SELECTED NEWS ONLY
SAMPLE REPORT
FOR MORE CLICK HERE

ECO:FACT QUARTERLY
The briefing for E&S risk experts

35TH ISSUE

JANUARY 2021

The ECOFACT Quarterly is a briefing on environmental and social risks relevant for the financial sector. This sample report includes the editorial, excerpts from three tables, and a limited selection of 13 news items from the 43 items featured in the full report. For information on subscribing to the ECOFACT Quarterly, go to the **last page.**

Editorial

For the times they are (still) a-changin'

Dear reader,

Welcome to the 35th issue of the *ECOFACT Quarterly* – a number that makes us proud. **More importantly, we would like to thank you for your continuous support.**

I remember the meeting during which our former colleague, **Isabelle Stauffer**, presented her concept for a quarterly report – a report that would be more useful for our clients than any newsletter could ever be. A report worth paying for. Isabelle strongly believed that the publication would be read more frequently if clients had to pay for it.

So much has changed – and continues to change – since that meeting in 2012. The title of this editorial is derived from the **editorial of the 27th issue**, in which we discussed unprecedented changes in the regulatory environment.[1] We also explained why the lack of granular, time-bound transition roadmaps for the real economy made it difficult for financial professionals to understand transition risks and identify market opportunities.

Let me illustrate how much that situation has now changed: since Norway's announcement of plans to ban the sale of fossil-fueled cars as of 2025, the market share of electric vehicles has already reached **about 60 percent**. This will affect the automotive industry's entire value chain. In any industry, comparable policies will have tremendous implications for the value chain, **so knowing how these changes will look enables the financial sector to engage with clients and investee companies** – and to analyze the opportunities and risks they face.

Rapid mainstreaming also brings about major change. Importantly, this is not just about people jumping on the bandwagon: when growing numbers of decision-makers need to examine sustainability issues, real change will follow. Mirjam Staub-Bisang, who leads Blackrock in Switzerland, explained in a recent interview[2]:

> "In the last two years, there has been a kind of tectonic shift: sustainability is now relevant for every corporate executive, every investment manager and every pension fund. In fact, anywhere that money is invested. **The broad demand for transparency is forcing companies to show what they are doing in terms of sustainability and how they are mitigating the risks involved.** In 2011, only 20 percent of S&P 500 companies published sustainability reports. Now it's 90 percent. And once something is measured, you have to manage it."

This tectonic shift allows us to look forward to the 70th issue of the *ECOFACT Quarterly* with a certain optimism. Over the past three months, Anna Reimann, who has overseen the production of the *ECOFACT Quarterly* since 2012, has been handing over responsibility for the publication to Jenifer Guillemin. Jen has worked on the *ECOFACT Quarterly* since 2012 and will ensure that it continues to evolve.[3]

Let us know how we could make the *ECOFACT Quarterly* even more useful for you. One sentence in an e-mail goes a long way: EQ@ecofact.com

Thank you again – and with our very best wishes,

Olivier, Anna, Jenifer, and the rest of the ECOFACT team

1. The ECOFACT Quarterly also inspired our **Policy Outlook** research – another product of which we are very proud. *Policy Outlook* has become the leading research on regulatory change pertaining to sustainable finance and corporate responsibility issues globally, and an important tool for us to help clients navigate the regulatory maze.
2. Quote translated and abridged by the author; ***Überall, wo Geld angelegt wird, ist Nachhaltigkeit heute ein Muss***, Tagesanzeiger, 22.12.2020; behind a **paywall.**
3. After almost nine years, the ECOFACT Quarterly still looks surprisingly fresh – thanks to our designers Naomi Atkinson and Neil Edmundson of **Branded by Naomi**.

International standards

Updates on cross-sector environmental and social standards which might be relevant as a benchmark for risk assessments. Scope: key developments related to the most important international environmental and social standards.

➔ Why and how to promote investment in human rights

A more thorough social framework for institutional investors, entitled *Why and How Investors Should Act on Human Rights*, has been published by the United Nations-supported Principles for Responsible Investment (PRI). PRI's 3,000-plus members strive to embed the UN Guiding Principles on Business and Human Rights into their investment activities. In order to keep pace with evolving standards and data metrics for de-risked, sustainable investment management, institutional investors are urged to implement a three-step due diligence process: 1) Adopt a policy commitment; 2) Enact that commitment by identifying and mitigating risks, tracking outcome management, and communicating the results; and 3) Enable access to remedies. The PRI's multi-year agenda to increase accountability among its signatories includes incorporating human rights questions into its reporting framework on a voluntary basis until 2022. These will become mandatory thereafter. October 22, 2020.

