



KLD STATS

Statistical Tool for Analysis of Trends

FREQUENTLY ASKED QUESTIONS

FOR

KLD STATS

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DELIVERY

Q. How does KLD deliver the data?

A. KLD sends a zipped package of Excel spreadsheets via email. KLD has zipped the files in order to facilitate sending them as an attachment. If you do not have a program to unzip the files, you can download WinZip for free at www.winzip.com. KLD can also send the data as separate files at your request.

Q. Can I pay for the product via credit card?

A. Yes, KLD accepts American Express, MasterCard and Visa. Your sales representative (sales@kld.com) can send you a link that will allow you to pay by credit card online. Your transaction will be handled via secure connection and secure server.

RESEARCH

Q. What is KLD STATS?

A. KLD STATS provide a snapshot of corporate responsibility ratings over the course of 17 years, making it an excellent resource for comparative CSR research over time.

Q. What does KLD STATS stand for?

A. The STATS in KLD STATS stands for a Statistical Tool for Analyzing Trends in Social & Environmental Performance.

Q. Who conducts the research?

A. KLD maintains an independent research staff with industry and issue specialties. Analysts specialize in issues including the environment, community relations, employee programs and diversity, product safety and accessibility, labor relations, human rights, and governance.

To read brief biographies about some of the individuals on our Research team please visit [About KLD](#) and click on The KLD Team.

Q. How often is the research updated?

A. Each year, KLD takes a snapshot of all company ratings at calendar year end. Throughout the year, each company is reviewed annually and engagement with the company is initiated. As part of this process, analysts review the company's public documents, including the annual report, the proxy, the company website, corporate social responsibility (CSR) reporting, and other stakeholders and data sources. KLD analysts also monitor media sources for developing issues on a daily basis. Additionally, companies are updated with information on an industry- and universe-level from discrete sources on an on-going basis.

Q. When does KLD compile the data?

A. KLD assembles the data at the end of each calendar year, and compiles the data into the spreadsheets at the beginning of the year. Data for the previous year is generally available by early February.

Q. Have you ever tracked SIC codes / NAICS codes for KLD STATS?

A. KLD has never used SIC or NAICS codes. We use company name, ticker, and CUSIP as identifiers. We began including CUSIPs in 1995, making that information available from 1995 to the present.

SPREADSHEET COMPOSITION

Q. How are the ratings identified?

A. KLD's historical ratings data set is designed as a binary system. For each strength or concern rating applied to a company, we include a "1" indicating the presence of that rating and a "0" indicating the absence of the rating. The absence of a rating indicates that the company has not qualified for that individual strength or concern rating.

Q. I have seen ratings systems implemented in other research papers that are not the binary system that KLD explains in the manual. Did these researchers get special information?

A. KLD does make detailed, weighted scoring available for interested academics; pricing is available by request (sales@kld.com).

However, many of the published papers based on the KLD data set have different rating systems that are not created by KLD. For example, Hillman & Keim (2001, Strategic Management Journal, pp.125-139) described the rating system as follows.

“The KLD categories are rated on a scale ranging from -2 (major concerns), -1 (concern), 0 (neutral), +1 (strength), to +2 (major strength).” (p.131)

The "-2" to "+2" rating system used in the paper is a system that the Hillman & Keim chose, and it indicates whether the company had two or more strengths or concerns in a particular issue area. This is an example of a scoring system developed *from* KLD data, but not *by* KLD.

Q. Has KLD made any changes to its ratings system that would affect the historical ratings?

A. Over the years, KLD has made some modifications to its ratings system, including adding new strength and concern ratings. All changes are included in the key. If you have additional questions regarding historical changes to ratings, please contact KLD's Client Services team at 617-426-5270 or clientservices@kld.com.

Q. When I scroll down/across the spreadsheet, some of the cells don't change. What's going on?

A. Each Spreadsheet has the panes frozen at cell C2 so that the column headings, company names, and tickers are viewable from any part of the spreadsheet. To disable this, go to the Window menu in Excel and select Unfreeze Panes.

COVERAGE

Q. What universe of companies does KLD cover?

A. KLD currently covers all companies on the S&P 500[®] Index and the Domini 400 SocialSM Index (DS 400), as well as the 3,000 largest U.S. publicly traded companies by market capitalization.

KLD has expanded its universe of coverage over the years; for a historical view, please see the table below.

Q. Does KLD cover any international companies?

A. KLD does not currently have historical ratings data available for non-U.S. companies, unless the company is a member of the S&P 500.

Q. Has KLD covered the same universe of companies since it started collecting data for the Historical Ratings?

A. No. KLD has consistently covered the universe comprising the S&P 500 and the DS 400 since 1991. In 2001, KLD began expanding coverage starting to include the universes identified in the table below.

Universe of Coverage	1991-2000	2001	2002	2003 - 2007	2008-Present
S&P 500 [®] Index	X	X	X	X	
Domini 400 Social SM Index	X	X	X	X	
1,000 largest U.S. publicly traded companies by market capitalization		X	X	X	
Large Cap Social SM Index			X	X	
2,000 U.S. publicly traded small-cap companies				X	
Broad Market Social SM Index				X	
3,000 largest U.S. publicly traded companies by market capitalization					X