Many names, one trend: Shift to investment quadruple line

- **ESG**
- **ETHICAL INVESTING**
- **SUSTAINABLE INVESTMENTS**
- **CONSCIOUS INVESTING**
- **IMPACT INVESTMENTS**
- **GREEN INVESTMENT**
- **SOCIAL RESPONSIBLE INVESTING**

Data remains the biggest ESG investing challenge for asset managers
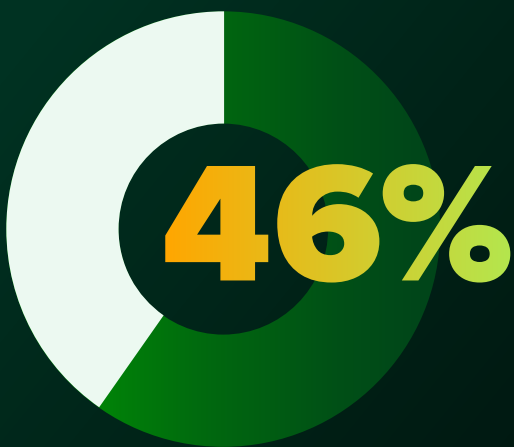
46% see a lack of forward looking disclosure as limiting the value of ESG reporting.
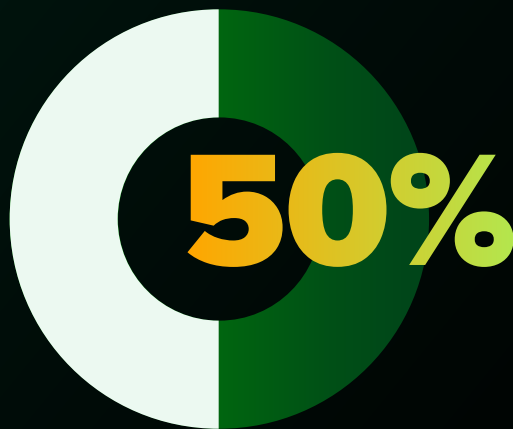
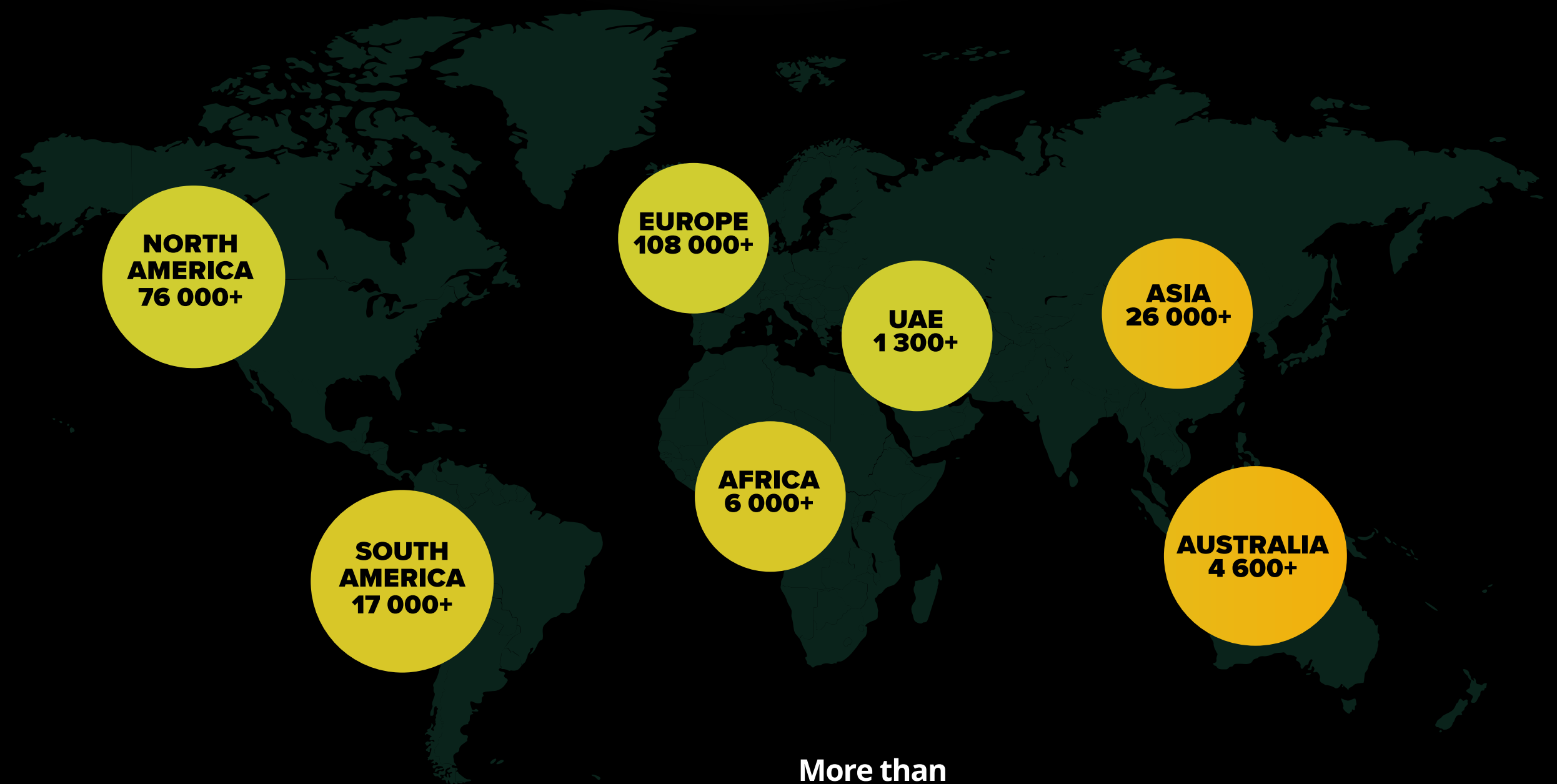**50%** view the lack of real-time information as a limitation on the value of ESG data.

