



# Investors and ESG- Reporting Emissions

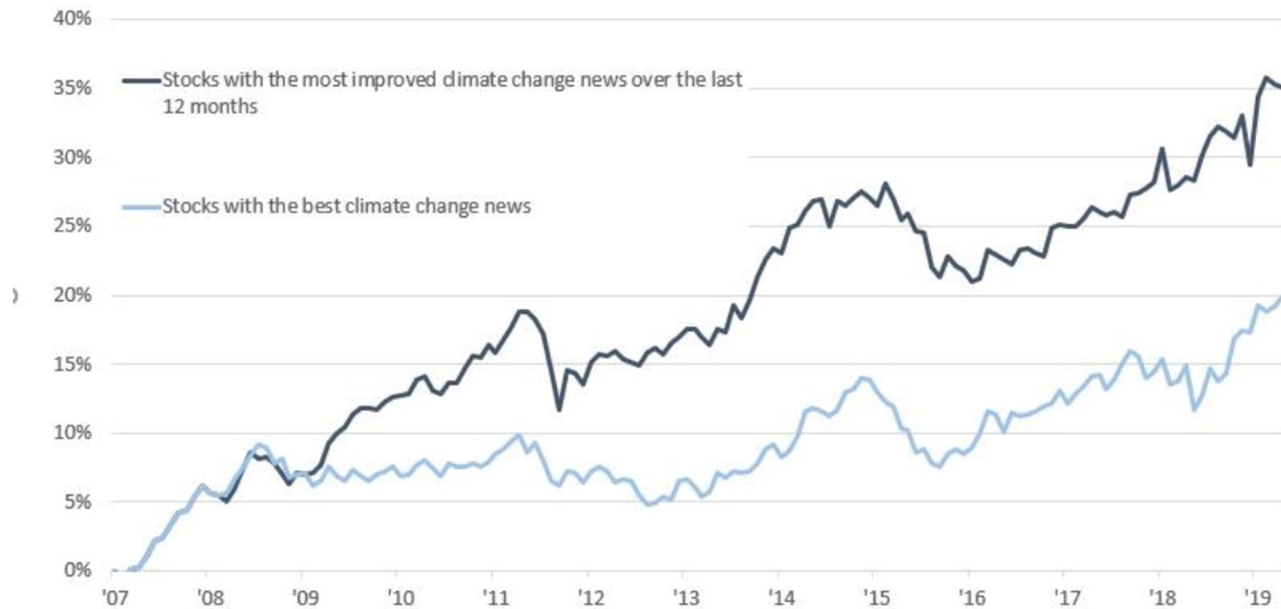
- What do Investors want?

Feb. 24<sup>th</sup>, 2021



# Environmental, Social & Governance ( ESG) Leaders do better

'Good news' portfolios return relative to the MSCI World Index (pp)



Source: Deutsche Bank aDIG

## US Business Round Table August, 2019

*The Purpose of a Corporation is to lead their companies for the benefit of all stakeholders...signed by 181 US CEO's.....*

*We commit to:*

- *Delivering value to our customers.*
- *Investing in our employees.*
- *Dealing fairly and ethically with our suppliers.*
- *Supporting the communities in which we work.*
- *Generating long-term value for shareholders*
- *Each of our stakeholders is essential. We commit to deliver value to all of them, for the future success of our companies, our communities and our country.*

