

What is ESG and why is it important?

PRESENTATION FOR AMCHAM VIETNAM

Van Ly, Partner, Raise Partners, Vietnam

October 15, 2020

Van.Ly@raise.partners



What is ESG?

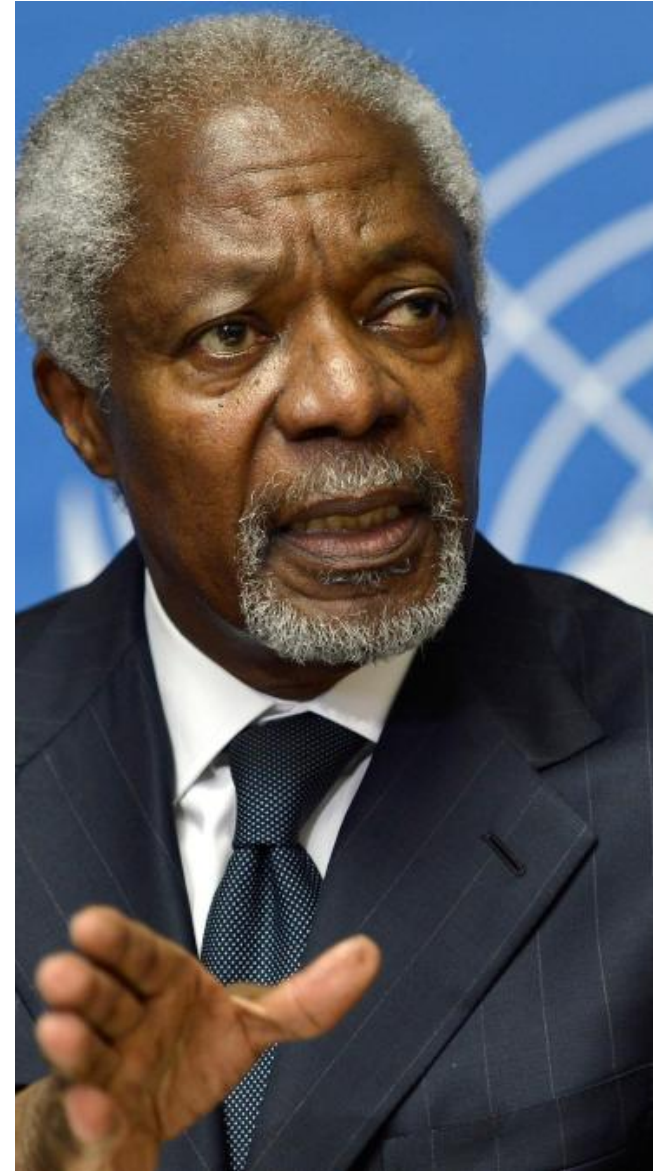
ESG represents three pillars of criteria that investors and companies are using to evaluate a company's sustainability and growth.

By looking at how a company is incorporating **environmental, social, and governance** issues into its strategies, operations, and business model, investors can assess how resilient and adaptable the company is in managing risks to people and planet and its financial sustainability.

Letter from Kofi Annan, 2004

ESG investing was launched due to a letter from **Kofi Annan, then UN Secretary General to 50 CEOs of the world's largest financial institutions** asking them to integrate ESG into capital markets.

Since then, ESG considerations have been integrated into the decision-making for asset managers and major institutional investors.





Environmental

Can cover everything from **energy** consumption, **greenhouse gas** emissions, **deforestation**, **biodiversity**, **climate change** and pollution mitigation, **waste** management and **water usage**





