

**GENEVA  
GRADUATE  
INSTITUTE**

INSTITUT DE HAUTES  
ÉTUDES INTERNATIONALES  
ET DU DÉVELOPPEMENT  
GRADUATE INSTITUTE  
OF INTERNATIONAL AND  
DEVELOPMENT STUDIES



**SFG**

**PEACE FINANCE**

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**SHOW & TELL**

# EMCEE



**KALI TAYLOR**  
MANAGING DIRECTOR  
SUSTAINABLE FINANCE GENEVA

The screenshot shows the website for Sustainable Finance Geneva's Peace Finance Hub. The header includes the logo, navigation links (Home, About, Members & Partners, Impact Themes, Projects, Resources, News), and a newsletter sign-up button. The main heading is "Peace Finance Hub" with the subtext "An SFG Impact Theme". A navigation bar below the heading contains five tabs: "WHY PEACE?", "THE CASE FOR PEACE FINANCE", "TOOLS & GUIDANCE", "RELEVANT ACTORS", and "TAKE ACTION". The "WHY PEACE?" tab is selected, and the content below discusses the increasing number of civil wars and the economic impact of violence.

Sustainable Finance Geneva

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Home / Impact Themes / Peace

# Peace Finance Hub

An SFG Impact Theme

WHY PEACE? THE CASE FOR PEACE FINANCE TOOLS & GUIDANCE RELEVANT ACTORS TAKE ACTION

## Why Peace Finance?

- The number of civil wars has almost tripled over the course of the past decade, with a six-fold increase in battle-related deaths since 2011. The OECD estimates that 1.9 billion people now live in fragile and conflict-affected settings (FCS), amounting to 24 per cent of the global population. In 2022, the global economic impact of violence was estimated to be \$17.5 trillion, equivalent to 12,9 per cent of the global GDP, or 2,200\$ per person. It is time to recognise that conflict, much like climate change, is a defining feature of modern times, which will require concerted efforts to surmount.

**DCAF** Geneva Centre  
for Security Sector  
Governance



**PEACE  
DIVIDEND  
INITIATIVE**



Finance for Peace



# A WORD FROM OUR HOSTS

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**DOMINIC ROHNER**

CO-DIRECTOR, HOFFMANN CENTRE FOR GLOBAL  
SUSTAINABILITY



**DOMINIQUE HABEGGER**

VICE PRESIDENT, CSS



# Conflict Risk Collaborative Research

PeaceNexus Foundation, Finance for Peace, Sustainable Finance Geneva

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## Description

- Developed first draft of a methodology (RIPE) for assessing conflict risk on listed equities companies that includes political risk in a country, impact in dollar terms, company posture, company exposure
  - Model will be used to develop a report that will raise awareness with investors about importance of understanding and managing conflict risk, while avoiding exiting fragile contexts
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## Intended Objectives

1. Raise awareness and understanding of the exposure the financial sector has to conflict risks through their public market portfolios
2. Develop a best-practice, data-driven methodological approach for assessing conflict risk

## Scope

Model globally applicable, targeted application on top 50 Euro companies for first output (report)

## Impacts So Far

- Dialogue and awareness raising with data providers (MSCI, S&P, Bloomberg, etc)
- Advanced understanding of conflict risk within partnership

## Next Steps

- Populating model with publicly available data
- Testing on actual companies to see if outputs are accurate

# CORPORATE REPORTING

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**ANNA MARIE BURDZY**

**DCAF** Geneva Centre  
for Security Sector  
Governance



**JONATHAN KOLIEB**

 **RMIT**  
UNIVERSITY

# Security, Conflict and Sustainability: Strengthening Corporate Reporting on Conflict-Affected and High-Risk Areas

DCAF-ICRC Partnership and the Business and Human Rights Centre at RMIT University

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## Description

- Analysis of how responsible security management, conflict sensitivity and respect for international humanitarian law (IHL) are covered by current Global Reporting Initiative (GRI) standards
  - Guidance on how companies can use the current GRI standards to report on risk management in CAHRAs
  - Blueprint guidance tool for how companies can report more effectively on these issues
- 

## Intended Objectives

1. Support the Global Reporting Initiative to promote more effective reporting by companies
2. Provide good practices and simple guidance for companies on how to get ahead of the curve and report on CAHRA-related operational risks

## Scope

Any company reporting on the GRI standards, alignment with European Sustainability Reporting Standards, sector-specific standards