Read more (1) ➔ Read more (2) ➔ Read more (3) ➔ Report ➔

➔ European banks' climate-related risk management to undergo supervision

Following public consultation, the European Central Bank (ECB) recently published its final guide to climate-related and environmental risk management. On the same day, it published a report on the European banking sector's inadequate disclosure of environmental and social financing risks. Although the transformative guide is not binding, it will serve as the basis for future supervisory dialogue. The ECB wants European financial institutions to manage climate-related risks, identified as a key concern for Europe's economies, more rigorously. The guide explains the ECB's expectations with regard to prudential risk management and transparent disclosure. In early 2021, European banks will be asked to conduct a self-assessment in light of these expectations and to draw up action plans on that basis. These self-assessments will then be evaluated and challenged by the ECB in a supervisory dialogue. In 2022, a comprehensive review of the results will determine the ECB's next steps. November 27, 2020.

Read more ➔ Guide ➔

What we're watching

Below are a few **insights from our Policy Outlook research**. ECOFACT's team of legal analysts continuously monitors developments related to hard and soft law regulatory initiatives pertaining to sustainable finance and corporate responsibility. They monitor over 46 jurisdictions, the European Union, financial sector regulators, stock market authorities, as well as multilateral organizations. For more information on regulatory trends, please contact us.

Learn more ➔

Jurisdiction	Date	Description
European Union	March 10, 2021	Key requirements of the EU Sustainable Finance Disclosures Regulation become applicable, including the mandatory publication of policies on integrating sustainability risks into investment decision-making processes and investment and insurance advice.

Source: ECOFACT's Policy Outlook, a database of in-depth analyses of sustainable finance and corporate responsibility regulatory initiatives across the globe.
More information: **https://www.ecofact.com/policyoutlook/**

Editorial
International standards
High-risk sectors
Emerging risks
Business case
Peer approach
New tools & databases
About
Subscribe

Selected open consultations

We have selected a few **open consultations from our Policy Outlook database** that are relevant to the wider financial and/or insurance industries. Many organizations and governments use a consultation process to solicit structured feedback from stakeholders. It is an opportunity for interested parties to comment on the content of materials that are issued to support a dialogue. For more information on open consultations, please contact us.

Learn more

Authority	Consultation topic	Deadline for input
European Banking Authority EBA	Discussion paper on management and supervision of ESG risks for credit institutions and investment firms.	February 3, 2021

Source: ECOFACT's Policy Outlook, a database of in-depth analyses of sustainable finance and corporate responsibility regulatory initiatives across the globe.
More information: **https://www.ecofact.com/policyoutlook/**

High-risk sectors

Developments relevant to six specific high-risk sectors, such as news on risk factors and trends, associated regulations, and best practices. This section concludes with a two-page table that provides an update on sector-related controversies, reveals financial institution exposure, and provides ECOFACT analyses.

Oil & Gas Mining Forestry Agriculture Utilities Chemicals Other

Risk factor

Alarming deep-sea resource exploration and extraction plans

The world's last intact ecosystem, the deep seabed, is being placed at undue risk, warns Greenpeace. Its investigative report entitled *Deep Trouble: The murky world of the deep-sea mining industry* calls for an immediate global ocean treaty. Greenpeace is concerned that a small group of private mining firms from the global north are exerting what they describe as hidden and dangerous pressures on the fate of the deep-sea global commons. While deep sea mining is technically possible, scientists warn that it could lead to inevitable and irreparable harm for our oceans. Yet despite the need for extreme care, the UN's International Seabed Authority (ISA) has already handed out more than 30 exploration contracts – for hefty fees. Citing the potential decarbonization benefits of deep-sea minerals, ISA's recently re-appointed Secretary -General Michael Lodge wants commercial mining to begin soon. December 11, 2020.

