



# ESGFINTECH100

Profiles of the **ESGFINTECH100**, the world's most innovative companies developing ESG Solutions in Financial Services that every financial institution needs to know about in 2023



## COMPANY RESEARCH PROFILE

# finfox

by ECOFIN Software and  
Technology AG

-  Founded 1986
-  Zurich, Switzerland
-  [www.finfox.ch](http://www.finfox.ch)
-  [finfox@ecofin.ch](mailto:finfox@ecofin.ch)
-  Employees: 11-50
-  Regions of operation: Switzerland, Liechtenstein (Being MiFID II compliant, Finfox is also being used for German, Austrian and other international clients.)

### KEY EMPLOYEES:



**Prof. Dr. Martin C. Janssen**  
Founder



**Andreas Borg**  
CEO

Subsectors: **ESG/Climate Risk, Corporate Assessment & Reporting, Investing Products/Data, Banking Products/Data, Regulatory Change Management**

### OFFERING

Understanding investment clients' preferences – especially in the context of ESG – is a key pillar to deliver personalized investment solutions. The ESG solution of Finfox puts the individual sustainability preferences of investors centre stage. Finfox's platform adheres to regulatory requirements in an uncomplicated and efficient manner, enabling advisors to focus on personalized investment proposals with an impact.

### PROBLEM BEING SOLVED

Finfox is a software for hybrid investment advice. Finfox's solutions are a digital transformation enabler for banks, advisors and their clients and advance ESG and sustainability in an impactful way. Finfox offers a comprehensive integration of ESG principles into products, services and underlying advisory processes, empowering banks to implement and promote their ESG philosophy throughout their offerings.

### TECHNOLOGY

The technical linchpin of the Finfox platform is FinfoxCore. FinfoxCore is based on a consistent data set, harmonized business logic and systematic omnichannel capability that provides the other modules with a plethora of central functions and data in the form of services. Whether for an advisor in the bank or for a client at home, content and presentation is always based on the same logic and data.

### PRODUCT DESCRIPTION

Thanks to the dedicated ESG functionalities of Finfox, banks can integrate their sustainability approach into their investment advisory processes in an efficient and regulatory-compliant manner. This includes, for example, the following aspects:

- Integration of sustainability ratings for investment products across different dimensions (e.g. ESG ratings, portfolio contribution to the achievement of the Sustainable Development Goals (SDG), contributions of invested securities to global warming, and others).
- Portfolio allocation schemes on different sustainability aspects (e.g. ESG, SDG).
- Calculation of ESG portfolio ratings.
- Consideration of sustainable service solutions, investment strategies and model portfolios in the investment process.
- Presentation of detailed sustainability analyses for both current portfolios and investment proposals in client reporting as well as consideration of sustainability fact sheets in documents and reports.
- Consideration of ESG preferences in the context of client profiling.

Furthermore, with FinfoxAdvice – Finfox's digital channel for bank customers and their guided self-service, designed for integration into e-banking apps and client portals – bank customers can view portfolio information on sustainability aspects and research, advise themselves and access suitable and sustainable investment solutions in a completely digital and independent way.

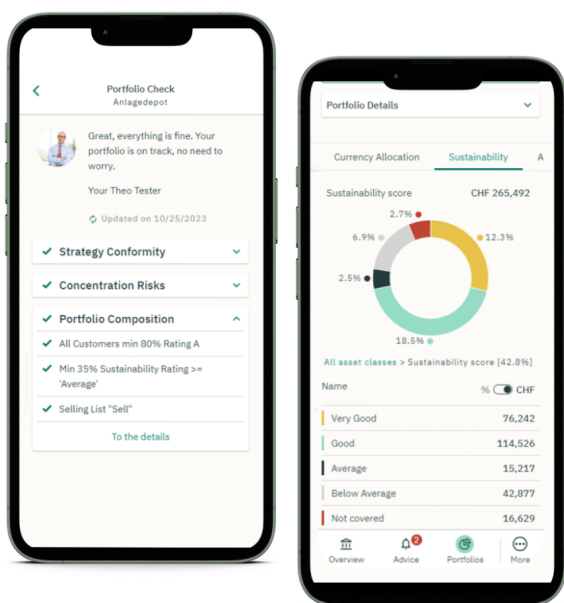
FinfoxAdvice allows for hybrid advice on sustainable investment topics, e.g. providing thematic title recommendations or switch proposals for reallocating funds from non-sustainable to sustainable securities. The Profiling, Digital Portfolio Statement and Portfolio Check modules enable investors to make more informed and sustainable decisions by considering their investments' impact on ESG metrics.

### TRACTION/GROWTH

- Private banks, savings banks and Swiss cantonal banks equally trust in Finfox.
- Finfox clients include: LGT, Maerki Baumann, Clientis, NOVUS Banken, Raiffeisen, Berner Kantonalbank, Glarner Kantonalbank, Luzerner Kantonalbank, Schwyzer Kantonalbank, St. Galler Kantonalbank, Zuger Kantonalbank

# How Finfox is transforming sustainable investing

*The landscape of investing is evolving beyond just risk and return, profit and loss. Enter ESG, the buzzword of modern finance – that's changing the way we invest. Beyond seeking profit, investors now aim to positively impact the world. In this new era of sustainable investing, Finfox – developed by ECOFIN Software and Technology AG – is set to create impact in the wealth management industry by seamlessly integrating sustainability into the advisory process.*



## How Finfox is changing the game for ESG-integrated investment

In this modern world where complying to ever-increasing ESG requirements from regulators and stakeholders is becoming more paramount than ever, Zurich-based ECOFIN and its core product Finfox entered the space to change the way in which companies can integrate investment advisory processes in an efficient and regulatory-compliant manner. With the introduction of its ESG solution, Finfox has greatly supported banks and other investors as they try to integrate sustainability into their investment approach.