## Impacts So Far

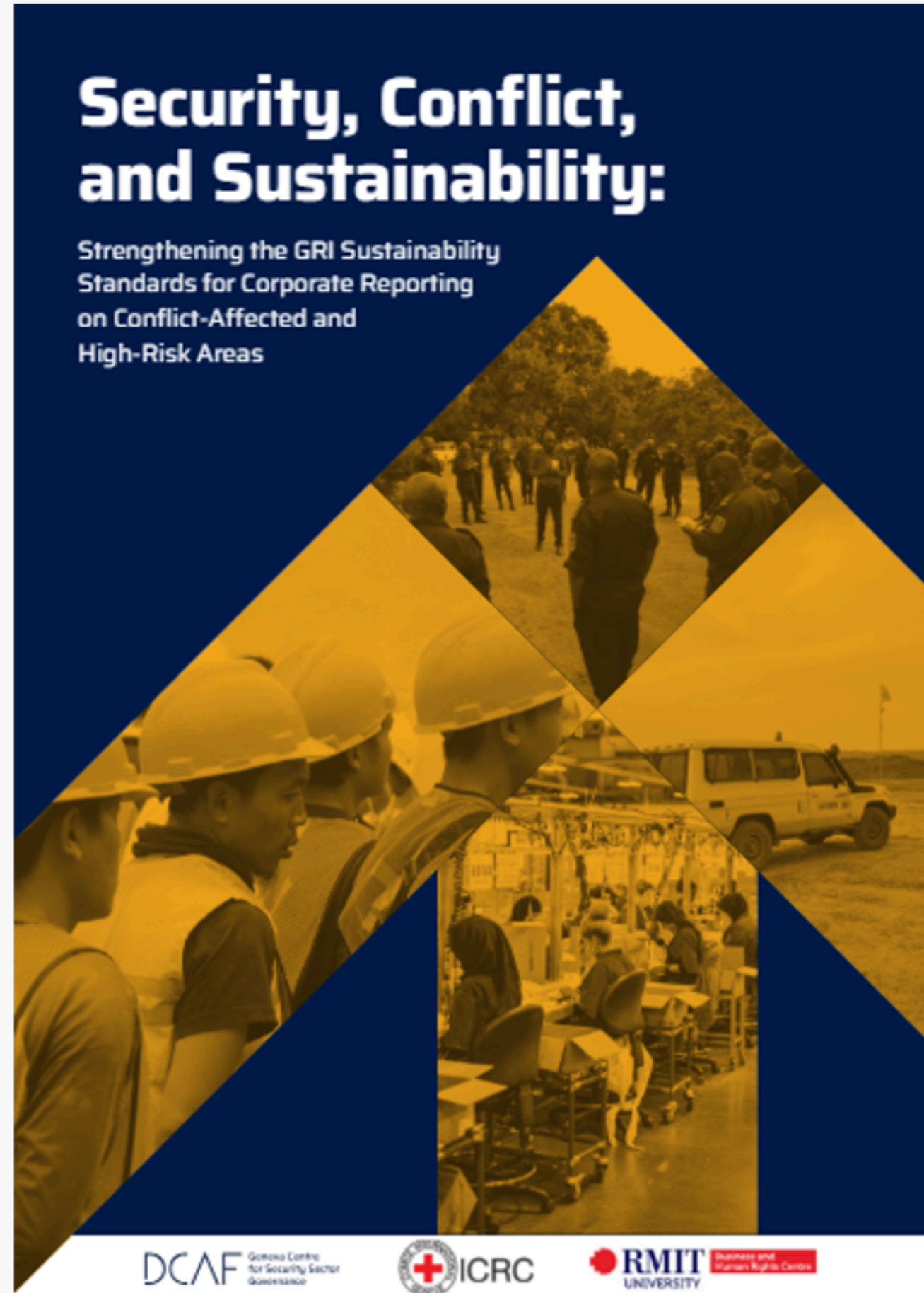
- Advanced disclosures on CAHRAs-related issues included in GRI 14: Mining Sector 2024 and GRI Sector Standard Project for Financial Services
- Advanced reporting by companies: GRI 14 Mining Sector first reports coming out in early 2025!

## Next Steps

- Supporting companies to use and internalize the guidance, piloting with sustainability reporters
- Supporting GRI to mainstream responsible security management, conflict sensitivity and respect for IHL in updating, development and implementation of standards



Scan to open the report!





