	1.39%
co.CES	Coalition Economic Share	25.00%	1.39%
Pillar (ii.5)	**Firm Dominance** (21 Metrics)		**5.56%**
fd.ACC	Anti-competition Controversies	4.76%	0.26%
fd.GPA	Golden Parachute	4.76%	0.26%
fd.POP	Poison Pill	4.76%	0.26%
fd.SPL	Succession Plan	4.76%	0.26%
fd.FCO	Fair Competition	4.76%	0.26%
fd.MCO	Market Concentration	4.76%	0.26%
fd.MDO	Market Dominance	4.76%	0.26%
fd.PMA	Operating Margin	4.76%	0.26%
fd.ABT	Average Board Tenure	4.76%	0.26%
fd.IBM	Independent Board Members	4.76%	0.26%
fd.CCP	Consumer Complaints	4.76%	0.26%
fd.STR	Strikes	4.76%	0.26%
fd.EFT	Employee Fatalities	4.76%	0.26%
fd.EAC	Employee Accidents	4.76%	0.26%
fd.CCX*	Cash Conversion Asymmetry	4.76%	0.26%
fd.CPE*	Consumer Protection Enforcement	4.76%	0.26%
fd.MKU*	Markup over Marginal Cost	4.76%	0.26%
fd.RST*	Accrual Quality / Restatements	4.76%	0.26%
fd.SPT*	Supplier Payment Extraction	4.76%	0.26%
fd.DCV*	Dual-Class Voting Wedge	4.76%	0.26%
fd.OVB*	Director Overboarding	4.76%	0.26%
Pillar (ii.6)	**Creative Destruction** (9 Metrics)		**11.11%**
cd.RDE	R&D Intensity	11.11%	1.23%
cd.RDC	Climate-Related R&D Investment	11.11%	1.23%
cd.RDR	Responsible R&D Controversies	11.11%	1.23%
cd.INT	Intangibles	11.11%	1.23%
cd.GCX	Green Capex	11.11%	1.23%
cd.RRC	Resource Reduction	11.11%	1.23%
cd.PKG	Packaging	11.11%	1.23%
cd.EWA	E-Waste	11.11%	1.23%
cd.GBU	Green Building	11.11%	1.23%

ID	Metric name	Metric weight within Pillar	Metric weight within VCr
Sub-Rating II: Value			**66.67%**
Rating Area (iii) Non-market Value			**22.22%**
Pillar (iii.7)	**Giving Income** (9 Metrics)		**7.41%**
gi.FTA	Free Trade Agreements Utilization	11.11%	0.82%
gi.DON	Donations	11.11%	0.82%
gi.CDF	Community Development Financing	11.11%	0.82%
gi.BDT	Biodiversity Targets	11.11%	0.82%
gi.ATR	Animal Testing Reduction	11.11%	0.82%
gi.DIV	Dividend Reinvestment Balance	11.11%	0.82%
gi.REI	Renewable Energy Intensity	11.11%	0.82%
gi.LER	Land Environmental Impact Reduction	11.11%	0.82%
gi.BBK*	Share Buyback Intensity	11.11%	0.82%
Pillar (iii.8)	**Taking Income** (13 Metrics)		**7.41%**
ti.SUB	Subsidies	7.69%	0.57%
ti.ETR	Effective Tax Rate	7.69%	0.57%
ti.EXC	Executive Compensation	7.69%	0.57%
ti.ANT	Animal Testing	7.69%	0.57%
ti.DEF	Deforestation	7.69%	0.57%
ti.SSV	Safety Standards Violations	7.69%	0.57%
ti.FCO	Fleet CO2 Emissions	7.69%	0.57%
ti.OCR	Operations in Critical Regions	7.69%	0.57%
ti.CHA*	Community Harm Allegations	7.69%	0.57%
ti.CTR*	Cash Effective Tax Rate	7.69%	0.57%
ti.SOP*	Say-on-Pay Dissent	7.69%	0.57%
ti.NAF*	Non-Audit Fee Ratio	7.69%	0.57%
ti.PPS*	Pay-Performance Sensitivity	7.69%	0.57%
Pillar (iii.9)	**Unearned Income** (11 Metrics)		**7.41%**
ui.CEX	Carbon Exposure	9.09%	0.67%
ui.COC	Carbon Offsets and Credits	9.09%	0.67%
ui.SCE	Scope 3 Emissions	9.09%	0.67%
ui.HAW	Hazardous Waste	9.09%	0.67%
ui.SPI	Spill Intensity	9.09%	0.67%
ui.WTI	Waste Intensity	9.09%	0.67%
ui.WAI	Water Intensity	9.09%	0.67%
ui.BIM	Biodiversity Impact Mitigation	9.09%	0.67%
ui.DAP	Data Privacy	9.09%	0.67%
ui.AIH*	AI & Technology Harm Allegations	9.09%	0.67%
ui.DBR*	Data Breach Incidence	9.09%	0.67%

ID	Metric name	Metric weight within Pillar	Metric weight within VCr
Sub-Rating II: Value			**66.67%**
Rating Area (iv) Market Value			**44.44%**
Pillar (iv.10)	**Producer Value** (10 Metrics)		**14.81%**
pv.ENP	Energy Productivity	10.00%	1.48%
pv.GHW	Good Health and Well-Being	10.00%	1.48%
pv.RCP	Responsible Consumption & Production	10.00%	1.48%
pv.ISA	International Sales	10.00%	1.48%
pv.GSC	Global Supply Chain	10.00%	1.48%
pv.EDP	Eco-Design Products	10.00%	1.48%
pv.GRP	Green Products	10.00%	1.48%
pv.PRR	Product Recovery Rate	10.00%	1.48%
pv.CGS	Goods Cost Intensity	10.00%	1.48%
pv.PCR	Physical Climate Risk Exposure	10.00%	1.48%
Pillar (iv.11)	**Capital Value** (12 Metrics)		**14.81%**
cv.CEX	Capital Expenditures Intensity	8.33%	1.23%
cv.FDI	Foreign Direct Investment	8.33%	1.23%
cv.SUB	Sustainable Bonds	8.33%	1.23%
cv.ENE	Environmental Expenditures	8.33%	1.23%
cv.SPF	Sustainable Project Financing	8.33%	1.23%
cv.AIG	Amortization & Impairment of Goodwill	8.33%	1.23%
cv.LVR	Leverage Ratio	8.33%	1.23%
cv.ICR	Interest Coverage Ratio	8.33%	1.23%
cv.FCE	Free Cash Flow to Equity	8.33%	1.23%
cv.FCD	Free Cash Flow to Debt	8.33%	1.23%
cv.EPS*	Economic Profit Spread (ROIC – WACC)	8.33%	1.23%
cv.GWS*	Goodwill Share of Total Assets	8.33%	1.23%
Pillar (iv.12)	**Labor Value** (9 Metrics)		**14.81%**
lv.EMS	Employee Satisfaction	11.11%	1.65%
lv.EHS	Employee Health & Safety	11.11%	1.65%
lv.PLI	Pension Liabilities	11.11%	1.65%
lv.EMI	International Employees	11.11%	1.65%
lv.EMT	Employee Training Investment	11.11%	1.65%
lv.LPR	Labor Productivity	11.11%	1.65%
lv.CCO	Competitive Labor Compensation	11.11%	1.65%
lv.LSH*	Labor Share of Value Added	11.11%	1.65%
lv.LWG*	Living Wage Gap	11.11%	1.65%
Total (123 Metrics)			**100%**

Weights are rounded to two decimals. Sub-Rating, Rating Area, and Pillar weights are shown in the shaded rows.
cv.SUB, lv.EMI, and lv.LWG have no data in the VCr2026 and do not contribute to any firm's score (see Section 5.3).
*New Metric added to the VCr2026.

Visual 5.2: SVC Metrics table

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
SUB-RATING I • RATING AREA (i) Non-market POWER						
Pillar (i.1) State Capture						
sc.POC	Political Contributions	GOV8	Political contributions encompass all monetary donations, support for political candidates, and contributions to political parties made by a company. They include cash donations, loans, sponsorships, fundraising event tickets, advertising, use of facilities, design and printing services, equipment donations, and retainers or jobs for politicians or candidates, including donations made through Political Action Committees (PACs).	Political contributions are significant for a company's financial and sustainability performance as they are often designed to influence political and regulatory environments to favor the company's interests. Specifically, these contributions are aimed at securing access to policymakers and fostering favorable legislation. They can also lead to concerns about transparency and fairness that might negatively impact public trust and corporate reputation and are therefore seen as a transfer-IN activity due to potential negative externalities. They might also make the company less competitive if the market takes a back seat to the Non-market. The ethical implications and potential for a regulatory backlash require companies to carefully manage their political contributions to avoid long-term sustainability risks. Assessing political contributions helps stakeholders understand a company's strategic engagements and their potential risks.	Government Narratives Society	transfer-IN
sc.SOE	State Owned Enterprises	GOV8	A State Owned Enterprise (SOE) is an entity that is owned or controlled by a government that holds more than 50% of the voting shares or possesses a golden share that grants it veto power over certain decisions.	State Owned Enterprises (SOEs), along with state-led industrial policies, are on the rise across the world, not only in sectors deemed to be strategic by governments. SOEs often benefit from preferential treatment, such as subsidies or a favorable regulatory environment. This represents a transfer-IN activity that can distort competitive markets. Conversely, SOEs also have social or public service mandates that may boost their transfer-OUT activity. The default transfer-IN position might be well compensated for by transfer-OUT elsewhere in the business model and requires careful evaluation of the performance and influence of an SOE to understand its broader positive economic impact along with the potential risks associated with government ownership.	Government Shareholders	transfer-IN
sc.PJI	Peace, Justice and Strong Institutions	GOV8 MAN4	The Peace, Justice and Strong Institutions Metric assesses whether a company actively supports the United Nations Sustainable Development Goal 16 (SDG 16), which aims to promote peace, justice, and strong institutions.	Demonstrating a commitment to ethical governance, human rights, and the rule of law by promoting peace and justice is not just commendable in itself; it arguably also leads to better stakeholder relationships, a reduced risk of problems abroad, and an enhanced reputation, all of which contribute to long-term sustainability and financial stability. Engaging in activities that support strong institutions and inclusive societies is thus seen as transfer-OUT. Evaluating a company's commitment to SDG 16 helps stakeholders understand an organization's role in fostering a stable and just business environment, which is critical for sustainable growth.	Society Abroad Government	transfer-OUT
sc.SIN	Sins Revenue	OPE6 SOC15	The Sins Revenue Metric captures the proportion of a company's total revenue that is derived from controversial or harmful sectors. This includes revenues from alcohol, tobacco, gambling, firearms, and military contracting. Both direct product sales and related service or licensing income are included.	Revenues from 'sin' industries are associated with significant social, health, and safety costs, as well as other externalities. While firms in these sectors may achieve strong profitability, the underlying business models often extract value from society by transferring long-term costs—such as public health expenditures, addiction treatment, crime, or conflict—to the public domain. This Metric is therefore categorized as a transfer-IN. It is noteworthy that some of this Metric's component 'sins' such as military contracting or alcohol will be deemed by the public or analysts as a positive transfer-OUT; in these two examples, being a military supplier might be considered as the provision of security for the state, while alcohol could be deemed to be a substitute for harder drugs, thus preventing their wider usage.	Customers Society	transfer-IN

