

Business Responsibility

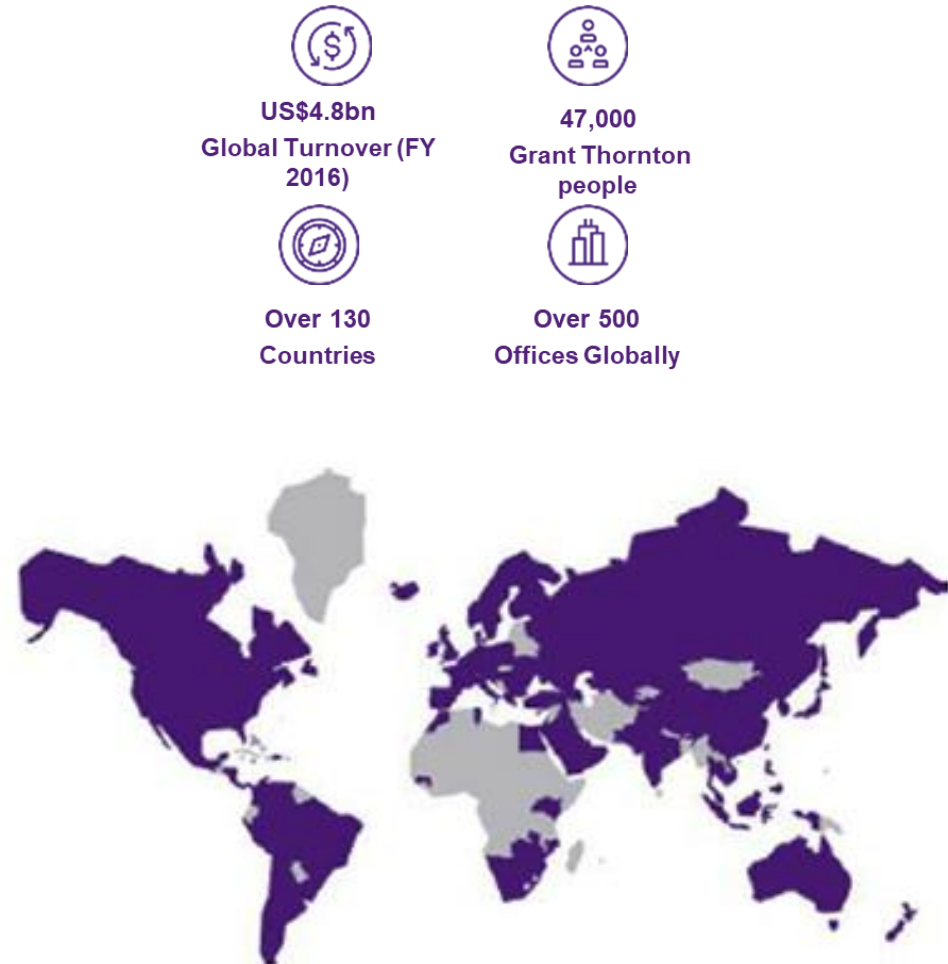
Valentina Yakhnina



Firm Overview

Grant Thornton International Ltd.

Grant Thornton is one of the world's leading organizations of independent assurance, tax and advisory firms. These firms help dynamic organizations unlock their potential for growth by providing meaningful, forward looking advice. Proactive teams, led by approachable partners in these firms, use insights, experience and instinct to understand complex issues for privately owned, publicly listed and public sector clients and help them to find solutions. More than 40,000 Grant Thornton people, across over 130 countries, are focused on making a difference to clients, colleagues and the communities in which we live and work.



