



Goldman Sachs: 'If You Ignore Sustainability, You're Going To Be Worth Less'

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At a time when so many businesses have global growth ambitions, an emphasis on sustainability and non-financial issues could give a company the edge when it comes to attracting investors and gaining long-term commercial advantages, the chairman of Goldman Sachs' Asia Pacific region has said.

“As a company, if you ignore sustainability, you’re going to be worth less,” Tim Freshwater told a conference in Guilin, southwest China, explaining that data related to environmental, social and governance (ESG) is becoming a bigger factor when investors screen businesses.

“Companies have to make sure they have the data, and that they are ahead of the game. This has to be part of their business plan,” he said.

Indeed, according to a new report by CFA Institute, a global association of investment professionals, 63 percent of portfolio managers and research analysts interviewed said they take wider information, such as ESG, into account because it helps them better manage investment risk.

Of those polled, 44 percent said they now demand ESG data.

“The world is changing fast and corporations and financial institutions need to change with it,” Freshwater said. “These issues are getting more and more important.”

Freshwater, who is also on the board of the Hong Kong stock exchange, highlighted the global investment firm KKR's Green Portfolio Program, which delivers both financial and environmental impact.

Full story :

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