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
Pillar (i.2) Regulatory Capture						
rc.LOC	Lobbying Contributions	GOV8	Lobbying contributions refer to the money spent by a company to influence public policy and government decisions in favor of the company's interests. These expenditures can provide firms with access to exclusive information, government contracts, grants, subsidies as well as favorable policies and regulations.	Lobbying contributions are material for financial and sustainability performance when they help shape the regulatory environment in which a company operates. Effective lobbying may lead to favorable legislation and policies that support the company's business objectives, potentially enhancing profitability and competitive advantage. This might represent undue influence and unfair competition and is therefore deemed to be a transfer-IN activity with value appropriated from the company's influence on policymaking. Moreover, excessive lobbying may raise concerns about ethical practices, lead to greater regulatory scrutiny, harm a company's reputation, and impact its long-term sustainability, ultimately increasing negative public perceptions. From a profit-maximizing perspective, striking a balance between seeking beneficial influence and exerting undue pressure is essential in assessing a company's strategy and risk profile. Academic studies have shown that while companies engaged in significant lobbying activities can achieve better regulatory outcomes they may also be perceived negatively and receive a potential backlash.	Government Narratives	transfer-IN
rc.LIE	Litigation Expenses	GOV8	The litigation expenses Metric encompasses all costs incurred by a company due to legal proceedings, including attorney fees, court costs, settlements, and fines. These expenses are reported by the company and describe the financial impact of legal disputes.	Litigation expenses drain resources, reduce profitability, increase business risks, and may damage a company's reputation. They represent a transfer-IN activity when they relate to ongoing legal disputes that divert resources from productive uses or distract management from value creation. Conversely, one might argue that managing litigation expenses effectively signifies strong legal and risk management practices, contributing to long-term sustainability and operational efficiency.	Government	transfer-IN
rc.CRF	Corruption Fines	GOV8	Corruption Fines captures the total monetary amount paid by a company as a result of corruption scandals, bribery cases, or related forms of financial fraud. This includes both domestic and international penalties imposed by regulatory or judicial authorities.	Corruption fines are a direct signal of extractive practices where firms that initially benefit from some form of undue influence or illegal advantage that imposes costs on society, investors, or competitors, see their illicit transfers challenged by the legal system. As such, the resultant penalties represent a transfer-IN activity. Moreover, companies caught extracting value by breaking institutional rules might also be engaging in other still undetected extractive activities that represent future risk.	Government Society	transfer-IN
rc.CRT	Corruption Training	GOV8 SOC13	Corruption Training measures whether a company has established employee training programs on anti-bribery, anti-corruption, and compliance standards. It captures both the existence and the scope of such initiatives.	Corruption training reflects a company's commitment to preventing extractive behavior and strengthening internal governance. By equipping employees with awareness and tools to resist corrupt practices, firms can reduce institutional risks and enhance legitimacy. This represents a transfer-OUT activity, as it aligns business conduct with inclusive value creation rather than short-term extraction.	Employees Government	transfer-OUT
rc.HRS	Human Rights Score	GOV8 OPE7	The Human Rights Score Metric evaluates the extent to which a company has formal human rights policies, aligns with international standards such as the UN Guiding Principles on Business and Human Rights, and is free from major related controversies.	Strong human rights frameworks reduce the likelihood of extraction from employees and the workers of a firm's suppliers, while also enhancing corporate legitimacy. By protecting the value creation of vulnerable stakeholders without power endowments, firms demonstrate inclusive practices that foster long-term value creation. This constraint on extractive business model practices represents transfer-OUT.	Society Employees Suppliers	transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
rc.CLC	Child Labor Controversies	GOV8 OPE7 SOC15	The Child Labor Controversies Metric captures reported incidents or allegations of child labor within a company's operations or its supply chain. This includes verified NGO reports, media investigations, and regulatory findings.	Child labor is one of the most brutal, unacceptable, and clearest forms of an extractive transfer. Not only is there exploitation at present but this is also an intergenerational transfer that sees companies reduce costs at the expense of the development and growth opportunities of individuals that are affected for the rest of their lives. Such practices undermine institutional trust, damage reputation, and create systemic risks for firms. This Metric reflects transfer-IN behavior, as firms capture short-term financial benefits while imposing severe social costs.	Employees Suppliers Abroad	transfer-IN
rc.CCA	Compliance Cost Avoidance	GOV8 GOV9	Cost savings from regulatory non-compliance measure the financial benefits a company gains by engaging in aggressive or non-transparent accounting practices, bribery, corruption, fraud, and tax evasion. This Metric assesses the number of controversies and lawsuits that a company faces related to such activities.	Engaging in regulatory non-compliance can lead to significant cost savings and financial benefits in the short term, representing a transfer-IN activity. However, these practices pose substantial risks, including legal penalties, reputational damage, and long-term financial instability. Companies that comply with regulations and maintain transparent accounting practices are more likely to achieve sustainable growth and maintain stakeholder trust. This Metric helps stakeholders understand the potential financial and ethical risks associated with how a company is governed and manages its regulatory compliance.	Government Society Shareholders	transfer-IN
rc.LPA*	Lobbying Policy Alignment	GOV8 ENV10	Lobbying Policy Alignment measures the extent to which a company's direct and indirect lobbying, including through industry associations, is aligned with its own stated public commitments and with science-based policy.	Where a company publicly supports a policy while lobbying against it directly or through its trade associations, it intentionally muddles the narrative markets in order to shape the rules of the game in its favor. This gap between stated and revealed positions constitutes an admission of transfer-IN. Such attempts to shape regulation in a way that is not visible in lobbying expenditures alone aim to mislead investors and the public. This misalignment is therefore treated as transfer-IN, with the attempt to obscure the firm's role in the capture of value not created counting against it. The Metric complements Lobbying Contributions (rc.LOC), which measures how much a company spends on lobbying by assessing what this spending is used for.	Narratives Government NextGen	transfer-IN
Pillar (i.3) Human Capture						
hc.GWG	Gender Wage Gap	SOC14	The Gender Wage Gap Metric assesses the difference between the median wages of male and female full-time employees and self-employed individuals, divided by the male median wage. The goal is to achieve equality (a value of zero), aligning with Sustainable Development Goal 5 (SDG 5).	The Gender Wage Gap is crucial in assessing a company's commitment to equality and its impact on sustainable value creation. A low or absent gender wage gap represents a transfer-OUT activity, pointing to equitable pay, as well as enhanced employee satisfaction and the ability to attract diverse talent, all resulting in the improvement of overall productivity. Conversely, a high gender wage gap is a transfer-IN activity, and suggests inequities that can lead to dissatisfaction, higher employee turnover rates, and reputational damage. A high gender wage gap is determined to be for values that are over 5% (of the threshold) for the Metric.	Employees	transfer-IN transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
hc.BDN	International Board Representation	MAN4 GOV8	International Board Representation refers to the inclusion of individuals from different national backgrounds or citizenships on a company's board of directors. It encompasses having board members that represent various countries or regions, bringing diverse perspectives, experiences, and cultural insights to board discussions and decision-making.	Ensuring international diversity on a company's board of directors fosters novel cultural perspectives and inclusive decision-making, both of which can lead to the top echelons of a company pursuing more innovative and effective strategies that are informed by a global perspective and deeper understanding of international markets. By including disparate cultural insights and international experiences, boards can navigate complex global challenges and seize opportunities in different regions, representing a transfer-OUT activity that contributes positively to sustainable value creation.	Abroad Management Shareholders	transfer-OUT
hc.BDG	Board Gender Parity	SOC14 GOV8	Board Gender Parity focuses on achieving a balanced representation of genders on a corporate board. It ensures that women have a meaningful presence in boardrooms that have historically been male dominated.	Board gender parity is crucial for promoting equality and enhancing the decision-making process by incorporating female perspectives. Companies with gender diverse boards often benefit from improved governance, better financial performance, and enhanced reputation. This diversity can lead to more innovative solutions and strategies, representing transfer-OUT. Additionally, gender diverse boards may better reflect the reality of the company's stakeholders such as consumers or regulators, improving stakeholder relations and trust. A deviation of 10% above the threshold for gender parity is deemed to be a transfer-IN activity.	Employees Management Shareholders	transfer-IN transfer-OUT
hc.EMG	Ethnic Minorities Salary Gap	SOC14	The Ethnic Minorities Salary Gap Metric assesses the average pay differences between ethnic minority employees and their peers in equivalent roles within a company. It also evaluates whether companies disclose data on ethnic pay gaps and implement corrective measures.	Persistent salary gaps between different ethnic groups suggest systemic discrimination and represent extractive practices where companies capture labor value at the expense of equity. Closing or reducing the gap reflects inclusive strategies that align with long-term value creation. This Metric highlights whether compensation practices reflect transfer-IN through discriminatory underpayment or, conversely, evidence transfer-OUT through corrective and equitable policies. A high ethnic minorities salary gap is determined to be for values that are over 5% (above the threshold) for the Metric.	Employees	transfer-IN transfer-OUT
hc.TUR	Trade Union Representation	SOC13 SOC15	Trade Union Representation measures the percentage of employees who are members of an independent trade union or are covered by collective bargaining agreements. This Metric evaluates the degree of labor organization within a company and the protection provided to employees through collective bargaining.	The freedom to join a trade union is essential for ensuring employees' rights, fair wages, and safe working conditions. High union representation typically leads to better employee benefits and job security, representing transfer-OUT. At the same time, low union representation represents transfer-IN as it reflects low worker power that can potentially be exploited by employers and result in weaker employee protections that may lead to extractive transfers from labor to shareholders—especially in monopsony labor markets— and eventually lead to disputes. Classical economics also considers powerful trade unions as potential rent-seeking actors, extracting transfer-IN when their bargaining power is high. For instance, setting wages above the equilibrium level entails not only a transfer from shareholders to labor, but also from younger workers to older workers, and from outsiders to insiders. Empirical evidence suggests that the optimum range for trade union representation is roughly 30-50% of the workforce.	Employees	transfer-IN transfer-OUT
hc.STE	Stakeholder Engagement	SOC13 GOV8	Stakeholder Engagement refers to the methods and processes a company uses to interact with its stakeholders. This includes involving stakeholders in decision-making, establishing two-way communication, and implementing procedures to ensure meaningful engagement.	Effective stakeholder engagement fosters trust, transparency, and collaboration between the company and its stakeholders. Engaging stakeholders can lead to better decision-making by incorporating diverse perspectives, enhancing reputation, and mitigating risks associated with stakeholder dissatisfaction. This transfer-OUT activity demonstrates a company's commitment to inclusivity and responsiveness, contributing to long-term sustainability and value creation. Robust stakeholder engagement practices result in stronger relationships and ensure that a firm's operations align with stakeholder expectations and societal norms.	Society Employees Narratives	transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
hc.VTO	Voluntary Turnover of Employees	SOC13	The Voluntary Turnover of Employees Metric measures the rate at which employees voluntarily leave a company in a given year. It reflects the state of employee satisfaction, opportunities for career development, and overall workplace quality.	High voluntary turnover often signals employee dissatisfaction, poor working conditions, or a lack of engagement, and signals transfer-IN in the organization. Conversely, low turnover indicates the existence of good salaries, higher employee well-being, and a motivated workforce that may lead to productivity gains and hence a stronger capacity for value creation. This Metric helps to distinguish between extractive and inclusive labor environments, with turnover levels mapping directly to value transfer-IN or transfer-OUT.	Employees	transfer-IN transfer-OUT
hc.ITO	Involuntary Turnover of Employees	SOC13	The Involuntary Turnover of Employees Metric measures the proportion of employees dismissed or laid off by the company within a given year. It includes redundancies due to restructuring, cost-cutting, or performance-related dismissals.	High involuntary turnover may signal exploitative labor practices, weak workforce planning, or short-term cost cutting, representing a transfer-IN of value. The position taken is that the excessive reduction of a firm's labor force means that it expects lower turnover or profitability and implies an inability to leverage the workforce for sustainable value creation. An alternative reading of this Metric is that dismissals enhance efficiency through a firm's successful adaptation to external shocks and opportunities such as an economic downturn or the emergence of new technologies such as AI. If interpreted as such, the Metric would indicate transfer-OUT.	Employees	transfer-IN
hc.FWH	Flexible Working Hours	SOC15	The Flexible Working Hours Metric captures whether companies provide flexible working arrangements such as remote work, adaptable schedules, or part-time options. It also considers how accessible these arrangements are across the workforce.	Flexible work improves employee well-being, supports work-life balance, and increases workforce inclusivity. Such policies reduce extractive practices related to rigid labor structures and signal a transfer-OUT of value by empowering employees. The absence of such provisions is therefore treated as transfer-IN.	Employees	transfer-IN transfer-OUT
hc.DCS	Daycare Services	SOC15 SOC14	The availability of Daycare Services indicates whether companies provide childcare facilities or offer financial support for employees with dependent children. It also captures the extent of these benefits across the workforce.	Daycare services reduce structural barriers for parents, particularly women, to fully participate in the workforce. By addressing work-family conflicts, these services prevent extractive transfers caused by exclusion and improve long-term productivity. This enables inclusive value creation through greater labor force participation and represents a transfer-OUT.	Employees	transfer-OUT
hc.EDI	Employees with Disabilities	SOC14	The Employees with Disabilities Metric measures the proportion of employees with declared disabilities within a company's workforce. It also evaluates whether the company has active programs to integrate and support workers with disabilities.	Inclusive employment practices for people with disabilities broaden the talent pool and reduce systemic inequities. On the other hand, exclusionary practices represent extractive transfers where potential human capital is lost. This Metric thus identifies both transfer-IN (when discrimination or exclusion occurs) and transfer-OUT (when inclusive policies result in general value creation).	Employees Society	transfer-OUT
hc.MTR	Management Training	SOC13	The Management Training Metric measures investment in structured training programs designed for management and leadership development. It also captures whether such training is recurring and integrated with succession planning.	Management training enhances leadership quality at the top, reduces governance risks, and supplies insight to the organization. Lack of investment can indicate an unwillingness to invest in long-term talent development and the acquisition of information. The Metric is therefore associated with transfer-OUT when systematic management training is a regular practice, and transfer-IN when it is neglected.	Management Employees	transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
hc.SCL*	Supply Chain Labor Allegations	OPE7 SOC15 MAN4	Supply Chain Labor Allegations capture credible allegations of labor rights abuses in a company's supply chain, such as forced or child labor, unsafe working conditions, or the suppression of union rights.	Firms with strong ascendancy over their suppliers can push costs down the value chain until they are borne by the workers of these suppliers, who have the weakest bargaining power of all stakeholders. The resulting savings represent value appropriated but *not* created and represent transfer-IN. Allegations also signal operational, legal, and reputational risk, as supply chain due diligence laws in several jurisdictions increasingly hold leading firms accountable for the working conditions of their suppliers.	Suppliers Employees Abroad	transfer-IN
SUB-RATING I • RATING AREA (ii) MARKET POWER						
Pillar (ii.4) Coalition Dominance						
co.CPO	Cartel Power	MAN5 GOV8	Cartel Power refers to the influence and control exerted by a group of producers or businesses that have formally agreed to work together to regulate supply, manipulate prices, or coordinate other market activities. Evidence of this includes agreements on price floors, limitation of outputs, the assignment of market shares, customer assignment, territory division or bid-rigging, and profit allocation among the cartel members.	Cartel power significantly impacts market dynamics by reducing competition, which can lead to higher prices, reduced innovation, and inefficiencies. This classic transfer-IN activity appropriates value from consumers and other market participants through anti-competitive practices. Understanding the cartel power of a firm is essential for assessing and identifying the potential risks associated with regulatory penalties and reputational damage. Companies that engage in or are affected by cartel activities must navigate complex legal and ethical challenges that can have long-term implications on their sustainability and financial performance.	Customers Government Suppliers	transfer-IN
co.CED	Coalition Economic Dominance	MAN5	Coalition Economic Dominance refers to the extent of control exerted by leading elite business models on an economy in general.	High industry dominance in an economy can lead to the misallocation of resources such as privileged or exclusive access to capital by elites to the detriment of consumer welfare. Transfer-IN is deemed to occur in countries with high levels of coalition dominance, as elites benefit from value appropriated but *not* created. This reflects potential state and institutional capture and market inefficiencies that might compromise social and political stability.	Customers Government	transfer-IN
co.CEC	Coalition Economic Concentration	MAN5	Coalition concentration in an economy refers to the extent of control exerted by a particular coalition or industry measured using the Herfindahl–Hirschman Index (HHI). The index ranges from ~0 (many small industries) to 10,000 (a mono-industry economy). A HHI of about 1,000 corresponds to approximately ten equal-sized major industries and indicates a moderate—not "excessively dominant"—concentration; markedly higher values (of 2,000+) suggest a highly concentrated structure.	High coalition concentration in an economy can lead to the misallocation of resources including privileged or exclusive access to capital by elites to the detriment of consumer welfare. Transfer-IN is deemed to occur for firms operating in countries with an HHI above 2,000 or below 1,000. In countries with high levels of coalition economic dominance, elite firms are likely to benefit from value appropriated but *not* created. As society becomes aware of this circumstance, social and political stability might be compromised.	Customers Government Suppliers	transfer-IN

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
co.CES	Coalition Economic Share	MAN5	The Metric Coalition Economic Share is defined as the dominance of a single elite business coalition in an economy. It refers to the industry of the firms involved and measures that industry's output as a percentage of total GDP.	Single elite business coalition concentration potentially reflects undue bargaining power differentials and might impact the competitiveness of the nation while also skewing the fair and market-based allocation of resources and overall consumer welfare. Firms in such dominant coalitions may enjoy value appropriated but *not* created associated with potential state and institutional capture and market inefficiencies. As society becomes aware of this circumstance, the companies that are part of such coalitions and the dominant industries themselves may face a public backlash, regulatory scrutiny, and potential interventions aimed at curbing their influence. On the other hand, a single coalition may be responsible for a high percentage of total GDP because the firms involved are innovative and globally competitive. Despite this, the position is that the Metric measures the undue bargaining power enjoyed by an extremely dominant coalition as potential future value extraction.	Customers Government	transfer-IN
Pillar (ii.5) Firm Dominance						
fd.ACC	Anti-competition Controversies	GOV8 MAN5	Anti-competition Controversies refers to the number of reported incidents and volume of media coverage related to a company's involvement in anti-competitive behavior, including anti-trust violations, price-fixing, kickbacks, and other practices that undermine fair competition.	Incidents of anti-competitive behavior can lead to legal penalties, reputational damage, and loss of stakeholder trust. Such recognized and institutionalized negative externalities represent value transfer-IN.	Customers Government	transfer-IN
fd.GPA	Golden Parachute	GOV8 GOV9	The Golden Parachute Metric captures the presence and scale of golden parachute arrangements, which provide large payouts to executives in the event of their termination or a change in the control of an organization. It considers both contractual obligations and the financial magnitude of these.	Golden parachutes are a reflection of elite power. They reduce accountability and impose costs on shareholders, representing transfer-IN by management. Overall, these devices highlight potential value extraction by executives at the expense of broader stakeholders. Occasionally, golden parachutes help to stabilize leadership transitions and could therefore represent transfer-OUT.	Shareholders Management	transfer-IN
fd.POP	Poison Pill	GOV8	The Poison Pill Metric measures whether a company employs poison pill strategies to block takeovers. It captures both the existence and application of such defensive measures.	Poison pills restrict market forces by preventing takeovers that could enhance efficiency or shareholder value. They are typically associated with transfer-IN, with management protecting its privileges at the expense of investors and other stakeholders that would benefit from circulation at the top. The presence of poison pills signals the reduced contestability of present corporate control and potential inefficiencies.	Shareholders Management	transfer-IN
fd.SPL	Succession Plan	GOV8	The Succession Plan Metric evaluates whether a company has a formal succession plan in place for key leadership positions. It considers both disclosure and implementation aspects.	Succession planning strengthens governance, ensures continuity, and reduces risks associated with abrupt leadership changes. When absent, companies signal reliance on practices that prioritize the power of current management stability over long-term considerations and hence reflects transfer-IN. When present, succession planning represents a transfer-OUT by supporting organizational health.	Shareholders Management	transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
fd.FCO	Fair Competition	GOV8 MAN5	Fair Competition refers to a company's commitment, as outlined in its code of conduct, to engage in business practices that promote equitable competition. This includes respecting other companies' patents, copyrights, and intellectual property, and avoiding anti-competitive behavior such as price fixing and monopolistic tactics. This information is typically found in the code of conduct section of a company's annual report.	Fair competition is essential for maintaining a healthy market environment and fostering innovation. A company's commitment to fair competition represents a self-imposed constraint on transfer-IN and is therefore treated as transfer-OUT, as it contributes to a level playing field and promotes trust among stakeholders. By adhering to fair competition practices, companies help prevent monopolistic and other behaviors that lead to market inefficiencies and consumer harm. Companies that strive for fair competition are likely to build a stronger reputation and more sustainable business models.	Customers Government	transfer-OUT
fd.MCO	Market Concentration	MAN5	Market Concentration refers to the degree of control that a single company holds over sales, production, or capacity in a particular industry as measured by the HHI, using total firm revenues within their sector as a benchmark.	Market concentration impacts the competitive dynamics and economic efficiency of an industry and when excessive can lead to monopolistic practices, reduced consumer choice, and higher prices, hence representing a transfer-IN activity. Transfer-IN is deemed to occur in industries with concentrated market shares where the HHI is above 2,000 or below 1,000. A high market concentration of firms is deemed to be an industry property because in Olsonian fashion it produces dominant coalitions with excessive Non-market power in the political economy.	Customers Government	transfer-IN
fd.MDO	Market Dominance	MAN5	Market Dominance refers to the extent that a company has substantial control over a market, often indicated by it holding a significant market share. This dominance allows the company to influence prices, outputs, and competitive dynamics, potentially leading to anti-competitive behavior.	Market dominance allows powerful companies to exert significant influence over pricing, supply, and competitive practices. Transfer-IN activity is established when a firm possesses a market share higher than 20% in its main market. While this can lead to higher profitability for a firm, it can also reduce market competition, innovation, and consumer choice. Companies with dominant market positions must expect regulatory scrutiny and ensure that their practices are not deemed to constitute anti-competitive behavior that harms consumer welfare or market fairness.	Customers Suppliers Government	transfer-IN
fd.PMA	Operating Margin	FIN1 MAN5	Operating Margin measures the percentage of revenue that remains after all operating expenses are deducted. It is calculated by dividing operating income by total revenue and expresses the efficiency and profitability of a company's core business operations.	Operating margin is a crucial Metric for assessing a company's profitability and operational efficiency. A high operating margin indicates effective cost management and the ability to generate profits from core operations, representing a transfer-OUT activity. Conversely, a low operating margin suggests higher operational costs relative to revenue and indicates inefficiencies and potential financial challenges, representing a transfer-IN activity. High (transfer-OUT) and low (transfer-IN) operating margins are determined to exist if they are 5% above or 5% below average industry operating margins.	Customers Shareholders Suppliers	transfer-IN transfer-OUT
fd.ABT	Average Board Tenure	GOV8	The Average Board Tenure Metric measures the average tenure of board members in years. It reflects whether a board is composed of long-serving members or undergoes regular renewal.	Board tenure impacts oversight quality and independence. Very long tenures are a reflection of strong board power and may reduce accountability and entrench management practices, indicating the possibility of transfer-IN behavior through extractive governance. Moderate board tenures are likely to support a more balanced form of governance. At the same time, high board turnover may disrupt continuity, the accumulation of knowledge and strategic insights in the top echelons, and thus reduce value creation (transfer-IN).	Shareholders Management	transfer-IN
fd.IBM	Independent Board Members	GOV8	The Independent Board Members Metric measures the proportion of independent directors on a company's board. It also considers whether key committees are composed of independent members.	Independent directors enhance oversight, reduce conflicts of interest, and strengthen governance. A lack of independence represents transfer-IN behavior as entrenched management captures value at the expense of shareholders and stakeholders. Conversely, a strong degree of independence represents transfer-OUT behavior by promoting inclusive governance.	Shareholders Management	transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
fd.CCP	Consumer Complaints	OPE6	The Consumer Complaints Metric tracks the volume and severity of consumer complaints received by a company relative to its customer base. It also considers whether companies disclose complaint data and their response times.	High complaint volumes often indicate poor product quality or exploitative practices, reflecting the power of a firm over its consumer stakeholders and evidencing transfer-IN behavior. The Metric therefore distinguishes between extractive and inclusive customer relations. Addressing complaints transparently and effectively will lead to their reduction and represents transfer-OUT by building trust and creating long-term value.	Customers	transfer-IN
fd.STR	Strikes	SOC15 SOC13	The Strikes Metric records the frequency of labor strikes affecting a company.	Strikes typically signal disputes over wages, working conditions, or other labor rights, reflecting underlying extractive practices and transfer-IN behavior. This Metric thus provides insight into how an organization manages its human capital dynamics and the quality of its governance practices. An alternative perspective on strikes is that powerful labor unions abuse their political power to extract value from firms to the detriment of outsiders such as younger workers, but this position is not considered in the Metric.	Employees	transfer-IN
fd.EFT	Employee Fatalities	SOC15	The Employee Fatalities Metric captures the number of employee fatalities linked to workplace accidents or unsafe conditions. It includes incidents for both direct employees and third-party contractors.	Employee fatalities are a clear indicator of extractive practices, where insufficient safety measures impose severe social costs as companies avoid necessary investments. Such events are categorized as transfer-IN because they externalize risks and costs onto workers and society. The Metric reflects the power that firms hold over workers, contractors, and regulatory stakeholders.	Employees	transfer-IN
fd.EAC	Employee Accidents	SOC15	The Employee Accidents Metric tracks the frequency and severity of workplace accidents involving employees and third-party contractors. It covers both injury rates and lost working days.	High accident rates point to extractive labor practices where companies underinvest in adequate health and safety initiatives. These practices incur transfer-IN costs by burdening workers and public health systems. The Metric reflects the power that firms hold over workers, contractors, and regulatory stakeholders.	Employees	transfer-IN
fd.CCX*	Cash Conversion Asymmetry	OPE7 FIN1	Cash Conversion Asymmetry measures the difference between the days a company takes to pay its suppliers (days payables outstanding, DPO) and the days it takes to collect payment from its customers (days sales outstanding, DSO), relative to the sector median.	A firm that collects from its customers quickly while paying its suppliers slowly finances its working capital with its counterparties' money. When this asymmetry exceeds the sector norm, it reflects bargaining power rather than operational efficiency and shifts financing costs and liquidity risk to (often smaller) suppliers and represents transfer-IN. An asymmetry below the sector norm, i.e., paying suppliers faster than customer collections relative to its peers, indicates fair commercial terms and is treated as transfer-OUT. Unlike Supplier Payment Extraction (fd.SPT), which considers payment terms alone, this Metric captures whether a firm uses its power to shift its working capital needs onto its supplier counterparties.	Suppliers Customers	transfer-IN transfer-OUT
fd.CPE*	Consumer Protection Enforcement	OPE6 GOV8	Consumer Protection Enforcement captures the number and monetary value of enforcement actions, fines, and settlements imposed on a company by consumer protection authorities, for example, for misleading advertising, unfair contract terms, or the sale of unsafe products.	Enforcement actions document cases in which a firm appropriates value from its customers through practices that regulators have found to be unfair or deceptive. Unlike Consumer Complaints (fd.CCP), enforcement actions reflect an official finding and are thus a stronger signal of extraction. The resultant revenue is 'value appropriated but *not* created' and is treated as transfer-IN. Repeated enforcement actions against a firm also point to weak internal controls and the risk of further sanctions and reputational damage.	Customers Government	transfer-IN

