

## “ESG ratings are worse than you think”

### Content and structure

#### 1. Anatomy of ESG ratings and materiality

In the first part, we will start with a brief introduction to the world of environmental, social and governance (ESG) ratings, ESG investing and sustainable finance. We will cover the attributes of the ESG market, major players in the ESG landscape, and the concept of single materiality and double materiality in the context of ESG ratings.

#### 2. Issues with ESG ratings

The second part is the core of this workshop. It covers all major issues (some of them not yet publicly known) that each user of ESG ratings should be aware of:

- Anatomy of ESG ratings,
- Market with ESG ratings and its oligopolistic market features,
- Current trends in the ESG rating design and the issues arising from those,
- ESG data backfilling (Berg, Fabisik, and Sautner (2020)),
- Raw ESG data quality,
- ESG rating selling practices,
- Incentives in the ESG ratings industry.

#### 3. Outlook

The third part will be about the future of ESG investing. We will talk about sustainable investor types, the risk-return relationship in finance. We will also cover the trade-off between maximizing firm value and implementing other objectives, effects of divestment, and the fact that “looking green” is not the same as “being green”. The section concludes with a discussion of the real effects of ESG ratings and the impact of ESG engagement.

### Who should attend?

Financial analysts  
Asset managers  
Portfolio managers  
IT specialists  
Law and compliance experts  
Financial market operators  
Wealth managers  
Client advisors

### Language

English

### Date

04.10.2023

### Time

13:00 – 17:00

### Place

Bildungszentrum Sihlpost, Sihlpostgasse 2, 8004 Zurich

### Seminar fees

SFAA members' attendance is free of charge.  
For non SFAA members the fee is CHF 480 including documentation.

### Registration

Online on <https://www.sfaa.ch/en/agenda/event-registration/>

### Contact

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## Speakers



**Prof. Dr. Kornelia Fabisik, CFA, PRM**

Kornelia Fabisik is an Assistant Professor of Finance at the University of Bern.

She does research in empirical corporate finance, corporate governance, and sustainable finance with a focus on environmental, social, and governance (ESG) ratings.

She is a Research Affiliate at the Centre for Economic Policy Research (CEPR) and one of the recipients of the 2021 Lamfalussy Research Fellowship from the European Central Bank (ECB). She also received the “2022 Rising Star Award” from the International Corporate Governance Network (ICGN). Prior to joining the University of Bern, she worked for two years as an Assistant Professor of Finance at the Frankfurt School of Finance & Management, where she continues as a Visiting Professor.

Her research was published in the Journal of Financial Economics and presented at conferences such as the American Finance Association (AFA), Western Finance Association (WFA), European Finance Association (EFA), SFS Cavalcade North America etc. Her expertise on ESG ratings is also in demand by the European Commission.

Kornelia Fabisik obtained her PhD at the École Polytechnique Fédérale de Lausanne (EPFL) and the Swiss Finance Institute (SFI). She holds the following certificates: Chartered Financial Analyst (CFA), CFA Institute Certificate in ESG Investing, Professional Risk Manager (PRM) and Certified Eurex Exchange Trader. She is also a board member of the CFA Society Slovakia.