

## Lestari Module 2

### 1. ESG Module 2

#### 1.1 Welcome to The Five Reasons Why ESG is Indispensable



#### Notes:

<prosody rate="-10%">

Welcome to Future-Proof Your Business With E.S.G. <break strength="medium"/>

Environmental, social, and governance or E.S.G. issues are to be considered by business entities in their decisions because companies with a higher focus on sustainability are viewed as reliable and fundamentally sound.

</prosody>

## 1.2 Temasek International

Why ESG? – The 5 Reasons



“For the first time in history, the sustainability agenda has become a material determinant of success, and perhaps even survival, for companies”

Steve Howard  
Chief Sustainability Officer  
Temasek International



1/33

Notes:

## 1.3 ESG Business Impacts- The Fiver Reasons Why

Why ESG? – The 5 Reasons 2/33

Why is ESG great for business?



The image displays five distinct business impact areas arranged in a horizontal sequence from left to right:

- People and Talent:** A group of diverse business professionals smiling and giving thumbs up.
- Customers:** A woman in a white shirt presenting a tablet to a man in a suit.
- Capital & Fundraising:** A stack of coins and colorful banknotes.
- Compliance:** Hands holding a pen over a document with a checklist.
- Cost Saving:** A small green plant growing out of a glass jar filled with coins.

### Notes:

There are many reason why Businesses should subscribe to ESG.

In this module we will focus on the 4 main ones, which we believe are critical for the continued success and growth of your business.

Firstly, people and talent. The second reason is customers, the third being, capital and fundraising, and lastly, compliance.

Let's examine each of these in turn.

## 1.4 First Reason: People and Talent



### Why? – Reason #1

3/33

People and Talent



War for talent will intensify




Prospective employees look for something different

Notes:

## 1.5 What Employees Look for in an Employer?

**Why? – Reason #1** 4/33

People and Talent



In their 2017 Global Survey, leading global Executive Search company Korn Ferry, highlighted a number of key relevant points.

- Tighter supply of qualified talent
- Increasing demand for qualified talent
- Culture has replaced compensation in choosing an employer
- Workforce will shrink overall

Click here for full report:  
[The Talent Forecast](#)

### Notes:

## 1.6 What Employees Look for in an Employer?

5/33

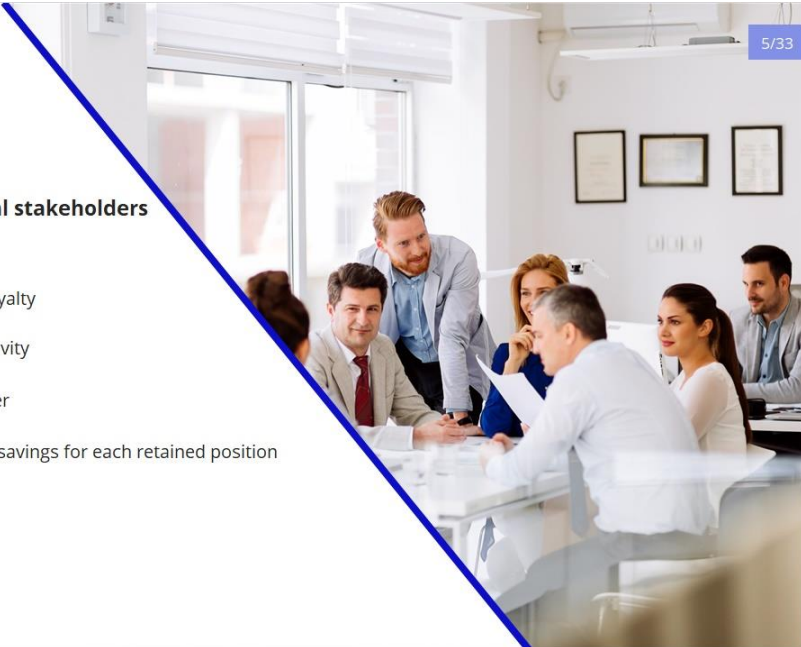

### Why? - Reason #1

People and Talent

#### Employees treated as critical stakeholders

- 55% Increase in morale
- 38% Higher employee loyalty
- 16% Increase in productivity
- 25-50% Decrease in turnover
- 90-200% Replacement costs savings for each retained position

Click here for full report:



Notes:

## 1.7 What Employees Look for in an Employer?

### Why? – Reason #1

Case Studies



**EY**  
Building a better working world

**MERCER**  
MAKE TOMORROW, TODAY

**WORLD ECONOMIC FORUM**  
COMMITTED TO IMPROVING THE STATE OF THE WORLD

**Cordant Recruitment**

**Note:** Click on the images for details



6/33

**Notes:**

## EY (Slide Layer)



**EY** Building a better working world

6/30a

### Why? – Reason #1

People and Talent

- Culture of transparency and purpose will engage employees and manage them more effectively
- “Purpose” has become one of the key attributes that a millennial will look for when they’re looking for a job
- Organisations that are able to harness purpose are the ones that are able to attract and retain talent
- People are looking for meaning in their lives; they’re looking to have a sense of purpose
- It about asking “how do we make an impact?”

←



**EY**  
Building a better working world

## MERCER (Slide Layer)



6/30b

### Why? – Reason #1

People and Talent

- 800 business executives; 1,800 HR Leaders; 5,000+ employees
- 21 industries; 44 countries around the world
- 3 factors employees and job candidates are looking for:-
  - Permanent workplace flexibility
  - Commitment to health and well-being
  - Working with a purpose, contributing to greater good of society
    - Boosts employee motivation, morale, and overall job satisfaction
- Employees are 3 times more likely to work for a company with a strong sense of purpose

←



**MERCER**  
MAKE TOMORROW, TODAY



## World Economic Forum (Slide Layer)

### Why? – Reason #1

People and Talent

- 31,395 millennials; 186 countries (Asia 3,725)
- 3 most important criteria for job seekers
  - Compensation (49.3%)
  - Purpose/Impact on Society (40.6%)
  - Career advancement (40%)
- Companies should be involved in addressing social problems that are NOT related to their business activities
  - 66.2% somewhat strongly or strongly agree

#1 in Western Europe

WORLD  
ECONOMIC  
FORUM  
  
COMMITTED TO  
IMPROVING THE STATE  
OF THE WORLD

WORLD  
ECONOMIC  
FORUM

G/SDc



## Cordant (Slide Layer)

### Why? – Reason #1

People and Talent

- Give back to Society or “You are Finished”
- For us to operate effectively in a future environment, an ethical core to all we do will be essential
- The next generation will not work for you, will not purchase products from you...

 Cordant  
Recruitment



G/SDd



## 1.8 Second Reason: Customers


Why? – Reason #2

Customers

7/33

☆☆☆

What do the experts say?



B2B & Institutions

Retail Customers

Notes:

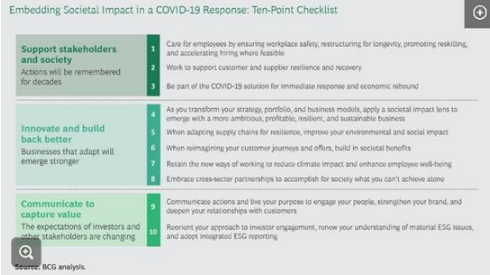


## 1.11 5.1. Customers Continue

### Why? – Reason #2

Customers - Retail


#### Sustainability Matters Now More Than Ever for Consumer Companies



Embedding Societal Impact in a COVID-19 Response: Ten-Point Checklist

Support stakeholders and society Actions will be remembered for decades	<ol style="list-style-type: none"> <li>Care for employees by ensuring workplace safety, restructuring for longevity, promoting reskilling, and accelerating hiring where feasible</li> <li>Work to support customer and supplier resilience and recovery</li> <li>Be part of the COVID-19 solution for immediate response and economic rebound</li> </ol>
Innovate and build back better Businesses that adapt will emerge stronger	<ol style="list-style-type: none"> <li>As you transform your strategy, portfolio, and business models, apply a societal impact lens to emerge with a more ambitious, profitable, resilient, and sustainable business</li> <li>When adapting supply chains for resilience, improve your environmental and social impact</li> <li>When reimaging your customer journeys and offers, build in societal benefits</li> <li>Retain the new ways of working to reduce climate impact and enhance employee well-being</li> <li>Embrace cross-sector partnerships to accomplish for society what you can't achieve alone</li> </ol>
Communicate to capture value The expectations of investors and other stakeholders are changing	<ol style="list-style-type: none"> <li>Communicate actions and live your purpose to engage your people, strengthen your brand, and deepen your relationships with customers</li> <li>Reorient your approach to investor engagement, renew your understanding of material ESG issues, and adopt integrated ESG reporting</li> </ol>

Source: BCG analysis.