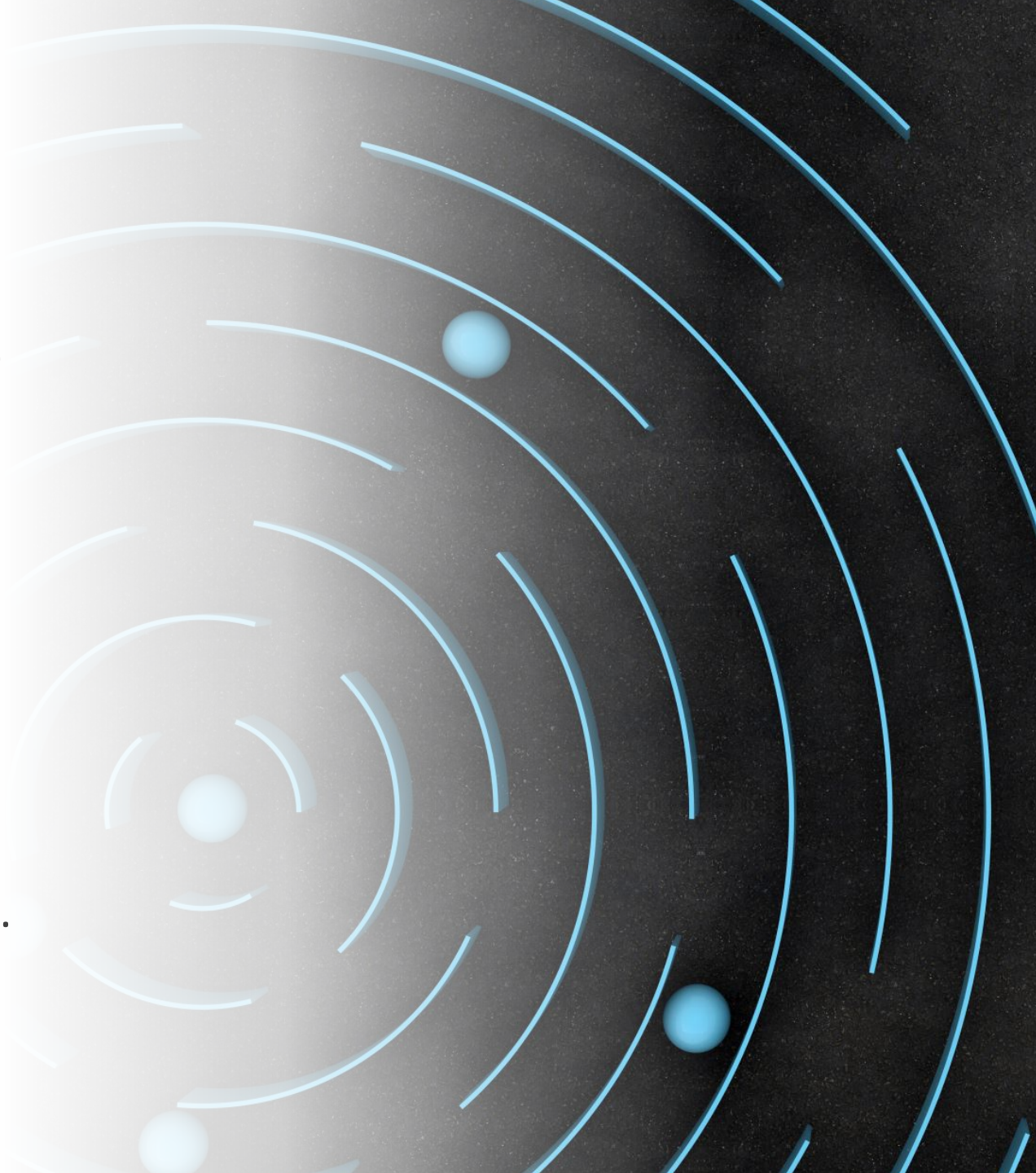
Social

Human capital issues: labor standards, wages and benefits, diversity and inclusion in the workforce, leadership team, and at the Board level, pay equity, talent management, community relations, privacy and data protection, health and safety, supply-chain management.



Governance

Corporate **board** composition and structure, strategic **oversight and compliance**, **executive compensation**, and around **ethical issues** such as **lobbying**, **bribery and corruption**.



ESG and CSR

CSR looks at “doing good” in business as an external relations exercise:

Responsibility to local communities, philanthropy, ethical behavior, treatment of workers. Originally, a voluntary decision, depended on self-reporting, and tied to inconsistent measurements.

ESG is a framework **integral to the business** with precise targets and indicators across the three pillars as a way to **measure the current and future true value of a company** (a combination of non-financial and financial measurements) and its sustainability. This criteria is used to assess the company against others by investors and other stakeholders.

Sustainability and ESG metrics

Sustainability focuses on meeting the needs of the present without compromising the ability of future generations to meet their needs.

3 pillars: prosperity, planet, and people.

ESG metrics measure how sustainable a company is and how well a company is performing in its effect on prosperity, planet and people. ESG metrics help to measure the True Value that a company creates.

Why ESG is important

Investors, banks, insurers, regulators

Consumers

Employees

Why ESG is important

Investors are increasingly looking to invest in “good” companies and push for sustainability disclosures

Investors in the U.S. contributed a record \$20.6 billion to sustainable funds in 2019

“We believe that sustainable investing is the strongest foundation for client portfolios going forward.”

Larry Fink, CEO, Blackrock
Annual Letter to Chief Executives 2020

Why ESG is important

Consumers want to buy products and services from “good” companies.



Why ESG is important

Employees want to work for “good” companies.

Retention for **junior to mid-level professionals (Millennials)** is an ongoing challenge

GenZ wants opportunities for career growth and personal development and company culture, strong brand





ESG Lessons from COVID-19

- Exposed areas of **risk in social and environmental** systems.
- Addressing these gaps impacted our ability to recover and economic markets.
- Companies that managed well were those that could adapt and **support human capital** (WFH, innovation, upskilling, etc.)
- Resiliency will add value long-term for investors.
- **Rice ATMs**, donations of PPE show in a crisis – corporates, individual citizens can come up with fast and scalable solutions to support vulnerable communities.

RAISE



Thank you

Van Ly

Nonprofit & Corporate Sustainability Consultant

Raise Partners

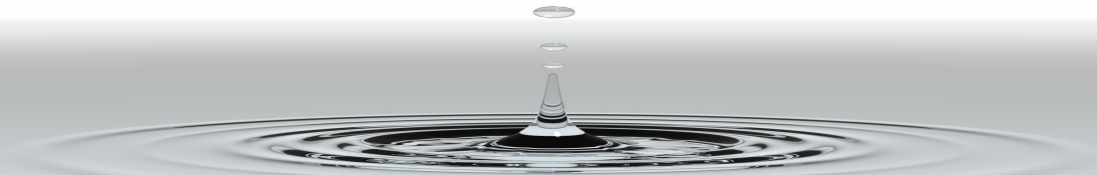
Van.Ly@raise.partners



Vietnamese Business's effort to Adopt ESG/Sustainability Policies

Mr. NGUYEN QUANG VINH

VCCI General Secretary ; VBCSD – Executive Vice Chairman



THE WORLD TODAY.....