# **BLEND**ED FINANCE VEHICLES

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**LIAM FORAN**

**PEACE  
DIVIDEND  
INITIATIVE**



**VINCENT LEHNER**

 **symbiotics**

# Peace Venture Fund (PVF)

Peace Dividend Initiative (PDI) & Symbiotics

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## Description

- Since 2021, PDI has provided a platform for public and private investors to engage with peace-supporting economic activity in fragile contexts.
  - Symbiotics; Current investments in 80 countries. Partnering with financial institutions in 11 out of 19 conflict countries and in most of fragile and at risk region. Core competence in fund management, risk assessment and impact measurement
  - In 2022, PDI and Symbiotics began prototyping the Peace Venture Fund, a CHF 100M blended finance vehicle focused on peace supporting investment globally which is launching in 4Q2024.
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## Intended Objectives

1. PVF; Raise CHF 40m by June 2025, CHF 100m by December 2025, and CHF 250m+ by December 2027 to channel peace positive investment into fragile and conflict affected countries.
2. PDI; a Geneva based not for profit foundation designed to harness market forces for peace through *economic dialogues, business incubation and peace positive investment.*

## Scope

30+ FCS Countries, Investments in Financial Institutions to on-lend to peace positive SMEs

## Impacts So Far

- PVF; CHF 20m “soft commitments” to the PVF
- PDI; 3 discreet, high level economic dialogues underway in support of peace, 20+ businesses built across 8 countries
- +P peace investment impact framework developed and tested in 4 countries.

## Next Steps

- Raise CHF 40m for PVF by June 2025
- Scale PDI from 4-8 countries by December 2025.

# HEIGHTENED HUMAN RIGHTS DUE DILIGENCE

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**GREGORY CONNOR**



# Business, Human Rights & Peace

United Nations Development Programme

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## Description

- Drawing on our presence in 170 countries and territories where we work to eradicate poverty, reduce inequalities and exclusion, and build resilience, we help align business, public finance and private capital towards the sustainable development goals. More specifically, our team in Geneva and 40+ countries helps align business and sustainable finance with human rights & peace.
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## Intended Objectives

1. Support businesses in managing human rights risks, including heightened risks and impacts in conflict-affected areas/situations of widespread violence throughout their value chains
2. Advance peace-positive private sector engagement across sectors (tech, commodities) & contexts (recovery, trade, investment)
3. Engage with investors to minimize the impacts of conflict/maximize peace dividends, while also mobilizing the financial sector against modern slavery and human trafficking

## Scope

Geographies: CAHRAS & FCAS

Partners: Governments, MNCs, corporations, financial institutions, investors

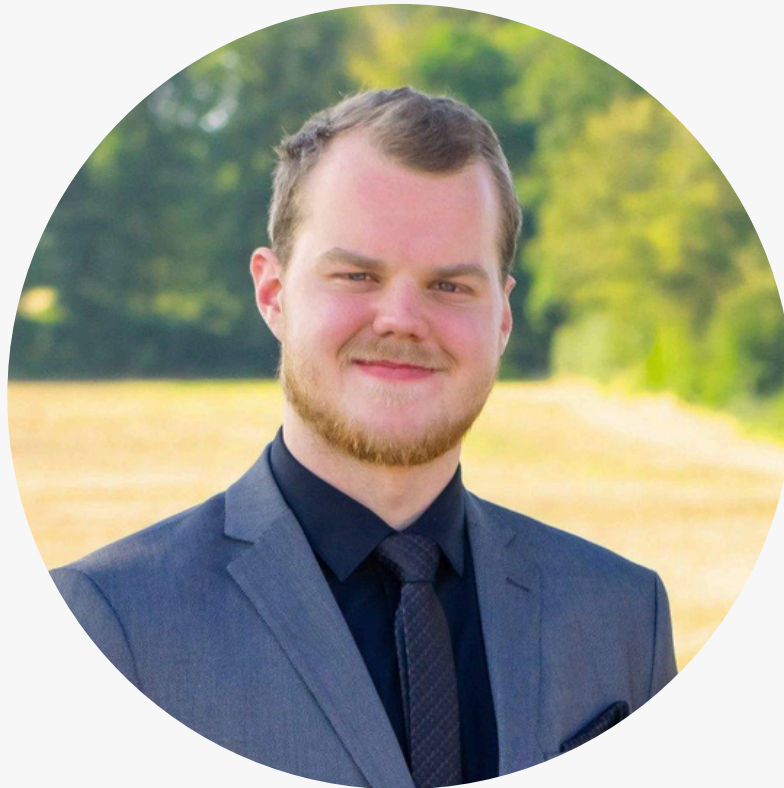
## Impacts So Far

- Development of UNDP/UN WG definitive guide on *Heightened Human Rights Due Diligence for Businesses Operating in Conflict Affected Contexts*
- Inclusion in the landmark CS3D of reference to Heightened Responsibility of Companies operating in Conflict Affected Regions with explicit recommendation to use UNDP's guide
- Roll-out of training: In Ukraine over 900 business actors trained in HHRDD