accenture

### How COVID-19 will permanently change consumer behavior

Fast-changing consumer behaviors influence the future of the CPG industry

April 2020

Click here for full report: [Sustainability Matters Now More Than Ever for Consumer Companies \(bcg.com\)](https://www.bcg.com/au/insights/sustainability/sustainability-matters-now-more-than-ever-for-consumer-companies)


Click here for full report: [Accenture-COVID19-Consumer-Behaviour-Survey-Research-PoV.pdf#zoom=40](https://www.accenture.com/au/insights/consumer-behavior/survey-research-pov)

10/33

## 1.12 Customers and Inclusive Advertising

### Why? Reason #2

Customers - Retail



**FULL-YEAR EARNINGS**

<b>K</b>	\$344 million	↑ up 28.4 per cent
<b>MYER</b>	\$214.8 million	↓ down 6.6 per cent
<b>BIGW</b>	\$191.3 million	↑ up 5.5 per cent
<b>DAVID JONES</b>	\$139.9 million	↓ down 9.3 per cent
<b>Target.</b>	\$136 million	↓ down 44.3 per cent

Earnings before interest, tax, depreciation and amortisation for respective 2012-13 financial years, change on previous year

Source: Company accounts

**Guy Russo, former CEO of Kmart and Target Australia.**

11/33

Notes:

Published by Articulate® Storyline www.articulate.com

## Video (Slide Layer)

**Why? Reason #2** 11/33

Customers - Retail



**Inclusive advertising**  
Changing society's attitudes around disability



00:00 / 02:57

### 1.13 Customers-B2B and Institutional Clients

**Why? Reason #2** 12/33

Customers - B2B and Institutional

- Ethical sourcing 
- Impact sourcing 
- Ethical trade 
- Fair trade 
- Responsible buying 
- Inclusive sourcing 










Notes:

## 1.14 Companies Which Practice Ethical Sourcing

13/33

### Why? Reason #2

Companies Who Practice Ethical Sourcing

<p><b>PATAGONIA</b></p> <ul style="list-style-type: none"><li>▪ Uses organic, pesticide-free cotton</li><li>▪ Entire supply chain is environmentally friendly, has safe working, and provides health benefits for workers</li></ul>		<p><b>AEGIS</b></p> <p><b>accenture</b></p> <p> Microsoft</p>	<p></p>
<p><b>STARBUCKS</b></p> <ul style="list-style-type: none"><li>▪ 100% sustainably sourced coffee using Coffee Farmer Equity system (CAFE) that focus on quality, economic transparency, social responsibility, environmental leadership</li><li>▪ Uses third parties to verify that its sourcing is ethical</li></ul>		<p><b>Infosys</b></p> <p><b>SAP</b></p> <p> <b>HEWLETT PACKARD</b></p>	<p> <b>Teleperformance</b> <small>each interaction matters.</small></p> <p><b>Deloitte.</b></p>
<p><b>THE BODY SHOP</b></p> <ul style="list-style-type: none"><li>▪ Pioneer of Fair Trade in the cosmetics industry</li><li>▪ 100% natural ingredients, traceable, sustainably sourced</li><li>▪ Benefits economically vulnerable people around the world</li><li>▪ Sustainable production</li></ul>			

Notes:

## 1.15 Third Reason: Capital and Fundraising

14/33

### Why? Reason #3

Capital and Fundraising

 **Banks**

- Have embraced ESG into their strategies
- Give preference to Social Impact companies

 **Social Impact Funds**

- Trend shows that 90% of millennials are switching to brands that are leaning to a cause

 **Changing attitude of global investors**

- ESG is a clear advantage for raising capital
- Investors are paying attention on how companies conduct themselves

 **Crowd Funding**

- There are now even crowd-funding platforms which are ESG focused

**INDIEGOGO**

 **StartSomeGood**  
The Crowdfunding Platform For Changemakers

 **UpEffect**

 **LA BOLSA SOCIAL**

 **GoGetFunding**



Notes:

## 1.16 Banks

### Why? Reason #3

Capital and Fundraising- Banks

15/33



#### Danone

In July 2018 that 12 of its banks have agreed to lower load rates if Danone increases its verified positive impact in the world.



#### Sunseap Group

Received a \$550 million **green loan** from ING Dutch Bank to build 50 megawatt of solar rooftop across Singapore.



#### DBS Bank

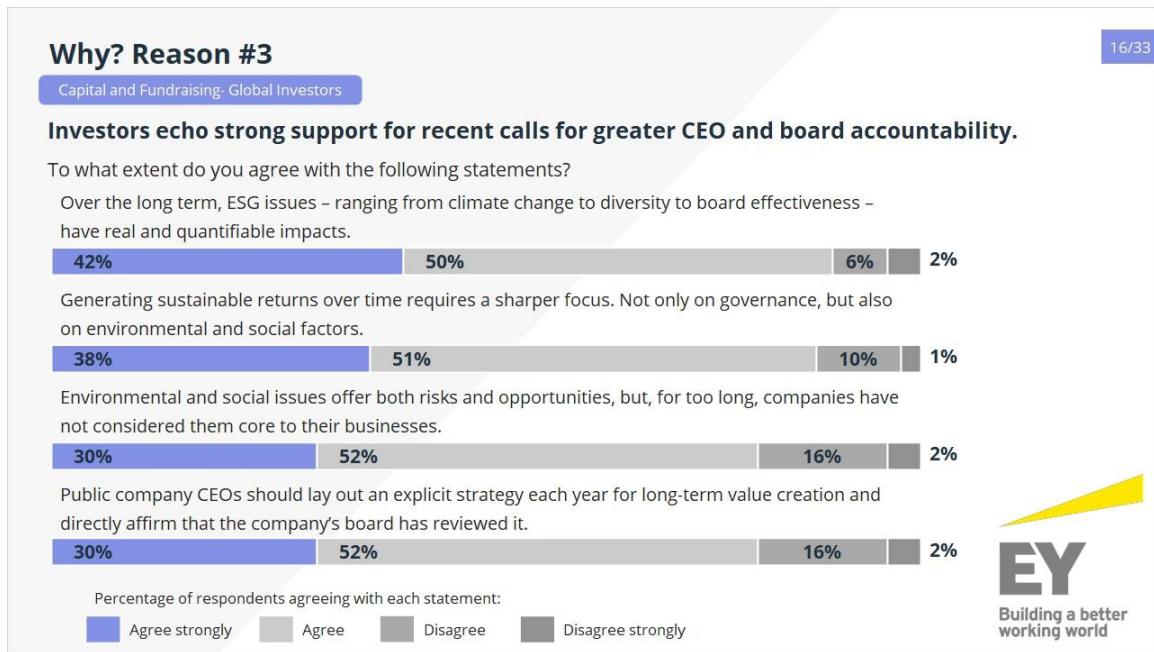
Launched a Social Enterprise Package in 2008.

Allows social enterprises to open corporate accounts with no minimum deposits and no minimum balance requirements.  
Offers benefits like free transaction services.

Notes:



## 1.17 Global Investors



### Notes:

## 1.18 Global Investors



**Why? Reason #3**

Capital and Fundraising- Global Investors

- Global impact investment markets had grown by 42.4% to US\$ 715 billion from US\$ 502 a year earlier.
- 294 global impact investors with a collective US\$ 404 billion impact investment assets under management.
- 88% of respondents reported meeting or exceeding their financial expectations, while 99% reported meeting or exceeding their impact expectations.

[Larry Fink's letters to CEOs](#)

[Impact-Investing Market Expands to \\$715 Billion](#)

[Global impact investment market going strong despite pandemic – GIIN](#)

17/33

### Notes:

## 1.19 The Exodus

Why? Reason #3

Capital and Fundraising- The Exodus

18/33

Philanthropy

Investment

Impact on Investment

Profit

Social Impact

Notes:

## 1.20 Fourth Reason: Compliance

### Why? Reason #4

Compliance – Increasing Regulations

**The Number Of Global ESG Regulations Is Increasing**

Year	No. of ESG regulations
1997	0
1998	0
1999	0
2000	0
2001	0
2002	0
2003	0
2004	0
2005	0
2006	0
2007	0
2008	0
2009	0
2010	0
2011	0
2012	0
2013	0
2014	0
2015	0
2016	0
2017	0
2018	0

Source: UN Principles for Responsible Investment, ESG Regulation Database.  
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19/33

Notes:

## 1.21 Compliance

### Why? Reason #4

Compliance

#### Examples

- Maritime Industry – IMO
  - Mandatory energy-efficient measures
  - Encouraging capacity buildin projects
- Palm Oil Industry
  - RSPO certification
- Construction Industry – LEED buildings
- ISO - 14001, 50001
- Stock Exchange - GRI

#### Ropes & Grey – article on 12th March 2018

- More regulation globally
- Mainstreaming of CSR in the investment community
- Increasing focus on CSR at the board level
- More CSR disclosure and new disclosure frameworks
- Scrutiny by commercial customers, consumers and other stakeholders
- High profile CSR issues in the press
- Increasing willingness by CEOs to engage on social issues



20/33

### Notes:

## 1.22 Compliance: ESG Regulations Across Regions



21/33

### Why? Reason #4

Compliance

**The European Green Deal** (launched in late 2019)

- Introducing a more stringent policies in bio-diversities, Sustainable agriculture, Clean Energy, Sustainable Industry, etc... for businesses and community to reach zero carbon by 2050
- E.g. The EU Sustainable Finance Disclosure Regulation

[How could the EU ESG Disclosure Regulation present an opportunity for businesses?](#)

[European Green Deal: What it means for your business](#)

### Notes:

## 1.23 Compliance: ESG Regulations Across Regions

### Why? Reason #4

Compliance : ESG Regulations Across Regions

#### Regional Examples

Ten latest ESG-themed bills in the United States that would require additional disclosures and other compliance activities by public companies

1. Uyghur labor in supply chains (two bills);
2. forced labor and human rights more generally (three bills);
3. ESG metrics and strategy;
4. climate change;
5. political expenditures (two bills); and
6. tax transparency.

