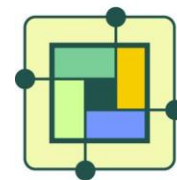




RIXML Q3 All-Member Meeting

September 14, 2023



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Research Information Exchange Markup Language

RIXML Quarterly All-Member Meeting

Agenda – September 14, 2023

Welcome

Treasurer's report – Jay Clarke, Raymond James

Usage Reporting Standards Working Group update – Steve Moreno, Capital Group

ESG Working Group update – Don Sharp, Citi

RIXML Standards v3.0 update – Sal Restivo, Morgan Stanley

Leveraging our expertise – Deirdre Goldenbogen, RIXML

On the horizon – Artificial Intelligence

Upcoming meetings

AOB



RIXML Antitrust Statement

RIXML has a policy of strict compliance with federal, state, and international antitrust laws. This policy applies to all meetings and events conducted by RIXML and all meetings attended by representatives of RIXML. RIXML members should avoid discussing certain subjects when they are together – both at formal RIXML events and at all-member, committee, working group, and other meetings as well as during informal contacts with other industry members.

Under no circumstances should the meetings be used as a means for competing companies or firms to reach any understanding – expressed or implied – that restricts competition or in any way impairs the ability of meeting participants to exercise independent business judgment regarding matters affecting competition. It is the responsibility of all meeting participants to be aware of antitrust regulations and to prevent any written or verbal discussions that violate, or appear to violate, these laws.



THANK YOU to

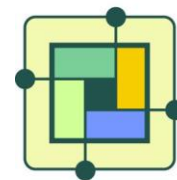
BlackRock[®]

for hosting our in-person and online meeting



Financial Update

Jay Clarke, Raymond James



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Member firms can request a copy of the financial report

Tax Payments 2023



2021 Related NY State	\$674
2022 Related NY State	\$8,000
2022 Related Federal	\$17,000
2023 Estimate NY State 1H	\$3,600
2023 Estimate Federal 1H	\$14,000
TOTAL PAYMENTS MADE YTD IN 2023	\$43,274

Jordan and Jordan Management Fee



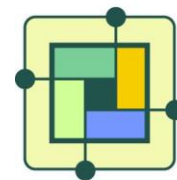
- Management fee increase that was discussed in 2022 has been implemented, retroactive to January 2023
- First fee increase since 2015
 - Prior fee: \$190,000/year (\$15,833/month)
 - New fee: \$225,000/year (\$18,750/month)
- 2023 payment summary:

• January to July	\$110,831	(\$15,833 per month, Jan-July)
• August Catch-Up Payment	\$20,419	(\$2,917 per month, Jan-July)
• August New J&J Payment	\$18,750	



Usage Reporting Standards Working Group update

Steve Moreno, Capital Group



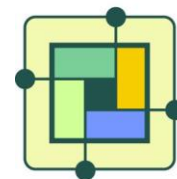
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ESG Working Group update

Don Sharp, Citi



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SASB Update



- SASB still appears to be the standard most closely aligned to research content
- Licensing considerations
 - Corporates don't need licenses to include SASB data for reporting (e.g., 10Ks)
 - Asset managers, research firms, and vendors do need them for commercial purposes
 - SASB recently put its Materiality Map behind a paywall, after some investors and firms were using the standards for commercial purposes without a license
 - More than 200 firms in the “Asset Managers & Asset Owners” category have license, compared with 52 in “Data, Analytics & Research Firms” and only **five** in “Banks & Multilateral Organisations”

SASB Update (cont'd)



- We plan to present our use case to SASB to get its take on whether all member firms would require a license. Possible outcomes include:
 - SASB concludes that all RIXML members who create research and tag it to dimensions or factors within its proprietary taxonomy must hold a license
 - SASB concludes that RIXML itself must maintain a license to enable its members to use its taxonomy
 - SASB concludes that tagging the content based on its taxonomy doesn't, in and of itself, constitute commercial use, and provides it greater exposure/status
- Whatever the case, SASB's terms of use could change at any time
- Additionally, SASB is part of IFRS, and the latter could make changes to or replace SASB's taxonomy

Questions



- For the sell side
 - How granular do your fundamental analysts get with respect to ESG in their company research?
- For the buy side
 - How do you search for ESG content? (company content, industry content, strategy content)
 - Do you have content specialists that we could connect with?
- For the vendors
 - What kind of standardization (of taxonomies, of terminology, of scores) would help you aggregate content most effectively for users of your platforms?
- For everyone
 - Does your firm hold a SASB license now, or plan to in the future?

