

CERTIFICATE IN ESG INVESTING

CFA Society Atlanta's Everything You Need to Know About ESG

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CFA Institute



CFA Institute[®]
Certificate in ESG Investing

A UNIQUE FORCE WITHIN THE INVESTMENT PROFESSION



- A global not-for-profit organization
- The world's largest association of investment professionals
- Industry leader promoting the highest standards of ethics, education, and professional excellence
- A vast global network of members, societies, and relationships with key financial organizations around the world

CFA Institute Mission:

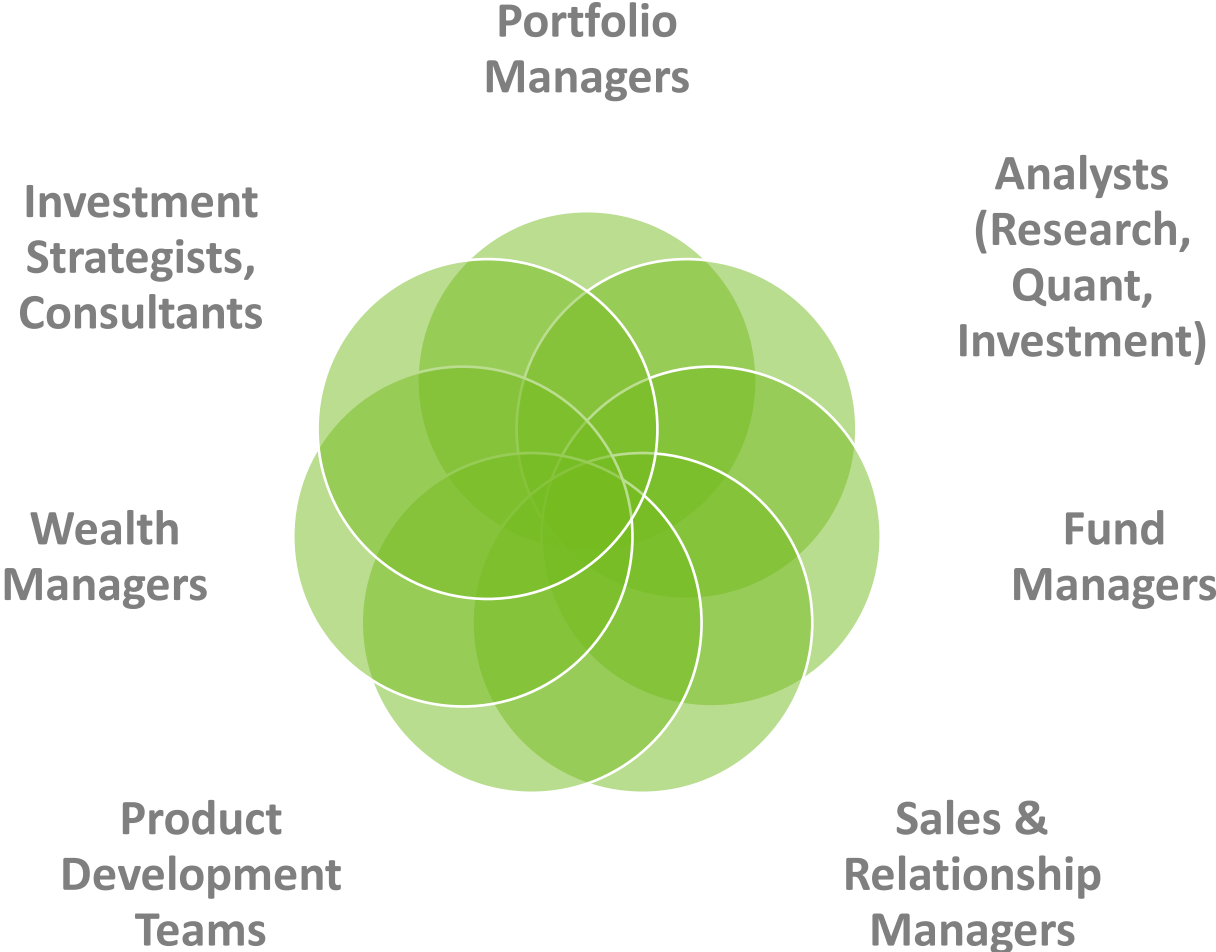
To lead the investment profession globally by promoting the highest standards of ethics, education, and professional excellence for the ultimate benefit of society

OVERVIEW OF THE CERTIFICATE IN ESG INVESTING



CFA Institute[®]
Certificate in ESG Investing

WHO IS THE CERTIFICATE DESIGNED FOR?