#### Source:

<https://www.ropesgray.com/en/newsroom/alerts/2020/11/ESG-Legislation-Ten-Bills-for-Public-Companies-to-Watch-in-2021>



#### Notes:

## 1.24 Compliance: ESG Regulations Across Regions

### Why? Reason #4

Compliance : ESG Regulations Across Regions

#### Regional Examples

##### Hong Kong

- Since 2015, the Hong Kong Stock Exchange (HKEX) changed its rules to shift from a “voluntary” ESG reporting regime to a stricter “comply or explain” requirement.

##### China

- New ESG reporting guidelines have been promulgated by the China Securities Regulatory Commissions (CSRC) and the Shanghai Stock Exchange (SSE).
- Require listed companies and bond issuers to disclose ESG risks associated with their operations

Singapore Stock Exchange – mandatory sustainability reporting  
Singapore Government procures only with company with Green Label  
Favoring paper suppliers with sustainable land and forestry management practices

#### Resource HK, CH

<https://www.kroll.com/en-ca/insights/publications/compliance-risk/why-esg-is-on-the-rise-in-asia>

#### Singapore:

[Singapore:https://www.straitstimes.com/singapore/environment/sec-case-applaud-government-decision-to-buy-only-green-label-paper-products](https://www.straitstimes.com/singapore/environment/sec-case-applaud-government-decision-to-buy-only-green-label-paper-products)



23/33


### Notes:




## 1.25 Fifth Reason: Cost Saving

Why? - Reason #5 24/33

Cost Saving

  
Why ESG is Indispensable?

**McKinsey & Company**



In 2019, McKinsey released a Quarterly Report emphasizing the undeniable interwovenness between every business and environmental, social, and governance (ESG) concerns.

Financial performance goes hand in hand with the three components of ESG: environmental stewardship, social responsibility, and good governance.

## 1.26 Lower Operating Costs: Environmental Stewardship

Why? - Reason #5 25/33

Cost Saving

**Forbes**



## 1.27 Case: 3M's \$2.2 Billion "PPP" Program

### Why? - Reason #5

26/33

Cost Saving



#### 3M Case Study : Lower Operating Cost

3M, for instance, "has saved \$2.2 billion since introducing its 'pollution prevention pays' (3Ps) program, in 1975, preventing pollution up front by reformulating products, improving manufacturing processes, redesigning equipment, and recycling and reusing waste from production."

Notes:

## 1.28 Lower Operating Costs: Social Responsibility



**Why? - Reason #5** 27/33

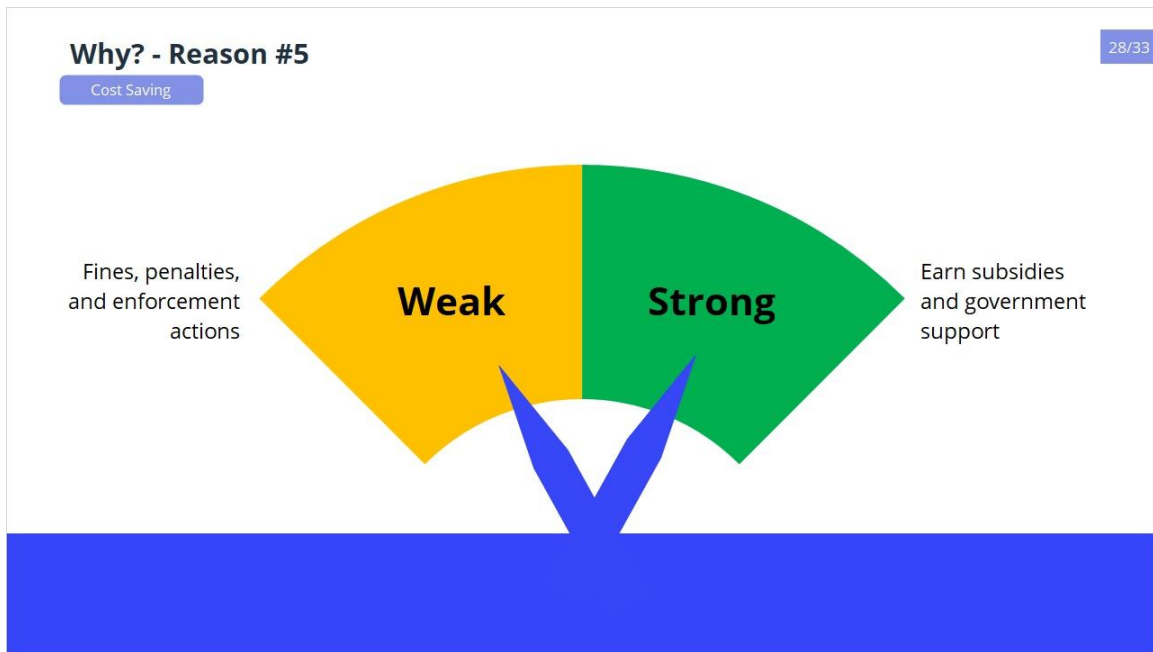
Cost Saving

Social Responsibility

Small Business 6 employees \$1million in annual revenue	PROFITS INCREASE POTENTIAL <b>51%</b>
Large Corporation 1,000 employees \$500 million in annual revenue	PROFITS INCREASE POTENTIAL <b>81%</b>

Notes:

## 1.29 Weak ESG Proposition



## 1.30 Weak Proposition

Why? - Reason #5 29/33

Cost Saving

👎

"Negative headlines stick in investors' minds."

Goldman Sachs

citi

G

WELLS FARGO

facebook

## 1.31 Case: Increased Employee Productivity

### Why? - Reason #5

Cost Saving

The SCORE Programme was piloted in Ethiopia from July-November and has achieved the following results.

- Over **4** ENTERPRISES trained
- Skills built of over **200** WORKERS AND MANAGERS
- INCREASED PRODUCTIVITY: up to **27%**
- INCREASED MOTIVATION OF WORKERS
- COST REDUCTIONS: up to **91%** of enterprises
- REDUCED SEARCH TIME: **3 MIN** to **15 SEC**
- REDUCED ABSENTEEISM: **11.8%** to **2.8%**
- DEFECT REDUCTION: **7.5%** to **2.4%**
- COST REDUCTION: **Birr 334,200**
- REDUCED TURNOVER: **11.7%** to **1.9%**

## 1.32 Module 2 Summary

### Why? - Reason #5

Cost Saving

Embracing sustainability measures is a way to attract new investors, lower the company's costs, and cut operating expenses.



