

A dark blue world map with a network of white lines and dots connecting various points across the continents, primarily highlighting North America and Europe. The text is overlaid on the left side of the map.

# **EDMC COUNCIL ESG SPECIAL INTEREST GROUP (SIG)**

**WEDNESDAY, SEPTEMBER 21, 2022**



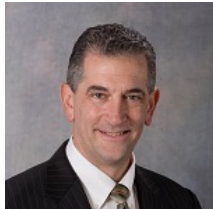


# EDM Webinar

## ESG Updates

Wednesday, September 21, 2022

*A conversation with*



**John Bottega**  
**President**  
**EDM Council**



**Jim Halcomb**  
**Head of Product Management**  
**EDM Council**



# EDMC ESG Program Update

- **Updates**
  - The ESG Special Interest Group Objectives
  - Accomplishments – Publications
  - Accomplishments – Industry & Regulatory Involvement
  - Collaboration with the DSD Lab
  - Participation at COP26/27
- **Special Interest Group (SIG) Program**
  - Highlights
  - Structure
  - Playbooks
  - Roadmap
  - Call to Action
- **Next Steps**
  - Questions / Next Meeting

## ESG SPECIAL INTEREST GROUP UPDATES

# EDM Council ESG SIG Updates



# EDM Council ESG Open Workgroup

## ESG Data Challenges

The lack of consistent industry best practices, transparency, evolving standards and regulations, and data availability has created confusion across the ESG data supply chain

## Industry Benefits

- Coalesce the industry around a defined set of Best practices and Benefits
- Provide ESG Data Transparency to all stakeholders in the ESG supply chain

## Goal

Cross-industry collaboration, provide data management best practices, educate data professionals, engage with regulators and standards organizations







# Objective

**Bring together experts from across key ESG ecosystem to**

- **Identify the current state of ESG data management**
- **Document pain points /Identify areas of common interest**
- **Produce an ESG data management best practice approach and operating principles for ESG constituents.**

**Facilitate and support the creation of an “ESG Data Community”**

- **ESG constituents can connect to share concepts. discuss challenges and access educational materials,**
- **Find current and related news and research to continue to improve the awareness and transparency of commonly available data in the ESG marketplace.**



# WORKING GROUP PARTICIPANTS

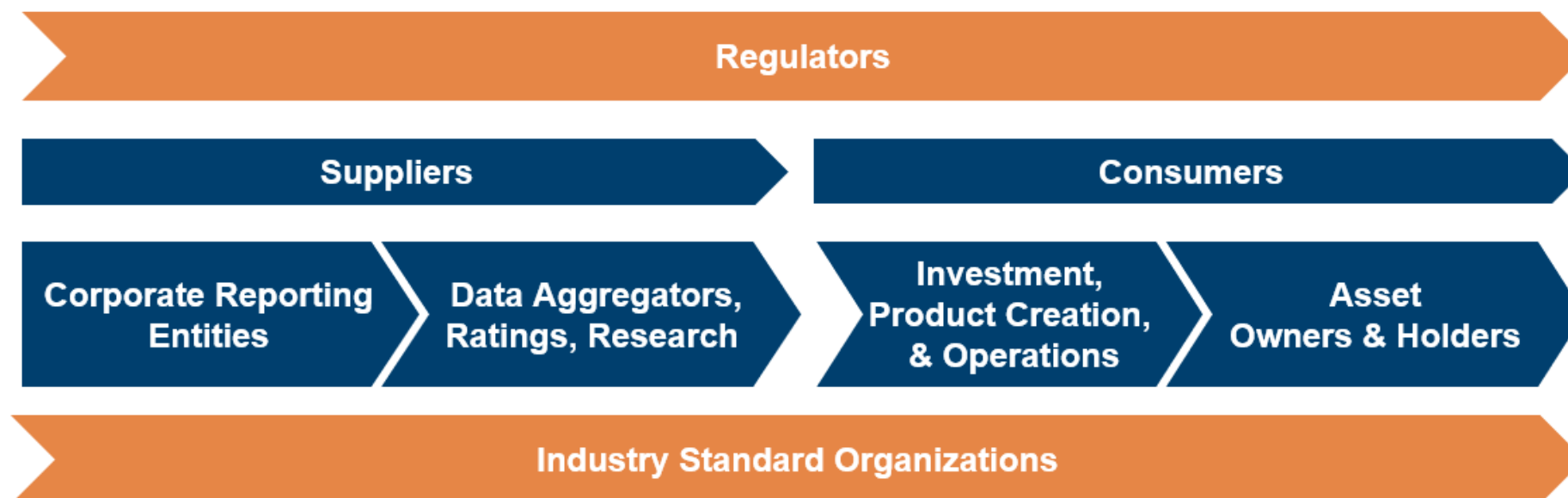
Financial firms, Tech Companies and International ESG Bodies Joined the Group





