



What's all this ESG malarkey?



## What is ESG?

“ESG is a generic term **used by investors** to evaluate corporate behavior and to determine the future **financial performance of companies**”.



### Environmental

- Renewable fuels
- Greenhouse gas (GHG) emissions
- Energy efficiency
- Climate risk
- Water management
- Recycling processes
- Emergency preparedness



### Social

- Health and safety
- Working conditions
- Employee benefits
- Diversity and inclusion
- Human rights
- Impact on local communities



### Governance

- Ethical standards
- Board diversity and governance
- Stakeholder engagement
- Shareholder rights
- Pay for performance

**Most important factors**

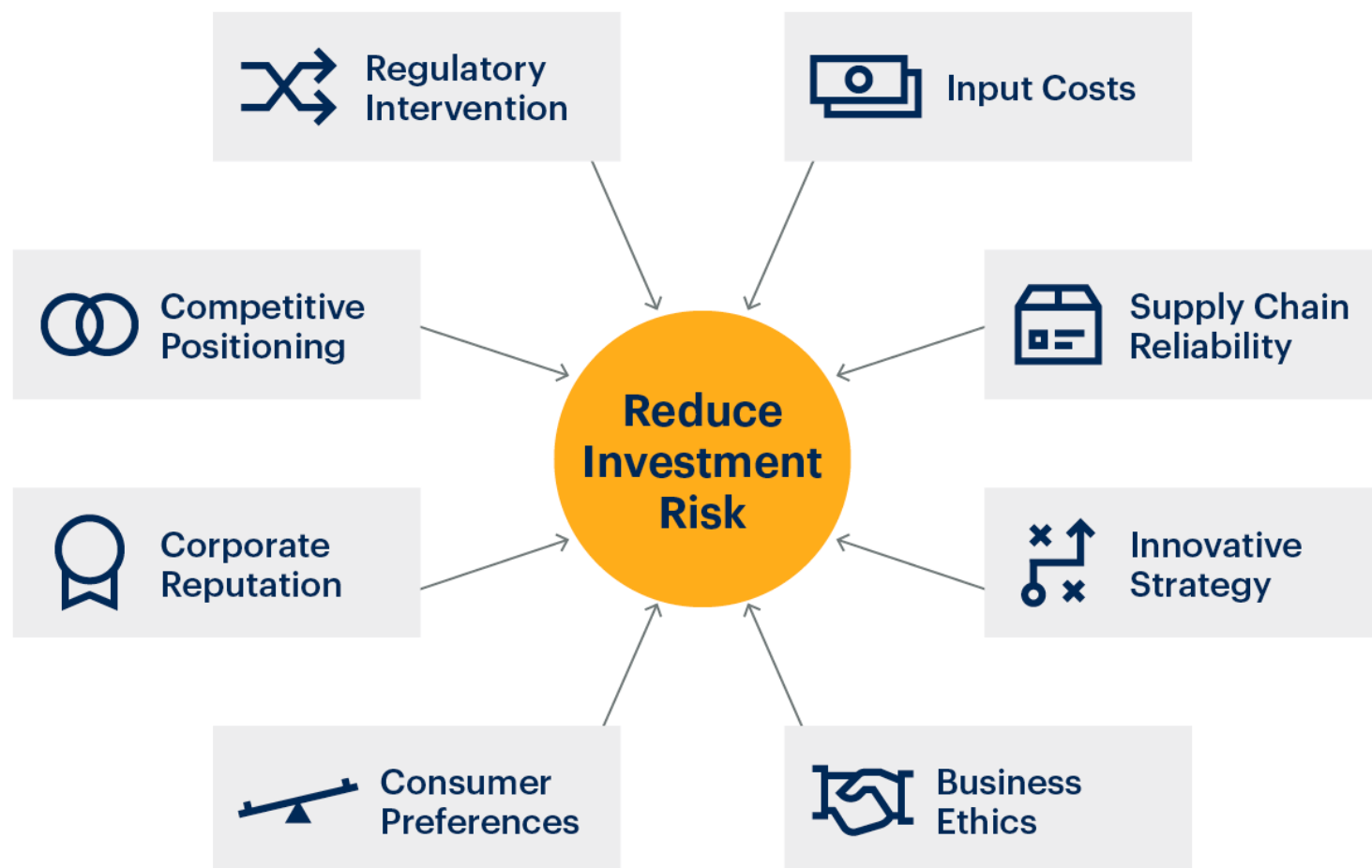
**45%**

**18%**

**37%**

## Why do investors consider ESG in their investments?

Between 2013 and 2020, companies with consistently high ESG performance tended to generate 2.6x higher total shareholder returns, compared to those with mid-range ESG scores.



## ESG Value creation

1.

**Top-line growth**

Sustainability-marketed  
CPG products grow

**5.6x faster**  
than conventional products

An aerial photograph of a large car lot filled with many cars of various colors (white, black, red, blue, green) parked in neat rows. A blue corrugated metal roof structure is visible in the foreground, partially obscuring the cars.