HOW TO EARN THE CERTIFICATE



A qualification **created by practitioners, for practitioners**, developed to deliver knowledge and skills required by investment professionals to integrate ESG factors into the investment process.



Self-paced study program, supported by a dedicated training manual.

Recommended study time is **130 hours on average**.

No formal entry requirements but prior investment knowledge is helpful.



2-hour 20-minute exam, 100 questions: multiple choice and item sets.

Price is **USD 675** including study materials and exam registration.

Testing is conducted through **Prometric Online Testing (Pro-Procter) or Prometric Test Centres**.



Over 18,000 registrations since UK launch in 2019.

Leading employers are:

- adding it to approved training subsidy programs;
- mandating it for certain job functions;
- Referencing employee pass rates as a metric in RFPs and pitch books.

WHAT DOES THE CERTIFICATE COVER?



CFA Institute[®]
Certificate in ESG Investing

SYLLABUS OVERVIEW

**Introduction to ESG
(4-8 questions)**

CHAPTER 01.

**The ESG Market
(4-8 questions)**

CHAPTER 02.

**Environmental Factors
(6-12 questions)**

CHAPTER 03.

**Social Factors
(6-12 questions)**

CHAPTER 04.

**Governance Factors
(6-12 questions)**

CHAPTER 05.

**Engagement and Stewardship
(6-10 questions)**

CHAPTER 06.

**ESG Analysis, Valuation and
Integration
(20-32 questions)**

CHAPTER 07.

**ESG Integrated Portfolio
Construction and Management
(8-14 questions)**

CHAPTER 08.

**Investment Mandates, Portfolio
Analytics and Client Reporting
(4-8 questions)**

CHAPTER 09.

TAKE ACTION USING THE LINKS BELOW

1. [Learn More about the Certificate in ESG Investing](#)



2. [Opt-In for More Information on the Certificate in ESG Investing](#)



3. [Register Now for the Certificate in ESG Investing](#)



4. [Review the Syllabus for the Certificate in ESG Investing](#)



THANK YOU

For more information, please contact Liz.DeFreitas@cfainstitute.org.



To learn more or register, scan the QR code below!



SCAN ME

APPENDIX

Introducing the CFA Institute Certificate in ESG Investing

The CFA Institute Certificate in ESG Investing offers you both practical application and technical knowledge in the fast-growing field of ESG investing — an opportunity to both accelerate progress and demonstrate purpose.

Product Details:

- **\$675 registration cost**
- Self-paced study program, **130 hours of study time** recommended
- **2-hour 20-minute examination**, available at Computer-Based Testing centers or Online Proctored testing (where applicable)
- **100 question, multiple choice & item sets**

To learn more or register,
scan the QR code below!

SCAN ME



CFA Institute®
Certificate in ESG Investing

LARGEST ASSOCIATION OF INVESTMENT PROFESSIONALS

Our large global network of members and relationships with key financial organizations, universities and regulators around the world provides global connectivity and a medium through which to engage on key industry issues and to positively affect the investment profession.

AMERICAS

- **105,558** CFA Charterholders
- **92** CFA Societies
- **48,435** CFA® Program candidates
- **337** Affiliated Universities

EMEA

- **41,503** CFA Charterholders
- **47** CFA Societies
- **36,483** CFA Program candidates
- **200** Affiliated Universities

ASIA PACIFIC

- **39,759** CFA Charterholders
- **21** CFA Societies
- **118,964** CFA Program candidates
- **166** Affiliated Universities

We build relationships and engage with diverse organizations

Institutional Investors | Investment Managers
Investment Consultants | Regulators | Universities

*Data as of 03/31/2022

A COMMITTED APPROACH TO ESG INVESTING

With the growing interest from investors, ESG investing is fast becoming a driving force across the investment management industry.

The **Certificate in ESG Investing** delivers the new skills, mindsets and strategies that are needed in one industry-respected qualification program.

It can help firms stay competitive in this new landscape, and help your employees learn to integrate ESG factors into their investment analysis and client conversations.

76%

of institutional investors and

69%

of retail investors have interest in ESG¹

¹Source: CFA Institute Earning Investors Trust, 2020

WHY CHOOSE THE CERTIFICATE IN ESG INVESTING?