Read more (1) Read more (2) Read more (3) Report

Best practice

Forging the road to net zero cement

Recognizing that the cement industry needs to decarbonize in order to stay competitive, the UK's concrete and cement industry has launched a *Road Map to Beyond Net Zero*, which seeks to achieve net-negative carbon emissions by 2050. High heat production processes for high-demand cement contribute to 7 to 8 percent of global greenhouse gas emissions. UK Concrete says that net-zero gains arise through the use of decarbonized electricity and transport networks, fuel switching, greater use of low-carbon cements and concretes, as well as carbon-capture, usage or storage technology for cement manufacture. Further net-negative potential is linked to the natural, in-use properties of concrete, which include the benefit of using the thermal properties of concrete in buildings to reduce operational emissions. The International Finance Corporation is already partnering with global cement companies to implement such changes. November 9, 2020.

Read more (1) Read more (2)

Best practice

Oil and Gas Methane Partnership ramps up

More than 60 major players in the oil and gas industry have signed up to the second, more stringent phase of the Oil and Gas Methane Partnership (OGMP 2.0), which aims to reduce the industry's methane emissions by 45 percent by 2025, and between 60 and 75 percent by 2030. Crucially, OGMP 2.0 builds on the original agreement launched at the UN Climate Summit in 2014 by extending reporting frameworks beyond a company's own operations to factors in the full oil and gas value chain, including upstream production, midstream transportation, and downstream processing of all joint venture projects and non-operational assets. OGMP 2.0 is a Climate and Clean Air Coalition initiative led by the UN Environment Programme, the European Commission, and the Environmental Defense Fund. The European Commission plans to develop the OGMP 2.0 framework into a legislative proposal. November 26, 2020.

Read more (1) Read more (2) Read more (3)

Editorial
International standards
High-risk sectors
Emerging risks
Business case
Peer approach
New tools & databases
About
Subscribe

High-risk sectors

Information based on SIGWATCH data

SIGWATCH scans the messaging of more than 10,000 NGOs around the world on a daily basis in order to identify active and emerging campaigns and issues, tracking the criticism (and occasional praise) of corporations and industry sectors. This qualitative and quantitative data provides a unique insight into NGO concerns, and serves as early warning of the problems that companies and investors will have to manage in the months ahead.

Analysis combines SIGWATCH data and ECOFACT insight

The circles next to each subsector indicate the degree of reputational risk to financial institutions (FIs) that are associated with investments in that subsector.

- ● = High
- ● = Enhanced
- ● = Moderate

Sector & subsector		Risk	Level of controversy: Number of NGO campaigning actions per quarter and trend in the last three months[1]. 2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	Trend	FI exposure: Share of NGO actions criticizing financial institutions.	Selected news highlights and ECOFACT risk summary: We have hand picked news stories and reports that highlight specific ESG risk-related issues these sectors were associated with in the previous quarter. Whether the stories target a small element or a large-scale impact of a sector, all share one thing in common: they are relevant to FIs as they assess the evolving risks of these areas of business.
Forestry	Logging and plantations	Enhanced	81	69	94	107	123	94	-24%	15%	**Opportunity for banks' due diligence processes to verify client environmental progress:** A report by NGO Environmental Paper calls for banks to reinforce their internal due diligence control processes related to paper production. The report shows that FIs face a conundrum: they are expected to perform due diligence related to client relationships, yet there is a lack of reliable data on which to base decisions. FIs linked to companies engaged in operations viewed as unsustainable are exposed to significant reputational risk.
Mining	Coal mining	High	40	30	48	41	41	39	-5%	16%	**Investors taking a pass on coal:** Many FIs have announced coal-related restrictions, with some committing themselves to a complete phase-out largely due to coal emissions' role in climate change. Investors are paying close attention to coal's risk-return ratio and growth prospects, and in some cases have calculated that the returns are not worth the risk. As ESG awareness grows, coal miners, particularly those mining thermal coal, are seeking financing through the private capital market, and this could exacerbate emissions.
Mining	Impact on indigenous people	High	15	12	22	37	38	21	-45%	24%	**Investors question the genuineness of mining companies' dealings with indigenous groups:** Large-scale extraction projects can disproportionately affect the livelihoods of indigenous groups. FIs generally expect companies to obtain free, prior, and informed consent (FPIC) from impacted groups before starting work. Institutional investors have questioned the authenticity of companies' agreements with indigenous groups when it comes to conducting mining activities on traditional lands – specifically, the cultural heritage risk management of their operations – and are advocating for FPIC standards.
Oil & Gas	Fracking	Moderate	24	25	21	25	25	14	-44%	22%	**Radioactive particles increase downwind of fracking sites in US:** Associated with excessive water use, a risk of contaminating groundwater, and increased seismic activity, fracking continues to attract controversy. Scientists have found that radioactive particles are being released from fracking sites across the US, which is a potential health risk to people and communities within 20 km of the sites, illustrating the sensitive nature of the activity. FIs face reputational risk when involved with fracking projects or companies.
Oil & Gas	Oil sands	High	9	4	9	4	5	5	0%	33%	**Banks' oil sands sector phase-out policies questioned:** Some FIs with net zero policies reportedly remain involved with the oil sands sector, leading to criticism that their policies are ineffective. Communities and civil society groups continue to oppose the development of oil sands and associated pipeline projects. Some FIs have announced corporate or asset-level exclusions specifically for oil sands finance or implemented enhanced due diligence practices to address the environmental and social risks (see graph on page 13).