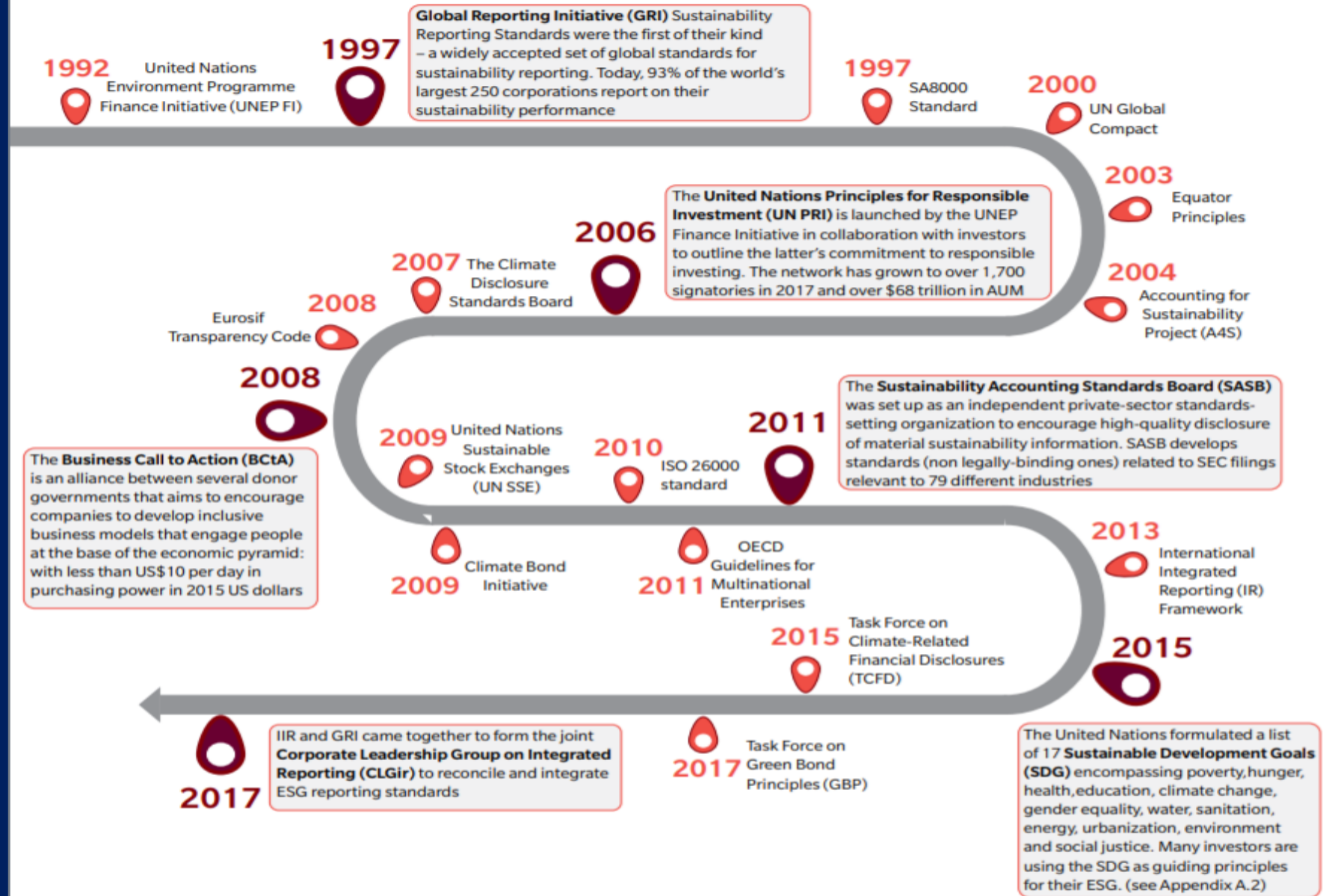
COVID-19 PANDEMIC



WHAT DOES ESG MEAN !



FROM FACT
TO
INTERNATIO
NAL
STANDARD,
THAT
REQUEST
BUSINESS,
INVESTORS...
TO
RESPOND
TO
NONFINANC



Deutsche Börse AG

- Released DAXglobal Sarasin Sustainability Germany Index in 2007 for monitoring sustainability impact of business.
- Aims to addressing the needs of stakeholder to corporate responsibility

BM&FBOVESPA Corporate Sustainability INDEX

- Released in Brazil in 2005 - first in Latin America
- A reference standard for responsible investment and ethically responsible business

HKEX
香港交易所

Hong Kong Exchanges

- HKEx developed a guide to ESG disclosure, starting with best practice in 2012.
- 2015 developed guideline for compliance and accountable.

BURSA MALAYSIA

Bursa Malaysia

Bursa Malaysia released FTSE4Good Bursa Malaysia index in 2014.

Sustainable development Requirement of Bursa has released in 11/2015

All listed Company must publish Economic, Environment and Social information

SGX

Singapore Stock Exchange

- The SGX has been enacting the regulations as a voluntary request since 2011.
- SGX has issued a “compliance or accountability” mechanism since 2016, new regulations apply to businesses from the end of the fiscal year, or after December 31, 2017, with reports made from 2018

JSE

Johannesburg Stock Exchange

- Released SRI in 2004 – First for emerging market and stock exchange.
- Measuring business policies, performance and reporting three key factors..
- Requirement for all listed companies to report



