

INTRODUCING

**esg**book

**LEO**

**Simplifying How Companies  
Provide Sustainability Data.**

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In partnership with

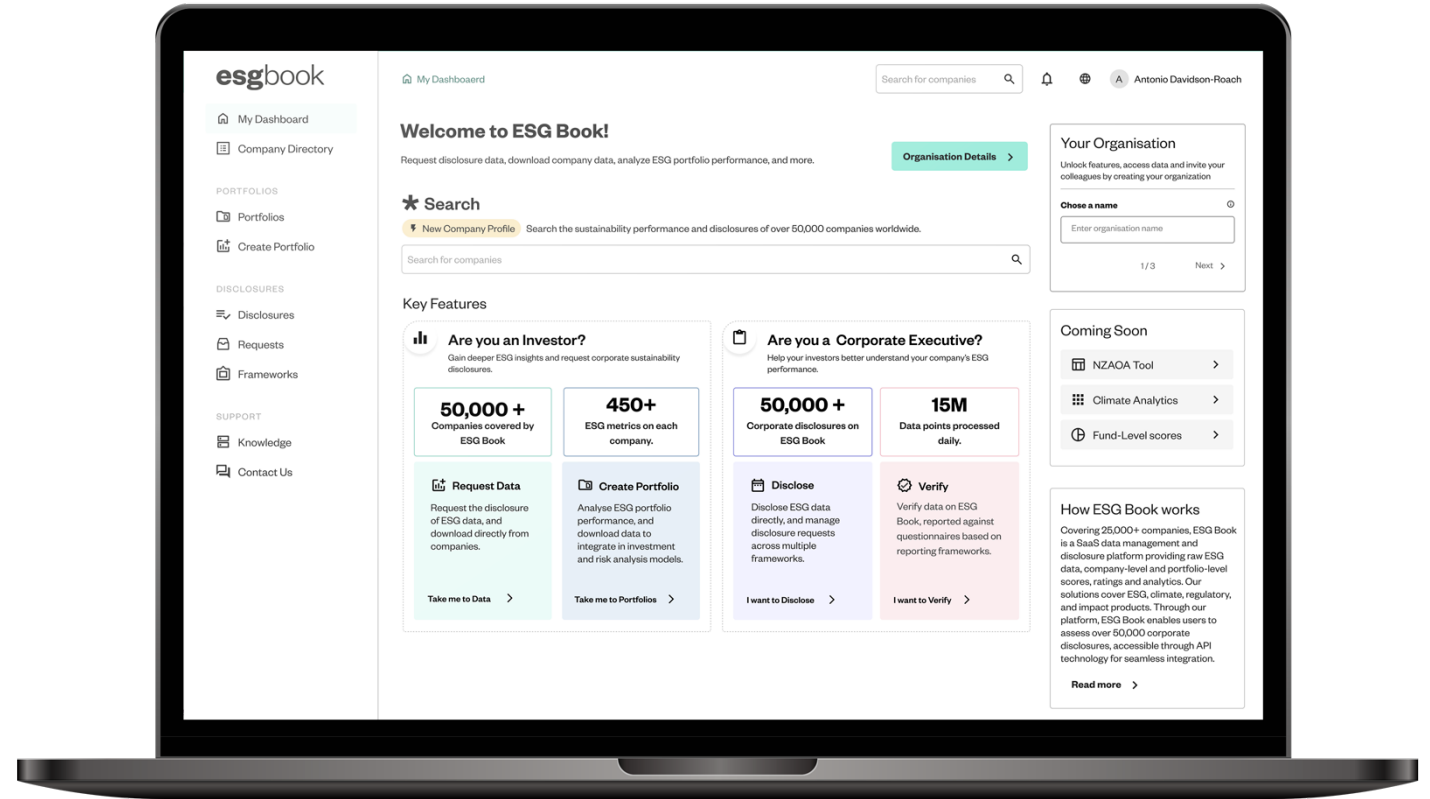
**BCG**

 Google Cloud

# Who We Are

Established in 2018, ESG Book is a global leader in sustainability data and technology.