**Hypothesis: This is a Data problem! Data is not the cause, but Data is the critical factor of input into addressing the ESG Global Challenges**

***Need to Apply Data Management Best Practices to the Data Supply Chain***



**You can't Manage what you can't Measure**



# ESG DATA SUPPLY CHAIN

A value chain of reporting data content participants that are known to be actively offering ESG services

## Regulators

EU, SEC, FED, MAS: Assisting efficiency of markets with standardized policies that improves investment process accuracy

### Suppliers

### Consumers

#### Corporate Reporting Entities

e.g. Amazon, Microsoft, Tesla, AstraZenica, Duke Energy, JetBlue  
\*\*Including alternate data sources i.e. from government or independent sites

#### ESG Research & Data Aggregators

e.g. Bloomberg, CDP, Fitch, FTSE, ISS, Moody's, MSCI, Refinitiv, S&P, Sustainalytics

#### Investment/Product Creation and Operations

e.g. State Street – TPA Services  
Vanguard – Investment Management  
UBS – Investment Banking  
JP Morgan - Investment vehicles

#### Asset Owners & Holders

Prudential - Insurers  
TIAA - Pension  
ADIA - Sovereign wealth

Examples of content provided:

Self-Disclosures in Annual Reports

ESG metrics & scores factors, screening indicators

Investment selection, from external sources and proprietary data/analytics and product creation.

Investment selection criteria and rules validations

Areas of specific interest

- Disclosure levels need to improve, along with precise disclosure criteria

- Data from company reports, disclosures, surveys & analytics.
- Suppliers create ESG scores and ratings and can differ considerably due to lack of available & standardized data.

