

2021

PwC's Insights on ESG

Marios Psaltis
CEO, PwC Greece



20 October 2021

FOR EXTERNAL USE

Critical Numbers around ESG

7bn

1.5

11.9trn

A view of the ESG landscape



Environmental

Climate Change

Carbon Emissions

Pollution & Waste management

Packaging Material & Waste

Biodiversity & Land Use



Social

Labor Management & Human Capital Development

Health & Safety

Supply Chain Labor Standards / Controversial sourcing

Inclusion and Diversity

Product Safety & Quality

Access to Finance / Healthcare / Communication

Technology Impact - Upskilling



Governance

Business Ethics

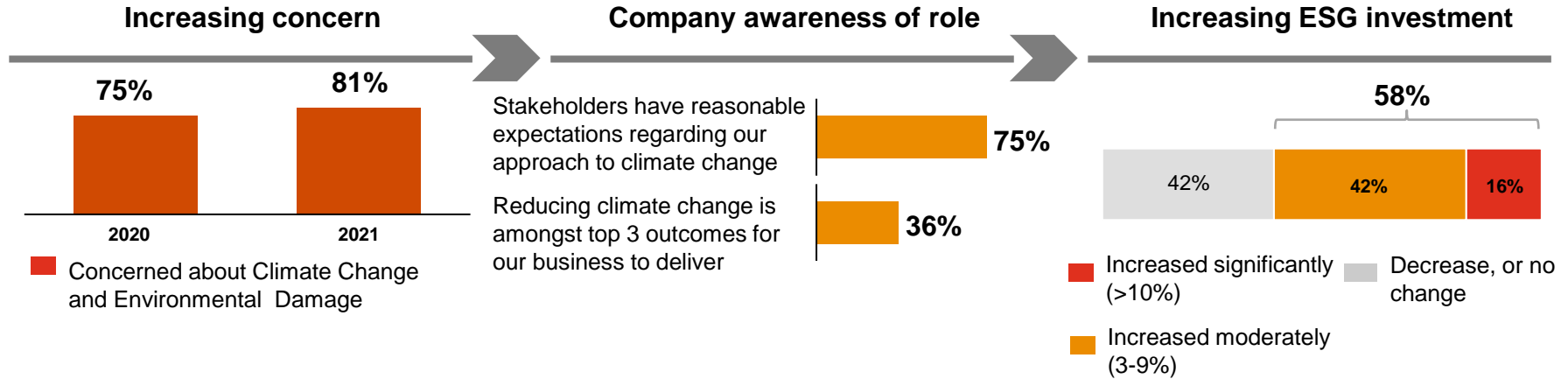
Board Diversity

Anti-competitive, anti-corruption practices

Tax Transparency

Transparency in reporting / Non financial KPIs

Greek CEOs express increasing concerns about ESG. But how many believe that investments will increase in the near future?



only **28%** have explicitly incorporated climate in their risk strategy

42% believes that investment in ESG will not increase or decrease



Why should CEOs care about ESG criteria?



Are Environmental, Social and Governance issues so important for shareholders value?



What should be the purpose of companies?








What is value?

Awareness is increasing that we will be facing climate risks, no matter what we do


01 More Physical Risks

If we do not contain climate change, physical risks will materialize.

-  Drought
-  Floods and higher sea level
-  Heat
-  Extreme weather events
-  Wind

02 More Transition Risks

If we embark on a transition path, transition risks will materialize. An orderly transition is preferred over an abrupt and disorderly transition.

-  Technological innovation
-  Climate law and regulation
-  Market

Private Equity - Entering the age of ESG maturity



65%

of survey respondents have developed a responsible investing or ESG policy and the tools to implement it.



72%

always screen target companies for ESG risks and opportunities at the pre-acquisition stage.



56%

discuss ESG as part of the executive board agenda more than once a year.