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
fd.MKU*	Markup over Marginal Cost	OPE6 MAN5	Markup over Marginal Cost measures the ratio of a company's output price to its marginal cost, estimated from financial statement data with the production-function approach and benchmarks it against the sector median.	Markups above the sector norm indicate that a firm can set prices well above its costs, which is a direct measure of market power. While moderate markups are necessary to recover fixed costs such as R&D, persistently high markups transfer surpluses from customers to the firm and are associated with lower investment, declining labor shares, and reduced business dynamism. Markups substantially above the sector median are therefore treated as transfer-IN. On the other hand, markups substantially below the sector median increase the surpluses for stakeholders (particularly customers) and are therefore treated as transfer-OUT.	Customers Shareholders	transfer-IN transfer-OUT
fd.RST*	Accrual Quality / Restatements	FIN1 GOV9	Accrual Quality / Restatements captures restatements of previously published financial statements due to errors or irregularities, complemented by measures of abnormal accruals that indicate the extent to which reported earnings are not backed by cash flows.	Financial reporting is the basis on which investors, lenders, employees, and tax authorities assess a firm. Restatements and low accrual quality often indicate that management has presented a more favorable picture than warranted, which allows the firm to raise capital on better terms, inflate performance-based pay, or defer scrutiny. Such misreporting appropriates value from capital providers and other stakeholders and is treated as transfer-IN. Restatements are also followed by substantial losses in firm value and a higher cost of capital.	Shareholders Lenders Government	transfer-IN
fd.SPT*	Supplier Payment Extraction	OPE7 FIN1	Supplier Payment Extraction measures a company's days payables outstanding, i.e., accounts payable divided by the cost of goods sold and multiplied by 365, compared with the sector median.	Extending payment terms well beyond industry norms is a common way for powerful buyers to finance themselves at the expense of their suppliers. The supplier effectively grants an interest-free loan, bears additional liquidity risk, and may have to turn to costly external finance. Payment periods above the sector median are therefore treated as transfer-IN, whereas prompt payment that supports suppliers' liquidity is treated as transfer-OUT.	Suppliers	transfer-IN transfer-OUT
fd.DCV*	Dual-Class Voting Wedge	GOV8	Dual-Class Voting Wedge captures whether a company has more than one class of common shares with unequal voting rights, so that the voting power of controlling shareholders exceeds their share of cash-flow rights.	When control rights exceed economic ownership, privileged insiders can make decisions that benefit them while bearing only part of the costs, weakening the position of the other shareholders. Such structures enable the extraction of private benefits of control and are associated with lower firm valuations and potentially higher than average executive pay. Any departure from the one-share-one-vote standard is therefore treated as transfer-IN, irrespective of the size of the wedge, since the entrenchment it confers arises from the structure itself and not from its degree.	Shareholders Management	transfer-IN
fd.OVB*	Director Overboarding	GOV8	Director Overboarding measures the average number of outside board seats held by a company's directors, compared with the sector median.	Directors who sit on too many boards have less time to supervise management, which weakens oversight and is associated with lower firm valuations. Overboarding above the sector norm thus allows management and other insiders to appropriate value from shareholders with less scrutiny, while directors collect fees for supervisory services they cannot fully deliver. It is therefore treated as transfer-IN.	Management Shareholders	transfer-IN
Pillar (ii.6) Creative Destruction						
cd.RDE	R&D Intensity	MAN3 TEC16	R&D Intensity includes all costs associated with the development of new products, services, processes, or technologies in relation to revenue. These expenses cover direct and indirect costs related to research activities and the creation of commercially viable innovations. R&D intensity is measured as a percentage of total revenue, the higher the better.	R&D expenses are critical for driving innovation, competitive advantage, and long-term growth. These expenses represent a transfer-OUT activity as they involve significant risk-taking and investment in future capabilities and sustainable value creation. Companies with substantial R&D investments are often at the forefront of technological advances, improving their market position and resilience.	Society Customers Suppliers	transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
cd.RDC	Climate-Related R&D Investment	MAN3 ENV10	Climate-Related R&D Investment includes all costs associated with research and development activities aimed at creating products, technologies, and processes that help a company transition to more climate-resilient and sustainable operations.	Investing in climate-related R&D is essential for companies to address climate change risks and seize opportunities in the transition to a low-carbon economy. These expenses are a transfer-OUT activity, as they contribute to sustainable value creation by developing innovative solutions that mitigate environmental impacts and enhance resilience over the long term. Companies that prioritize climate-related R&D are better positioned to comply with quickly evolving regulations, meet stakeholder expectations, and gain a competitive edge in emerging green markets.	NextGen Nature Society	transfer-OUT
cd.RDR	Responsible R&D Controversies	MAN3 OPE6	The Responsible R&D Controversies Metric refers to the number of incidents reported in the media where a company's research and development activities have led to legal or ethical disputes. These include lawsuits related to illegal, unethical, or unauthorized research, development, testing, and experimentation practices.	Tracking controversies in responsible R&D is vital for understanding a company's adherence to ethical standards, regulatory compliance in its innovation processes, and public trust risks. Frequent controversies can indicate systemic governance and risk management issues potentially leading to legal penalties, reputational damage, and loss of stakeholder trust, representing a transfer-IN activity due to negative externalities. Evaluating the scale and frequency of such controversies helps stakeholders assess the risks associated with a company's R&D practices and whether a firm is committed to conducting responsible and ethical research.	Customers Society	transfer-IN
cd.INT	Intangibles	MAN5 MAN3 TEC16	The Intangibles Metric captures the proportion of intangible assets such as patents, brands, and goodwill relative to total assets. It reflects the company's reliance on intangible resources for value creation.	Intangible assets can foster innovation and competitive advantage, representing transfer-OUT behavior when built through genuine creativity. This Metric helps to distinguish sustainable from unsustainable reliance on intangibles. The excessive valuation of goodwill or inflated brand valuations may mask weak fundamentals, representing transfer-IN extraction. In the future, an optimal threshold might be established for this Metric to better account for the phenomenon.	Society Suppliers Shareholders	transfer-OUT
cd.GCX	Green Capex	ENV10 FIN2	Green Capex measures the share of capital expenditures dedicated to environmentally sustainable projects, such as renewable energy or energy-efficient infrastructure.	A high level of green capital expenditure signals forward-looking investment and suggests long-term resilience, representing transfer-OUT value creation. The firm does not use its power to extract from the nature stakeholder and society at large. A lack of such investments may indicate short-term extraction and underinvestment in sustainability (transfer-IN). This Metric directly connects innovation to environmental responsibility.	Nature NextGen Shareholders	transfer-OUT
cd.RRC	Resource Reduction	ENV12	The Resource Reduction Metric evaluates corporate initiatives aimed at reducing resource consumption per unit of output. It includes improvements made to materials, energy, and water efficiency.	Resource reduction strengthens efficiency and lowers environmental impacts, reflecting transfer-OUT behavior. Failure to invest in such measures represents transfer-IN behavior by externalizing costs to society and ecosystems. This Metric highlights the role of innovation in balancing extraction and creation.	Nature NextGen	transfer-OUT
cd.PKG	Packaging	ENV12	The Packaging Metric evaluates the company's packaging practices, including the amount of packaging material used, how recyclable it is, the use of recycled content, and initiatives to reduce single-use plastics or excessive materials usage.	Packaging is a major source of waste and has a significant environmental impact. Firms that innovate in packaging design by reducing, reusing, or recycling their materials usage demonstrate transfer-OUT, creating value by using their power to support efficiency and sustainability.	Nature Customers	transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
cd.EWA	E-Waste	ENV12	The E-Waste Metric captures the volume of electronic waste generated by a company's products and operations, along with efforts to manage, recycle, or design products for end-of-life recovery.	E-waste is one of the fastest-growing waste streams, with hazardous components that pose risks to health and the environment. Poor management reflects transfer-IN by shifting the disposal costs onto society. Firms with robust take-back schemes and product design that supports recycling demonstrate that they use their resources and power for transfer-OUT through circular practices.	Nature NextGen	transfer-IN
cd.GBU	Green Building	ENV10	The Green Building Metric assesses a company's involvement in green building, either by using verified certification frameworks (e.g., LEED, BREEAM) or sustainable construction practices that reduce energy, water, and material use.	Buildings contribute significantly to global energy use and emissions. Investment in certified green building reflects transfer-OUT, as companies internalize environmental responsibilities and use their resources and power to deliver long-term efficiency gains. Such initiatives reduce systemic risks and create shared value, representing inclusive behavior.	Nature NextGen	transfer-OUT
SUB-RATING II • RATING AREA (iii) Non-market VALUE						
Pillar (iii.7) Giving Income						
gi.FTA	Free Trade Agreements Utilization	MAN4	Free Trade Agreements (FTAs) Utilization measures how effectively a company capitalizes on the benefits provided by FTAs, including reduced tariffs, improved market access, and simplified customs procedures. This Metric assesses the extent to which a company uses these agreements to boost its international trade operations and competitiveness.	Utilizing FTAs is critical for a company's international trade strategy, providing significant cost savings through reduced tariffs and enhanced market access. The effective use of FTAs can lead to increased export volumes, lower import costs, and improved supply chain efficiency, representing a transfer-OUT activity that creates additional value. Companies that optimize how they utilize FTAs can achieve a competitive advantage in global markets, increase profitability, and foster sustainable growth. Monitoring this Metric helps stakeholders understand a company's trade strategy and its ability to navigate complex international trade regulations.	Abroad Government Customers	transfer-OUT
gi.DON	Donations	GOV8	Donations refer to the total monetary and in-kind contributions made by a company to charitable causes, divided by the company's revenue. This Metric therefore measures the proportion of a company's revenue dedicated to philanthropic activities.	Donations are an important indicator of a company's commitment to social responsibility and community development. Measuring donations as a percentage of revenue helps assess the extent to which a company prioritizes philanthropy relative to its financial performance. High donations relative to revenue represent a transfer-OUT activity, indicating that a company makes significant investments in societal well-being and sustainable value creation. This can enhance a company's reputation, strengthen stakeholder relationships, and contribute to social sustainability. However, excessive donations may also raise concerns about financial efficiency and shareholder value. The donations ratio reflects the balance between a company's philanthropic commitments and its overall financial capacity.	Society Narratives	transfer-OUT
gi.CDF	Community Development Financing	GOV8	Community Development Financing refers to the total financial resources allocated by a company to support community development and environmental conservation projects. This includes offering access to microfinancing, providing affordable housing, business lending, and investments aimed at environmental sustainability.	Community lending and environmental conservation investments are essential for promoting social equity and environmental sustainability. Companies that actively support these initiatives engage in transfer-OUT activities, contributing positively to the well-being of their communities. Conversely, companies that neglect these areas miss opportunities to support the development of indirect stakeholders in their vicinity.	Society	transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
gi.BDT	Biodiversity Targets	 ENV11	The Biodiversity Targets Metric assesses whether firms set measurable, time-bound biodiversity commitments, such as achieving deforestation-free supply chains, restoring ecosystems, or committing to net-positive impacts on nature. The presence of clear biodiversity targets demonstrates corporate accountability in addressing one of the most pressing sustainability challenges of our time and signals alignment with evolving global regulatory frameworks. Targets also provide visibility to stakeholders, improve transparency, and strengthen business resilience by anticipating ecological and reputational risks.	Biodiversity targets function as a transfer-OUT Metric, as they create tangible positive spillovers by safeguarding ecosystems and the services they provide to society. Over time, the existence and credibility of biodiversity targets reveal whether companies are contributing value to the nature stakeholder whose services are essential for all humans.	 Nature  NextGen	transfer-OUT
gi.ATR	Animal Testing Reduction	 ENV11  OPE6	The Animal Testing Reduction Metric captures the degree to which firms succeed in reducing or replacing animal testing through innovative alternatives such as in vitro technologies, digital modeling, or synthetic substitutes.	Reducing animal testing is a transfer-OUT Metric, as it represents a positive spillover in the form of reduced harm to animals—non-human stakeholders—in alignment with consumer expectations. The promotion of safer and more advanced testing technologies reflects an active decision to internalize and take responsibility for ethical concerns involving the mistreatment of animals. Progress on this front reflects a company's capacity to innovate and anticipate societal and regulatory shifts. Over time, this Metric also highlights whether firms are willing to take the lead in responsible innovation or cling to outdated and controversial practices.	 Nature	transfer-OUT
gi.DIV	Dividend Reinvestment Balance	 FIN2	The Dividend Reinvestment Balance Metric compares the capital expenditures a company reinvests in the business with the dividends it distributes to shareholders, calculated as capital expenditures divided by dividends paid. A high ratio indicates that the focus is on the long term through reinvestment, while a low ratio reflects an emphasis on short-term payouts. The Metric provides a clear view of whether a company's capital allocation policy is aligned with sustainable value creation.	When the ratio of this Metric is low and payouts dominate, it represents a Transfer-IN, as firms extract value for shareholders while potentially underinvesting in productive capacity and future innovation. The position taken is that the more reinvestment the better, as this transfer-OUT is deemed to contribute positively to economic development and resilience. Over time, the ratio of this Metric reflects the balance firms strike between value creation and extraction in their capital allocation decisions.	 Shareholders  Society	transfer-IN transfer-OUT
gi.REI	Renewable Energy Intensity	 ENV10	Renewable Energy Intensity measures the share of a firm's total energy consumption that comes from renewable sources such as wind, solar, hydro, or biomass. It reflects the degree to which companies are actively transitioning away from fossil fuel dependence and aligning their operations with global climate goals.	Renewable energy intensity is a Transfer-OUT Metric, as it creates positive externalities for nature and many stakeholders in society by reducing greenhouse gas emissions, improving air quality, and enhancing energy security. Firms that fail to adopt renewables may forgo these contributions. Over time, this Metric indicates whether firms are merely adapting to external pressures or proactively contributing to the global energy transition.	 Nature  NextGen	transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
gi.LER	Land Environmental Impact Reduction	ENV11	The Land Environmental Impact Reduction Metric assesses the extent to which companies reduce negative land-use impacts through initiatives such as sustainable agriculture, land restoration, or reduced ecosystem degradation. It captures corporate responsibility for managing one of the most valuable yet vulnerable resources: land. Effective strategies here demonstrate forward-looking governance and a commitment to preserve natural capital for future generations.	Land environmental impact reduction represents transfer-OUT as it reflects positive externalities such as improved ecosystem services, food security, and biodiversity protection. Firms that fail to reduce such impacts may or may not capture rents. However, over time, this Metric highlights whether companies act as stewards of the land they affect or disregard the long-term consequences of unsustainable land use.	Nature Society	transfer-OUT
gi.BBK*	Share Buyback Intensity	FIN2 GOV8	Share Buyback Intensity measures the amount a company spends on repurchasing its own shares relative to revenue, compared with the sector median payout norm.	Share buybacks return cash to shareholders and can be an efficient use of excess capital. When they exceed sector norms, however, they may come at the expense of investment, employees, and long-term value creation, and they can be timed to meet earnings-per-share targets that drive executive compensation. Buybacks above the sector norm are therefore treated as transfer-IN where they come at the expense of investment and employees or serve to meet performance targets in executive pay plans. The Metric complements Dividend Reinvestment Balance (gi.DIV).	Shareholders Management Employees	transfer-IN
Pillar (iii.8) Taking Income						
ti.SUB	Subsidies	GOV9	Subsidies are government practices that involve the direct or potential transfer of funds, fiscal incentives, the provision of goods or services other than for general infrastructure, or payments to private bodies to perform functions typically handled by the government. Examples include grants, loans, equity infusions, loan guarantees, tax credits, and government-provided services.	Subsidies are critical for assessing a company's financial and sustainability performance. These transfer-IN activities help companies to reduce costs, invest in research and development, and expand operations. However, reliance on subsidies is a form of transfer-IN that can distort market competition and lead to inefficiencies. The proper management of subsidies ensures that they contribute positively to sustainable value creation rather than creating dependencies. Subsidies can enhance competitiveness and innovation, which would then be reflected by other SVC Metrics, with the extent of government support provided to a company being critical in understanding its long-term sustainability.	Government Society	transfer-IN
ti.ETR	Effective Tax Rate	GOV9	The Effective Tax Rate measures the average rate at which a company's pre-tax profits are taxed. This Metric provides insight into the company's tax obligations relative to its earnings and is benchmarked against the industry average.	The effective tax rate is a crucial indicator of a company's tax burden and its contribution to public finances. Companies with lower effective tax rates than the industry average benefit from a transfer-IN activity, potentially raising concerns about tax avoidance and its impact on public resources. Conversely, those with higher effective tax rates represent a transfer-OUT activity, providing a greater contribution to public funds that can enhance their social responsibility profile. Understanding a company's effective tax rate helps stakeholders assess a company's financial strategies and whether it takes an ethical stance on taxation. A negative deviation of 5% from the industry average is seen as a low effective tax rate.	Government Society	transfer-IN transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
ti.EXC	Executive Compensation	GOV9 GOV8	Executive Compensation includes all forms of payments and benefits provided to senior executives as reported by the company. This encompasses salaries, bonuses, stock options, and other financial rewards given to top management.	Executive compensation is a critical aspect of corporate governance and financial performance. High executive compensation can attract and retain talented leaders, driving company success and representing a transfer-OUT activity by investing in leadership. However, disproportionately high executive compensation relative to company performance can indicate a misalignment between executive incentives and shareholder interests, potentially harming long-term value creation (transfer-IN). The threshold according to empirical studies for an extractive executive compensation is 50-100 times the CEO-to-Median-Employee Pay.	Management Employees Shareholders	transfer-IN transfer-OUT
ti.ANT	Animal Testing	ENV11 OPE6	The Animal Testing Metric captures the degree to which companies take value from animals by using them for testing in research and product development. A high level of reliance on animal testing leads to ethical concerns, reputational risks, and regulatory exposure, particularly in industries such as pharmaceuticals, chemicals, and cosmetics.	Animal testing is a transfer-IN Metric, since firms externalize ethical and ecological costs to society, especially to sentient animals, even if they obtain regulatory approval for such practices to create product safety benefits for humans. Reducing reliance on animal testing diminishes this extraction but does not generate any additional spillovers. Animal testing highlights the trade-off between compliance, innovation, and ethical sustainable value creation.	Nature	transfer-IN
ti.DEF	Deforestation	ENV11 OPE7	The Deforestation Metric measures a company's direct or indirect contribution to deforestation through sourcing practices, land use, or supply chain exposure. Deforestation undermines biodiversity, carbon storage, and ecosystem services, while also increasing reputational and regulatory risks. Companies with strong monitoring and mitigation practices demonstrate alignment with sustainable value creation.	Deforestation represents a Transfer-IN, as firms exploit natural resources and the nature stakeholder and externalize the ecological costs to society in the form of habitat destruction, climate change, and lost ecosystem services. By reducing or eliminating deforestation from operations and supply chains, firms avoid these externalities. Over time, this Metric reflects whether companies align their growth path with practices that support or extract from the nature stakeholder.	Nature NextGen Abroad	transfer-IN
ti.SSV	Safety Standard Violations	OPE6	Safety Standard Violations considers controversies and lawsuits that cause harm to a firm's customers, employees, and third-party stakeholders as a result of its operations.	Non-compliance with health and safety standards can lead to significant short-term cost savings and profit gains, representing a transfer-IN activity. However, such practices pose substantial risks, including legal penalties, reputational damage, and long-term financial losses. Ensuring compliance with health and safety regulations is a part of sustainable value creation, as it protects all stakeholders and enhances corporate reputation.	Customers Government	transfer-IN
ti.FCO	Fleet CO2 Emissions	ENV10 OPE7	Fleet CO2 Emissions measures the average carbon emissions generated by a company's owned or leased vehicle fleet, including logistics, transport, and operational vehicles. High emission levels point to inefficiencies in operations and greater exposure to regulatory risks from tightening green transport standards. Lower emission levels demonstrate operational efficiency and a contribution to reducing air pollution and climate impact.	High fleet emissions create a transfer-IN when firms shift the environmental and health costs of carbon and air pollution to society's stakeholders while benefiting from cheap mobility. Investments in cleaner fleets reduce these externalities, but the outcome is the avoidance of extraction rather than the creation of new value spillovers. Over time, this Metric illustrates how quickly companies adapt their logistics and transport systems to support decarbonization.	Nature NextGen Society	transfer-IN

