

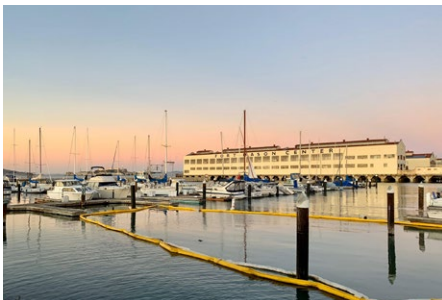


University of Zurich UZH

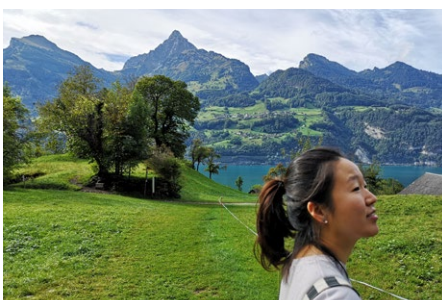
CSP Center for Sustainable Finance & Private Wealth



Research.



Engage.



Train.



**CSP - Center for Sustainable
Finance and Private Wealth**
is an academic research and teaching
institution at the University of Zurich.

We work at the intersection of research,
wealth owners, and investment professionals
to generate knowledge and mobilize capital
toward impact.



Professor Dr. Marc Chesney
Academic Director
Professor of Quantitative Finance
Head of the Department of Banking and Finance

“ *Business as usual in finance in terms of research and teaching is no longer an option. There is an urgent need to equip students, policymakers, and practitioners with the knowledge needed to address the major challenges posed by global warming and financial imbalances. CSP is a concrete step in this direction.* ”

Where we are & where we are coming from

Call to Action	3
Why & How	5
Who	7
Highlights	9

Research.

From questions to knowledge

From page 11

Academic Research	13
Applied Research	17

Train.

From knowledge to action

From page 19

Wealth Owners: IRI/CSP Impact Investing for the Next Generation	21
Investment Professionals: Trainings for Intermediaries and Development Professionals.....	23
Sustainable Finance at the University of Zurich.....	25

Engage.

From action to change

From page 27

Coalition for Impact	28
Partners	29
Governance	30
2020 Stands for a Decade of Impact	31
Why I Support CSP	33

What next

Call to Action

“2020” is a big deal in the sustainability community. We stand at the beginning of the decade that marks a cross-road for the existence of humanity and the planet.

The decade started with ample momentum. Climate marches. Greta Thunberg as Time Person of the Year. ExxonMobile in court for holding back climate research. Banks ramping up impact offerings. Fiji Water founders giving USD 750 million for climate research. Something is clearly happening. Our society is demanding sustainable development. And realizing that this is all doable.

At the same time, Covid-19 drastically turned the spotlight onto the vulnerability and interconnectedness of our society. It is remarkable how this crisis shows the ability of communities across the globe to act, based on science and individual responsibility, for the better of all.

At CSP, we believe that if we act decisively now, we can be at the cusp of a seminal shift towards action for sustainability. Our contribution is to empower some of the most powerful families and individuals to weigh in, based on the science and trusted community that we provide, and make sustainable development the new reality for society and nature.

As this report shows, we have built an excellent team with strong programs and trusted partnerships. Join us as we deepen and scale our impact, with full steam ahead, through our core work:

- Research** that provides answers to how investors can have real impact, and what makes investors act for impact.
- Trainings** that enable investors, as key actors in capitalism, to drive positive change.
- Partnerships** that unify a strong ecosystem to achieve more faster.

Let's make sustainability a reality, together.
Toward impact!



A handwritten signature in black ink that reads "F Paetzold".

Dr. Falko Paetzold
Initiator and Managing Director
Center for Sustainable Finance and Private Wealth

What we need now is immediate and strategic action to make it happen.

IF NOT US

WHO?

#CLIMATESTRIKE

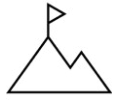
IF NOT NOW

WHEN?



Why & How

CSP - The Center for Sustainable Finance and Private Wealth is a university unit that works at the intersection of research, wealth owners, wealth managers, and the private and public sector to mobilize private wealth toward impact.



Our mission is to mobilize private wealth to achieve the targets set by the United Nations Sustainable Development Agenda 2030 and to limit global warming to 1.5 degrees Celsius.



CSP's vision is that the entire portfolio of every wealth owner fully advances sustainable development and that the decisions leading to these investments are supported by evidence to maximize impact.

Barriers

Knowledge

Lack of independent data on how private wealth can be mobilized and invested for the highest impact.



Capabilities

Wealth owners and their wealth managers do not have enough or relevant information to take action and create the greatest impact within their portfolios.



Relationships

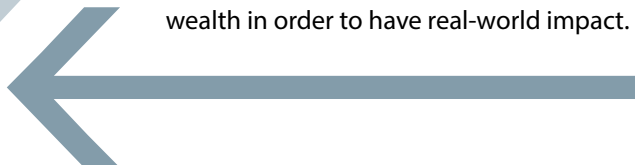
Wealth owners face social barriers to move to impact; they need to convince their families, access social support systems to help them on the investment path, and find peer groups that encourage and support them.



Solutions

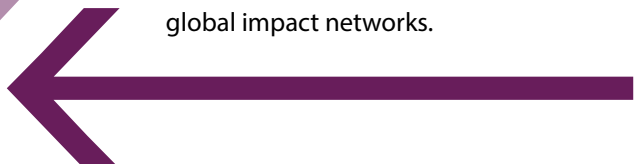
Research

We conduct rigorous academic research, produce high-level analysis, and collect best-practices on how to mobilize private wealth in order to have real-world impact.



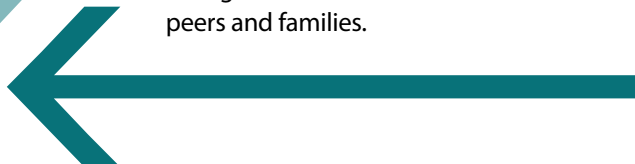
Training

We run training programs for wealth owners and managers in order to fill knowledge gaps and inform decision-making. Our trainings are based on our research and extensive work with several global impact networks.



