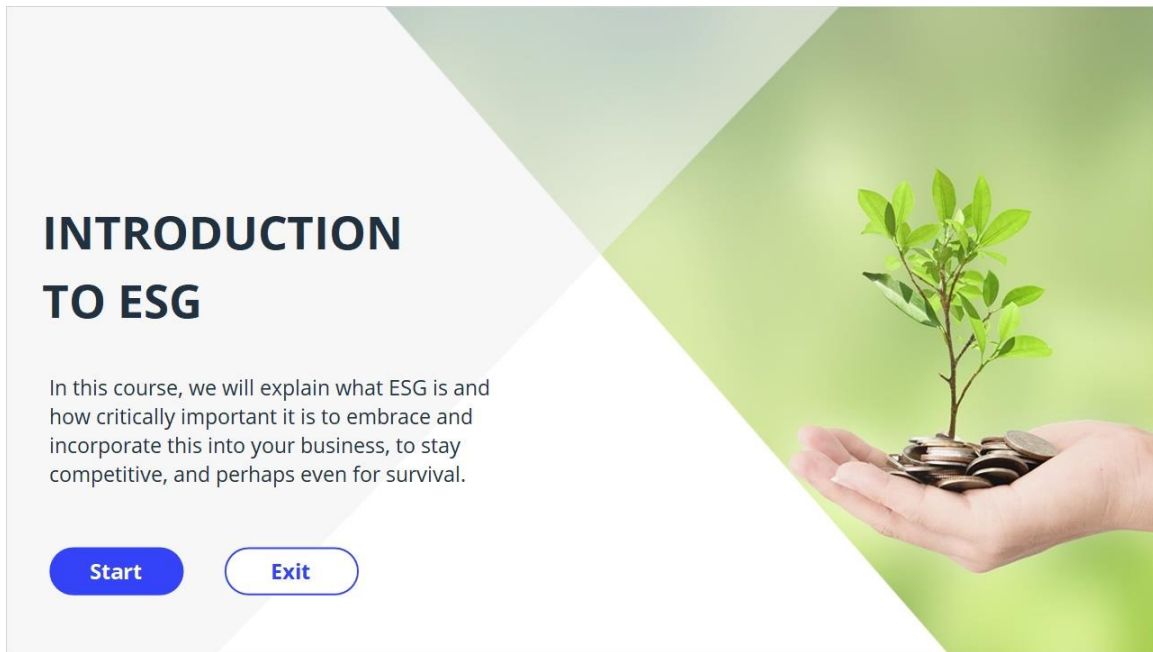


# Lestari Module 1

## 1. ESG Module 1

### 1.1 INTRODUCTION TO ESG

A presentation slide titled "INTRODUCTION TO ESG". The slide features a background with a light green and white geometric design. On the right side, there is an image of a hand holding a stack of coins with a small green plant growing out of them. The text on the slide reads: "INTRODUCTION TO ESG", "In this course, we will explain what ESG is and how critically important it is to embrace and incorporate this into your business, to stay competitive, and perhaps even for survival.", and two buttons labeled "Start" and "Exit".

**INTRODUCTION TO ESG**

In this course, we will explain what ESG is and how critically important it is to embrace and incorporate this into your business, to stay competitive, and perhaps even for survival.

[Start](#) [Exit](#)

