



BIZNGO FOR
SAFER CHEMICALS &
SUSTAINABLE MATERIALS



CHEMICAL
FOOTPRINT
PROJECT

***IOMC Thematic Day:
Chemical Pollution Disclosure,
Sustainability Reporting, & Sustainable
Financing***

***Strengthening Engagement of the
Finance Sector: The Private Sector
Landscape and its Relevance to the GFC***

*Alexandra McPherson, Director, Investor
Environmental Health Network, Clean
Production Action*



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GREENSCREEN
FOR SAFER
CHEMICALS

The Moment is Now

*“In 2017, the [chemical] industry was worth more than US dollars 5 trillion. By 2030, this will **double**.”*

- UN Global Chemicals Outlook II

Implementation of GFC represents a significant investment opportunity to finance R&D for safer chemistry innovations

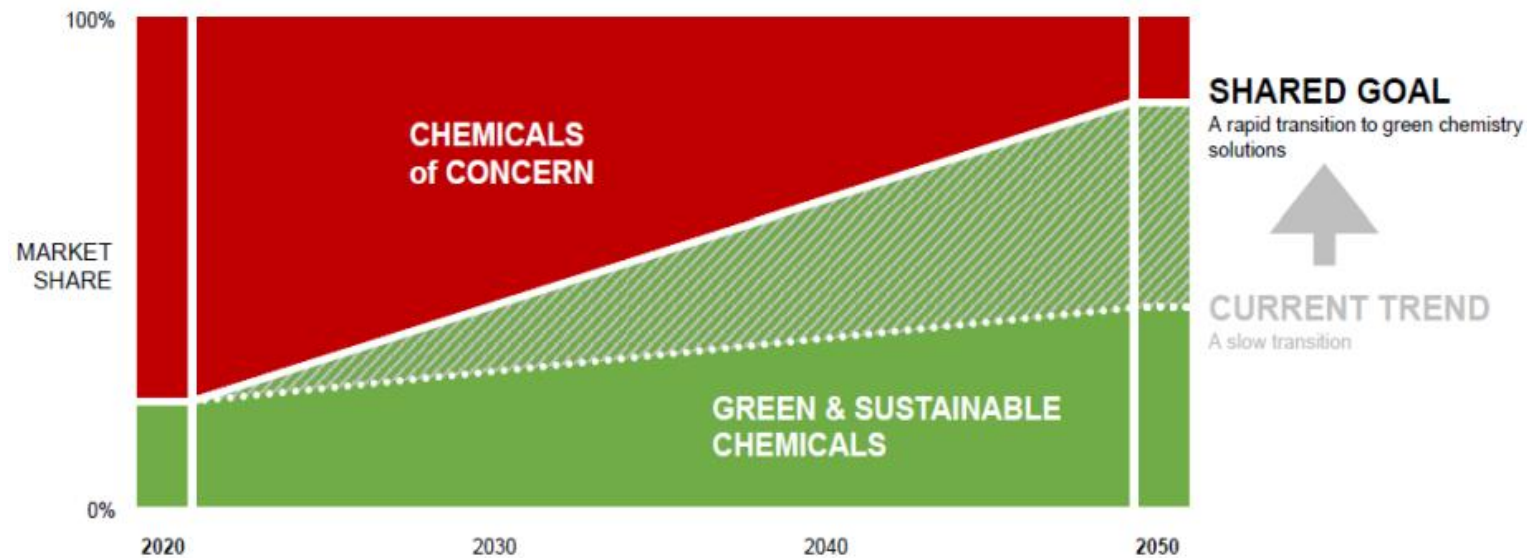
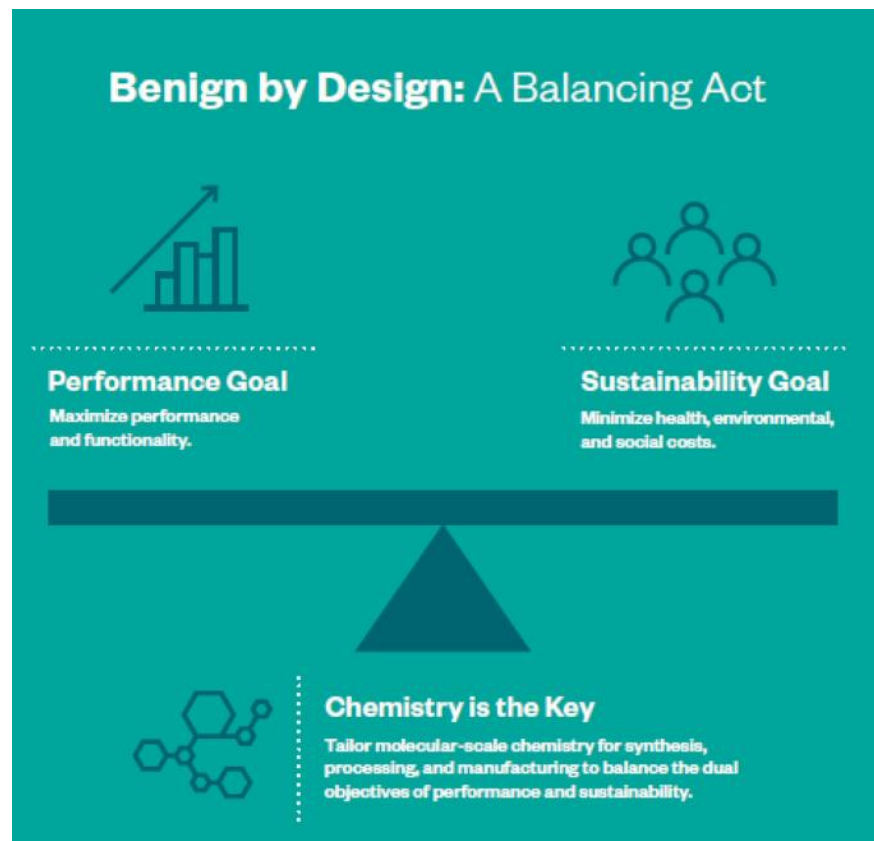
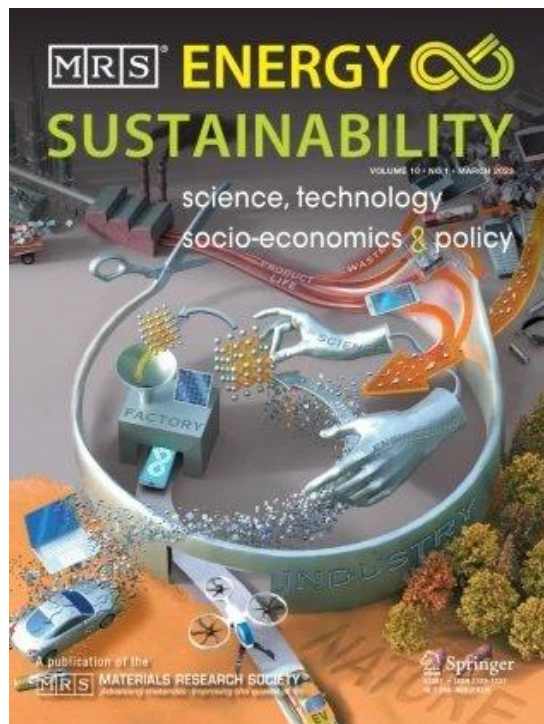


