



Sustainability | Leadership | Innovation



In partnership with



Globalance Bank: Investing in a better future

Winner: Investing and financing award

What

Globalance Bank is an owner-managed Swiss private bank with a mission to educate, inspire and empower investors to invest in a positive future. Globalance's investment approach is fully geared towards building a sustainable, positive and resilient world. To do this, it finds and invests in 'future movers' – companies creating positive impact by anticipating and responding to worldwide trends.

The innovative Global Footprint® model shows investors the full footprint of their assets. A digital dashboard displays the impact of customers' investments, separated by the categories of economy, society and environment. Sustainability underpins all Globalance's portfolios and investment strategies, which are aligned with the UN's 2°C climate target and the Sustainable Development Goals (SDGs) more broadly.

Although its approach to wealth management is driven by sustainability, Globalance positions itself as a mainstream private bank appealing to a broad audience. By demonstrating that sustainable investment strategies can yield strong financial returns, Globalance aims to create a paradigm shift towards sustainability in the financial sector.

All Globalance's wealth management and investment activities are designed to promote a better future through sustainable investing and financing.

Why

Globalance believes that wealth should generate financial returns but also exert a positive effect on the world. Money has the power to shape the world for good or ill; as an organisation focused on sustainable wealth management, Globalance is well placed to deploy wealth where it can have a positive impact.

By rigorously assessing its investments using sustainability as well as financial criteria, Globalance invests in well-managed, resilient companies – companies that are working to overcome the challenges our planet is facing. Globalance believes that by creating sustainable investment portfolios comprised of these companies, it can leverage wealth to do good while successfully managing risk and driving returns.

Globalance also believes that it can use its influence as a pioneering long-term investor to create change in the wider market, creating more opportunities for sustainable investment.



1. Investing in the future

New companies, new technologies, new asset classes

2. Positive footprint

Transparency, impact and reporting

3. Financial analysis

Not investing in what used to be successful



'Globalance has developed an approach to investment that empowers asset owners to make the financial system more resilient and sustainable. It has developed an effective approach to evaluating impact, including bespoke data tools and effective engagement to supplement data sets.'

Finance for the Future Awards judges

How

Globalance has used the following methods to integrate sustainability into its investing and financing activities:

- > Globalance seeks out **innovative companies** to invest in that are responding successfully to challenging global trends, such as climate change and resource scarcity.
- > Globalance looks at the holistic **risk, return and impact** of each potential investment. Its valuation approach examines the total footprint, expected financial returns and whether the company is 'future fit'.
- > To make investment decisions replicable, Globalance seeks out the **best quantitative data**, working with a third-party provider of big data to get a more complete picture.
- > Each year, Globalance **engages directly** with a select few companies, asking questions and looking beyond published data to discover the quantitative potential of the investment.
- > To diversify and reduce risk, Globalance portfolios include **low-correlation assets** such as microfinance funds. Microfinance funds develop financial markets in underserved areas while offering stable rates of return and a different risk profile.
- > In its portfolios, the 2°C climate target is applied as a rule. But Globalance's approach goes beyond this, bringing in **multiple aspects of sustainability** and integrating the SDGs into how the bank defines portfolio impact.
- > Globalance aims to appeal to the **mainstream private finance market**. The bank offers market returns to an audience that may not have sought out sustainable finance but appreciates its added value. In this way, Globalance helps to develop the market for sustainable investing.
- > **Transparency** is a driving principle of how Globalance communicates with its customers. Its Global Footprint gives investors the tools to follow their investments in real time, and understand the full footprint – economic, social, environmental – of their portfolio.
- > Much of Globalance's growth has come from **referrals**, with its clients now the bank's best ambassadors.
- > Globalance plans to **scale up** by replicating its model in partnership with other private banks.

www.globalance-bank.com/en

DISCLAIMER

This case study presents **Globalance Bank** entry for the Finance for the Future Awards 2019. The case study only includes information that was part of the organisation's 2019 entry. Some of this information may now be out of date. For a current view of the organisation's work, please visit their website at the link given above.





'We want to generate market returns for clients, and the positive side effect of doing this is that we pool money ... into a direction where it has a positive impact rather than negative implications for the planet.'

Head of Investments
Globalance Bank

The Finance for the Future Awards recognise the role of finance in driving sustainable economies.

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