



THE FUNDAMENTALS OF ESG

An Essential Guide



“ **In this decade of action, it’s really imperative that every company deals with the impact of climate change, biodiversity loss and mounting inequality.** ”

John Reeves, Senior Director of Net Zero Transformation



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Introduction

Environmental, Social, and Corporate Governance is a strategic framework and takes a holistic approach for the following:

- Identifying, assessing, and addressing organizational objectives and activities ranging from the company's carbon footprint and commitment to sustainability.
- Workplace culture, commitment to diversity and inclusion, corporate governance policies and procedures.

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Significance

- **ESG considerations** are becoming increasingly important as the world faces urgent **Environmental** and **Social** challenges such as climate change, inequality, and economic instability.
- People in communities around the world are seeing the greater physical impact of climate change, such as wildfires, flood and drought. This has prompted greater public awareness.
- **Social concerns** include issues like workforce diversity, where performance is increasingly under the spotlight and human rights are taking the front seat.
- The benefits of transparency and disclosure in **Governance** are becoming apparent both in leadership and throughout any organization.

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Why is ESG Critical?

- **ESG factors** are inevitably intertwined with our day-to-day operations and is significant to each and everyone of us because it helps to promote sustainable and responsible practices, which imparts a positive impact on the environment, communities, and future generations.
- **ESG policies** should be implemented in our business operations as it would create a sustainable future, encourage economy growth, provide equality and fairness to all thus motivating employees and investors alike to contribute to these businesses.
- **The 2030 Agenda for Sustainable Development**, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognise that ending poverty with other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality and spur economic growth, all while tackling climate change and working to preserve our oceans and forests.

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Learning Outcomes

Upon completion of THE
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participants will:



UNDERSTAND

ESG policies and its principal factors.



EVALUATE

and comprehend ESG's analysis for both the principal
and corresponding factors.



DESCRIBE

the significance of ESG and how it impacts individuals,
society and companies.



IDENTIFY

and ascertain the relevant key areas.

Factors That Are Considered In ESG

ENVIRONMENTAL

- **CARBON EMISSIONS AND CLIMATE CHANGE:**

Companies with high carbon emissions or a lack of plans to reduce them are considered less environmentally friendly.

- **ENERGY EFFICIENCY AND RENEWABLE ENERGY:**

Companies that invest in renewable energy or energy-efficient technologies may be seen as more environmentally friendly.

- **RESOURCE MANAGEMENT:**

Companies that responsibly manage natural resources, such as water and forests.

- **ENVIRONMENTAL POLICIES AND REGULATIONS:**

Companies that comply with relevant environmental laws and regulations and have policies in place to minimize negative environmental impact.

- **PRODUCT SUSTAINABILITY:**

Companies that produce sustainable products or services and have a commitment to reducing waste and pollution.

Factors That Are Considered In ESG

SOCIAL

- **LABOUR PRACTICES:**

Companies that treat their employees fairly, with fair wages, safe working conditions, and equal opportunities.

- **HUMAN RIGHTS:**

Companies that respect and support human rights, both within the company and in their supply chain.

- **COMMUNITY IMPACT:**

Companies that engage positively with local communities, for example through job creation or economic development.

- **CONSUMER PROTECTION:**

Companies that have transparent and fair business practices and protect customers from harmful products or services.

- **DIVERSITY AND INCLUSION:**

Companies that promote diversity and inclusion among their employees and customers and have policies in place to address discrimination.

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Factors That Are Considered In ESG

GOVERNANCE

- **BOARD COMPOSITION AND EFFECTIVENESS:**
Companies that have a diverse and independent board of directors, and effective oversight mechanisms in place.
- **EXECUTIVE COMPENSATION:**
Companies that have reasonable and transparent executive compensation packages, that align with the company's performance.
- **TRANSPARENCY AND DISCLOSURE:**
Companies that disclose accurate and comprehensive information about their operations and financial performance.
- **RISK MANAGEMENT:**
Companies that have effective risk management systems in place to identify, assess and mitigate potential risks.
- **SHAREHOLDERS' RIGHTS:**
Companies that respect and protect the rights of shareholders, for example by allowing them to vote on important matters.

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METHODOLOGY

Self paced interactive online course

COST

HRDC claimable

COURSE DURATION

2 hours - on demand 24 x 7

OUR CONTACT DETAILS

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