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
ti.OCR	Operations in Critical Regions	GOV8 MAN4	Operations in Critical Regions refers to the number of media-reported controversies related to a company's operations in undemocratic countries that do not respect fundamental human rights.	Operating in critical countries may be associated with controversies that lead to legal challenges, reputational damage, and financial losses, and so represent a transfer-IN activity based on extractive business practices. However, difficult business environments, while posing significant risks due to perceptions of extraction and exposure to unstable political systems, can be carried out with high quality processes that contribute to value creation, support better institutions, and train local human capital.	Abroad Society Government	transfer-IN
ti.CHA*	Community Harm Allegations	GOV8 ENV11	Community Harm Allegations captures credible allegations of harm to local communities caused by a company's operations, such as land grabs, forced displacement, the pollution of water and soil, or the violation of indigenous rights. Allegations are coded by severity and scaled by the company's exposure.	Communities near operating sites are societal stakeholders that often bear the costs of extraction, construction, and pollution without being compensated, while lacking the bargaining power to resist. Such harms are considered to be 'value appropriated but *not* created' and represent transfer-IN. Community conflicts also pose material risks to firms, as they can lead to project delays, litigation, and even the loss of the license to operate.	Society Abroad Nature	transfer-IN
ti.CTR*	Cash Effective Tax Rate	GOV9	Cash Effective Tax Rate measures the income taxes a company actually pays in cash relative to its pre-tax income, compared with the statutory tax rate weighted by the jurisdictions in which the company operates.	Reported tax expense can differ substantially from the taxes actually paid, for example, due to deferrals, credits, or profit shifting. The cash effective tax rate therefore provides a cleaner measure of a firm's fiscal contribution than the accounting-based Effective Tax Rate (ti.ETR). A rate below the jurisdiction-weighted statutory rate indicates that the firm benefits from public goods without paying its share for them and is treated as transfer-IN, while a rate at or above this benchmark is treated as transfer-OUT.	Government Society	transfer-IN transfer-OUT
ti.SOP*	Say-on-Pay Dissent	GOV8 GOV9	Say-on-Pay Dissent measures the percentage of votes cast against a company's executive compensation proposal at the annual general meeting.	Say-on-pay votes give shareholders a direct voice on executive compensation. High levels of dissent indicate that shareholders regard pay to be excessive or poorly aligned with performance, suggesting that top managers appropriate value they have not created. Dissent above a materiality threshold is therefore treated as transfer-IN, while broad shareholder support is treated as transfer-OUT, as it signals pay arrangements that are accepted as fair by those that bear their costs.	Shareholders Management	transfer-IN transfer-OUT
ti.NAF*	Non-Audit Fee Ratio	GOV9	Non-Audit Fee Ratio measures the fees a company pays to its external auditor for non-audit services, such as tax and consulting, relative to the audit fees paid to the same auditor, compared with the sector median.	High non-audit fees can compromise auditor independence, as the auditor's economic interest in retaining lucrative advisory work may weaken its willingness to challenge management. Reduced audit quality allows management to present a more favorable picture to investors, lenders, and tax authorities than warranted. Ratios above the sector norm are therefore treated as transfer-IN.	Shareholders Management Lenders	transfer-IN
ti.PPS*	Pay-Performance Sensitivity	GOV8 GOV9	Pay-Performance Sensitivity measures how strongly the compensation of a company's chief executive officer responds to changes in firm performance and shareholder value.	Executive pay creates value when it rewards managers for the value they create. When pay is insensitive to performance, executives appropriate compensation regardless of the outcomes they deliver, which represents transfer-IN. On the other hand, a strong link between pay and long-term performance aligns management with the interests of shareholders and other stakeholders and is treated as transfer-OUT.	Management Shareholders	transfer-IN transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
Pillar (iii.9) Unearned Income						
ui.CEX	Carbon Exposure	ENV10	Carbon Exposure measures the financial impact of a company's CO2 and CO2-equivalent emissions (Scope 1 and Scope 2). A firm's CO2 emissions (in tonnes) are multiplied by the current carbon price and then divided by total company revenue. This Metric assesses the cost burden or benefit associated with a company's carbon emissions.	Carbon exposure is crucial for understanding a company's environmental impact and financial risk related to carbon emissions. High carbon exposure indicates significant financial liability due to carbon pricing and potential regulatory and market risks, thus representing a transfer-IN activity. Conversely, the effective management of carbon emissions can lead to cost savings and improved sustainability, enhancing a company's long-term value. This Metric describes a company's environmental performance and its ability to adapt to rapidly evolving carbon emission regulations.	Nature NextGen Society	transfer-IN
ui.COC	Carbon Offsets and Credits	ENV10	Carbon Offsets and Credits refers to the total amount of CO2-equivalent offsets, credits, and allowances (in tonnes) that a company purchases or produces during a fiscal year. This includes investments in projects like wind farms or tree planting, which contribute to offsetting a company's carbon emissions.	Investing in carbon offsets and credits is essential for companies aiming to mitigate their environmental impact and achieve sustainability goals. These efforts help companies manage their carbon footprint and comply with emissions regulations, representing a transfer-OUT activity that positively contributes to environmental sustainability. By offsetting emissions, companies can achieve carbon neutrality, enhancing their reputation and providing a competitive advantage. This Metric provides insight into a company's commitment to reducing its carbon impact and supporting sustainable practices.	Nature NextGen	transfer-OUT
ui.SCE	Scope 3 Emissions	ENV10 OPE7	Scope 3 Emissions measure the indirect greenhouse gas emissions that occur across a company's value chain, including those from upstream suppliers and downstream product use. These emissions often make up the majority of a firm's climate footprint, yet they remain the hardest to measure and manage. Addressing Scope 3 emissions is increasingly a requirement for climate-aligned business strategies and credible net-zero commitments.	Scope 3 emissions are best understood as a transfer-IN Metric, since companies benefit from outsourced production and consumption while the climate costs are borne by society as a whole. Avoiding accountability for these emissions allows firms to operate at lower costs while externalizing the environmental damage they cause. Over time, the disclosure and reduction of Scope 3 emissions reveals whether companies are willing to internalize their climate responsibilities or continue to rely on systemic externalization.	Nature NextGen Suppliers	transfer-IN
ui.HAW	Hazardous Waste	ENV12	Hazardous Waste tracks the generation of toxic, flammable, or otherwise dangerous by-products of production relative to company output or revenue. Poor management of hazardous waste increases risks for local ecosystems, public health, and long-term environmental sustainability. Firms with strong prevention and treatment systems show a greater ability to minimize risks and comply with regulation.	Hazardous waste represents a transfer-IN dynamic, as companies often benefit from productive processes while shifting the long-term disposal and health costs to society. When firms reduce, recycle, or safely treat hazardous waste, they are effectively avoiding this extraction but not generating additional spillovers. Over time, this Metric indicates whether firms take responsibility for the hidden liabilities of their production models or externalize them to communities and governments.	Nature Society	transfer-IN

