

FGA What is ESG?

ESG stands for *environmental, social, and governance*.

ESG describes a set of standards the far left imposes on companies to advance climate and/or social justice issues. **Overall, ESG describes *politically driven investing*.**



How does ESG investing work?

ESG investing puts money in banks and investment funds based on their political agendas. ESG proponents are often corporate-left elites who base their decision-making on adherence to an unpopular and radical agenda.

Investor (retirees, pension holders etc.) → invests in funds that will make a profit = **capital gains for the investor**



ESG investing criteria aims to achieve certain political ends, not high returns. **These investment decisions are discriminatory and are made for political reasons, not financial reasons.**

This results in deeper financial losses and investments that do not represent the will of investors.

What types of ESG elements are included in the investment decision-making?



ENVIRONMENTAL

emissions, use of recycled materials, deforestation behaviors, biodiversity disclosures, and more



SOCIAL

social trends, labor, organizational values, second amendment policies, human rights policies, diversity and inclusion, social impact, services to 'underprivileged social groups,' and political ties



GOVERNANCE

board diversity, shareholder rights, executive compensation, and sustainability performance

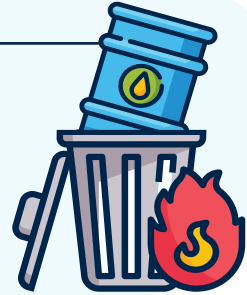
Today, "ESG scores" force companies to give in to the Left's demands, disadvantaging small businesses that can't compete with mega-corporations.



See the problem? ESG investing prioritizes far-left, 'woke' policy and other non-financial factors as part of the decision to invest in a company.

Example:

The Left's war on fossil fuels has now made its way into the financial sector. With ESG criteria, 'woke' corporatists are attempting to cut off the fossil fuel industry's access to capital. Those in the oil and gas industry are out of luck, even though they literally fuel the U.S. economy.

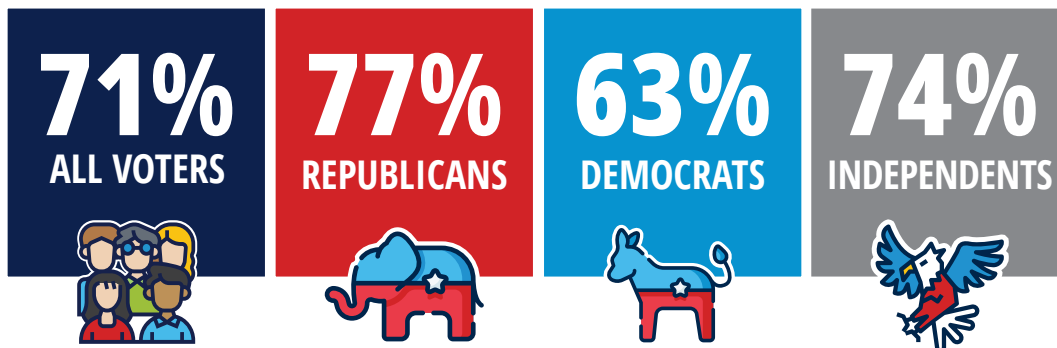


WHAT CAN BE DONE?

States can push back against ESG to protect prosperity for their residents

- **Give state treasurers authority** over contracts with ESG financial institutions that boycott fossil fuel while giving state attorneys general authority to investigate those institutions.
- **Ban ESG investing** in state and local pensions, state contracts, and publicly funded postsecondary education.
- **Strengthen ethics codes** for advisors who are not transparent with investors about politically motivated investing.

Voters **strongly oppose** ESG investing:



Sources: Center for Excellence in Polling, Deloitte, EQS Group

**Read our ESG
Primer report:**

TheFGA.org | [@TheFGA](https://twitter.com/TheFGA)

