



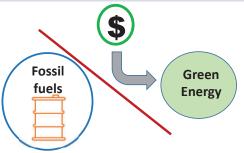
## **How ESG Works**

## Corporate level - influencing board rooms and management Environmental (Divestment) Social "Diversity" Governance Management

- Inserts political agendas into commercial enterprises
- Inherent tension fiduciary responsibility to the shareholders / public pensioners



Collaborative political pressuring of investors and capital providers

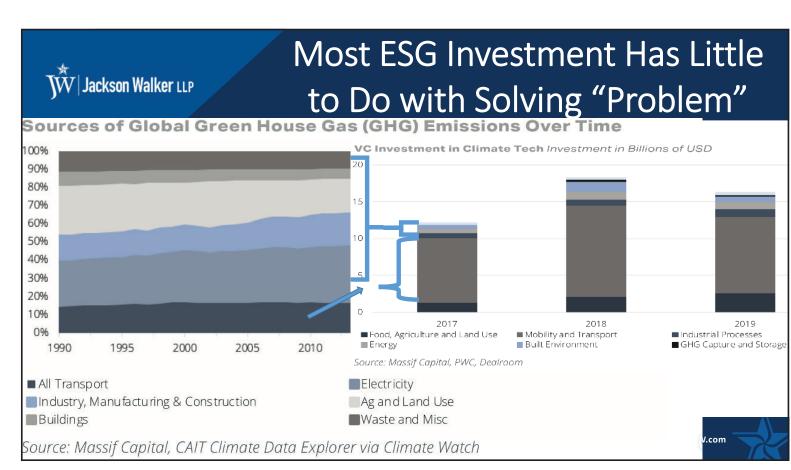


- Potential to create significant discrimination against domestic fossil fuels (Russia, China and OPEC win)
- Subsidies and distortions already compromising the marketplace and misused ESG could exacerbate distortions.



Top Ten Holdings of all ESG ETFs by Portfolio Allocation ESG Growth Microsoft Alphabet W Jackson Walker LLP Proter and Gamble Apple Home Depot **NVIDIA** Tesla Novo Nordisk Walt Disney **Growth in ESG ETF AUM USD Billions** Pepsico 0.00% 1.00% 2.00% 5.00% 3.00% 4.00% Bloomberg 202 600 500 SUSTAINALYTICS 400 S&P Global 300 230 Ratings 200 MSCI (1) 100 21 16 STATE STREET GLOBAL ADVISOR 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 1H20 2024e 2029e JW.com PRI Principles for Source: Massif Capital, Morgan Stanley, Morningstar, Blackrock









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## Title search: Environmental Challenges and Impacts on Energy Infrastructure

Also available as part of the eCourse Hot Topics in Gas and Power

First appeared as part of the conference materials for the 2020 Hot Topics in Gas and Power session
"Environmental Challenges and Impacts on Energy Infrastructure"