



Università
Ca' Foscari
Venezia

Finanza Sostenibile

Imprese e managers del futuro

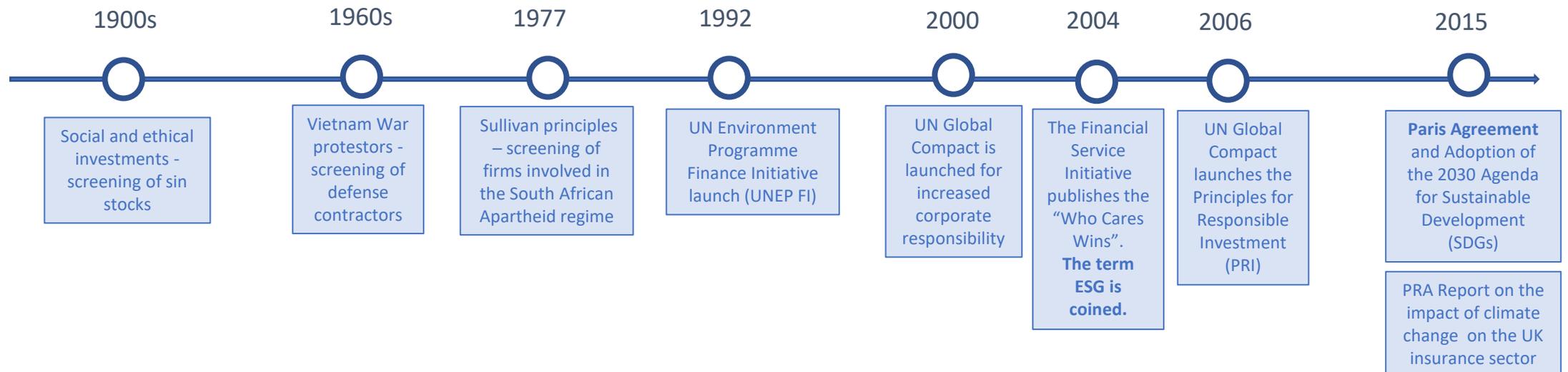
Trento 26.09.2020

Prof. Lorian Pelizzon

1/2 Sustainable investments

Key events and Timeline

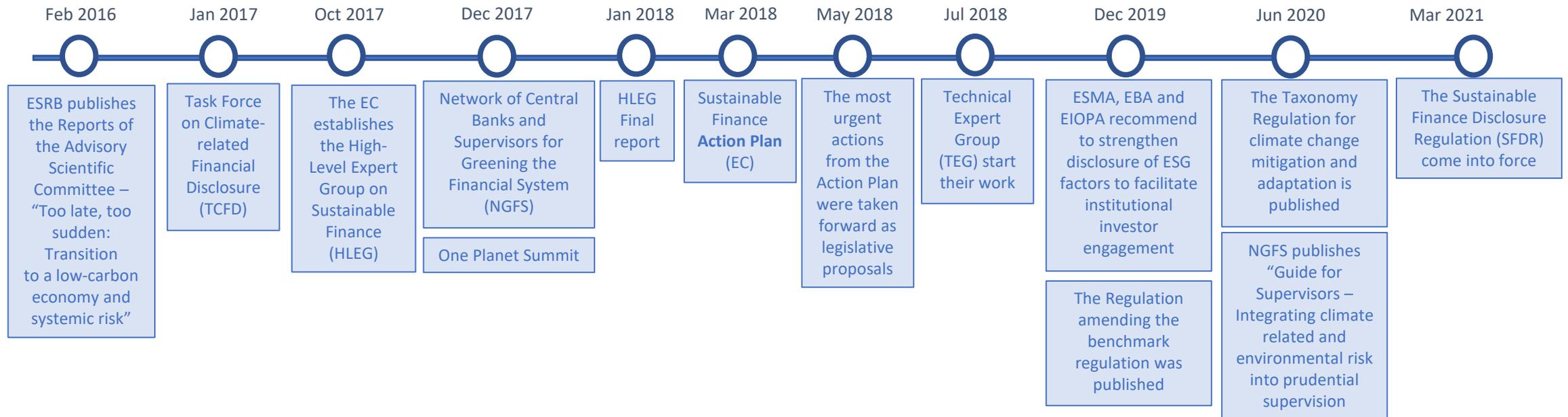
- The first CSR investments used a negative screening strategy to disinvest in companies involved in controversial activities
- Starting from the 90s the attention moved from the Social and Governance spheres to the Environmental one.
- In 2004 the term ESG was coined. It refers to the three main factors in measuring the sustainability and social impact of an investment.



