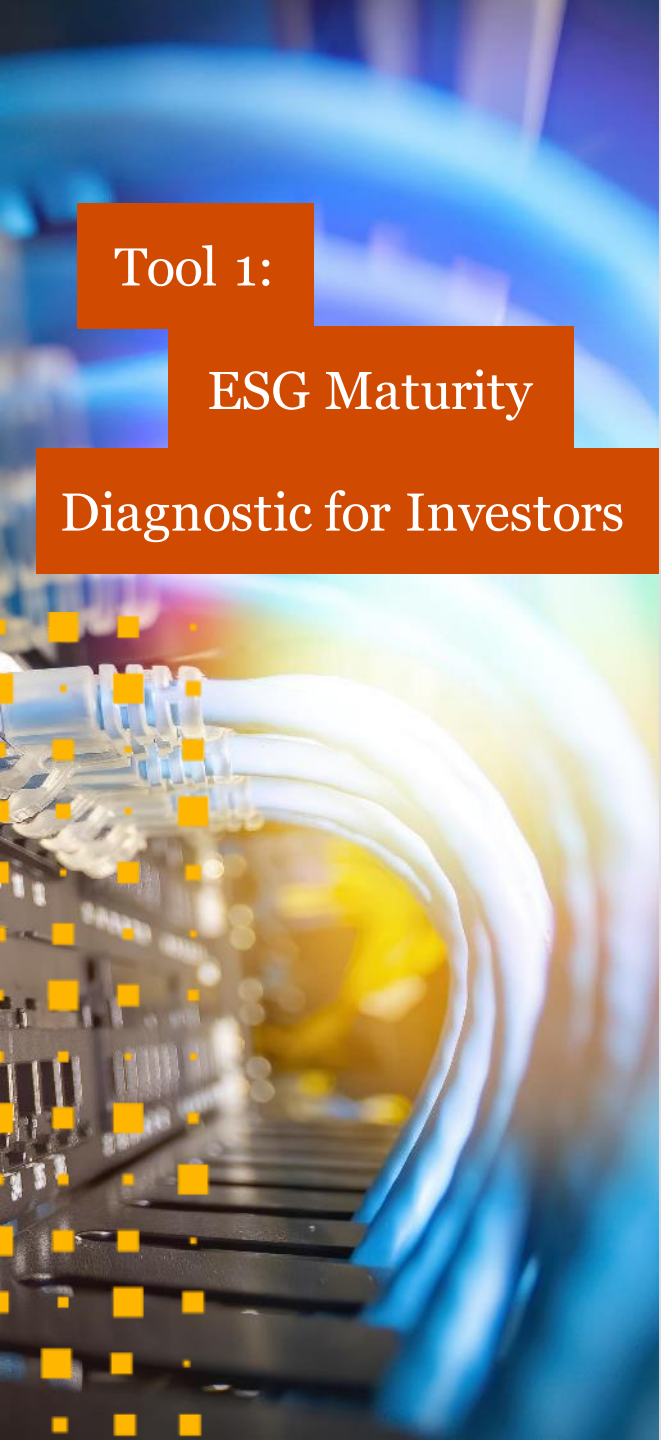


ESG Digital Toolbox



A quick health check for investors on ESG maturity



Who



What



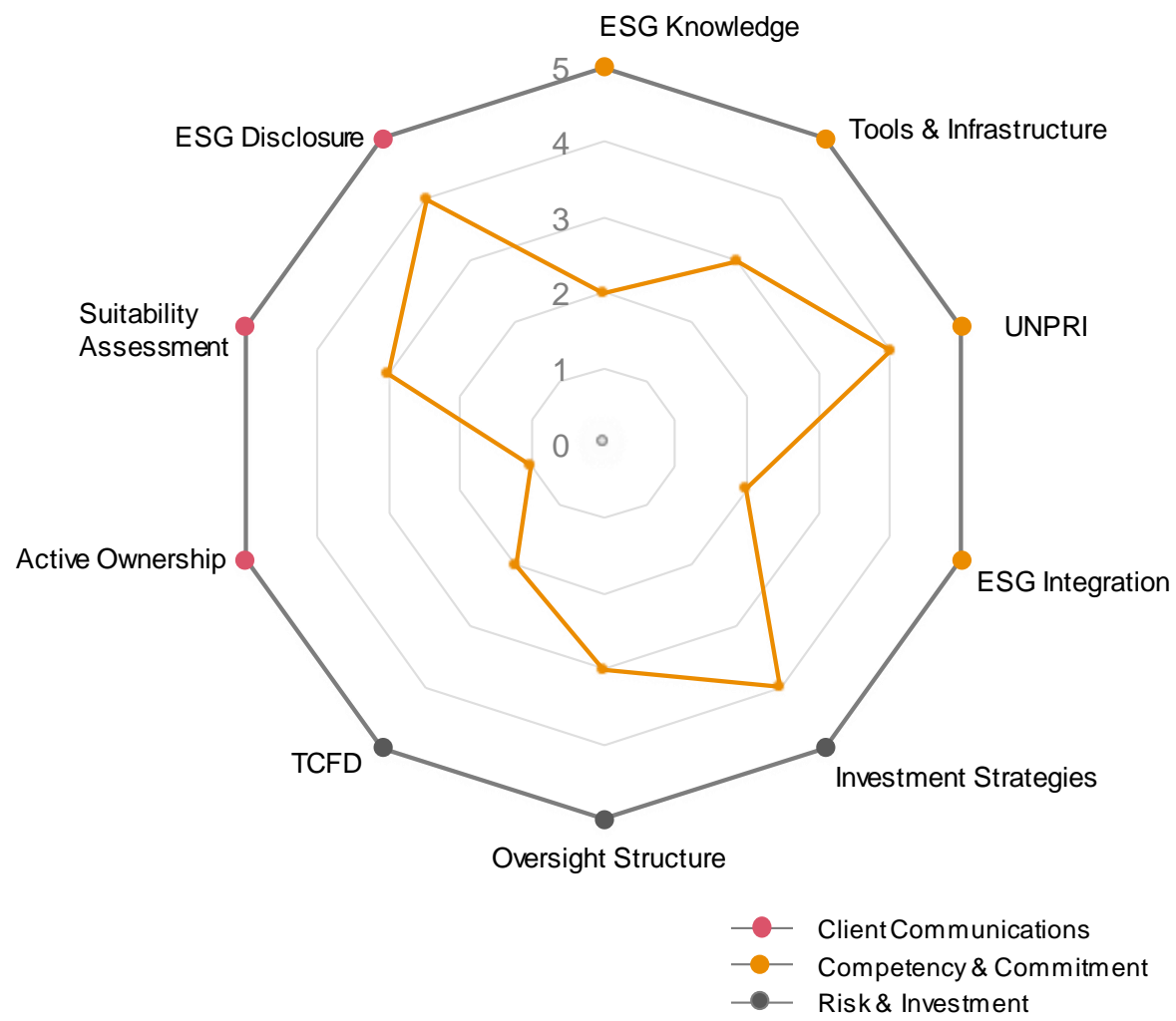
Why

- Asset owners and asset managers keen to understand where their ESG maturity and how to plan to move up the curve
- A quick 10 question diagnostic that gives you a maturity score
- Coverage of key elements of ESG relating to Client Communications, Competency & Commitment and Risk & Investment
- **Regulation:** There is increasing pressure from regulators to assess financial exposure to ESG and climate-related risk
- **Changing investor preferences and needs:** Sustainable investing has become more important to investors over the last five years and this trend is likely to continue
- **Growing scrutiny:** The asset and wealth management industry is experiencing divestment relating to environmental and social movements, particularly around climate change