Notes:

### 1.33 Video on ESG Value Creation

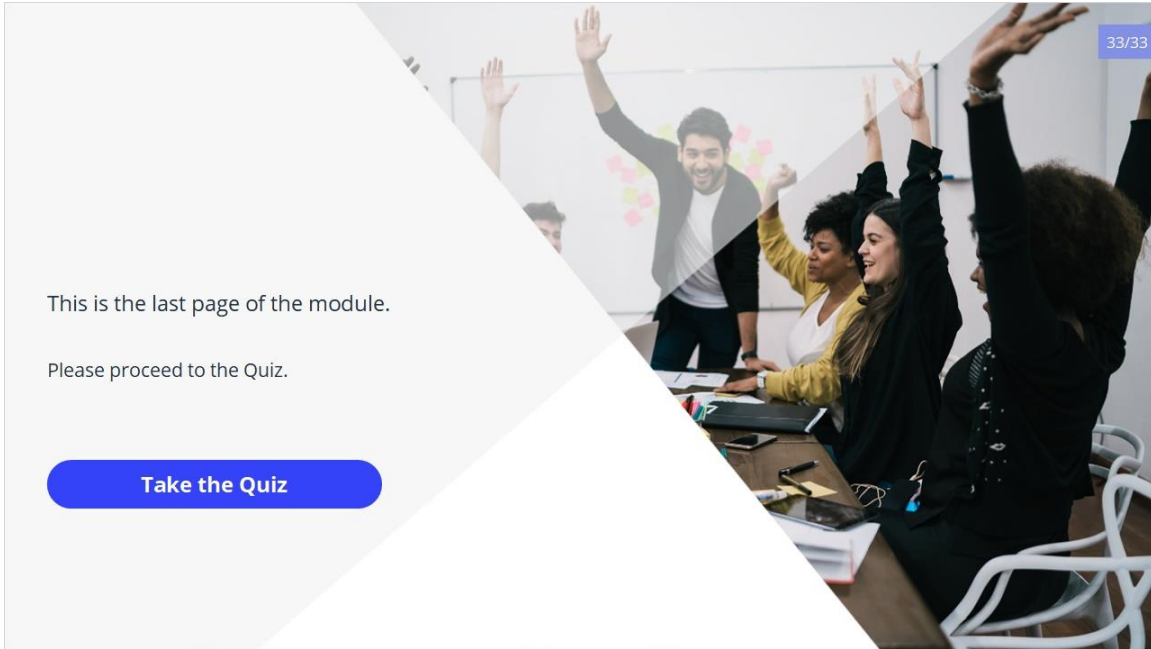
**Why? - Reason #5** 32/33

Cost Saving

Video

**Notes:**

## 1.34 End



This is the last page of the module.

Please proceed to the Quiz.

[Take the Quiz](#)

33/33

**Notes:**

## 1. Question Bank 1

### **Q1.1 Why? Reason #3**

*(Multiple Choice, 10 points, 1 attempt permitted)*

### Why? Reason #3

#### What Is ESG Investing And Why Should You Care?

##### Pop Quiz

Question #1

Which of these words is not included in ESG?

- Environmental
- Social
- Governance
- Exchange-traded



Correct	Choice
	Environmental
X	Social
	Governance
	Exchange-traded



**Excellent!**

**Your answer is correct. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #1

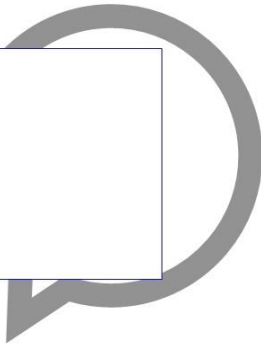
Which of these w

- Environmen
- Social
- Governanc
- Exchange-traded

**Excellent!**

**Your answer is correct.**

**Continue**



**Oops!**

**Your answer is incorrect. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #1

Which of these w

- Environment
- Social
- Governance
- Exchange-traded

**Oops!**

**Your answer is incorrect.**

**Continue**

**Q1.2 Why? Reason #3**

*(Multiple Choice, 10 points, 1 attempt permitted)*

### Why? Reason #3

#### What Is ESG Investing And Why Should You Care?

##### Pop Quiz

Question #2

Which generation is most likely to believe that investments “are a way to express social, political and environmental values?”

- Baby boomers
- Generation X
- Millennials
- Generation Z



Correct	Choice
	Baby boomers
	Generation X
X	Millennials
	Generation Z

**Excellent!**

**Your answer is correct. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #2

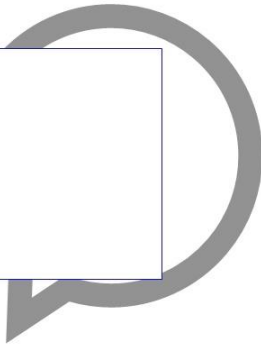
Which generation  
way to express so

- Baby boom
- Generation
- Millennials
- Generation Z

**Excellent!**

**Your answer is correct.**

[Continue](#)



**Oops!**

**Your answer is incorrect. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #2

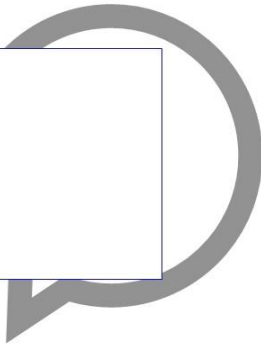
Which generation  
way to express sc

- Baby boom
- Generation
- Millennials
- Generation Z

**Oops!**

**Your answer is incorrect.**

[Continue](#)



**Q1.3 Why? Reason #3**

*(Multiple Choice, 10 points, 1 attempt permitted)*

### Why? Reason #3

#### What Is ESG Investing And Why Should You Care?

#### Pop Quiz

Question #3

Which of these is not a reason that companies release ESG metrics?

- It helps them produce better products and services
- It gives them a short-term PR boost
- It lower their costs
- It drives profits and attracts long-term investors



Correct	Choice
	It helps them produce better products and services
X	It gives them a short-term PR boost
	It lower their costs
	It drives profits and attracts long-term investors

**Excellent!**

**Your answer is correct. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #3

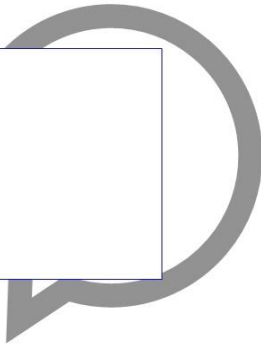
Which of these is

- It helps the
- It gives the
- It lower the
- It drives profits and attracts long-term investors

**Excellent!**

**Your answer is correct.**

[Continue](#)



**Oops!**

**Your answer is incorrect. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #3

Which of these is

- It helps the
- It gives the
- It lower the
- It drives profits and attracts long-term investors

**Oops!**

**Your answer is incorrect.**

[Continue](#)

**Q1.4 Why? Reason #3**

*(Multiple Choice, 10 points, 1 attempt permitted)*



### Why? Reason #3

#### What Is ESG Investing And Why Should You Care?

##### Pop Quiz

###### Question #4

Since 2008, investors in companies with above-average ESG score would have avoided 90% of what?

- Earnings misses
- Corporate bankruptcies
- Restructurings
- CEO indictments



Correct	Choice
	Earnings misses
X	Corporate bankruptcies
	Restructurings
	CEO indictments

**Excellent!**

**Your answer is correct. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #4

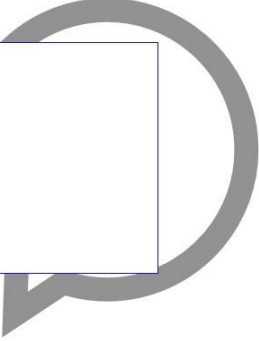
Since 2008, investors would have avoided

- Earnings management
- Corporate takeovers
- Restructuring
- CEO indictments

**Excellent!**

**Your answer is correct.**

**Continue**



**Oops!**

**Your answer is incorrect. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #4

Since 2008, investors would have avoided

- Earnings management
- Corporate tax avoidance
- Restructuring
- CEO indictments

**Oops!**

**Your answer is incorrect.**

[Continue](#)

**Q1.5 Why? Reason #3**

*(Multiple Choice, 10 points, 1 attempt permitted)*

### Why? Reason #3

#### What Is ESG Investing And Why Should You Care?

##### Pop Quiz

Question #5

By how much did the amount of U.S assets under management invested in ESG portfolios grow over the past two years?

- 12%
- 30%
- 98%
- 149%



Correct	Choice
	12%
X	30%
	98%
	149%

**Excellent!**

**Your answer is correct. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #5

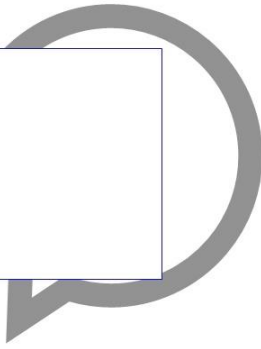
By how much did  
invested in ESG p

- 12%
- 30%
- 98%
- 149%

**Excellent!**

**Your answer is correct.**

**Continue**



**Oops!**

**Your answer is incorrect. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #5

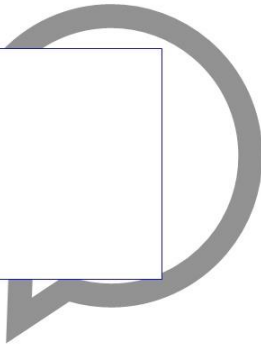
By how much did  
invested in ESG p

- 12%
- 30%
- 98%
- 149%

**Oops!**

**Your answer is incorrect.**

[Continue](#)



**Q1.6 Why? Reason #3**

*(Multiple Choice, 10 points, 1 attempt permitted)*

### Why? Reason #3

#### What Is ESG Investing And Why Should You Care?

#### Pop Quiz

Question #6

Which of the following is a top concern of ESG-oriented investors?