Engagement

We actively engage with the impact investing ecosystem in order to broaden our reach and to support wealth owners in acting as advocates and trainers for their peers and families.





CSP's activities range from media engagement, trainings on impact investing and sustainable finance, industry and academic conferences, excursions, to the launch of new collaborations. Locations and areas of impact span from the Harvard Kennedy School to Zurich and beyond.

Who

We are a team of intrinsically motivated and specialized academic and program experts. The core team is supported by research and practitioner fellows who are true leaders in the impact space and fully aligned with CSP's desire for deep impact.

CORE TEAM



Professor Dr. Marc Chesney
Academic Director
Professor of Quantitative Finance
Head of Department of Banking and Finance



Dr. Falko Paetzold
Initiator and Managing
Director



Dr. Annette Krauss
Director of University Teaching
CSP Management Board



Dr. Heather Kirk
Head of Operations and
Program Manager



Britta Grünig Castelli
Head of Wealth Owner Programs



Janjarang Kijtkhun
Head of Alumni Programs



Taeun Kwon
Head of Wealth
Manager Programs



Anna Tervahartiala
Head of Communications



Dr. Julian Kölbl
Head of Research
BMW Foundation Herbert
Quandt Fellow



Erin Duddy
Head of External Services and
Community-Building



Kirsty Warwick
Program and Office
Manager



Rebecca Storbeck Trubac
Finance Administrator



Dr. Julia Meyer
Postdoc



Dr. Jonathan Fu
Postdoc



Florian Heeb
PhD Researcher



Linda Isabella Hain
PhD Researcher



Anne Kellers
PhD Researcher



Nadya Dettwiler
Student Assistant



Luca Maria Schüpbach
Student Assistant



Valentin Köferli
Student Assistant

RESEARCH FELLOWS



Dr. David Risi
Fellow
University of St. Gallen



Professor Timo Busch
Senior Fellow
University of Hamburg



Dr. Emilio Marti
Senior Fellow
Rotterdam School of Management

PRACTITIONER FELLOWS



Silvia Bastante de Unverhau
Senior Fellow
Co-Impact



Britta Rendlen
Senior Fellow
Peace Parks Foundation



Björn Strüwer
Senior Fellow
Roots of Impact



Temple Fennel
Senior Fellow
IRI/CSP Program Co-Founder



Dr. James Gifford
Senior Fellow
IRI/CSP Program Co-Founder



Dr. Céline Chi Hae Wong
Fellow
UBS



Dr. Alessandro Anastasio
Fellow
Julius Baer



Tiffany Chen
Fellow
YIO & Techstyle Solutions

FUNDERS

The CSP is seed-funded through donations from private wealth owners driven to support research and training in sustainable finance. The grants are managed by the UZH Foundation.

Private seed-funders include:

Monique Bär, Natasha Müller, André Hoffmann, Antonis Schwarz, Benjamin Firmenich, Björn Wettergren, Christian Oldendorff, Felix Schmidheiny, Fernando Scodro, Nachson and Arie Mimran, Paolo Fresia, Patrick Häslar, Sheng Yang Eer, and the Reilly family.

Institutional funders include:

BMW Foundation Herbert Quandt
Cape Capital
DALHAP Foundation
Ecoscientia Stiftung
The Swiss Finance Institute
The Swiss National Science Foundation
The Foundation for Research in Science and the Humanities at the University of Zurich
Georg und Bertha Schwyzer-Winiker Stiftung

ADVISORY BOARD

Benjamin Firmenich
Antonis Schwarz
Alex Vukajlovic
Odile Rundquist
Thomas Vellacott
Natasha Müller
Johannes Weber
Frank Niederländer
Ivo Knöpfel
Monique Bär (observer)

Highlights.

Examples from our work and impact

Bloomberg

Family Office

Conflicting ESG Ratings Are Confusing Sustainable Investors

“Half of overall divergence derives from different weights, the other half from different evaluations within categories. Judgment and opinions vary as a result of these differences,” says Julian Koebel, co-author of the MIT paper.

We build legitimacy as a university unit through research excellence and media engagement.



In 2019 CSP published

- 7 journal articles
- 4 book chapters and books
- 4 collaborative practitioner reports

And was cited

- 239 times in academic publications
- 24 times in the media

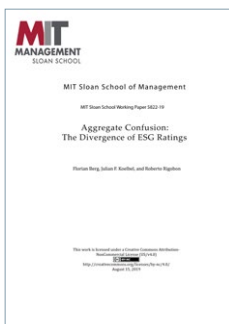
Research

From questions to knowledge

Answering the key questions on how to maximize investor impact and how to enable investors to move their capital toward impact.

Engage

From action to change



We publish research on the key bottlenecks in sustainable finance.

Launch of the

Coalition for Impact



BMW Foundation
Herbert Quandt

IRI/CSP Impact Investing for the Next Generation

In 2019 **22** graduated and 34 new participants joined the program,

104 trained alumni were in the IRI/CSP network,

5th program cohort launched.

~ 7 billion US dollars shifted to sustainable investing since 2015.

Train

From knowledge to action

The unique university platform provides a science-based safe space for wealth owners and practitioners to engage deeply.

Bridge, connect and amplify existing networks to achieve more impact faster. Nudge banks and family offices to advance equally.

97% surveyed alumni said that they would not have started with impact investing without the IRI/CSP program or it helped them to get started.

73% of the alumni from the first and second cohorts are in an advanced stage of impact investing.

Trainings for Practitioners

Trainings and outcomes from 2019



Sustainable investing in Wealth Management

30 participants from 17 banks and family offices trained in 2019, including many advisors of the alumni from our wealth owner programs.



Impact Investing & Blended Finance for Development Agencies & Foundations

78 executives from e.g. UN, GIZ, and SDC trained in Cairo, Zurich, and Amman in 2019.



University trainings for students and executives

25 professionals are expected to graduate from the 2019 CAS cohort. 332 confirmed participants in individual CAS courses at UZH in 2019.



CSP Center for Sustainable Finance & Private Wealth

Research.

From questions to knowledge



Mobilizing more capital for impact

Understanding the decision-making process of investors and advisors in order to move more capital toward impact. The goal is to “increase the weight” on this side of the scale.