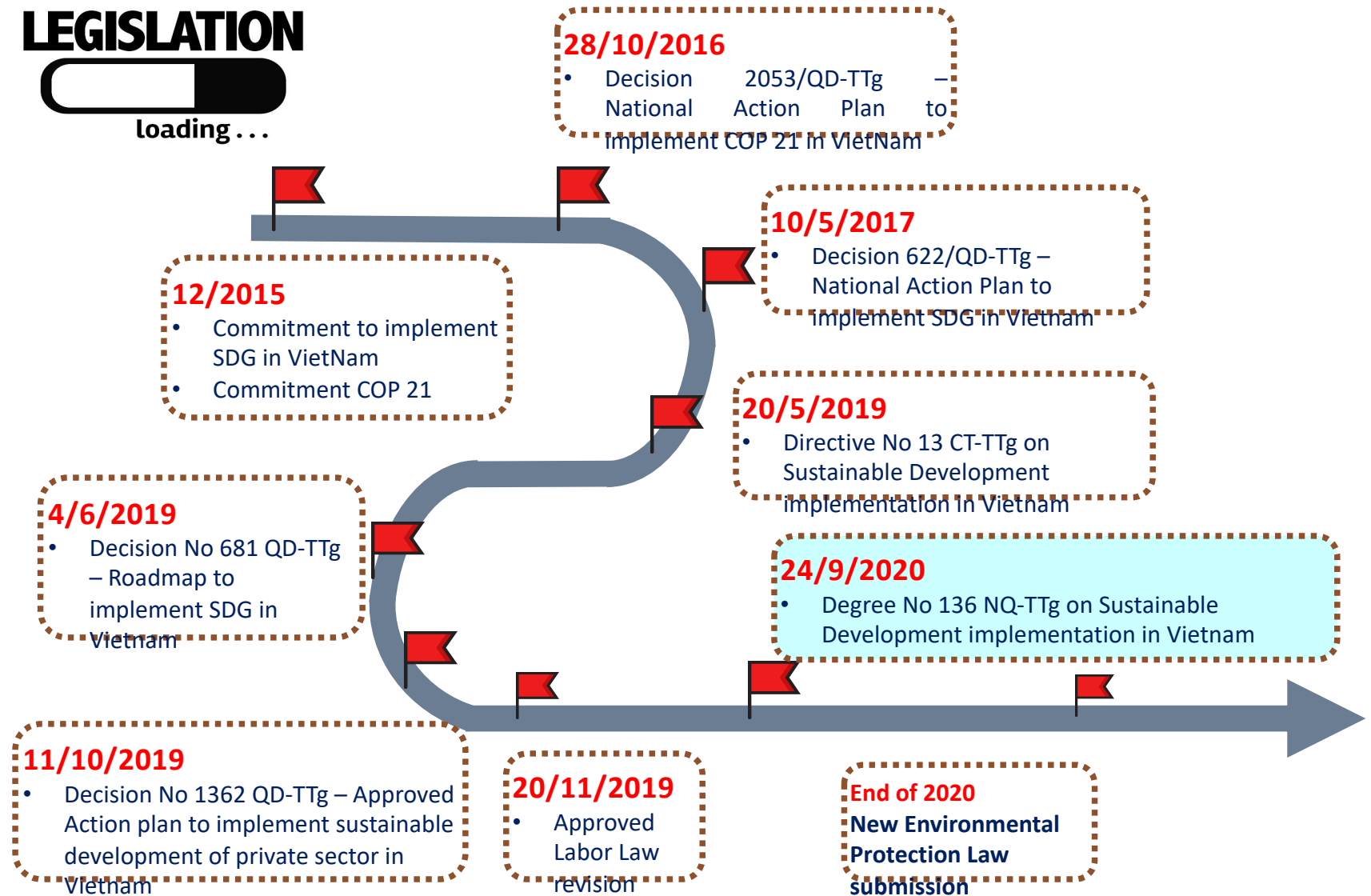
WE ARE IN THE CHANGING OF LEGISLATION AND REGULATION AT GLOBAL LEVEL

VIETNAM : HNX anh HoSE are official partner of SSE

Circular 155/2015/TT-BTC:
Guiding listed companies to disclosure Environment and Social information

SUSTAINABILITY IN VIETNAM FROM LEGISLATION TO PRACTICE...

LEGISLATION



SUSTAINABILITY IN VIETNAM FROM LEGISLATION TO PRACTICE...

INSTITUTION & ORGANIZATION ESTABLISHMENT

Established Vietnam Business Council for Sustainable Development in December 2010 (VBCSD – VCCI)

- Business Led Organization
- Bridging business to Government and Stakeholders
- Support Business to implement and disclosure SD information in Vietnam



2014-2015

- Developed Corporate Sustainable Index **(CSI)**
- Piloted for all industries in Vietnam

2020 forward

- Upgrading CSI to STANDARD FOR CORPORATE SUSTAINABLE DEVELOPMENT IN VIETNAM
- Assist Business in Vietnam applying CSI for implementation Sustainable Development and disclosure information

2016 up to date

- Using CSI for Annual Benchmarking Sustainable Business In Viet Nam
- 2018 – Mapping CSI with GRI standard and other frameworks