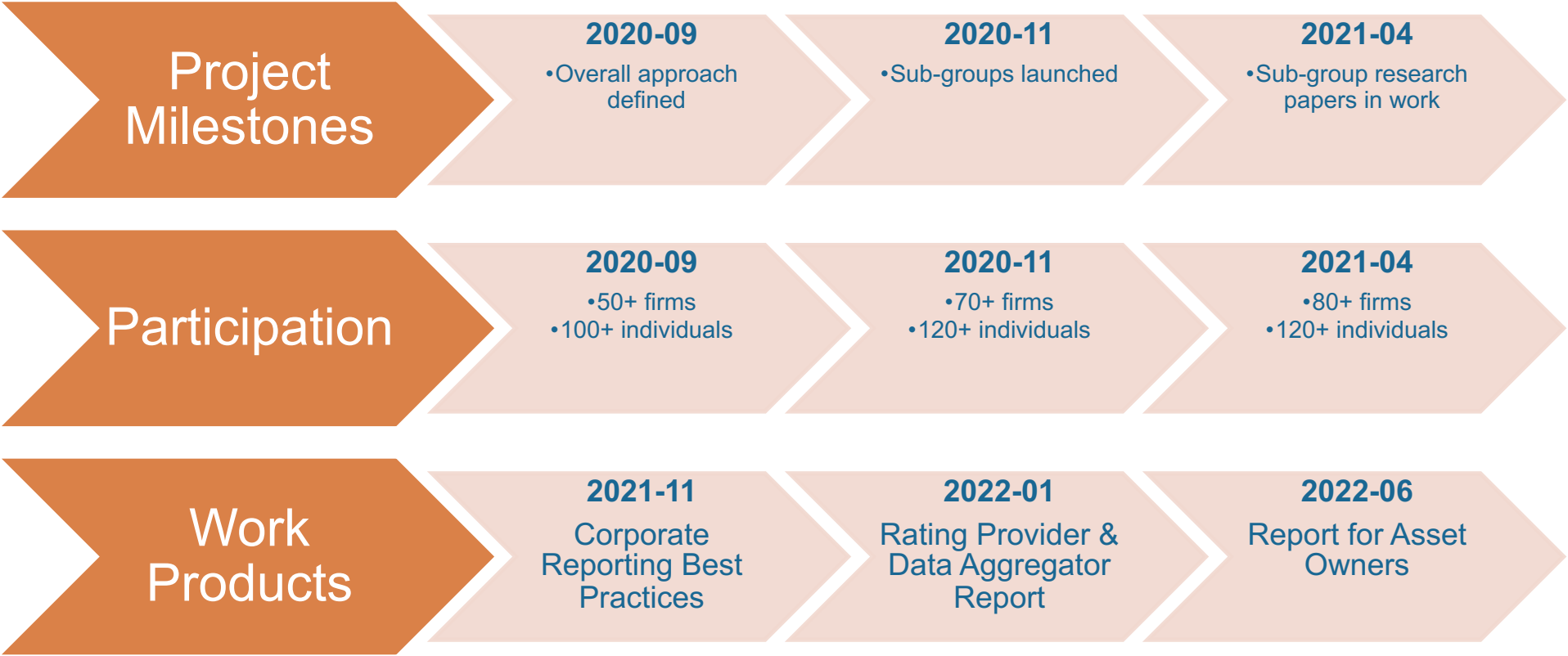
- Normalized data across sources.
- Investments develop proprietary assessments, products, analytics and scores due to lack of available consistent sourcing data.

- Alignment of investment selections to portfolio mandates
- Verification of investment selection to investors & regulators

## Industry Standard Bureaus

GRI, SASB, TCFD: Collaborate with various constituencies on standard frameworks for ESG investment criteria

## Kickoff Webinar: 16 June 2020





# ESG ACCOMPLISHMENTS – INDUSTRY & REGULATORY INVOLVEMENT

Date	Industry / Regulatory Involvement
Inception thru April 2021	Organized conferences on regulatory developments: <ul style="list-style-type: none"> <li>• SFDR introduction and SFDT RTS deep dive with an expert from ESMA</li> <li>• EU Taxonomy, Ecolabel &amp; Benchmarks</li> <li>• WEF IBC reporting for Stakeholder Capitalism</li> </ul>
2020-12	EDMC <b>Consultation Paper on Sustainability Reporting</b> provided to the IFRS Foundation (United Kingdom)
2021-03	EDMC <b>Letter of Support</b> sent to the Task Force on Climate-Related Financial Disclosures (Switzerland)
2021-04	DMC <b>Letter of Support</b> sent to the Office of the Superintendent of Financial Services (Canada)
2021-06	EDMC <b>Response to the SEC Request for Comment</b> on Climate Change Disclosure (USA/Washington)
2021-07	<b>Review Advisory Group Participant for a study</b> by the Non-financial Digitization Working Group (NDWG) to assess the feasibility of a registry for digital taxonomies



*Download ESG Data Management  
guidelines for:*

**Corporate Reporting Entities  
Ratings Providers and Data Aggregators  
Asset Owners**

Free download at:  
[www.edmcouncil.org](http://www.edmcouncil.org)  
Go to Groups > ESG Data