62 of the largest asset managers worldwide use ESG data.

10 different third-party vendors cover their ESG data needs.

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Today, there are **268 000** positions dedicated to ESG in companies worldwide

NORTH AMERICA 76 000+

EUROPE 108 000+

UAE 1 300+

ASIA 26 000+

SOUTH AMERICA 17 000+

AFRICA 6 000+

AUSTRALIA 4 600+

$35T

in ESG investments as of 2021

Source: UNCTAD, SSE database

More than

80%

of companies worldwide report on sustainability since 2020
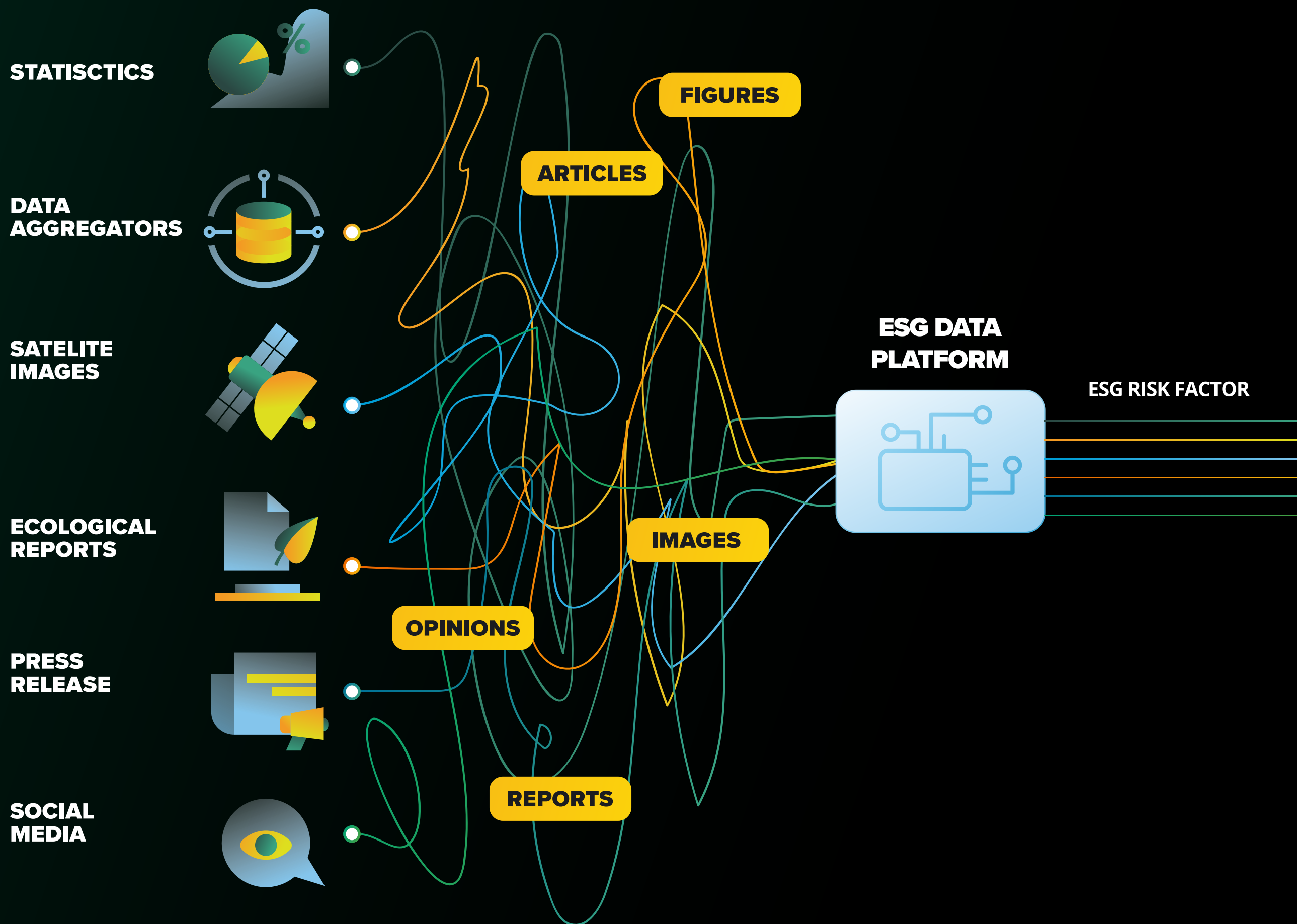
Source: KPMG Sustainability reporting

But as of today there is **0%** effect on carbon footprint reduction

No country performs well enough to drive efficient carbon footprint reduction according to Climate Change Performance Index 2022 monitoring climate mitigation efforts.

Following Tesla losing its spot on S&P's ESG Index, Elon Musk tweeted, "ESG is an outrageous scam!"

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ESG data is noisy and may not help firms protect the planet.

STATISCTICS

DATA AGGREGATORS

SATELITE IMAGES

ECOLOGICAL REPORTS

PRESS RELEASE

SOCIAL MEDIA

FIGURES

ARTICLES

IMAGES

OPINIONS

REPORTS

ESG DATA PLATFORM

ESG RISK FACTOR

ESG DATA PLATFORM

A solution that can:

Process up to 1.3 TB of ESG data daily	'Read' structured and unstructured data	Filter the noise	Quantify qualitative data	Measure against benchmark/ base	Compare investment opportunities	Provide an auditable trail

Data remains the biggest ESG investing challenge for asset managers

WHERE ARE THE BOTTLENECKS?

