UBS Pitch 2023 Proposal

Team: Number Crunchers

Team Members: Priestley Fernandes, Aayush Vikram Singh, Manvendra Dashrath Shrimal, Theophilus Ijiebor, Abhimanyu Sheth

In this paper, we are looking to extend existing research on ESG scoring methodology by digging deeper into

Thomson/Refifinitiv (TR), one of the largest and most recognized rating agencies to date. They cover over

85% of the global market cap across 630 difffferent ESG metrics with a history going back to 2002, and they

claim to have data coverage for over 12,000 global companies across 76 countries. According to their website,

TR’s rating is designed to “transparently and objectively measure a company’s relative ESG performance,

commitment and effffectiveness across 10 main themes (emissions, environmental product innovation, human

rights, shareholders, etc.) based on publicly-reported data.” The agency states that the information is

collected by ESG specialists based on publicly available sources such as company websites, annual reports,

and corporate social responsibility reports or contributed by fifirms then audited and standardized. For this

research, we refifined the existing TR data to only the Standard & Poor’s 500 companies with data ranging

from 2002-2022, giving us nearly two decades of data to work with. By running various regressions, we were

able to further research the relationship between how TR weighs their 650+ raw data variables and their

10 ESG main theme category scores in order to derive their overall ESG score for each company

s *ESG Indicators as Organizational Performance*

*Goals: Do Rating Agencies Encourage a Holistic Approach?* by Esmee M. Veenstra and Naomi Ellemers

which effffectively examined the impact of ESG indicators on organizational sustainability goals to r

*Deconstructing ESG Ratings Performance: Risk and Return for E,*

*S, and G by Time Horizon, Sector, and Weighting* by Guido Giese, Zoltán Nagy and Linda-Eling Lee

r *Rewriting History II:The (Un)predictable Past of ESG Ratings*,

by Florian Berga, Kornelia Fabisikb and Zacharias Sautnercmany, is that investment professionals and

researchers face diffiffifficulties when trying to measure a company’s “ESG quality” which is “quantifying how

well a fifirm performs with respect to ESG criteria

Sahin, Bax, Czado and Paterlini in the paper *Environmental, Social, Governance scores and the Missing*

*pillar—Why does missing information matter?*.

• Refifinitiv ESG Board Member Data

• **Refifinitiv ESG Category Data**

• **Refifinitiv ESG Company Screening Data**

• Refifinitiv ESG Company Summary Data

• Refifinitiv ESG Driver and Outcome Data

• Refifinitiv ESG Industry Aggregates

• Explain the model / technical

solution that your team will

create

• Determine how the team will find

balance between risk adjusted

returns and ESG alignment

Why EV?

Why