Proposition: ESG scores and ratings are a marketing gimmick and do not accurately reflect a company's impact on society or the environment.

Summary of arguments FOR the proposition

ESG scores are easily manipulated and unreliable.

ESG can promote greenwashing.

Lack of standardization and credibility.

Weak link to company profitability.

ESG reflects cultural narratives, not impact.

Summary of arguments AGAINST the proposition

ESG enhances resilience and attracts investors.

Transparency improves trust.

Regulations promote ESG consistency.

ESG provides a valuable framework for corporate accountability.

ESG has UN support and influences investment decisions.

ESG data measures ESG-related performance.

STRONGEST argument FOR debate topic 2

Team 13 - STRONGEST argument FOR debate topic 2: The emphasis of the company's ESG ratings is mainly based on the communication of the contribution efforts rather than the actual impact to the society, which can possibly lead to "greenwashing". Team 13 - EVIDENCE supporting your STRONGEST argument FOR debate topic 2: According to Bloomberg (2021), the ESG ratings do not measure the company's impacts on society and environment, yet the effects are in reverse regarding potential impact of the world to the company.   https://www.bloomberg.com/graphics/2021-what-is-esg-investing-msci-ratings-focus-on-corporate-bottom-line/?sref=gKSeqgQQ & https://hbr.org/2022/08/esg-investing-isnt-designed-to-save-the-planet

Team 7 - STRONGEST argument FOR debate topic 2: The strongest argument is that ESG scores are easily manipulated, making them unreliable indicators of a company's societal or environmental impact. Team 7 - EVIDENCE supporting your STRONGEST argument FOR debate topic 2: https://rb.gy/olzp2

Team 9 - STRONGEST argument FOR debate topic 2: Managers are viewing ESG as a tool to enhance their company's image when the company is performing poorly rather than using it to improve the interests of the employee, community and environment. Team 9 - EVIDENCE supporting your STRONGEST argument FOR debate topic 2: The Harvard Business Review reported that managers in companies that have underperformed the market's expectation will often talk about ESG in their earnings report. On the other

hand, when earnings are favourable, they hardly talk about ESG. https://hbr.org/2022/03/an-inconvenient-truth-about-esg-investing

Team 8 - STRONGEST argument FOR debate topic 2: Misappropriating ESG funds: there is evidence that ESG funds such as Green bonds are not being used toward the green initiative but towards profit margin instead. There is also the implication that ESG funds are being invested by investors aiming for short-term returns. Team 8 - EVIDENCE supporting your STRONGEST argument FOR debate topic 2: https://www.cnbc.com/2021/08/24/blackrocks-former-sustainable-investing-chief-says-esg-is-a-dangerous-placebo.html

Team 6 - STRONGEST argument FOR debate topic 2: The lack of standardization in ESG scores results in inconsistent, misleading ratings, undermining their credibility and implying they are more marketing than true reflections of responsibility. Team 6 - EVIDENCE supporting your STRONGEST argument FOR debate topic 2: https://www.greenbiz.com/article/esg-credibility-under-threat-lack-standardization-report-warns

Team 14 - STRONGEST argument FOR debate topic 2: ESG scores are vital metrics for assessing a company's social and environmental impact. They provide standardized metrics, fostering transparency and accountability. Team 14 - EVIDENCE supporting your STRONGEST argument FOR debate topic 2: ESG investments in China show significant impact: 1% rise in ESG investments reduces CO2 emissions by 0.262%. Study reveals ESG scores crucial, ensuring corporate transparency and accountability. https://www.frontiersin.org/articles/10.3389/fenvs.2022.977049/full

Team 12 - STRONGEST argument FOR debate topic 2: ESG scores are based on industry-basis comparison which do not accurately reflect a company's impact on society or the environment. Team 12 - EVIDENCE supporting your STRONGEST argument FOR debate topic 2: ESG data is compared by companies in the same industry, not on universal standards. Therefore, fossil fuel companies may result in having better ESG ratings than EV companies. (source: https://hbr.org/2022/08/esg-investing-isnt-designed-to-save-the-planet)

Team 16 - STRONGEST argument FOR debate topic 2: ESG only is a greenwashing which do not reflect a company's impact on society or the environment The company exploits rising concern of the environment and greenwashing to gain popularity for itself without making substantial changes to their practice. An example is the Volkswagen case: In 2015, Volkswagen came under fire after admitting defective devices were installed on 11 million vehicles to cheat on emissions tests. Team 16 - EVIDENCE supporting your STRONGEST argument FOR debate topic 2: https://shorturl.at/hjQVY and https://shorturl.at/awGZ7

Team 11 - STRONGEST argument FOR debate topic 2: Companies engage in "greenwashing" to mislead market participants including investors, customers and ESG rating firms with false initiatives and promises to appear more ESG-friendly than they actually are. Team 11 - EVIDENCE supporting your STRONGEST argument FOR debate topic 2: Nestlé was rated AA by MSCI ESG in 2022 but faced greenwashing allegations. Nestlé's water bottling and palm oil practices raised concerns - 45m gallons siphoned in 2018, deforestation, human rights issues in palm oil supply chains. http://surl.li/mffhc http://surl.li/mffgn http://surl.li/mfffx