Achieving and measuring impact

Understanding the real-world impact of investment approaches and increasing the efficacy of capital to achieve impact. The goal is to “increase the length of the lever” on this side of the scale.

In 2015, all 193 member states of the United Nations agreed to collaborate to achieve the 17 Sustainable Development Goals by 2030. Despite the global pact, the United Nations estimates an annual funding gap of 2.5 trillion US dollars needed to reach the goals. This funding needs to be added on top of existing investments in order to reach the goals in time.

As such, our research focuses on two main areas: how to mobilize capital toward sustainable investing effectively and how to ensure the efficacy of that capital to achieve measurable impact.

GOAL:
**Contribute substantially to achieving the
SDGs by 2030**

Our goal is to substantially facilitate the deployment of more capital for sustainable development as well as the increased efficacy of this capital. The goal is to “lift the SDGs” on this side of the scale.



Academic Research

Toward informed investment decisions with real-world impact

Rigorous scientific research is a key focus for us as a university unit. Based on our close integration into both the global scientific community as well as impact-minded investors, we focus on key bottlenecks in sustainable finance. Our research focuses on, for example, investment impact, climate risks, microfinance, investor preferences, and the role of banks and advisors. We aim to answer key questions that keep sustainable investing from reaching its full potential.

For example, in 2019, the research team published the academic paper titled *Can Sustainable Investing Save the World? Reviewing the Mechanisms of Investor Impact*. The paper provides a blueprint for the concrete ways investors can have an impact – a question that has been puzzling investors and researchers alike for years. The gravity of the paper was quickly made clear; the paper is in the top 3% of the most downloaded working papers on SSRN, a repository and international journal devoted to the rapid dissemination of scholarly research.

Using the insights from the research project, we also developed a training module that we applied to large groups of investors, foundations, and banks. Further, we covered the paper in major media outlets through an active outreach campaign.

As another example, we are expanding the understanding of diverging ESG ratings; a major challenge for researchers and practitioners. *The Aggregate Confusion* project run together with MIT aims to provide managers, consumers,

governments, and investors better guidance on how to make decisions that ensure sustainable investments hold their promise.

In addition to growth in terms of research projects, the research team grew by three new PhD students in 2019. The team currently focuses on the impact of different sustainable investing strategies, blended finance, climate risks, and the role of investment advisors.

Furthermore, together with Roots of Impact and other partners, CSP launched the Initiative for Blended Finance at the University of Zurich. The initiative is a global hub for the practical and effective application of blended and innovative finance for sustainable development.

Lastly, CSP drove the effort to launch the Center of Competence for Sustainable Finance in January 2020. The Center combines the activities of more than 30 professors and professionals at the University of Zurich. The Center is among the largest such entities globally.

Markets need to translate values to outcomes – and they need to do this with evidence-based approaches. This is why we do rigorous, academic research that helps investors to understand and manage impact better.

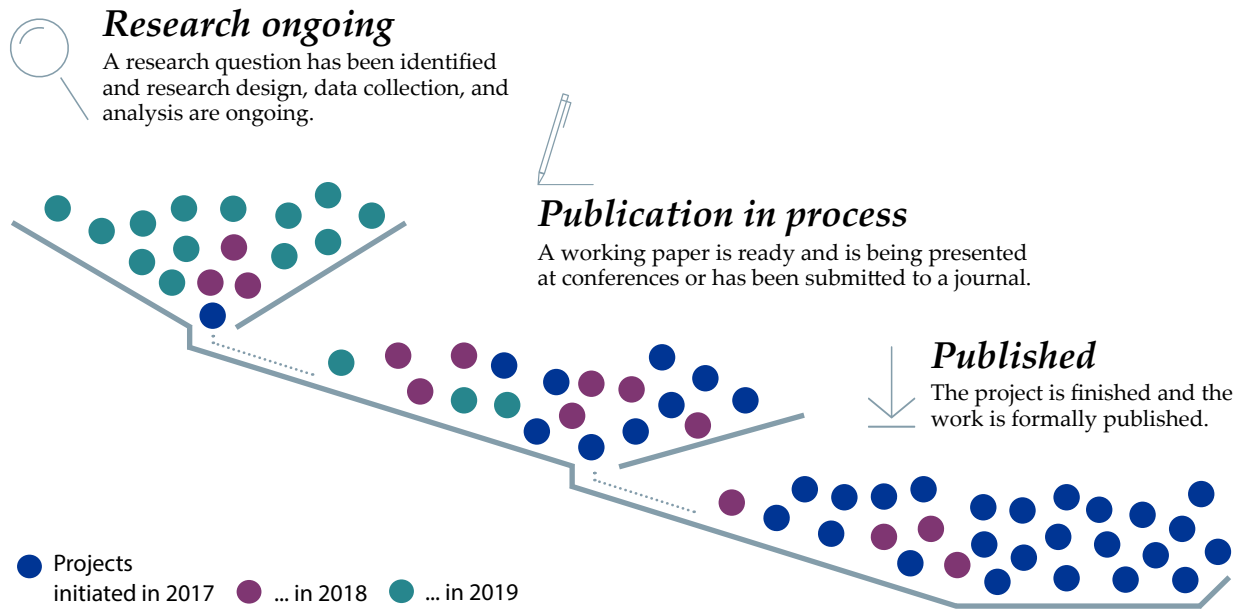


Dr. Julian Kölbel
Head of Research at CSP
BMW Foundation Herbert Quandt Fellow
Research Affiliate at MIT Sloan

Unser Fazit: Insgesamt ist die Wirkung nachhaltiger Anlagen noch moderat. Das liegt daran, dass Investoren zu sehr darauf achten, aus welchen Firmen ihr Portfolio besteht, und zu wenig darauf, was ihre Investitionen in der Welt verändern.

Dr. Julian Kölbel for NZZ Am Sonntag on investors impact and sustainable investments.

Publication pipeline since CSP's launch in 2017



The research projects run by CSP have drastically increased in the course of the past three years. Similarly, growth is seen in the number of research projects that are already in the publication pipeline as well as already formally published.