Decisions Needed



- Does it make sense to begin drafting an alternative taxonomy of our own that offers another layer of detail below the generic E, S, G breakout?
- How granular do we need to go in Phase I with ESG tagging? What would be most helpful in closing current gaps in discoverability?
 - For thematic content?
 - For company content?
- For company research, do we need a tag set with elements such as type (e.g., regulatory, environmental), impact time horizon (e.g., short, medium, long), and impact level (e.g., mild, moderate, severe)?



RIXML Research Standard v3.0 update

Sal Restivo, Morgan Stanley

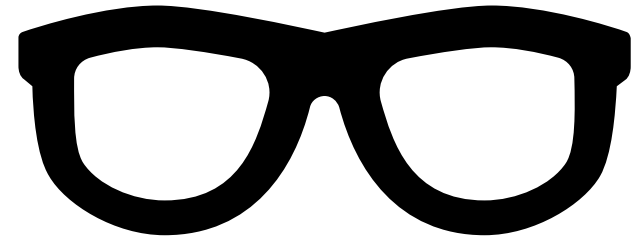


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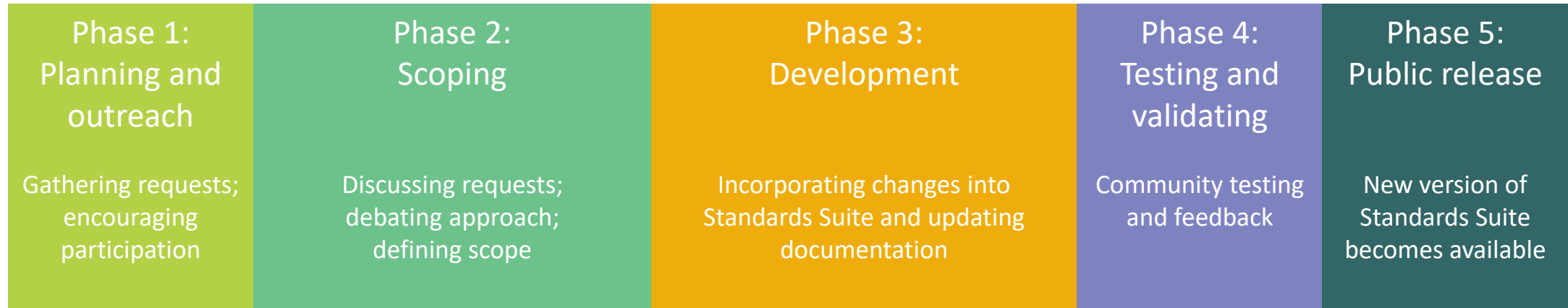
At A Glance

- Good development progress
- Nearing Release Candidate readiness
- ESG approach under review
- Next steps



Progress

Plan



Actual



Progress

Phase 3: Development Progress

70%

Scope Category	Scope Item	Size	% Complete	Notes
Handling Hierarchies	Asset Classes	L	80%	
Handling Hierarchies	Industries	L	70%	
Handling Hierarchies	ESG Dimensions	L	50%	Under further review until SASB considerations finalized
Handling Components	Component Catalog	L	60%	
Handling Components	Expected Search Terms	M	80%	
Handling Components	Context Tagging for Components	M	80%	
Handling Components	Audio, Video, and Interactives	M	50%	
Tag Variations	For Segmented Audiences	M	100%	
Tag Variations	For Non-English Languages	M	90%	
Tag Variations	With and Without Format Coding	S	100%	
More	Episodic Content	L	60%	
More	Related Content	M	40%	
More	Automated Tagging	M	70%	
More	Entitlements	M	60%	
More	Events	S	100%	
More	Non-Research	S	100%	
More	Covered Bonds	S	100%	
More	Enumerated Lists as XML Namespaces	L	40%	This may not make the final scope
Removals	Root, Price	S	100%	