#### Notes:

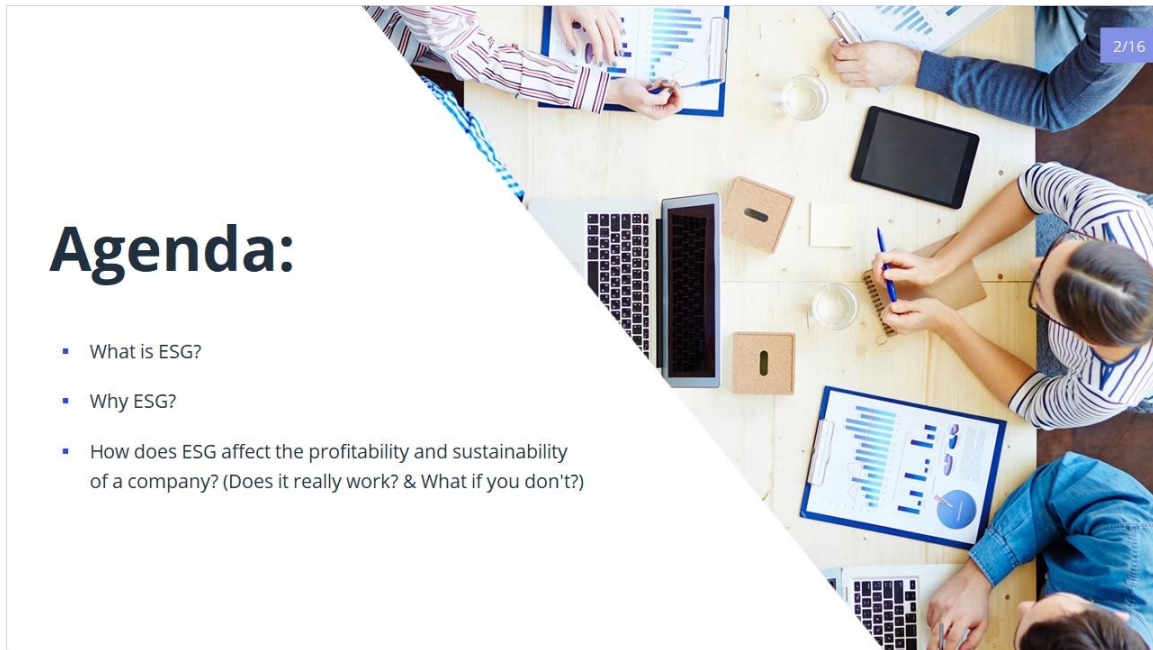
<prosody rate="-10%">

Welcome **INTRODUCTION TO ESG**. <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 Course Agenda

An overhead photograph of a meeting table. Several people are seated around the table, working on laptops and tablets. There are also some papers, a water bottle, and a small wooden box on the table. The image is partially obscured by a white diagonal shape on the left side.

2/16




# Agenda:

- What is ESG?
- Why ESG?
- How does ESG affect the profitability and sustainability of a company? (Does it really work? & What if you don't?)

### Notes:

## 1.3 The Thrust of This Workshop

The Thrust of This Module 3/16

		
Environmental	Social	Governance

Notes:

## 1.4 What is NOT ESG?

### What is NOT ESG?

4/16

1. ESG is immensely broader than donations, charity, or events, which

- Consumes resources — money, time, energy
- Makes participation from colleagues a challenge
- Might not have the desired outcome



2. ESG should be embedded in the way you do business

- Should not need extra effort and resources
- Be sustainable and scalable

### Notes:

## Video (Slide Layer)

What is NOT ESG? 4/16



Video

### ***1.5 What is ESG? – Not just the Environment***

What is ESG? – Not just the Environment 5/16



Video

**3.** Adapting ESG will lead to better business and financial outcome.

**Notes:**

## 1.6 Looking at Businesses With an ESG Lens



Notes:

## 1 (Slide Layer)

Looking at Businesses With an ESG Lens 6/16

Scalability

Sustainability

Business conscious about doing good

For profit and for social purpose

For-profit Social Enterprise

Revenues only, No Profit Distribution

Not for profit Social Enterprise

+ Revenues, No Profit Distribution

Charities and Foundations

Donations & Grants only

## 2 (Slide Layer)

Looking at Businesses With an ESG Lens 6/16

Scalability

Sustainability

Business conscious about doing good

For profit and for social purpose

For-profit Social Enterprise

Revenues only, No Profit Distribution

Not for profit Social Enterprise

+ Revenues, No Profit Distribution

Charities and Foundations

Donations & Grants only

### 3 (Slide Layer)

Looking at Businesses With an ESG Lens 6/16

The diagram illustrates a progression of business models based on ESG factors. A man in a blue shirt and black pants, carrying a briefcase, is climbing a set of five steps. Two blue arrows labeled "Scalability" and "Sustainability" point upwards from the steps. The steps are labeled with business models: "Donations & Grants only", "+ Revenues, No Profit Distribution", "Revenues only, No Profit Distribution", "For profit and for social purpose", and "Business conscious about doing good". To the right of the steps are colored boxes representing "Charities and Foundations" (brown), "Not for profit Social Enterprise" (yellow-green), and "For-profit Social Enterprise" (green).