Structured quantitative data

Semi-Structured data

Unstructured data

Qualitative data
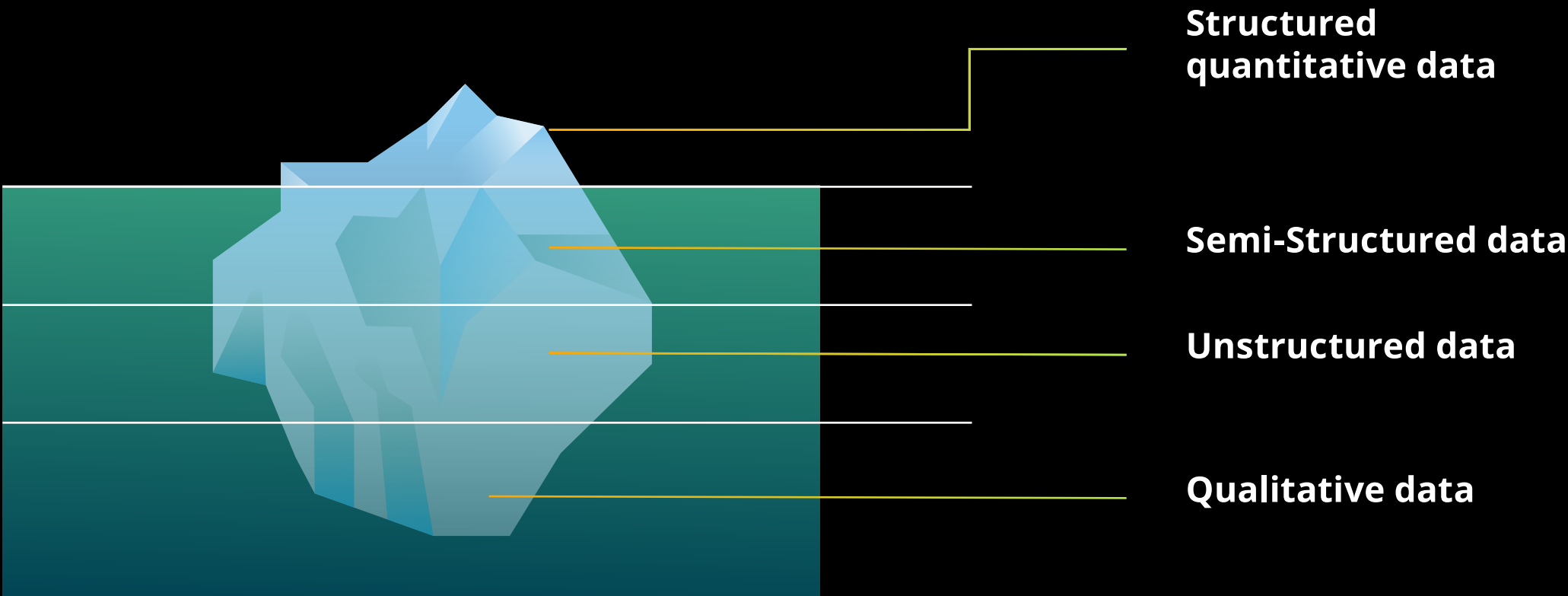
An enormous amount of data for continuous analysis

A lack of continuous data feed that impacts ESG ratings

The complexity of the AI/ML environment

Lack of an ESG management environment for full-scale data integration

WHO IS IMPACTED MOST BY ESG DATA PROBLEMS?

