







— ESG Investing
Panelists

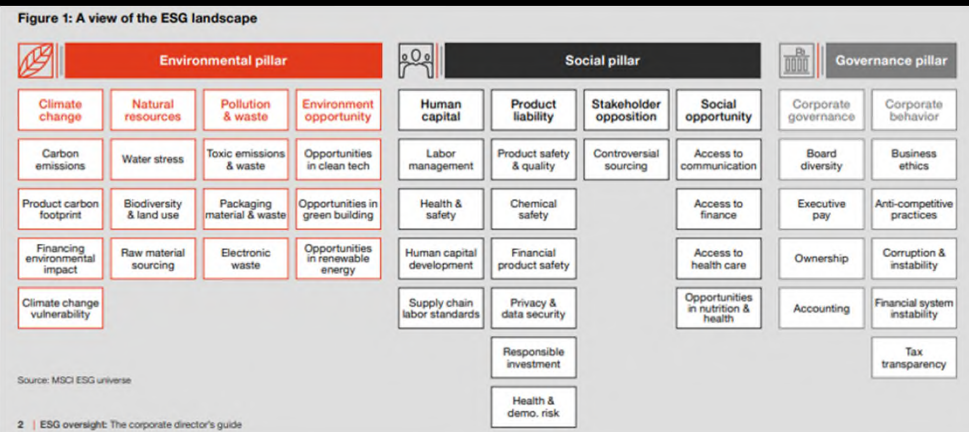
			
April Hamlin	Jenna Bryan-Krug	Christopher DiFusco	Adrian Ironside
612.371.3522	609.282.1845	215.685.3463	610.263.0104
hamlina@ballardspahr.com	jenna.bryan-krug@blackrock.com	Christopher.Difusco@Phila.gov	aironside@guardiancp.com

Defining ESG

What is was, what it is and what it shall be

- Environmental, Social and Governance
- Set of considerations used to identify, assess and manage business risks and opportunities
- Varies substantially based on industry, geography, size, and constituencies to satisfy, including customers, vendors, employees and investors
- Not one-size-fits all set of criteria for investors or across investment classes
- Are investors are willing to pay extra or accept lower yields in exchange for ESG or sustainable impact? Does the “greenium exist”?

ESG Landscape



ESG Challenges Today

The Data Chase

- Investors demand high quality ESG data
- Focus on credible disclosure and combatting greenwashing concerns
- Other trends impacting ESG information flow:
 - Increasing sophistication of AI, big data, machine learning
 - Growing prevalence of climate risk disclosures
 - Enhanced ESG disclosures by registered funds and investment advisers
 - Modernized rules governing ESG-related fund names
 - Increased enforcement and private litigation

ESG Framework

How do investors get high quality ESG information?

ALPHABET SOUP OF ESG INFORMATION:*

1 Publish guidance for voluntary disclosure using frameworks or standards, often with company feedback



2 Request data from companies via questionnaires



3 Aggregate publicly available data from companies



4 Create assessments of companies based on public and/or private information to sell to investors



* Based on a graphic originally published by SASB

— ESG Hot Topics

What are hot topics in ESG today?

- Preservation of natural capital, biodiversity (E)
- Climate transition strategies taking into account community impacts (E+S)
- Net zero pledges into action (E+G)
- Climate stress tests in banking and financial services (E+G)
- Social issues in the supply chain, such as worker safety, forced labor, human rights abuses (S+G)
- Divestment versus engagement for weak ESG practices or high exposure to ESG risk (E+S+G)