Next Steps

- Finalize ESG approach
- Assess Impact across RIXML Standards
- Complete Schema Development
- Test and Validate
- Update Documentation
- Production Release



Leveraging our expertise

Deirdre Goldenbogen, RIXML



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RIXML: MEMBER POWERED

We need your help

Buy-side firms

SEARCHING FOR ESG CONTENT?

tell us how you want to find it!

All firms

DO YOU HAVE CONTENT SPECIALISTS?

Taxonomists

IS THERE A TAXONOMIST IN THE HOUSE?

Technologists

DO YOU SPEAK NAMESPACES?

...or do you know someone who does?

Vendors

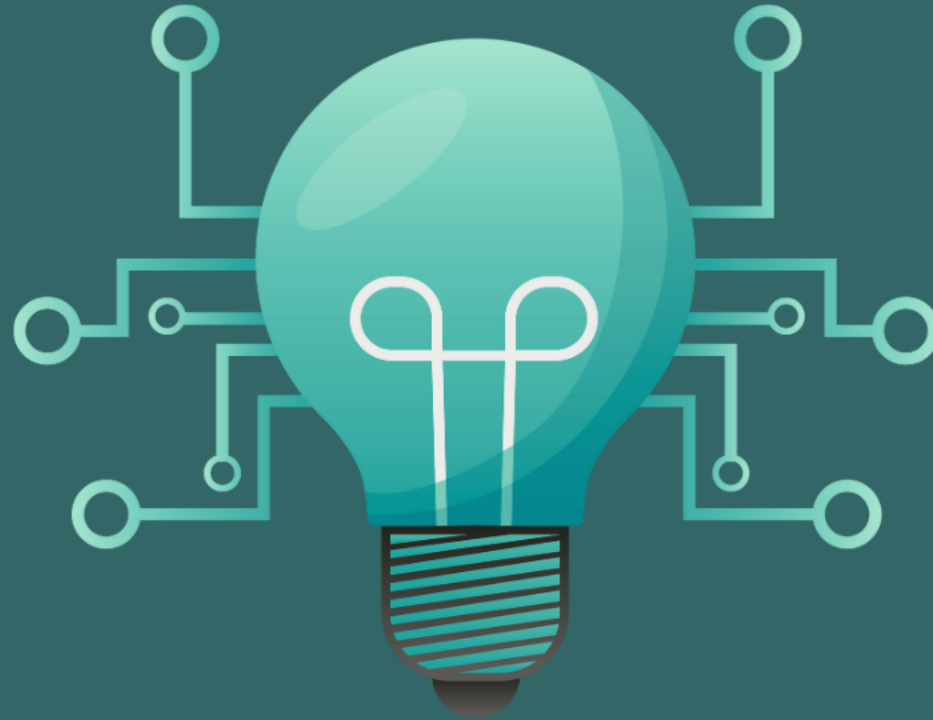
MIND THE GAP

(in the tagging you receive)

All firms

ESG TAGGING IS COMING...

what standardization do you need?



Files involved in a RIXML release

XSD (Schema) files

Subject-specific tags

RIXML Research
Main Schema

RIXML Roster Updates
Main Schema

RIXML Coverage Updates
Main Schema

RIXML Interactions
Main Schema

Shared tags

RIXML Common Schema

Enumeration list values

RIXML Datatypes Schema

Documentation

RIXML Research Data Dictionary

RIXML Interactions Data
Dictionary

RIXML Implementation Guide



Release Notes

Level 1 Addendum

RIXML Linkbacks Technical
Implementation Guide

Sample
Files

A set of sample instance document files

 In Progress
 Completed

Input and assistance needed

- Additional input on ESG
- Assistance in reviewing Interactions Standard
- Input on using namespaces to manage enumeration lists
- Documentation review
- Enumeration list review

Enumeration lists...