- A market leading platform - ESG and climate data for 95% of global market cap, with analytics, and disclosure reporting.
- Connecting private and public companies with financial institutions, streamlining and enhancing access to sustainability data.
- Enabling financial institutions to manage ESG and climate-related risks, stay ahead of regulatory requirements, and scale up sustainable financing activities.



# The Challenge

## Regulatory risk management and compliance requirements are increasing for banks.

Regulators are stressing the importance of banks establishing systems to assess, monitor and report on climate-related financial risks, including:

- **GLOBAL:** Basel Committee on Banking Supervision (BCBS) – Taskforce for Climate Risk Management
- **EUROPE:** European Banking Authority (ECB); UK Prudential Regulation Authority (PRA), Bank of England (BoE)
- **UNITED STATES:** Federal Reserve Board (FRB); Office of the Comptroller of the Currency (OCC); Federal Deposit Insurance Corporation (FDIC), New York Department of Financial Services (NYDFS)
- **ASIA:** Hong Kong Monetary Authority (HKMA), Japan Financial Services Agency (FSA)

## However, banks face hurdles around accurate and efficient data collection and analysis.

### Data Difficulties

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Financed client emissions data is often unreported, misreported, inconsistent or unverified, with no single source.

### Inefficiencies

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Data collection and validation is performed by multiple institutions in parallel, which is inefficient, costly and increases regulatory risk.

### Reporting Burden

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Companies face data requests from multiple institutions, in different formats, creating a fragmented and non-harmonized data collection process.

### Private Market Data

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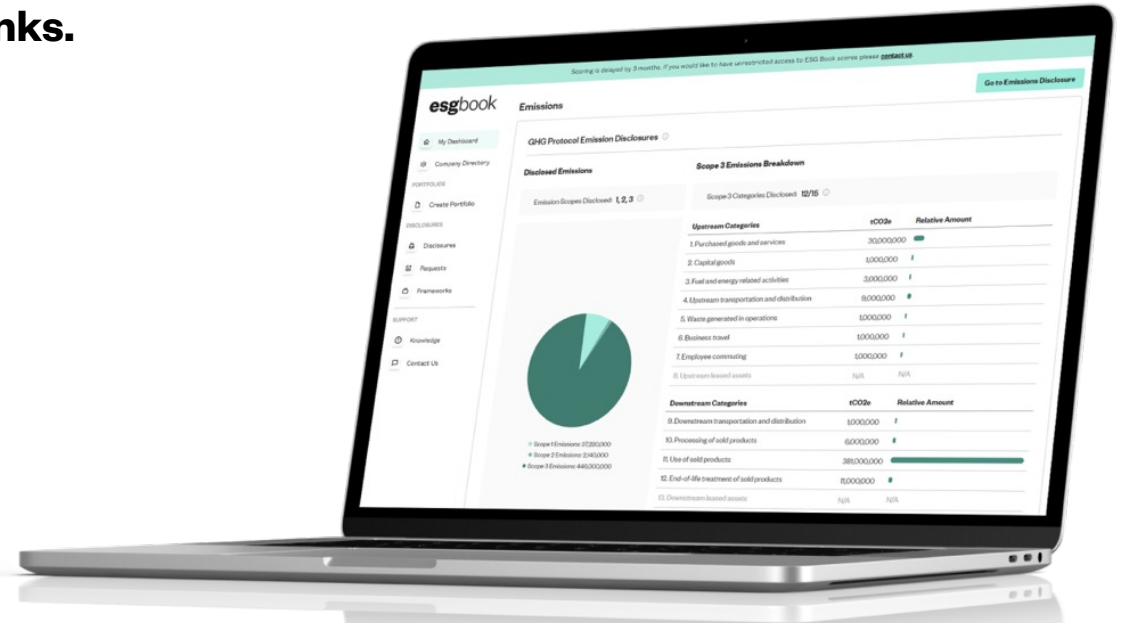
Obtaining granular, asset-level data necessary for precise risk assessment and management can be costly and complex.

# Introducing ESG Book LEO

Simplifying how Companies Provide Sustainability Data to Banks.

## ESG Book LEO

- A single access point for sustainability data that enables companies to efficiently report data to multiple financial institutions for disclosure and regulatory purposes.
- Delivered in partnership with Google Cloud and BCG, ESG Book LEO brings a streamlined, harmonized approach to climate data reporting.