In 2019 CSP published

7 journal articles 4 practitioner reports
3 working papers 4 academic book chapters and books

and was cited **239** times in academic publications



Best PhD Paper Award

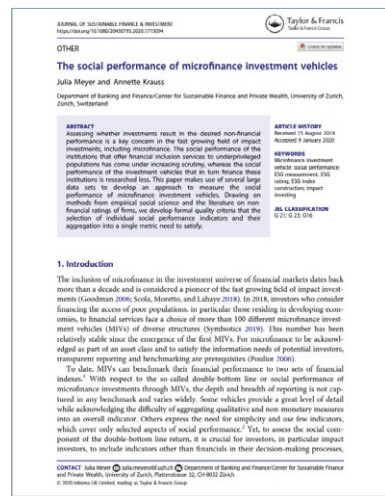
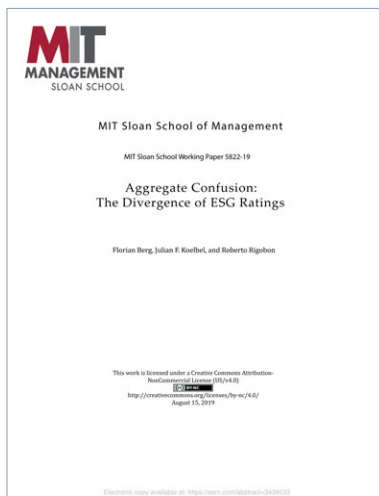
handed to Jonathan Fu for his paper "Preparing fertile ground: How does the business environment affect outcomes from microfinance?" at the 6th European Research Conference on Microfinance.



Can Sustainable Investing Save the World? Reviewing the Mechanisms of Investor Impact

Paper featured in the top 3% of the most downloaded working papers on SSRN.

Key Performance Indicator		Description
Peer-reviewed journal articles	7	The number of peer-reviewed articles is a measure of the scientific output generated. As the publication process can take time, the number reflects the scientific output of the past year.
Book chapters and books	4	Selected findings are published in academic books.
Academic working papers	3	Before publishing in academic peer-reviewed articles, research insights are regularly released as academic working papers. The indicator reflects our most recent scientific output.
Practitioner reports	4	CSP regularly releases publications targeting finance professionals and investors. The indicator reflects how actively scientific insights are disseminated to practitioners.
Academic citations	239	The figure measures how often publications have been referred to in peer-reviewed journals in 2019. The figure indicates the influence of the research on scientific discourse.
Cumulative citations	422	The cumulative citations figure measures how often publications have been referred to in peer-reviewed journals since 2017.



As of today, agencies assign environmental, social and governance (ESG) ratings to firms in order to gauge the extent to which companies act in a sustainable manner. Despite their informative value, the ratings between different agencies diverge substantially. The *Aggregate Confusion* research project carried out together with MIT Sloan looks at this divergence and asks what could be done about it.

Sustainable and impact investing is on the rise, but how can investors actually make a change? The *Can Sustainable Investing Save the World? Reviewing the Mechanisms of Investor Impact* research paper dives into the different mechanisms of how investors can use their leverage to invest in change. These mechanisms are growing solutions, promoting best practices, and signaling values.

Assessing whether investments result in the desired non-financial performance is a key concern in the field of impact investments, including microfinance. The social performance of the institutions that offer financial inclusion services to underprivileged populations has come under increasing scrutiny, whereas the social performance of the investment vehicles that finance these institutions is researched less. The *Social Performance of Microfinance Investment Vehicles* paper measures the social performance of microfinance investment vehicles.



I have been in the sustainable finance field for a long time, but this year the level of interest is off the chart. The EU Action Plan is still on its way but we see how it stimulates momentum in many ways. This comes along with new challenges and great opportunities – for investors, financial markets, and top-notch research.



Professor Timo Busch

Full Professor of the School of Business Economics and Social Science
University of Hamburg
Senior Fellow at CSP



Applied Research

Knowledge with immediate effect

The practitioner research conducted by CSP focuses on providing solutions to address the key barriers asset owners and intermediaries face when steering capital to sustainable development and impact. CSP applies its unique positioning as an independent actor to provide solutions to real-world problems.

The third iteration of the Sustainable Investing Capabilities Private Banks report was launched in 2019 – a significant milestone for our flagship research project. The report consolidates the sustainable investing capabilities of 20 European private banks and features chapters on private banking and its alignment with international environmental agreements as well as the practical impact of the EU Action Plan for Financing Sustainable Growth.

Together with the World Economic Forum, CSP and the Initiative for Responsible Investment at the Harvard Kennedy School published the report *Impact Investing for*

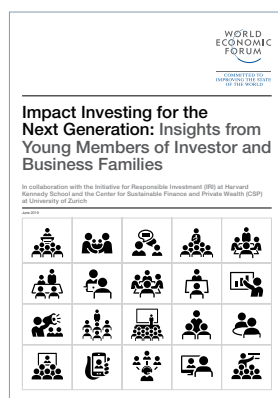
the Next Generation: Insights from Young Members of Investor and Business Families. The report outlines the challenges next generation investors face as they steer their assets toward impact and carves out steps to support new investors on their impact journey.

Swiss Sustainable Finance and CSP deepened collaboration by publishing the *Swiss Sustainable Investment Market Study 2019*. The report is a timely tool that enabled a broadened understanding of sustainable investing especially in Switzerland, the heart of the private wealth management world.

“Carve out time and resources to devote to initial impact investment commitments. Develop consensus with family and other stakeholders on tangible strategies. Establish continuity from initial asset reorientation to continuous portfolio development. Insights from the “Impact Investing for the Next Generation” report



Sustainable investing capabilities of 20 private banks and an overview of international environmental agreements and the EU Action Plan for Financing Sustainable Growth.



Report on the role of (next generation) private wealth owners and the main barriers they face in moving capital toward impact.



In-depth insights into recent developments in the Swiss sustainable investment market.



Collaborative report with The ImPact maps families' interests, activities, and challenges in impact investing.



The third iteration of the Private Banking report verified the fast growth of the sustainable investing sector. Offerings are increasing rapidly, yet the operationalization of sustainable investing trainings for advisors and the prioritization among top management is lagging behind. The report provides industry insights and gives banks guidance on what they need to do to actually walk the talk. Clients are also provided with a tool to ask the right questions to guide their banks to do so.