## ESG SPECIAL INTEREST GROUP UPDATES

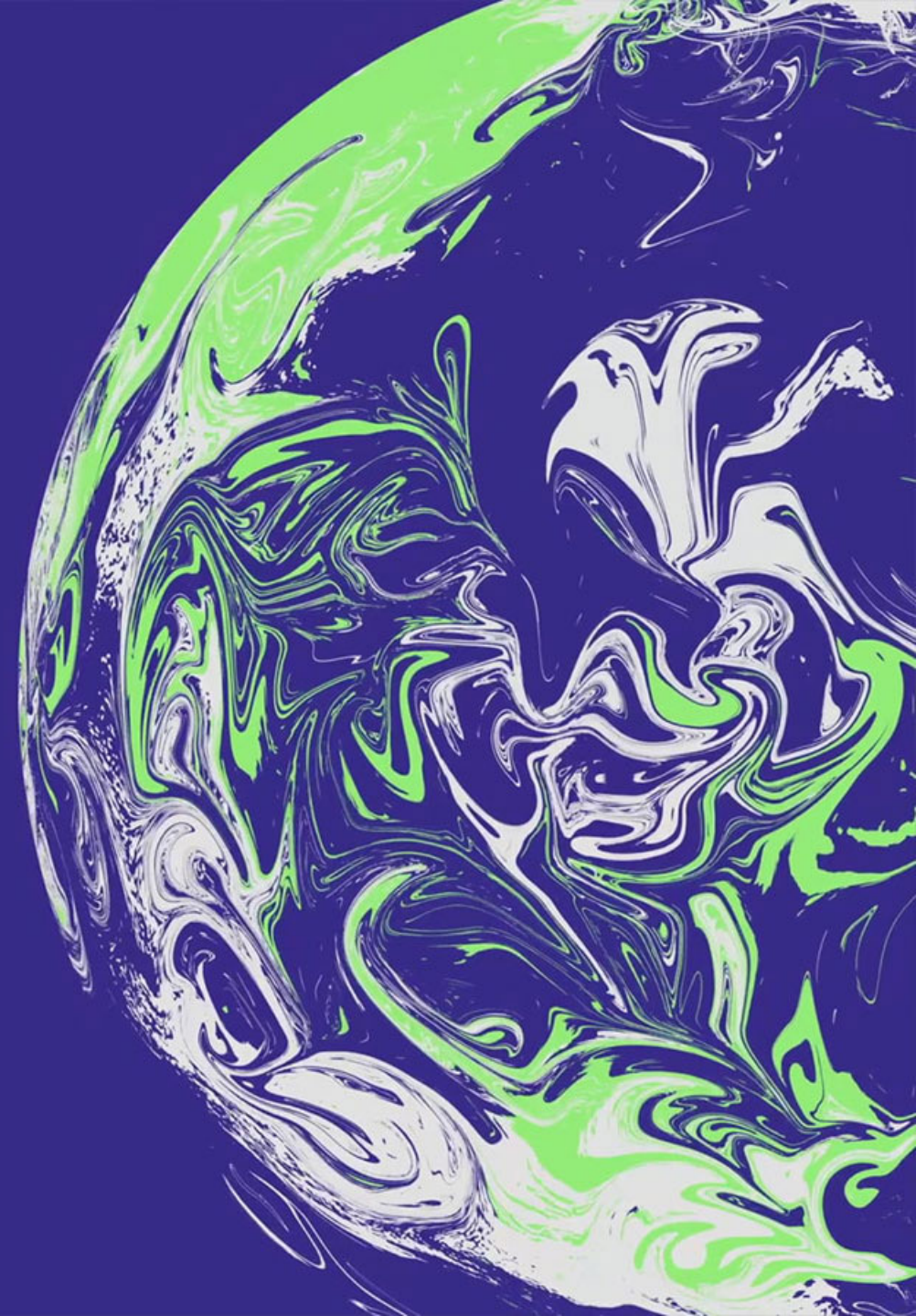
# EDM Council ESG SIG Updates Participation on the Global Stage