1. Highly regarded qualification backed by CFA Institute, the globally recognised leader in investment management qualifications.
2. Delivers the benchmark knowledge and skills required by investment professionals to integrate ESG factors into the investment process.
3. Syllabus created by industry practitioners, for practitioners, focusing on the practical topics investment professionals need to know. Content revised annually to maintain relevance.
4. Firms emphasizing ESG Investing education can improve talent retention and acquisition.
5. Internal common language of ESG investing strategies.

TANGIBLE BENEFITS FOR FIRMS



Institutional
Invoicing



Vouchers for
Employees



Tracking data



PR template
provided by CFA
Institute



Listed as supporter
on CFA Institute
collateral



LinkedIn badge
for employees

ADOPTION BY GLOBAL ORGANIZATIONS

Leading global firms are adopting the **Certificate in ESG Investing** by:

1. Adding it to approved training lists for employees,
2. Mandating it for certain job functions,
3. Putting cohorts of employees simultaneously through the program to create an ESG community,
4. Referencing the number of certificate holder employees in client pitch books or RFPs to evidence their ESG commitment and credibility to investors.

Examples of firms supporting their employees in taking the Certificate in ESG Investing include:

- **Aegon Asset Management**
- **AXA Investment Managers**
- **BBVA Asset Management**
- **BTG Pactual**
- **Fleishman Hillard**
- **Goldman Sachs Asset Management (GSAM)**
- **HSBC Wealth and Personal Banking**
- **Invesco Asset Management**
- **Mercer Consulting**
- **Natixis**
- **Nykredit/Sparinvest**
- **Pictet Asset Management**
- **SURA Investment Management**
- **UBS Asset Management**
- **Voya Investment Management**
- **William Blair Investment Management**

TOPIC BREAKDOWN BY CHAPTER

- ESG Concepts & Approaches
- Benefits & Challenges
- Materiality of ESG Issues
- ESG Megatrends

- Size & Scope of ESG Investing
- Key Market Drivers
- ESG Issues & Sustainability Trends
- ESG Implementation Challenges

- Key Evidence-Based Environmental Concepts
- Megatrends & Relationship to Business Practices
- Applying Material Impacts on Investment Opportunities

- Key Evidence-Based Social Concepts
- Social Issues & Relationship to Business Practices
- Applying Material Impacts on Investment Opportunities

- Corporate Governance Frameworks & Models
- Applying Material Impacts on Investment Opportunities
- Applying Factors to Financial Modelling, Risk Assessment, etc.

- Purpose of Engagement & Stewardship
- Stewardship Codes & Principle Requirements
- Methods and Engagement in Practice (+ by asset class)

- Objectives of ESG Integration by approaches and challenges
- Qualitative & Quantitative Approaches by Asset Class
- ESG Databases & Software
- CRA's ESG Scoring, Screening

- Portfolio Construction & Mgmt.
- ESG Factors on Strategic Asset Allocation Models
- Evaluating ESG Investments
- Managing Risk & Return, Passive Portfolios

- Mandate Construction and Effective Delivery of ESG Investing
- ESG Screening
- Client Types & ESG Strategy
- Reporting, Monitoring, and Measurement

ESG CERTIFICATE VS. CFA PROGRAM

	<u>Certificate in ESG Investing</u>	<u>CFA Program</u>
Approach	Focused entirely on knowledge and skills in ESG investing and integration. Targeted purely at informing candidates on ESG.	Focused on knowledge and skills in investment analysis, portfolio management, and wealth planning, and integrates ESG across the curriculum.
Context and historical developments	Curriculum introduces approaches to ESG and describes developments in ESG investing	Incorporates coverage of approaches to ESG investing and benefits and challenges of doing so, but less coverage of the history, market sizing, and drivers.
Range of Environmental, Social, and Governance Factors	Provides information on wide range of E, S, and G factors, including key areas and megatrends, how to assess materiality of issues, and introduces application of material E,S, and G factors to analysis, financial modelling, ratio analysis and risk assessment	Provides examples of some E,S and G factors, focusing on application, such as integration of material environmental considerations into financial models. In-depth coverage of governance considerations, but less coverage of E and S factors.
Engagement and Stewardship	Provides context to the purpose of engagement and stewardship, the main principles and requirements, how engagement is achieved in practice, and appropriate methods to establishing an engagement approach.	Provides coverage of principles and requirements, how engagement is achieved, and approaches to doing so.