Taeun Kwon
Head of Wealth Manager Programs
Center for Sustainable Finance and Private Wealth



Train.

From knowledge to action

The allocation of capital is a leverage for change in a capitalistic system. This is why we at CSP provide trainings. We want to bring the knowledge generated by our research to action.

Capital is allocated to the real economy through intermediaries, such as banks and investors. When it comes to sustainability and long-term projections, it is clear that financial investment processes are often not geared for sustainable growth and development.

This is why we focus our trainings and research on areas where our independent university platform has the highest impact and additionality: asset owners primarily and intermediaries secondarily.

In regard to asset owners, our work at CSP focuses on private wealth owners and provides science-based knowledge and a protected environment for wealth owners to become empowered and educated to engage in sustainable finance.

In regard to intermediaries, our research has revealed the lack of capacity of wealth managers to actively steer capital to sustainable investing. With this in mind, our team developed a training program that enables key intermediaries to serve the impact interests of their clients generally, and our wealth owner alumni specifically.

Furthermore, we discovered huge latent potential for the collaboration of public agencies with private investors, and hence co-created a program on blended finance.

The next pages give you an overview of how we bring knowledge to action in practice.

Asset Owners



The millennial generation of private wealth owners is faced with a watershed moment. A major wealth transfer is currently taking place and the next generation will be at the steering wheel of those assets. This is why private wealth owners are at the heart of CSP's trainings. Our trainings are based on academic research as well as practitioner insights and conducted in settings that allow candid peer-exchanges and capacity building.

Intermediaries

Real Economy



CSP's research shows that the lack of capacity of wealth managers is a key barrier in steering capital to sustainable investing. Trainings provided for wealth managers enable intermediaries to serve the impact interests of their clients better.

The real world is moved by capital and the real economy can be reshaped through the sustainable allocation of capital. The trainings CSP provides firstly to asset owners and secondly to practitioners impacts the real economy by ensuring that sustainable investing transforms from a nice-to-have to a must-have.

Impact Investing for the Next Generation

IRI/CSP training program is sparking and enabling change

The training program implemented together with the Initiative for Responsible Investment (IRI) at the Harvard Kennedy School equips next generation members of ultra high net worth families with the technical and soft skills needed to move assets toward impact. Since its inception in 2015, the program has trained more than 100 alumni. In 2019, 22 graduated and 34 new participants joined the program.

With every successful year of implementation, the Impact Investing for the Next Generation training program has continued to solidify its role as a key annual milestone for CSP. The fifth training cohort kicked off in 2019 consisted of participants from the United States, Europe, Asia, and the Middle East who received a deep dive into how to invest with meaning and impact.

According to the alumni surveys conducted by CSP:

73% of the alumni from the first and second cohorts are in an advanced stage of impact investing; they have developed a 100% sustainable portfolio or are in the implementation process and are leaders and active advocates in the impact space.

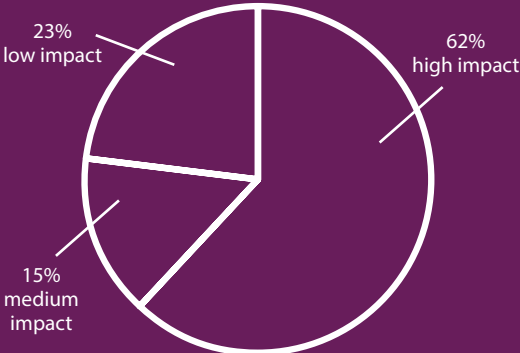
97% indicated that they would not have started their impact journey without the IRI/CSP program or the program played an important role in getting them started.

Advanced stage of impact investing across cohorts:

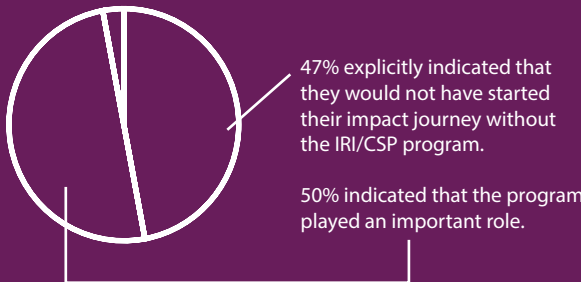
- 1st Cohort 78%
- 2nd Cohort 67%
- 3rd Cohort 58%
- 4th Cohort 43%

71% are very engaged in the CSP alumni network.

Reported impact of the trainings across cohorts



Reported additionality of the trainings across cohorts



The survey included 34 participants representing cohorts from '15-'18. The survey was conducted via direct interviews and emails consisting of open-ended questions.

5th **104**
alumni by the
end of 2019.

IRI/CSP program cohort
launched in 2019.

**~7 billion
USD**

steered to sustainable investing
according to a moderate estimate.



Rich millennials push to put family wealth into impact investments



“When Scodro set about persuading his parents to adopt impact investing as the primary strategy for their family office, he took a radical step. He gathered all the materials from a course he had taken on the subject — “Impact Investing for the Next Generation”. Then, in what turned into a three-month endeavour, he translated them into Portuguese so he could teach the same course to his parents.”

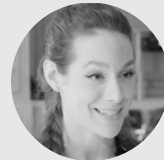
Impact of the IRI/CSP program
shared by alumn Fernando Scodro
on the Financial Times.

“The Next Gen program addresses the important constituency of families and family offices in sustainable finance. We are delighted to work with the CSP on better understanding and building a curriculum for this set of investors.”



Dr. David Wood
Director, Initiative
for Responsible
Investment at the
Harvard Kennedy School

“The program provided me with the initial vocabulary to be able to structure conversations about impact investing and with the network and support system to ensure that these conversations actually help me achieve my impact investing goals.”



Alissandra
USA
'18-'19 cohort

“The program led me to a much deeper understanding that helped me advance my journey to concrete investments. For example, I have invested in a fund that provides debt financing to media organizations in countries where press freedom is under pressure. I also provided a loan to a business that produces a clean cookstove in Lesotho, and I'm looking at several direct impact investments and funds.”