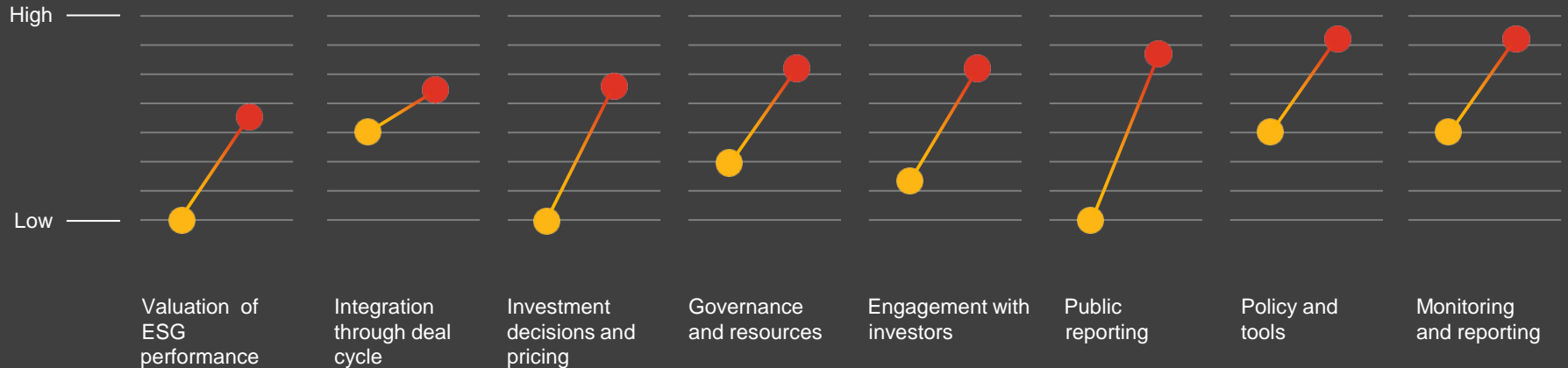


38%

have identified United Nations' Sustainable Development Goals (SDGs) that are relevant at a company portfolio level.