2/2 Sustainable investments

Key events and Timeline

- The UN Paris Agreement was signed by world leaders in 2016, and it represents a defining moment for the global response to the threat of climate change: 2030 Sustainable Development Agenda (17 goals: Economic 4, Social 8, Environmental 4, Others 1)
- The EU, throughout the Action Plan on Sustainable Finance, is leading the way in sustainable finance
- Today, many jurisdictions require a certain level of ESG reporting and disclosure from companies to provide investors with material ESG-related information.



Sustainable Finance

Mistakes in terminology

Climate Finance and **Carbon Finance**: climate finance refers to the funds required for addressing the climate change, whereas carbon finance is the revenue realized by projects through sale of carbon credits earned.

ESG and **Socially Responsible Investing**: ESG looks at the three main spheres of sustainability (Environmental, Social and Governance), whereas Socially Responsible Investing is an investment approach guided by specific ethical guidelines.

ESG metrics

How to measure the sustainability

- There is no one exhaustive list of ESG issues or metrics
- Materiality matters
- A growing number of principles, standards and conventions serve as a common reference point for investors (PRI, UN Global Compact, ISO 26000 etc...)
- There are also organizations in different parts of the world that are working to promote ESG considerations in investing (Global Sustainable Investment Alliance (including USSIF and Eurosif), Global Reporting Initiative, Sustainability Accounting etc..)

ENVIRONMENTAL
• Biodiversity
• Waste Management
• Climate Change
• Emissions
• Energy Efficiency
• Innovation
• Resource Use
• Sustainability Management

SOCIAL
• Community & Customers
• Diversity
• Equality
• Human Rights
• Product Responsibility
• Supply Chain
• Workforce/Human Capital

GOVERNANCE
• Audit Risk & Oversight
• Board Composition
• Compensation
• CSR Strategy
• Diversity
• Independence
• Shareholders

Monica Billio | Michele Costola | Iva Hristova | Carmelo Latino |
Loriana Pelizzon

Inside the ESG Ratings: (Dis)agreement and Performance

SAFE Working Paper No. 284

Leibniz Institute for Financial Research SAFE
Sustainable Architecture for Finance in Europe

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The Power of ESG Ratings on Stock Markets

SAFE Working Paper No. 310

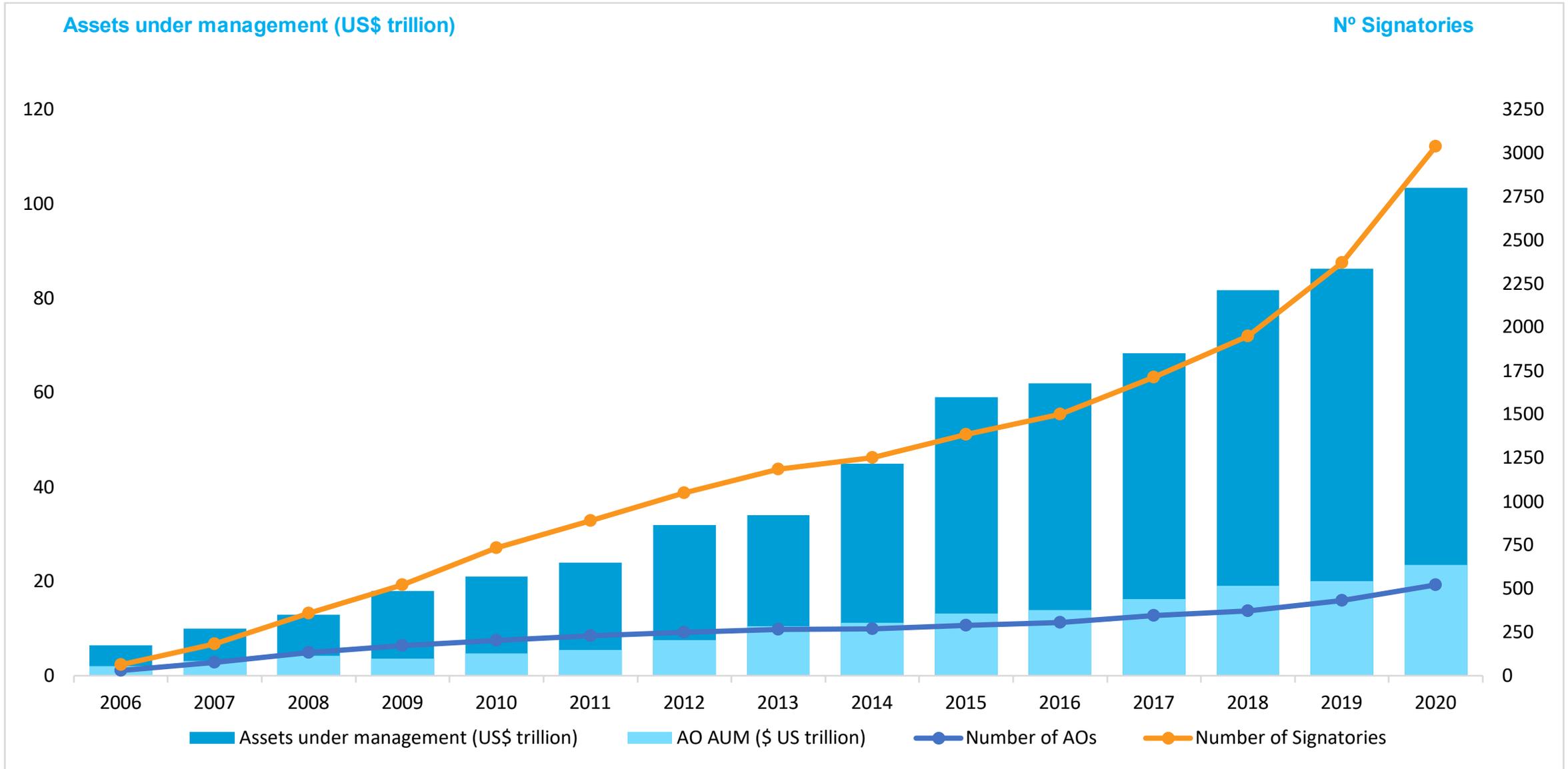
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Principle for Responsible Investment Signatory growth <https://www.unpri.org/sustainability-issues>