CSR Aspects



Market Place



Work Place



Sustainability



**Ethics, Integrity
and Governance**



Human Rights



**Stakeholder
Dialogue**



**Corporate
governance**



**Direct and
Indirect
Economic Impact**



**Supply
chain**



**Product
Quality and
Safety**



**Social
Impact**

Main Benefits

Employees satisfaction



Innovation and learning



Efficiency, and savings



License to operate



Risk management



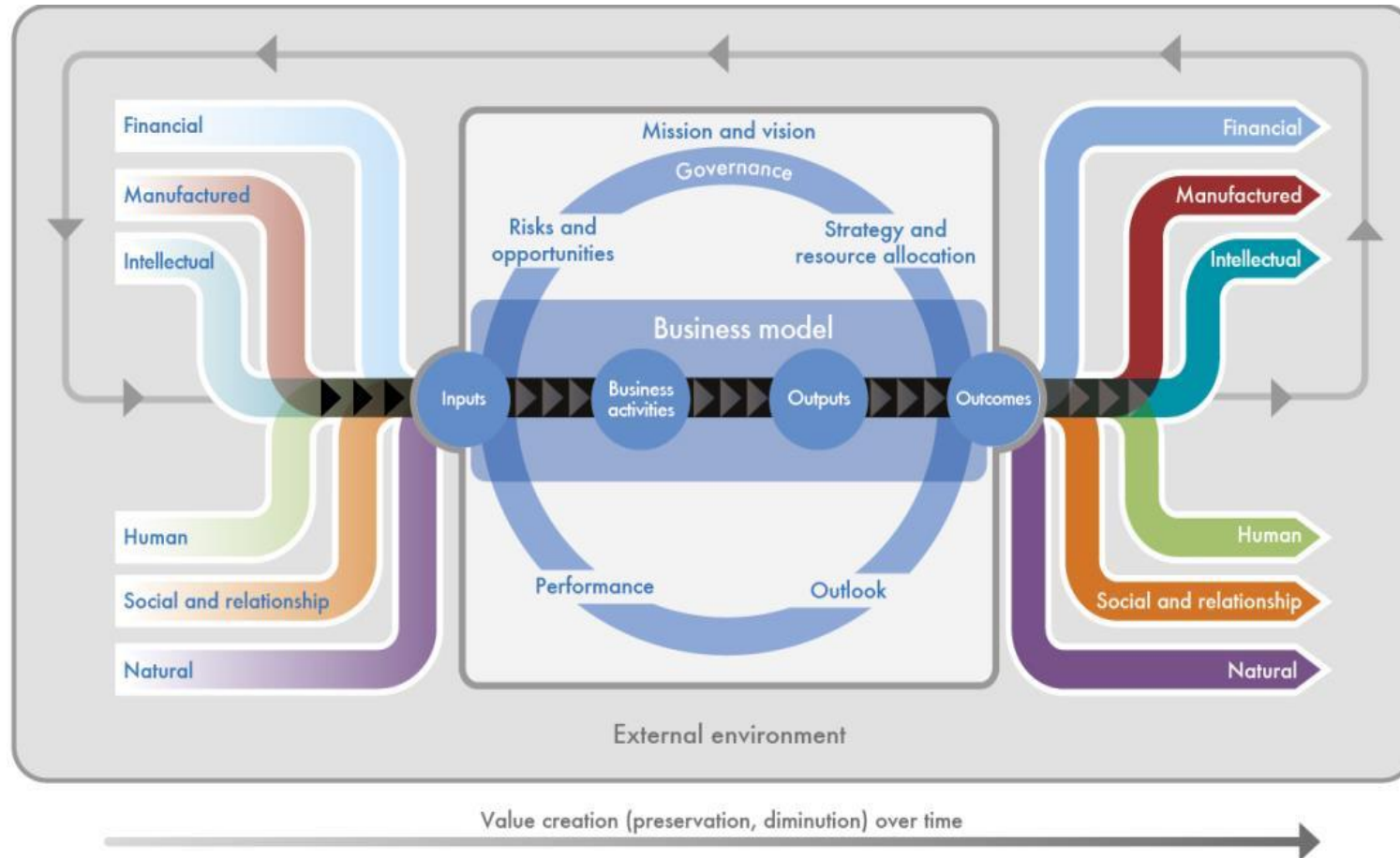
Reputation



Improved access to capital



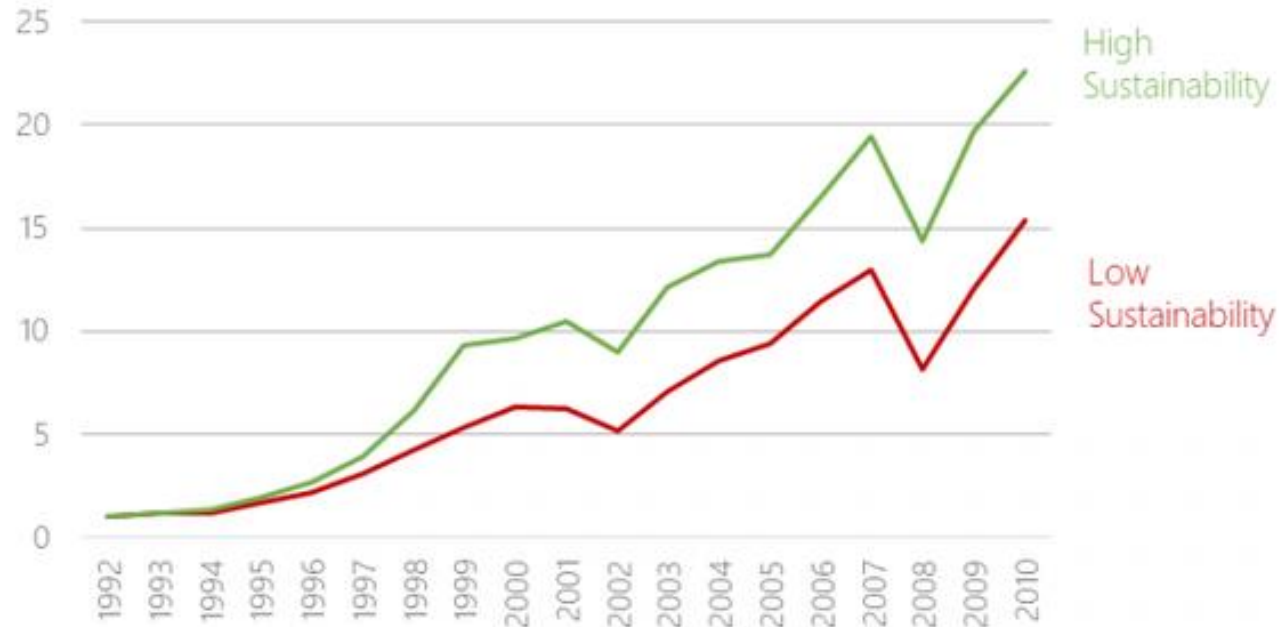
Value creation model



ESG & Market Performance

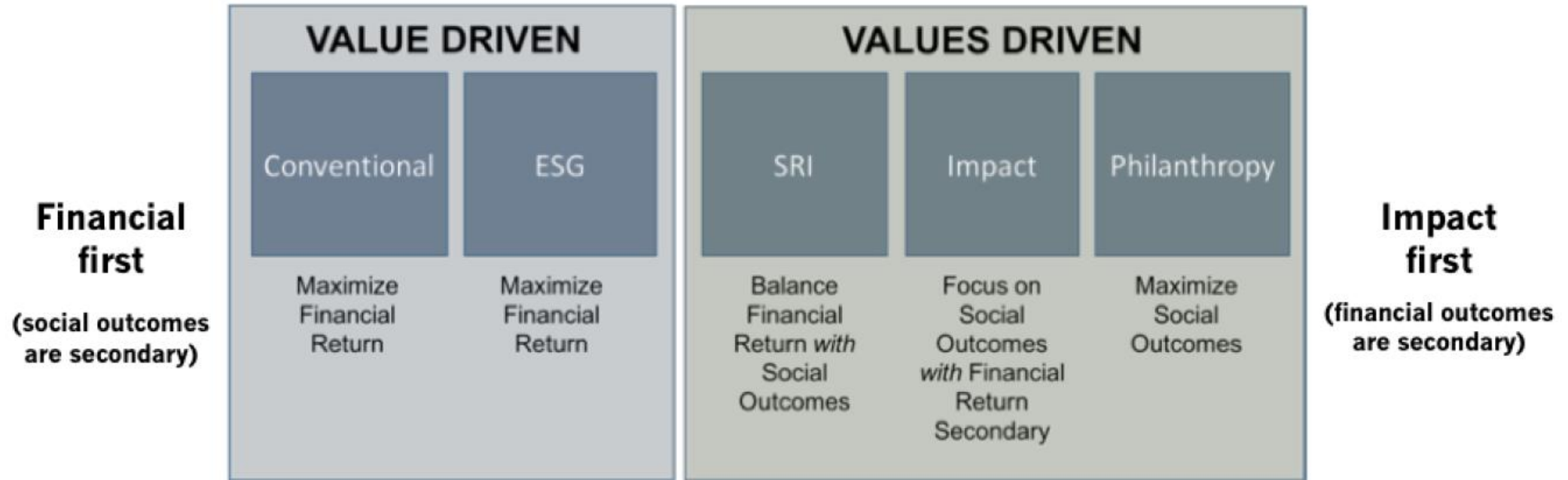
Stocks of sustainable companies tend to significantly outperform their less sustainable counterparts

Evolution of \$1 invested in the stock market in value-weighted portfolios



Source: Eccles, Robert G., Ioannis Ioannou, and George Serafeim. "The Impact of Corporate Sustainability on Organizational Processes and Performance." *Management Science* 60, no. 11 (November 2014): 2835-2857. http://www.hbs.edu/faculty/Publication%20Files/11RN-1d1964011_6791edac-70aa-4603-a220-4a0c6c7a377a.pdf