- Climate change
- Conflict risks
- Woman's advancement
- All the above



Correct	Choice
	Climate change
	Conflict risks
	Woman's advancement
X	All the above

**Excellent!**

**Your answer is correct. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #6

Which of the following is a reason why you should care about ESG investing?

- Climate change
- Conflict risk
- Woman's access to economic opportunities
- All the above

**Excellent!**

**Your answer is correct.**

**Continue**



**Oops!**

**Your answer is incorrect. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #6

Which of the following...

- Climate cha
- Conflict risk
- Woman's ac
- All the above

**Oops!**

**Your answer is incorrect.**

**Continue**

**Q1.7 Why? Reason #3**

*(Multiple Choice, 10 points, 1 attempt permitted)*

### Why? Reason #3

#### What Is ESG Investing And Why Should You Care?

##### Pop Quiz

###### Question #7

What is the difference between ESG, socially responsible investing (SRI) and impact investing?

- In ESG, you don't strictly include or exclude companies, like you do in SRI
- ESG principles are meant to be part of a broad range of criteria, not deal breakers
- Impacting investing is a targeted type of SRI meant to achieve a defined social goal
- All the above



Correct	Choice
	In ESG, you don't strictly include or exclude companies, like you do in SRI
	ESG principles are meant to be part of a broad range of criteria, not deal breakers
	Impacting investing is a targeted type of SRI meant to achieve a defined social goal
X	All the above

**Excellent!**

**Your answer is correct. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #7

What is the difference between ESG investing (SRI) and impact investing?

- In ESG, you only invest in companies that are socially responsible. In SRI, you also invest in companies that are environmentally friendly.
- ESG principles are based on the idea that companies that are socially responsible will perform better in the long run. Impact investing is based on the idea that companies that are socially responsible will perform better in the long run.
- Impact investing is a targeted type of SRI meant to achieve a defined social goal.
- All the above.

**Excellent!**

**Your answer is correct.**

**Continue**

**Oops!**

**Your answer is incorrect. (Slide Layer)**

**Why? Reason #3**

**What Is ESG Investing And Why Should You Care?**

**Pop Quiz**

Question #7

What is the difference between ESG investing (SRI) and impact investing?

- In ESG, you focus on environmental, social, and governance factors, while in SRI, you focus on environmental, social, and governance factors.
- ESG principles are not deal breakers, while impact investing is a targeted type of SRI meant to achieve a defined social goal.
- Impacting investing is a targeted type of SRI meant to achieve a defined social goal.
- All the above.

**Oops!**

**Your answer is incorrect.**

[Continue](#)

## 2. Pop Quiz

### **Q2.1 Question 1 of 4**

*(Pick One, 10 points, 1 attempt permitted)*

**Question 1 of 4**

26a/26

**What does the acronym ESG stand for?**

- Ecosystem, Social, and Governance
- Environmental, Social, and Governance
- Environmental, Society, and Governance
- Environmental, Society, and Government



Correct	Choice
	Ecosystem, Social, and Governance
X	Environmental, Social, and Governance
	Environmental, Society, and Governance
	Environmental, Society, and Government

**Feedback when correct:**

Lorem ipsum dolor sit amet, consectetur adipiscing elit. Integer hendrerit dictum tempus. Curabitur fringilla sapien vitae magna sollicitudin molestie. Sed dapibus, velit eget lacinia blandit, mauris metus hendrerit ligula, sodales tempus nisl dui vel dui. Donec ac imperdiet arcu, a ullamcorper elit. In vitae augue a nisi auctor imperdiet. Suspendisse potenti. Fusce sed massa et ex mattis ultricies. Donec fringilla tincidunt neque, eu aliquet arcu gravida sed. Suspendisse potenti. Nullam volutpat dui porta fermentum sagittis.

**Feedback when incorrect:**

Lorem ipsum dolor sit amet, consectetur adipiscing elit. Integer hendrerit dictum tempus. Curabitur fringilla sapien vitae magna sollicitudin molestie. Sed dapibus, velit eget lacinia blandit, mauris metus hendrerit ligula, sodales tempus nisl dui vel dui. Donec ac imperdiet arcu, a ullamcorper elit. In vitae augue a nisi auctor imperdiet. Suspendisse potenti. Fusce sed massa et ex mattis ultricies. Donec fringilla tincidunt neque, eu aliquet arcu gravida sed. Suspendisse potenti. Nullam volutpat dui porta fermentum sagittis.

## Feedback (Slide Layer)


**Question 1 of 4**

**What does the acronym ESG stand for?**

- Ecosystem, Social, and Governance
- Environmental, Social, and Governance
- Environmental, Society, and Governance
- Environmental, Society, and Government

**Continue**

26a/26



## Correct! (Slide Layer)

Question 1 of 4 26a/26

What does the acronym ESG stand for?

- Ecosystem
- Environm
- Environm
- Environm

**Correct!**

Lorem ipsum dolor sit amet, consectetur adipiscing elit. Integer hendrerit dictum tempus. Curabitur fringilla sapien vitae magna sollicitudin molestie. Sed dapibus, velit eget lacinia blandit, mauris metus hendrerit ligula, sodales tempus nisl dui vel dui. Donec ac imperdiet arcu, a ullamcorper elit. In vitae augue a nisi auctor imperdiet. Suspendisse potenti. Fusce sed massa et ex mattis ultricies. Donec fringilla tincidunt neque, eu aliquet arcu gravida sed. Suspendisse potenti. Nullam volutpat dui porta fermentum sagittis.

[Continue](#)

## Incorrect! (Slide Layer)

Question 1 of 4 26a/26

What does the acronym ESG stand for?

- Ecosystem
- Environm
- Environm
- Environm

**Incorrect!**

Lorem ipsum dolor sit amet, consectetur adipiscing elit. Integer hendrerit dictum tempus. Curabitur fringilla sapien vitae magna sollicitudin molestie. Sed dapibus, velit eget lacinia blandit, mauris metus hendrerit ligula, sodales tempus nisl dui vel dui. Donec ac imperdiet arcu, a ullamcorper elit. In vitae augue a nisi auctor imperdiet. Suspendisse potenti. Fusce sed massa et ex mattis ultricies. Donec fringilla tincidunt neque, eu aliquet arcu gravida sed. Suspendisse potenti. Nullam volutpat dui porta fermentum sagittis.

[Continue](#)

## Q2.2 Question 2 of 4


(Pick One, 10 points, 1 attempt permitted)

**Question 2 of 4**

26b/26

**Choose the incorrect statement.**

- Major retail groups are leveraging social impact to reach a wider market base and be more relatable to their customers.
- Global investors' leaders are showing strong support for ESG values as reported by EY Global.
- A business can thrive in the long-term without considering ESG compliance.
- Customers are one of the pillars why companies must focus on ESG.



Correct	Choice
	Major retail groups are leveraging social impact to reach a wider market base and be more relatable to their customers.
	Global investors' leaders are showing strong support for ESG values as reported by EY Global.
X	A business can thrive in the long-term without considering ESG compliance.
	Customers are one of the pillars why companies must focus on ESG.

### Feedback when correct:

You got the answer right!

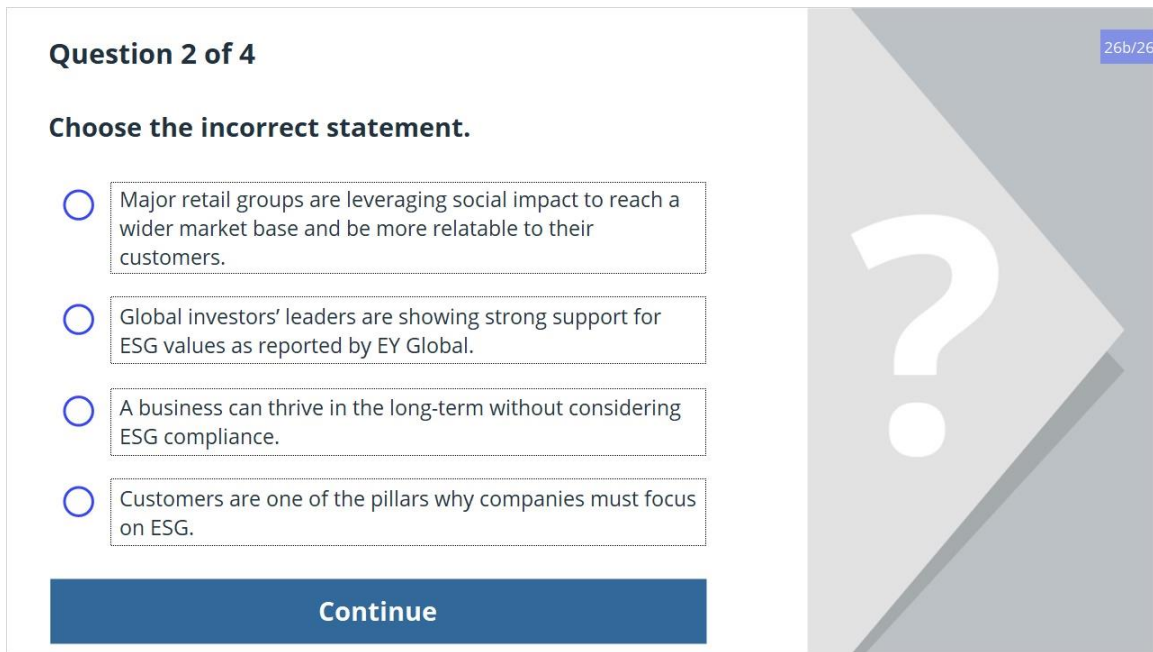
### Feedback when incorrect:

Sorry!