BETTER BUSINESS

BETTER WORLD





ESG ~ The Road Ahead

Mark Watson
Country Manager, ERM Vietnam

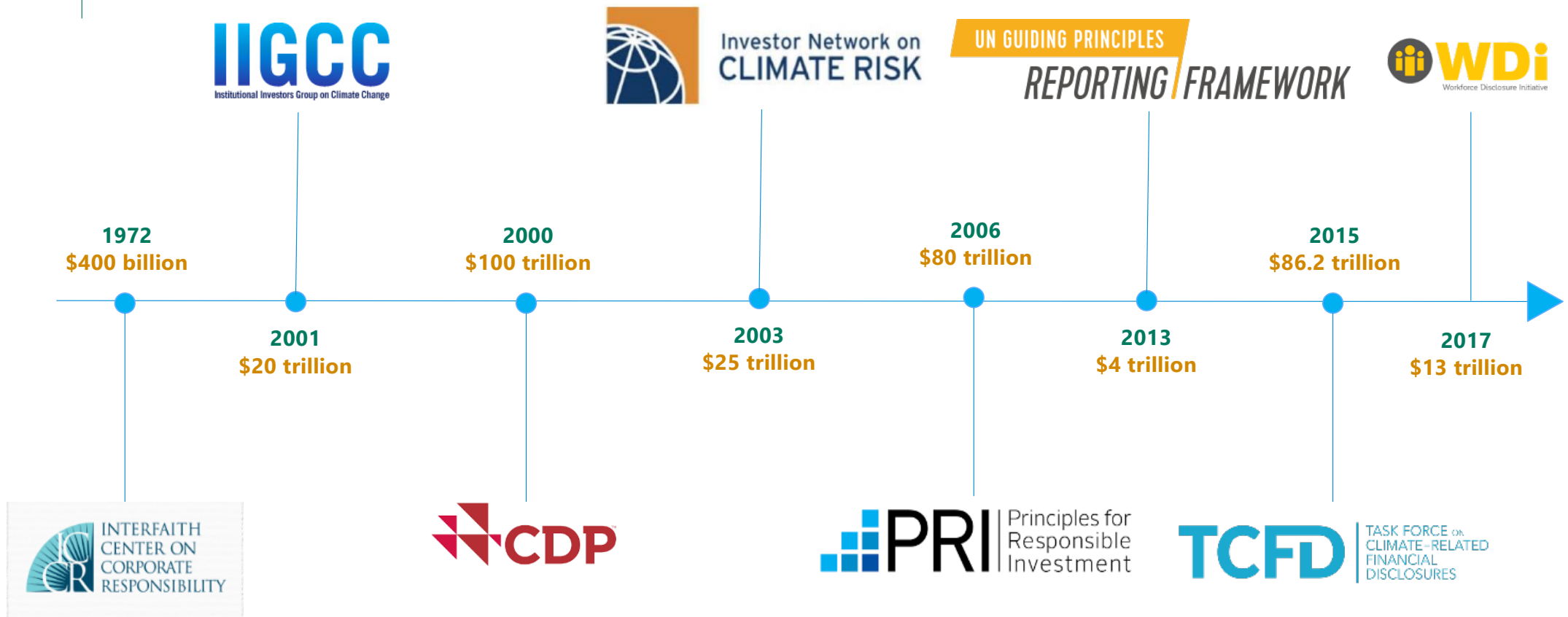
15 October 2020

© Copyright 2019 by ERM Worldwide Group Limited and/or its affiliates ('ERM'). All Rights Reserved.
No part of this work may be reproduced or transmitted in any form or by any means, without prior
written permission of ERM.

The business of sustainability



Investor Coalitions and Networks (50+ Years)



Who Makes Up the ESG Ecosystem?

Based on sustainability reporting standards and frameworks, there are 100+ organizations producing lists, rankings, ratings, and scorecards of the “top companies” and “most sustainable” companies.

Some organizations simply provide **frameworks** for disclosure and do not evaluate companies.



Some **actively** request information, aggregate data, and add ratings.



Some **passively** pull information from sustainability reports, aggregate data, and add ratings.



Some **purchase** data and ratings from other raters and add rankings.



Case Study: ESG Due Diligence

Bloomberg

GRI (1997) – Globally Crowdsourced ESG Issues

Environmental

- Materials
- Energy
- Water
- Biodiversity
- Emissions
- Effluents and Waste
- Products and Services
- Environmental Compliance
- Transport
- Supplier Environmental Assessment
- Environmental Grievance Mechanisms

Human Rights

- Non-discrimination
- Freedom of Association & Collective Bargaining
- Child Labor
- Forced /Compulsory Labor
- Security Practices
- Indigenous Rights
- Supplier Human Rights Assessment
- Human Rights Grievance Mechanisms

Labor Practices & Decent Work

- Training and Education
- Employment
- Labor/Management Relations
- Occupational Health & Safety
- Diversity & Equal Opportunity
- Equal Remuneration for Men and Women
- Supplier Assessment for Labor Practices
- Labor Practices Grievance Mechanisms

Economic

- Economic Performance
- Philanthropy
- Market Presence
- Indirect Economic Impacts
- Economic Inclusion
- Procurement Practices

Society

- Anti-Corruption
- Public Policy
- Anti-competitive Behavior
- Local Communities
- Supplier Assessment for Impacts on Society
- Grievance Mechanisms for Impacts on Society

Product Responsibility

- Customer Health & Safety
- Product & Service Labeling
- Marketing Communications
- Customer Privacy
- Product Compliance

ESG Scores & Comparisons (sample)

<div>Overview</div> <div>Comp Sheets</div> <div>Markets</div> <div>EPS Preview</div> <div>Ownership</div> <div>Credit</div> <div>Custom</div> <div>⚙</div>												
<div>Equity Valuation</div> <div>CDS Spreads</div> <div>Profitability</div> <div>Balance Sheet</div> <div>ESG</div>												
Name	↑ RobecoSAM Total Sustainability Rank	Sustainalytics ESG Rank	ISS Governance Quickscore	CDP Performance Score	ESG Disclosure Score	% Independent Directors on Board	% Women on Board	CEO Tenure as of FYE	Total Compensation Awarded to CEO	% Women in Workforce	Energy Intensity per Sales	
Median	70	91.10	3.50	7.00	53.11	88.19	24.04%	4.54	11.88M	30.90	68.65	
100) ALIBABA GROUP HOLDI...	11	--	--	--	--	--	--	--	--	--	--	
101) ALPHABET INC-CL A	57	83.73	10.00	8.00	--	54.55	18.18%	3.25	1.00	30.90	--	
102) AMAZON.COM INC	45	17.20	6.00	--	--	88.89	33.33%	22.67	1.68M	--	--	
103) APPLE INC	18	77.32	1.00	8.00	53.11	87.50	25.00%	7.17	15.68M	33.00	9.78	
104) FLEX LTD	64	87.63	4.00	4.00	--	--	--	13.00	16.17M	--	--	
105) HITACHI LTD	70	68.04	1.00	6.00	57.85	66.67	16.67%	2.00	5.18M	--	300.14	
106) HUAWEI TECHNOLOGIES...	--	--	--	--	--	--	--	--	--	--	--	
107) INTEL CORP	70	98.25	3.00	7.00	--	88.89	22.22%	0.58	34.76M	--	--	
108) INTL BUSINESS MACHI...	66	94.58	7.00	6.00	--	92.31	23.08%	7.00	17.55M	--	--	
109) LG ELECTRONICS INC	100	--	4.00	8.00	--	--	--	2.08	2.84M	--	--	
110) MICROSOFT CORP	91	95.78	1.00	8.00	--	85.71	28.57%	4.42	25.84M	--	--	
111) NOKIA OYJ	86	96.91	1.00	7.00	--	100.00	40.00%	4.67	5.49M	--	--	
112) ROBERT BOSCH GMBH	--	--	--	--	--	--	--	--	--	--	88.48	
113) SAMSUNG ELECTRONICS...	78	--	2.00	8.00	--	54.55	9.09%	0.83	35.81M	--	--	
114) SIEMENS AG-REG	100	97.78	6.00	7.00	50.83	90.00	35.00%	5.17	8.08M	24.00	48.82	
(Accounting Adjustments: Adjusted for Abnormal Items When Applicable)											10) Analyze List	