Framework for Sustainable Investing



ESG investing is estimated at over \$20 trillion in AUM or around a quarter of all professionally managed assets around the world



Source: Vert Asset Management.

ESG analysis is a tool of mainstream investors

Principles for Responsible Investments (PRI) has more than **2000** signatories and over **\$70 trillion** assets under management

:

“...We commit to the following:

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

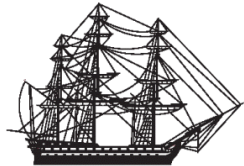
Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest....”

J.P.Morgan

Allianz 



Asset
Management



Vanguard®



UBS

BLACKROCK®

 Fahn Kanne
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Name	ESG Disc Score:2017	Market Cap
1 ISRAEL CHEMICALS LTD	57.85	6.74B
2 BANK HAPOALIM BM	55.7	9.64B
3 TEVA PHARMACEUTICAL IND LTD	51.65	10.00B
4 BANK LEUMI LE-ISRAEL	49.56	10.17B
5 MIZRAHI TEFAHOT BANK LTD	46.05	5.27B
6 SHIKUN & BINUI LTD	44.21	1.11B
7 CAESARSTONE LTD	20.66	502.81M
8 SOLAREGE TECHNOLOGIES INC	19.01	2.82B
9 ELBIT SYSTEMS LTD	17.77	6.94B
10 PARTNER COMMUNICATIONS CO	16.46	701.23M
11 CYBERARK SOFTWARE LTD/ISRAEL	14.05	4.75B
12 AZRIELI GROUP LTD	13.64	7.71B
13 BEZEQ THE ISRAELI TELECOM CO	13.58	2.06B
14 ALONY HETZ PROPERTIES & INV	13.22	2.22B
15 WIX.COM LTD	13.22	7.35B
16 NICE LTD	13.22	8.59B
17 MELLANOX TECHNOLOGIES LTD	12.81	6.11B
18 EVOGENE LTD	11.98	38.36M
19 CHECK POINT SOFTWARE TECH	9.92	17.38B
20 COMPUGEN LTD	9.5	236.61M
21 SAPIENS INTERNATIONAL CORP	9.5	829.97M
22 TARO PHARMACEUTICAL INDUS	7.85	3.29B
23 ISRAEL CORP LIMITED/THE	7.02	1.81B
24 FIRST INTL BANK ISRAEL		2.45B
25 CELLCOM ISRAEL LTD		343.76M
26 TOWER SEMICONDUCTOR LTD		1.65B
27 GAZIT GLOBE LTD		1.55B
28 NORSTAR HOLDINGS INC		367.60M
29 BARAN GROUP LTD		14.48M
30 DELEK GROUP LTD		2.07B
31 STRAUSS GROUP LTD		3.28B
32 ISRAEL DISCOUNT BANK-A		4.70B
33 SILICOM LTD		240.70M
34 DELTA-GALIL INDUSTRIES		737.42M