# UN SDG's & the IOC's

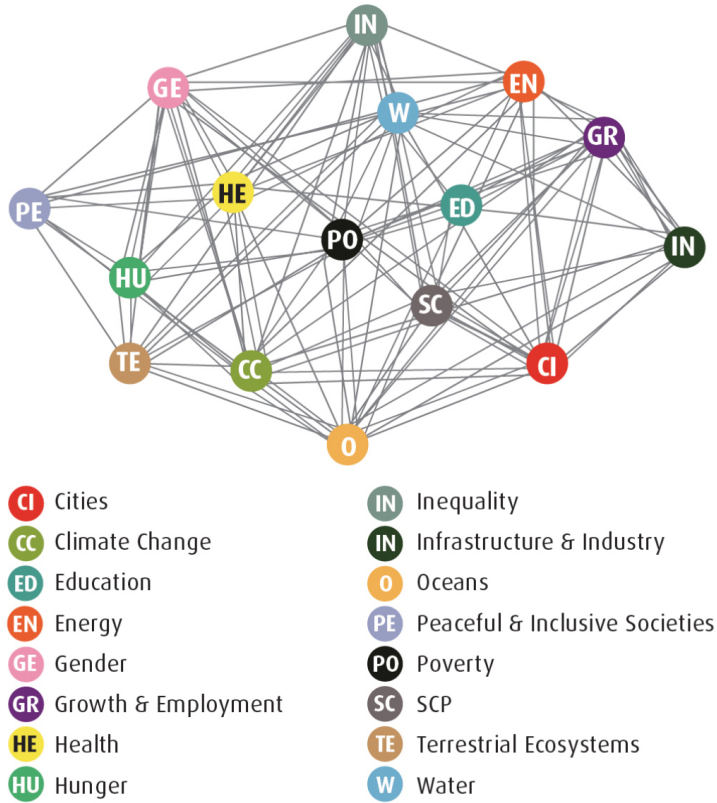
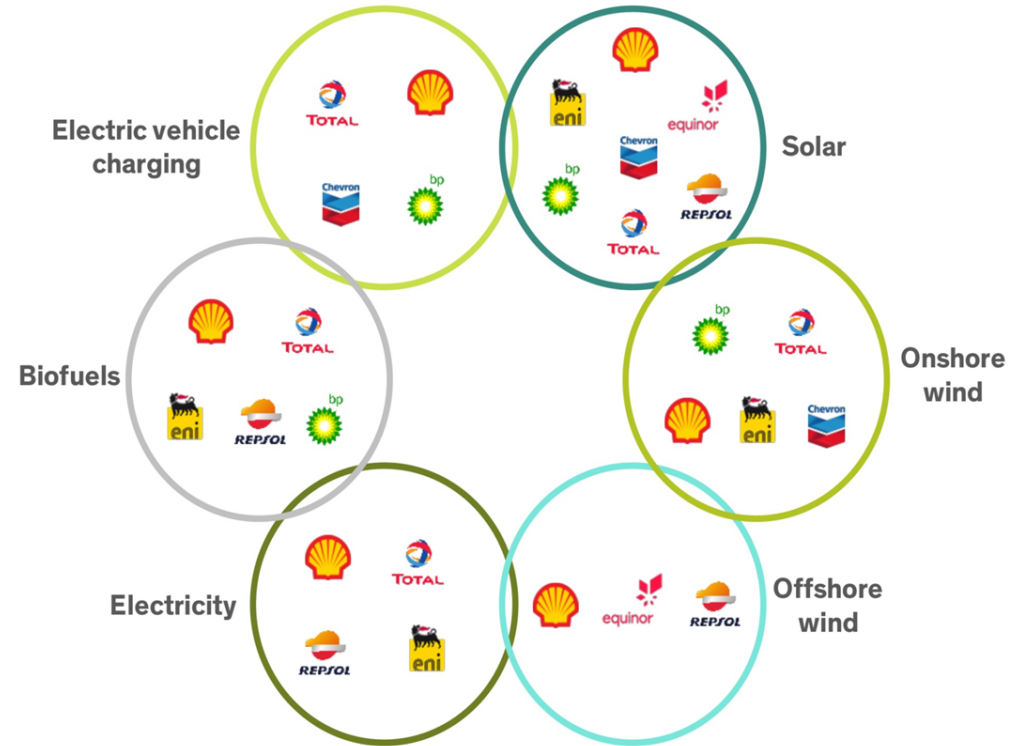


Figure 2: UN 2015 Global Sustainable Development Report

EXHIBIT 7: Low carbon capex spend spans synergistic business models



Source: Bernstein analysis



# Blackrock and More

- Larry Fink(CEO Blackrock, \$7.4Trillion)..... we asked all companies to report in alignment with the recommendations of the **Task Force on Climate-related Financial Disclosures (TCFD)** and the Sustainability Accounting Standards Board (SASB), which covers a broader set of material sustainability factors. ....we are asking companies to disclose a plan for **how their business model will be compatible with a net zero economy** .... We are asking you to disclose how this plan is incorporated into your long-term strategy and reviewed by your board of directors.....We strongly support moving to a **single global standard**, which will enable investors to make more informed decisions about how to achieve durable long-term returns.
- New York City’s largest pension funds have voted to divest all holdings in fossil fuel companies (\$4bn out of \$239bn). City of London, Norwegian Sovereign Fund, New York State Retirement Fund
- ...over **\$14 TRILLION** worth of investment funds are divesting from fossil fuel companies.

# Incentives



- Bloomberg, Feb 11<sup>th</sup>, 2021.....
  - Gov't and Companies raised \$490bn in 2020 selling ESG bonds
  - \$347bn in ESG investment funds 700 new ESG funds
- FT Jan 20<sup>th</sup>, 2021....
  - We told you in 2019 that a Conference Board study had found that just 71 US companies in the Russell 3000 tied any part of their executives' 2019 pay to whether they hit various environmental, social or governance targets.....2020 figures, they found 604 companies using such metrics. .... expect more companies to make ESG part of their bonus schemes: ..Diligent Institute this week reported that 40 per cent of directors said their board was either already tying pay to diversity, equity and inclusion targets or planned to do so. Just 25 per cent said the same about environmental metrics, though.

# Thank you



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