You got the wrong answer.

### Feedback (Slide Layer)



Question 2 of 4 26b/26

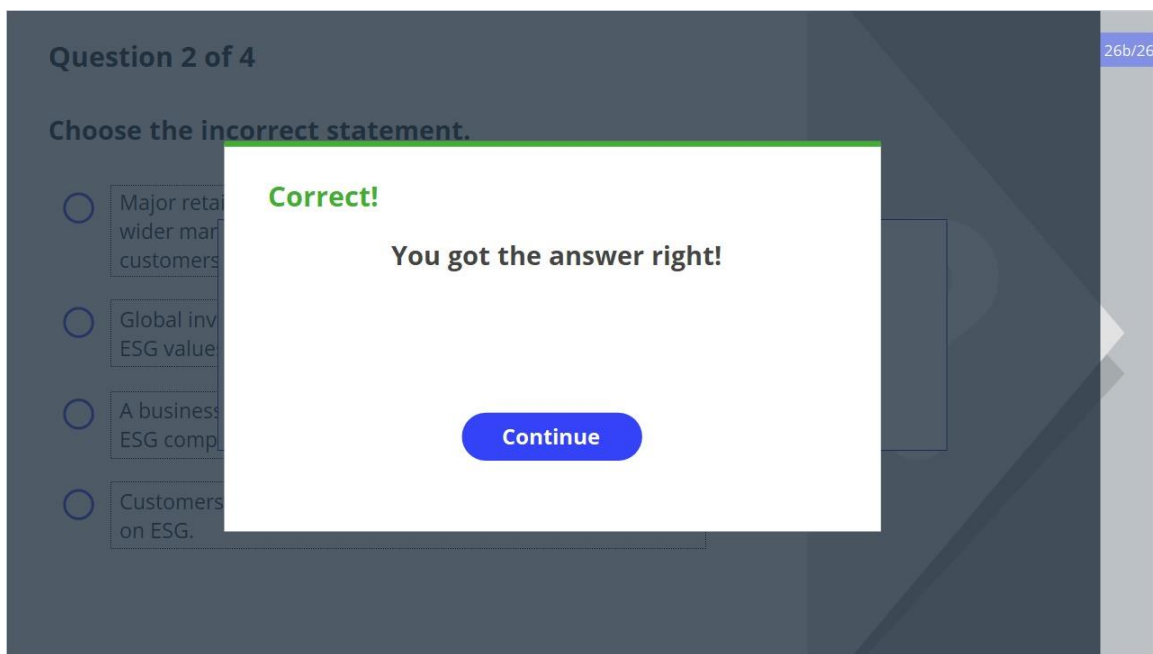
Choose the incorrect statement.

- Major retail groups are leveraging social impact to reach a wider market base and be more relatable to their customers.
- Global investors' leaders are showing strong support for ESG values as reported by EY Global.
- A business can thrive in the long-term without considering ESG compliance.
- Customers are one of the pillars why companies must focus on ESG.

**Continue**

?

### Correct! (Slide Layer)



Question 2 of 4 26b/26

Choose the incorrect statement.

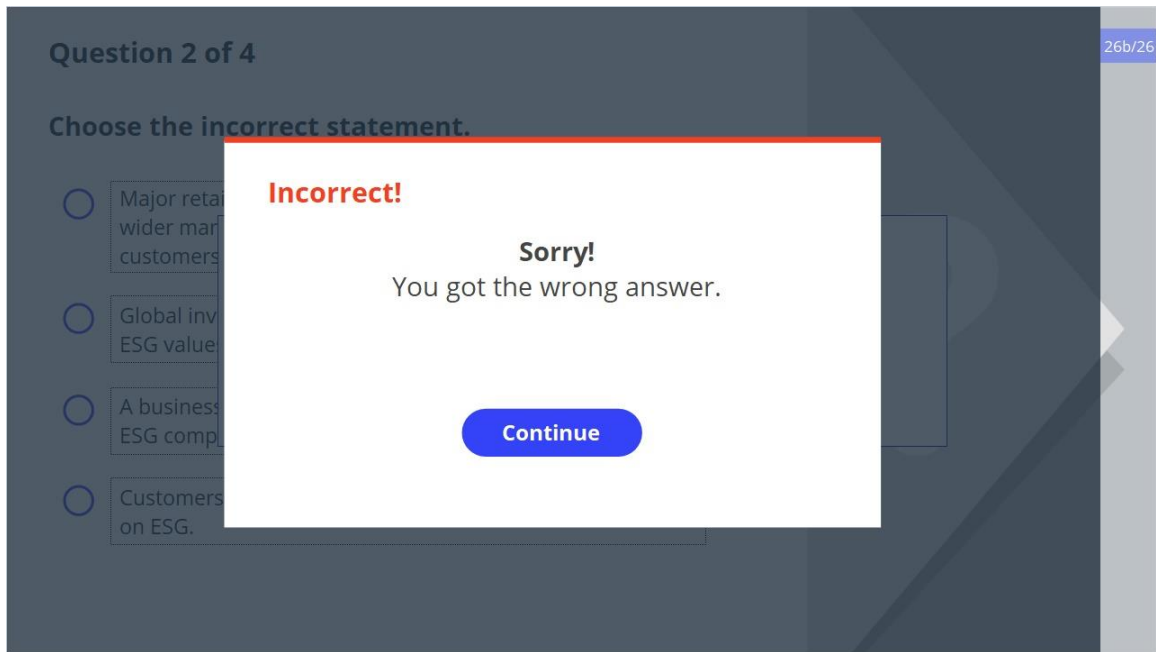
- Major retail groups are leveraging social impact to reach a wider market base and be more relatable to their customers.
- Global investors' leaders are showing strong support for ESG values as reported by EY Global.
- A business can thrive in the long-term without considering ESG compliance.
- Customers are one of the pillars why companies must focus on ESG.

**Correct!**

You got the answer right!

**Continue**

## Incorrect! (Slide Layer)



Question 2 of 4 26b/26

Choose the incorrect statement.

- Major retailers are targeting wider market segments and customers.
- Global investors are focusing on ESG value.
- A business's ESG compliance is a key factor in its valuation.
- Customers are increasingly concerned about ESG.

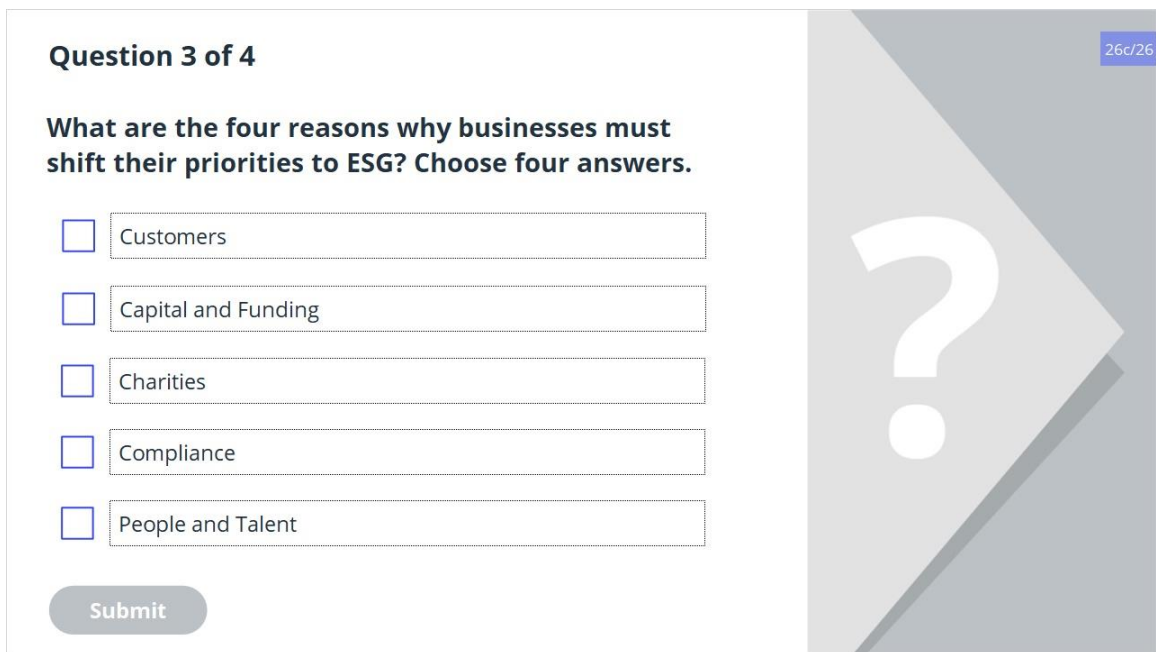
**Incorrect!**

**Sorry!**  
You got the wrong answer.

[Continue](#)

## Q2.3 Question 3 of 4

*(Pick Many, 10 points, 1 attempt permitted)*



Question 3 of 4 26c/26

What are the four reasons why businesses must shift their priorities to ESG? Choose four answers.