### 4 (Slide Layer)

Looking at Businesses With an ESG Lens 6/16

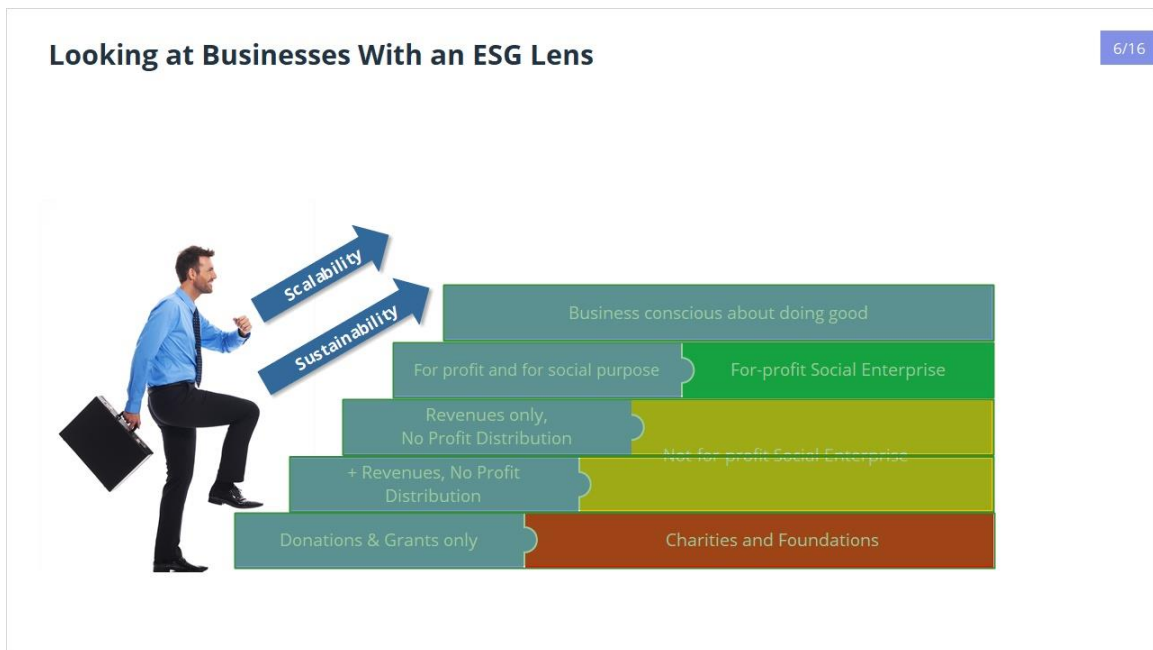
The diagram illustrates a progression of business models based on ESG factors. A man in a blue shirt and black pants, carrying a briefcase, is climbing a set of five steps. Two blue arrows labeled "Scalability" and "Sustainability" point upwards from the steps. The steps are labeled with business models: "Donations & Grants only", "+ Revenues, No Profit Distribution", "Revenues only, No Profit Distribution", "For profit and for social purpose", and "Business conscious about doing good". To the right of the steps are colored boxes representing "Charities and Foundations" (brown), "Not for profit Social Enterprise" (yellow-green), and "For-profit Social Enterprise" (green).



## 5 (Slide Layer)



## 6 (Slide Layer)



## 7 (Slide Layer)

### Looking at Businesses With an ESG Lens

6/16

Purpose	Triple Bottom Line - 3P
• Conscious Business	• Conscious Capitalism
• Inclusive Business	• Social Impact
• Shared Value	• Sustainability

## 1.7 Some Definitions

### Some Definitions

7/16

**Conscious Business or Capitalism**  
Those that choose to follow a business strategy, in which they seek to benefit both human beings and the environment.

**Inclusive Business**  
Benefits low-income communities by including them in a company's value chain on the demand side as clients and consumers, and/or on the supply side as producers, entrepreneurs or employees "Creating Value for All".