Source: Bloomberg data accessed 06/10/19

Case Study: Strategic ESG Disclosure

Edwards Lifesciences

Edwards Lifesciences Case Study: Strategic ESG Disclosure

Corporate Sustainability Council	
Aspiration Theme Champions	Council
<ul style="list-style-type: none"> IR, <i>Shareholder Value</i> Global Communications, <i>Innovative Technology</i> EHS, <i>Trusted Partner</i> Philanthropy, <i>Community</i> HR, <i>Talented Employees</i> 	<ul style="list-style-type: none"> Legal Communications Global Supply Management Government Affairs Product Steward EU, Business Operations ERM EU, International Quality Strategy

[Sustainability report](#) > [GRI content index](#)

Sustainability report

GRI content index

General standard disclosures

GRI indicator	Description	Location/Direct Answer	Secondary Link	Additional Links	Additional Links
	Strategy and analysis				expand all +
	Organizational profile				
	Identified material topics and boundaries				
	Stakeholder engagement				
	Report profile				
	Governance				
	Ethics and integrity				

Specific standard disclosures

GRI indicator	GRI aspect	Description	Location	Secondary Link
	Economic			expand all +
	Environmental			
	Social			

<https://www.edwards.com/sustainability/our-approach/materiality-stakeholder-engagement/>

Edwards Lifesciences Case Study: Strategic ESG Disclosure



Edwards Lifesciences

Our Sustainability Metrics At a Glance

Topic	Metric	2018	2017	2016	2015
Social					
Products	Number of regulatory approvals for new devices	3	3	3	2
	Number of global patient safety-related class 1 product removals	1	1	0	0
	List of products in the FDA's MedWatch Safety Alerts for Human Medical Products (Medical Devices) database	–	Certitude Delivery System	–	–
Ethics, Corruption & Bribery	Applicable employees certified to ethics code of conduct (%)	99	96	97	98
	Code of ethics governing promotion of off-label use: See page 20 of our Titanium Book				
	Code of ethics governing interactions with health care professionals: See pages 21-23 of our Titanium Book				
	See Corporate Responsibility site and Sustainability Report				
Access to Healthcare	Number of underserved patients impacted through our philanthropic partners who provide education, screening and treatment	1,000,000+	900,000	400,000	200,000
	Community Spending (Foundation, Corporate Grants and Product Donations)	\$8.7 M	\$7.0 M	\$6.6 M	\$8.2 M
	Every Heartbeat Matters grants awarded	\$4.5 M	\$4.5 M	\$4.4 M	\$3.9 M
	Facilities engaged in local charitable activity (%)	100	100	100	100
	See Political Disclosure and Accountability				
Employee Health and Safety	Lost Time Incident Rate (Total incidents per 200,000 hours worked or 100 FTE)	0.49	0.51	0.34	0.36
	Total Recordable Incident Rate (Total recordable incidents per 200,000 hours worked or 100 FTE)	1.04	0.99	1.22	1.16
	Fatalities – Contractors	0	0	0	0
	Fatalities – Employees	0	0	0	0
	Health and Safety Policy (y/n)	Yes	Yes	Yes	Yes
	Health and Safety Policy is group-wide (y/n)	Yes	Yes	Yes	Yes
	Target to improve Health and Safety performance (y/n)	Yes	Yes	Yes	Yes
	See Environmental Health & Safety Report for more information				

	2018	2017	2016	2015
Net Sales	\$2,853	\$2,554	\$1,557	\$,800
Operating Profit	158	27	38	–
Operating Profit Margin	4	4	4	4
Operating Profit per Share	27	27	27	28
Operating Profit per Share (Diluted)	\$2,345,108	\$2,126,208	\$1,175,171	\$1,097,127
Operating Profit per Share (Diluted) (EPS)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted)	Yes	Yes	Yes	Yes
Operating Profit per Share (Diluted) (EPS) (Diluted				

<https://www.edwards.com/sustainability/our-approach/materiality-stakeholder-engagement/>

Single Security Data

Company-reported ESG data is available at a single security level. Ratios and third-party scores are also available, offering complete transparency.

