

ESG criteria

There is a lot of information about ESG and what investors may consider are important factors to them.

Here are some examples of ESG criteria.

Environmental criteria examine a company's energy use, waste, pollution, natural resource conservation and animal treatment. They also evaluate which environmental risks might affect a company's income and how it manages those risks.

Social criteria look at the company's business relationships. Does the company's working conditions show high regard for its employee's health and safety? Does the company spend on the community or perform volunteer work?

Governance criteria identify accurate and transparent accounting methods and allow common stockholders to vote on important issues. Conflicts of interest are managed for their board members and not investing in companies that engage in illegal behaviour or use political contributions to obtain favourable treatment.

