



July 2020 | Newsletter

Keeping you up to date with all the latest news from The S Factor Co.

We put the S in ESG™

Greetings!

Aggregate Congestion

This month's newsletter focuses on the topic of **aggregate congestion**, how to discern what is material and what is noise?

We've highlighted some of our favourite reads of the month with our added commentary below. There are some real **substantial academic papers** that take a position on where this 'ESG thing' is all going and some lighter hot topic articles around what the aggregate congestion is all about; from **data bottlenecks** to new **tech solutions** trying to solve for S, and **fast approaching regulation** that may dictate the **standardization** process.

We have also included some of our latest **recordings, podcasts and interviews** as experts on the matter. Enjoy the **reads and listens**.

It has always been **our mission** (for decades) to lend clearer, **simplified insight** with our **expertise** on the **social impact** of companies' measurements and management.

We hope that our content will act as a **resource** for you, to help **navigate** evolving market **trends** related to COVID-19, ESG, Big Data and **companies' behaviours, responsibilities and impacts**.

Book your product demo
today!

Media & Events

Coming up: The Family Office Summit, August 5th - **Don't miss out!**

The CAASA Family Office Summit has, as one might expect, a diverse range of panels and speakers, including their ESG & Impact Investing Panel that has views from many perspectives!

The S Factor Co. looks forward to the panel discussion with our colleagues from Bodhi Research Group, Alquity Investment Management, and Waratah Capital Advisors Ltd.

[Register Now for August 5th & 6th](#)



The S-Factor in Humanity beyond IRR

Tune in for the S-Factor CEO's recent interview with Jeffrey Gitterman of Gitterman Wealth, New York and host of TheIMPACT on Bloomberg fintech.tv segment where we really get into the "S in ESG" components and where this takes us next.

[Watch here](#)



Amazon Starts \$2 Billion VC Fund to Combat Climate Change

Amazon announced a \$2 billion investment fund focused on "sustainable and decarbonizing technologies" in an effort to

offset its carbon footprint.

"We need to be sure that carbon-only conversations are again not overshadowing many other labor and supply chain issues that investors, consumers and Amazon should be looking at," said **Bonnie Lyn de Bartok**, CEO of ESG data analytics firm **S-Factor**. "It would be nice to see some investment capital being allocated to addressing social and human rights issues as well."



[Read More](#)

Measuring Human Capital Management, the Quebec SASB FSA

MORNING TALKS
BY QUEBEC SASB FSA CREDENTIAL GROUP

WEBINAR
JUNE 23 // 10:00 AM TO 11:00

MEASURING HUMAN CAPITAL MANAGEMENT AND ITS FINANCIAL EFFECTS

FSA | FINANCE MONTREAL
Initiative pour la finance durable
Finance and Sustainability Initiative

DISTRIBUTION PARTNER

CFA Montréal

MODERATOR

Bonnie Lyn de Bartok
The S Factor Co.

Hélène Gagnon
CAE Inc.

Manny Campione
Normandin Beauty

Daniel Bourcier
Fonds de solidarité FTQ

Recorded Tuesday June 23rd 10 to 11am EST

In case you missed it, you can watch the recording of the webinar we participated in, hosted by Quebec SASB FSA Credential Group on the topic of Human Capital Management and its Financial Effects. This topic has gained more attention in recent years, and even more so with the current coronavirus crisis.

[Watch Here](#)



The Street: Tesla to Buy Cobalt for Its Batteries From Glencore

"If ever there was an opportunity to set the standard for other supply chains to follow, this is it," quotes the S-Factor CEO.



[Read More](#)



How can investors quantify ESG Standards ? Are we still facing some of the same challenges?