Finfox's innovative software recognises that today's investors seek more than just financial returns; they aspire to invest in a brighter future. Through the seamless integration of ESG principles into its platform, Finfox empowers banks and advisors to tailor their services to their clients' values. The customised platform streamlines business logic and omnichannel capabilities, allowing advisors to focus on crafting personalised, impactful investment proposals, while ensuring uncomplicated adherence to regulatory requirements.

The solution gives banks and investors alike, a chance to position themselves with a dedicated offering in the increasing ESG market, which is only gaining momentum as we head into 2024. Finfox's service allows these stakeholders to keep up with the growing pressures to adhere to the regulatory and societal pressure that has come with the modern world.

In fact, a [2023 survey by McKinsey & Company](#), highlighted that it is now the time, more than ever, for change. According to the report, a substantial 85% of chief investment officers emphasised the significance of ESG factors in shaping their investment choices. Among the respondents, 60% reported regularly evaluating their entire portfolio with a keen eye on ESG considerations. Additionally, approximately 80% analysed individual company positions, specifically focusing on how ESG factors impacted projected cash flows. Notably, an overwhelming majority expressed a willingness to invest at a higher cost in companies that demonstrate a transparent connection between their ESG initiatives and financial success.

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But what exactly is sustainable investing? Sustainable investing, the modern financial frontier, prioritises ethical and environmental factors alongside more traditional values, such as profit. This approach seeks to support companies and projects with a positive societal impact, like renewable energy and fair labour practices. It's a departure from traditional investment strategies, where returns often overshadow social and environmental concerns.

The benefits of sustainable investing are substantial. By driving capital towards sustainable ventures, it fosters innovation and resilience in the face of global challenges. In essence, it's a win-win for investors and the planet, offering a path to financial growth while contributing to a more equitable and sustainable world.

With these figures in mind, Finfox's emphasis on seamlessly incorporating ESG principles into its platform aligns perfectly with this trend, as it allows banks and advisors to meet the growing demand from investors who prioritise sustainable and socially responsible investments. Finfox addresses the needs and preferences of these investors, positioning itself as a valuable solution for financial institutions looking to cater to this ESG-conscious clientele.

### How Finfox is already making an impact

While many are still yet to benefit from the transformative effect of ESG some leading banks have already managed to reinvent their ESG portfolio thanks to Finfox.

One of them is the Berner Kantonalbank (Cantonal Bank of Berne, BEKB). Guided by its sustainability principle "Hüt für morn" (Today for Tomorrow), BEKB understood the significance of aligning economic, ecological, and social responsibilities with investment decisions. Aware that the industry has been faced with the challenge of asking clients about their ESG preferences, and then offering appropriate services and products, the Swiss bank made a swift move to respond, and extended its existing cooperation with Finfox in 2022.



***Thanks to Finfox, our clients receive a transparent and comprehensive overview of their portfolios' contribution to various sustainability aspects as part of the investment advice.***

The collaboration proved to be highly beneficial for BEKB, as the bank leveraged Finfox's platform to provide sustainability ratings for securities, allocations of invested securities to various sustainability criteria, and ESG portfolio ratings.

Via Finfox, the bank also offers a detailed sustainability analysis for current portfolios and investment proposals as well as consideration of sustainability fact sheets in documents and reports.

This raft of knowledge and support has been boosted further in 2023, as Finfox continues to support BEKB in adapting to evolving regulatory requirements, particularly focusing on the integration of ESG

preferences as a part of investor profiling and enhancing information and documentation aspects - in line with the Swiss Bankers Association guidelines.

Furthermore, with FinfoxAdvice – the digital channel for investment clients' guided self-service that is currently being integrated in BEKB's mobile banking app – clients can view portfolio information on sustainability aspects as well as research, advise themselves and access suitable and sustainable investment solutions in a completely digital and independent way. Finfox's continued effort not only produced a significant client level of satisfaction throughout BEKB, but it also proved invaluable in helping BEKB meet stringent regulatory requirements seamlessly and efficiently, as the Swiss bank managed to adhere to the evolving regulatory standards with ease, making it a pivotal tool in the firm's journey towards a more responsible and sustainable financial future.

Renato Herrmann, senior product manager, value stream investing & pension solutions, at Berner Kantonalbank, opened up on the success of the collaboration, stating, "Thanks to Finfox, our clients receive a transparent and comprehensive overview of their portfolios' contribution to various sustainability aspects as part of the investment advice. This has been well received. At the same time, regulatory requirements are adhered to in an uncomplicated and efficient manner."

In a world where ESG concerns are no longer a niche but a mainstream priority, financial institutions need innovative tools like Finfox to thrive. Organisations such as BEKB have pinned themselves to the mast by implementing the sophisticated solution, and embracing sustainability as a core principle, not just in words but in practice.

By leveraging Finfox into their current system, banks can now position themselves as a forward-thinking institution that is well-prepared to navigate the intricate landscape of ESG compliance, while offering clients sustainable investment options that reflect their values.

Amidst the financial landscape, navigating the complex terrain of regulatory compliance and satisfying the resounding calls for ESG considerations can feel like a daunting challenge. But Finfox tailored solution possesses the potential to be the proverbial silver bullet that many financial institutions urgently require to stay in step with the rapidly evolving times.

The financial industry faces a defining moment where ESG considerations and regulatory pressures converge. Finfox, tailored to the evolving needs of the sector, positions itself as a strategic must for institutions seeking to weather the storm of change and emerge as pioneers in the realm of sustainable finance. As the world pivots towards a future driven by conscientious investments, Finfox's innovative approach empowers institutions to not only survive but thrive in this new landscape. ●