Antonis Schwarz
Greece/Germany
'15-'16 cohort

Trainings for Intermediaries and Development Professionals

In our trainings and research with wealth owners, advisors, and banks, we learned that investing experts lack opportunities to learn and practice integrating sustainable investing to their work. The same applies to experts in development finance; even though the will is there, the know-how on how to build bridges between funding streams, including private funding, is largely missing.

Sustainable Investing in Wealth Management

The Sustainable Investing in Wealth Management program is a hands-on executive education training for client advisors working in private banks and family offices. The program provides wealth managers the knowledge and tools to implement sustainable investing in practice and equips experts in becoming a leading voice for sustainable investing within their organizations.

In 2019, CSP ran the program twice and trained professionals from 17 different institutions. These institutions include, for example, LGT, Cape Capital, and UBS.

For me, an aspiring private impact investor, it was very valuable to send my family office staff to the program. We are on the same page now.



Christian Oldendorff
Principal Owner & Founder
of Amplifier

The program was a fantastic, interactive experience. I gained knowledge, tools, and practice that have been incredibly valuable to me in day-to-day communication related to sustainable investing with clients and colleagues. The program also gave me the opportunity to make strong connections with other financial professionals dedicated to sustainability. This will be invaluable for years to come.



Lindsey Woodward
Relationship Manager
at Abacus

24 Participants from
15 organizations in 2018.

30 Participants from
17 organizations in 2019.



Impact Investing & Blended Finance for Development Agencies & Foundations

Blended finance is the strategic use of development finance for the mobilization of additional finance towards sustainable development in developing countries. The approach is a changemaker in the landscape of development funding, yet practical knowledge on how to walk the talk is scarce.

The Impact Investing & Blended Finance for Development Agencies & Foundations training is designed for concessional capital providers and has so far brought together executives from leading donor organizations such as UNDP, USAID, GIZ, SDC, and Global Affairs Canada as well as large foundations. The training is run under the newly established Initiative for Blended Finance at the University of Zurich – a global hub for the practical and effective application of blended and innovative finance for sustainable development.

More than **95%** of participants rated the program **very good** or **excellent** and would **very likely** recommend it to their peers.

“ Since initiation, our IIBF program has gained strong traction and excellent feedback from catalytic capital providers. Under the academic roof of the Initiative for Blended Finance, this program will now benefit from our targeted research projects and vice versa inject valuable insights from our participants that will inform our research – a win-win situation for more effective blended finance.

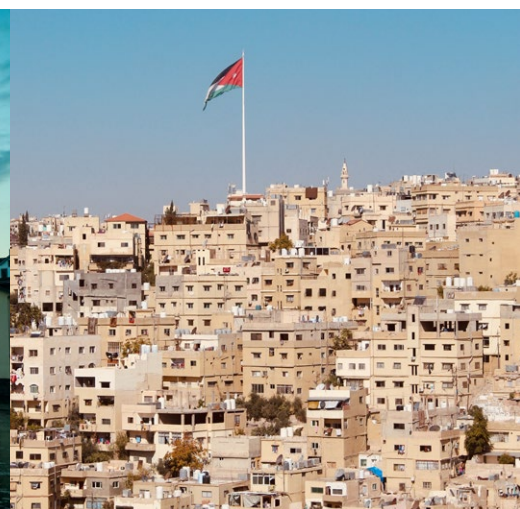
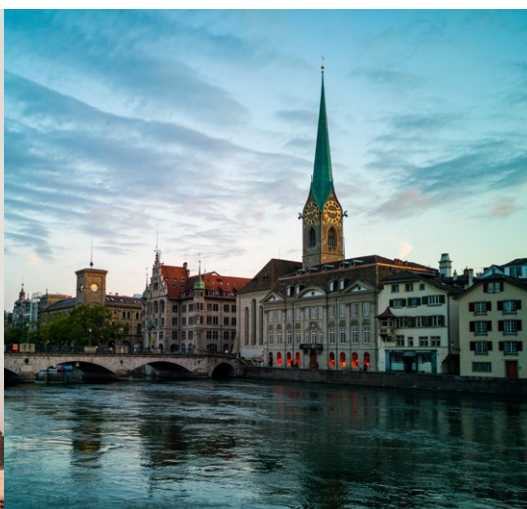
Trainings held in **Cairo**, **Zurich** and **Amman**.

78 executives trained in 2019.

102 executives trained since inception in 2018.



Bjoern Struwer
Founder and CEO
Roots of Impact
Lead of the Initiative for Blended Finance



Sustainable Finance at the University of Zurich

Demand for teaching grows within and around the university

The year 2019 saw significant growth in the University's sustainable finance teaching offering. This growth was both in terms of quantity and quality, and the numbers of active students, graduates, and new enrollments reached record highs. The expansion of the university offering was coupled with positive evaluations from participants across the academia and practice.

University Teaching for Bachelor and Master Students

In 2019, CSP continued to contribute to the Department of Banking and Finance's effort to deepen the offering of sustainable finance as a study specialization in the Master in Banking and Finance.

The department developed a concise offering of all related classes already available for UZH students. The approval of the new study specialization "Minor in Sustainable Finance" for master students reached the final stage, so that starting in 2021, students can officially select the specialization.

CSP staff particularly contributed to teaching in the new master lecture "Sustainable Investing". Moreover, CSP started to host a well-attended research seminar that attracts speakers from both abroad as well as from the Department. At the bachelor level, sustainable finance is now on the curriculum of three mandatory classes.

University Offering for Executives

The Certificate of Advanced Studies (CAS) in Sustainable Finance has continued to root its role as a core element of the offering of CSP and the Department's broader executive education program. By completing ten days in the classroom and related take-home exams, participants earn a postgraduate university degree that is the first dedicated sustainable finance certified degree in Switzerland.

The CAS courses are also popular electives for those finance professionals who take an entire Master of Advanced Studies (MAS) in Finance from the Department of Banking and Finance. With this in mind, the CAS team has intensified its preparation of new classes and the curriculum for a complete MAS in Sustainable Finance to be brought to the market in the next few years.

