

# Taxonomy Task Team meeting summary

Date of meeting	July 29, 2025
Topic	ESG
Background information	See the <a href="#">ESG</a> document on the website
Upcoming meetings	August 12: <a href="#">Tags related to publishing content and framing the context</a> August 26: <a href="#">People, groups, and organizations</a> [not yet scheduled]: We will have at least one more meeting to discuss ESG

The kickoff meeting for the Taxonomy Task Team was held last week. The topic was ESG.

Not only did we have great participation during the meeting, we also received input before the meeting from RIXML members who could not attend the meeting at the scheduled time. This allowed us to include a wide variety of observations, questions, and recommendations in the discussion.

Below is a summary of the input we received before and during the meeting. The purpose of this initial meeting was to gather input and share opinions, rather than to finalize the list; we will be holding additional meetings to continue discussing the ESG list. **We are still looking for more input, so feel free to send your thoughts regarding the below.**

A summary of our initial meeting is below; specific areas we would like additional input on are highlighted in grey; other questions appear in the discussion sections for each of the three key ESG components.

## Summary

### Goals

We have identified the following goals for the RIXML ESG taxonomy:

1. Make sure the list is intuitive and easy to understand
2. Make sure the list does not overlap in purpose with other existing tag sets within the RIXML Research Standard
3. Make sure the list reflects the topics that firms are writing about and that firms are searching for
4. Make sure the list is unique vs. other (non-RIXML) ESG taxonomies

### Content that will use the ESG taxonomy

ESG-related research includes both:

- Thematic reports focused on one or more ESG topics
- Research about a company, sector, industry, country, or region that the author wants to indicate includes important ESG-related information about that company, sector, etc.

#### FURTHER INPUT REQUESTED:

Are there other types of ESG research that your firm produces?

During the meeting, participants observed the fact that these two types of research may require different levels of ESG-related tagging:

- ESG thematic research items would be more likely to focus on a specific aspect of ESG, rather than ESG in general, and may benefit from a taxonomy with more granularity.
- Research focused on a company, sector, etc. may be better served by using a less-granular tag, such as Environmental or Social or Governance, or sometimes even simply ESG.

The reason for this difference is because users searching for company, sector, etc. research would mainly be searching for research about the company, sector, etc. itself, but would sometimes want to add an additional filter to find just the research that discusses ESG-related issues. Some participants felt that it would be unlikely that someone would want to filter by anything more granular than the 3 main categories (Environmental, Social, and Governance); that is, it would be unlikely that someone would want to see a company report that discusses a specific sub-topic but not another. Thematic research, however, would often benefit from more granular tagging options, since it is more likely to focus on a specific aspect of environmental, social, or governance topics.

### **FURTHER INPUT REQUESTED:**

Does this accurately reflect your firm's needs and expectations regarding how to identify and search for ESG content?

## **Reviewing the specific terms in the taxonomy: Environmental**

### **Initial list:**

Environmental  
 Air and emissions  
 Energy  
 Land and land use  
 Mining, metals, and minerals  
 Waste (including hazardous waste)  
 Water & wastewater

### **Discussion:**

At the meeting, members made the following observations and asked the following questions:

- The terms in this section of the initial draft list contain a mix of sectors (e.g., “energy” and “mining, metals, and minerals”) and topics (e.g., “waste” and “air/emissions”), etc., which may cause confusion.
- We want the terms to be specific enough that users will apply the term as intended, but not so specific that it becomes limiting; sometimes it is difficult to determine where the line should be.
- The term “Energy” here means something different here than it does when used as a sector
  - as a sector, it refers to as set of companies engaged in a particular line of business
  - as an ESG topic, what exactly DOES it mean?
    - partly means energy transition, but not just that
    - other than energy transition, what else falls under “energy”?
    - adding additional granularity – such as changing the term to “Energy transition” or something similar might exclude some relevant content. Is there a term that could encompass all energy-related ESG content that is more descriptive than simply “Energy”?
    - could energy be renamed to something like “Energy Impacts”?
- The following are some of the most talked about topics, so it could be helpful to include them in the taxonomy (possibly grouping similar terms); content is more likely to be accurately tagged if the concepts people are regularly writing about are in the list:
  - climate change
  - energy transition
  - decarbonization
  - energy security
  - Renewable energy (although this is a GICS sector)
  - emissions mitigation
  - physical adaptation