...hear me out...

Getting the right content to the right people

...at the right time



- RIXML exists because member firms ARE the experts in research and interaction content
 - Sell side firms know the content they are creating
 - Sell side firms know who their target audience is
 - Some vendors create tools to facilitate content creation
 - Some vendors create tools to aggregate, search for, and find research content
 - Buyside firms know what information they want to find
 - Buyside firms know the difference between signal and noise

How do enumeration lists fit in?

...and why should I care?

- Some aspects of a research item or interaction should be entirely free text
 - Title
 - Subtitle
- Some fields can leverage external standards
 - ISO standards are used for currency, date/time, country codes, currency
 - XBRL for financial data
 - GICS for sector/industry tags
- For many aspects of a research item, the best way to pull like items together is to provide a custom, limited list of valid terms for that aspect



How do enumeration lists fit in?



Example:

Asset Class

- Equity
- Fixed income
- Currency
- Commodity
- Real estate

We have dozens of other lists, including:

- Coverage action
- Issuer type
- Product category
- Rating action
- Weighting
- Weighting action
- SUBJECT

Enumeration lists: how are they developed



- Member firm input
- Requests for usage clarification
- Full review before each new release

We want to make sure every RIXML member firm has a chance to add their voice to this conversation.

Any questions?

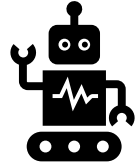
- Email me: Deirdre.Goldenbogen@RIXML.org





Looking ahead

**Artificial Intelligence and Natural Language Processing:
implications for research**



Automated Tagging

Proposed changes for RIXML v3.0

Motivation	Solution
Need to distinguish explicit tagging from automated tagging	Add new optional attributes for <i>tagSource</i> and <i>tagConfidence</i> to key tags throughout the schema
Need a way for publishers to specify the tagging method used to apply a tag	The <i>tagSource</i> attribute would hold a free-form text value indicating the publisher's name for the tagging method applied when not explicit (selected by an author or editor)
Need a way for publishers to specify the confidence level behind a tag	The <i>tagConfidence</i> attribute would hold a real number between zero and one, with one representing perfect high confidence
Need definition of which key tags to support	Company, Industry, Region, Country, Asset Class, Subject, ESG Dimension, Search Term

```
<Context>
  ...
  <IndustryList>
    <Industry code="4520" classificationType="GICS" level="2"
      tagSource="Galileo-5" tagConfidence="0.89">
      <IndustryName>Technology Hardware & Equipment</IndustryName>
      <IndustryParentList>
        <Industry code="45" classificationType="GICS" level="1" />
      </IndustryParentList>
      <IndustryChildList>
        <Industry code="452010" classificationType="GICS" level="3">
          <IndustryName>Communications Equipment</IndustryName>
        </Industry>
        <Industry code="452020" classificationType="GICS" level="3">
          <IndustryName>Storage & Peripherals</IndustryName>
        </Industry>
        ...
      </IndustryChildList>
    </Industry>
    ...
  </IndustryList>
  ...
</Context>
```


Upcoming meetings

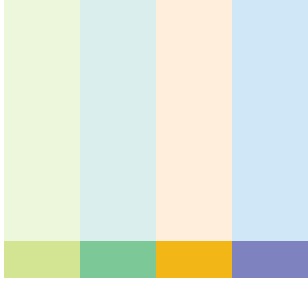


Keep your eye out for announcements about the following:

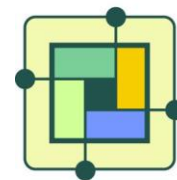
There will likely be another ESG meeting in the near future

There may be meetings to discuss documentation and/or enumeration lists

Our next quarterly all-member meeting will be in early to mid December; exact date TBD



Thank you all for participating



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