- Customers
- Capital and Funding
- Charities
- Compliance
- People and Talent

[Submit](#)

?

Correct	Choice
X	Customers
X	Capital and Funding
	Charities
X	Compliance
X	People and Talent

**Feedback when correct:**

You got the answer right!

**Feedback when incorrect:**

Sorry!

You got the wrong answer.


## Feedback (Slide Layer)

Question 3 of 4 26c/26

What are the four reasons why businesses must shift their priorities to ESG? Choose four answers.

- Customers
- Capital and Funding
- Charities
- Compliance
- People and Talent

[Continue](#)



## Correct! (Slide Layer)

Question 3 of 4 26c/26

What are the four reasons why businesses must shift their pri


- Customer
- Capital an
- Charities
- Complanc
- People and

[Submit](#)

**Correct!**

You got the answer right!

[Continue](#)



## Incorrect! (Slide Layer)

Question 3 of 4 26c/26

What are the four reasons why businesses must shift their priorities?

- Customer
- Capital an
- Charities
- Complianc
- People an

**Incorrect!**

**Sorry!**  
You got the wrong answer.

[Continue](#)

[Submit](#)

## Q2.4 Question 4 of 4


(Pick Many, 10 points, 1 attempt permitted)

Question 4 of 4 26d/26

**Why should companies consider ethical sourcing?  
Choose three answers.**

- Companies are increasingly looking at their supply chain through the ESG lenses.
- More companies are guaranteeing that their supply chain has safe, sanitary working conditions.
- The trend shows that more customers are willing to pay more for companies who prioritize fair trade.
- The ESG mindset is a fad forcing companies to source ethically.

[Submit](#)



Correct	Choice
X	Companies are increasingly looking at their supply chain through the ESG lenses.
X	More companies are guaranteeing that their supply chain has safe, sanitary working conditions.
X	The trend shows that more customers are willing to pay more for companies who prioritize fair trade.
	The ESG mindset is a fad forcing companies to source ethically.

**Feedback when correct:**

You got the answer right!

**Feedback when incorrect:**

Sorry!

You got the wrong answer.


## Feedback (Slide Layer)

Question 4 of 4 26d/26

**Why should companies consider ethical sourcing?  
Choose three answers.**

- Companies are increasingly looking at their supply chain through the ESG lenses.
- More companies are guaranteeing that their supply chain has safe, sanitary working conditions.
- The trend shows that more customers are willing to pay more for companies who prioritize fair trade.
- The ESG mindset is a fad forcing companies to source ethically.

**Continue**



## Correct! (Slide Layer)

Question 4 of 4 26d/26

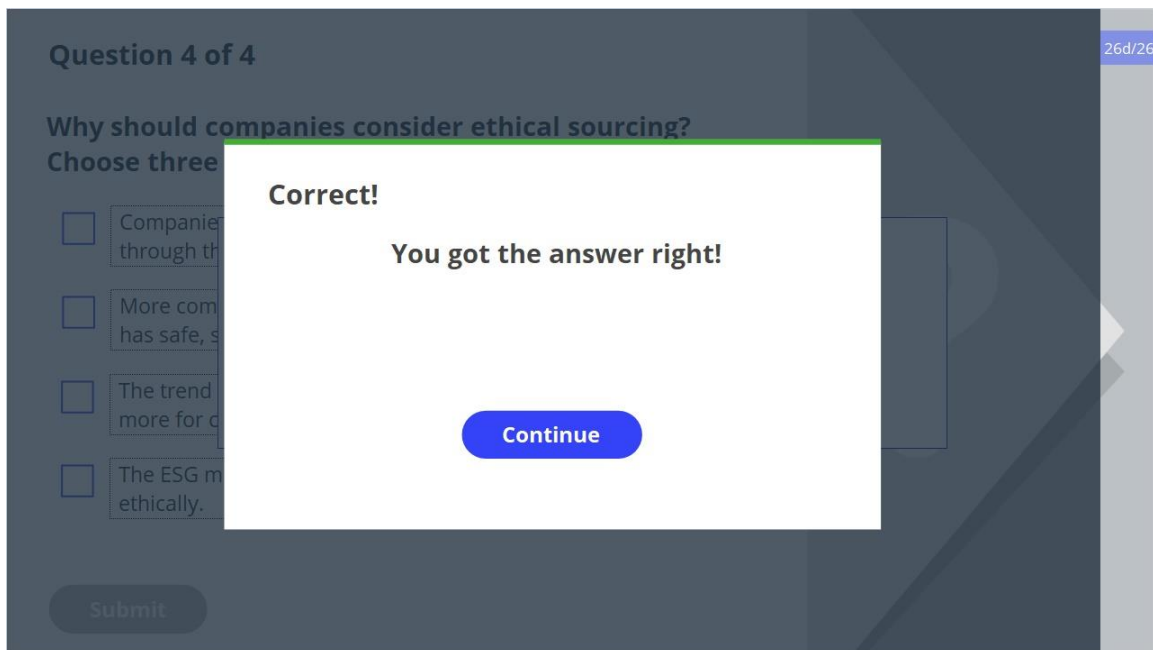
**Why should companies consider ethical sourcing?  
Choose three**

- Companies through th
- More com has safe, s
- The trend more for c
- The ESG m ethically.

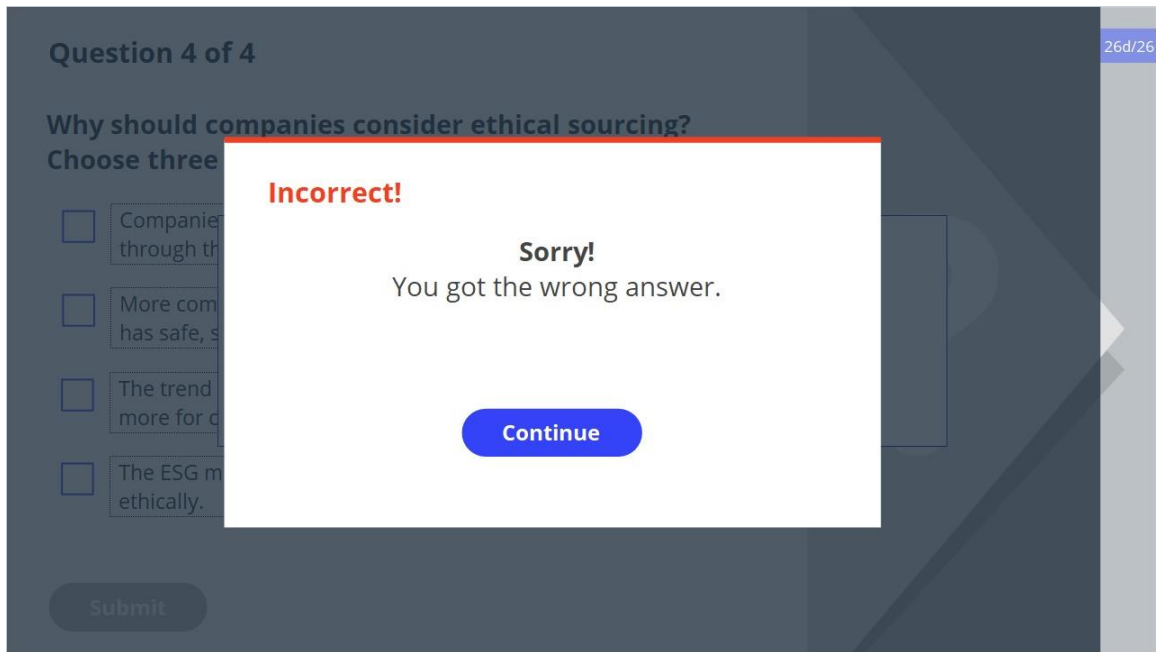
**Correct!**  
You got the answer right!