2.

**Cost reduction**

## ESG Value Creation

3.

### Regulatory relief

The wrong call on regulatory strategies could put

**~30%**

of corporate profits at risk

## ESG Value creation

4.

**Productivity uplift**

**80%**

of Gen Z talent is looking for an employer that is purpose-driven

5.

**Investment/CAPEX**



# Development of Certifications, Frameworks and Standards

## Green building labels



## Sustainability Frameworks



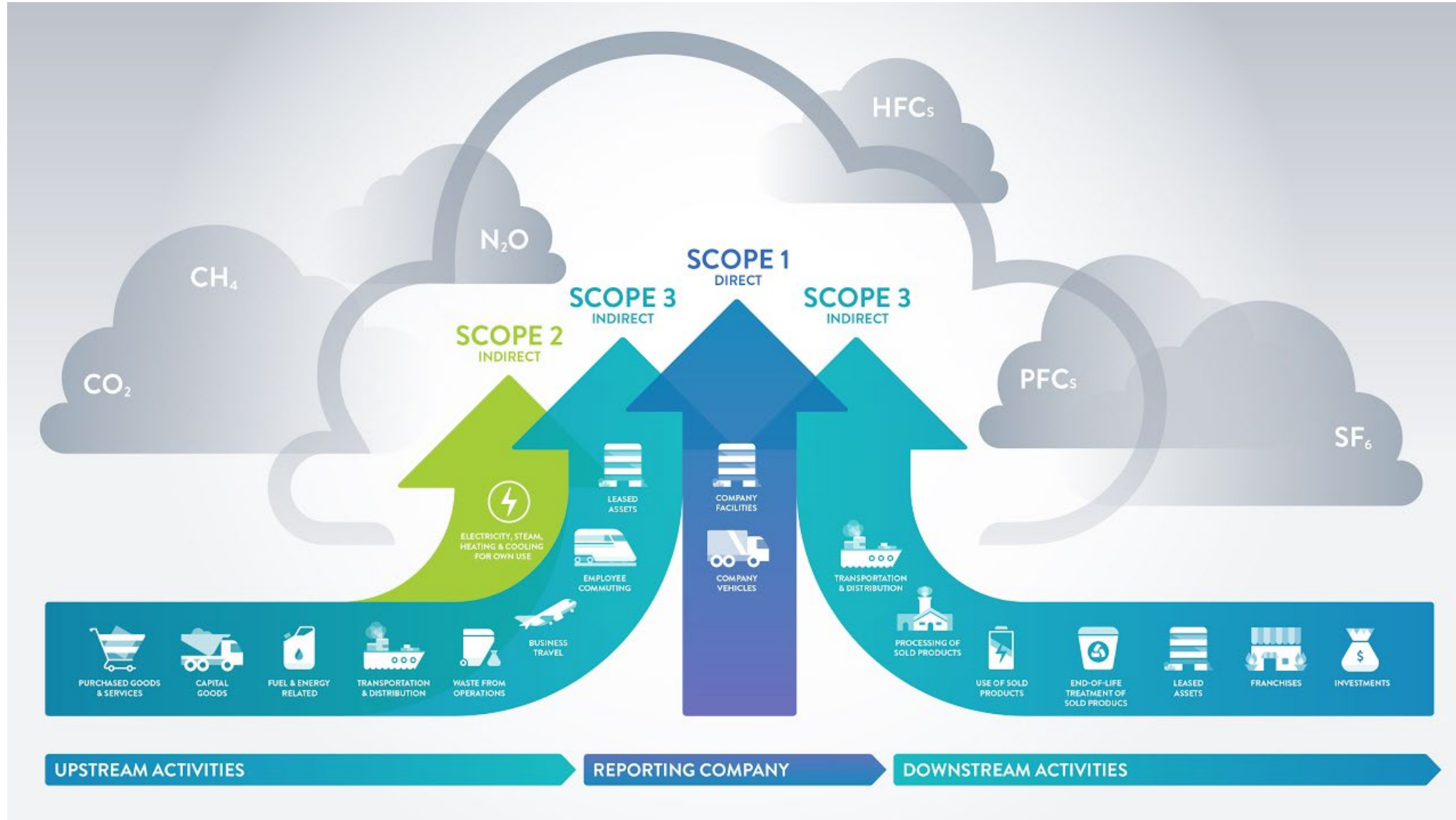
## ESG/Sustainability Reporting Standards



## Climate Reporting Standards



# Green House Gas (GHG) reporting protocol



## ESG standard progression

### Qualitative Research



- ✓ Explore
- ✓ Go Deep
- ✓ Seek to Understand



### Quantitative Research



- ✓ Quantify
- ✓ Validate
- ✓ Make Decisions

# The Key Elements of ESG reporting



THANK YOU

