

ESG Fraud Motivation

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ESG Fraud: All sorts of washing

Greenwashing	Misleading/misinforming stakeholders and the public about the organization's environmental impact and/or initiatives
Bluewashing	Misleading information on coastal, oceanic and marine development initiatives, that actually harm the aquatic environment
Whitewashing	Misleading internal investigations performed by companies in order to cover up ESG related scandals
Pink-, Red-, Brown- and Purplewashing	Misleading/false information with regard to activities undertaken by a company in order to allegedly support DEI practices

Brace yourselves, ESG Fraud is here

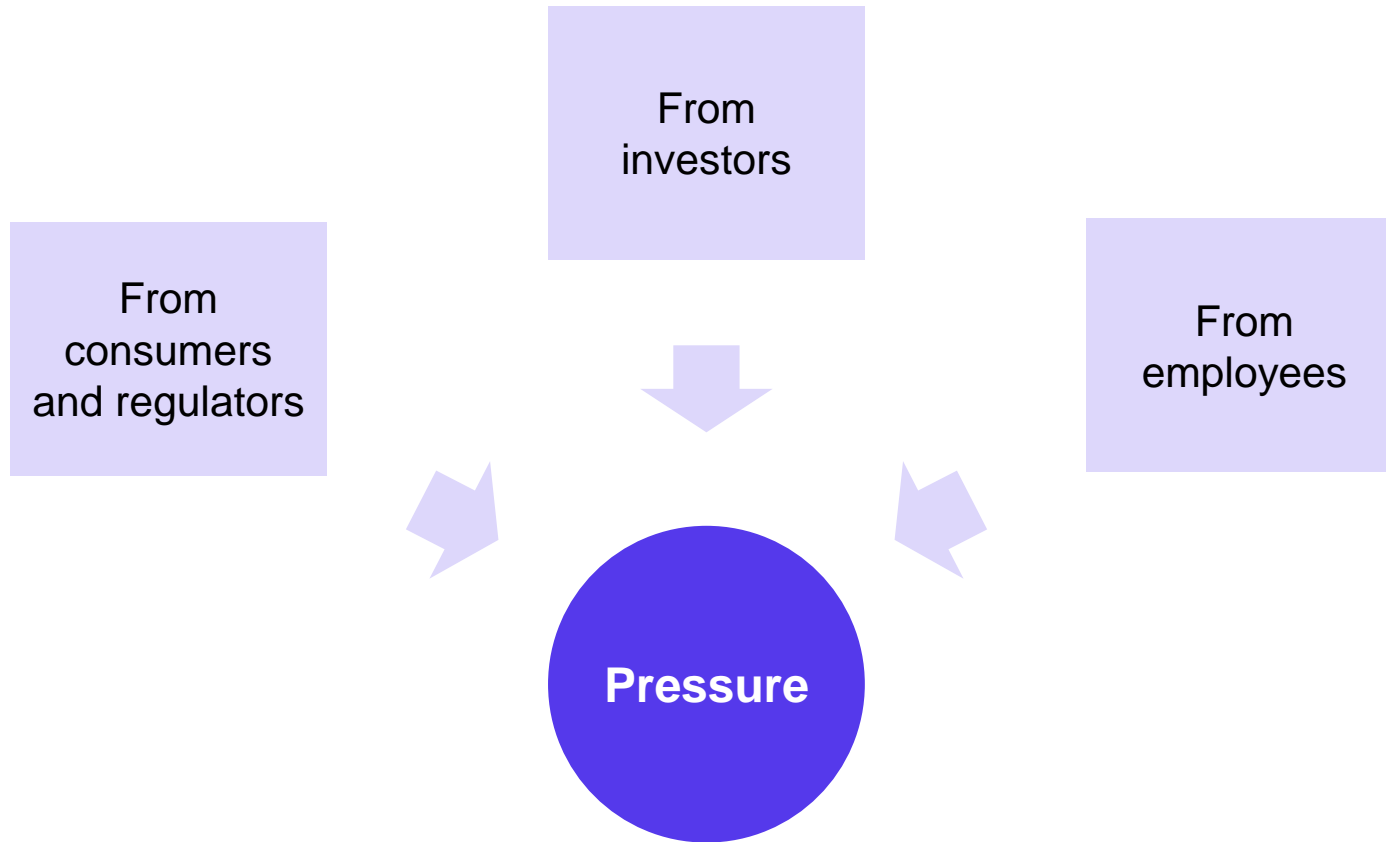
- “From July 2018 to September 2021, BNY Mellon Investment Adviser represented or implied in various statements that all investments in the funds had undergone an ESG quality review, even though that was not always the case (...) Numerous investments held by certain funds did not have an ESG quality review score as of the time of investment” – the U.S. Securities and Exchange Commission fined BNY Mellon \$ 1.5 million for “**misstatements and omissions about ESG considerations**”.
- The U.S. Securities and Exchange Commission is investigating **Goldman Sachs** over its E.S.G. investment funds — funds that invest in companies that say they are committed to environmental, social and governance principles.
- **Deutsche Bank and DWS** offices in Frankfurt have been raided in May 2022 by the German Police after greenwashing allegations.
- The entire Fashion Industry took a hit in light of new supply chain transparency requirements after the Uyghur scandal.
- ESG investigations have been initiated in their vast majority through whistleblowing reports, while whistleblower protection is to drastically increase on European level after EU Whistleblowing Directive is to be fully transposed by all member states.