332 total sum of confirmed participants in individual courses of the CAS

5/6 average feedback score given to the course by participants

25 expected CAS graduates in 2020



It is an exciting time to be working with the Department and Faculty, introducing Sustainable Finance as a study specialization in the Master in Banking and Finance. We are introducing a unique and far-reaching curriculum that goes much further than anything I have seen in other university programs.



Dr. Annette Krauss
Director of Teaching
Center for Sustainable Finance and Private Wealth



Engage.

From action to change

Change never happens in a vacuum. Change is a ripple effect. This ripple effect travels across spheres of influence from the core to the outer touchpoints of a network. CSP works both in the nucleus as well as on the various interfaces of the impact investing landscape. We are able to empower actors positioned across the sector to move toward impact strategically and collaboratively.

As an independent actor, we at CSP have the ability to navigate horizontally and vertically across layers and networks. We are able to convene and interact with wealth owners, families, wealth managers, researchers, industry experts, and students – to name examples. Collaboration is at the heart of our work. We believe that we can do better by working together.

“ *We don't want to save the world.
We want to create a new wave
of leaders who generate a world
which does not need saving.* ”



Britta Gruenig Castelli
Head of Wealth Owner Programs
Center for Sustainable Finance and Private Wealth

Coalition for Impact

Aligning the ecosystem

As impact investing moves from the sidelines of the financial landscape into a more prominent role, several networks have emerged representing wealth owners committed to the responsible stewardship of wealth and the use of business as a force for good. We find ourselves in a unique position within this landscape as an independent research unit and the first touchpoint for new impact investors.

Since its inception, CSP has been deeply engaged with the ecosystem of impact investing, and in 2019, this role was formalized through the launch of the Coalition for Impact. The Coalition for Impact (C4I) unites the leading impact networks behind one shared aspiration: To transform the financial system to serve humanity and the planet as a whole.

C4I founding members are:

Center for Sustainable Finance and Private Wealth at the University of Zurich

Toniic – The global action community for impact investing

Nexus Global – Global community uniting next gen philanthropists, impact investors, and social entrepreneurs

Katapult – A non-profit movement founded to drive positive societal change through technology

BMW Foundation Herbert Quandt and its Responsible Leaders Network

The key objectives of the C4I are:

Creating a shared, research-based understanding of what it means to invest with impact

With the term impact investing gaining popularity within the financial sector, there is a risk that offerings are greenwashed and dollars allocated to impact are not put to their most effective use. C4I engages and promotes research and trainings that give investors the know-how they need to have real impact.

Addressing the needs of wealth owners on their journey toward impact

Inspiration does not translate to action on its own. With more and more actors involved in the impact investing space, the question of reliable partners gains prominence. C4I has started mapping the typical journey of an impact investor, outlining where each organization can offer support.



Impact Database

Navigate through Europe's impact investing landscape

Impact investing seeks to align sustainable values with positive social change in investing. The Impact Database is a platform that helps investors in implementing value-driven investments by providing an overview of the players in the European impact investing ecosystem. The database addresses the fragmented impact investing landscape and provides an overview of, for example, the funds, networks, and advisors dedicated to impact investing on the continent.

Partners

If you want to go fast, go alone. If you want to go far, go together.

Collaborations are at the core of our work at CSP. We partner across sectors and actors in order to produce research that provides solutions to pressing challenges and to implement programs that amplify impact.

ACADEMIC INSTITUTIONS



NETWORKS



ORGANIZATIONS, OTHER ACTORS AND RELEVANT AMPLIFIERS





“The research collaboration with The ImPact exemplifies what is becoming known as an engaged scholarship. To change the face of finance, academics must engage with practitioners in this field, as they hold knowledge invaluable for academic research directed at facilitating a financial paradigm shift.”



Sarah Carroux
 Doctoral Researcher
 University of Hamburg

Governance

CSP is steered and guided with the support from academic and industry experts. Below is an outline of the structure of our stakeholder panels and advisory board.

Advisory Board

Representatives from UZH and each panel meet twice a year for deep and holistic strategy discussions.

University of Zurich

- Prof. Marc Chesney
- Falko Paetzold
- Heather Kirk

Further members join topic-specific

Principals

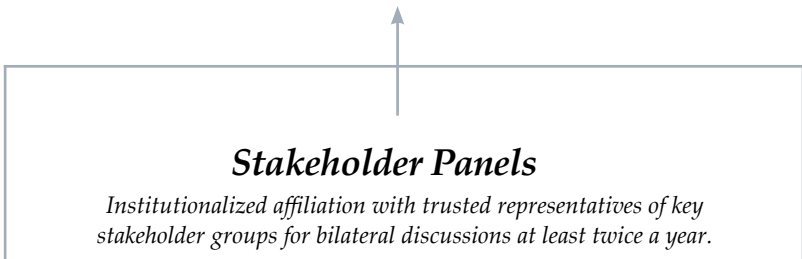
- Benjamin Firmenich
- Antonis Schwarz
- Natasha Müller
- Monique Bär (observer)

Experts

- Thomas Vellacott
- Ivo Knöpfel
- Alex Vukajlovic
- Odile Rundquist

Networks

- Johannes Weber
- Frank Niederländer



Stakeholder Panels

Institutionalized affiliation with trusted representatives of key stakeholder groups for bilateral discussions at least twice a year.

Principals

- Benjamin Firmenich
- Antonis Schwarz
- Monique Bär
- Natasha Müller
- Julie Engelhorn
- Paolo Fresia
- Christian Oldendorff
- Patrick Häsler
- Fernando Scodro
- Arieh & Nachson
- Mimran
- Felix Schmidheiny
- Sheng Yang Eer

Experts

- Thomas Vellacott
- Ivo Knöpfel
- Alex Vukajlovic
- Odile Rundquist
- Charly Kleissner
- Kellie Liket
- Jed Emerson

Networks

- Johannes Weber & Frank Niederländer,
- BMW Foundation Herbert Quandt
- Sam Bonsey, The Impact
- Silvia Bastante de Unverhau, Co-Impact
- Sabine Döbeli, Swiss Sustainable Finance
- Lukas von Orelli, SwissFoundations
- Kristin Siegel, toniic
- Tharald Nustad, Katapult

2020 Stands for a Decade of Impact

Through research, training, and collaborations

Since its inception, CSP has established itself as a research center that strives for excellence, a training provider that translates knowledge to action, and a driven team of experts who execute programs together with global partners. The next decade will mark a new chapter for CSP in three regards: CSP will be an integral part of the biggest university center for sustainable finance globally, our impact investor trainings will expand to new geographies, and deepened collaborations will drive impact investing to become mainstream.

