

## Standardization WG – ESG Standards Subgroup

23 September 2024, On Teams

### Meeting Minutes

#### Participants (in attendance in bold):

- Ashraf Ammar, Euroclear
- Jai Baker, Proximity
- **Flora Belladonna, BNP Paribas (Co-Chair)**
- **Chenge Besa, Standard Bank of South Africa**
- Kishan Changlani, Tata Consultancy Services
- Wallace Chu, Taiwan Depository & Clearing Corporation
- Louise Colfach, UBS
- **Peter Cox, Northern Trust**
- Matthew Crowther, UBS
- Jean-Marc De Cato, Clearstream
- Eva Dzerve, Nasdaq
- Carlos Fan, Chongwa (Macao)
- Siwei Feng, Deutsche Bank
- Charu Jain IHS Markit
- Vinod Jain, Datos Insights
- Haruna Jalo-Waziri, CSCS
- Helen Johnson, MYRIAD Group Technologies
- Duygu Kaya, SWIFT
- **Julie Millot, Clearstream Banking**
- Abiola Rasaan, CSCS
- **Fikir Sanders, DTCC**
- Stefan Schorsch, McKinsey
- Adler Smith, Datos Insights
- Fabian Vandenreydt, NowCM
- Polina Yafizova, DTCC
- Richard Young, Bloomberg
- **Karen Zeeb, ISSA**

#### Executive Sponsor:

- Margaret Harwood-Jones, Standard Chartered Bank

### Agenda

1. Introductions and Welcome
2. Document Review
3. AOB

## Introductions and Welcome

### Introduction

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

## Document Review

### Introduction

Flora and Karen walked through the latest version of the paper (v2.0), reviewed recent input and highlighted those areas where work is still required.

### Key Points Addressed

Flora walked through the minutes from the previous meeting to validate the status of each outstanding point and where responses and changes have been received. The following outstanding points were noted for actions:

#### Executive Summary

- Draft completed

#### Chapter 1: Context

- All drafts completed

#### Chapter 2: First Line of Defence

- 2.1 Introduction (Julie)
  - Julie to add further wording for the EU, if available, on ESG regulations (COMPLETED)
- 2.2 ESG Regulatory Landscape (Peter)
  - Flora to add a symbol on the graphs to differentiate between regulation and guidance
- 2.3 Stakeholders' expectations on ESG and Sustainability
  - 2.3.2 Importance of Stakeholder Engagement and Relations – Flora to revise text to anonymize real business examples (COMPLETED)
- 2.4 Design and implement securities services solutions with ESG criteria in mind (Matt)
  - Matt to add a piece on green bond issuance
  - Matt to add wording on education and training
  - Matt to review wording on proxy voting

#### Chapter 3: Second Line of Defence

- 3.2 ESG Risks (Ashraf)
  - Ashraf to add an overview of the main ESG risks (COMPLETED)
- 3.3 Role of the Second Line of Defence in Managing ESG Risks in Securities Services (Ashraf)
  - Ashraf to add wording on education and training (COMPLETED)
- 3.5 Developing Robust ESG Risk Frameworks and Monitoring Mechanisms (Ashraf)
  - Ashraf to review duplication as the text is very similar to the later bullets (COMPLETED)

#### Chapter 4: Third Line of Defence

- All drafts completed

#### Chapter 5: Conclusions

- Flora to write conclusions to the paper, to include a paragraph on the cost of ESG, and the cost of non-compliance

### Case Studies

Flora and Karen then provided an update on the case studies that have been requested:

- Flora confirmed that BNP Paribas has completed their case study and it will be sent through this week
- Karen to remind Clearstream of the deadline to provide a case study
- Peter will follow up on the Northern Trust case study next week
- Karen to chase SWIFT for confirmation

### Graphics / Images

Flora asked the WG participants if they could review any graphics / images that could be used within the paper to break up the text.

### Follow Up Actions

- Karen to follow up with section owners to ensure they are able to review the document and provide input for their sections
- If there are any gaps, Karen to request other WG participants support completion of sections
- Karen to continue to chase for case studies
- WG participants to inform Flora / Karen of any graphics / images for the paper

### AOB and Close

#### Introduction

No other business was raised so Karen closed the meeting.

### Summary of Follow Up Actions

No.	Action Description	Responsibility	Deadline
1.	Follow up with section owners to ensure they are able to review the document and provide input for their sections	Karen	COMPLETE
2.	Request other WG participants support completion of sections if there is a gap	Karen	30 September 2024
3.	Continue to chase for case studies	Karen	30 September 2024
4.	Inform Flora / Karen of any graphics / images for the paper	WG participants	08 October 2024