

ESG into strategies -Leading toward a sustainable future post COVID-19

10 July 2020

KPMG in Thailand





Global survey

Global sustainable investing assets rose from USD 13 trillion in 2012 to USD 31 trillion in 2018

1131%

Companies with the highest ESG rating outperformed the lowest rated firms by as much as

40%



UN principles for responsible investment (PRI) 2372 signatories in 2019, so over past 5 years Up by

71%

Bloomberg's research showed of respondents across the buy side, sell side and corporations feel that ESG is more important today than it was 3 years ago



COVID-19 risks outlook

Most worrisome for your company

Prolonged recession of the global economy	66.3%
Surge in bankruptcies (big firms and SMEs) and a wave of industry consolidation	52.7%
Cyberattacks and data fraud due to a sustained shift in working patterns	50.1%
Failure of industries or sectors in certain countries to properly recover	50.1%
Protracted disruption of global supply chains	48.4%
Tighter restrictions on the cross-border movement of people and goods	42.9%
Another global outbreak of COVID-19 or different infectious disease	35.4%
Economic collapse of an emerging market or developing economy	34.6%
Weakening of fiscal positions in major economies	33.4%
Sharp increase in inflation globally	32.6%



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ight Report

COVID-19 Risks Outlook A Preliminary Mapping and Its Implications

Reference: World Economic Forum: Covid-19-risks-outlook-a-preliminary-mapping-and-its-implications, May 2020



Pre/post COVID-19



Business









Financial









Operation



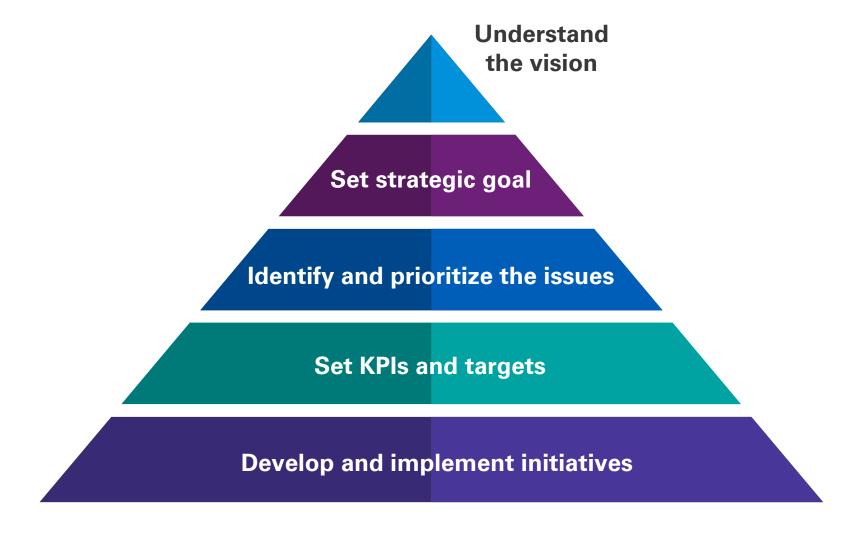








ESG into strategies











Greenhouse gases



Waste



Water



Natural conditions







Human capital management



Safety management



Customer engagement



Communities and social benefit







Structure and oversight



Risk management & internal control



Transparency and reporting



Strategy & execution and monitoring

Managing the unknown



Success factors

Getting the basics rights

- Create a sense of purpose for business that fosters ESG development with top management's buy in
- Focus on the top priority issues that make the greatest impact on the business and stakeholders



Strengthening the core

- Build proactive ESG governance with sufficient board oversight
- Identify and address ESGrelated risks
- Develop vision-led and goaldriven ESG strategies
- Develop a robust data management system for progress tracking and target setting



Communicating the efforts

- Communicate the sustainability report vision and performance with your stakeholders regularly
- Develop and publish a sustainability/ESG report annually in line with local and international reporting standards
- Engage a third party to conduct independent assurance on the sustainability/ESG report and data





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