

# *Getting your ethical journey on track*

Screening, monitoring, complying and reporting

*Ethical and responsible investments have been growing in popularity over the past years, as investors seek more transparency, more governance, and less risk. They aim for sustainable growth.*



# Ethical investment strategies

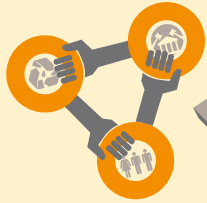


Faith-based

Socially responsible



Environmental, Social & Governance (ESG)



## Your challenges

### Operational processes

- Automation of screening process
- Long list of criteria, different views and interpretations
- Ongoing monitoring
- Timely notification of any breaches/non-compliance
- Cost of setting a customised screening and monitoring process
- Flexibility to manage different mandates /types of products

### Data collection

- Finding relevant data (financial and non-financial)
- Cost of obtaining necessary data
- Multiple data sources and data quality check
- Maintenance of data

### Time and resources

- Tight deadlines
- New regulatory and transparency requirements
- Full time team of researchers
- Time consuming research/analysis

### Need for advice

- Creation of rule book
- Screening process
- Governance
- Monitoring the ongoing compliance of the underlying investments
- Access to the relevant Subject Matter Experts



Following the financial crisis, a series of regulations affecting banks, insurers and investment funds have entered into force to increase both transparency in reporting and monitoring of investments. Driven by their investors, these financial actors are seeking to invest in companies, organisations, and funds with the aim not only to achieve a financial return, but also to generate measurable social and environmental benefits.

# Our solutions

We're eager to identify and share the latest IT/Governance best practices to help you enhance your investor solutions. With IdealRatings, we deliver the right strategy to you. In particular, we help you put in place a screening / monitoring mechanism to benchmark your investment universe against related market standards and customise guidelines applied to different asset classes, whether they are equities, fixed income, REITs or indices.

## How we assist you



### Segmentation, customisation and tool implementation

We assist you in the implementation and the customisation of the screening tool, including the creation of rule books according to the pre-determined investment policies.



### Investment strategy definition and review

We assist you in the creation of new investment strategies and policies, matching the investment criteria, pre-determined with you.



### Optimisation of existing investment strategy

We analyse existing investment policies and benchmark the new investment policy against local and global market players.



### Ad hoc research

We rely on a research team of financial analysts fully dedicated to address any issues you may face regarding an investment opportunity or investment target.



### Screening, monitoring and compliance

We screen underlying assets and monitor compliance with investment policies, restrictions and regulatory requirements.



### Fund labelling

We help you put in place the necessary criteria and governance framework to be eligible for LuxFLAG labels.

## Our approach is tailored to your needs:

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Gap analysis, and recommendations to fill in the gaps

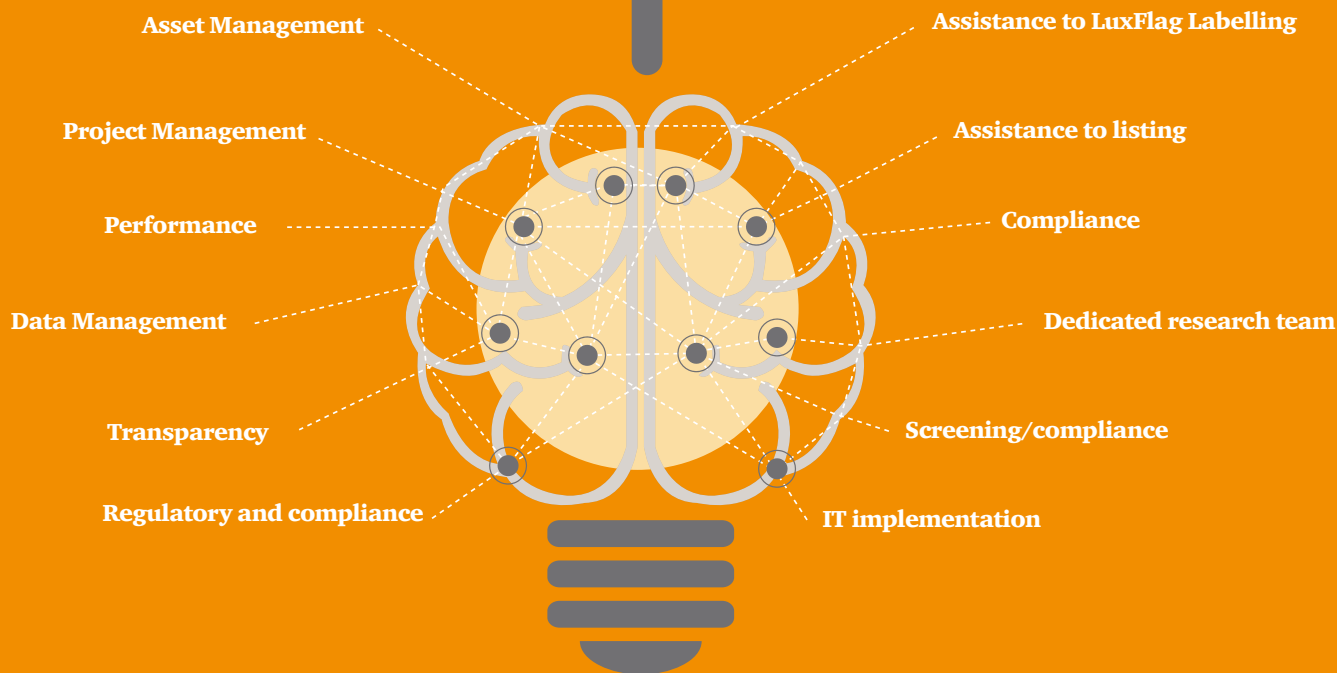
Design or customisation of the governance framework and the implementation of necessary controls

Replacement of the research function, and compliance through a web-based solution

Creation of a customised reporting matching different needs (management, investors, prospects and regulators, etc.)

# Why PwC?

## Expertise



## PwC Luxembourg

PwC Luxembourg ([www.pwc.lu](http://www.pwc.lu)) is the largest professional services firm in Luxembourg with 2,700 people employed from 58 different countries. PwC Luxembourg provides audit, tax and advisory services including management consulting, transaction, financing and regulatory advice. The firm provides advice to a wide variety of clients from local and middle market entrepreneurs to large multinational companies operating from Luxembourg and the Greater Region. The firm helps its clients create the value they are looking for by contributing to the smooth operation of the capital markets and providing advice through an industry-focused approach.

The PwC global network is the largest provider of professional services in the audit, tax and management consultancy sectors. We're a network of independent firms based in 157 countries and employing over 223,000 people. Talk to us about your concerns and find out more by visiting us at [www.pwc.com](http://www.pwc.com) and [www.pwc.lu](http://www.pwc.lu).

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