ESG Fraud: High motivation & tremendous opportunity

ESG Fraud: Tremendous opportunity

How does opportunity look like?			
ESG is everything	Political dissonance & Public Scandal	Lack of standardisation and clarity	Incentives for ESG performance

ESG Fraud motivation



Investor / Money pressure

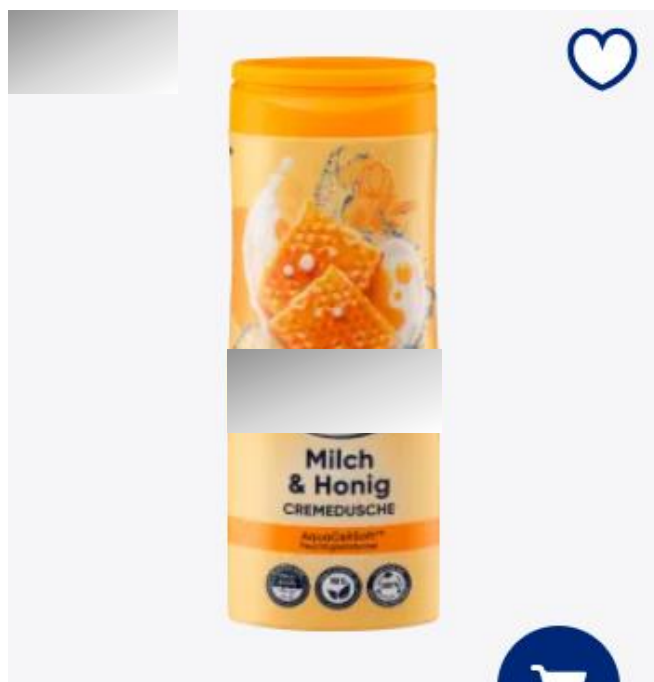
More than 65% of investors use ESG Assessments regularly.

The global ESG market is estimated to reach **\$39,3 billion** in 2023 and **\$72,4 billion** in 2033.

Global ESG fund assets reached about **\$2.5 trillion** at the end of 2022, up from \$2.24 trillion at the end of the third quarter.

Increasing number of ESG Funds, with more than 70% located in Europe.