IMAGE SOURCE: Institute for Safer Chemical Alternatives, 2021

Building a roadmap for safer and sustainable material chemistries: Addressing the PFAS problem through informatics and data-driven chemistry



Peer-reviewed paper published in MRS Energy & Sustainability, November 25, 2024, by Arthur Fong, Apple, Alexandra McPherson, Clean Production Action, Mark Rossi, Clean Production Action & Krishna Rajan, Material Design and Innovation Department University at Buffalo



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Overview: Key Actors Influencing Investments in Sustainable Chemistry

Follow the \$ -key actors for implementation of GFC D3

Public Markets

- Companies raise funding through the issuance of stock (*stock exchange is the best-known public market*). Individuals, as well as institutional investors (*ex. banks, hedge funds, insurance companies, pension funds*), buy and sell stocks.
- Other public markets include the bond and commodities market.
- *For many types of investors equity allocations dominate. This includes pension funds, individual traders, and investors.*

Private Markets

- Companies raise funds from smaller group of investors. *Examples of these investors include wealthy individuals and larger institutions such as family offices, sovereign wealth funds, and pension funds.*
- *Those who invest in private markets are typically looking for higher returns than they can achieve from public markets as they are taking on a bigger risk. This is primarily down to a lack of easy liquidity.*

Money trends: Are we pricing risk accurately?

Bayer, a company whose shares have lost more than [70% of their value since the Monsanto purchase](#), is using regrettable substitutes as alternatives to glyphosate in Roundup.



October 2024: Friends of the Earth found that Bayer replaced glyphosate with combinations of four chemicals, two of which are banned in the European Union. The new Roundup formulations are 45 times more toxic to human health following long-term, chronic exposures, on average. They also pose significantly greater risks to the environment. What's more, we found that Bayer has failed to remove glyphosate from all U.S. consumer Roundup products.

Money trends: Accurately pricing chemical risk to optimize return on investments

“(Reputational damage) harms client and investor trust, erodes your customer base and hinders sales. A poor reputation also correlates with increased costs for hiring and retention which degrades operating margins and prevents higher returns. Furthermore, reputation damage increases liquidity risk which impacts stock price and ultimately slashes market capitalization.”—

Scott Bamford, Mitrates Holdings, Inc





GFC Target D3

“By 2030, the private sector, including the finance sector, incorporates strategies and policies to implement the sound management of chemicals and waste in its finance approaches and business models and applies internationally recognized or equivalent reporting standards.”

Ideas for building a roadmap for engaging the finance sector in GFC implementation and resource mobilization

- **Mobilization of stakeholders:** Conduct a landscape assessment of key actors across the finance sector and identify financial stakeholders with the readiness to act and demonstrate the leadership needed in the financial sector. For example, asset managers are already well positioned to act on the GFC targets through initiatives such as IEHN/CFP, ChemSec/IIHS, UN PRI, Planet Tracker, Share Action, IIGCC.
- **Education:** Develop a white paper that makes the business case for GFC and frames a blueprint for how capital can be transitioned into safer, more sustainable chemistries. The paper could be used to raise awareness in the finance sector on the call to action in the GFC and its relativity to investor concerns on systemic risks such as climate change, biodiversity, plastics pollution and human rights. Distribute paper at webinars, conference and articles.
- **Guidance:** Develop guidance on key performance indicators (KPIs), metrics and best practice for action tailored for financial actors such as asset managers, banks, insurers. Build on standards and disclosure frameworks aligned with GFC, for example KPIs in the Chemical Footprint Project, ChemScore, and SASB. For reference, see article below on [“Six ways to transition to safer, more sustainable chemicals”](#)
- **Communications:** Create a digital platform to drive adoption of guidance and support a broader community working to take action towards GFC 2030 targets