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ESG Firm RepRisk in Link with ISS

Proxy adviser enhances offerings with reputational data amid increasing attention to non-financial risks

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By Dawn Kissi

RepRisk, the Zurich-based business intelligence firm that tracks environmental, social and governance (ESG) risks, has entered into a strategic partnership that makes its data and analytics available to clients of proxy advisory and governance leader ISS.

Effective with the companies' September 8 [announcement](#), users of ISS – asset owners, investment managers, hedge funds, broker-dealers and custodian banks – can access RepRisk's Asset Management Platform, Data Feed and Monitoring Report.

The platform is designed for ESG-related reputational, compliance, and investment risk management. It can serve as a screening tool, dynamically monitoring portfolio companies' activities for purposes of investment analysis, engagement or exclusion. Customizable data feeds can be integrated into existing databases and processes to flag and monitor ESG risks in a portfolio.

“As a growing number of institutions, globally, sharpen their focus on non-financial risks, our clients will benefit greatly from access to RepRisk's research, data, and analytics,” said Stephen Harvey, chief revenue officer of ISS, a Rockville, Maryland-based organization founded in 1985 as Institutional Shareholder Services.

“Critically,” Harvey added, “RepRisk offerings will assist ISS clients in selecting the best performing portfolio constituents for their beneficiaries, and facilitate compliance with U.N. [PRI](#) [Principles for Responsible Investment] and other ESG-investing stewardship guidance now gaining traction with investors.”

Expanding Coverage

RepRisk, formed in 2006, is known for an extensive ESG risk database now consisting, according to its continuously updated [home page](#), of more than 57,000 public and private companies, 14,000 projects, 10,000 nongovernmental organizations and nearly 8,000 governmental bodies. The firm says it “combines technology and hands-on human intelligence in 15 languages to deliver risk information” on those entities. It aggregates information on “negative incidents, criticism and controversies,” supports due diligence and provides “early warnings” for global risk management, compliance, investment management, corporate benchmarking and supplier risk.

In 2013, the firm released a proprietary Country ESG Index, allowing the tracking and surveillance of country-specific ESG issues including the compliance and investment risk of a specific nation.

ISS' services include proxy research and analysis, end-to-end proxy voting and distribution solutions, turnkey securities class-action claims management, and governance data and modeling tools. ISS covers 38,000 companies in 115 countries, delivering proxy research and vote recommendations on nearly 28,000 companies each year, and working with clients to execute more than 7.5 million ballots representing 4 trillion shares.

RepRisk chief executive officer Philipp Aeby said, “We welcome the opportunity to partner with ISS and provide its clients deep insight into ESG-related risks not always visible through traditional avenues of public company mandated disclosures.”