

# Using technology / Big data to solve the ESG confusion.

Angela de Wolff, Partner Conser  
Angela.dewolff@conser.ch

ESG expert and verifier since 2007



The Conser logo, featuring a large green arch on the right side of the slide. The word 'conser' is written in a blue, lowercase, sans-serif font, with the 'o' being a yellow circle.

# Navigating the ESG landscape is a real challenge !

## Asset Managers

- Hard to differentiate from competition
- Lack of internal ESG expertise
- Regulatory pressure (EU Taxonomy / SFDR)
- Increasing demand from next-generation Clients



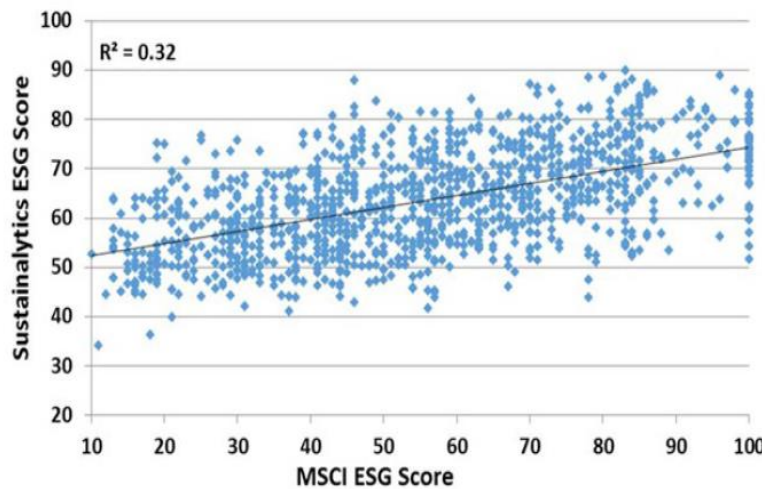
## Asset Owners

- Difficulty to compare – missing standard
- Fear of greenwashing
- ESG perceived as additional constraint / costs
- Fast changing regulator framework

# Multiple opinions brings ESG complexity and divergence of views

**1<sup>st</sup> challenge:** no agreement on ESG score – where is the truth?

Sustainalytics Vs MSCI



Source: CSRHub. S&P 1200 equities, January 2015



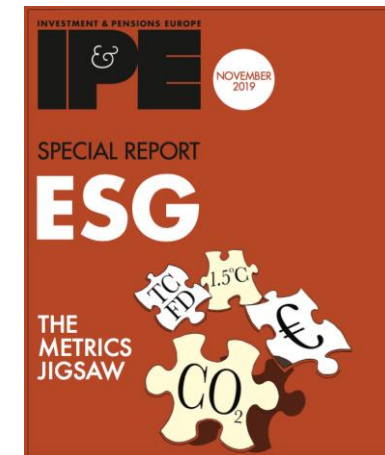
## Aggregate Confusion: The Divergence of ESG Ratings.\*

Florian Berg<sup>1</sup>, Julian F. Koelbel<sup>2,1</sup>, Roberto Rigobon<sup>1</sup>  
<sup>1</sup>MIT Sloan  
<sup>2</sup>University of Zurich  
 August 15, 2019