**Continue**

Submit



## Incorrect! (Slide Layer)



The screenshot shows a quiz interface with a dark blue background. At the top left, it says "Question 4 of 4". At the top right, there is a small blue box with the text "26d/26". The main question is "Why should companies consider ethical sourcing?" followed by "Choose three". Below the question are four multiple-choice options, each with a checkbox and a text box. The options are: "Companies through th", "More com has safe, s", "The trend more for d", and "The ESG m ethically.". A "Submit" button is at the bottom left. A white modal box with a red border is overlaid in the center, containing the text "Incorrect!" in red, "Sorry!" in bold, and "You got the wrong answer." Below this is a blue "Continue" button.

### 3. New Question Bank

#### **Q3.1 Why? Reason #3**

*(Multiple Choice, 10 points, 1 attempt permitted)*



### Why? Reason #3

#### Compliance

#### Pop Quiz

##### Question #1

Since 2013, the number of ESG-related regulations (both mandatory and voluntary) has increased by:

- 31%
- 45%
- 59%
- 72%



Correct	Choice
	31%
	45%
	59%
X	72%

#### Feedback when correct:

Since 2013, the world has seen a 72% increase of the number of recorded ESG regulations. To date, there are more than 4,000 non-financial regulatory initiatives on ESG.

#### Feedback when incorrect:

Since 2013, the world has seen a 72% increase of the number of recorded ESG regulations. To date, there are more than 4,000 non-financial regulatory initiatives on ESG.

## Your answer is correct! (Slide Layer)

**Why? Reason #3**

**Compliance**

**Pop Quiz**

Question #1

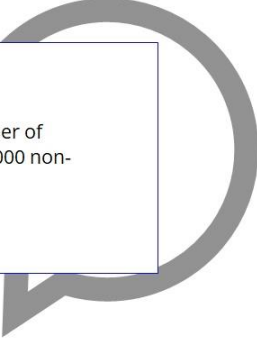
Since 2013, the number of recorded ESG regulations has increased by a mandatory and voluntary percentage.

- 31%
- 45%
- 59%
- 72%

**Your answer is correct!**

Since 2013, the world has seen a 72% increase of the number of recorded ESG regulations. To date, there are more than 4,000 non-financial regulatory initiatives on ESG.

**Continue**



## Your answer is incorrect! (Slide Layer)

**Why? Reason #3**

**Compliance**

**Pop Quiz**

Question #1

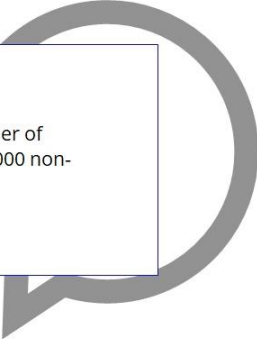
Since 2013, the number of recorded ESG regulations has increased by a mandatory and voluntary percentage.

- 31%
- 45%
- 59%
- 72%

**Your answer is incorrect!**

Since 2013, the world has seen a 72% increase of the number of recorded ESG regulations. To date, there are more than 4,000 non-financial regulatory initiatives on ESG.

**Continue**



### Q3.2 Why? Reason #3

(Multiple Choice, 10 points, 1 attempt permitted)


**Why? Reason #3**

**Compliance**  
**Pop Quiz**

Question #2

How many companies have joined the Task Force on Climate-related Financial Disclosures (TCFD) as of September 2018?

- 260
- 513
- 384
- 471



Correct	Choice
	260
X	513
	384
	471

**Feedback when correct:**

As of 26 September 2018, at the launch of the first TCFD Status Report, 513 organizations have expressed their support for the TCFD.

**Feedback when incorrect:**

As of 26 September 2018, at the launch of the first TCFD Status Report, 513 organizations have expressed their support for the TCFD.

## Your answer is correct! (Slide Layer)

**Why? Reason #3**

**Compliance**

**Pop Quiz**

Question #2

How many comp  
related Financial

260

513

384

471

**Your answer is correct!**

As of 26 September 2018, at the launch of the first TCFD Status Report, 513 organizations have expressed their support for the TCFD.

**Continue**

## Your answer is incorrect! (Slide Layer)

**Why? Reason #3**

**Compliance**

**Pop Quiz**

Question #2

How many comp  
related Financial

260

513

384

471

**Your answer is incorrect!**

As of 26 September 2018, at the launch of the first TCFD Status Report, 513 organizations have expressed their support for the TCFD.

**Continue**

### Q3.3 Why? Reason #3

(Multiple Choice, 10 points, 1 attempt permitted)

**Why? Reason #3**

**Compliance**  
**Pop Quiz**

Question #3

How many new regulations concerning greenhouse gasses have been released in the US since 2015?

- 12
- 20
- 27
- 33



Correct	Choice
	12
X	20
	27
	33

**Feedback when correct:**

Since 2015, 20 new regulations concerning GHG have been released in the US.

**Feedback when incorrect:**

Since 2015, 20 new regulations concerning GHG have been released in the US.

## Your answer is correct! (Slide Layer)

**Why? Reason #3**

**Compliance**

**Pop Quiz**

Question #3

How many new regulations concerning GHG have been released in the US since 2015?

- 12
- 20
- 27
- 33

**Your answer is correct!**

Since 2015, 20 new regulations concerning GHG have been released in the US.

**Continue**

## Your answer is incorrect! (Slide Layer)

**Why? Reason #3**

**Compliance**

**Pop Quiz**

Question #3

How many new regulations concerning GHG have been released in the US since 2015?

- 12
- 20
- 27
- 33

**Your answer is incorrect!**

Since 2015, 20 new regulations concerning GHG have been released in the US.

**Continue**

### Q3.4 Why? Reason #3

(Multiple Choice, 10 points, 1 attempt permitted)

**Why? Reason #3**


**Compliance**

**Pop Quiz**

Question #4

With the exclusion of European countries, how many mandatory regulations concerning Forced Labour have been published around the world?

- 15
- 19
- 25
- 37



Correct	Choice
	15
	19
X	25
	37

**Feedback when correct:**

Globally, excluding European countries, there are 25 active mandatory country regulations that cover Forced Labour. 15 of them have been published or updated after 2010.

**Feedback when incorrect:**

Globally, excluding European countries, there are 25 active mandatory country regulations that cover Forced Labour. 15 of them have been published or updated after 2010.

## Your answer is correct! (Slide Layer)

**Why? Reason #3**

**Compliance**

**Pop Quiz**

Question #4

With the exclusion of European countries, there are 25 active mandatory country regulations that cover Forced Labour. 15 of them have been published or updated after 2010.

15

19

25

37

**Your answer is correct!**

Globally, excluding European countries, there are 25 active mandatory country regulations that cover Forced Labour. 15 of them have been published or updated after 2010.

[Continue](#)

## Your answer is incorrect! (Slide Layer)

**Why? Reason #3**

**Compliance**

**Pop Quiz**

Question #4

With the exclusion of European countries, there are 25 active mandatory country regulations that cover Forced Labour. 15 of them have been published or updated after 2010.

15

19

25

37

**Your answer is incorrect!**

Globally, excluding European countries, there are 25 active mandatory country regulations that cover Forced Labour. 15 of them have been published or updated after 2010.

[Continue](#)



### Q3.5 Why? Reason #3

(Multiple Choice, 10 points, 1 attempt permitted)


**Why? Reason #3**

**Compliance**  
**Pop Quiz**

Question #5

What area does the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework support?

- Sustainability
- Enterprise risk management
- Corporate communications
- Supply Chain



Correct	Choice
	Sustainability
X	Enterprise risk management
	Corporate communications
	Supply Chain

**Feedback when correct:**

The COSO framework aims to provide a more robust and extensive focus on enterprise risk management.

**Feedback when incorrect:**

The COSO framework aims to provide a more robust and extensive focus on enterprise risk management.

## Your answer is correct! (Slide Layer)

**Why? Reason #3**

**Compliance**

**Pop Quiz**

Question #5

What area does the COSO framework aim to provide a more robust and extensive focus on enterprise risk management?

Sustainability

Enterprise Risk Management

Corporate Governance

Supply Chain

**Your answer is correct!**

The COSO framework aims to provide a more robust and extensive focus on enterprise risk management.

**Continue**

## Your answer is incorrect! (Slide Layer)

**Why? Reason #3**

**Compliance**

**Pop Quiz**

Question #5

What area does the COSO framework aim to provide a more robust and extensive focus on enterprise risk management?

Sustainability

Enterprise Risk Management

Corporate Governance

Supply Chain

**Your answer is incorrect!**

The COSO framework aims to provide a more robust and extensive focus on enterprise risk management.

**Continue**