The Big Players, The ESG Rating Agencies

MSCI ESG

VigeoEiris

Refinitiv
(Thomson
Reuters)

Sustainalytics

ISS-Oekom

RobecoSAM

ECPI

Bloomberg

FTSE Russel

Key differences between ESG rating agencies

	MSCI	VIGEO- EIRIS	REFINITIV	SUSTAINALYTICS	ISS OEKOM	ROBECOSAM	ECPI	BLOOMBERG	FTSE RUSSEL
RATING SCORE	CCC to AAA	-- to ++	D- to A+ and 0 to 100	0 to 100	D- to A+	0 to 100	F to EEE	0 to 100	0 to 5
HISTORY	1990	1983	2002	1992	1985	1995	1997	2008	2001
HEADQUARTER	New York, United States	Paris, France	Toronto, Canada	Amsterdam, Netherlands	Munich, Germany	Zurich, Switzerland	Milan, Italy	New York, United States	London, United Kingdom
SOURCES	Company disclosure, 1600+ Media sources, 100+ specialized dataset	Company disclosure, Recommendation, Conventions	Company websites, Company reports, NGO Websites, Media and news, Stock Exchange filings	Public disclosure, Media and news, NGO reports	Publicly available information, Interview with stakeholders, information on company policies and practices, company direct contact	Survey approach	Company reports, Media and news, Regulatory data, Bloomberg and Thomson Reuters, University networks	Company reports, Publicly available information, Company direct contact	Publicly available information, Company direct contact, Other sources (governments and NGOs)
N. CRITERIA	37	38	178	155	100	74	80/86	120	300
MAIN RISK FACTORS	Environmental Climate Change, Natural Resources Pollution And Waste Management Environmental Opportunities Social Product Liability Human Capital Stakeholder Needs Social Opportunities Governance Corporate Behavior Corporate Governance	Human Resources, Human Rights Environment Business Behavior Community Involvement Corporate Governance	Environmental Resource Use, Emission, Innovation Social Workforce, Human Rights, Community, Product Responsibility Governance Management, Shareholders, CSR Strategy	Industry-Specific indicators. Factors Change According To The Industrial Group To Which A Company Belongs	Environment Climate Change Strategy, Ecoefficiency, Energy Mgmt, Env. Impact of Product, Env. Mgmt, Water Risk And Impact Social Equal Opportunities, Freedom of Association, Health And Safety, Human Rights, Product Responsibility, Social Impact of Product, Supply Chain Mgmt, Taxes Governance Business Ethics, Compliance, Independence of The Board, Remuneration, Shareholder Democracy and Structure	About 21 Industry- Specific Indicators. Three Main Dimensions: Economic (38/100) Environmental (27/100) Social (35/100)	Environmental Strategy Policy Environmental Mgmt Products Production Process Social & Governance Employees And Human Capital Community Relations Markets Corporate Governance & Shareholder	Environmental Carbon Emissions, Climate Change Effect, Pollution, Waste Disposal, Renewable Energy, Resource Depletion Social Supply Chain, Political Contributions, Discrimination, Diversity, Community Relations, Human Rights, Governance Cumulative Voting, Executive Compensation, Shareholders' Rights, Takeover Defense, Staggered Boards, Independent Directors	Environmental Biodiversity, Climate Change, Pollution & Resources, Water Security, Supply Chain Social Labor standards, Human Rights & Community, Health & Safety, Customer Responsibility, Supply Chain Governance Tax Transparency, Risk Management, Corporate Governance, Anti- Corruption
MATERIALITY AND WEIGHTING	Proprietary Definition. Analysis on material risks and opportunities for all the GICS sub- sectors	Proprietary Definition. Based on principles developed by International Bodies.	Proprietary Definition. Standard weighting for all the categories Environmental = 34%, Social 35.5%, Governance= 30.5%	Proprietary Definition of Materiality - subindustry level. Assessment of the potentially material issues in the future	Proprietary Definition. Selection and weighting of 5 key issues per sector and 800 detailed Industry-Specific Criteria	Proprietary Definition. Disclosure of criteria and weighting of the 61 industries analyzed	Proprietary Definition. Based on principles developed by International Bodies (e.g. UN Global Compact Initiative and UN PRI)	Proprietary Definition. Based on principles developed by International Bodies (e.g. GRI, CDP, SASB for three industries. FSB Task Force on Climate- related Financial Disclosures)	Proprietary Definition. Ratings are calculated using an Exposure- weighted average. Alignment with the UN Sustainable Development Goals (SDGs)

