

Independent Environmental, Social, Governance Oversight

INTRODUCTION

Environmental, Social, Governance (“ESG”) investing is a growing trend within the financial sector. As climate change, social / corporate accountability and responsible governance assume increasing importance within the economic and political debate, there is increasing demand from investors, as well as regulators, for asset managers, pension fund trustees and large corporates to develop their own ESG initiatives. This demand is, in turn, helping to channel more investment capital into sustainable and ethical investments. The impetus to tackle ESG issues comes from the United Nations as well as its member states. And new laws with ESG obligations for financial services providers, asset managers, pension fund trustees and large corporates are creating opportunities and challenges for the financial services sector.

INDEPENDENT ESG OVERSIGHT AND ASSURANCE

Whilst there is an increased importance now placed on ESG accountability and transparency, it is not obvious how an asset manager can differentiate themselves from another as best in class, when championing their ESG initiatives to investors and other stakeholders.

INDOS Financial offer an independent ESG oversight service to help asset managers, pension fund trustees, investors and wider industry stakeholders obtain assurance and thereby build confidence by way of:

- Implementation of ESG policies and procedures
- Benchmarking of ESG policies vs best practice
- Independent analysis of investment portfolios vs ESG industry benchmarks
- Independent review of ESG policy and procedures, reporting to key stakeholders
- Staff training and development in ESG best practice and industry standards



ADVANTAGES

INDEPENDENCE - An independent reporting and assurance service to demonstrate a transparent and accountable ESG offering to key stakeholders;

OVERSIGHT - A dedicated ESG monitoring and oversight function to allow asset managers to show that ESG strategies are being adhered to;

ASSURANCE - Ensure that ESG policies are benchmarked against current standards, informed and up to date as market practice and regulation develops; and

DEDICATED - A dedicated team on hand to assist with the day to day operations of oversight, monitoring, reporting and legal / regulatory tasks within the ESG spectrum.

WHO WILL OUR SERVICES APPEAL TO?

- Asset managers, investors, pension fund trustees and others who are looking to demonstrate to existing or new stakeholders that their ESG policies and strategies are being accurately followed (i.e. no "greenwashing");
- Firms requiring robust ESG policies in order to secure new capital from ESG conscious investors;
- Firms looking to demonstrate best practice and commitment to an ESG strategy in order to differentiate themselves from their competition;
- Firms who are currently subject to, or will be subject to in the future, new reporting or disclosure requirements enacted by regulatory or government bodies;
- Firms developing new funds or realigning existing funds to incorporate ESG within their investment strategy;
- Firms looking to benchmark their new or existing ESG strategies against industry peers and/or recognised indices;
- Firms providing training and development to their staff in line with ESG best practice.

ABOUT INDOS FINANCIAL

INDOS Financial is a leading provider of independent oversight and assurance services to the funds industry. We provide a range of fund oversight services to over 80 clients covering the hedge fund, private equity, real estate and investment trust sectors.

INDOS Financial is authorised and regulated by the Financial Conduct Authority and is a Service Provider signatory of the UNPRI (www.unpri.org).

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