Bloomberg ESG disclosure score of Israeli companies

Societe Generale SA - Overview

In Millions of EUR except Per Share	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
ESG Disclosure Score	48.25	48.25	—	57.46	51.75	56.58	56.58	58.77	58.77	59.65
Environmental Disclosure Score	37.50	40.18	—	40.18	45.54	45.54	45.54	50.89	50.89	52.68
Total GHG Emissions	216.0	204.6	201.6	192.0	243.4	248.1	238.2	233.3	228.3	224.2
Total Energy Consumption	854.2	824.3	858.9	875.0	886.0	894.0	875.0	861.0	813.0	795.0
Total Water Use	—	—	—	—	1,640.0	1,790.0	1,800.0	2,000.0	1,920.0	1,820.0
Total Waste	—	—	—	—	15.5	16.8	16.3	22.1	18.2	15.1
Paper Consumption	7.6	8.1	8.0	8.0	15.8	16.0	16.4	16.5	13.2	13.3
Social Disclosure Score	60.00	55.00	—	76.67	60.00	68.33	68.33	66.67	66.67	66.67
Number of Employees	163,082	156,681	155,617	159,616	151,454	157,949	159,350	156,594	157,010	147,125
Employee Turnover %	12.70	11.40	10.60	10.99	13.12	13.90	13.30	14.40	11.47	12.78
% Employees Unionized	—	64.00	65.00	65.00	—	—	—	—	—	—
% Women in Workforce	60.00	59.58	60.00	60.00	60.00	60.66	60.22	59.10	59.10	58.70
% Women in Mgt	—	—	—	—	—	20.10	21.60	21.20	22.20	23.20
Workforce Accidents	916.00	926.00	881.00	1,074.00	1,013.00	934.00	937.00	945.00	821.00	816.00
Lost Time from Accidents	—	—	—	48,848	—	—	—	—	—	—
Fatalities - Employees	—	—	—	—	—	—	—	—	—	—
Fatalities - Total	—	—	—	—	—	—	—	—	—	—
Community Spending	32.7	—	—	42.0	33.4	8.8	7.0	—	—	—
Governance Disclosure Score	57.14	57.14	—	71.43	55.36	66.07	66.07	66.07	66.07	66.07
Size of the Board	13.00	14.00	13.00	15.00	16.00	14.00	14.00	14.00	13.00	14.00
Indep Directors	7.00	9.00	9.00	10.00	10.00	10.00	10.00	11.00	10.00	11.00
% Indep Directors	53.85	64.29	69.23	66.67	62.50	71.43	71.43	78.57	76.92	78.57
Board Duration (Years)	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
# Board Meetings	16.00	12.00	10.00	9.00	10.00	9.00	6.00	10.00	10.00	13.00
Board Mtg Attendance	86.00	82.00	92.00	92.00	96.24	95.00	97.00	98.00	92.62	93.80
Political Donations	—	—	—	0.0	—	—	—	—	—	—

Source: Bloomberg

Thank you!

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