[1] The green/red arrows indicate that the number of NGO campaigning actions have decreased/increased by more than three actions compared to the previous quarter, whereas the orange arrows indicate this change is less than three actions. The percentages below the arrows denote the trend compared to the previous quarter, i.e. the percent change in of the number of NGO campaigning actions.

Emerging risks

Risks that may become material in the near future or are relevant when looking into a company's business model, but are not yet considered as highly significant risks from a financial institution's reputational risk perspective, or are not related to a high-risk sector.

→ Antimicrobial resistance a sleeping volcano to rival Covid-19, says pharma official

Antimicrobial resistance (AMR) is a looming crisis potentially "even larger than the COVID-19" pandemic, said Rex Clements, Chief Executive of Centrient, in an interview published during World Antimicrobial Awareness Week. Sharing similar concerns about the overuse of subsidized antibiotics, the group Investor Action on Antimicrobial Resistance (AMR) warns that antimicrobial resistance is already responsible for at least 700,000 deaths globally each year, with the potential for that death rate to explode exponentially. AMR occurs when microbes such as fungi and bacteria develop resistance to one or more antimicrobial drugs. In addition to overprescribed medicines, the impact of increasingly popular, hygienic biocidal surfaces which can potentially destroy unwanted pathogens is of concern. A newly created ISO expert committee, ISO/TC 330, aims to develop testing standards to assess the biocidal performance and efficacy of any surfaces with antimicrobial activities. November 20, 2020.

Read more (1) → Read more (2) → Read more (3) → Read more (4) →

→ Young and old alike bring climate-related lawsuits to the ECtHR

The European Court of Human Rights (ECtHR) has prioritized a climate lawsuit brought forward by young people from Portugal. In an unusual move, the court ordered 33 European governments to respond to the plaintiffs' claim that countries are failing to effectively tackle the greenhouse gas (GHG) emissions that are contributing to climate change. The countries were asked to explain if the purported inaction violates article 3 of the European Convention on Human Rights, which outlines the right not to be subjected to "inhumane and degrading treatment." The responses will be considered by the judges, who, if they find in favor of the plaintiffs, could impose binding actions on the countries to hasten GHG reductions. A group of senior Swiss women is also taking their government to the ECtHR court over the threat to their health from heat waves caused by climate change. While Switzerland's Federal Court dismissed their case in May 2020, the group is hoping that the ECtHR will hold their government accountable and "correct the course of Swiss climate policy." November 30, 2020.

Read more (1) → Read more (2) →

Business case

Information that underlines the business case for environmental and social risk management in financial institutions.

→ EIOPA report quantifies potential climate-change transition risks to the European insurance sector

The European Insurance and Occupational Pensions Authority's (EIOPA) new sensitivity analysis of climate-change-related transition risks in the investment portfolio of European insurers is the first such assessment of this topic. The study identifies "several hundred billion" in insurers' holdings in the fossil fuel extraction sector, carbon-intensive industries (e.g. steel and cement), vehicle production, and power generation. Noting that the amounts are manageable when compared to total holdings and that insurers have well-diversified portfolios, EIOPA nonetheless indicates that the industry is exposed to transition risks, particularly if "a drastic alignment of the economies" takes place in order to meet the Paris Agreement goals. The data on which the analysis is based was gathered through Solvency II reporting. EIOPA also points out that the impact of climate change and the insurability of certain risks are "potentially even more important" than asset-side transition risks. December 15, 2020.

Read more (1) → Read more (2) → Report →

Peer approach

New sector and issue policies that financial institutions have recently adopted. The table on page 12 gives an overview of the number of sector and issue policies produced by insurers. This issue's policy sector in focus is: Oil & Gas (page 13).