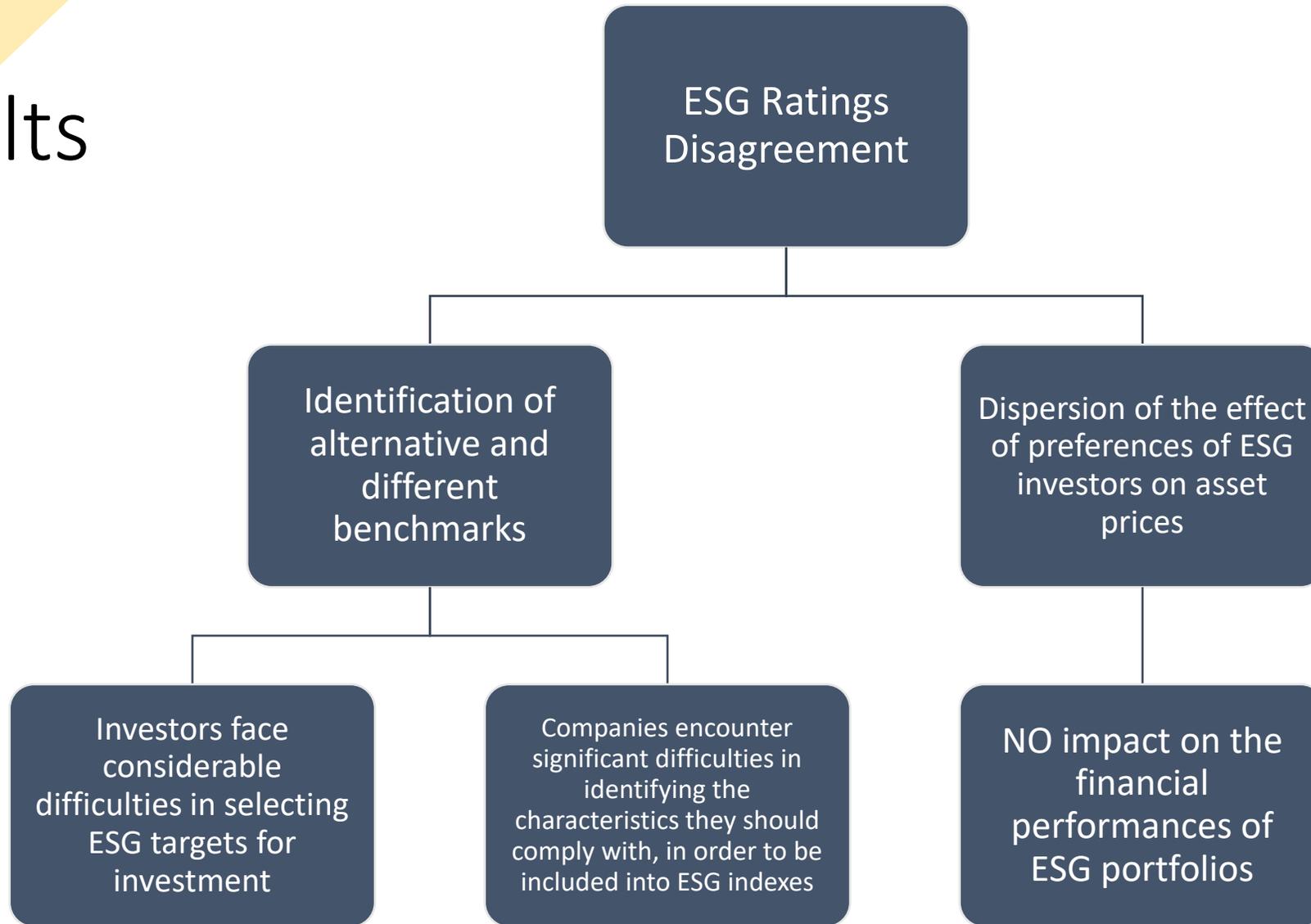
Different sources of information contributes to the divergence of the results