**01-12 NOV 2021**  
**GLASGOW**

# COP26

**IN PARTNERSHIP WITH ITALY**

A Proposal for the Digital Transformation of Sustainability  
Information | Networking Breakfast | Impact Management  
Project, CIFF and Chatham House





# GRANT AWARDED: APPLICATION OF DM BEST PRACTICES

## Demonstrate the imperative to implement Data Management Best Practices across the supply chain of ESG and Sustainability Data

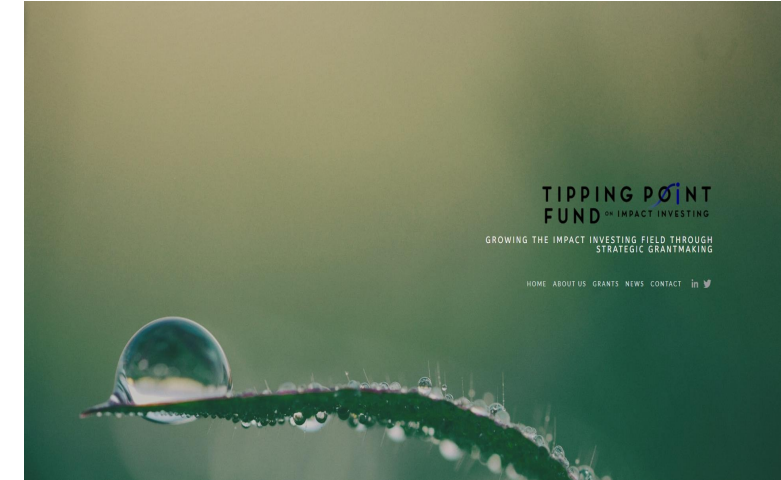
**EDM Council led/co-led two research ‘sprints’ following COP26 in prep for COP27**

**Sprint A: Current State of ESG/Sustainability data collection**

- Application of data management best practices to the collection and management of ESG data

**Sprint B: Harmonization of ESG data standard / Co-lead: Microsoft**

- Leverage AI/ML and EDMC Innovation Lab to automate the harmonization of disparate ESG taxonomies



# STUDY PRESENTED AT CHATHAM HOUSE, LONDON ENGLAND



**Study presented to an international body of standard setters and Funding Entities at Chatham House, April 2022**

**Result: Formation of a new International Effort titled Digitization of Sustainability Data (DSD)**

- EDMC sits on the DSD Steering Committee
- DCAM has been selected as the framework for data management best practices as applied to the ESG Data supply chain
- EDMC Knowledge Graph Innovation Lab has been put forward as the Open Development facility to develop open-standard “Smart Shared Dictionary” of ESG data





## Second Grant Pending

### Sprint POC – Smart Shared Dictionary

- Pending Grant approval, develop a ‘sprint’ Proof of Concept of the benefits of an Open Shared Smart Dictionary, to harmonize the multiple disparate ESG related international taxonomies.
- Results of the Sprint will be presented at COP27, Sharm El-Sheikh, Egypt