→ SBTi unveils science-based climate alignment framework and verification pathway for financial institutions

More than 1,000 companies from many sectors have publicly pledged to work to bring their decarbonization goals into alignment with the Paris Agreement by adopting science-based greenhouse gas (GHG) reduction targets. Considering that supporting guidance to accomplish this work has been developed for other sectors, the Science Based Targets initiative (SBTi) announced that it was launching a framework and validation service specifically for financial institutions to help guide and then confirm their GHG efforts. The resources developed include target-setting methods, criteria, a tool, and a guidance document. The business case for science-based targets is discussed, case studies of global financial institutions' application of target setting presented, and instructions given on how to prepare to submit targets for validation by the SBTi. October 1, 2020.

Read more → Guidance →

→ "Unprecedented" asset owner decarbonization target set: up to 29% portfolio-related decarbonization by 2025

Thirty major asset owners, with combined assets under management of USD 5 trillion, have united behind a group goal to cut their emissions associated with portfolio companies by 16–29 percent by 2025. The longer-term goal is net zero portfolio-related emissions by 2050. Headlined by companies such as Aviva, CalPERS, AXA, and the BT pension scheme, and backed by the UN Principles for Responsible Investment, the Net-Zero Asset Owner Alliance plans to transition portfolios, advocate for corporate action and public policies to support this transition on a wider scale, as well as to engage with investee companies as opposed to simply selling carbon-intensive investments. This approach is intended to have a more positive impact on the real economy. To get its plan underway, the alliance has published a draft of its proposed protocol for public consultation entitled *Draft 2025 Target Setting Protocol: UN-convened net-zero asset owner alliance monitoring reporting and verification track*. October 16, 2020.

Read more (1) → Read more (2) → Read more (3) → Draft protocol →

→ Sector and issue policies adopted by insurers

(A) indicates the number of insurers among the 9 Systematically Important Insurers that have adopted a policy, guideline, or commitment addressing the corresponding sector or issue for their investments. (B) indicates the number of insurers that have adopted a policy, guideline, or commitment addressing the corresponding sector or issue in underwriting. Only the sectors or issues covered by policies are included in the table.

	Q1 2020		Q4 2020	
Sector policies	**A**	**B**	**A**	**B**
Agriculture	2	1	2	1
Palm oil	2	1	2	1
Tobacco	3	2	3	2
Forestry	2	1	2	1
Infrastructure	1	1	1	1
Defense	3	1	3	1
Cluster munitions	5	1	5	1

	Q1 2020		Q4 2020	
Sector policies	**A**	**B**	**A**	**B**
Climate change	6	4	6	4
Agricultural commodities	2	1	2	1
Human rights	5	5	5	5
Child labor	2	1	2	1
Forced labor	2	1	2	1
Indigenous peoples' rights	1	1	1	1

This table includes the 9 global systemically important insurers (G-SIIs) according to the Financial Stability Board: Aegon N.V., Allianz SE, American International Group, Inc., Aviva plc, Axa S.A., MetLife, Inc., Ping An Insurance (Group) Company of China, Ltd., Prudential Financial, Inc., Prudential plc.c.. Source: **fsb.org**

Policy sector in focus: Oil & Gas

→ **Financing oil and gas is a controversial endeavor: while the US government works to prohibit banks from blacklisting new Arctic oil and gas projects, its courts respond to lawsuits against oil and gas approvals, and a pension fund presses S&P 500 companies for a better account of physical climate risk**

Several US banks (Bank of America, Chase, Citi, Goldman Sachs, Morgan Stanley, and Wells Fargo) announced in 2020 that they would no longer consider financing new Arctic oil and gas projects. Pressure from indigenous communities, NGOs, and shareholders has added momentum to the call for financial institutions to modify their oil and gas policies, particularly regarding the Arctic.

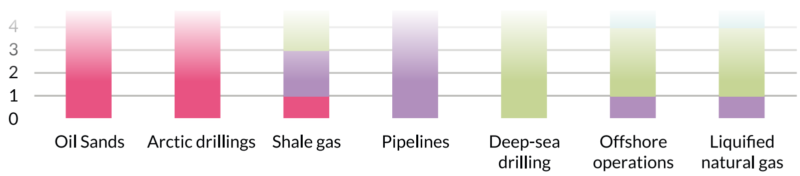
However, in response to Alaskan lawmakers' complaints, the US Treasury's Office of the Comptroller of the Currency (OCC) has drafted a ruling that would block banks from instituting sector-wide exclusions. If enacted, the ruling would give the OCC power to "take supervisory or enforcement action" on previously issued guidance. Banks are currently required to assess clients on a case-by-case basis, which in theory prevents them from excluding "entire categories of customers." Calling banks' exclusion policies a product of "personal beliefs and opinions," the OCC stated that they are not based on "quantitative, risk-based assessments."