**Shared Values**  
Enhancing the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates.

“  
Organizations will be judged not just for quality and the price of their product, but for who they are - in relation to their customers, their employees, and society as a whole.  
”

- Boston Consulting Group

**Notes:**

## 1.8 The Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) 8/16

	<b>1</b> NO POVERTY 	<b>2</b> ZERO HUNGER 	<b>3</b> GOOD HEALTH AND WELL-BEING 	<b>4</b> QUALITY EDUCATION 	<b>5</b> GENDER EQUALITY 
<b>6</b> CLEAN WATER AND SANITATION 	<b>7</b> AFFORDABLE AND CLEAN ENERGY 	<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	<b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE 	<b>10</b> REDUCED INEQUALITIES 	<b>11</b> SUSTAINABLE CITIES AND COMMUNITIES 
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	<b>13</b> CLIMATE ACTION 	<b>14</b> LIFE BELOW WATER 	<b>15</b> LIFE ON LAND 	<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS 	<b>17</b> PARTNERSHIPS FOR THE GOALS 

Achieving the SDGs could open present opportunities worth US\$12 trillion by 2030 in business savings and revenues and create 380 million jobs.

Notes:

## 1.9 Mapping SDGs Across 3 ESG Factors



Notes:

## 1.10 Sustainable Investment Strategies & SDGs

### Sustainable Investment Strategies & SDGs

10/16

9 key takeaways from the Berenberg Bank's study on Perceptions of sustainable investment strategies and the SDGs:

1. Engagement and impact measurement are the most critical ESG strategies.
2. Investors would like to see their money being used more proactively.
3. There is scope to create investment products for less accessible SDGs.
4. The SDGs can be used when investing globally.
5. There is a need for more genuinely impact-focused products that are accessible.
6. Measuring and reporting on the impact of investments will be challenging.
7. Good corporate governance should be considered alongside the SDGs.
8. The majority believe sustainable investments will outperform conventional investments.
9. Investment performance is important to investors and should sit alongside impact.



#### Notes:

## 1.11 The Business Case for SDGs



### The Business Case for SDGs

11/16

Please click on the logos to link to the relevant publications.



Notes:

## EY (Slide Layer)



**The Business Case for SDGs** 11/16

Please click on the logos to link to the relevant publications.

*This EY report articulates that following the SDGs can help your business drive growth, address risk, attract capital, and focus on purpose-driven entrepreneurship, before providing six strategies you can easily implement into your own company to do so.*



## Harvard Business Publishing (Slide Layer)



**The Business Case for SDGs** 11/16

Please click on the logos to link to the relevant publications.

*Dean of Fletcher School at Tufts University Bhaskar Chakravoti explains why SDGs are so critical for a business' survival through a mixture of observation and analysis in this engaging Harvard Business Review Article.*



## Accenture (Slide Layer)



**The Business Case for SDGs** 11/16

Please click on the logos to link to the relevant publications.

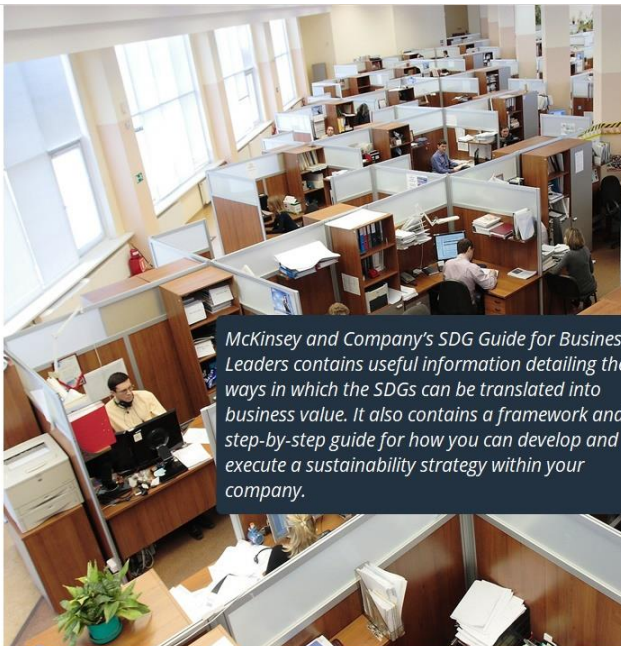
**EY**  **Harvard Business Publishing**

 **BCG**




*In the joint United Nations Global Compact-Accenture Strategy 2019 CEO Study here, the highest barriers of entry for CEOs in adopting a more SDG-oriented workplace are outlined.*


## VL (Slide Layer)




**The Business Case for SDGs** 11/16

Please click on the logos to link to the relevant publications.

