

1 / Intro

Empower banking with ESG integration

In today's world, it's crucial for banks to embrace sustainability reporting. There are many reasons for this. From a legal perspective, the European Union has been drafting and approving numerous regulation that aim at monitoring and quantify sustainability. Moreover, banks play a vital role in the economy, and fall within scope of such regulations. Also, customers prefer environmentally friendly companies, and investors are seeking more information about companies' environmental efforts.

Source: Ahmad, N., Mahmood, A., Ariza-Montes, A., Han, H., Hernández-Perlines, F., Araya-Castillo, L., & Scholz, M. (2021). Sustainable businesses speak to the heart of consumers: Looking at sustainability with a marketing lens to reap banking consumers' loyalty. Sustainability, 13(7), 3828.

Advantages Increase brand reputation Improve customer loyalty Mitigate financial risk Access capital Gain competitive edge

2 / Understand the regulation

CSDDD

The Corporate Sustainability Due Diligence Directive (CSDDD) applies to a large variety of actors, encompassing EU-based and parent companies, non- EU entities operating within the EU, as well as franchises that meet specific criteria.

It mandates a comprehensive corporate due diligence duty to identify, prevent, mitigate, and account for adverse human rights and environmental impacts across all facets of operations and value chains.

Source: Omerovic, S. (2024). Impacts of Corporate Sustainability Due Diligence Directive (CSDDD).

Timeline



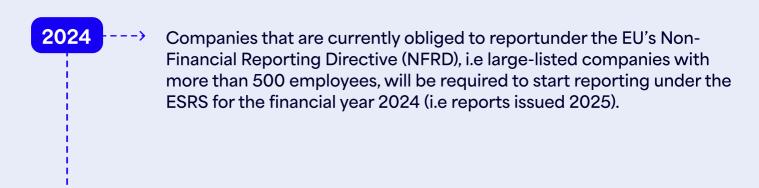
ESRS

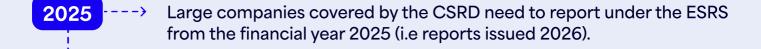
Companies subject to the CSDDD must align their reporting practices with the EU Sustainability Reporting Standards (ESRS). These standards aim at ensuring that sustainability reporting is not merely comprehensive but also comparable, relevant, and reliable.

It mandates the integration of human rights and environmental due diligence into organizational policies, the identification and assessment of impacts, proactive measures to prevent or mitigate potential impacts, and robust tracking mechanisms to evaluate the efficacy of due diligence procedures.

Source: Eklund, M., & Vaaler, J. A. (2023). The Transition to CSRD and ESRS (Master's thesis, University of Agder).

Timeline







3 / Improve your sustainability reporting



Invest in green finance products

Bridge the gap between traditional banking and sustainable development, by channeling funds towards environmentally sound projects and positively affect your banks' environmental performance.

Incorporate ESG in your risk assessment strategies

Integrating ESG factors into a bank's risk management framework is crucial to better manage exposure to ESG risks, improve the bank reputation, and potentially enhance its long-term financial performance ensuring long-term sustainability. Gambit offers ESG-related investment profiling, risk assesment and management to equip banks with all the capabilities to navigate the complexities of sustainability seamlessly.

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Leverage technology for sustainability

Thanks to Al's data analysis and predictive modeling capabilities, banks are able to identify trends, mitigate ESG risks, improve operational efficiency, and be sure to align their investment strategies with sustainability goals. Gambit applies an Al powered approach in each step of the investor journey.

Enhance transparency in reporting

Ensure transparent and standardized reports can improve transparency by providing the investors and other stakeholders with a clear understanding of a bank's environmental and social impact. In turn this can help banks build trust with stakeholders, such as regulators, clients, NGOs, or shareholders. Gambit offers as part of its modules a comprehensive standardized and automated reporting mechanism that includes ESG performance.





Beyond compliance, prioritizing ESG factors bestows a plethora of benefits upon banks. It improves brand reputation, enhances access to capital, fosters customer loyalty, and mitigates financial risks. Gambit stands poised to empower banks in their journey towards ESG integration. Leveraging our technology-driven approach, we empower banks to embrace sustainability as a cornerstone of their operations, thereby ensuring resilience and longevity in an increasingly dynamic landscape.

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