

# WHY ESG MATTERS

ESG (Environmental, social and governance) is a key component of our Responsible Investment strategy

# FUTUREGROWTH

/ ASSET MANAGEMENT

PENSION FUND MEMBERS

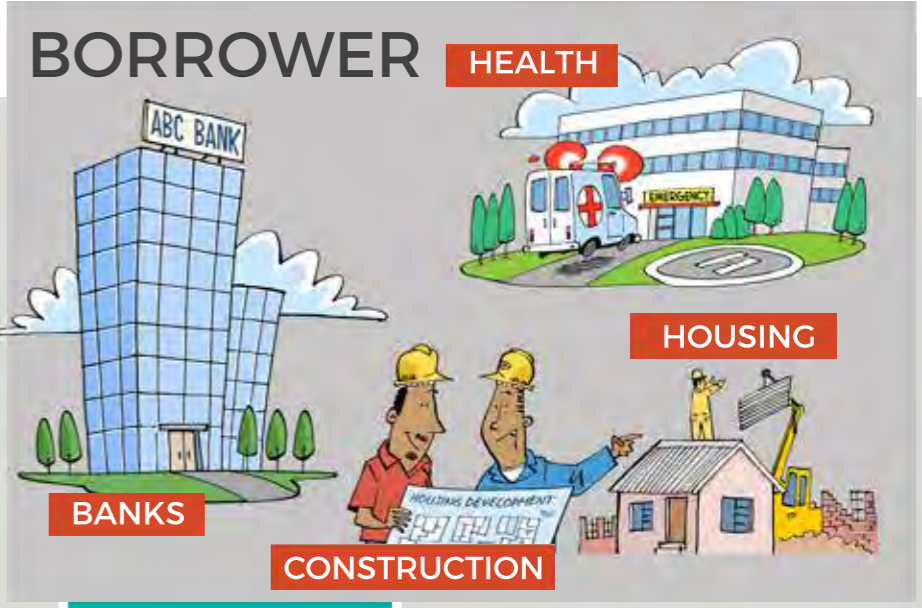


Pension funds have a fiduciary duty to consider non-financial issues, like ESG, when investing.

PENSION FUND MONEY

FUTUREGROWTH FUNDS

FUTUREGROWTH LOOKING FOR INVESTMENTS



BORROWER LOOKING FOR FUNDING

SUSTAINABLE FINANCIAL RETURNS



FUTUREGROWTH LENDS MONEY TO BORROWER

### BENEFITS OF ESG

- 1 ESG is a key risk tool for building wealth.
- 2 ESG risks can affect an issuer's risk profile and cost of funding.
- 3 We can identify and price for risks.
- 4 We can earn sustainable long-term, risk-adjusted returns for our pension fund clients.



DUE DILIGENCE

Futuregrowth has an experienced team of analysts who perform a due diligence on the borrower using financial criteria e.g. credit risk and non-financial criteria e.g. ESG.

### SCREENS BORROWER USING NON-FINANCIAL CRITERIA

**ENVIRONMENTAL**  
Compliance with environmental laws, reduce and disclose carbon emissions, reduce energy consumption.

**SOCIAL**  
Compliance with labour laws, employee health and safety, supply chain risks.

**GOVERNANCE**  
Role and function of the board, composition of the board and board appointment process.



DECISION TO INVEST

COMBINED WITH ANALYSIS OF FINANCIAL CRITERIA