**EY**  **Harvard Business Publishing**

 **BCG**



*McKinsey and Company's SDG Guide for Business Leaders contains useful information detailing the ways in which the SDGs can be translated into business value. It also contains a framework and step-by-step guide for how you can develop and execute a sustainability strategy within your company.*



## BCG (Slide Layer)



**The Business Case for SDGs** 11/16

Please click on the logos to link to the relevant publications.

**EY** **Harvard Business Publishing**

*In an interesting perspective on the UN SDGs, Boston Consulting Group Partner and Director Douglas Beal highlights the importance of selective adoption of the SDGs due to their conflicting implications and calls for the prioritization of depth instead of breadth when adopting the goals into business operations.*

**BCG**

**accenture**

## 1.12 Fujitsu Group using SDGs to Achieve Sustainable Growth

**The Business Case for SDGs: Fujitsu Group** 12/16

Web Object

Address:  
<https://www.youtube.com/embed/F5hDs6uC-Sk>

The **Fujitsu Group** adapted five sustainable goals that resonate with their business through their Information and Communication Technology (ICT).



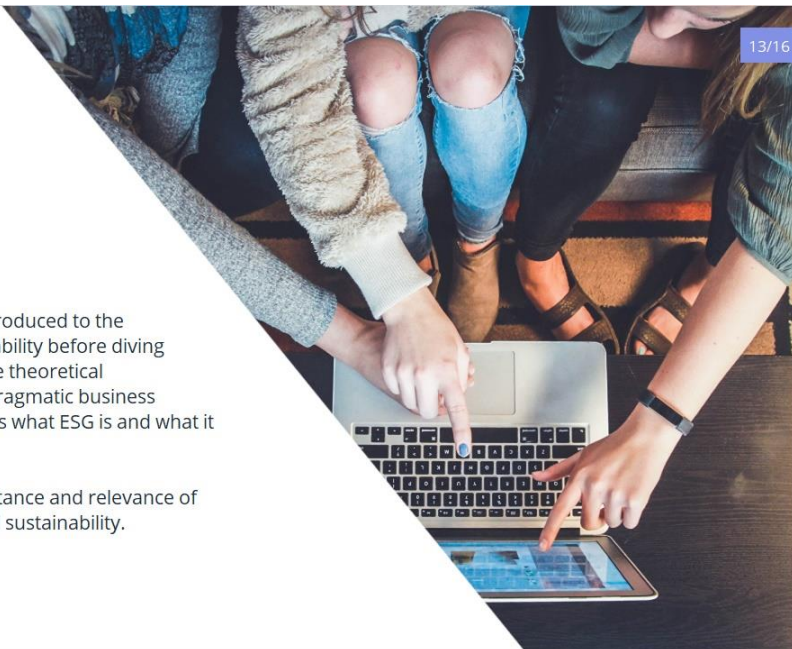
### Notes:

<prosody rate="-10%">

The Fujitsu Group adapted five sustainable goals that resonate with their business through their Information and communication technology. Let's watch this video.

</prosody>

### **1.13 Module 1 Summary**



# Module 1 Summary

In this module, you have been introduced to the professional approach to sustainability before diving deeper into how you can integrate theoretical sustainability management into pragmatic business strategy. The module also explains what ESG is and what it is not.

In addition, it describes the importance and relevance of ESG for your business growth and sustainability.

