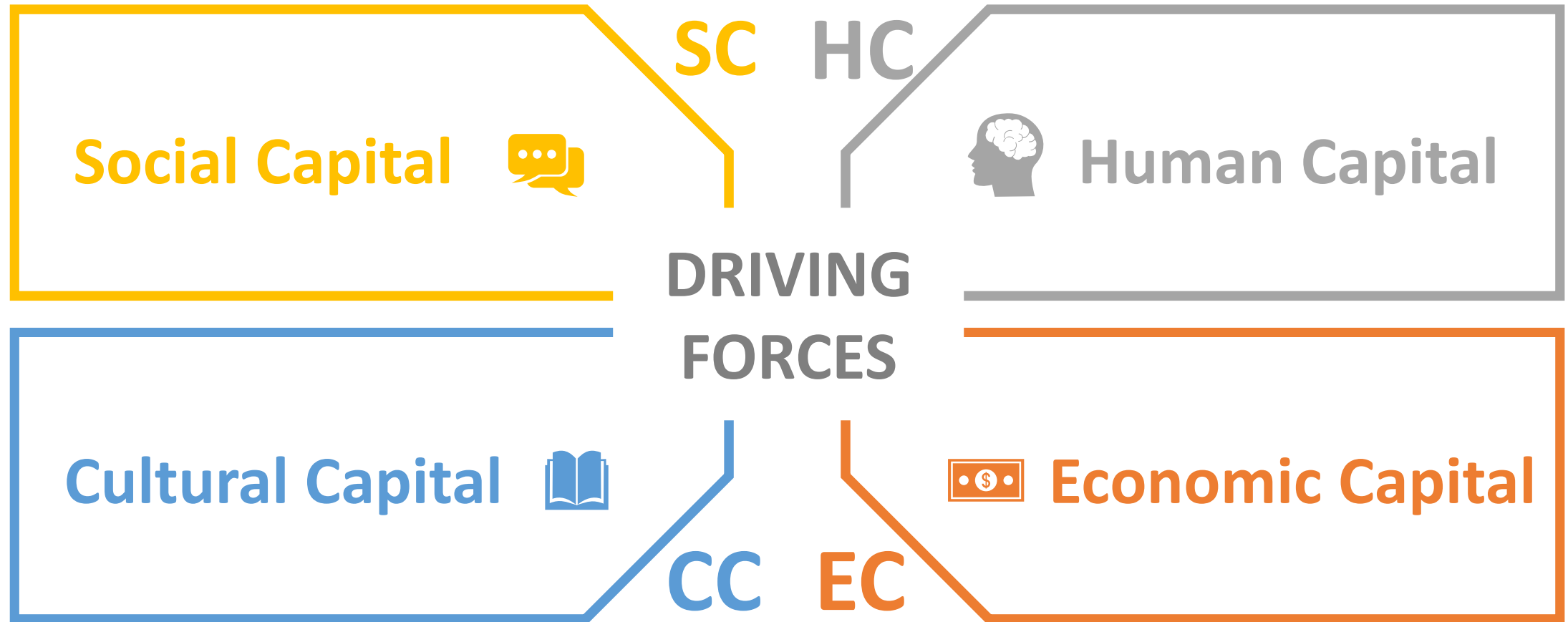


Enhancing ESG Performance and Building Social Capital

Mr P C CHAN

Deputy CEO of Hong Kong Quality Assurance Agency (HKQAA)