Tool 1: ESG Maturity Diagnostic for Investors

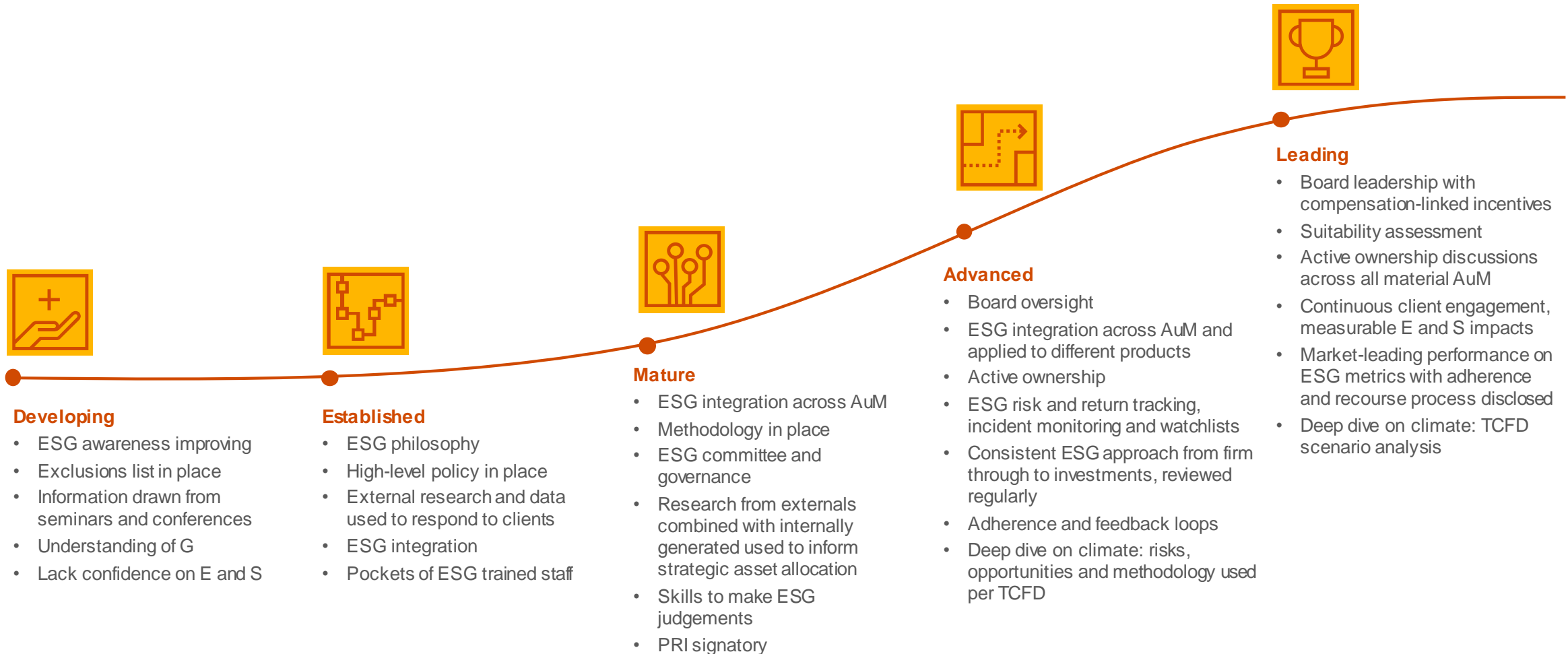
PwC's ESG Maturity Diagnostic

The 10 diagnostic questions about your ESG practices



PwC Investor ESG Maturity Model

Winning in the world of ESG



Tool 2:

ESG Digital

Report

Let the tool take care of the data



Board-level decisions

- Reliable and robust data, compared against industry benchmarks to give confidence in decision making
- Aggregated group-level and segment breakdown specific to your business, for example covering different locations or industries
- Data analytics on year-on-year trends and progress against targets



Compliance, investor relations and corporate communications

- Built-in stakeholder engagement and materiality assessment and results
- User-friendly and bilingual dashboards available at any time for communications with stakeholders
- Signposting for listing rule requirements and broader indicators



Example use case

- HKEx listing rule upgrades on ESG disclosures effective for financial years commencing on or after 1 July 2020
- Mandatory “comply or explain” disclosures broadened e.g. including board oversight responsibilities and climate change exposure details
- Tool helps to collect, analyse and convert your data for General Disclosures and Key Performance Indicators
- ESG report generated to address stakeholder expectations

Challenges from clients

- “We need to allocate a lot of manpower to collect and consolidate ESG data each year”
- “We are unsure of the completeness and quality of our ESG data”
- “We don’t understand what our ESG data mean to us and our key stakeholders”



Key features

- User-friendly interface for data input
 - Simultaneous user access from multiple locations
 - Collection of qualitative and quantitative ESG data
 - Technology-enabled real time monitoring of project workflow
- Data validation and consolidation
 - Audit trail of data to assess reporting boundaries and facilitate ESG data assurance
 - Conversion of raw data into key performance indicators (KPIs) for disclosure using latest conversion factors
- Generate a customised ESG report
 - Visualise data trends in an interactive dashboard with KPIs tailored to your business
 - Facilitate benchmarking ESG performance against industry average

Key benefits

- Streamlined and reliable data collection processes for ESG report preparation
- Centrally maintained data, transparent and sharable with multiple users across the business
 - Raw data conversion into KPIs for disclosure
 - Auditable and verifiable outputs to boost confidence in accuracy of ESG report
- Timely, readily available and analysed ESG data for communications with stakeholders



Tool 3:

