



Investor Perspective: ESG Disclosure Frameworks

Investors increasingly recognize ESG as a way to better assess investment risk and opportunity. This means that portfolio companies are in turn prioritizing ESG disclosures and their alignment with reporting frameworks such as SASB, TCFD, GRI and CDP. Standardized disclosures and practices allow for previously unseen transparency and comparability across industries, enabling investors to make more informed decisions.

ZMH Advisors' ESG and shareholder engagement practice provides clients – ranging from pre-IPO companies to those in the S&P500 Index – with unique insight into what matters the most to investors.

The table on the right leverages our proprietary **ESG Engagement Dashboard™** – powered by +1,000 ESG engagement case studies, a digital library of proxy voting guidelines and +8M NPX voting records for investors with over \$50TAUM – to highlight ESG reporting frameworks that matter most to investors.

Based on the data, SASB and TCFD are the two most widely supported disclosure frameworks.

Standards and Frameworks Preferred by Top Investors

Investors	Standards & Frameworks			
				
Alliance Bernstein		✓		✓
Ariel Investments	✓	✓		
Baillie Gifford		✓		
BMO	✓	✓		
Blackrock	✓	✓		
Capital Group		✓		
Fidelity	✓			
Goldman Sachs	✓			
JP Morgan		✓		
Mackenzie Investments		✓		✓
Northern Trust		✓		
Norges Bank	✓		✓	
State Street	✓	✓		
Swedbank		✓		✓
TD Asset Management	✓			
T.Rowe Price	✓	✓		
Vontobel				✓
Vanguard	✓	✓		



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SASB

The **Sustainability Accounting Standards Board (SASB)** focuses on what is financially material to investors regarding **environmental, social and operational governance** topics. These standards cover **77 industries** with an average of six disclosure topics identified per industry and have been designed to provide cost effective reporting guidance for companies. This industry specific approach allows for **greater inclusivity** and a **deeper understanding of sustainability** within a company's financial performance.

TCFD

The **Task Force on Climate-Related Financial Disclosures (TCFD)** framework focuses on risks and opportunities pertinent to climate. Material topics include **governance, business strategy, risk management, key metrics and targets**. The goal of the framework is to enable investors to make **more informed investment decisions** through a greater understanding of financial risks relating to climate change.

GRI

The **Global Reporting Initiative (GRI)** is a global organization that sets standards to ensure **greater impact transparency in over 100 countries**. GRI standards are **industry agnostic** and cover **environmental, social and operational governance** topics that significantly impact the economy. These standards are divided into **universal, sector and topic standards**, which work together to create an **inclusive picture** of a company's approach to ESG.

CDP

The **Carbon Disclosure Project (CDP)** is a global charity focused on **environmental issues**. Company information is collected through three **detailed questionnaires** and consolidated into disclosure reports. The questionnaire topics include **climate change, water security and forests**. Based on a company's answers in each questionnaire, **the company is rated by the CDP's internal scoring team** to track progress towards environmental stewardship.

What ZMH Can Do for You

Our Proprietary ESG Engagement Dashboard™ allows you to leverage technology and data to optimize your shareholder interactions.

Know what could be asked during an engagement

Stay up to date on investor's ESG priorities

Access to 1000+ case studies & detailed analysis

Understand how investors will vote on your ballot

Gain access to 7M NPX voting records & governance policies

Key players at each firm & contact information

CONTACT US TO SCHEDULE A DEMO

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