- Is “air and emissions” a logical category, or does it make the category too broad?
  - If we separate them, would one term be “air quality”?
  - Other than air quality, what else would be included in air?
  - Air quality has some overlap with emissions, but would include things like wildfire smoke.
- In the current list, would climate change fall under “air and emissions”? The group felt that it should be a standalone term.
- Where would “natural resource management” fall? (includes water usage, biodiversity, raw material sourcing, etc.)
- For water, wastewater, waste, and hazardous materials handling, there is a lot of overlap – what are the best divisions?
  - One firm recommended “pollution & waste management” (includes hazardous/toxic emissions and waste, electronic waste, packaging materials/waste)
  - Recommendation in the meeting: waste as one category, pollution as another; water quality as another; maybe add granularity if needed
  - Maybe waste as level 3, then add wastewater, hazardous waste, electronic waste, packaging waste, either as subterms or in the definition.

## Reviewing the specific terms in the taxonomy: Social

### Initial list:

#### Social

Data privacy and security  
Diversity, equity, and inclusion  
Health and safety  
Human rights

### Discussion:

- DEI could be a sub-section of Social or its own section
- Add “product liability” (group observed that it is distinct from “health & safety”)
- For “data privacy and security”:
  - We discussed pros and cons of separating data privacy and data security into 2 groups, with some people leaning one way or another; some people wondered whether they would be more likely to be used correctly if kept together.
  - Should this category be called simply “Data” – is that clear enough that it would be used properly?
  - What about calling it “data protection” – would that leave anything out?
- How would reports discussing ESG funds be tagged e.g., reports about responsible investing, sustainable investing, etc.?
  - We should probably provide guidance about how to tag ALL research discussing mutual funds – that is, how would a report about a sector-focused fund be tagged? A region-focused fund? We can go through this exercise, then see if ESG-related funds have any different needs.
- Where would product liability fall – Social or Governance? Would it fall under any of the existing terms?

## Reviewing the specific terms in the taxonomy: Governance

### Initial list:

- Governance
  - Labor practices
  - Management
  - Regulatory
  - Risk management

### Discussion:

- Add “Supply Chain Management” here (rather than under Social)
- The term “human capital” is sometimes used – what is the difference between that and “labor practices”?

Based on time, we had to wrap up the Governance discussion here; we will resume at the next meeting.

## Continuing the discussion

- During the meeting, participants identified certain topics as ones that are frequently written about and/or searched for. One approach to developing the RIXML list is to identify these key themes and use those to populate the enumeration list. There are pros and cons to this approach; a key risk is that we miss a major category. Additionally, this approach would likely require us to have a way to add new terms outside of the release schedule for the standards themselves. This is not unique to the ESG taxonomy; the subject list, for example, could benefit from this as well. **We would like to have member firms provide input regarding the top ESG topics they are interested in.**
- As we develop the list, we will continue discussing how to “right size” the list to ensure that it is understandable to all users and to increase the odds of it being used consistently. Mistagging, overtagging, and lack of tagging are risks we would like to avoid.
- Another topic we did not have time to discuss is whether we could/should allow firms to add additional ESG tagging from a different taxonomy in addition to the required taxonomy. More information can be found in the ESG discussion document, and we will discuss this at an upcoming meeting.

### FURTHER INPUT REQUESTED:

What are the top 10 or 20 ESG-related topics your firm publishes information on, or the topics your investment professionals are searching for? Would designing the RIXML ESG list around the key ESG topics people are writing about and searching for be the best approach?