EW US Equity										
96) Actions ▾ 97) Output ▾ 98) Settings										
Financial Analysis										
ADJ Edwards Lifesciences Corp										
Periods 11 Annuals Currency USD ▾										
1) Key Stats 2) I/S 3) B/S 4) C/F 5) Ratios 6) Segments 7) Addl 8) ESG 9) Custom 10) Shared										
11) Overview 12) Environmental 13) Social 14) Governance 15) Exec & Dir Comp 16) ESG Ratios 17) CDP										
In Millions of USD except Per Share	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009	FY 2008	FY 2007
12 Months Ending	12/31/2016	12/31/2015	12/31/2014	12/31/2013	12/31/2012	12/31/2011	12/31/2010	12/31/2009	12/31/2008	12/31/2007
ESG Disclosure Score	50.00	49.59	36.36	27.27	16.53	15.29	15.29	15.29	15.29	15.29
Environmental										
Environmental Disclosure Score	50.39	47.29	35.66	20.16	2.33					
Total GHG Emissions	46.4	31.6	30.9	31.3						
NOx Emissions	0.0									
Total Energy Consumption	108.2	81.9	102.6							
Total Water Use	432.5	358.0	310.0	345.0						
Hazardous Waste	0.9	0.8	0.8	0.7						
Total Waste	3.3	3.7	3.6	1.8						
Social										
Social Disclosure Score	33.33	38.60	19.30	19.30	14.04	14.04	14.04			
Number of Employees	11,084	10,116	9,100	8,600	8,200	7,800	7,000			
% Women in Workforce	62.00	62.00								
% Women in Mgt		24.00								
Fatalities - Contractors	0	0	0	0						
Fatalities - Employees	0	0	0	0						
Fatalities - Total	0	0	0	0						
Governance										
Governance Disclosure Score	66.07	66.07	55.36	51.79	51.79	51.79	51.79			
Size of the Board	9	8	8	8	8	8	8			
Indep Directors	8	7	7	7	7	7	7			

ESG Company data, disclosure scores, ratios and third party data

Financial Analysis: Source Document			
Edwards Lifesciences Corp			
FY 2016			
Topic	Metric	2016	2015
Environmental			
ISO 14001	Manufacturing operations maintaining ISO 14001 certification	67%	67%
Air Emissions	Scope 1 Emissions (Th Tonnes)	7.41	6.81
	Scope 2 Emissions (Th Tonnes)	39.02	33.77
	Scope 3 Emissions (Th Tonnes)	41.38	td
	Emissions Reduction Initiatives (y/n)	Yes	Yes
	Workforce participating in alternate transportation (%)	40%	40%
Climate	Volatile Organic Compounds ROG/VOC emissions (kgs)	799	-
	Nitrogen Oxide Emissions (kgs)	3,001	-
	Sulfur Oxide Emissions (kgs)	86	-
	Climate Change Opportunities Discussed (y/n)	Yes	Yes
	Risks of Climate Change Discussed (y/n)	Yes	Yes
Energy	Climate Change Policy (y/n)	Yes	Yes
	CDP Carbon Disclosure (y/n)	Yes	Yes
	See CDP Response for more information.		
Water	Total Energy Consumption (MWh)	108,206	94,306
	Energy Efficiency Policy (y/n)	Yes	Yes
Waste	Water Consumption in Manufacturing (Thousands of cubic meters)	432.46	357.88
	See CDP Response for more information.		
	Hazardous Waste (Th Tonnes)	.906	.799
	Total Waste Discarded (Th Tonnes)	1.499	1.268
See Environmental Health & Safety report for more information.			

The Road Ahead:
Active ESG Management

Is it time to create your own ESG narrative?

...Or are you going to let others do that for you?

Step 1: Understand the ESG Ecosystem

- Understand ESG ratings and rankings
- Are your competitors disclosing things you are not?
- Can you disclose these things?
- Do you want fill the immediate gaps?

Step 2: ESG Research Firm, Shareholder Mapping & Assessment

- Who is already looking at you and contacting you?
- Which of your largest owners have an interest in ESG?
- How important are ESG research firms and owners to you? (Prioritize)

Step 3: Strategic and Integrated Disclosure

- What do you already have in-house that you're not disclosing?
- What are your most important (material) ESG issues?
- Who are the internal SMEs that can help measure, manage and disclose ESG information?
- How and where do you disclose ESG information?

In conclusion

- Increasing expectations, scrutiny, disclosure
 - Increasing influence and reach
 - Board, Senior Management commitment
 - Understand the ESG ecosystem
 - Understand material issues
 - Structured, systematic approach
 - Data, data, data
-
- Time is now





Thank you

Mark Watson
Country Manager
ERM Vietnam
Mark.Watson@erm.com
+84 28 3914 7800
Ho Chi Minh City