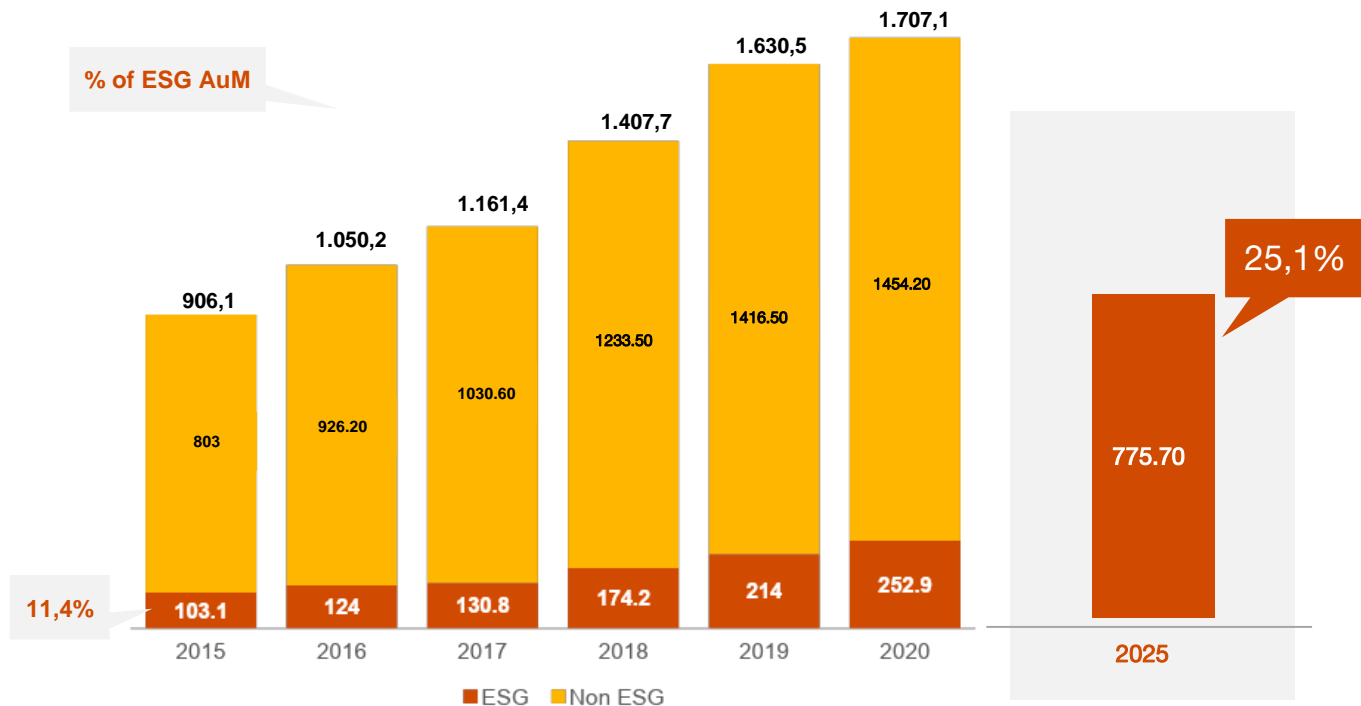
Responsible investing gains attention

Private Equity firms are placing greater emphasis on all areas of ESG



European ESG AuM is poised to more than triple by 2025

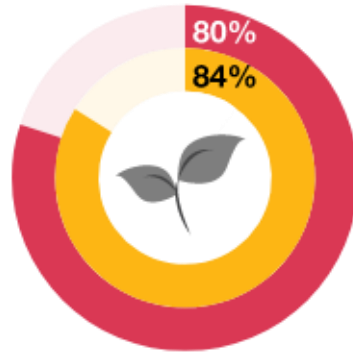
European Private markets AuM: ESG vs. non ESG



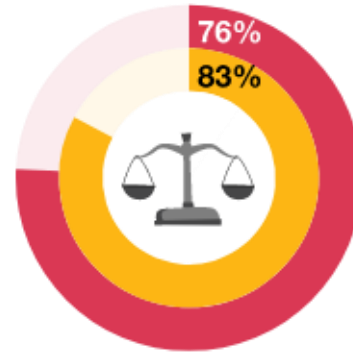
Consumers and employees want business to do more on ESG

ESG commitments are driving consumer purchases and employee engagement

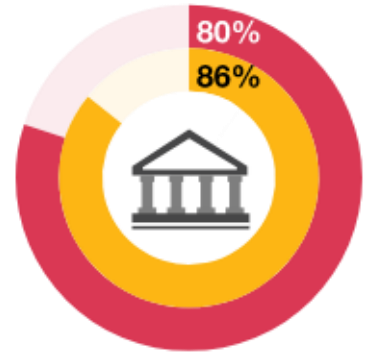
I am more likely to buy from / work for a company that stands up for...