**Notes:**

### **1.14 What is ESG? – Environment, Social, and Governance**

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

## What is ESG? – Environment, Social, and Governance

14/16

### Pop Quiz

#### Question #1

Please choose the statement which correctly explains the difference between CSR & ESG

- CSR is when companies concern themselves with how they redirect profits for philanthropic movements, while ESG is when companies change the way they generate profits to maximise positive impact on the environment, its shareholders, and the management board.
- CSR refers to activities a company undertakes through the assistance of an external party (typically a charity or foundation) to complete philanthropic initiatives, while ESG concentrates on the company's operations' impact on both external and internal parties. This includes the system of how the company operates and is run.



Correct	Choice
	CSR is when companies concern themselves with how they redirect profits for philanthropic movements, while ESG is when companies change the way they generate profits to maximise positive impact on the environment, its shareholders, and the management board.
X	CSR refers to activities a company undertakes through the assistance of an external party (typically a charity or foundation) to complete philanthropic initiatives, while ESG concentrates on the company's operations' impact on both external and internal parties. This includes the system of how the company operates and is run.

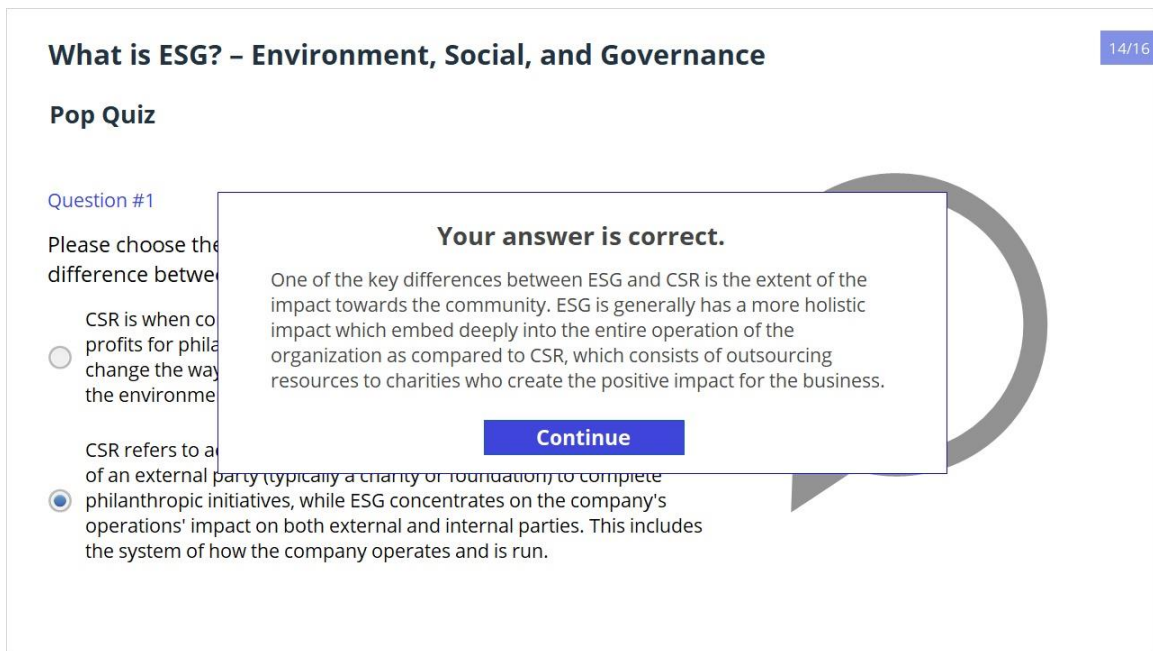
#### Feedback when correct:

One of the key differences between ESG and CSR is the extent of the impact towards the community. ESG is generally has a more holistic impact which embed deeply into the entire operation of the organization as compared to CSR, which consists of outsourcing resources to charities who create the positive impact for the business.

#### Feedback when incorrect:

When a company implements ESG-centered policies, they are measuring their impact not only on the environment, its shareholders, and the management board, but also its stakeholders (such as disadvantaged communities and workers) that have no financial leverage over the business' operations but are still affected by them.

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



The screenshot shows a quiz slide titled "What is ESG? – Environment, Social, and Governance" with a progress indicator of 14/16. The quiz question asks for the difference between ESG and CSR. A confirmation message overlay states "Your answer is correct." and provides a detailed explanation of the difference. The explanation states that ESG has a more holistic impact compared to CSR, which is more focused on outsourcing resources to charities. A "Continue" button is visible on the overlay.