Earlier this month, we participated in a Q&A session with Jeff Cohen of SASB, the Sustainability Accounting Standards Board and James Burron, co-Founder of CAASA, the Canadian Alternative Assets and Strategies Association. We discuss in a real deep-dive, at the metric level of accountability for investors, how to quantify the realization of



CAASA Podcast: S-Factor & Fundata



A moderated session between Canadian Fundata and The S-Factor Co. on the topic of ESG and the future of Fund Analytics.

CAASA: The Canadian Association of Alternative Strategies & Assets was formed to bring together alternative investment managers and investors, along with service providers, in a setting conducive to information sharing, discussion and networking, and collaborative initiatives.

Fundata was founded in 1987 Fundata began by collecting and distributing investment fund pricing to local newspapers and businesses.

Over the past three decades, Fundata has evolved into a multi-national data distributor and investment fund data and analytics company. The information we provide currently reaches over 80,000 advisors, millions of investors, and scores of institutions every day through our network of newspapers, web and corporate clients across North America.



It's here! It's here! Recorded February 13th, 2020 Pre-COVID onset.

By the grace of our good friends at the Fields Institute CQAM and the TED team, post-COVID onset here in Toronto, they have done a lovely job of pulling our talk together. Thank you again for the wonderful opportunity. Some idea-generating thoughts on Social Return on Impact

and the ESG / SRI market, enjoy!

[Watch here](#)



Product Highlights

See through the noise.
Ahead of the market.



Well, this is **promising**. While our COVID-19 **signals** continue to **predict** stock price movement **ahead of the market**, our longer-term SF Score **strategic MSPI index** is outperforming the market and ESG thematic index funds. Contact us today to get the **data and the feeds**, we've got our finger on the pulse and can help you **navigate** these continued tumultuous waters.

[Trial the product today.](#)



The Database Stats

It's all about coverage. What does the S-Factor dataset have that other ESG providers do not?

The stats:

- 82,000 sentiment scores a day.
- 1.3 million ESG data points processed a day.



- The largest number of norms-based screens across the entire ESG universe.
- 55% more coverage than the ESG universe.
- 900+ more social indicators than the entire ESG universe.
- 1TB of structured from unstructured content not yet considered in the ESG data market.



Curious about what's coming next?

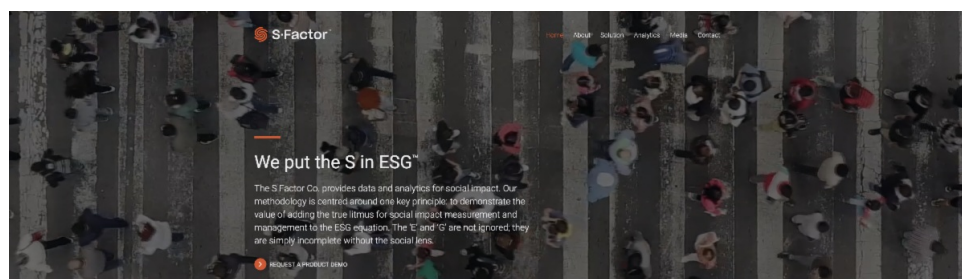
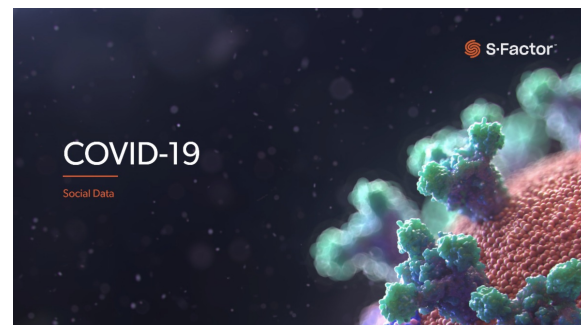
Stay informed @ [The S Factor Co. site.](https://thesfactor.co)



S-Factor COVID-19 Social Data

In case you missed it.

Earlier in **April**, S-Factor delivered an **online session** on the latest on S-Factor **COVID-19 Pandemic social data** and trends. You can access a recording of this webinar and download the **FREE** report from our site [here](#). This feed has been live on aggregate in the system since early February - sign up for your trial to test it now.