Supply Chain

Sustainability

Compliance Platform

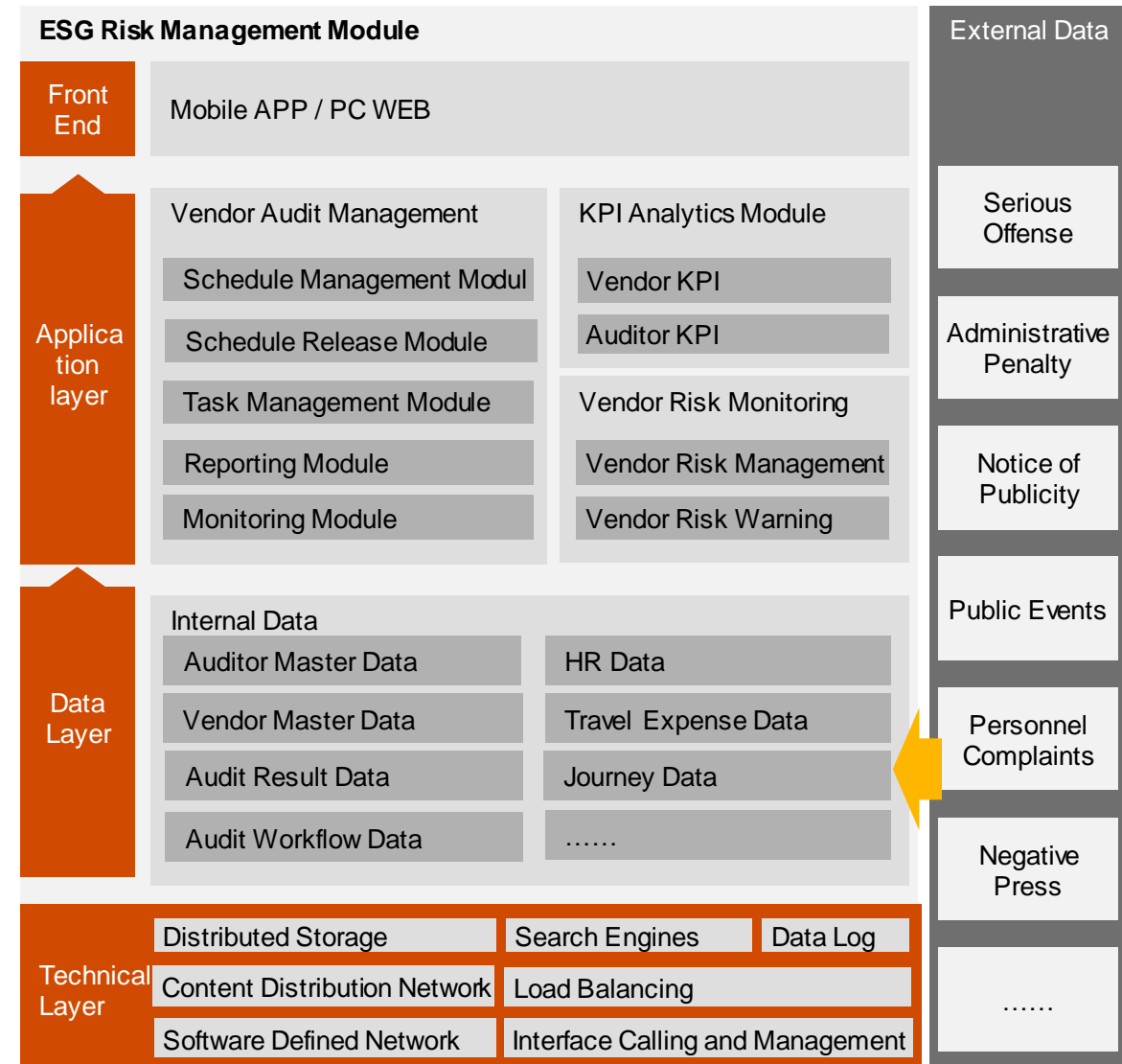
With the help of digitised enabling supply chain sustainable development, to create efficient, transparent and agile supply chain ESG innovative management mode

Scope of application

This is applicable to manufacturing, retail and consumer industries, which have a large number of supplier enterprises and need supply chain ESG risk management

Features

- Digitalise the workflow of ESG management to improve the efficiency of vendor risk management
- Obtain deep insight of each link by using digital method after collecting and analysing the data of each management process
- Integrate vendor ESG risk data with other risk data to build a vendor risk assessment and early warning system covering the whole life cycle.



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