Development of Society

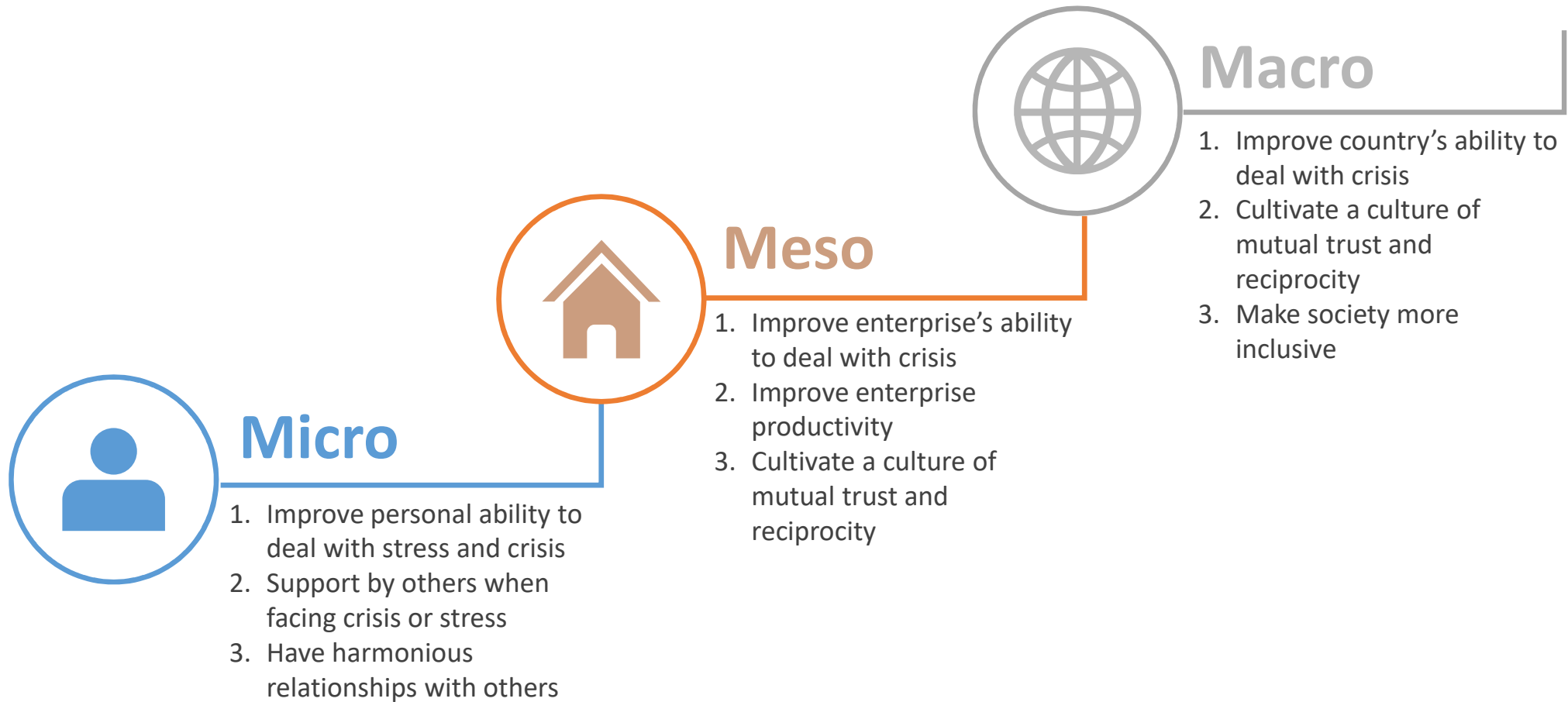


Social Capital refers to the **institutions, relationships** and **norms** that shape the quality and quantity of a society's social interactions. It **includes social norms (personal attitudes and social values), networks and institutions.**



Sources: World Bank, research findings and the experience of CIIF funded-projects

Three Levels of Social Capital



Summary



R

Relationships

Make good use of relationships

Between people, between people and institutions, between institutions

T

Trust

Build trust in relationships

N

Networks

Establish networks of mutual benefit

W

Win-Win Situations

Create win-win situations for business and society

Proof of Concept for Sustainable Investing: The Influential Barron's Names the Inaugural “The Top 100 Sustainable Companies — Big Corporations With The Best ESG Policies Have Been Beating the Stock Market.”



RISE OF RESPONSIBLE INVESTING



The term 'ESG' was first coined in 2005 in a landmark study called 'Who Cares Wins'



In 2018, over 80% of the world's largest corporations use GRI standards



ESG investing is estimated at over \$20 trillion in AUM

Sources: <https://ga-institute.com/Sustainability-Update/proof-of-concept-for-sustainable-investing-the-influential-barrons-names-the-inaugural-the-top-100-sustainable-companies-big-corporations-with-the-best-esg-policies-have-been-beating-t/#respond>; <https://www.forbes.com/sites/georgkell/2018/07/11/the-remarkable-rise-of-esg/#2f0eccd01695>; <https://hbr.org/2011/11/how-great-companies-think-differently>

Bridging and Bonding – To Create Measurable Social Benefits



Corporate Social Capital Implementation Guidance Document

International norms and standards

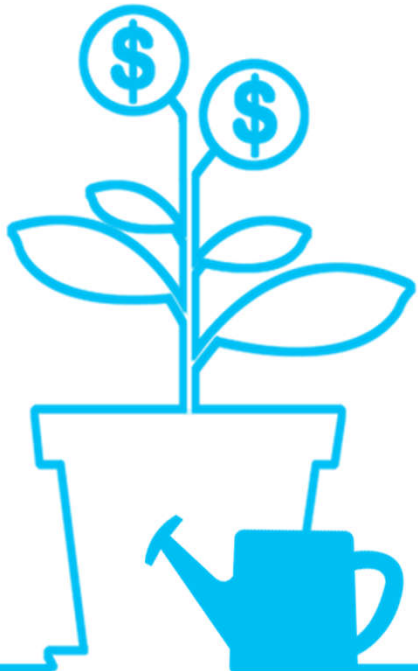
HKQAA Sustainability Rating and Research methodology - Hang Seng Corporate Sustainability Index Series