Bigger, bolder and more impactful research

The tone of 2020 has been set by the launch of the Center of Competence for Sustainable Finance at the University of Zurich, a new umbrella institute that brings together different streams of sustainable finance research. Through the Center, CSP will be a key player in positioning the University of Zurich as the world's leading research and training institution in sustainable finance. The Center will enable innovative interdisciplinary research within the university and with leading actors such as the Harvard Kennedy School, MIT, and the University of Hamburg.

The goal is two-fold:

1. To generate excellent research that has academic impact through publication in highly ranked journals, and
2. To create knowledge that enables efficient and sustainable decision-making in the finance sector.

Wealth owners as pathfinders

Building on the research excellence enabled by the university framework, CSP's trainings have proven to be our most vital source of immediate impact. Our alumni surveys show that 80% of the wealth owner participants of our IRI/CSP Impact Investing program have shifted a significant portion of their portfolios to impact investments within five years. The number speaks for itself. Action is leveraged by access to knowledge.

With this figure in mind, we are planning to replicate our flagship impact investing training in new, rising geographies, and with different groups of stakeholders.

Shaping a global sustainability ecosystem

But none of this happens in a vacuum. Our work is part of an ecosystem consisting of impact networks, wealth owners, wealth managers, public and private institutions, and the broader public. We collaborate across actors and provide knowhow to experts in order to reach the United Nations Sustainable Development Goals by 2030.

We usually close our trainings, meetings, and presentations with the statement *toward impact*. This is our way of reminding ourselves and our peers why we do what we do. We work toward more, better, and measurable real-world impact. This is what the next decade is about. Amplifying sustainable change – with impact.

Toward impact!



Heather Kirk
Head of Operations and Program Manager
at the Center for Sustainable Finance
and Private Wealth



Why I Support CSP

Starting out as a young investor with a burning desire to use my wealth for good, I was unsure if this was possible or if investing for good was even a 'thing'. I had many questions: Where do I start? How should I invest to have the biggest impact? And how can I connect with like-minded people also determined to create a more just and sustainable world?

By chance, I came across the IRI/CSP Impact Investing for the Next Generation course, one of the many initiatives of CSP, and my springboard into the impact investing world. The course was a game-changer. It made it clear that my goals were not only reachable, but that there was a whole community ready to support me on my journey. There since the beginning and without question, CSP continues to play a vital and essential role in my evolution as an impact investor. This is also true to all investors looking for innovative tools and strategies to manage their portfolios in a value-aligned way.

CSP offers intellectual, emotional, and truly practical support to a wide range of actors inspiring and creating systemic change, including ways for change-makers to advocate for impact investing within the wider community. Pioneering and evolving, CSP's unparalleled research, ecosystem building, and focus on a collaborative approach are pillars catalyzing much needed financial and social transformation.

CSP's research, peer-to-peer support networks, and education and training programs are central to the growth of impact investing globally. The team and its breadth of knowledge is an essential resource for anyone who wants to ignite change. This is why I support CSP.

CSP's research, peer-to-peer support networks, and education and training programs are central to the growth of impact investing globally.



Natasha Müller
IRI/CSP Alum and
Founder of NM Impact Ltd.

Private Funders

CSP is seed-funded through donations from private wealth owners driven to support research and training in sustainable finance. The grants are managed by the UZH Foundation.

Private seed-funders include: Monique Bär, Natasha Müller, André Hoffmann, Antonis Schwarz, Benjamin Firmenich, Björn Wettergren, Christian Oldendorff, Felix Schmidheiny, Fernando Scodro, Nachson and Arieh Mimran, Paolo Fresia, Patrick Häsler, Sheng Yang Eer, and the Reilly family.

Institutional Funders

BMW Foundation
Herbert Quandt

CAPE | CAPITAL

swiss:finance:institute

FNSNF
SWISS NATIONAL SCIENCE FOUNDATION

GEORG UND BERTHA
SCHWYZER-WINIKER
STIFTUNG

Ecoscientia Stiftung
Foundation for Research in
Science and the Humanities at the
University of Zurich
DALHAP Foundation

‘From Our Donors

Whether or not humanity achieves sustainable development critically depends on whether we succeed to marry sustainability and financial markets. I am positive that CSP will provide a substantial contribution toward that goal: By educating current and future wealth owners and finance professionals, and by proving investors the tools and knowledge to drive positive change.



Monique Bär
Donor of CSP

Being passionate about the key role of business for social and environmental sustainability, I believe that the highly strategic focus of CSP is truly catalytic. The integration of good science and teaching is the right way to address the needs of current and future wealth owners and investment professionals. I am glad to support this approach.

The past year has underlined the need for CSP. Time is running short when it comes to reaching global sustainability goals, which means that the demand for high-level research, tools that bring knowledge to practice, and collaborations that scale impact is increasing by the hour. I've followed CSP from the start and the expertise of the team and drive to solve global challenges keeps me impressed year after year.



André Hoffmann
Donor of CSP



Antonis Schwarz
Co-initiator &
Anchor Donor of CSP



**University of
Zurich** ^{UZH}

Center for Sustainable Finance and Private Wealth
Department of Banking and Finance
University of Zurich

www.csp.uzh.ch

Center for Sustainable Finance and Private Wealth
March 2020

Images from Unsplash.com | Eric Weber | Claudio Schwarz | Ronan Furuta
| B NW | Adrian Dascal | Who's Denilo | Rico Reutimann | Kelly Sikkema |
Christopher | Esteban Castle | Alto Crew | Live Studio INTL | Joel Steevan |
Matthew Henry

Icons from Freepik.com and The Noun Project | Iconic |
porixel | Катя Гнидаш | Kieu Thi Kim Cuong

Design by Emilija Tanelova Milosevic and Anna Tervahartiala