### Harmonized

34 climate metrics, interoperable with ISSB, ESRS, GRI.

### Secure

Compliant with bank's software security requirements.

### Public & Private

Companies report climate data with supporting evidence.

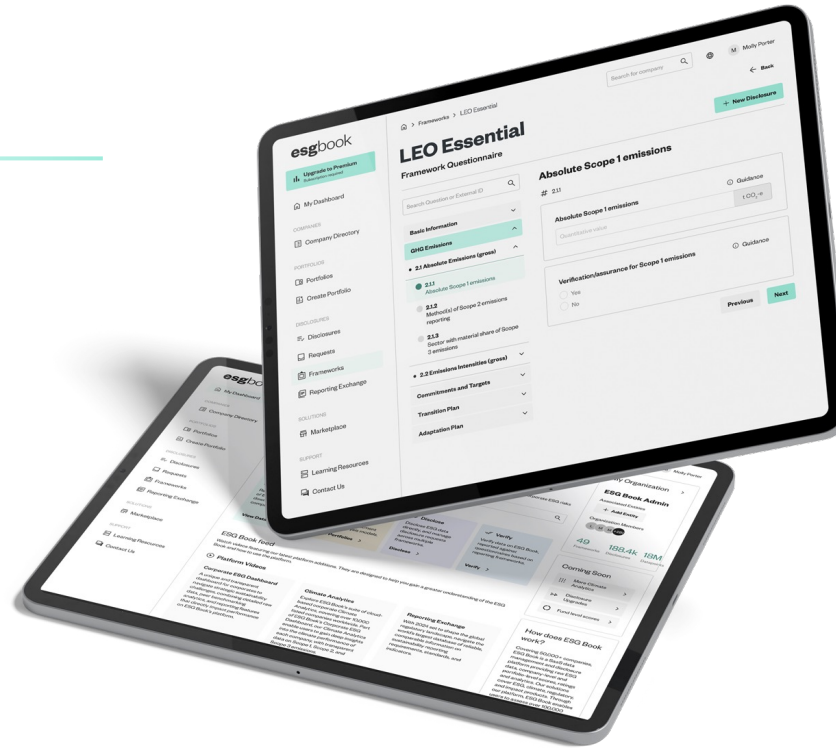
### Data Ownership

Companies have full control of their data, sharing it privately or publicly.

# Enabling Efficient Access to Climate Data

## Financial Institutions

- Gather climate data in a standardized format, evidenced by companies.
- Single access point to streamline data requests and track clients' progress.
- Data overlap from clients and suppliers increases response rates.
- Reduce workload for RMs in data collection through technology.



## Companies

- Manage multiple climate data requests via an intuitive platform.
- Pre-populate template from public disclosures, reducing the reporting burden.
- Map disclosures to other regulations and standards.
- Benchmark performance against industry peers.