All Agencies have developed their own assessment methodology based on their own definition of ESG materiality

Example of divergence in ESG ratings

	Sustainalytics	RobecoSAM	Refinitiv	MSCI
Verizon Communications Inc.	91	20	67	BB
Nissan Motor Co., Ltd	6	77	72	CCC
Oracle Corp. Jpn	78	8	63	BB
Goodman Group Unt	86	21	58	AA

Results



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Imprenditori e managers del futuro cosa sta facendo Ca' Foscari

Corsi su climate change e finanza sostenibile – dottorato su economia dell'ambiente

Corso di laurea in Finanza e Finanza sostenibile

Spin-offs:

- **Anteo**
- **Strategy innovation**

Strategy Innovation – Ca' Foscari spin off

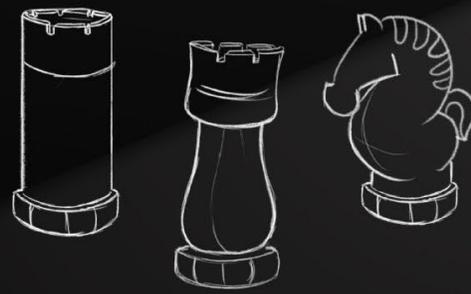


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LO SCOPO

Trasformare le imprese

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Stimoliamo le imprese a intraprendere percorsi di innovazione strategica

mettendosi in discussione e cambiando le regole del gioco. L'innovazione di cui siamo portatori non è mai fine a se stessa, ma ambisce a generare valore in primis per coloro che ne seguono i percorsi e poi per la società tutta.

Scopri di più ↓

Anteo – Ca' Foscari spin off

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ANTEO SUSTAINABILITY STRATEGY & CARBON MANAGEMENT

Università Ca' Foscari Venezia Spin Off

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ANTEO & CARBON MANAGEMENT

Anteo s.r.l.

Sustainability and Carbon Footprint. Anteo è uno spin-off dell'Università Ca' Foscari Venezia, nato nel 2014 per fornire servizi specialistici nell'ambito della sostenibilità, considerata nelle sue componenti ambientale, economica e sociale e nelle loro interazioni.

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Anteo – Ca' Foscari spin off



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SOSTENIBILITÀ AZIENDALE.

Fai sapere ai tuoi partner commerciali che stai investendo sulla sostenibilità con CRIBIS ESG, un attestato per dimostrare il proprio impegno nei temi ambientali, sociali e di Governance

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COME FUNZIONA

Oggi per valutare un'impresa non basta più guardare ai soli dati finanziari. Per le PMI e le aziende, il rispetto dei valori legati alla sostenibilità è diventato un dovere. Nati nel 2005 dai principi per gli investimenti responsabili dell'ONU, i criteri ESG sono ormai al centro del discorso pubblico e rappresentano una bussola che orienterà le scelte di sviluppo mondiale e comporterà, nel breve, l'impegno di ogni singola impresa verso uno **sviluppo sostenibile**.

Per questo CRIBIS ha creato **CRIBIS ESG**, il primo portale per le PMI e le imprese per **certificare il proprio impegno verso i criteri ESG**.



La richiesta dell'attestato è semplice e gratuita



Basta andare su www.cribisesg.com, inserire i propri dati anagrafici e compilare il questionario



Una volta ottenuto l'attestato, puoi pubblicarlo sui tuoi canali (social o sito web)



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Thank you for your attention!
