

TCS ESG Integration solution on Azure

Environmental, Social & Governance for Financial Institution

Current Situation

Environmental, social and governance elements are subset of Non-financial performance measures that cover ethical, sustainable and corporate government issues. The European region establishes a list of environmentally sustainable economic activities under objectives set for environmental performance such as Climate change mitigation, transition to a circular economy etc. In addition to it, the Financial Conduct Authority sets out its expectations about the design delivery and disclosure of ESG sustainable investment funds. Also, the U.S. Securities and Exchange Commission announced the creation of a climate and ESG task force to address increasing investor focus and reliance on climate and related disclosure and investment.

End-to-end ESG data sourcing, integration, and analytics for ESG investment use cases in Azure

For the investment industries, ESG has become business-critical. There is an increased demand for comparable and quantifiable metrics which help in identification of how sustainably business's function and what makes a company ESG friendly. Stakeholders around the globe demand sustainability and integration of ESG data into investment decision making. Asset/Portfolio managers are increasingly incorporating ESG criteria into investing choices due to investor preferences. Opportunities exist to leverage cognitive technologies such as AI, ML & deep analytics to harness this abundant alternate data for actionable insight. Financial Institutions are looking for technology enabled solutions which can help in traceability and credibility of underlying data. Events across the world, such as the wildfires and pandemic, have increased public awareness of social and environmental issues. Greenwashing is not included under the regulations, which aim to increase transparency of sustainable investment products.

Benefits



360 Degree Risk View

The ESG solution can measure and report the real-world impact of assets & investments on United Nations' Sustainable Development Goals.



Plug & Play

The solution seamlessly and quickly deploy ESG Integration solution to Azure environment.



White Box ESG reporting

ESG solution can track the origin of data for increased transparency.



Quick decision making

The solution helps large asset owners to integrate ESG considerations into their investment strategies.

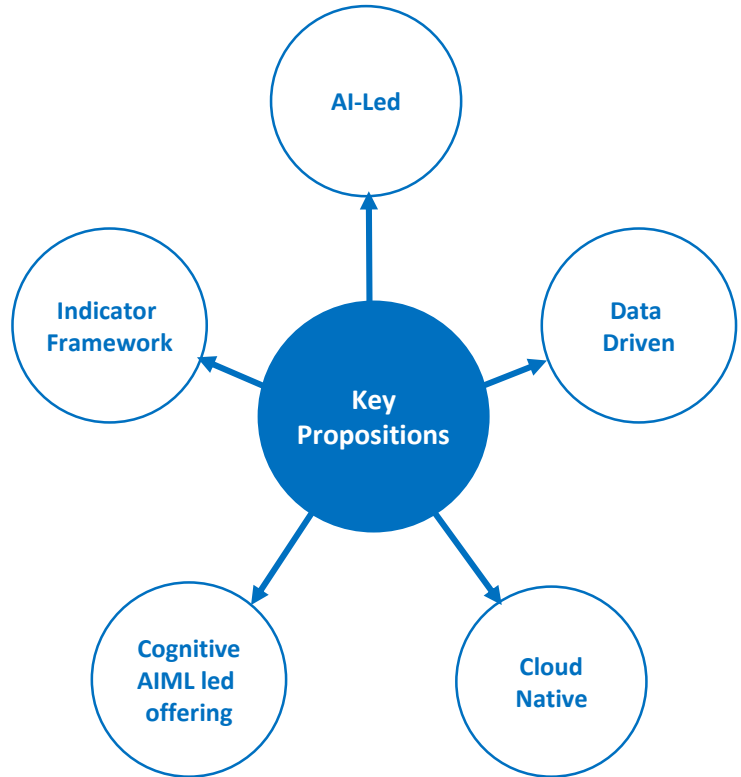
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Challenges

- Multiplicity of non-standardized and siloed data – from third party ESG data to corporate ESG disclosures.
- Lack of visibility on the ESG factors that impact investment while using third-party data.
- Data providers use their own proprietary methods of data imputation and benchmarking to determine the impact of ESG criteria on performance and risk.
- Expensive and resource intensive process of sourcing, standardizing and weighting the data.

TCS Solution

- TCS's Microsoft Business Unit hosts ESG data acquisition and impact assessment framework in Azure cloud which is more secure with 99.95% availability.
- ESG solution has an Indicator framework that enables asset managers to quickly and easily procure ESG data from multiple sources to quickly deploy the application in form of docker images to Azure environment.
- Multiple sources data integration, AIML & Cognitive led solution for information processing and ready visualization



About Tata Consultancy Services Ltd (TCS)

Tata Consultancy Services is an IT services, consulting and business solutions organization that has been partnering with many of the world's largest businesses in their transformation journeys for over 50 years. TCS offers a consulting-led, cognitive powered, integrated portfolio of business, technology and engineering services and solutions. This is delivered through its unique Location Independent Agile™ delivery model, recognized as a benchmark of excellence in software development.

A part of the Tata group, India's largest multinational business group, TCS has over 528,000 of the world's best-trained consultants in 46 countries. The company generated consolidated revenues of US \$22.2 billion in the fiscal year ended March 31, 2021 and is listed on the BSE (formerly Bombay Stock Exchange) and the NSE (National Stock Exchange) in India. TCS' proactive stance on climate change and award-winning work with communities across the world have earned it a place in leading sustainability indices such as the MSCI Global Sustainability Index and the FTSE4Good Emerging Index. For more information, visit www.tcs.com

Building on Belief

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