**What is ESG? – Environment, Social, and Governance** 14/16

**Pop Quiz**

Question #1

Please choose the difference between ESG and CSR.

- CSR is when companies use their profits for philanthropic initiatives to change the way the environment is perceived.
- CSR refers to a company's impact on both external and internal parties. This includes the system of how the company operates and is run.

**Your answer is correct.**

One of the key differences between ESG and CSR is the extent of the impact towards the community. ESG is generally has a more holistic impact which embed deeply into the entire operation of the organization as compared to CSR, which consists of outsourcing resources to charities who create the positive impact for the business.

**Continue**

## Your answer is Incorrect. (Slide Layer)

### What is ESG? – Environment, Social, and Governance

14/16

#### Pop Quiz

Question #1

Please choose the correct answer to the question below. What is the difference between CSR and ESG?

- CSR is when companies donate profits for philanthropic initiatives to change the way they operate and the environment.
- CSR refers to actions taken by an external party (typically a charity or foundation) to complete philanthropic initiatives, while ESG concentrates on the company's operations' impact on both external and internal parties. This includes the system of how the company operates and is run.

**Your answer is Incorrect.**

When a company implements ESG-centered policies, they are measuring their impact not only on the environment, its shareholders, and the management board, but also its stakeholders (such as disadvantaged communities and workers) that have no financial leverage over the business' operations but are still affected by them.

**Continue**

## 1.15 What is ESG? – Environment, Social, and Governance

(Multiple Choice, 10 points, 1 attempt permitted)

### What is ESG? – Environment, Social, and Governance

15/16

#### Pop Quiz

Question #2

Select which action best serves as an example of a company practicing ESG.

- SuperV Company produces candles and allocates 30% of its 2021 profits to an NGO campaign providing shelter to widows in rural India.
- PaperGlow Ltd is a privately held entity that engage victims of domestic abuse to produce lanterns and pay them a living wage



Correct	Choice
	SuperV Company produces candles and allocates 30% of its 2021 profits to an NGO campaign providing shelter to widows in rural India.
X	PaperGlow Ltd is a privately held entity that engage victims of domestic abuse to produce lanterns and pay them a living wage

**Feedback when correct:**

PaperGlow Ltd is a privately held entity that engage victims of domestic abuse to produce lanterns and pay them a living wage

**Feedback when incorrect:**

SuperV is only providing donation to a charitable campaign that helps the widows in rural India. The initiative is not sustainable in a long run, and it is externally focused.

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

The screenshot shows a presentation slide titled "What is ESG? – Environment, Social, and Governance" with a slide number of 15/16. Below the title is a "Pop Quiz" section. "Question #2" asks to "Select which action is best for a company practicing ESG." There are two radio button options: "SuperV Company produces candles and allocates 30% of its 2021 profits to an NGO campaign providing shelter to widows in rural India." (unselected) and "PaperGlow Ltd is a privately held entity that engage victims of domestic abuse to produce lanterns and pay them a living wage" (selected). A large white confirmation box with a blue border is overlaid on the right side of the slide, containing the text "Your answer is correct." followed by the text of the selected option: "PaperGlow Ltd is a privately held entity that engage victims of domestic abuse to produce lanterns and pay them a living wage". At the bottom of this box is a blue "Continue" button.

## Your answer is Incorrect. (Slide Layer)

### What is ESG? – Environment, Social, and Governance

15/16

#### Pop Quiz

Question #2

Select which action is not practicing ESG.

- SuperV Company is only providing donation to a charitable campaign that helps the widows in rural India. The initiative is not sustainable in a long run, and it is externally focused.
- PaperGlow Ltd is providing a safe working environment for its employees and addressing domestic abuse.

**Your answer is Incorrect.**

SuperV is only providing donation to a charitable campaign that helps the widows in rural India. The initiative is not sustainable in a long run, and it is externally focused.

[Continue](#)


## 1.16 End

16/16

This is the last page of the module.

Please proceed to the next module,  
**The Five Reasons Why ESG is Indispensable.**

[Exit](#) [Next](#)



## Notes:

