ESG Investment on the Upswing (II) The Development of ESG Rating

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Abstract:

Environmental, Social and Governance (ESG) has become a buzzword in the international investment circle, while in China the concept of green development, the overall layout of ecological civilization, as well as the citing of the goals in emission peak and carbon neutrality have all made ESG a catchphrase. Environmental, climate change and ecological factors including biodiversity are expected to be included in the framework of cooperate information disclosure and have impact on investment decision-making.

This is the second part of a series of articles on ESG.

ESG rating provides references for ESG investment. On the basis of adopting general disclosure guidelines and reporting standards, rating agencies integrate different ESG factors into their criteria and set up various systems, according to their own understanding and consideration.

Key words: ESG rating, rating agency, rating system

Reference

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