Environmental



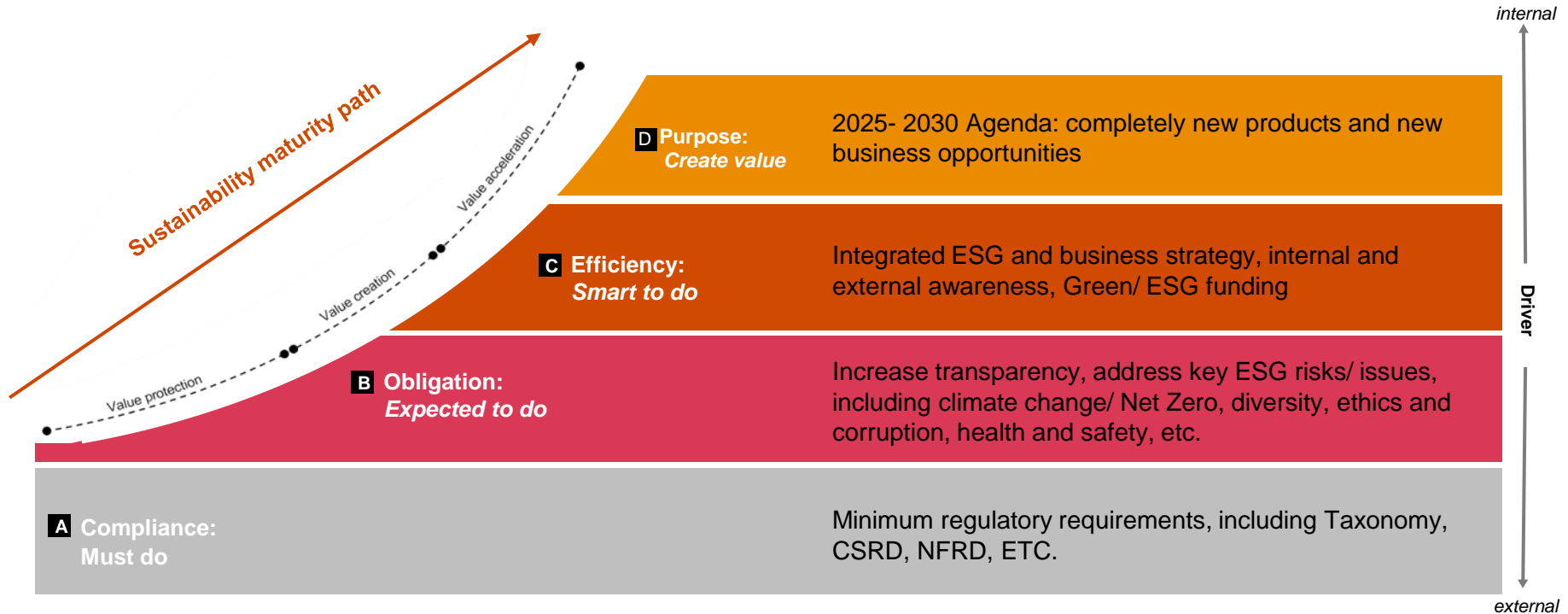
Social



Governance

Consumers Employees

Companies must go beyond compliance and shift from avoidance to innovation-driven ESG transformation

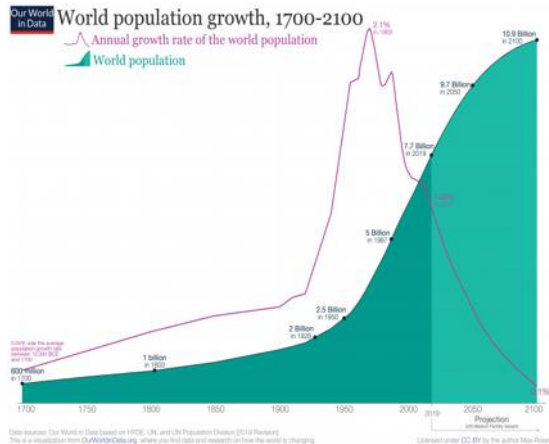


Critical Numbers around ESG

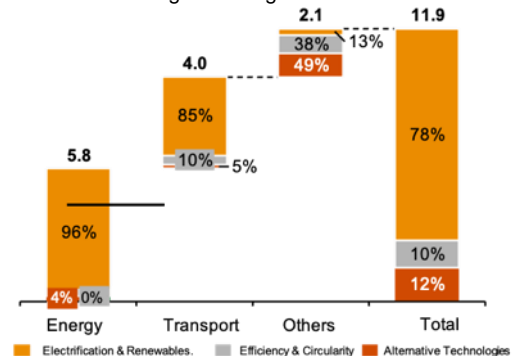
7bn

1.5

11.9trn



Estimated total investment need in Europe to achieve Paris Agreement goals



Thank you

www.pwc.gr

© 2021 PwC. All rights reserved. Not for further distribution without the permission of PwC. "PwC" refers to the network of member firms of PricewaterhouseCoopers International Limited (PwCIL), or, as the context requires, individual member firms of the PwC network. Each member firm is a separate legal entity and does not act as agent of PwCIL or any other member firm. PwCIL does not provide any services to clients. PwCIL is not responsible or liable for the acts or omissions of any of its member firms nor can it control the exercise of their professional judgment or bind them in any way. No member firm is responsible or liable for the acts or omissions of any other member firm nor can it control the exercise of another member firm's professional judgment or bind another member firm or PwCIL in any way.