## ESG SPECIAL INTEREST GROUP UPDATES

# Engaging our ESG Community



# EDMC SIG PROGRAM - HIGHLIGHTS

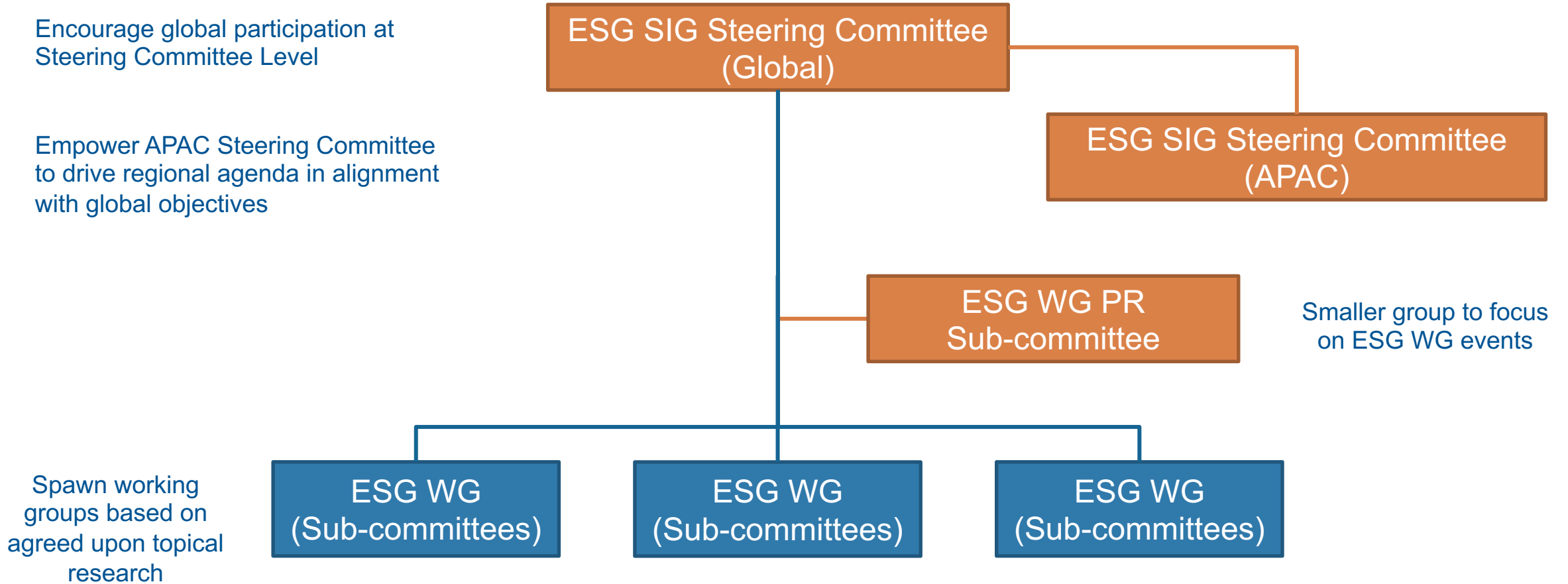
A diagram consisting of three white circles with orange outlines, connected by a continuous orange line that forms a zig-zag pattern. The circles are arranged vertically, with the top circle connected to the middle one, and the middle one connected to the bottom one.

ESG Steering Committee is responsible for sustaining interest in the topic with the Group

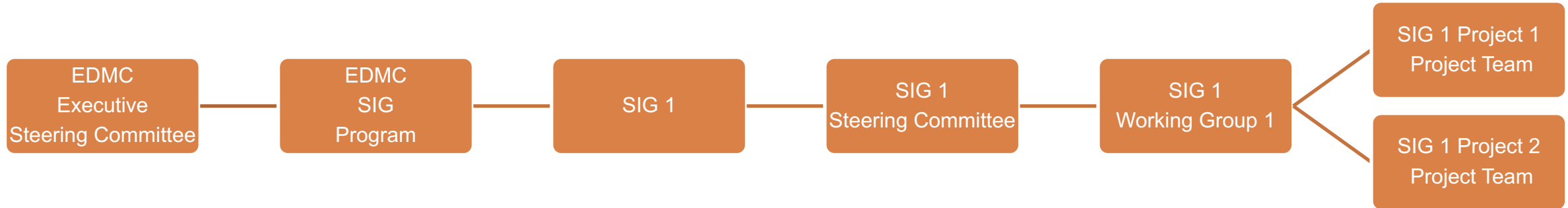
The Steering Committee will spin up and spin down working groups as needed to produce work products

