



ESG data – production



The Financial Reporting Lab (Lab) is inviting companies, service and systems providers, investors and other interested parties to participate in a new project looking at how companies produce ESG data. Contact the Lab at financialreportinglab@frc.org.uk by 15 November 2021 if you are interested in taking part.

Background

Investors and other stakeholders are increasingly interested in disclosures on the environmental and social impact of companies' activities and their governance arrangements. As explained in [the FRC's ESG statement of intent](#), the data and systems underlying such disclosures pose a challenge. High-quality data is important for both boards' decision making as well as investors' decision making. However, the systems to produce, distribute and consume ESG data are significantly less mature than those for financial information.

In this context, the Lab is starting a project about production, distribution and consumption of ESG data. The first phase of the project will focus on the **production of ESG data**.

The scope of this first project phase will be determined in conjunction with participants but is expected to cover:

- what ESG data companies collect—we are particularly interested in understanding what data companies collect for internal decision-making rather than solely for external disclosure.
- what methodologies companies use to measure ESG data;
- what systems they use to collect and produce the data;
- how they get comfort on the accuracy of the data; and
- how they transform the data into useful external disclosure.

How to participate

The Lab invites companies, service and systems providers, investors and other interested parties to communicate their interest by emailing financialreportinglab@frc.org.uk by 15 November 2021.

Participation is expected to involve:

- a 1-hour individual virtual meeting to discuss your views and experiences; and
- multi-party round table meetings of 1.5 hours (attendance is not required at all round tables).

Participants will be kept up to date on the progress of the project and will be given an opportunity to comment on draft findings.

Stakeholders are also welcome to express their interest in the planned project phases on ESG data distribution and consumption.

Watch this short [video](#) to find out what it is like to participate in a Lab project. Further information on the Lab, including its publications, can be found [here](#).