



**IASE (International Association for Sustainable Economy)**, the first Association worldwide to certify ESG professionals, has drawn up a list of ten strategic points in which it summarizes why corporations should work to promote ESG policies in the Covid-19 era.

1. Provides for a Corporate Strategy that is fully compatible and responsible with the reality facing our planet: having a sustainable strategy that incorporates ESG criteria allows the company to comply with the United Nations' sustainable development principles and positions it as an institution that bets on and defends ethical values that are fully shared by the main organisations worldwide.
2. Increased Return on Investment: in the last 12 months, the return on funds invested in companies that have an ESG component have performed better than those that do not have a sustainable investment policy associated with them. This gap is expected to increase over time towards companies that have fully embedded ESG policies. This reality has also been shown empirically through more than 2,000 academic studies which show that, in more than 70% of the cases, there is a high correlation between companies with ESG criteria and the best financial results obtained. Investors are shifting their portfolio towards more sustainable companies, and those without a clear ESG long term policy are suffering a decrease in their price value and their liquidity, because private and public institutional investors are not interested in maintaining those companies when readjusting their asset allocation scheme.
3. More efficient financing cost structure: those institutions that have incorporated ESG metrics in the management of their processes, and especially in the reduction of their carbon footprint, can access better and cheapest sources of financing than those companies that continue with a policy of managing their resources in a traditional way.
4. Reduction of Operational and Production Costs: having a long-term business strategy that incorporates ESG criteria contributes to a potential reduction in operational and production costs such as energy costs, water treatment costs, waste treatment costs, pollution costs, etc., which clearly results in an improvement in the organisation's operating margins.
5. A Governance System based on good professional practices and ethical principles in organisations introduce ESG governance systems, incorporate decision processes that take into account all of their stakeholders (shareholders, customers, employees, suppliers, etc.) and aim to ensure that the interaction of all of them is carried out in an optimum manner and always respecting criteria that guarantee maximum professionalism and compliance with deontological codes.



6. It allows a much more responsible organisational culture: those organisations that introduce awareness policies through training projects on the importance of ESG begin to find that they have better corporate performance than those that do not. In fact, they constitute a whole change of mentality that contributes decisively to the institution being fully aligned with Environmental, Social and Governance criteria.
7. Improved Work Opportunities within the Organisation: an adequate internal equality policy allows the company to contribute generating the same work opportunities for both men and women, increasing the motivation of a very important segment of the institution, and also making available much more talent that will result in improved decision-making throughout the organisation.
8. It allows for a better work-life balance among employees: those organisations which incorporate ESG criteria allow for a better balance between work and family life demands through more compatible schedules and/or the incorporation of teleworking. All of this results in a better working environment for the entire organisation and contributes to a higher level of motivation than in organisations which do not incorporate this type of personnel policy.
9. Prepares the organisation to be able to comply with regulatory requirements: worldwide, regulatory pressure is increasing. And in the case of ESG requirements, there are several international initiatives that will clearly and demonstrably require organisations to incorporate sustainability, social and governance criteria both in their corporate strategy and in their own daily operations. Those institutions that do not comply with the new regulations may be penalised with the consequent impact on reputational risk, among others.
10. It contributes to the Organisation's Customers having a good perception of the Company's corporate image: currently, there is a trend of consumers demanding products and services from companies that comply with ESG criteria. This trend will increase in the coming years. And therefore, only organisations that have such criteria incorporated into their DNA will have a competitive advantage in an increasingly competitive global market.