Considering that a new US administration is poised to take power, the trajectory of the draft rule is uncertain. In the meantime, US federal courts are hearing lawsuits against oil and gas projects planned for the Arctic. While approval granted for the first offshore oil drilling in federal Arctic waters was rejected in the US Court of Appeals, lawsuits that challenge the environmental soundness and technical feasibility of oil and gas projects in this area of fragile and melting permafrost continue to roll in.

In order to better gauge the exposure of investees to physical climate risk, New York State's pension fund wrote to S&P 500 firms in November 2020 to ask them to disclose "street addresses, or latitudes and longitudes, of all assets whose loss or impairment would materially affect financial results." Impax Asset Management petitioned the US Securities and Exchange Commission (SEC) last summer for amendments that would legally require companies to do just that. December 7, 2020.

Read more (1) → Read more (2) → Read more (3) → Read more (4) →

Number of financial institutions surveyed with policies that explicitly mention, exclude, or have special requirements for oil and gas-related topics



New tools and databases

This section presents new tools and databases that can help to identify or manage environmental and social risks.

→ ***Corporate Human Rights Benchmark 2020* analyzes human rights disclosures of 229 companies, noting that investors expect more action**

The World Benchmarking Alliance has reviewed the human rights disclosures of 229 companies from five sectors, which they identified as high risk for adverse human rights impacts (agriculture, apparel, extractives, information and communication technology (ICT) manufacturing, and automotive manufacturing). While some companies showed improvement compared to the previous year's benchmark score and a number met the expectations of the UN Guiding Principles on Business and Human Rights, close to half of all the companies assessed (46.2 percent) scored zero points on human rights due diligence practices, a lack of which was seen uniformly across all the sectors. Negative human rights impacts are disproportionately shouldered by developing countries. This was evidenced by the fact that 78 percent of the companies are associated with OECD member countries, yet 85 percent of the 225 allegations of severe impacts investigated occurred in developing countries. The automotive industry was encouraged "to improve quickly and dramatically," as its companies obtained an average score of 12 percent. The review also highlights the fact that social issues are often seen in isolation, and that more companies need to adopt a holistic view that acknowledges the interdependence of human rights and, for example, climate change. November 16, 2020.

Read more → Key findings →

Why we think it matters: A surge of mandatory human rights due diligence legislation waiting in the regulatory pipelines of several countries will, if passed, require asset managers to incorporate human rights into their due diligence processes.

Editorial
International standards
High-risk sectors
Emerging risks
Business case
Peer approach
New tools & databases
About
Subscribe

Help arrives to navigate SFDR compliance

The new EU Sustainable Finance Disclosure Regulation (SFDR) comes into effect in March 2021, bringing with it transparency obligations for investment management firms, which include specific reporting requirements at product and management level. Depending on the environmental, social, and governance (ESG) strategies employed by asset managers, conditions for compliance will vary from firm to firm and product to product. Some companies, including ECOFACT, have developed programs to help chart a path through the relevant compliance criteria. Pictet Asset Services has launched an online platform that guides clients "through all applicable compliance criteria regarding the integration of ESG characteristics or definition of sustainable investment objectives." Similarly, ECOFACT offers customized regulatory implementation **services**, and has also designed an innovative program based on the concept of a network of financial institutions that share the costs and benefits of a collaborative approach to SFDR compliance. December 23, 2020.