Case Studies

<https://socialcapital.hkqaa.org/en/guidanceDocument/>

Six Social Capital Dimensions

1. social networks
2. trust and solidarity
3. mutual help and reciprocity
4. social cohesion and inclusion
5. social participation
6. information and communication



Clear sustainability policy
Regular stakeholder engagement
Positive impact on urban environment



Strengthened the bonds among participating groups
Forged stronger relationships
Improved corporate image



■■■
HYSAN
URBAN FARM



Image sources:

<http://www.hysan95.com/feature/causeway-bay-a-progressive-district/>; <https://tickikids.com/hk/lee-garden-one-six/green-wonders-at-lee-gardens/>;
<http://greenbuilding.hkgbc.org.hk/projects/view/36>



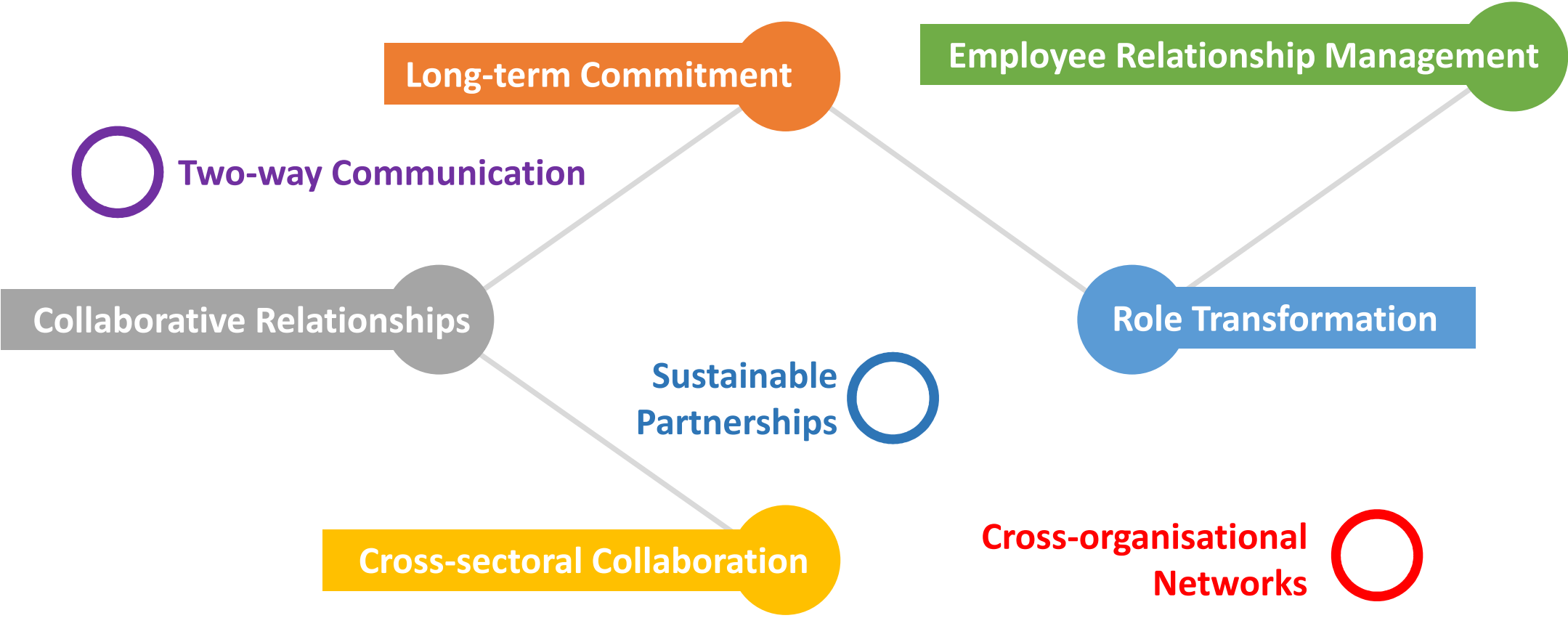
 **Hysan** 希慎



Reciprocal Relationships between ESG and CSC



Corporate Social Capital Strategies



Corporate Collaborators



Stakeholder Group Members

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Thank you