## Partnership Benefits

Enterprise-level, cloud security provided by **Google Cloud**

Modular reporting template aligned to dominant regulatory frameworks by **BCG**

Off-the-shelf solution for fast deployment and ease of use by **ESG Book**

# Template Aligned to Prevailing Standards

## Template Approach

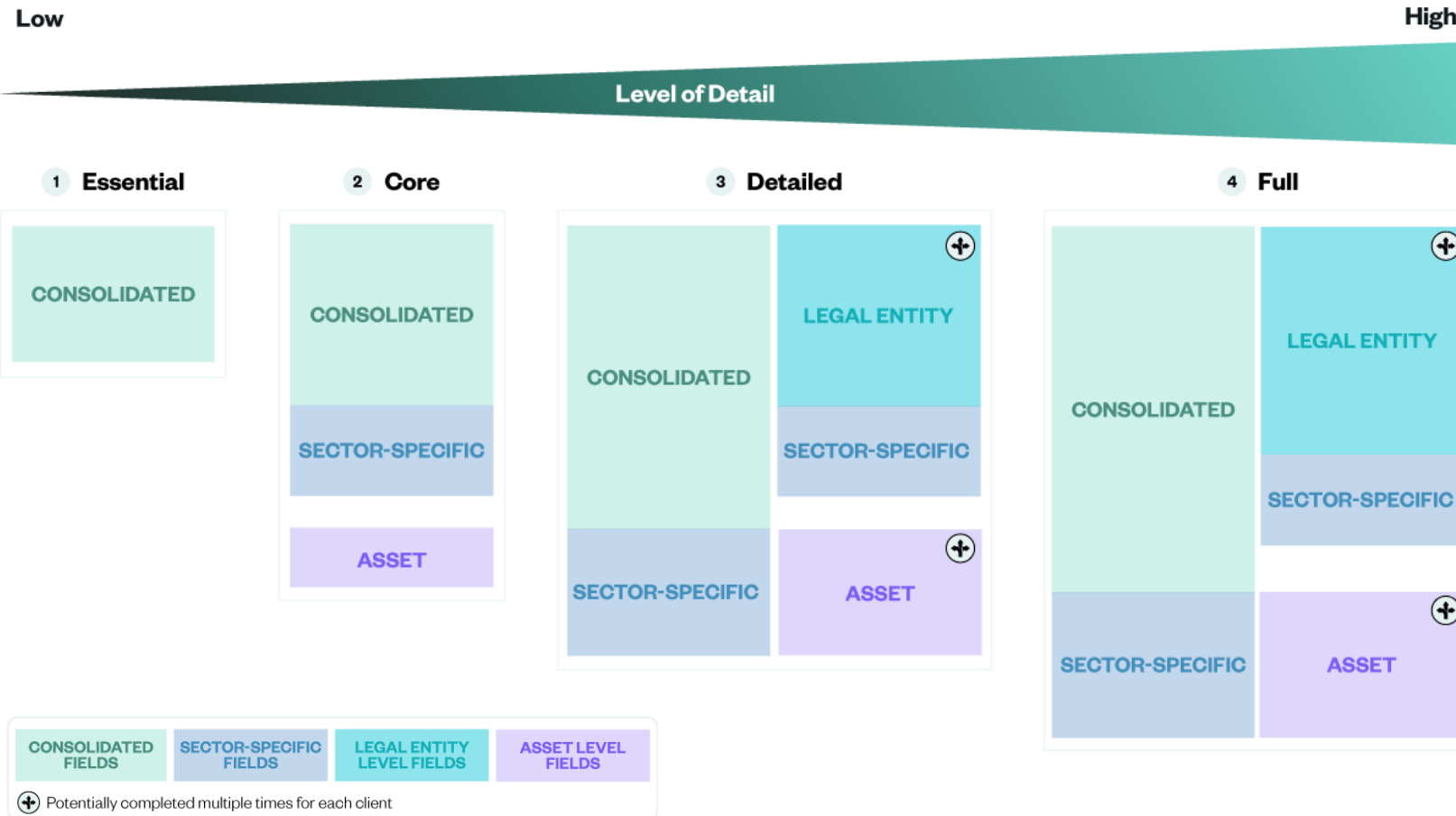
- Designed in collaboration with leading global banks.
- Aligned to climate risk requirements and existing standards.
- Streamline the climate data companies provide to financial institutions.
- Modularity means the level of detail requested is adjustable to each client’s reporting maturity, with industry specific questions for hard-to-abate industries.

	<b>0. Basic Information</b>	1. Overview	2. Sector	3. Geography	4. Financials	5. Operations	6. Reporting Information
<b>GOVERNANCE</b>	<b>1. Climate Governance</b>	1. Board Oversight	2. Management’s Role	3. Incentives for Management of Climate-related Issues	4. Internal Carbon Pricing		
<b>METRICS &amp; TARGETS</b>	<b>2. GHG Emissions</b>	1. Absolute Emissions (gross)	2. Emissions Intensities (gross)	3. Emissions Forecasts (gross)	4. Carbon Removals	5. Carbon Credits	6. Energy Consumption
	<b>3. Commitments &amp; Targets</b>	1. Net-Zero Target	2. Absolute Emissions Targets	3. Emissions Intensity Targets	4. Other Climate-related Targets		
<b>MANAGEMENT</b>	<b>4. Climate Risk Management</b>	1. Identification and Assessment of Climate-related Risks	2. Management of Climate-related Risks	3. Disclosure of Climate-related Risks	4. Scenario Analysis and Stress Testing		
<b>STRATEGY</b>	<b>5. Transition Plan</b>	1. Development and Implementation of Transition Plan	2. Transition Initiatives	3. Low-carbon/Taxonomy-aligned Products & Services			
	<b>6. Adaptation Plan</b>	1. Development and Implementation of Adaptation Plan	2. Adaptation Initiatives	3. Adaptation-related/Taxonomy-aligned Products & Services			