## Next Steps

- Continue to train on HHRDD with partners (including institutional investors)
- Test peace-positive investment in a debt instrument

# ACTIVE OWNERSHIP / STEWARDSHIP



**SIMON EHMSSEN**



# Supporting active investment stewardship on conflict and peace issues

TrustWorks Global in partnership with de Pury Pictet Turrettini

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## Description

- Since 2022, TrustWorks has worked with investment firm de Pury Pictet Turrettini (PPT) in supporting its engagements with portfolio companies in the Cadmos Peace European Engagement Fund through its innovative 'Buy & Care<sup>®</sup>' approach on issue related to conflict and peace.
  - As part of our partnership, TrustWorks supports PPT's expert-driven active investor engagement approach by assessing portfolio companies' exposure to conflict-related risks as well as identifying peace-related opportunities through their operations, supply or value chains in fragile and conflict-affected settings (FCS) and participating in investor-led engagement meetings.
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## Intended Objectives

1. Supporting portfolio companies operating in or sourcing from FCS to have appropriate policies and governance processes in place to manage their presence in these areas.
2. Enabling portfolio companies to undertake heightened human rights due diligence assessments and action plans related to their business activities in FCS, and to implement them appropriately.

## Scope

- This year we engaged around 40 leading MNCs on peace and conflict-related issues, including an assessment of their exposure to conflict risks and readiness to operate in FCS using our propriety Company Benchmarking methodology.

## Impacts So Far

- Leveraging the partnership with PPT to raise awareness amongst other investors, including in partnership with Heartland Initiative.
- Building on the PPT partnership to engage key actors on responsible business in conflict-affected areas, including IHRB, OECD NCPs, PRI, Coca-Cola Forum, Swiss Forum, etc.
- Follow up engagements with around 50% of the total portfolio, leading to significant active partnerships.

## Next Steps

- Continue engaging with companies and tracking their progress in our company benchmarking.
- Developing additional materials for companies on peace finance and responsible business in conflict-affected areas

# FRAMEWORK: SALIENCY-MATERIALITY NEXUS

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**RICHARD STAZINSKI**



# The Saliency-Materiality Nexus

Heartland Initiative

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## Description

- Conflict-affected and high-risk areas (CAHRA) are regions where salient human rights risks to individuals most often translate into material risks to companies and their shareholders.
  - The Saliency-Materiality Nexus is a framework that helps investors identify the most severe human rights and financially material risks within investment portfolios.
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## Intended Objectives

1. Respond to increasing conflict, lack of data & limited resources
2. Identify the most severe human rights & material risks
3. Advance systemic stewardship at portfolio & company level

## Scope

Corporate activities in CAHRA across the globe

## Impacts So Far

- Published white paper on nexus with Schroders & Wespath
- Improved policy, practice & governance among companies in CAHRA
- Standardization in investor HR risk analysis

## Next Steps

- Increase use by investors in Europe, Canada & Australasia
- Develop industry-specific nexus guidance



# COLLABORATIVE INVESTOR INITIATIVES



**RÉMI FERNANDEZ**



# Principles for Responsible Investment

## Advance

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### Description

- Advance is a PRI-led collaborative initiative where institutional investors aim to protect and enhance risk-adjusted returns by advancing progress on human rights through investor stewardship.
  - 264 investors endorsing the initiative, 118 investors participating in 38 company engagements – representing USD\$35tn in assets under management
  - Distinctive features of the initiative include a particular focus on stakeholder engagement, joining requirements and transparency expectations.
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### Intended Objectives – Company expectations

1. Implement the United Nations Guiding Principles on Business and Human Rights (UNGPs) – the guardrail of corporate conduct on human rights  
Three points maximum
2. Align political engagement with their responsibility to respect human rights
3. Deepen progress on the most severe human rights issues in their operations and across their value chains

### Scope

38 companies in mining & metals and renewable energy

### Impacts So Far

- 1.5 years of company engagement with ~80 engagement meetings with the focus companies
- Over 20 meetings with stakeholders (NGOs, CSOs, Unions, workers etc.)
- Over 10 educational sessions for participants (on various topics such as international human rights law, forced labour, RPE, CAHRA...)

### Next Steps

- High level progress report to be published Q1 2025
- Ramping up of the work on stakeholder engagement and sectoral engagement.

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**SFG**

**THANK YOU**

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**MERCI**