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
ui.SPI	Spill Intensity	ENV11	Spill Intensity measures the frequency or volume of accidental environmental spills (such as oil, chemicals, or hazardous materials) relative to company size or revenue. It provides insight into how effectively firms manage operational risks and safety systems that could result in serious environmental damage. Transparent reporting and reduction of spill incidents indicate stronger governance and risk management practices.	Spill intensity highlights a transfer-IN, since accidents impose cleanup costs, ecological degradation, and community health risks on society, while the company benefits from continued operations. Effective prevention and mitigation reduce the scale of these negative externalities and indicate that the company is focused on the minimization of such extraction. Over time, this Metric reflects whether firms prioritize robust environmental safeguards or treat accidental spills as an acceptable externalized cost of doing business.	Nature Society	transfer-IN
ui.WTI	Waste Intensity	ENV12	Waste Intensity measures the total amount of waste generated by a company (in tonnes) minus the amount of waste that is recycled, divided by the company's net sales or revenue. This Metric indicates how efficiently a company manages its waste relative to its revenue.	High waste intensity represents a transfer-IN activity as it indicates inefficiencies and greater environmental costs, potentially leading to significant regulatory and disposal costs. Conversely, low waste intensity indicates effective waste management practices and a commitment to sustainability.	Nature	transfer-IN
ui.WAI	Water Intensity	ENV11	Water Intensity measures the total amount of water used by a company (in cubic meters) minus the amount of water recycled, divided by the company's net sales or revenue. This Metric indicates how efficiently a company uses water resources relative to its revenue.	Managing water intensity is critical for ensuring sustainable water use and minimizing environmental impact. High water intensity represents a transfer-IN activity, indicating inefficient water use and potential environmental and regulatory costs. Conversely, low water intensity indicates effective water management and a commitment to sustainability.	Nature Society	transfer-IN
ui.BIM	Biodiversity Impact Mitigation	ENV11	Biodiversity Impact Mitigation refers to how a company reduces or mitigates the effects of its operations on local ecosystems and species. It includes activities aimed at protecting native ecosystems and species to preserve biodiversity in protected and sensitive areas.	The effective management of biodiversity impacts is crucial for sustainable development and environmental stewardship. Having a high biodiversity impact represents a transfer-IN activity, indicating negative externalities such as habitat destruction and species loss, which can lead to regulatory penalties and damage to a company's reputation. Conversely, efforts to mitigate biodiversity impact through conservation initiatives and sustainable practices represents a transfer-OUT activity, enhancing a company's reputation and positively contributing to the preservation of the environment.	Nature NextGen	transfer-OUT
ui.DAP	Data Privacy	TEC17	Data Privacy refers to the policies and practices that a company has in place to protect the privacy and integrity of customer and public data. This includes safeguarding sensitive information such as account numbers, passwords, personal details, and any other confidential data.	Data privacy is critical for maintaining customer trust and compliance with regulatory requirements. Effective data protection measures help prevent data breaches, protect against cyber threats, and ensure the confidentiality of sensitive information. Companies that prioritize data privacy can enhance their reputation, avoid legal penalties, and build stronger customer relationships. A robust data privacy system represents a transfer-OUT activity as it protects stakeholder interests and contributes positively to sustainable value creation. Conversely, inadequate data privacy measures represent a transfer-IN activity, potentially leading to legal issues, financial losses, and reputational damage.	Customers	transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
ui.AIH*	AI & Technology Harm Allegations	TEC16 TEC17	AI & Technology Harm Allegations captures documented incidents in which a company's AI systems or digital technologies have caused or contributed to harm, such as discriminatory decisions, privacy violations, misinformation, or unsafe automated systems.	AI systems create substantial value but can also shift risks to users, workers, and the public, often without their knowledge or consent. When firms deploy such systems without adequate safeguards, the resulting harms are costs borne by others, while the firm appropriates the benefits of faster or cheaper deployment. Documented harms are therefore treated as transfer-IN. As AI regulation tightens through initiatives such as the EU AI Act, such incidents will also increasingly signal legal and reputational risk.	Customers Society Narratives	transfer-IN
ui.DBR*	Data Breach Incidence	TEC17	Data Breach Incidence captures the number and severity of data breaches at a company, including the number of affected records, as reported in mandatory breach registers and controversy databases.	Customers entrust their personal data to firms in exchange for products and services. Breaches often indicate that a firm has underinvested in protecting this data, thereby saving costs while shifting the risk of fraud, identity theft, and loss of privacy to its customers and other stakeholders whose data it possesses or manages. This represents transfer-IN. Data breaches are also associated with negative stock market reactions, regulatory fines, and the loss of customer trust.	Customers	transfer-IN
SUB-RATING II • RATING AREA (iv) MARKET VALUE						
Pillar (iv.10) Producer Value						
pv.ENP	Energy Productivity	ENV10	Energy Productivity measures the economic output derived from each unit of energy consumed by a company. This Metric evaluates how effectively a company uses energy to generate revenue and highlights its efficiency relative to its peers.	Energy productivity is crucial for understanding a company's operational efficiency and environmental impact. Higher energy productivity indicates that a company generates more economic value per unit of energy consumed, representing a transfer-OUT activity that contributes positively to sustainable value creation. Conversely, lower energy productivity suggests inefficiencies and higher energy consumption for the same economic output, representing a transfer-IN activity that imposes additional costs on the environment and stakeholders. Improving energy productivity can lead to cost savings, enhanced competitiveness, and reduced environmental impact.	Nature NextGen	transfer-IN transfer-OUT
pv.GHW	Good Health and Well-Being	OPE6 SOC15	Good health and Well-being mirrors Sustainable Development Goal 3 (SDG 3) and aims to ensure healthy lives for customers, employees and other stakeholders of all ages. It encompasses a wide range of targets focused on offering products and services that reduce maternal and child mortality, combat diseases, improve mental health, reduce substance abuse, and ensure universal health coverage.	Promoting good health and well-being is essential for sustainable development. Effective health initiatives can lead to improved workforce productivity, reduced healthcare costs, and enhanced quality of life. Companies that actively support health and well-being contribute positively to society, representing a transfer-OUT activity. Conversely, neglecting these issues can lead to increased healthcare costs, lower productivity, and negative societal impacts.	Society Customers	transfer-OUT
pv.RCP	Responsible Consumption and Production	ENV12	The Responsible Consumption and Production Metric aims to measure sustainable consumption and production patterns. It involves assessing how a firm supports resource and energy efficiency, develops sustainable infrastructure, and provides access to basic services, green and decent jobs, and a better quality of life for all.	Responsible consumption and production is critical for reducing environmental degradation, increasing resource efficiency, and improving societal well-being. Companies that adopt sustainable consumption and production practices engage in transfer-OUT activities, as they contribute to the well-being of the environment and society as a whole. Conversely, companies that neglect these practices may effect transfer-IN, burdening society with negative externalities such as pollution and resource depletion. Monitoring this Metric helps stakeholders evaluate a company's commitment to sustainability and the impact that it has on global resource management.	Customers Nature NextGen	transfer-IN transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
pv.ISA	International Sales	MAN4	The International Sales Metric considers the revenue generated from selling products or services outside of a company's home country. It is measured as a percentage of overall revenue and reveals the extent of a company's market reach and its ability to manage the complexities of international trade and investment.	International sales are vital for business expansion and revenue diversification. Companies that successfully generate substantial international sales are engaged in transfer-OUT activities, contributing to global economic integration and growth. Conversely, companies with limited international sales may be missing out on opportunities and making themselves potentially vulnerable to domestic market fluctuations. A firm's proportion of international sales associates with its sustainable growth potential.	Customers Abroad	transfer-OUT
pv.GSC	Global Supply Chain	OPE7 MAN4	Global Supply Chain refers to the worldwide network of suppliers, manufacturers, warehouses, and distribution centers that a company uses to produce and deliver goods. This Metric evaluates a firm's ability to manage and optimize its supply chain across multiple countries and regions.	Efficient global supply chains are crucial for optimizing costs, improving product quality, and meeting customer demands. Companies that maintain resilient and efficient supply chains engage in transfer-OUT activities by contributing positively to economic stability and otherwise adding value to stakeholders such as customers and suppliers.	Suppliers Abroad	transfer-OUT
pv.EDP	Eco-Design Products	ENV12 OPE6	Eco-Design Products are goods that are purposely designed to reduce waste and resource consumption by promoting reuse and recycling. This Metric evaluates a company's commitment to integrating environmental considerations into product design.	Eco-design products are crucial for reducing environmental impact and promoting sustainability. Companies that create eco-designed products engage in transfer-OUT activities by reducing waste, conserving resources, and minimizing pollution. Conversely, companies that do not prioritize eco-design may increase environmental harm and waste.	Customers Nature	transfer-OUT
pv.GRP	Green Products	ENV12 ENV10	Green Products measures the share of a firm's revenues derived from products or services with demonstrable environmental benefits, such as low-carbon technologies, recyclable materials, or energy-efficient solutions. It captures a firm's ability to transform its portfolio in response to climate challenges and increasing consumer demand for the sustainability of products.	This Metric represents a transfer-OUT, as firms that grow their green product share create positive spillovers for society by reducing environmental damage and promoting sustainable consumption patterns. Companies that fail to innovate in this direction forego the opportunity to contribute, but they are not necessarily extracting value. Over time, the Metric shows whether companies are aligning their business models with the shift toward sustainable value creation.	Customers Nature	transfer-OUT
pv.PRR	Product Recovery Rate	OPE6 ENV12	The Product Recovery Rate Metric assesses the percentage of a company's products that are collected at the end of their life cycle for reuse, refurbishment, or recycling. It reflects the degree of responsibility firms take for the after-use phase of their products and how they contribute to circular economic models. High recovery rates strengthen customer trust, conserve resources, and reduce the environmental burden on society.	Firms that achieve high recovery rates generate a transfer-OUT, as they deliver positive externalities in the form of waste reduction, material efficiency, and improved environmental outcomes. A lack of such efforts does not constitute extraction but represents a missed opportunity. Over time, this Metric signals how effectively firms extend producer responsibility beyond production and consumption to cover the full product lifecycle.	Customers Nature	transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
pv.CGS	Goods Cost Intensity	OPE7	Goods Cost Intensity captures the direct costs attributable to producing the goods or services a company sells, including raw materials, direct labor, and manufacturing overheads. It is a fundamental measure of production efficiency and operational discipline. Monitoring COGS relative to revenues reveals how well firms manage their resources, supply chains, and quality standards in the creation of value.	Efficient management of COGS produces a transfer-OUT, since greater productivity allows firms to provide more affordable products, strengthen competitiveness, and sustain economic efficiency that benefits society. Over time, this Metric highlights whether firms enhance productivity and competitiveness through their production processes.	Suppliers	transfer-IN transfer-OUT
pv.PCR	Physical Climate Risk Exposure	ENV10 FIN1	Physical Climate Risk Exposure measures a company's vulnerability to climate-related hazards such as floods, droughts, storms, and heatwaves that may disrupt their assets, operations, or supply chains. It reflects how sensitive a firm's production model is to the direct impacts of climate change. Transparent disclosure and active risk management are increasingly essential for resilience and long-term value preservation.	This Metric reflects a transfer-IN, since firms that fail to adapt to climate risks externalize the costs of damage to employees, communities, and governments while continuing operations. Over time, the Metric shows whether producers internalize climate risks as part of their business model or rely on society to bear the consequences.	NextGen Society Shareholders	transfer-IN
Pillar (iv.11) Capital Value						
cv.CEX	Capital Expenditures Intensity	FIN2	Capital Expenditures Intensity refers to the total amount of funds invested by a company in physical assets such as buildings, machinery, and equipment, divided by its revenue. This Metric assesses a company's level of investment in its long-term growth and operational capacity.	Capital investments are essential for a company's growth and competitiveness. High levels of capital investment indicate a transfer-OUT activity, as the company allocates resources to enhance its future capabilities and operational efficiency. Conversely, insufficient levels of capital investment suggest an underinvestment in future growth.	Shareholders Society	transfer-OUT
cv.FDI	Foreign Direct Investment	FIN2 MAN4	Foreign Direct Investment refers to the allocation of capital, resources, or assets by a company into business activities or operations located in foreign countries. This Metric evaluates the extent and effectiveness of a company's investments outside its home country.	Foreign investments are crucial for a company's global expansion and diversification strategy. Companies that successfully invest in foreign markets engage in transfer-OUT activities by contributing to global economic growth and leveraging international opportunities. Conversely, companies with limited foreign investments may miss opportunities and risk potential market vulnerabilities. Foreign investments succeed on the basis of value creation (not value transfers) and are a compelling signal of the long-term sustainability of a firm.	Abroad Shareholders	transfer-OUT
cv.SUB	Sustainable Bonds	FIN2 ENV10	Sustainable Bonds are debt instruments issued by a company to finance projects with positive environmental and social impacts. This Metric assesses the total value of bonds issued by a company within a fiscal year in relation to total debt.	Sustainable bonds are critical for financing projects that address environmental and social challenges. Companies that issue sustainable bonds engage in transfer-OUT activities, channeling financial resources towards sustainable development. Conversely, companies that do not participate in this market may be missing opportunities to positively contribute to societal goals.	Lenders Nature	transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
cv.ENE	Environmental Expenditures	ENV12 FIN2	Environmental Expenditures refers to the total financial resources allocated by a company for environmental protection, including investments in pollution control, waste management, sanitation, and clean-up activities, divided by its revenue.	Environmental expenditures are essential for mitigating a company's environmental impact and ensuring regulatory compliance. High environmental expenditures indicate a transfer-OUT activity, as the company invests in reducing its ecological footprint and enhancing sustainability. Conversely, low environmental expenditures may suggest inadequate environmental management. Monitoring this Metric helps stakeholders evaluate a company's environmental responsibility and its commitment to sustainable operations.	Nature Society	transfer-OUT
cv.SPF	Sustainable Project Financing	FIN2 ENV10	Sustainable Project Financing refers to a company's commitment in adhering to the Equator Principles, a set of guidelines that ensure projects being financed meet specific environmental and social standards.	Adhering to the Equator Principles in project financing is crucial for managing environmental and social risks. Companies that follow these principles engage in transfer-OUT activities, contributing to sustainable development and reducing negative externalities. Conversely, companies that do not adhere to these standards may increase their exposure to environmental and social risks.	Lenders Nature	transfer-OUT
cv.AIG	Amortization & Impairment of Goodwill	FIN2	The Amortization & Impairment of Goodwill Metric captures the amortization or write-down of goodwill on a company's balance sheet in absolute terms, typically arising from acquisitions. High impairment levels indicate that acquired assets are not generating the expected benefits, suggesting poor capital allocation or a weakening of competitive advantages. Tracking goodwill adjustments provides insight into management quality, transparency, and the sustainability of growth through acquisitions.	Amortization and impairment of goodwill reflects a transfer-IN and evidences overvalued capital that erodes shareholder wealth and shifts financial risks to stakeholders. When impairments are recognized transparently and early, firms can reduce this extraction by cleansing balance sheets and enabling better future capital allocation. Over time, this Metric indicates whether acquisitions add sustainable value or result in dis-synergies and the erosion of invested capital.	Shareholders Management	transfer-IN
cv.LVR	Leverage Ratio	FIN1	The leverage ratio measures the level of debt relative to equity or assets, reflecting how a company finances its operations. Moderate leverage can signal efficient use of capital, while excessive leverage increases vulnerability to shocks and potential financial distress. The threshold for this Metric is the industry average.	The leverage ratio describes both transfer-IN and transfer-OUT. When firms overuse debt, they create a transfer-IN, since financial risks are shifted to creditors, employees, and sometimes taxpayers in the case of bailouts. When managed prudently, leverage supports investment and growth, generating a transfer-OUT in the form of broader economic benefits. Over time, the balance between these two dynamics reveals whether firms strengthen or weaken systemic resilience.	Lenders Shareholders	transfer-IN transfer-OUT
cv.ICR	Interest Coverage Ratio	FIN1	The Interest Coverage Ratio shows how easily a company can cover its interest expenses with operating income, serving as a direct indicator of solvency and creditworthiness. A high ratio indicates financial health and flexibility, while a low ratio signals vulnerability to refinancing risks or rising interest rates. It is a core measure used by analysts, creditors, and rating agencies.	A low coverage ratio reflects a Transfer-IN, since firms with high debt burdens may rely on systemic stability, subsidies, or creditor concessions while extracting short-term gains. A high coverage ratio provides a Transfer-OUT, as it reduces systemic risk and builds financial stability that benefits broader markets. Over time, this Metric shows whether companies are net stabilizers or risk amplifiers in the financial system.	Lenders	transfer-IN transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
cv.FCE	Free Cash Flow to Equity	FIN1	Free Cash Flow to Equity measures the cash available for shareholders after covering operating expenses, taxes, interest, and debt repayments. It indicates the firm's ability to return value through dividends, share buybacks, or reinvestment in long-term growth. Consistently high and stable levels of FCF to Equity are signs of disciplined financial management and resilience.	Strong equity free cash flow creates a transfer-OUT, as firms demonstrate their ability to generate and distribute value sustainably, supporting capital markets and long-term investor trust. Negative or weak values indicate a transfer-IN, since firms may rely on external financing or defer obligations, thereby extracting risks onto creditors or future shareholders. Over time, this Metric captures whether companies are building genuine distributable value or engaging in fragilizing financial engineering.	Shareholders	transfer-IN transfer-OUT
cv.FCD	Free Cash Flow to Debt	FIN1	The Free Cash Flow to Debt Metric assesses the ability of a company's free cash flow to cover its outstanding debt obligations. It provides insight into solvency, creditworthiness, and the firm's flexibility to reduce leverage over time. A strong ratio signals financial resilience, while a weak one indicates dependence on external financing or heightened default risk.	Free Cash Flow to Debt Metric is primarily a transfer-OUT metric, as firms with sufficient cash flow to service debt contribute to systemic stability and reduce risks for creditors and financial markets. Weak coverage reflects a Transfer-IN, since firms may depend on bailouts, restructuring, or creditor concessions, shifting risks outward. Over time, this Metric highlights whether companies contribute to financial stability or undermine it through fragile cash flow management.	Lenders	transfer-IN transfer-OUT
cv.EPS*	Economic Profit Spread (ROIC – WACC)	FIN1 FIN2	Economic Profit Spread measures the difference between a company's return on invested capital (ROIC) and its weighted average cost of capital (WACC).	A firm creates economic value only if it earns more on its invested capital than its capital providers require. A positive spread indicates that the firm deploys capital productively and generates returns for its capital providers above their opportunity cost. In line with the treatment of free cash flows to equity and debt holders (cv.FCE, cv.FCD), this value delivered to capital providers is treated as transfer-OUT. In contrast, a persistently negative spread indicates that capital would have earned more elsewhere and is treated as transfer-IN.	Shareholders Lenders	transfer-IN transfer-OUT
cv.GWS*	Goodwill Share of Total Assets	FIN2	Goodwill Share of Total Assets measures the proportion of a company's total assets that consists of goodwill from past acquisitions, compared with the sector median.	Goodwill reflects the premium a company has paid above the fair value of acquired net assets. A high goodwill share indicates growth by acquisition rather than organic investment. Serial acquisitions can consolidate market power and allow the acquirer to appropriate value created by the businesses it buys, its competitors, and its customers. Goodwill above the sector norm is therefore treated as transfer-IN. High goodwill shares are also associated with later impairments, which points to overpayment and to risk for capital providers. The Metric complements Amortization & Impairment of Goodwill (cv. AIG), which captures the later write-down of such premiums.	Shareholders Lenders	transfer-IN
Pillar (iv.12) Labor Value						
lv.EMS	Employee Satisfaction	SOC13	Employee Satisfaction measures the percentage of employees that are content with their job and workplace conditions. This Metric typically includes factors such as having a healthy work environment, staff compensation, a good work-life balance, and career development opportunities.	High employee satisfaction is crucial for maintaining a motivated and productive workforce. It represents a transfer-OUT activity as it leads to higher productivity and value creation. Satisfied employees are less likely to leave, more willing to share knowledge and to innovate, and more likely to appropriate a fair share of the value they help create. Firms with high employee satisfaction have also been shown to earn superior long-run stock returns, which suggests that markets only gradually recognize this form of value creation.	Employees	transfer-IN transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
lv.EHS	Employee Health & Safety	SOC15	Employee Health & Safety refers to the total number of hours provided by a company to train its employees on health and safety policies and procedures. This includes training on environmental health and safety (EHS) practices. If a company reports training hours per employee, these are multiplied by the total number of employees to determine the total number of health and safety training hours.	Employee health & safety training is essential for maintaining a safe and healthy workplace, reducing the risk of accidents and injuries. Effective training programs represent a transfer-OUT activity as they invest in employee well-being and productivity, leading to fewer workplace incidents, lower insurance costs, and improved morale. Regular training ensures that employees are aware of safety protocols and can respond appropriately to emergencies, contributing to overall operational efficiency and sustainability.	Employees	transfer-OUT
lv.PLI	Pension Liabilities	SOC15 FIN1	Pension Liabilities are the obligations or provisions made by a company to provide annuity payments to employees upon their retirement. This requires the employer and/or the employee stakeholder setting aside funds that are invested to ensure there are sufficient financial resources to meet future pension benefit requirements.	Pension liabilities and post-retirement benefits are crucial for attracting and retaining talent, as they provide financial security for employees after retirement. High levels of funding and the effective management of these benefits represent a transfer-OUT activity, indicating the company's commitment to its employees' long-term well-being. Conversely, underfunded pension plans or significant pension liabilities represent a transfer-IN activity, signaling future obligations that could impact the company's financial stability.	Employees NextGen	transfer-IN transfer-OUT
lv.EMI	International Employees	MAN4 SOC14	International Employees are staff members who are employed by a company in its overseas entities. They contribute to a company's global operations through various assignments, such as assisting with market expansion, project implementation, or the management of international subsidiaries.	International employees are important for a company's global expansion and operational efficiency. They provide diverse perspectives, local market insights, and specialized skills that enhance a company's competitive advantage. The effective management of international employees represents a transfer-OUT activity as it fosters innovation, cultural diversity, and global reach. Conversely, the inability to attract global talent raises questions about a firm's ability to create value globally.	Employees Abroad	transfer-OUT
lv.EMT	Employee Training Investment	SOC13	Employee Training Investment refers to a company's total annual expenditure on training divided by its number of employees. This Metric captures the financial investment that a company makes in developing its workforce's skills and competencies.	Investing in employee training is essential for enhancing skills, productivity, and job satisfaction. High training costs per employee indicate a transfer-OUT activity that benefits employee stakeholders as a company invests in human capital, leading to improved performance and innovation. Conversely, low training investment may result in skill gaps, reduced competitiveness, and higher staff turnover.	Employees	transfer-OUT
lv.LPR	Labor Productivity	SOC13	Labor Productivity refers to the amount of output (goods or services) produced per employee over a given time frame. Labor productivity must be over a certain threshold—in the best-in-class of 90% of all competitors—to be deemed value creation. This Metric evaluates how effectively a company maximizes its human resources to achieve business objectives.	High labor productivity indicates the efficient use of human resources through effective management practices, representing a transfer-OUT activity. It leads to increased profitability, competitiveness, and overall business success. Conversely, low or negative labor productivity suggests inefficiencies and potential management issues, representing a transfer-IN activity. Monitoring employee productivity helps stakeholders assess operational efficiency, identify areas for improvement, and understand a company's performance relative to industry benchmarks.	Employees Shareholders	transfer-IN transfer-OUT

ID	Metric name	Themes	A. Metric description (what we measure)	B. Metric rationale (why we measure)	Stakeholders	transfer-IN / transfer-OUT
lv.CCO	Competitive Labor Compensation	SOC15	Competitive Labor Compensation measures the extent to which a company's average wages surpass the median wage levels within its sector or industry. This Metric evaluates a company's strategy to offer competitive compensation to its employees.	Offering wages above an industry standard helps to attract and retain highly skilled employees, leading to higher job satisfaction and productivity and representing a transfer-OUT activity. Conversely, offering lower wages than the industry median can result in high employee turnover, poor morale, and lower productivity, representing a transfer-IN activity. Monitoring this Metric helps stakeholders assess a company's competitiveness in the labor market and how likely it is to maintain a motivated and high-performing workforce.	Employees	transfer-IN transfer-OUT
lv.LSH*	Labor Share of Value Added	SOC13	Labor Share of Value Added measures the proportion of a company's value added that is paid to employees, calculated as staff costs divided by the sum of staff costs and EBITDA, relative to the sector median.	Value added is jointly created by labor and capital, and the labor share shows how it is divided between them. A labor share well below the sector norm indicates that the firm appropriates a disproportionate part of the value created by its employees, which represents transfer-IN. A labor share above the norm indicates that employees appropriate a larger part of the value they create and is treated as transfer-OUT, even though it could be considered as a transfer-IN from shareholders to workers. The reason for taking this labor-positive position is that a declining labor share in many economies has been linked to rising market power and is a central concern for inclusive growth.	Employees Shareholders	transfer-IN transfer-OUT
lv.LWG*	Living Wage Gap	SOC15 SOC14	Living Wage Gap measures the extent to which the wages paid to a company's employees fall short of the living wage in the countries in which it operates.	A living wage allows workers to afford a decent standard of living for themselves and their families. Wages below this level mean that part of the cost of labor is borne either by workers and their families or the state through social transfers, while the firm benefits from lower labor costs. Such gaps are therefore treated as a transfer-IN. Firms that pay at least a living wage are associated with higher productivity, lower turnover, and stronger employee commitment.	Employees Society	transfer-IN