Aligned to existing standards:



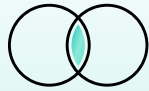
# Four Modules with Varying Detail



## Target and phase in data asks based on client type:

- Region (more detail asked from clients in more mature regions, e.g., Europe).
- Size/legal status (more detail asked from larger/public clients).
- Sector (more detail asked from clients in high climate-risk sectors).

# Template Evolution & Governance Driven by BCG



## Maintain Alignment with Key Disclosure Standards

Comparison analysis when key global and/or regional standards are released, finalized, or updated.



**Purpose:** To ensure continued alignment with evolving disclosure standards landscape, reducing reporting burden on clients.



## Incorporate Client & Bank Feedback

Updating of template (fields, descriptions, etc.) based on proposed amendments from bank users and clients.



**Purpose:** To ensure continued compatibility and usefulness of template for banks, and to meet client expectations.



## Expand Scope of Template (new sectors and topics)

Upgrading of template to build additional data fields:

- Sector-specific modules on climate information
- New topics [e.g., nature]



**Purpose:** (1) Cover specific climate information for more sectors, and (2) expand, as needed, for ESG risk management uses beyond climate risk management.



# Value for Companies

**ESG Book LEO empowers companies with a single platform, interoperable with other climate data frameworks, to facilitate reporting once and serving multiple financial institutions.**

## Enhances Client Experience

- Data requests to clients are streamlined and standardized across multiple financial institutions, providing a single interface to disclose once and share data with various stakeholders.

## Reduces Reporting Burden

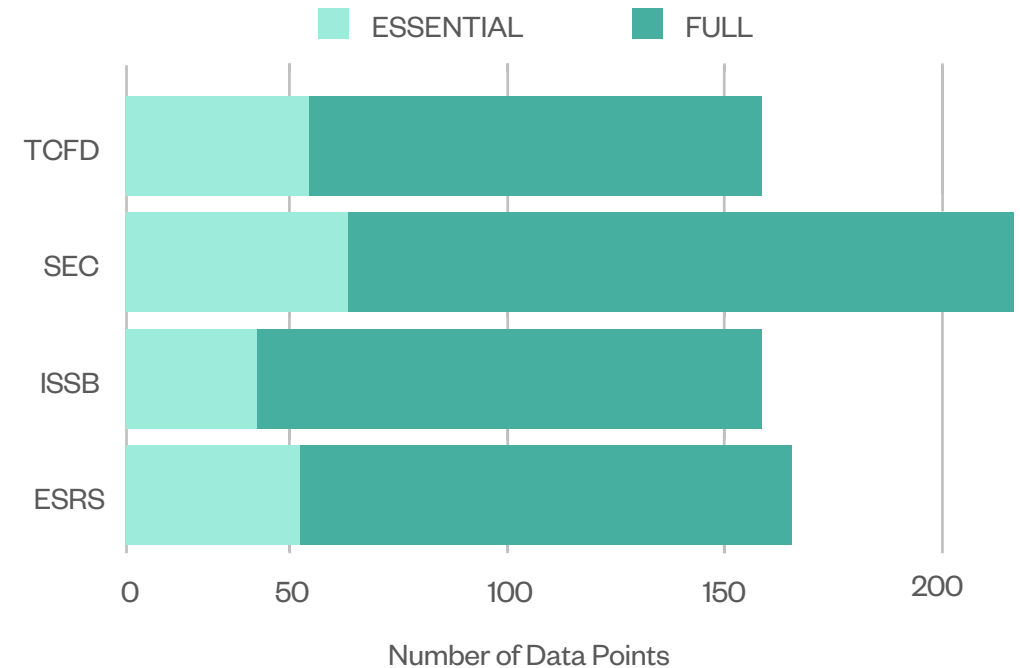
- Data pre-population functionality captures sustainability information collected by ESG Book in the public domain for immediate use by the client in their response.