The business of sustainability



U.S. International Development Finance Corporation

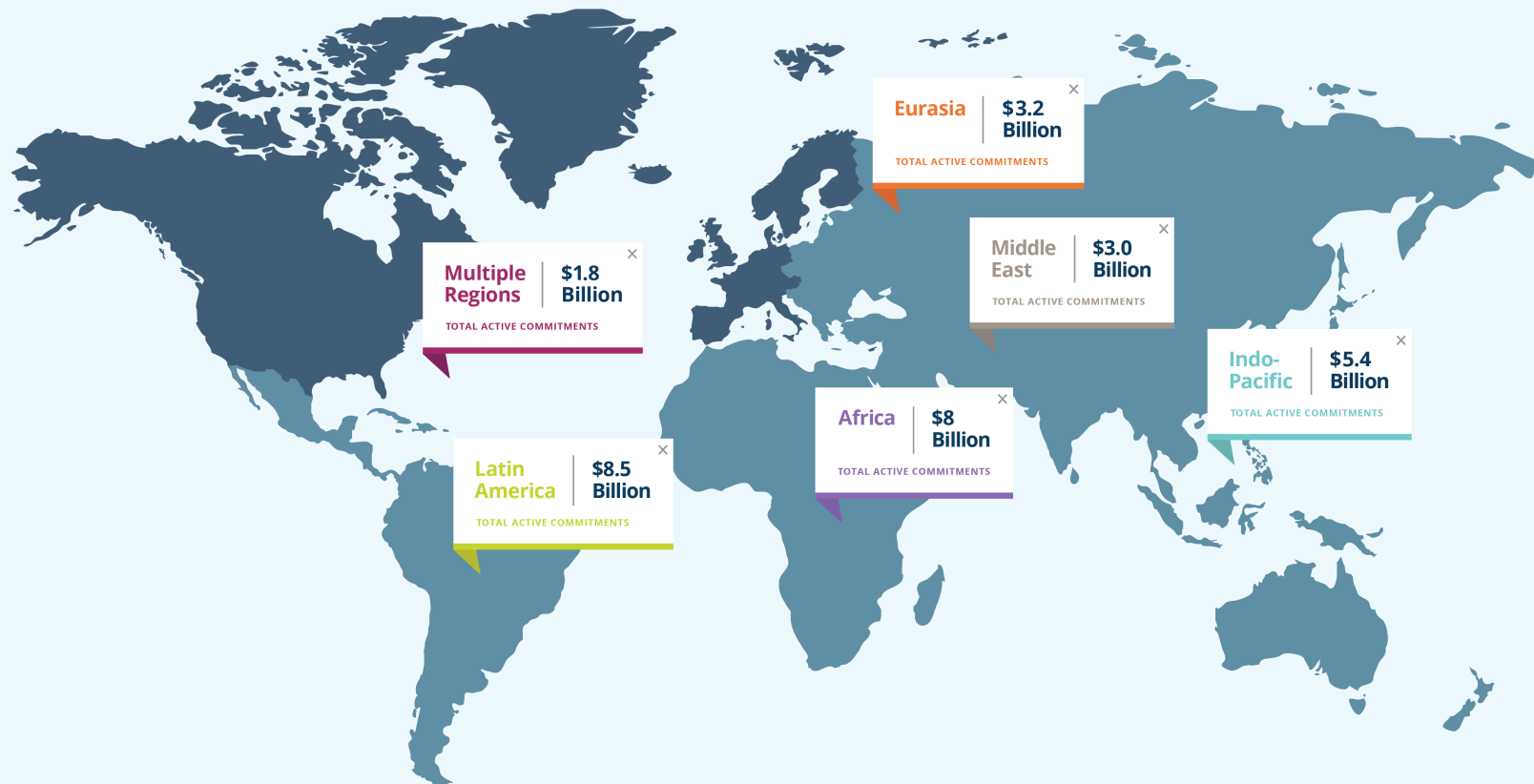
*Investing in the people of the
Indo-Pacific region*

Who We Are

As the U.S. Government's development finance institution, DFC provides private companies with financing and risk mitigation tools for private sector projects in **emerging markets** and **developing countries**.



Our Global Presence



What We Offer



Infrastructure Financing

Limited recourse project financing for infrastructure investment, including energy, transportation and telecommunications



Access to Finance

Corporate and structured financing for financial institutions to expand local access to capital, including SME, microfinance and mortgage lending



Social Enterprise Program

Loans to high-impact businesses in agriculture, fintech, healthcare, and other sectors, with a focus on inclusion and economic empowerment



USAID Mission Support

Projects meeting USAID country mission priorities are eligible for loans and credit guarantees

Products and Services



Debt Financing

Corporate and project loans and guarantees of up to \$1 billion with tenors as long as 20 years for private sector-driven, commercially viable investments



Political Risk Insurance

Protection up to \$1 billion against risks including currency inconvertibility, governmental interference, and political violence



Investment Funds

Debt and equity investments in emerging market private equity funds



Equity Investment

Direct investment into high impact businesses seeking growth capital



Technical Assistance

Targeted technical assistance to promote viability or impact of potential DFC-supported projects

Our Global Impact



10 Million

Farmers



3.5 Gigawatts

Hours of Electricity



200,000

Mobile
Connections



7 Million

Patient Visits
To Health Care
Facilities



150 Billion

Liters of Clean
Water

Free & Open Indo-Pacific

DFC advances the U.S. vision of a Free and Open Indo-Pacific by catalyzing private sector-led, transparent, and sustainable investment in the region's developing economies.

Priority sectors in the Indo-Pacific include infrastructure, energy, health security, and information and communications technology. Promoting women's empowerment and economic inclusion is a global U.S. government priority.

DFC collaborates with Australia, Japan, the Republic of Korea, and other like-minded counterparts and international financial institutions to support regional economic development.



How We Impact

Impact Quotient

Why IQ was Developed: Fostering development impact is what distinguishes DFC from a traditional financial firm. IQ was developed to support DFC's work mobilizing private capital to advance sustainable economic growth in developing countries. DFC will use IQ to track the economic and development impact of the projects it supports, report these results to key stakeholders, and use findings to inform future projects and help to maximize impact.

What is IQ: a modernized tool developed by the DFC to measure development impact throughout the life of a project.

How IQ will be Administered: Working under DFC's Chief Development Officer, a team of economists, environmental and social policy analysts will use IQ to evaluate and monitor projects. An IQ Lab will serve as a feedback loop, incorporating lessons learned into future projects, while also evaluating the effectiveness of the IQ system, and calibrating it accordingly.

Project Eligibility and Standards

Is DFC open in
the **country of
interest**?



Will the project
support **economic
development and
growth** in the host
country?

Will the project
meaningfully
involve the **private
sector**?



Is the DFC support
being requested **not
available from the
private sector**?

Does the project
have a **sound
economic and
commercial
basis**?



Is an **investment
proposal and
financing plan**
available for review?

Does the developer
have **relevant
experience and
requisite
resources**?



Will the project
uphold high **social &
environmental
standards**?

Does my project fall
within a **prohibited
sector**?



Will the project
negatively impact
U.S. jobs?

Contacts & Resources

Contact

Maria Goravanchi

Regional Managing Director, Lower Mekong

U.S. International Development Finance Corporation (DFC)

U.S. Embassy Bangkok

m. +66 92 246 2282

m. +1 (202) 285-3218

Email: maria.goravanchi@dfc.gov

For more information, visit www.dfc.gov

For DFC's Environmental and Social Policies and Procedures (ESPP), visit

https://www.dfc.gov/sites/default/files/media/documents/DFC_ESPP_07312020-final_1.pdf