Table 5.3 SVC Metrics data sources and references

ID	Metric name	Data source(s)	Data retrieved	Literature references
Pillar (i.1) State Capture				
sc.POC	Political Contributions	LSEG DATA & ANALYTICS, MSCI, CRSP/Compustat Merged	October 2026	Cooper, M. J., Gulen, H., & Ovtchinnikov, A. V. (2010). Corporate political contributions and stock returns. *The Journal of Finance, 65*(2), 687-724. Ovtchinnikov, A. V., & Pantaleoni, E. (2012). Individual political contributions and firm performance. *Journal of Financial Economics, 105*(2), 367-392. Wei, Y., Jia, N., & Bonardi, J. P. (2023). Corporate political connections: A multidisciplinary review. *Journal of Management, 49*(6), 1870-1910.
sc.SOE	State Owned Enterprises	Bloomberg	October 2026	Borisova, G., Fotak, V., Holland, K., & Megginson, W. L. (2015). Government ownership and the cost of debt: Evidence from government investments in publicly traded firms. *Journal of Financial Economics, 118*(1), 168-191. Ramamurti, R. (1987). Performance evaluation of state-owned enterprises in theory and practice. *Management Science, 33*(7), 876-893. Shleifer, A., & Vishny, R. W. (1994). Politicians and firms. *The Quarterly Journal of Economics, 109*(4), 995-1025.
sc.PJI	Peace, Justice and Strong Institutions	LSEG DATA & ANALYTICS	October 2026	Fisman, R., & Miguel, E. (2007). Corruption, norms, and legal enforcement: Evidence from diplomatic parking tickets. *Journal of Political Economy, 115*(6), 1020-1048. Hope Sr, K. R. (2020). Peace, justice and inclusive institutions: Overcoming challenges to the implementation of Sustainable Development Goal 16. *Global Change, Peace & Security, 32*(1), 57-77.
sc.SIN	Sins Revenue	LSEG DATA & ANALYTICS, RepRisk	October 2026	Hong, H., & Kacperczyk, M. (2009). The price of sin: The effects of social norms on markets. *Journal of Financial Economics, 93*(1), 15-36. Fabozzi, F. J., Ma, K. C., & Oliphant, B. J. (2008). Sin stock returns. *The Journal of Portfolio Management, 35*(1), 82-94.
Pillar (i.2) Regulatory Capture				
rc.LOC	Lobbying Contributions	LSEG DATA & ANALYTICS, LobbyView, EU Transparency Register	October 2026	Abdurakhmonov, M., Ridge, J. W., Hill, A. D., & Loncarich, H. (2022). Strategic risk and lobbying: Investigating lobbying breadth as risk management. *Journal of Management, 48*(5), 1103-1130. Bombardini, M., & Trebbi, F. (2020). Empirical models of lobbying. *Annual Review of Economics, 12*(1), 391-413. Skaife, H. A., & Werner, T. (2020). Changes in firms' political investment opportunities, managerial accountability, and reputational risk. *Journal of Business Ethics, 163*(2), 239-263.
rc.LIE	Litigation Expenses	LSEG DATA & ANALYTICS, Compustat	October 2026	Francis, J., Philbrick, D., & Schipper, K. (1994). Shareholder litigation and corporate disclosures. *Journal of Accounting Research, 32*(2), 137-164. Gande, A., & Lewis, C. M. (2009). Shareholder-initiated class action lawsuits: Shareholder wealth effects and industry spillovers. *Journal of Financial and Quantitative Analysis, 44*(4), 823-850. Karpoff, J. M., Lott, Jr, J. R., & Wehrly, E. W. (2005). The reputational penalties for environmental violations: Empirical evidence. *The Journal of Law and Economics, 48*(2), 653-675.
rc.CRF	Corruption Fines	LSEG DATA & ANALYTICS, RepRisk	October 2026	Sampath, V. S., Gardberg, N. A., & Rahman, N. (2018). Corporate reputation's invisible hand: Bribery, rational choice, and market penalties. *Journal of Business Ethics, 151*(3), 743-760. Zeume, S. (2017). Bribes and firm value. *The Review of Financial Studies, 30*(5), 1457-1489.
rc.CRT	Corruption Training	LSEG DATA & ANALYTICS, MSCI, RepRisk	October 2026	Weber, J. (2015). Investigating and assessing the quality of employee ethics training programs among US-based global organizations. *Journal of Business Ethics, 129*(1), 27-42.
rc.HRS	Human Rights Score	LSEG DATA & ANALYTICS, MSCI	October 2026	Cragg, W., Arnold, D. G., & Muchlinski, P. (2012). Guest editors' introduction: Human rights and business. *Business Ethics Quarterly, 22*(1), 1-7. Rapior, M. C., & Oberhauser, M. (2026). Human rights violations in global value chains: A locally grounded governance framework. *Journal of Business Ethics, 203*(1), 27-54.
rc.CLC	Child Labor Controversies	LSEG DATA & ANALYTICS, MSCI, RepRisk	October 2026	Lotfi, M., & Pisa, N. (2024). Child slavery in supply chains: Actors of the dirty scene. *Journal of Transport and Supply Chain Management, 18*, 942. Boersma, M. (2017). Changing approaches to child labour in global supply chains: Exploring the influence of multi-stakeholder partnerships and the United Nations Guiding Principles on Business and Human Rights. *University of New South Wales Law Journal, 40*(3), 1249-1274.
rc.CCA	Compliance Cost Avoidance	LSEG DATA & ANALYTICS, MSCI, RepRisk	October 2026	Cheung, Y. L., Rau, P. R., & Stouraitis, A. (2021). What determines the return to bribery? Evidence from corruption cases worldwide. *Management Science, 67*(10), 6235-6265. Dyck, A., Morse, A., & Zingales, L. (2024). How pervasive is corporate fraud? *Review of Accounting Studies, 29*(1), 736-769. Desai, M. A., & Dharmapala, D. (2006). Corporate tax avoidance and high-powered incentives. *Journal of Financial Economics, 79*(1), 145-179. Karpoff, J. M., Lee, D. S., & Martin, G. S. (2008). The cost to firms of cooking the books. *Journal of Financial and Quantitative Analysis, 43*(3), 581-611.
rc.LPA*	Lobbying Policy Alignment	CDP (climate questionnaire, policy engagement)	October 2026	Hillman, A. J., Keim, G. D., & Schuler, D. (2004). Corporate political activity: A review and research agenda. *Journal of Management, 30*(6), 837-857. Delmas, M., Lim, J., & Nairn-Birch, N. (2016). Corporate environmental performance and lobbying. *Academy of Management Discoveries, 2*(2), 175-197. Hadani, M., Bonardi, J. P., & Dahan, N. M. (2017). Corporate political activity, public policy uncertainty, and firm outcomes: A meta-analysis. *Strategic Organization, 15*(3), 338-366.
Pillar (i.3) Human Capture				
hc.GWG	Gender Wage Gap	LSEG DATA & ANALYTICS, MSCI, OECD, ILO, Eurostat	October 2026	Blau, F. D., & Kahn, L. M. (2017). The gender wage gap: Extent, trends, and explanations. *Journal of Economic Literature, 55*(3), 789-865. Baker, M., Halberstam, Y., Kroft, K., Mas, A., & Messacar, D. (2023). Pay transparency and the gender gap. *American Economic Journal: Applied Economics, 15*(2), 157-183. Weichselbaumer, D., & Winter-Ebmer, R. (2005). A meta-analysis of the international gender wage gap. *Journal of Economic Surveys, 19*(3), 479-511.
hc.BDN	International Board Representation	LSEG DATA & ANALYTICS, MSCI, BoardEx	October 2026	Van der Walt, N., & Ingley, C. (2003). Board dynamics and the influence of professional background, gender and ethnic diversity of directors. *Corporate Governance: An International Review, 11*(3), 218-234. García-Meca, E., García-Sánchez, I. M., & Martínez-Ferrero, J. (2015). Board diversity and its effects on bank performance: An international analysis. *Journal of Banking & Finance, 53*, 202-214.
hc.BDG	Board Gender Parity	LSEG DATA & ANALYTICS, BoardEx	October 2026	Adams, R. B., & Ferreira, D. (2009). Women in the boardroom and their impact on governance and performance. *Journal of Financial Economics, 94*(2), 291-309. García-Meca, E., García-Sánchez, I. M., & Martínez-Ferrero, J. (2015). Board diversity and its effects on bank performance: An international analysis. *Journal of Banking & Finance, 53*, 202-214.
hc.EMG	Ethnic Minorities Salary Gap	Bloomberg	October 2026	Bayer, P., & Charles, K. K. (2018). Divergent paths: A new perspective on earnings differences between black and white men since 1940. *The Quarterly Journal of Economics, 133*(3), 1459-1501.
hc.TUR	Trade Union Representation	LSEG DATA & ANALYTICS, MSCI, ILO	October 2026	DiNardo, J., & Lee, D. S. (2004). Economic impacts of new unionization on private sector employers: 1984-2001. *The Quarterly Journal of Economics, 119*(4), 1383-1441.

ID	Metric name	Data source(s)	Data retrieved	Literature references
hc.STE	Stakeholder Engagement	LSEG DATA & ANALYTICS, MSCI	October 2026	Greenwood, M. (2007). Stakeholder engagement: Beyond the myth of corporate responsibility. *Journal of Business Ethics, 74*(4), 315-327. Gupta, K., Crilly, D., & Greckhamer, T. (2020). Stakeholder engagement strategies, national institutions, and firm performance: A configurational perspective. *Strategic Management Journal, 41*(10), 1869-1900. Henisz, W. J., Dorobantu, S., & Nartey, L. J. (2014). Spinning gold: The financial returns to stakeholder engagement. *Strategic Management Journal, 35*(12), 1727-1748.
hc.VTO	Voluntary Turnover of Employees	Bloomberg	October 2026	Hancock, J. I., Allen, D. G., Bosco, F. A., McDaniel, K. R., & Pierce, C. A. (2013). Meta-analytic review of employee turnover as a predictor of firm performance. *Journal of Management, 39*(3), 573-603. Hausknecht, J. P., & Holwerda, J. A. (2013). When does employee turnover matter? Dynamic member configurations, productive capacity, and collective performance. *Organization Science, 24*(1), 210-225.
hc.ITO	Involuntary Turnover of Employees	Bloomberg	October 2026	Shaw, J. D., Delery, J. E., Jenkins, G. D., & Gupta, N. (1998). An organization-level analysis of voluntary and involuntary turnover. *Academy of Management Journal, 41*(5), 511-525. Datta, D. K., Guthrie, J. P., Basuil, D., & Pandey, A. (2010). Causes and effects of employee downsizing: A review and synthesis. *Journal of Management, 36*(1), 281-348. Shleifer, A., & Summers, L. H. (1988). Breach of trust in hostile takeovers. In A. J. Auerbach (Ed.), *Corporate takeovers: Causes and consequences* (pp. 33-68). University of Chicago Press.
hc.FWH	Flexible Working Hours	LSEG DATA & ANALYTICS, MSCI	October 2026	Bloom, N., Liang, J., Roberts, J., & Ying, Z. J. (2015). Does working from home work? Evidence from a Chinese experiment. *The Quarterly Journal of Economics, 130*(1), 165-218. Choudhury, P., Foroughi, C., & Larson, B. (2021). Work-from-anywhere: The productivity effects of geographic flexibility. *Strategic Management Journal, 42*(4), 655-683. Mas, A., & Pallais, A. (2017). Valuing alternative work arrangements. *American Economic Review, 107*(12), 3722-3759.
hc.DCS	Daycare Services	LSEG DATA & ANALYTICS, MSCI	October 2026	Blau, F. D., & Kahn, L. M. (2013). Female labor supply: Why is the United States falling behind? *American Economic Review, 103*(3), 251-256. Bloom, N., Kretschmer, T., & Van Reenen, J. (2011). Are family-friendly workplace practices a valuable firm resource? *Strategic Management Journal, 32*(4), 343-367.
hc.EDI	Employees with Disabilities	LSEG DATA & ANALYTICS, MSCI	October 2026	Baldridge, D. C., & Swift, M. L. (2013). Withholding requests for disability accommodation: The role of individual differences and disability attributes. *Journal of Management, 39*(3), 743-762. Kulkarni, M., & Lengnick-Hall, M. L. (2011). Socialization of people with disabilities in the workplace. *Human Resource Management, 50*(4), 521-540.
hc.MTR	Management Training	LSEG DATA & ANALYTICS, MSCI	October 2026	Tharenou, P., Saks, A. M., & Moore, C. (2007). A review and critique of research on training and organizational-level outcomes. *Human Resource Management Review, 17*(3), 251-273.
hc.SCL*	Supply Chain Labor Allegations	RepRisk, MSCI	October 2026	Distelhorst, G., Hainmueller, J., & Locke, R. M. (2017). Does lean improve labor standards? Management and social performance in the Nike supply chain. *Management Science, 63*(3), 707-728. Locke, R. M., Qin, F., & Brause, A. (2007). Does monitoring improve labor standards? Lessons from Nike. *ILR Review, 61*(1), 3-31.
Pillar (ii.4) Coalition Dominance				
co.CPO	Cartel Power	Bloomberg	October 2026	Connor, J. M., & Bolotova, Y. (2006). Cartel overcharges: Survey and meta-analysis. *International Journal of Industrial Organization, 24*(6), 1109-1137. Levenstein, M. C., & Suslow, V. Y. (2006). What determines cartel success? *Journal of Economic Literature, 44*(1), 43-95.
co.CED	Coalition Economic Dominance	Bloomberg	October 2026	Fogel, K., Morck, R., & Yeung, B. (2008). Big business stability and economic growth: Is what's good for General Motors good for America? *Journal of Financial Economics, 89*(1), 83-108. Syverson, C. (2019). Macroeconomics and market power: Context, implications, and open questions. *Journal of Economic Perspectives, 33*(3), 23-43.
co.CEC	Coalition Economic Concentration	Bloomberg	October 2026	De Loecker, J., Eeckhout, J., & Unger, G. (2020). The rise of market power and the macroeconomic implications. *The Quarterly Journal of Economics, 135*(2), 561-644. Grullon, G., Larkin, Y., & Michaely, R. (2019). Are US industries becoming more concentrated? *Review of Finance, 23*(4), 697-743.
co.CES	Coalition Economic Share	Bloomberg	October 2026	Barkai, S. (2020). Declining labor and capital shares. *The Journal of Finance, 75*(5), 2421-2463. Covarrubias, M., Gutiérrez, G., & Philippon, T. (2020). From good to bad concentration? US industries over the past 30 years. *NBER Macroeconomics Annual, 34*(1), 1-46. Gutiérrez, G., & Philippon, T. (2017). *Declining competition and investment in the U.S.* (NBER Working Paper No. 23583). National Bureau of Economic Research.
Pillar (ii.5) Firm Dominance				
fd.ACC	Anti-competition Controversies	LSEG DATA & ANALYTICS, MSCI, RepRisk	October 2026	Azar, J., Schmalz, M. C., & Tecu, I. (2018). Anticompetitive effects of common ownership. *The Journal of Finance, 73*(4), 1513-1565. Makridis, C. A., & Thayer, J. (2024). The big tech antitrust paradox: A reevaluation of the consumer welfare standard for digital markets. *Stanford Technology Law Review, 27*(1), 71-126. Naidu, S., Posner, E. A., & Weyl, G. (2018). Antitrust remedies for labor market power. *Harvard Law Review, 132*(2), 536-601.
fd.GPA	Golden Parachute	LSEG DATA & ANALYTICS, Compustat, BoardEx	October 2026	Fich, E. M., Tran, A. L., & Walkling, R. A. (2013). On the importance of golden parachutes. *Journal of Financial and Quantitative Analysis, 48*(6), 1717-1753. Lambert, R. A., & Larcker, D. F. (1985). Golden parachutes, executive decision-making, and shareholder wealth. *Journal of Accounting and Economics, 7*(1-3), 179-203. Yermack, D. (2006). Golden handshakes: Separation pay for retired and dismissed CEOs. *Journal of Accounting and Economics, 41*(3), 237-256.
fd.POP	Poison Pill	LSEG DATA & ANALYTICS, BoardEx	October 2026	Malatesta, P. H., & Walkling, R. A. (1988). Poison pill securities: Stockholder wealth, profitability, and ownership structure. *Journal of Financial Economics, 20*, 347-376. Comment, R., & Schwert, G. W. (1995). Poison or placebo? Evidence on the deterrence and wealth effects of modern antitakeover measures. *Journal of Financial Economics, 39*(1), 3-43. Ryngaert, M. (1988). The effect of poison pill securities on shareholder wealth. *Journal of Financial Economics, 20*(1-2), 377-417.
fd.SPL	Succession Plan	LSEG DATA & ANALYTICS, MSCI, BoardEx	October 2026	Kesner, I. F., & Sebora, T. C. (1994). Executive succession: Past, present & future. *Journal of Management, 20*(2), 327-372.
fd.FCO	Fair Competition	LSEG DATA & ANALYTICS, MSCI	October 2026	Katz, M. L. (2025). Does it matter if competition is "fair" or "on the merits"? An application to platform self-preferencing. *Review of Industrial Organization, 66*(1), 43-70.
fd.MCO	Market Concentration	LSEG DATA & ANALYTICS, Compustat	October 2026	Basu, S. (2019). Are price-cost markups rising in the United States? A discussion of the evidence. *Journal of Economic Perspectives, 33*(3), 3-22. Hall, R. E. (2018). *New evidence on the markup of prices over marginal costs and the role of mega-firms in the US economy* (NBER Working Paper No. 24574). National Bureau of Economic Research.