Read more (1) → Read more (2) → Read more (3) →

UNEP FI releases detailed user guide for its Portfolio Impact Analysis Tool for banks

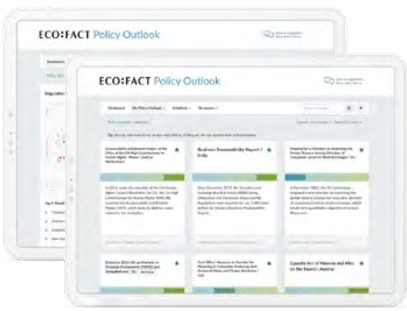
In October 2020, the UN Environment Programme Finance Initiative (UNEP FI) published a detailed *Guide to Holistic Impact Analysis Using the Portfolio Impact Analysis Tool For Banks* to support users of its online tool, which was released in April 2020. Currently, the open-source, free tool enables analysis of consumer banking, business banking, corporate banking, and investment banking portfolios. The guide contains multimedia components and steers readers through the tool's workflow and two phases of analysis. The UNEP FI has also applied the first updates to the tool's built-in country needs assessment framework and given notice that additional holistic impact analysis tools will be released and new features added in 2021. October 29, 2020.

Read more → Tool → User guide →

ECO:FACT QUARTERLY
The briefing for E&S risk experts

About ECOFACT

ECOFACT has addressed the risks and opportunities that ESG issues present to the financial sector since 1998. We work primarily for banks, insurers, institutional investors, and international standard setters. Helping our clients to improve their understanding of credit, reputational, compliance, and liability risks in the context of sustainability ESG issues, and responsible business conduct is our specialty. **Contact us** today to explore how our unique advisory services and market-leading research can assist you.



Research

The Policy Outlook platform

A continuously updated **analysis of regulatory changes** pertaining to sustainable finance and corporate responsibility.

Learn more →

Research

Monitoring Peer Policies

Our global, **comprehensive analysis of financial institutions' and insurers' ESG policies** across more than 20 sectors and issues

Learn more →

Advisory

Regulatory Implementation

ECOFACT can work with you in different ways:

Tailored solutions

Receive support to **design, revise, and implement processes** anchored in your existing routines and compliance culture.

Collaborative approach

A new and innovative approach to regulatory implementation: a **network of financial institutions shares the costs and benefits of our services.**

Learn more →

Advisory

Risk Management Advisory

We can help you to:

- **build capacity** and integrate ESG into **policies, processes, and training**
- design **workflow tools** that enable cost-efficient, consistent, and rule-based decision-making tailored to your risk appetite
- conduct **risk assessments** and **portfolio screenings**
- **track** and **communicate results**

Learn more →

ECOFACT is a signatory to the *United Nations Global Compact* and the *Principles for Responsible Investment,* and a member of *Swiss Sustainable Finance.*

Swiss Sustainable Finance   THE GLOBAL COMPACT WE SUPPORT   PRI Principles for Responsible Investment

About this report

The Quarterly Report is tailored to the needs of individuals and teams in charge of assessing and controlling environmental and social risks in corporate banking, investment banking, and commercial insurance. It aims to provide an update on risks, standards, tools, and best practices that are relevant primarily from a reputational risk perspective.

Content selection is a team endeavor that considers the applicability of the information to environmental and social risk, that it was published (in most cases) in the previous quarter, and that it holds relevance for financial institutions from a reputational risk perspective. The scope covers the 10 principles of the UN Global Compact.

Subscribe

For a subscription
Scan and e-mail this page or e-mail your contact details to **info@ecofact.com**.

☐ **Please sign me up for a one-year subscription to the ECOFACT Quarterly**
at the rate of CHF 2,000* (4 issues at CHF 500 each). I would like the subscription to start with

☐ the current issue. ☐ the next issue.

Issues may be shared with the environmental and social risk experts working within your organization.

Name: ....

Department: ....

Company: ....

Address: ....

Postcode, city: ....

E-mail address: ....

You will receive the invoice as a pdf file by e-mail. Please let us know if you need a signed hard copy. We also accept credit cards.

** As a contribution to sustainable banking practices in emerging markets, ECOFACT offers reduced rates to organizations headquartered in countries classified by the World Bank as upper-middle-income economies (CHF 800), or as lower-middle-income or low-income economies (CHF 200).*

ECOFACT Quarterly

Editor-in-Chief: Anna Reimann Production: Jenifer Guillemin, Bronwin Patrickson

Additional contributors: Annik Bindler, Dilan Eberle, Olivier Jaeggi, Bonny Ling, Joan Suris, Gabriel Webber Ziero, Mariana Wiederkehr, Eleonore Windisch

Design: **Branded by Naomi** Editing: **Manuscript Language Service**

Produced and distributed by ECOFACT AG, Stampfenbachstrasse 42, 8006 Zurich, Switzerland.
Tel: **+41 44 350 6060** | Fax: **+41 44 350 6020** | **info@ecofact.com** | **www.ecofact.com**