## Built for Interoperability

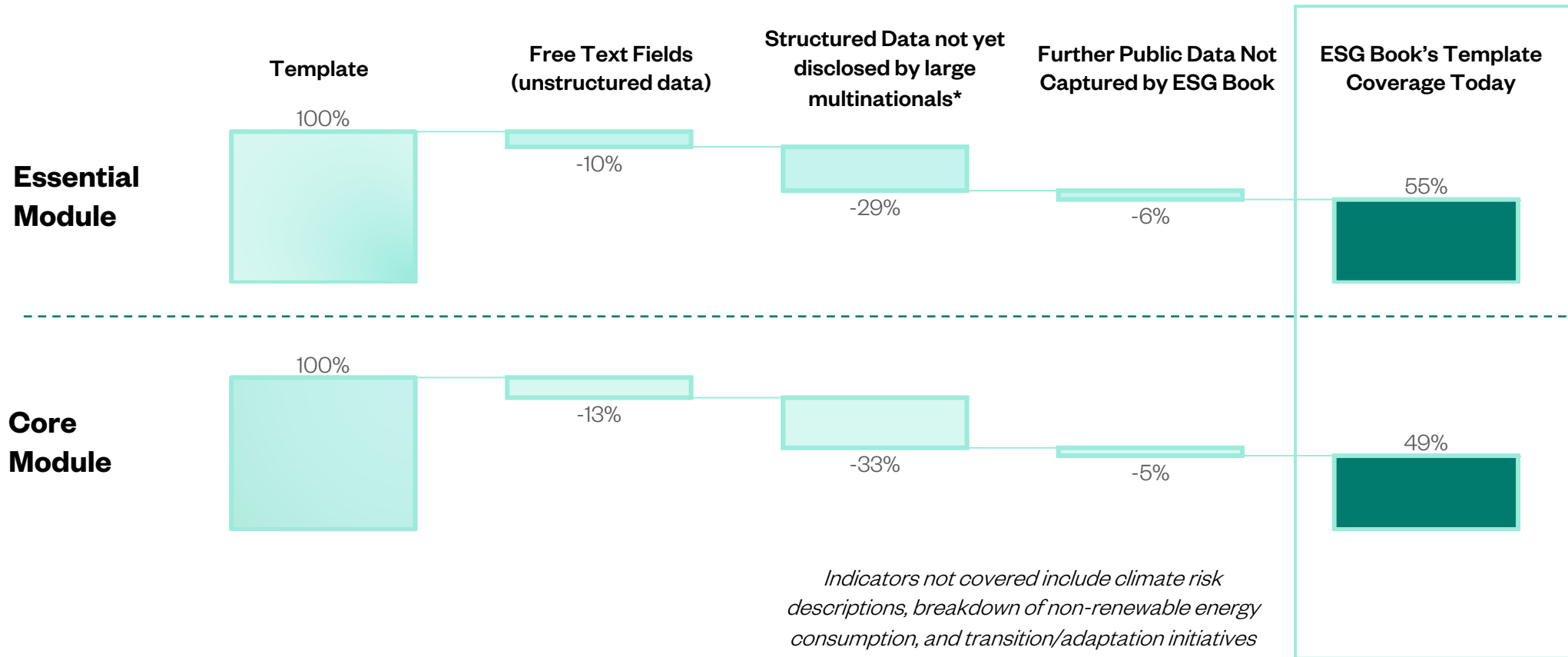
- Existing public data is pre-populated for a client's convenience while remaining interoperable with other public data initiatives such as NZDPU.

## Helping Companies towards Regulatory Reporting

The ESG Book LEO framework is grounded in datapoints that contribute to the global baselines companies need to disclose against for regulatory reporting.