Statement

There are currently **US\$46 Trillion** in AUM employing Responsible and Environmental, Social and Governance ("ESG") strategies around the globe. But the "S" – the social factors in ESG, if proper, are based on anecdotal costs. The entire market is facing the risk of impact-washing ESG.

THIS IS AN ENORMOUS PROBLEM.

Until Now

Mission

It is our mission to fill the social impact information gap by comprehensively monitoring, measuring and reporting on the social impact of public companies globally. This will provide transparent, objective, material, accountable, legitimate and unbiased content to better inform

New website. New Navigation. New tools. Loads of resources. Check it out.

thesfactor.co

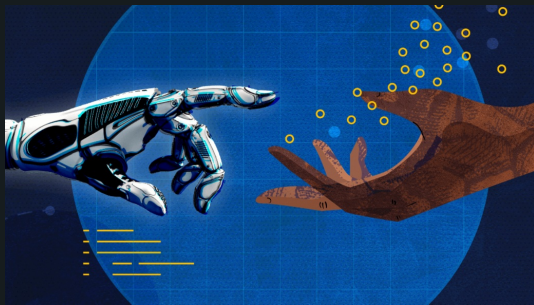
Headlines

Responsible Investor: ESG Frontiers: Artificial intelligence: The rise of the responsible robots

"AI is not an end in itself, but a means to enhance human wellbeing and freedom," HLEG-AI Principles quote. And we would agree. The world has not yet defined the standard rules for ESG, so running with AI would result in an equally disorganized outcome at this point. Current "robo-driven" responsible investment products are mostly self-proclaimed, by a set of values they themselves have created. Where we see value in AI for ESG in our own experiments, is harvesting, tagging, and structuring en masse daily to fill a data gap. To find out how AI is being applied in other contexts [read more here](#).



S&P Global: How can AI help ESG investing?



In short, AI is running hard and fast with sentiment analysis algorithms. This alone is the single biggest threat to the ESG and Responsible Investment market. An inference of the "tone" of text should not be mistaken for material events and reality. Manipulation of this inference is as dangerous to society as is selling fear during the pandemic. Dispelling impact washing, ethics violations and a duty of care to mitigate the adoption of these "sentiment" products needs to be at the forefront of concern to avoid a systemic bubble. The S-Factor can do this.

[Read More](#)



Financial Times: Artificial intelligence promises to enhance sustainable investing

[Read more](#)





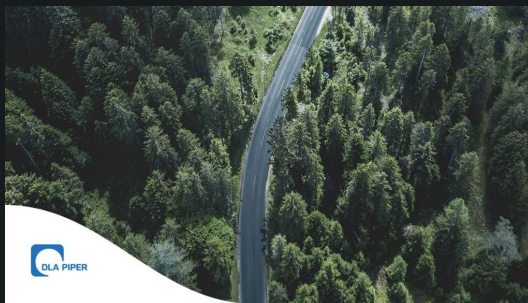
Financial Times: Moral Money
Davos special: Climate change threatens quant funds

[Read More](#)



Stanford Law: Reconciling
Fiduciary Duty and Social
Conscience: The Law and
Economics of ESG Investing by a
Trustee

[Read More](#)



ESG: the rise of private ordering
and the role of the NCGC
Committee.

It is clear that the 2020 proxy season
will be dominated by environmental,
social and governance (ESG) issues.

[Read the full report here.](#)



Bloomberg: Quants Join Chase for ESG
Trillions. No One Knows If It'll Work.

What happens when you quant information that is
not relevant or substantially missing the whole
picture?

