

## **AUTOMATED REPORTING OF ENVIRONMENTAL, SOCIAL & GOVERNANCE PERFORMANCE**

### **CONTEXT**

Standard Life Aberdeen plc is one of the world's largest investment companies, created in 2017 from the merger of Standard Life plc and Aberdeen Asset Management PLC. Operating under the brand Aberdeen Standard Investments (ASI), the investment arm manages US\$669.1bn of assets. It has a significant global presence and the scale and expertise to help clients meet their investment goals.

They offer a comprehensive range of investment solutions, as well as the very highest level of service and support. This includes the provision of Environmental, Social and Governance (ESG) performance analysis and reporting for their clients. This is a relatively new service, compared to more traditional financial performance reporting.

Currently, ESG performance data are drawn from two sources: the Bloomberg terminal, and from their own written notes through ESG discussions with clients.

ESG reports are then manually produced for clients, covering metrics like:

- Environmental performance
  - Energy usage
  - Water intensity
  - Carbon emissions
  - Environmental policy
- Social performance:
  - Workforce diversity
  - Workplace accident rates and safety policies
  - Employee turnover
  - Human rights policy
- Governance performance
  - CEO remuneration
  - Board diversity and independence

Producing the reports is currently very time consuming, involving copying and pasting of data from multiple sources.

### **PROBLEM STATEMENT**

How might we automate the production of ESG performance reports using our current data sources, providing compelling and salient reports for our clients?

## **WHAT ARE WE LOOKING FOR**

A prototype solution for ESG analysts to automatically produce compelling, salient and highly visual reports on ESG performance for our clients. The solution needs to achieve the following:

- Extract relevant ESG performance data from two primary data sources:
  - The Bloomberg Terminal
  - Our notes from ESG performance discussions with our clients, can be both digital or non-digital (specifically, extracting the summary section from these notes)
- Use that data to automatically populate a report template that:
  - Features approximately 20 pre-determined indicators (some quantitative, like carbon emissions, some binary, like 'do you have a human rights policy?')
  - Can compare current performance data with the company's own historical performance (time series), and against industry benchmarks (comparison) to help contextualise the performance, and will alert the analyst if the results are outside preset thresholds (for example, dramatic changes year-on-year)
  - Uses creative data visualisations within the report to make the information highly salient to the reader
  - Produces a reliably accurate report, requiring less than 5 minutes of final editing and approval by the analyst
  - Creates the final report as a shareable one or two page PDF that the analyst can send to the client

The solution will therefore need the following features:

- A simple, usable interface from which the ESG analyst can specify the company and request the report
- A means to automatically extract the data from the two sources (some form of integration with Bloomberg terminal and our internal notes)
- A database of historical and comparison data (data to be provided by us)
- Design of an appropriate report template (co-designed with us)
- The automated solution to populate the report, initially in an format editable by the analyst, and then exported as a PDF document

While not in scope for the prototype, preference will be given to solutions that can demonstrate:

- Ability to add additional data sources in the future
- Potential to integrate with PowerBI or similar analytics tool, to enable our analysts to use the same ESG data for custom and advanced analytics, beyond the simple reporting function

There are no restrictions on the geographic location of the problem solvers who may choose to apply to this challenge. However, the prototype needs to be demonstrated in Singapore.

### **POSSIBLE USE CASE**

The primary use case is when one of our ESG analysts has a need to provide a report to a client on their performance. They will need to:

- Use the solution interface to specify and confirm the company in question
- Request the report from the solution (e.g. click 'produce report')
- Receive the automatically produced report in a form that it can be edited (only if needed), and then sent to the client as a PDF

### **WHAT'S IN IT FOR YOU**

- SGD \$20,000 of prize money for each winner of this challenge (see Award Model)
- Partnership with an experience industry leader, who has the existing data and clients to make this solution a success
- Opportunity to work on a solution tackling a high priority for the industry (ESG performance), with potential for future product development, growth and scale
- Collaborate with IMAS (Investment Management Association of Singapore) to reach out to the greater community for exposure, refinement and deployment
- Opportunity to pitch to industry audience in:
  - IMAS Digital Accelerator Program Showcase in March 2020
  - IMAS-Bloomberg Investment Conference in April 2020
  - For more information, visit [www.imasdap.com](http://www.imasdap.com)

### **EVALUATION CRITERIA**

The Applicants shall be evaluated in accordance with the evaluation criteria set out below.

<b>Solution Fit</b>	To what extent does the proposed solution address the problem statement effectively?
<b>Solution Readiness</b>	How ready is the proposed solution to go to the market? Is there any evidence to suggest capacity to scale?

<b>Solution Advantage</b>	Is the solution is truly innovative, does it make use of new technologies in the market, and can it potentially generate new IP?
<b>Company Profile</b>	Does the product have user and revenue traction? Do the team members possess strong scientific/technical background?

### **AWARD MODEL**

30% of the prize money will be awarded to each selected finalist at the start of the prototype development process, with the remainder 70% to be awarded during the prototype development process, based on milestones agreed between ASI and the solver.

Note that a finalist who is selected to undertake the prototype development process will be required to enter into an agreement with ASI that will include more detailed conditions pertaining to the prototype development.

### **DEADLINE**

All submissions must be made by **14 February 2020, 1600 hours (SGT/GMT +8)**. ASI and IMDA may extend the deadline of the submission at their discretion. Late submissions will not be considered.