The Council will provide the ESG Steering Committee and Working Groups ongoing support through a common platform, tooling, guidance (“playbooks”) and operational support

## EDMC ESG SIG Structure



# EDMC SIG PROGRAM - STRUCTURE



1	2	3	4	5	6
Role	Primary Responsibilities			Weekly Time	
1 - EDMC Executive Steering Committee Member	SIG Program Funding, Promotion, Oversight			N/A	
2 - EDMC SIG Program Director	SIG Program Operations			N/A	
3 - SIG Facilitator	SIG Work Coordination			2-4 HRS	
4 - SIG Steering Committee Member	SIG Vision, SIG Roadmaps, Recruitment			2-4 HRS	
5 - SIG Working Group Project Team Leader	Project Mgmt, Work Product Reviews			2-6 HRS	
6 - SIG Working Group Project Team Member	Work Product Creation, Maintenance			2-6 HRS	





SIG playbooks will offer guidance from three perspectives

## Functional Perspective

Common and role-specific tasks

**Example:** Reassigning a meeting organizer

## Business Perspective

The logical steps needed to accomplish a task

**Example:** (1) Cancel the current meeting series...

## Operations Perspective

The technology-specific steps needed to accomplish a task

**Example:** Reassigning a meeting organizer with Outlook and Zoom

## STEERING COMMITTEE

John Bottega

Jim Halcomb

Beate van Loo

Chris Johnson

Nicolai Lundy

Emma Beale

Marie-Josée Privyk

Stuart Wallace

John Truzzolino

Brian Tang

Surabhi Jain

Eric Bigelsen

Tej Vakta

Katie Wall

Shane Fennelly

Joyce Ling

Charles Donnelly

Rebecca Palmer

David Wray

Colin Gibson

Irene Liu

Charles Desegundo

# EDMC SIG PROGRAM – CALL TO ACTION



CALENDARGO TO EDMCONNECTSIGN INSIGN OUT

ABOUTJOINTRAININGDCAMCLOUDGRAPHGROUPSPARTNERSRESOURCES

# ESG DATA MANAGEMENT


Register for our upcoming webinar on September 21:

WEBINAR: ESG SPECIAL INTEREST GROUP (SIG) UPDATE

## Driving Best Data Practices for Environmental, Social and Governance

The need for accurate, timely, consistent, transparent, accessible ESG data, and the supporting data management processes to ensure the aforementioned, is a significant challenge for all stakeholders in the ESG ecosystem. Whether you are a Corporate Reporting entity, Data Aggregator, Rating/Research firm, Investment Manager, or Asset Owner, there is a lot of confusion related to ESG data. This is due, in part, to evolving Regulation and Standards, voluntary reporting, lack of agreement on many standards, multiple parties and influences, and no clear understanding about what stakeholders really want.

The EDM Council is playing a key role in bringing together stakeholders from across multiple industries to collaborate on establishing ESG data management best practices, create awareness, educate industry participants, and assist Regulators and Standards Organizations when and where applicable.



### Resource Links

- Upcoming webinar: ESG Special Interest Group (SIG) Update
- NEW Download: ESG Report for Asset Owners
- Download: ESG Report for Rating Providers and Data Aggregators
- Download: ESG Report for Corporate Reporting Entities
- ESG report for Asset Owners referenced in ESG Investor (June 2022)

Let us know the role that you would like to play and contact either:

- Jim Halcomb,  
[jhalcomb@edmcouncil.org](mailto:jhalcomb@edmcouncil.org),  
or
- John Muntges,  
[jmuntges@edmcouncil.org](mailto:jmuntges@edmcouncil.org)



## ESG SIG UPDATES

# Questions / Discussions

**EDM**Webinar 

**Thank you!**

**FOR MORE INFORMATION:**

Jim Halcomb  
Head of Product Management  
EDM Council  
[jhalcomb@edmcouncil.org](mailto:jhalcomb@edmcouncil.org)

Confidential