ASSET MANAGERS

PENSION FUNDS

INSURANCE COMPANIES

INVESTMENT BANKS

REGULATORS

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The ESG data environment journey
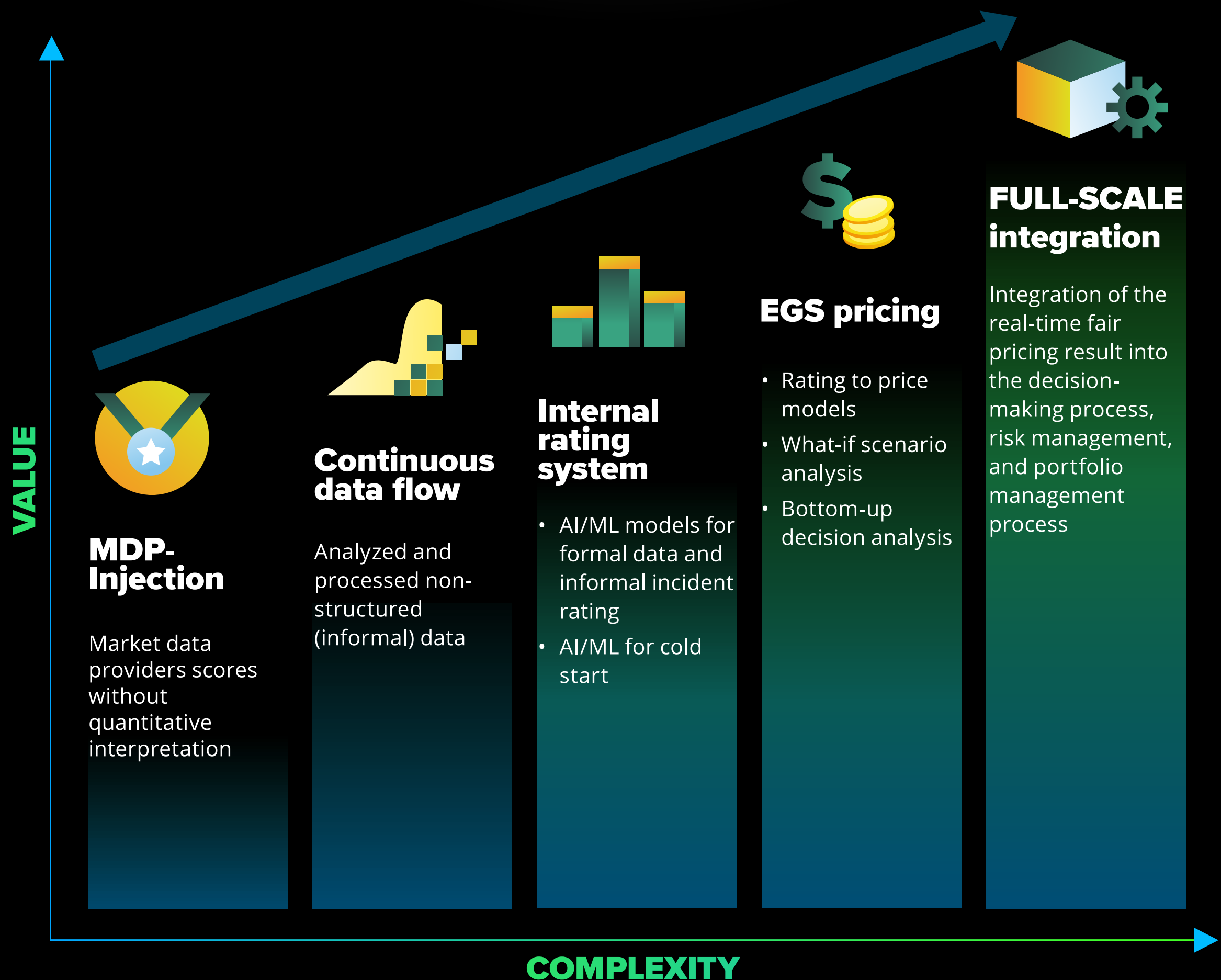
VALUE (vertical axis)

COMPLEXITY (horizontal axis)

MDP-Injection

Market data providers scores without quantitative interpretation

Continuous data flow

Analyzed and processed non-structured (informal) data

Internal rating system

- AI/ML models for formal data and informal incident rating
- AI/ML for cold start

EGS pricing

- Rating to price models
- What-if scenario analysis
- Bottom-up decision analysis

FULL-SCALE integration

Integration of the real-time fair pricing result into the decision-making process, risk management, and portfolio management process

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DATA

Historian, Data Lake, DW, virtualization, streaming & ingestion

ANALYTICS

Dashboards, operational analytics, notifications and alerting, self-serving analytics

INTEGRATION

Cross-system intergration, including integration with MDPs, Google APIs, scrappers, etc.

AI/ML

NLP models for data extraction and processing, rating models, sensetivity models, Q-to-Q models. MLOps for AI/ML managment

GPU-BASED INFRASTRACTURE

Infrastructrure allowing real time processing of a significant volume of data and corresponding AI/ML models

SIMULATION

What-if scenarios and optimiation, multi-agent systems, linear programming and optimization alogorithms

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ABOUT US

SoftServe is a digital authority that advises and provides at the cutting-edge of technology. We reveal, transform, accelerate, and optimize the way enterprises and software companies do business. With expertise across healthcare, retail, energy, financial services, and more, we implement end-to-end solutions to deliver the innovation, quality, and speed that our clients' users expect.

SoftServe delivers open innovation, from generating compelling new ideas, to developing and implementing transformational products and services.

Our work and client experience is built on a foundation of empathetic, human-focused experience design that ensures continuity from concept to release.

We empower enterprises and software companies to (re)identify differentiation, accelerate solution development, and vigorously compete in today's digital economy-no matter where you are in your journey.

Visit our **website**, **blog**, **LinkedIn**, **Facebook**, and **Twitter** pages.

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