ID	Metric name	Data source(s)	Data retrieved	Literature references
fd.MDO	Market Dominance	LSEG DATA & ANALYTICS, Compustat	October 2026	Gabaix, X. (2011). The granular origins of aggregate fluctuations. *Econometrica, 79*(3), 733-772. Hottman, C. J., Redding, S. J., & Weinstein, D. E. (2016). Quantifying the sources of firm heterogeneity. *The Quarterly Journal of Economics, 131*(3), 1291-1364.
fd.PMA	Operating Margin	LSEG DATA & ANALYTICS, Compustat	October 2026	Ball, R., Gerakos, J., Linnainmaa, J. T., & Nikolaev, V. V. (2015). Deflating profitability. *Journal of Financial Economics, 117*(2), 225-248. Novy-Marx, R. (2013). The other side of value: The gross profitability premium. *Journal of Financial Economics, 108*(1), 1-28.
fd.ABT	Average Board Tenure	LSEG DATA & ANALYTICS, BoardEx	October 2026	Huang, S., & Hilary, G. (2018). Zombie board: Board tenure and firm performance. *Journal of Accounting Research, 56*(4), 1285-1329. Vafeas, N. (2003). Length of board tenure and outside director independence. *Journal of Business Finance & Accounting, 30*(7-8), 1043-1064.
fd.IBM	Independent Board Members	LSEG DATA & ANALYTICS, BoardEx	October 2026	Duchin, R., Matsusaka, J. G., & Ozbas, O. (2010). When are outside directors effective? *Journal of Financial Economics, 96*(2), 195-214. Rosenstein, S., & Wyatt, J. G. (1990). Outside directors, board independence, and shareholder wealth. *Journal of Financial Economics, 26*(2), 175-191.
fd.CCP	Consumer Complaints	LSEG DATA & ANALYTICS, MSCI	October 2026	Luo, X. (2007). Consumer negative voice and firm-idiosyncratic stock returns. *Journal of Marketing, 71*(3), 75-88. Begley, T. A., & Purnanandam, A. (2021). Color and credit: Race, regulation, and the quality of financial services. *Journal of Financial Economics, 141*(1), 48-65. Hirschman, A. O. (1970). *Exit, voice, and loyalty: Responses to decline in firms, organizations, and states*. Harvard University Press.
fd.STR	Strikes	LSEG DATA & ANALYTICS, MSCI	October 2026	Cramton, P. C., & Tracy, J. S. (1994). The determinants of US labor disputes. *Journal of Labor Economics, 12*(2), 180-209. Kennan, J. (1986). The economics of strikes. In O. Ashenfelter & R. Layard (Eds.), *Handbook of labor economics* (Vol. 2, pp. 1091-1137). Elsevier. Tracy, J. S. (1986). An investigation into the determinants of U.S. strike activity. *American Economic Review, 76*(3), 423-436.
fd.EFT	Employee Fatalities	LSEG DATA & ANALYTICS, MSCI	October 2026	DeLeire, T., & Levy, H. (2004). Worker sorting and the risk of death on the job. *Journal of Labor Economics, 22*(4), 925-954. Moore, M. J., & Viscusi, W. K. (1988). The quantity-adjusted value of life. *Economic Inquiry, 26*(3), 369-388. Viscusi, W. K. (1993). The value of risks to life and health. *Journal of Economic Literature, 31*(4), 1912-1946.
fd.EAC	Employee Accidents	LSEG DATA & ANALYTICS, MSCI	October 2026	Caskey, J., & Ozel, N. B. (2017). Earnings expectations and employee safety. *Journal of Accounting and Economics, 63*(1), 121-141. Oi, W. Y. (1974). On the economics of industrial safety. *Law and Contemporary Problems, 38*(4), 669-699. Pfeffer, J. (2010). Building sustainable organizations: The human factor. *Academy of Management Perspectives, 24*(1), 34-45.
fd.CCX*	Cash Conversion Asymmetry	Compustat, Worldscope	October 2026	Klapper, L., Laeven, L., & Rajan, R. (2012). Trade credit contracts. *The Review of Financial Studies, 25*(3), 838-867. Murfin, J., & Njoroge, K. (2015). The implicit costs of trade credit borrowing by large firms. *The Review of Financial Studies, 28*(1), 112-145.
fd.CPE*	Consumer Protection Enforcement	Regulator databases; MSCI Controversies	October 2026	Karpoff, J. M., & Lott, J. R. (1993). The reputational penalty firms bear from committing criminal fraud. *The Journal of Law and Economics, 36*(2), 757-802. Armour, J., Mayer, C., & Polo, A. (2017). Regulatory sanctions and reputational damage in financial markets. *Journal of Financial and Quantitative Analysis, 52*(4), 1429-1448.
fd.MKU*	Markup over Marginal Cost	Compustat, Worldscope (production-function estimation)	October 2026	De Loecker, J., Eeckhout, J., & Unger, G. (2020). The rise of market power and the macroeconomic implications. *The Quarterly Journal of Economics, 135*(2), 561-644. Basu, S. (2019). Are price-cost markups rising in the United States? A discussion of the evidence. *Journal of Economic Perspectives, 33*(3), 3-22. Bond, S., Hashemi, A., Kaplan, G., & Zoch, P. (2021). Some unpleasant markup arithmetic: Production function elasticities and their estimation from production data. *Journal of Monetary Economics, 121*, 1-14.
fd.RST*	Accrual Quality / Restatements	Audit Analytics (restatements), Compustat	October 2026	Karpoff, J. M., Lee, D. S., & Martin, G. S. (2008). The cost to firms of cooking the books. *Journal of Financial and Quantitative Analysis, 43*(3), 581-611. Dechow, P. M., & Dichev, I. D. (2002). The quality of accruals and earnings: The role of accrual estimation errors. *The Accounting Review, 77*(s-1), 35-59. Palmrose, Z. V., Richardson, V. J., & Scholz, S. (2004). Determinants of market reactions to restatement announcements. *Journal of Accounting and Economics, 37*(1), 59-89.
fd.SPT*	Supplier Payment Extraction	Compustat, Worldscope (AP, COGS)	October 2026	Klapper, L., Laeven, L., & Rajan, R. (2012). Trade credit contracts. *The Review of Financial Studies, 25*(3), 838-867. Murfin, J., & Njoroge, K. (2015). The implicit costs of trade credit borrowing by large firms. *The Review of Financial Studies, 28*(1), 112-145. Ng, C. K., Smith, J. K., & Smith, R. L. (1999). Evidence on the determinants of credit terms used in interfirm trade. *The Journal of Finance, 54*(3), 1109-1129.
fd.DCV*	Dual-Class Voting Wedge	MSCI, LSEG	October 2026	Masulis, R. W., Wang, C., & Xie, F. (2009). Agency problems at dual-class companies. *The Journal of Finance, 64*(4), 1697-1727. Gompers, P. A., Ishii, J., & Metrick, A. (2010). Extreme governance: An analysis of dual-class firms in the United States. *The Review of Financial Studies, 23*(3), 1051-1088.
fd.OVB*	Director Overboarding	BoardEx, ISS	October 2026	Fich, E. M., & Shivdasani, A. (2006). Are busy boards effective monitors? *The Journal of Finance, 61*(2), 689-724. Falato, A., Kadyrzhanova, D., & Lel, U. (2014). Distracted directors: Does board busyness hurt shareholder value? *Journal of Financial Economics, 113*(3), 404-426.
Pillar (ii.6) Creative Destruction				
cd.RDE	R&D Intensity	LSEG DATA & ANALYTICS, Compustat	October 2026	Cohen, W. M., & Levinthal, D. A. (1990). Absorptive capacity: A new perspective on learning and innovation. *Administrative Science Quarterly, 35*(1), 128-152.
cd.RDC	Climate-Related R&D Investment	LSEG DATA & ANALYTICS, MSCI	October 2026	Lanjouw, J. O., & Mody, A. (1996). Innovation and the international diffusion of environmentally responsive technology. *Research Policy, 25*(4), 549-571. Porter, M. E., & van der Linde, C. (1995). Toward a new conception of the environment-competitiveness relationship. *Journal of Economic Perspectives, 9*(4), 97-118. Popp, D. (2002). Induced innovation and energy prices. *American Economic Review, 92*(1), 160-180.
cd.RDR	Responsible R&D Controversies	LSEG DATA & ANALYTICS	October 2026	Owen, R., Macnaghten, P., & Stilgoe, J. (2012). Responsible research and innovation: From science in society to science for society, with society. *Science and Public Policy, 39*(6), 751-760.
cd.INT	Intangibles	LSEG DATA & ANALYTICS, Compustat	October 2026	Corrado, C., Haskel, J., Jona-Lasinio, C., & Iommi, M. (2022). Intangible capital and modern economies. *Journal of Economic Perspectives, 36*(3), 3-28. Crouzet, N., & Eberly, J. (2018, May). Intangibles, investment, and efficiency. *AEA Papers and Proceedings, 108*, 426-431. Peters, R. H., & Taylor, L. A. (2017). Intangible capital and the investment-q relation. *Journal of Financial Economics, 123*(2), 251-272.

ID	Metric name	Data source(s)	Data retrieved	Literature references
cd.GCX	Green Capex	LSEG DATA & ANALYTICS, MSCI, CDP	October 2026	Schaltenbrand, B., Foerstl, K., Azadegan, A., & Lindeman, K. (2018). See what we want to see? The effects of managerial experience on corporate green investments. *Journal of Business Ethics, 150*(4), 1129-1150.
cd.RRC	Resource Reduction	LSEG DATA & ANALYTICS, MSCI, CDP	October 2026	Bloom, N., Genakos, C., Martin, R., & Sadun, R. (2010). Modern management: good for the environment or just hot air? *The Economic Journal, 120*(544), 551-572. Hart, S. L. (1995). A natural-resource-based view of the firm. *Academy of Management Review, 20*(4), 986-1014. Porter, M. E., & van der Linde, C. (1995). Toward a new conception of the environment-competitiveness relationship. *Journal of Economic Perspectives, 9*(4), 97-118.
cd.PKG	Packaging	LSEG DATA & ANALYTICS, MSCI	October 2026	Magnier, L., & Schoormans, J. (2015). Consumer reactions to sustainable packaging: The interplay of visual appearance, verbal claim and environmental concern. *Journal of Environmental Psychology, 44*, 53-62. Geyer, R., Jambeck, J. R., & Law, K. L. (2017). Production, use, and fate of all plastics ever made. *Science Advances, 3*(7), e1700782.
cd.EWA	E-Waste	LSEG DATA & ANALYTICS, MSCI	October 2026	Kahhat, R., & Williams, E. (2012). Materials flow analysis of e-waste: Domestic flows and exports of used computers from the United States. *Resources, Conservation and Recycling, 67*, 67-74. Guide, V. D. R., Jr., & Van Wassenhove, L. N. (2009). OR FORUM—The evolution of closed-loop supply chain research. *Operations Research, 57*(1), 10-18.
cd.GBU	Green Building	LSEG DATA & ANALYTICS, MSCI, CDP	October 2026	Eichholtz, P., Kok, N., & Quigley, J. M. (2010). Doi ng well by doing good? Green office buildings. *American Economic Review, 100*(5), 2492-2509. Eichholtz, P., Kok, N., & Quigley, J. M. (2013). The economics of green building. *Review of Economics and Statistics, 95*(1), 50-63.
Pillar (iii.7) Giving Income				
gi.FTA	Free Trade Agreements Utilization	LSEG DATA & ANALYTICS, WTO	October 2026	Baier, S. L., & Bergstrand, J. H. (2007). Do free trade agreements actually increase members' international trade? *Journal of International Economics, 71*(1), 72-95. Freund, C., & Ornelas, E. (2010). Regional trade agreements. *Annual Review of Economics, 2*(1), 139-166. Kohl, T. (2014). Do we really know that trade agreements increase trade? *Review of World Economics, 150*(3), 443-469.
gi.DON	Donations	LSEG DATA & ANALYTICS, MSCI	October 2026	Brammer, S., & Millington, A. (2005). Corporate reputation and philanthropy: An empirical analysis. *Journal of Business Ethics, 61*(1), 29-44. Porter, M. E., & Kramer, M. R. (2002). The competitive advantage of corporate philanthropy. *Harvard Business Review, 80*(12), 56-68. Seifert, B., Morris, S. A., & Bartkus, B. R. (2003). Comparing big givers and small givers: Financial correlates of corporate philanthropy. *Journal of Business Ethics, 45*(3), 195-211.
gi.CDF	Community Development Financing	LSEG DATA & ANALYTICS, MSCI	October 2026	Bhutta, N. (2011). The Community Reinvestment Act and mortgage lending to lower income borrowers and neighborhoods. *The Journal of Law and Economics, 54*(4), 953-983. Banerjee, A., Duflo, E., Glennerster, R., & Kinnan, C. (2015). The miracle of microfinance? Evidence from a randomized evaluation. *American Economic Journal: Applied Economics, 7*(1), 22-53.
gi.BDT	Biodiversity Targets	LSEG DATA & ANALYTICS, MSCI	October 2026	Dasgupta, P. (2021). *The economics of biodiversity: The Dasgupta review*. HM Treasury. Flammer, C., Giroux, T., & Heal, G. M. (2025). Biodiversity finance. *Journal of Financial Economics, 164*, 103987. Nedopil, C. (2023). Integrating biodiversity into financial decision-making: Challenges and four principles. *Business Strategy and the Environment, 32*(4), 1619-1633.
gi.ATR	Animal Testing Reduction	LSEG DATA & ANALYTICS, MSCI	October 2026	Auger, P., Burke, P., Devinney, T. M., & Louviere, J. J. (2003). What will consumers pay for social product features? *Journal of Business Ethics, 42*(3), 281-304. Hartung, T. (2013). Look back in anger – What clinical studies tell us about preclinical work. *ALTEX, 30*(3), 275-291. https://doi.org/10.14573/altex.2013.3.275. Janssens, M. (2022). Animal business: An ethical exploration of corporate responsibility towards animals. *Food Ethics, 7*(1), 2.
gi.DIV	Dividend Reinvestment Balance	LSEG DATA & ANALYTICS, Compustat	October 2026	Baker, H. K., & Powell, G. E. (1999). How corporate managers view dividend policy. *Quarterly Journal of Business and Economics, 38*(2), 17-35. Brav, A., Graham, J. R., Harvey, C. R., & Michaely, R. (2005). Payout policy in the 21st Century. *Journal of Financial Economics, 77*(3), 483-527. DeAngelo, H., DeAngelo, L., & Skinner, D. J. (2004). Are dividends disappearing? Dividend concentration and the consolidation of earnings. *Journal of Financial Economics, 72*(3), 425-456.
gi.REI	Renewable Energy Intensity	LSEG DATA & ANALYTICS, MSCI, CDP	October 2026	Shin, H., Ellinger, A. E., Nolan, H. H., DeCoster, T. D., & Lane, F. (2018). An assessment of the association between renewable energy utilization and firm financial performance. *Journal of Business Ethics, 151*(4), 1121-1138.
gi.LER	Land Environmental Impact Reduction	LSEG DATA & ANALYTICS, MSCI	October 2026	Foley, J. A., DeFries, R., Asner, G. P., Barford, C., Bonan, G., Carpenter, S. R., ... & Snyder, P. K. (2005). Global consequences of land use. *Science, 309*(5734), 570-574. Lambin, E. F., Gibbs, H. K., Heilmayr, R., Carlson, K. M., Fleck, L. C., Garrett, R. D., ... & Walker, N. F. (2018). The role of supply-chain initiatives in reducing deforestation. *Nature Climate Change, 8*(2), 109-116. Dasgupta, P. (2021). *The economics of biodiversity: The Dasgupta review*. HM Treasury.
gi.BBK*	Share Buyback Intensity	Compustat, Worldscope	October 2026	Almeida, H., Fos, V., & Kronlund, M. (2016). The real effects of share repurchases. *Journal of Financial Economics, 119*(1), 168-185. Edmans, A., Fang, V. W., & Huang, A. H. (2022). The long-term consequences of short-term incentives. *Journal of Accounting Research, 60*(3), 1007-1046. Guest, N., Kothari, S. P., & Venkat, P. (2023). Share repurchases on trial: Large-sample evidence on share price performance, executive compensation, and corporate investment. *Financial Management, 52*(1), 19-40. https://doi.org/10.1111/fima.12415.
Pillar (iii.8) Taking Income				
ti.SUB	Subsidies	LSEG DATA & ANALYTICS	October 2026	Brander, J. A., & Spencer, B. J. (1985). Export subsidies and international market share rivalry. *Journal of International Economics, 18*(1-2), 83-100. David, P. A., Hall, B. H., & Toole, A. A. (2000). Is public R&D a complement or substitute for private R&D? A review of the econometric evidence. *Research Policy, 29*(4-5), 497-529. Howell, S. T. (2017). Financing innovation: Evidence from R&D grants. *American Economic Review, 107*(4), 1136-1164.
ti.ETR	Effective Tax Rate	LSEG DATA & ANALYTICS, Compustat	October 2026	Desai, M. A., & Dharmapala, D. (2009). Corporate tax avoidance and firm value. *Review of Economics and Statistics, 91*(3), 537-546. Dyreng, S. D., Hanlon, M., & Maydew, E. L. (2008). Long-run corporate tax avoidance. *The Accounting Review, 83*(1), 61-82. Hanlon, M., & Heitzman, S. (2010). A review of tax research. *Journal of Accounting and Economics, 50*(2-3), 127-178.

ID	Metric name	Data source(s)	Data retrieved	Literature references
ti.EXC	Executive Compensation	LSEG DATA & ANALYTICS, BoardEx, Compustat	October 2026	Bebchuk, L. A., & Fried, J. M. (2003). Executive compensation as an agency problem. *Journal of Economic Perspectives, 17*(3), 71-92. https://doi.org/10.1257/089533003769204362. Core, J. E., Holthausen, R. W., & Larcker, D. F. (1999). Corporate governance, chief executive officer compensation, and firm performance. *Journal of Financial Economics, 51*(3), 371-406. Jensen, M. C., & Murphy, K. J. (1990). Performance pay and top-management incentives. *Journal of Political Economy, 98*(2), 225-264.
ti.ANT	Animal Testing	LSEG DATA & ANALYTICS	October 2026	Auger, P., Burke, P., Devinney, T. M., & Louviere, J. J. (2003). What will consumers pay for social product features? *Journal of Business Ethics, 42*(3), 281-304. Hartung, T. (2013). Look back in anger – What clinical studies tell us about preclinical work. *ALTEX, 30*(3), 275-291. https://doi.org/10.14573/altex.2013.3.275. Janssens, M. (2022). Animal business: An ethical exploration of corporate responsibility towards animals. *Food Ethics, 7*(1), 2.
ti.DEF	Deforestation	LSEG DATA & ANALYTICS, CDP	October 2026	Balboni, C., Berman, A., Burgess, R., & Olken, B. A. (2023). The economics of tropical deforestation. *Annual Review of Economics, 15*, 723-754. Panwar, R., Pinkse, J., Cashore, B., Husted, B. W., & Koh, L. P. (2020). Deforestation, global value chains, and corporate sustainability. *Business Strategy and the Environment, 29*(8), 3720-3722.
ti.SSV	Safety Standards Violations	LSEG DATA & ANALYTICS	October 2026	May, P. J. (2004). Compliance motivations: Affirmative and negative bases. *Law & Society Review, 38*(1), 41-68.
ti.FCO	Fleet CO2 Emissions	LSEG DATA & ANALYTICS, CDP	October 2026	Meyer, T. (2020). Decarbonizing road freight transportation–A bibliometric and network analysis. *Transportation Research Part D: Transport and Environment, 89*, 102619. Pasaoglu, G., Honselaar, M., & Thiel, C. (2012). Potential vehicle fleet CO2 reductions and cost implications for various vehicle technology deployment scenarios in Europe. *Energy Policy, 40*, 404-421.
ti.OCR	Operations in Critical Regions	LSEG DATA & ANALYTICS	October 2026	Eweje, G. (2006). The role of MNEs in community development initiatives in developing countries: Corporate social responsibility at work in Nigeria and South Africa. *Business & Society, 45*(2), 93-129.
ti.CHA*	Community Harm Allegations	RepRisk, MSCI	October 2026	Henisz, W. J., Dorobantu, S., & Nartey, L. J. (2014). Spinning gold: The financial returns to stakeholder engagement. *Strategic Management Journal, 35*(12), 1727-1748. Temper, L., Del Bene, D., & Martinez-Alier, J. (2015). Mapping the frontiers and front lines of global environmental justice: The EJAtlas. *Journal of Political Ecology, 22*(1), 255-278. Scheidel, A., et al. (2023). Global impacts of extractive and industrial development projects on Indigenous Peoples' lifeways, lands, and rights. *Science Advances, 9*(23), eade9557.
ti.CTR*	Cash Effective Tax Rate	Compustat, Worldscope	October 2026	Dyreng, S. D., Hanlon, M., & Maydew, E. L. (2008). Long-run corporate tax avoidance. *The Accounting Review, 83*(1), 61-82. Hanlon, M., & Heitzman, S. (2010). A review of tax research. *Journal of Accounting and Economics, 50*(2-3), 127-178.
ti.SOP*	Say-on-Pay Dissent	ISS	October 2026	Ertimur, Y., Ferri, F., & Muslu, V. (2011). Shareholder activism and CEO pay. *The Review of Financial Studies, 24*(2), 535-592. Correa, R., & Lel, U. (2016). Say on pay laws, executive compensation, pay slice, and firm valuation around the world. *Journal of Financial Economics, 122*(3), 500-520.
ti.NAF*	Non-Audit Fee Ratio	Audit Analytics, LSEG	October 2026	Frankel, R. M., Johnson, M. F., & Nelson, K. K. (2002). The relation between auditors' fees for nonaudit services and earnings management. *The Accounting Review, 77*(s-1), 71-105. DeFond, M., & Zhang, J. (2014). A review of archival auditing research. *Journal of Accounting and Economics, 58*(2-3), 275-326.
ti.PPS*	Pay-Performance Sensitivity	ExecuComp, LSEG, ISS	October 2026	Jensen, M. C., & Murphy, K. J. (1990). Performance pay and top-management incentives. *Journal of Political Economy, 98*(2), 225-264. Edmans, A., Gabaix, X., & Jenter, D. (2017). Executive compensation: A survey of theory and evidence. In B. E. Hermalin & M. S. Weisbach (Eds.), *The handbook of the economics of corporate governance* (Vol. 1, pp. 383-539). Elsevier.
Pillar (iii.9) Unearned Income				
ui.CEX	Carbon Exposure	LSEG DATA & ANALYTICS, Trucost, CDP	October 2026	Bolton, P., & Kacperczyk, M. (2021). Do investors care about carbon risk? *Journal of Financial Economics, 142*(2), 517-549. Sautner, Z., Van Lent, L., Vilkov, G., & Zhang, R. (2023). Pricing climate change exposure. *Management Science, 69*(12), 7540-7561.
ui.COC	Carbon Offsets and Credits	LSEG DATA & ANALYTICS, Trucost, CDP	October 2026	Kollmuss, A., Zink, H., & Polycarp, C. (2008). *Making sense of the voluntary carbon market: A comparison of carbon offset standards.* Stockholm Environment Institute. Lovell, H., Bulkeley, H., & Liverman, D. (2009). Carbon offsetting: Sustaining consumption? *Environment and Planning A: Economy and Space, 41*(10), 2357-2379.
ui.SCE	Scope 3 Emissions	LSEG DATA & ANALYTICS, Trucost, CDP	October 2026	Bolton, P., & Kacperczyk, M. (2021). Do investors care about carbon risk? *Journal of Financial Economics, 142*(2), 517-549.
ui.HAW	Hazardous Waste	LSEG DATA & ANALYTICS, MSCI	October 2026	Akey, P., & Appel, I. (2021). The limits of limited liability: Evidence from industrial pollution. *The Journal of Finance, 76*(1), 5-55. Greenstone, M., & Gallagher, J. (2008). Does hazardous waste matter? Evidence from the housing market and the Superfund program. *The Quarterly Journal of Economics, 123*(3), 951-1003. Currie, J., Greenstone, M., & Moretti, E. (2011). Superfund cleanups and infant health. *American Economic Review, 101*(3), 435-441.
ui.SPI	Spill Intensity	LSEG DATA & ANALYTICS, CDP, MSCI	October 2026	Chang, S. E., Stone, J., Demes, K., & Piscitelli, M. (2014). Consequences of oil spills: a review and framework for informing planning. *Ecology and Society, 19*(2).
ui.WTI	Waste Intensity	LSEG DATA & ANALYTICS, MSCI	October 2026	Chapple, W., Paul, C. J. M., & Harris, R. (2005). Manufacturing and corporate environmental responsibility: Cost implications of voluntary waste minimisation. *Structural Change and Economic Dynamics, 16*(3), 347-373. Gull, A. A., Atif, M., Ahsan, T., & Derouiche, I. (2022). Does waste management affect firm performance? International evidence. *Economic Modelling, 114*, 105932. Mazzarano, M. (2024). The implications of industrial waste for financial markets. *Journal of Environmental Economics and Policy, 13*(2), 144-167.
ui.WAI	Water Intensity	LSEG DATA & ANALYTICS, CDP, MSCI	October 2026	Hoekstra, A. Y., & Mekonnen, M. M. (2012). The water footprint of humanity. *Proceedings of the National Academy of Sciences, 109*(9), 3232-3237. Mekonnen, M. M., & Hoekstra, A. Y. (2016). Four billion people facing severe water scarcity. *Science Advances, 2*(2), e1500323. Huynh, T. D., Nguyen, T. H., & Truong, C. (2020). Climate risk: The price of drought. *Journal of Corporate Finance, 65*, 101750.
ui.BIM	Biodiversity Impact Mitigation	LSEG DATA & ANALYTICS, CDP, MSCI	October 2026	Flammer, C., Giroux, T., & Heal, G. M. (2025). Biodiversity finance. *Journal of Financial Economics, 164*, 103987.

