



ESG Risk

Ensure compliance with basic “do not harm” principles, disclose principle adverse impacts and manage ESG Risks

Aimed primarily at demonstrating compliance, the ESG Risk tool can also be the gateway to more proactive ESG risk management.

What

A sub-set of **30 indicators** from the Universal Standards, focusing on ESG risk from dimensions 2, 4, 5 and 7, and aligned with key International Standards on decent work, human rights, gender equality, and environmental risks (*)

Time needed to fill in ESG risk: about **half-day**



For whom, for what

- **By and for investors** to comply with ESG risk management and regulatory requirements, such as emerging disclosures on **SFDR (Sustainable Finance Disclosure Regulation)** in Europe;
- **For financial service providers** to assess ESG risks and **define basic mitigation strategies**.

Benefits

- Satisfy **ESG compliance** reporting requirements as mandated
- Assess **basic “do not harm” practices** and identify gaps
- Make **investment decisions** based on risks exposure

(*) ILO labor standards, IFC performance standards, UN Global compact, OECD Multinational Enterprises, G20/OECD High-Level Principles on Financial Consumer Protection, 2X challenge on gender equality

One of an integrated suite

The SPI online tools are **free to use**.

The SPI online offers reference tools aimed at **reducing reporting burden** for the users with a common framework and complementary tools. Each tool generates automatically specific social and environmental **dashboards** to summarize gaps and strengths and identify the actions for improvement.

ESG Risk is the **lighter version** of a range of powerful tools designed by Cerise+SPTF to give users exactly the information they need to advance progressively their social and environmental goals.

AT-A-GLANCE GUIDE TO ASSESSMENT TOOLS FOR SOCIAL AND ENVIRONMENTAL PERFORMANCE MANAGEMENT

		TOOLS					
		Universal Standards Pathway			Green Pathway	Client Protection Pathway	
		ALINUS 68 indicators	SPI5 Entry 110 indicators	SPI5 Full 183 indicators	Focus Green 25 indicators	CP Commit 32 indicators	CP Full 78 indicators
ESG Risk 30 indicators	●	● ***	● ***	● ***			
Dimension 1: Social Strategy	●	● ***	● ***	● ***			
Dimension 2: Committed Leadership	●●●●●	●●●●● ***	●●●●● ***	●●●●● ***		●●● **	●●● **
Dimension 3: Client-Centered Products and services	●	● *****	● *****	● *****		● ***	● ***
Dimension 4: Client Protection	●●●●●●●	●●●●●●● *****	●●●●●●● *****	●●●●●●● *****		●●●●●●● *****	●●●●●●● *****
Dimension 5: Responsible Human Resource Development	●●●●●●●●	●●●●●●●● ***	●●●●●●●● ***	●●●●●●●● ***		● *	● *
Dimension 6: Responsible Growth and Returns	●●	●● *****	●● *****	●● *****		● *****	● *****
Dimension 7: Environmental Performance Management	●●●●●	●●●●● *****	●●●●● *****	●●●●● *****	●●●●● *****		

Each shape represents one indicator. The different shapes represent the same indicator appearing in multiple tools:

● = indicators from ESG risk tool ★ = additional indicators in ALINUS * = additional indicators in SPI5 Entry ▲ = additional indicator in SPI5 Full

GUIDE TO TOOLS: Choose the tool that is right for you and fits your current needs and goals.

- **ESG Risk:** Ensure compliance with basic “do not harm” principles, disclose Principal Adverse Impacts and manage ESG Risks.
- **ALINUS:** Deliver robust social and environmental due diligence and reporting capabilities, and cultivate a responsible and inclusive investment portfolio.
- **SPI5 Entry:** Take the first step on your social and environmental performance management journey.
- **SPI5 Full:** Grow from good to great with a comprehensive social and environmental performance assessment.
- **Focus Green:** Concentrate exclusively on management of environmental practices.
- **CP Commit:** Provide an overview of the fundamental practices of Client Protection and guidance to start on the Client Protection Pathway.
- **CP Full:** Complete a comprehensive assessment of Client Protection standards to reduce risks to clients.

ABOUT CERISE+SPTF

Cerise+SPTF is a joint venture between two of the global leaders in social and environmental performance management. Founded in 2005, the Social Performance Task Force, or SPTF, developed, and regularly updates, the Universal Standards for Social and Environmental Performance Management (the Universal Standards).

Cerise, a French nonprofit association created in 1998, pioneered the implementation of social performance management, working with committed financial service providers to launch the Social Performance Indicators initiative in 2001.

As the developers and champions of interdependent and complementary tools and products, Cerise and SPTF have worked closely together since the mid-2000s. We formalized our cooperation via a Memorandum of Understanding in 2021, and now operate under a common strategic plan, budget and workforce.