# Pre-Population Increases Ease of Reporting



Note: Analysis excludes non-climate data and sector-specific metrics

\*Review of disclosure reports from Shell, EDF and VW showed that on average ~61% and ~55% of data metrics in the Essential and Core modules respectively were available

# Global Adoption of the Platform



**200,000+** CORPORATE DISCLOSURES



**10,000+** COMPANIES COVERED



**95%** GLOBAL MARKET CAP



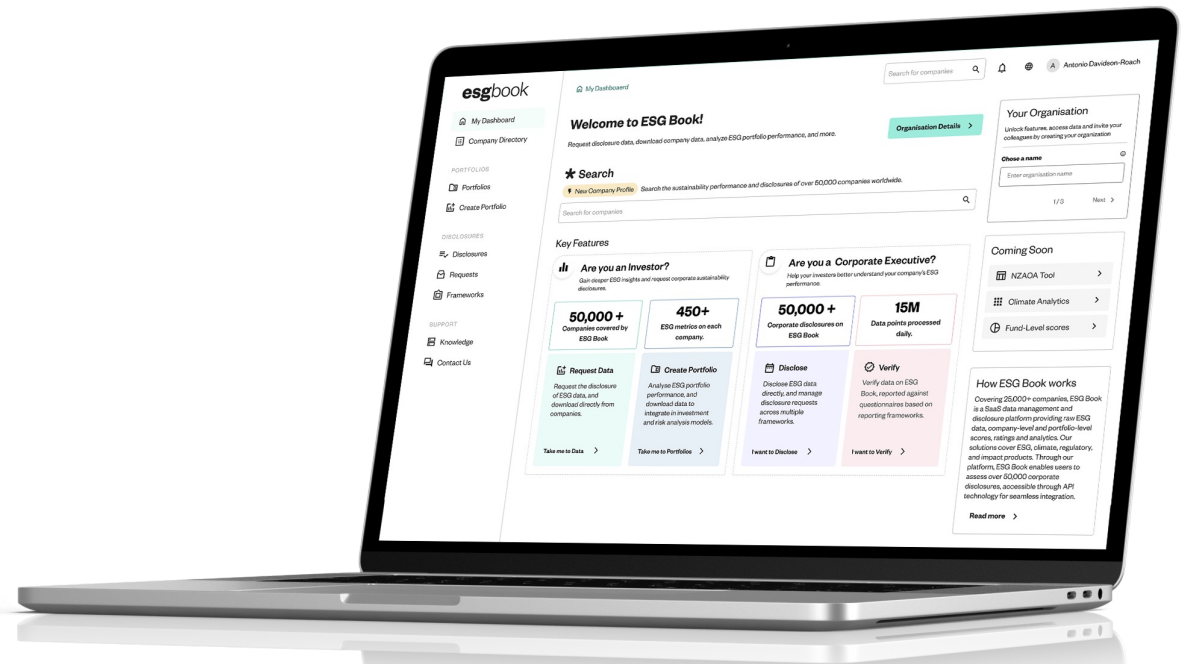
**2,100+** ACTIVE PRIVATE & PUBLIC COMPANIES



**13,000+** ACTIVE PLATFORM USERS



**11+** G-SIBS ON PLATFORM



# Value for Banks

## Climate Risk Management

Key indicators on a company's climate risk exposure can be integrated in credit risk or stress testing processes.

### Transition Risk

Information on transition plans and sector-specific production data (e.g. utilities, oil & gas).

### Physical Risk

Geographical operational footprint across including. exposure to flooding, wildfire, etc.

## Financed Emissions

Critical inputs for PCAF-aligned financed emission calculations, particularly for companies which have not publicly disclosed.

### Emissions

Scope 1-3 emission fields, with underlying Scope 3 granularity and intensity fields.

### Net Zero Commitment Tracking

Progress on portfolio companies' commitments, both emissions and other climate targets.

## Procurement & Capacity Building

Tooling, guidance and support to help portfolio companies transition, empowering procurement teams to sell-side teams.

### Supporting 1<sup>st</sup> Time Disclosers

Clients supported with guidance and tools for simplified, scalable disclosure processes.

### Disclosing on Global Baselines

ESG Book LEO supports companies to disclose against the latest regulatory reporting standards.

# Get in Touch

Learn more about ESG Book LEO by booking in a free demo today.

For more information email [info@esgbook.com](mailto:info@esgbook.com) or call us on **+44 20 7113 3503**