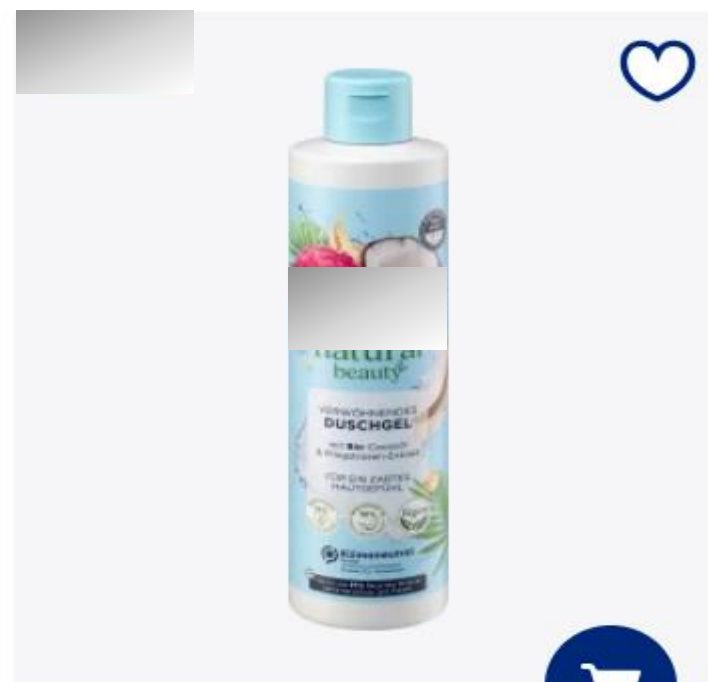
Consumer pressure



4,95 lei

Cremă de duș cu lapte și
miere, 300 ml

0,3 l (16,50 lei / 1 l)



6,75 lei

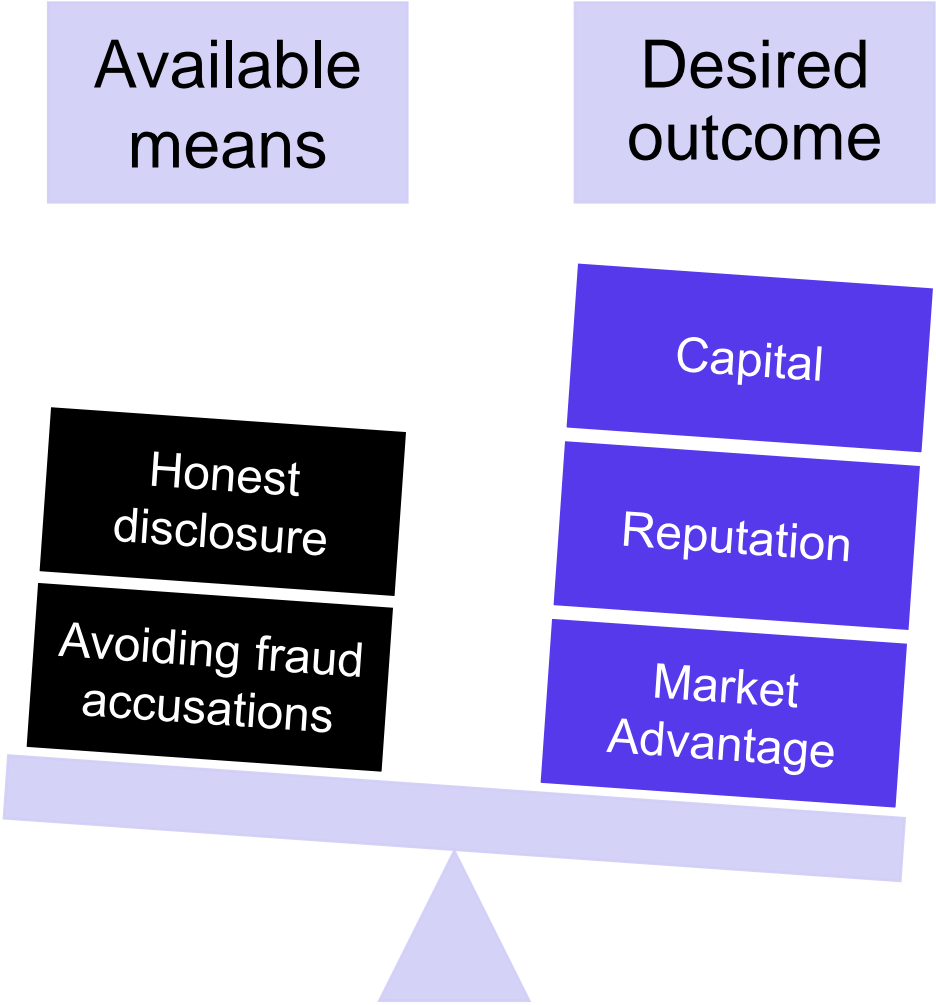
Natural Beauty gel de duș
cocos, 250 ml

0,25 l (27,00 lei / 1 l)

Employee pressure



Pressure outcome



Your Contact Partner



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