ESG CERTIFICATE VS. CFA PROGRAM, CONT'D.

	<u>Certificate in ESG Investing</u>	<u>CFA Program</u>
ESG Analysis, Valuation, and Integration	Explains aims and objectives of integrating ESG into the investment process, describes different qualitative and quantitative approaches to this, identification of material ESG factors, and how ESG complements traditional financial analysis and may affect company performance and security valuation. Provides context on the challenges of ESG analysis across geographies and cultures, of identifying and assessing material ESG issues, and of integrating ESG analysis into a firm's investment process. Details the providers of ESG data and information, including screening services, their methodologies and aims, benefits and limitations.	Provides similar coverage to the Certificate on aims and integration, and challenges. This is through the inclusion in the curriculum of several case studies covering ESG integration approaches into models. Provides less coverage on ESG data and information.
ESG Integrated Portfolio Construction and Management	Provides context on impact of ESG factors on strategic asset allocation, approaches for integrating ESG into portfolio management process, and explains how ESG research and analysis is used to make investment decisions. Explains how risk-return dynamic of portfolio optimisation is impacted by ESG integrated investing and describes approaches to managing passive ESG portfolios. Explains the main indices and benchmarking approaches applicable to ESG investing.	Describes approaches for integrating ESG into the portfolio construction process, how to apply screens, and how the risk-return dynamic is affected by ESG integration.
Investment Mandates, Portfolio Analytics, and Client Reporting	Explains importance and relevance of mandate construction, linking sustainable investing and ESG screens to the mandate, and the most common ESG features that investors seek to identify through request for proposal (RFP). Explains the different client types and their objectives, the key mechanisms for reporting and monitoring performance and mandate alignment with client objectives, and key challenges in measuring and reporting ESG- related investment performance.	Explains importance and relevance of mandate construction, linking sustainable investing and ESG screens to the mandate, and the most common ESG features that investors seek to identify through request for proposal (RFP). Explains the different client types and their objectives. Less coverage of portfolio analytics and client reporting relating to ESG.

BE THE ESG INVESTING SOLUTION

A firm is only as good as its people. That's why the right knowledge and skills in ESG investing can help make sure they stay a step ahead and your firm does too. **86% of people who earned the Certificate in ESG Investing have found it to be beneficial to their career¹**, so CFA Institute wants employees at your firm to have access to those same opportunities.

¹Source: CFA Institute Certificate in ESG Investing Candidate Survey 2020

COMPETENCY RAISES CREDIBILITY

Two-thirds of institutional investors think that the growth of ESG investing has increased trust in the financial services industry². The best way to develop that trust with investors and others in the industry is proving to them your team knows what they're doing by showcasing their expertise. With the **CFA Institute Certificate in ESG Investing** your team will be set up to do just that.

²Source: CFA Institute Earning Investor's Trust, 2020

GET ESG SKILLS WITHOUT MISSING A BEAT

With an average of only 130 hours of study time to earn the qualification, employees can get ready for the exam without having to lose focus on their everyday responsibilities and work.

THEIR COMPETITIVE EDGE IS YOUR EDGE

Clients want a reliable partner to help tackle the new challenges of ESG investing. When your talent is equipped to navigate the future of investing, investors take notice. They'll be ready to answer investor's questions and provide smart, responsible recommendations on ESG topics and strategies.

“ A brilliant course. Comprehensive subject coverage with extended, practical readings and illustrations. My training manual is now in constant use at my desk. ”

Jake M., Senior Investment Consultant

“ The Certificate in ESG Investing provides an industry standard for a common understanding of the basics of ESG. ”

Sophie H., Head of ESG Investment Offerings

“ It's tempting to see ESG investing as a luxury. An optional extra, for clients that can only be achieved by giving up financial returns. The Certificate in ESG Investing highlights the real, but often underappreciated, financial risks that go with that view. ”

Nicholas H., Equity Research Lead

“ It's quite a challenge to not get lost in ESG language and stay on top of all recent developments. This course helped me in getting a comprehensive overview of the history of ESG investing, the present with many new initiatives being built, and anticipated future changes to our industry which will be relevant to all of us. ”

“ We aim for long-term partnerships with our clients and are happy to be part of their ESG journey! ”

Michael W., CAIA, FRM; Head of Institutional Sales Germany & Austria