Timothy M. Doyle

Vice President of Policy & General Counsel

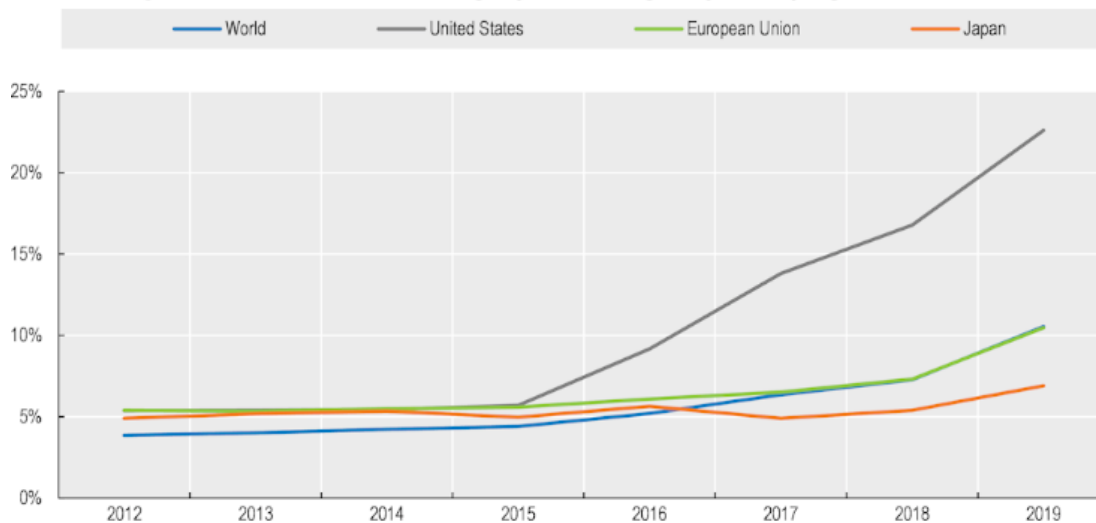


# Market acceleration bringing an ESG data explosion

## 2<sup>nd</sup> challenge: how to manage such amount of data?

### ESG coverage improved

Figure 1.1. Share of market coverage by ESG scoring companies by region, 2012-2019



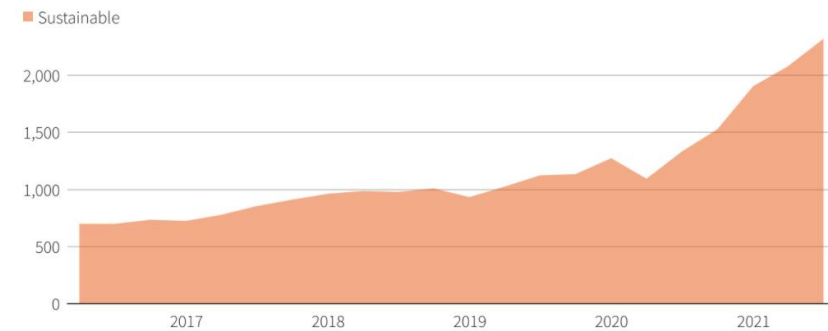
Note: Calculated as the number of public companies with an ESG score over the total number of public companies, in each year for the different areas.

Source: Refinitiv, OECD calculations

### ESG Funds > 3'000

#### Sustainable funds' asset size

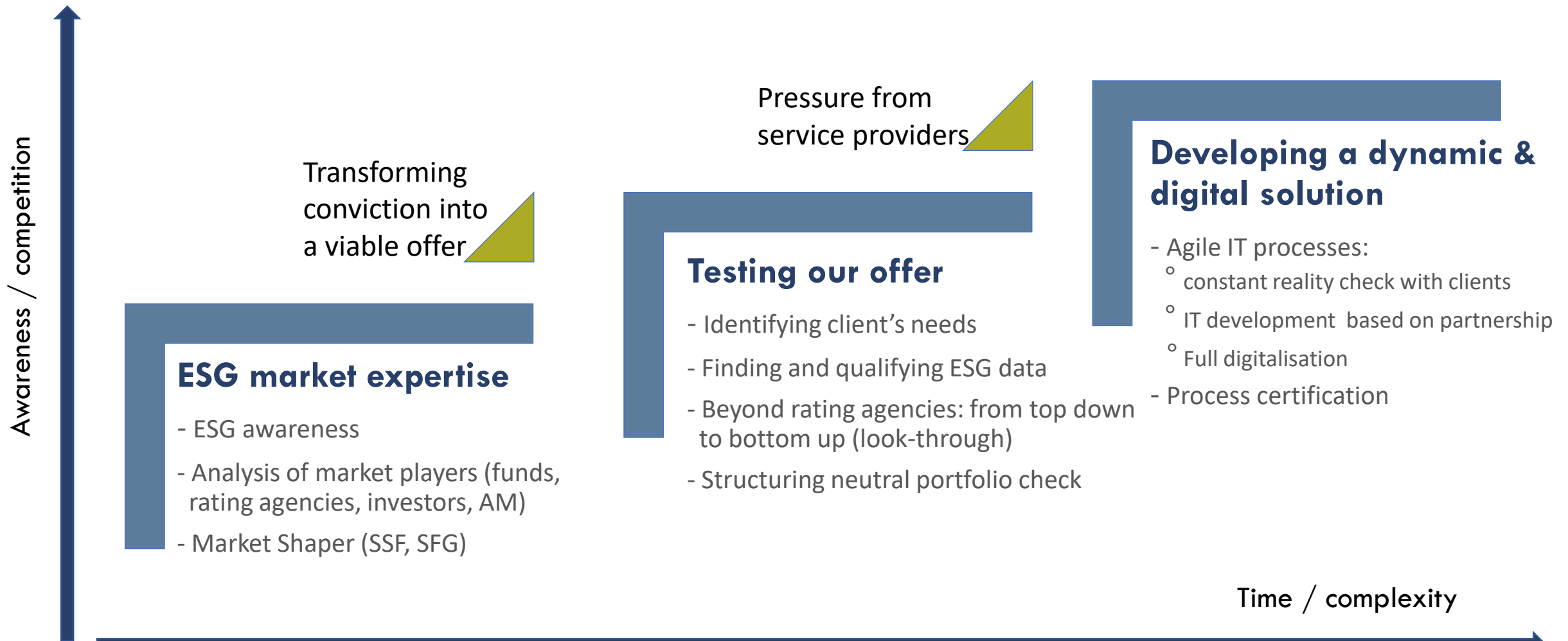
Sustainable fund assets touched \$2.3 trillion in the second quarter