[Learn more about the quant approach here.](#)



StateStreet (Nov 2019)

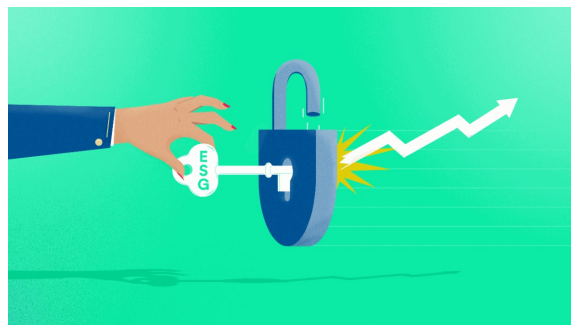
Into the Mainstream: ESG at the
Tipping Point

[Read More](#)

Harvard Law: Top 10 ESG Trends for the New Decade

Where do we go from here?

[Read the full report here.](#)



Upcoming Events

CAASA Family Office Summit

New Date:

August 5-6 (Virtual)

The CAASA Family Office Summit brings together speakers and participants from single and multi- family offices, investment dealers, Canadian and global investment management houses, and affiliated service providers. Panels and break-out sessions will focus on key issues facing family offices in Canada and elsewhere including structuring, legal & tax issues, IT and operational areas, and investments – including: hedge funds, CTAs, private equity, private lending, real estate, infrastructure, and crypto-assets/blockchain-related investments. All content is subject to Chatham House Rule.



Join the S-Factor and a panel of experts for an intriguing discussion on ESG and Investment strategies. More details will follow.

Sponsors of the event include:



Register Now!



Talking Hedge

New Date:

September 15-16, 2020

SANTA MONICA

Loews Santa Monica Beach Hotel

Alternative investment managers and solutions providers increasingly construct unique portfolios for institutional asset owners and establish a well-defined alignment of interests. Tailoring solutions for investors results in lower costs, operational efficiencies, and alpha generation.



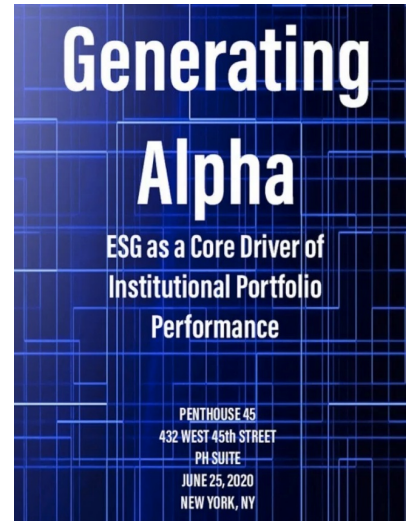
Generating Alpha

New Date: Fall 2020

Penthouse 45, 432 WEST 45th Street, NYC, NY

ESG as a Core Driver of Institutional Portfolio Performance: Companies have begun to implement ESG practices to reshape how they create value. This value manifests itself through returns in the equity selection process, as valuation models emerge to demonstrate those returns for institutional investors who seek out companies with strong ESG practices and ratings.

[Register Here](#)



Team



**CAREERS @
The S Factor Co.**

Despite the uncertainty, 2020 continues in growth mode as we scale to serve the demand for quality ESG content, information validation and creative use cases.

Current Open Positions:

Office Manager (Accounting, Payroll) - Toronto
Marketing Assistant (Social, Design) - Toronto
Vice President, Product - Toronto

Many new openings to come - watch for these postings here - [Careers](#) @ The S Factor Co.

Get in Touch

We look forward to helping the market solve some seriously complex social impact challenges, fulfilling the gaps in information, benchmarking international norms, content validation and providing quality material evidence you can count on.

Sincerely,

Bonnie Lyn de Bartok

Founder & CEO



The S Factor Co.

Toronto: +1 647 930 9075

Toll Free: +1 877 276 4822

Email: info@thesfactor.co

URL: thesfactor.co

[Website](#)

[About](#)

[S Factor](#)

[News](#)

[Careers](#)



401 Bay Street, Suite 2702
Toronto, Ontario M5H 2Y4



[Contact Us](#)