



ESSAFIN Consulting Services – WHITE PAPER

The ESG Market

The market for sustainable investments continues to grow and is now valued at over US\$1 trillion. Both retail and institutional investors have become much more sophisticated in how they approach Environmental, Social, and Governance (ESG) investing. They have also become more vocal in demanding information on the ESG impacts of their investments.

There is an abundance of ESG criteria available that include specific metrics and rating systems. There are several robust sets of principles available that support identification and categorization of risk. However, ESG metrics and rating systems require adaptation to meet organizational needs. The challenge for investors is to understand and apply these principles in a consistent way to measure the impact of investments under consideration.

For large organizations (with thousands of employees) who have a greater capacity to develop a sophisticated team to focus on data collection and reporting, or to contract specialists, this challenge may be less daunting. For smaller companies and organizations, this may not be the case. Essafin's role is to bridge the gap between high-level principles and project-level risks

ESSAFIN Logic

The Essafin team brings over 50 years of combined practical experience in ESG to apply third party principals to investment decisions. We have worked around the world in:

- Environmental lifecycle analysis
- Environmental management systems
- Environmental policy and regulation including carbon pricing
- Socioeconomic policy and implementation
- Strategic and operational planning
- Social policy, program design, and implementation



If you are a financial institution, ESSAFIN offers direct consulting support for those that do not have the in-house resources to work with our ESSAFIN Logic SAAS tool. The ESSAFIN Logic SAAS tool provides a holistic characterisation of ESG risk. This gives investors and companies alike the solid framework they need to effectively incorporate ESG criteria.

The software not only identifies and categorizes ESG risk, but offers recommendations on measures to mitigate areas of greater risk.

ESSAFIN can support you wherever you are. Whether you are just embarking on incorporating ESG risk and metrics, are looking to build internal expertise, or you want to test the mettle of the ESG program you currently have in place, our team has the experience and knowledge to ensure you reach your objectives.

Dr. Darren Brown, our founder and director, is an environmental professional with over 20 years of experience working in consulting, local and provincial government, and the industrial sector. His considerable firsthand experience evaluating environmental and societal values associated with projects and processes allows him to take an unencumbered and practical approach to ESG risk.

Adam Hayashi, our strategy advisor, has over 15 years of experience in policy, strategic planning, market intelligence, and stakeholder engagement for both industry and government. He specializes in competitive intelligence analysis, implementation of strategic plans, and creation and execution of stakeholder engagement programs. He has worked on global energy and emissions reporting, and sustainability measurement and communications.

Steve Johnston, our social advisor, is a social policy and community economic development professional with over 15 years of experience working in the non-profit sector and local government. He is incredibly skilled in community economic development, specifically working with a range of stakeholders from academic institutions to private developers to unlock opportunities in the supply chain to further social procurement and diverse hiring practices. Steven also has considerable expertise navigating the intricacies of community benefit agreement rules at the federal, provincial, and municipal levels, as well as working with developers to



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to mitigate their economic impact and enhance the social return for local communities.

For companies and organizations starting from scratch or with a limited understanding of ESG, we can provide advice to avoid common pitfalls, save you money, and get you moving in the right direction. For companies and organizations building up their ESG capacity, we can ensure your strategy is aligned with established ESG principles. ESSAFIN offers training on our SAAS tool to build your internal capacity. We also offer independent financial applicant reviews and advisory services. By leveraging our large network of scientists, professionals, and industry experts we ensure we meet all our client's needs. ESSAFIN's extensive ESG expertise can get you moving in the right direction from wherever you are at now.