Note: Amount in \$ billions  
Source: Morningstar data

# Conser neutral positioning as ESG verifier

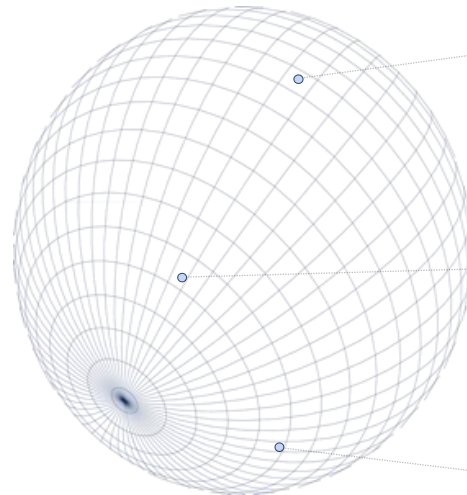
## From Advisor to Fintech : timeline and challenges



# ESG consensus<sup>®</sup>

Proprietary tool based **collective intelligence**; ESG Consensus<sup>®</sup> is an complementary information to traditional ratings. This approach is **multi-sources**, multi-intelligences and **measures of the dispersion** of opinions.

How does  
it work ?



#### Data from Experts

Aggregation of in-house expertise & data-points from ESG agencies

#### Opinion of Investors

Reverse engineering and analysis of the leading sustainable / ESG funds

#### Wisdom of the Public

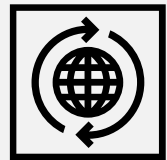
Use of public information regarding the positive & negative ESG impact of enterprises

## ESG consensus<sup>®</sup>

→ Not a new ESG rating but an **aggregation of opinions** from ESG experts

→ Not opposing ESG scores but **measuring the dispersion** of views

# ESG consensus<sup>®</sup> - Neutrality and Comparability



ESG rating by security



					ESG <sup>®</sup> average	Consensus <sup>®</sup> strength
CB	BBBBBBB	BABBB	BBBBB	B	ABOVE	strong
BC	CCCBBB	CCCC	CCCCC	DB	BELOW	medium

	In numbers
Data points gathered	250'000
Financial instruments	85'000 ISIN codes
Corporate issuers	10'000
Government issuers	180 countries
ETFs	5'584
Impact	> 70bn CHF advised







# Pursuing scaling up & distribution partnership

## Independent ESG verification – international recognition

### Our recent achievements

Conser has been selected among 500 Global Wealth Tech for the UK scale up program



Collaboration with PwC which ensures the consistency of the process by certifying the service delivery excellence of Conser



ESG Consensus® is selected due to enhanced comparability of ESG data and mitigated analytical bias that otherwise could be associated with the use of a unique source of ESG rating.

### UNCTAD Sustainable Fund Awards 2021



[angela.dewolff@conser.ch](mailto:angela.dewolff@conser.ch)

[www.conser.ch](http://www.conser.ch)