

## Standardization WG – ESG Standards Subgroup

### Meeting Minutes

#### Participants:

- Jai Baker, Proximity
- Flora Belladonna, BNP Paribas
- Ifeoma Bosah, FMDQ Group
- **Kishan Changlani, TCS**
- **Jyi-Chen Chueh, Standard Chartered Bank**
- Jean-Marc Di Cato, Clearstream Banking
- **Carlos Fan, Macau Stock Exchange**
- **Hai Jade Fuan, Standard Chartered Bank (Co-Chair)**
- **Margaret Harwood-Jones, Standard Chartered Bank (Executive Sponsor)**
- Chiara Gilberti, Intesa San Paulo
- **Didier Hermans, SWIFT**
- Charu Jain, IHS Markit
- Vinod Jain, Aite-Novarica
- Haruna Jalo-Waziri, CSCS
- Helen Johnson, MYRIAD Group Technologies
- **Elisabeth Karlsson, SEB**
- Nicole Krämer, Greenomy
- Jean-Paul Lambotte, Euroclear
- Andreas Lundell, NASDAQ
- **Julie Millot, Clearstream Banking**
- Abiola Rasaan, CSCS
- **Fikir Sanders, DTCC**
- Angelica Sartori, Intesa San Paulo
- Stefan Schorsch, McKinsey
- **Raina Sum, Standard Chartered Bank**
- **Fabian Vandennreydt, Greenomy**
- Polina Yafizova, DTCC
- **Karen Zeeb, ISSA (PMO)**

#### Agenda

1. Introductions and Welcome
2. Reconfirm the scope and key deliverables
3. Outline the definitions that the WG will leverage
4. Assess the current ESG landscape
5. Agree next steps

## Introductions and Welcome

### Introduction

Karen welcomed the participants to the meeting and outlined the agenda.

### Key Points Addressed

There were two new attendees to the WG, who introduced themselves briefly:

- Kishan Changlani, who works at TCS
- Carlos Fan, who works at the Macau Stock Exchange (CMOX)

Hai Jade then walked through the prepared presentation with the WG participants.

## Reconfirm the Scope and Key Deliverables

### Introduction

Hai Jade reconfirmed the scope and key deliverables previously agreed by the WG.

### Key Points Addressed

Hai Jade reconfirmed the following which can be found on the ISSA Website via the link: [Standardization Working Group - ISSA \(issanet.org\)](https://www.issanet.org/standardization-working-group):

- The scope, including what should be in and out of scope
- The initial two phases:
  - Phase I: To educate and level set on ESG concepts
  - Phase II: To understand the impacts, opportunities and problem statement
- The key deliverables for Phases I and II

The WG participants confirmed that the scope and key deliverables were still appropriate.

## Outline the definitions that the WG will leverage

### Introduction

The WG participants then focused on the definitions that the WG will leverage.

### Key Points Addressed

There was a discussion on the key definitions and the need to confirm these to ensure there is clarity and consistent usage. For all key terms, it was therefore agreed that a Glossary of Terms should be created that the group could add to over time.

### Definitions – Key Standards and Regulations

The participants then discussed how to best provide a meaningful summary of the many and diverse regulations that exist and are relevant to Securities Services. This included the following points:

- Fabian suggested that having a table that showed the regulatory issuer on one axis and the regulation name, link and short summary on the other could be a good way to display the information
- Kishan agreed to share two documents that could be helpful to the group on sustainable finance regulations
- Fikir mentioned that the information contained in the DTCC document that is in the member section of the ISSA website on regulations could be a good starting point for the regulatory table
- Julie explained that Clearstream had recently completed some regulatory information on ICSDs and CSDs which she will review internally to see if it is possible to share with the group

## International Securities Services Association

The participants then looked at the different risk definitions, broadening the initial list to include additional risks identified:

- Non-compliance risks
- Transition risks
- Greenwashing risks
- Climate risks

Fikir highlighted that, as well as Environmental risks, it would be important to include risks that are specific to the Social and Governmental aspects of ESG. Fikir will send through a KPMG paper which includes other risks for consideration.

**Follow Up Actions**

- Create regulatory definitions table and review with Fabian (Karen)
- Send documentation to Karen mentioned during the meeting (Kishan /Fikir/ Julie)
- Provide any other risk types that should be included in the glossary (WG participants)
- Send through the KPMG paper outlining ESG risks to Karen for uploading to the ISSA website (Fikir)

**Assess the Current ESG Landscape**

**Introduction**

The final agenda item covered looked at the current ESG landscape.

**Key Points Addressed**

The discussion focused on data and data providers, current industry needs and due diligence requirements already identified. The participants agreed that, when the group looks at challenges, it will be important to focus on the lack of standardization in the current ESG landscape.

**AOB and Close**

**Introduction**

Karen confirmed there was no other business and closed the meeting.

**Summary of Follow Up Actions**

No.	Action Description	Responsibility	Deadline
1.	Create regulatory definitions table and review with Fabian	Karen	30 April 2023
2.	Send documentation to Karen mentioned during the meeting	Kishan/ Fikir/ Julie	30 April 2023
3.	Provide any other risk types that should be included in the glossary	WG participants	30 April 2023
4.	Send through the KPMG paper outlining ESG risks to Karen for uploading to the ISSA website	Fikir	30 April 2023

**International Securities Services Association**