ID	Metric name	Data source(s)	Data retrieved	Literature references
ui.DAP	Data Privacy	LSEG DATA & ANALYTICS, MSCI	October 2026	Martin, K. D., Borah, A., & Palmatier, R. W. (2017). Data privacy: Effects on customer and firm performance. *Journal of Marketing, 81*(1), 36-58. Zhang, Y., Zhang, C., & Xu, Y. (2021). Effect of data privacy and security investment on the value of big data firms. *Decision Support Systems, 146,* 113543.
ui.AIH*	AI & Technology Harm Allegations	AI Incident Database	October 2026	McGregor, S. (2021). Preventing repeated real world AI failures by cataloging incidents: The AI Incident Database. *Proceedings of the AAAI Conference on Artificial Intelligence, 35*(17), 15458-15463. Acemoglu, D. (2021). *Harms of AI* (NBER Working Paper No. 29247). National Bureau of Economic Research.
ui.DBR*	Data Breach Incidence	Mandatory breach registers; MSCI Controversies	October 2026	Kamiya, S., Kang, J. K., Kim, J., Milidonis, A., & Stulz, R. M. (2021). Risk management, firm reputation, and the impact of successful cyberattacks on target firms. *Journal of Financial Economics, 139*(3), 719-749. Florackis, C., Louca, C., Michaely, R., & Weber, M. (2023). Cybersecurity risk. *The Review of Financial Studies, 36*(1), 351-407.
Pillar (iv.10) Producer Value				
pv.ENP	Energy Productivity	LSEG DATA & ANALYTICS	October 2026	Montalbano, P., Nenci, S., & Vurchio, D. (2022). Energy efficiency and productivity: A worldwide firm-level analysis. *The Energy Journal, 43*(5), 93-116.
pv.GHW	Good Health and Well-Being	LSEG DATA & ANALYTICS	October 2026	Durand, M., & Boarini, R. (2016). Well-being as a business concept. *Humanistic Management Journal, 1,* 127-137. Fernandez, R. M. (2020). SDG3 good health and well-being: Integration and connection with other SDGs. In W. Leal Filho., T. Wall., A. M. Azul., L. Brandli., & P. G. Özuyar (Eds.), *Good health and well-being. Encyclopedia of the UN Sustainable Development Goals* (pp. 629-636). Springer.
pv.RCP	Responsible Consumption and Production	LSEG DATA & ANALYTICS	October 2026	Dubey, R., Gunasekaran, A., Childe, S. J., Papadopoulos, T., Wamba, S. F., & Song, M. (2016). Towards a theory of sustainable consumption and production: Constructs and measurement. *Resources, Conservation and Recycling, 106,* 78-89.
pv.ISA	International Sales	LSEG DATA & ANALYTICS, Compustat	October 2026	Knight, G. A., & Cavusgil, S. T. (2004). Innovation, organizational capabilities, and the born-global firm. *Journal of International Business Studies, 35*(2), 124-141.
pv.GSC	Global Supply Chain	LSEG DATA & ANALYTICS	October 2026	Gereffi, G., Humphrey, J., & Sturgeon, T. (2005). The governance of global value chains. *Review of International Political Economy, 12*(1), 78-104. Hendricks, K. B., & Singhal, V. R. (2005). An empirical analysis of the effect of supply chain disruptions on long-run stock price performance and equity risk of the firm. *Production and Operations Management, 14*(1), 35-52.
pv.EDP	Eco-Design Products	LSEG DATA & ANALYTICS	October 2026	Bocken, N. M. P., de Pauw, I., Bakker, C., & van der Grinten, B. (2016). Product design and business model strategies for a circular economy. *Journal of Industrial and Production Engineering, 33*(5), 308-320. Chen, C. (2001). Design for the environment: A quality-based model for green product development. *Management Science, 47*(2), 250-263.
pv.GRP	Green Products	LSEG DATA & ANALYTICS, Trucost	October 2026	Dangelico, R. M., & Pujari, D. (2010). Mainstreaming green product innovation: Why and how companies integrate environmental sustainability. *Journal of Business Ethics, 95*(3), 471-486.
pv.PRR	Product Recovery Rate	LSEG DATA & ANALYTICS, MSCI	October 2026	Linder, M., & Williander, M. (2017). Circular business model innovation: Inherent uncertainties. *Business Strategy and the Environment, 26*(2), 182-196.
pv.CGS	Goods Cost Intensity	LSEG DATA & ANALYTICS, Compustat	October 2026	Syverson, C. (2011). What determines productivity? *Journal of Economic Literature, 49*(2), 326-365. Novy-Marx, R. (2013). The other side of value: The gross profitability premium. *Journal of Financial Economics, 108*(1), 1-28.
pv.PCR	Physical Climate Risk Exposure	LSEG DATA & ANALYTICS, CDP, Trucost	October 2026	Huang, H. H., Kerstein, J., Wang, C., & Wu, F. (2022). Firm climate risk, risk management, and bank loan financing. *Strategic Management Journal, 43*(13), 2849-2880. Li, X. (2025). Physical climate change exposure and firms' adaptation strategy. *Strategic Management Journal, 46*(3), 750-789.
Pillar (iv.11) Capital Value				
cv.CEX	Capital Expenditures Intensity	LSEG DATA & ANALYTICS, Compustat	October 2026	Baker, M., Stein, J. C., & Wurgler, J. (2003). When does the market matter? Stock prices and the investment of equity-dependent firms. *The Quarterly Journal of Economics, 118*(3), 969-1005. Kaplan, S. N., & Zingales, L. (1997). Do investment-cash flow sensitivities provide useful measures of financing constraints? *The Quarterly Journal of Economics, 112*(1), 169-215. McConnell, J. J., & Muscarella, C. J. (1985). Corporate capital expenditure decisions and the market value of the firm. *Journal of Financial Economics, 14*(3), 399-422.
cv.FDI	Foreign Direct Investment	LSEG DATA & ANALYTICS, Compustat	October 2026	Alfaro, L., & Charlton, A. (2007). *Growth and the quality of foreign direct investment: Is all FDI equal?* (CEP Discussion Papers dp0830). Centre for Economic Performance, LSE. Helpman, E., Melitz, M. J., & Yeaple, S. R. (2004). Export versus FDI with heterogeneous firms. *American Economic Review, 94*(1), 300-316. Javorcik, B. S. (2004). Does foreign direct investment increase the productivity of domestic firms? In search of spillovers through backward linkages. *American Economic Review, 94*(3), 605-627.
cv.SUB	Sustainable Bonds	No data in VCr2026 (planned for VCr2027)	-	Flammer, C. (2021). Corporate green bonds. *Journal of Financial Economics, 142*(2), 499-516. Tang, D. Y., & Zhang, Y. (2020). Do shareholders benefit from green bonds? *Journal of Corporate Finance, 61*, 101427. Zerbib, O. D. (2019). The effect of pro-environmental preferences on bond prices: Evidence from green bonds. *Journal of Banking & Finance, 98*, 39-60.
cv.ENE	Environmental Expenditures	LSEG DATA & ANALYTICS, CDP	October 2026	Jaffe, A. B., Peterson, S. R., Portney, P. R., & Stavins, R. N. (1995). Environmental regulation and the competitiveness of U.S. manufacturing: What does the evidence tell us? *Journal of Economic Literature, 33*(1), 132-163. Berman, E., & Bui, L. T. M. (2001). Environmental regulation and productivity: Evidence from oil refineries. *The Review of Economics and Statistics, 83*(3), 498-510. Porter, M. E., & van der Linde, C. (1995). Toward a new conception of the environment-competitiveness relationship. *Journal of Economic Perspectives, 9*(4), 97-118.
cv.SPF	Sustainable Project Financing	LSEG DATA & ANALYTICS, CDP	October 2026	Scholtens, B., & Dam, L. (2007). Banking on the Equator: Are banks that adopted the Equator Principles different from non-adopters? *World Development, 35*(8), 1307-1328. Weber, O., & Acheta, E. (2014). *The Equator Principles: Ten teenage years of implementation and a search for outcome* (CIGI Papers No. 24). Centre for International Governance Innovation.
cv.AIG	Amortization & Impairment of Goodwill	LSEG DATA & ANALYTICS, Compustat	October 2026	Li, Z., Shroff, P. K., Venkataraman, R., & Zhang, I. X. (2011). Causes and consequences of goodwill impairment losses. *Review of Accounting Studies, 16*(4), 745-778.

ID	Metric name	Data source(s)	Data retrieved	Literature references
cv.LVR	Leverage Ratio	LSEG DATA & ANALYTICS, Compustat	October 2026	Frank, M. Z., & Goyal, V. K. (2009). Capital structure decisions: which factors are reliably important? *Financial Management, 38*(1), 1-37. Graham, J. R., Leary, M. T., & Roberts, M. R. (2015). A century of capital structure: The leveraging of corporate America. *Journal of Financial Economics, 118*(3), 658-683. Modigliani, F., & Miller, M. H. (1958). The cost of capital, corporation finance and the theory of investment. *The American Economic Review, 48*(3), 261-297.
cv.ICR	Interest Coverage Ratio	LSEG DATA & ANALYTICS, Compustat	October 2026	Blume, M. E., Lim, F., & MacKinlay, A. C. (1998). The declining credit quality of U.S. corporate debt: Myth or reality? *The Journal of Finance, 53*(4), 1389-1413. Caballero, R. J., Hoshi, T., & Kashyap, A. K. (2008). Zombie lending and depressed restructuring in Japan. *American Economic Review, 98*(5), 1943-1977. Banerjee, R., & Hofmann, B. (2018). The rise of zombie firms: Causes and consequences. *BIS Quarterly Review*, September 2018, 67-78.
cv.FCE	Free Cash Flow to Equity	LSEG DATA & ANALYTICS, Compustat	October 2026	Jensen, M. C. (1986). Agency costs of free cash flow, corporate finance, and takeovers. *The American Economic Review, 76*(2), 323-329.
cv.FCD	Free Cash Flow to Debt	LSEG DATA & ANALYTICS, Compustat	October 2026	Jensen, M. C. (1986). Agency costs of free cash flow, corporate finance, and takeovers. *The American Economic Review, 76*(2), 323-329.
cv.EPS*	Economic Profit Spread (ROIC – WACC)	Compustat, Worldscope	October 2026	Stewart, G. B. (1991). *The quest for value*. HarperBusiness.
cv.GWS*	Goodwill Share of Total Assets	Worldscope, Compustat	October 2026	Gu, F., & Lev, B. (2011). Overpriced shares, ill-advised acquisitions, and goodwill impairment. *The Accounting Review, 86*(6), 1995-2022.
Pillar (iv.12) Labor Value				
lv.EMS	Employee Satisfaction	LSEG DATA & ANALYTICS	October 2026	Harter, J. K., Schmidt, F. L., & Hayes, T. L. (2002). Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: A meta-analysis. *Journal of Applied Psychology, 87*(2), 268-279. Huang, M., Li, P., Meschke, F., & Guthrie, J. P. (2015). Family firms, employee satisfaction, and corporate performance. *Journal of Corporate Finance, 34*, 108-127. Edmans, A. (2011). Does the stock market fully value intangibles? Employee satisfaction and equity prices. *Journal of Financial Economics, 101*(3), 621-640.
lv.EHS	Employee Health & Safety	LSEG DATA & ANALYTICS	October 2026	Asiedu, E. A., Appiagyei, J. N., Amfo-Otu, R., Parku, K., & Obuobisa-Darko, T. (2025). Occupational health and safety, cost reduction in accident and employee task performance: Perspectives of selected service organizations. *Journal of Public Health, 33*(9), 2011-2022. Charles, K. K., Johnson, M. S., Stephens Jr, M., & Lee, D. Q. (2022). Demand conditions and worker safety: Evidence from price shocks in mining. *Journal of Labor Economics, 40*(1), 47-94.
lv.PLI	Pension Liabilities	LSEG DATA & ANALYTICS, Compustat	October 2026	Bulow, J. I. (1982). What are corporate pension liabilities? *Quarterly Journal of Economics, 97*(3), 435-452. Rauh, J. (2006). Investment and financing constraints: Evidence from the funding of corporate pension plans. *Journal of Finance, 61*(1), 33-71.
lv.EMI	International Employees	No data in VCr2026 (planned for VCr2027)	-	Collings, D. G., Scullion, H., & Morley, M. J. (2007). Changing patterns of global staffing in the multinational enterprise: Challenges to the conventional expatriate assignment and emerging alternatives. *Journal of World Business, 42*(2), 198-213. Tarique, I., & Schuler, R. (2010). Global talent management: Literature review, integrative framework, and suggestions for further research. *Journal of World Business, 45*(2), 122-133.
lv.EMT	Employee Training Investment	LSEG DATA & ANALYTICS	October 2026	Tharenou, P., Saks, A. M., & Moore, C. (2007). A review and critique of research on training and organizational-level outcomes. *Human Resource Management Review, 17*(3), 251-273. Aguinis, H., & Kraiger, K. (2009). Benefits of training and development for individuals and teams, organizations, and society. *Annual Review of Psychology, 60*, 451-474.
lv.LPR	Labor Productivity	LSEG DATA & ANALYTICS	October 2026	Syverson, C. (2011). What determines productivity? *Journal of Economic Literature, 49*(2), 326-365. Black, S. E., & Lynch, L. M. (2001). How to compete: The impact of workplace practices and information technology on productivity. *The Review of Economics and Statistics, 83*(3), 434-445. Ichniowski, C., Shaw, K., & Prennushi, G. (1997). The effects of human resource management practices on productivity: A study of steel finishing lines. *American Economic Review, 87*(3), 291-313.
lv.CCO	Competitive Labor Compensation	LSEG DATA & ANALYTICS	October 2026	Krueger, A. B., & Summers, L. H. (1988). Efficiency wages and the inter-industry wage structure. *Econometrica, 56*(2), 259-293. Akerlof, G. A. (1982). Labor contracts as partial gift exchange. *The Quarterly Journal of Economics, 97*(4), 543-569. Card, D., Cardoso, A. R., Heining, J., & Kline, P. (2018). Firms and labor market inequality: Evidence and some theory. *Journal of Labor Economics, 36*(S1), S13-S70.
lv.LSH*	Labor Share of Value Added	Worldscope, Compustat (staff costs, EBITDA)	October 2026	De Loecker, J., Eeckhout, J., & Unger, G. (2020). The rise of market power and the macroeconomic implications. *The Quarterly Journal of Economics, 135*(2), 561-644. Karabarbounis, L., & Neiman, B. (2014). The global decline of the labor share. *The Quarterly Journal of Economics, 129*(1), 61-103. Autor, D., Dorn, D., Katz, L. F., Patterson, C., & Van Reenen, J. (2020). The fall of the labor share and the rise of superstar firms. *The Quarterly Journal of Economics, 135*(2), 645-709.
lv.LWG*	Living Wage Gap	No data in VCr2026 (planned for VCr2027)	-	Anker, R., & Anker, M. (2017). *Living wages around the world: Manual for measurement*. Edward Elgar. Akerlof, G. A., & Yellen, J. L. (1990). The fair wage-effort hypothesis and unemployment. *The Quarterly Journal of Economics, 105*(2), 255-283.