Team 15 - STRONGEST argument FOR debate topic 2: ESG scores and ratings are a marketing gimmick and don't accurately reflect their impact on society or the environment due to the issue of "greenwashing", which means that a company try to appear environmentally and socially responsible while neglecting the long-term impact. So it can be argued very strongly that many companies just use ESG scores and ratings as their marketing tactics. Team 15 - EVIDENCE supporting your STRONGEST argument FOR debate topic 2: https://shorturl.at/kwC16

Team 10 - STRONGEST argument FOR debate topic 2: ESG ratings open an opportunity for companies to do greenwashing. Since younger investors prefer to invest in sustainable business, many companies' marketing claims that they are sustainable although they may not commit to green initiatives to attract investment. Also, different ESG rating agencies may have different parameters for evaluating and could lead to lack of standardization. Team 10 - EVIDENCE supporting your STRONGEST argument FOR debate topic 2: https://shorturl.at/uALO6 (Gaining popularity in investing sustainable company) https://shorturl.at/wxHNS (Lack of standardization between ESG rating agencies)

Team 5 - STRONGEST argument FOR debate topic 2: Inconsistencies in the measurement methodologies: Each company uses different methodologies to measure their ESG scores based on their preferences, particularly the method that provide the best result. Team 5 - EVIDENCE supporting your STRONGEST argument FOR debate topic 2: https://shorturl.at/gqGPZ

STRONGEST argument AGAINST debate topic 2

Team 13 - STRONGEST argument AGAINST debate topic 2: Although ESG scores contributed mainly to the company's reputation to attract investors, most of practical policies should have been possibly implemented as the benefits can be generated as a whole. Team 13 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: According to ScaleX, implementation of effective ESG policies can possibly enhance company's value, which can contribute to the improvement of the whole environment and society as a whole in the end. https://www.scalex-invest.com/blog/esg-measure-business-social-and-environmental-impact

Team 7 - STRONGEST argument AGAINST debate topic 2: ESG scores involve independent third-party rating agencies, specialized research firms and sometimes public participation to independently verify a company's compliance with ESG guidelines. Team 7 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: https://www.diligent.com/resources/blog/esg-risk-scores

Team 9 - STRONGEST argument AGAINST debate topic 2: ESG scores enhance resilience via active risk management, operational efficiency, talent attraction, and stakeholder trust. For example, institutional investors prioritize ESG, knowing it impacts long-term returns and sustains substantial investments. This disproves the statement that ESG is merely marketing. Team 9 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: This article suggests that investors are more interested in investing in companies with good ESG as higher ESG performance correlates with higher returns, lower risk, and long-term business sustainability. https://greenly.earth/en-us/blog/ecology-news/why-should-investors-consider-esg-companies

Team 8 - STRONGEST argument AGAINST debate topic 2: Transparency: There are a number of movements that aim to rectify many issues that impedes the rating of the objective ESG scores such as separating analysts from client-facing teams by having them be paid by the shareholders instead. Team 8 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: https://www.ft.com/content/fbe10867-fea1-4887-b404-9f9e301e102e

Team 6 - STRONGEST argument AGAINST debate topic 2: ESG is an evidence-based approach for appraising company's ethical and sustainable behavior leading to an increase in investment of the investors as it enhances the company's credibility. Team 6 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: https://www.statista.com/statistics/1191751/esg-etf-increased-investment-next-year-region/

Team 14 - STRONGEST argument AGAINST debate topic 2: ESG scores are very subjective on criteria and methodology and vary widely between rating agencies, making it difficult to have an accurate outlook on ESG performance. Team 14 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: According to a CFA Institute study in 2022, there has been an observable lack in standardization of ESG score ratings between each rating agency, which led to inconsistent results across different rating providers. https://www.cfainstitute.org/-/media/documents/article/position-paper/esg-issues-in-investing-a-guide-for-investment-professionals.ashx

Team 12 - STRONGEST argument AGAINST debate topic 2: ESG scores can be easily manipulated. Team 12 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: The ESG scores derive from self-reported, publicly available company data. Therefore, big corporations can influence ESG ratings in their favor by generating extensive public disclosure. (source: https://www.aut.ac.nz/news/opinion/the-esg-backlash-whats-it-all-about)

Team 16 - STRONGEST argument AGAINST debate topic 2: ESG help building trust by matching words with action. Transparency in reports boosts trust, engages employees, and creates positive societal and environmental impact. Example: Starbucks' ESG Report demonstrates contributions and progress aligned with ESG criteria. Team 16 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: http://surl.li/mfhro and http://surl.li/mfhrw

Team 11 - STRONGEST argument AGAINST debate topic 2: Regulations aim to improve ESG transparency and consistency as stakeholders demand uniform rules and rating criteria transparency in the US, UK, and EU. Agencies now reveal methodologies and sources to reduce bias, ensuring accurate ESG assessments. Team 11 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: ESG ratings rely on diverse factors, aiming for objectivity. SEC in the US targets climate disclosure standardization. UK's FCA forms ESG ratings Code of Conduct group. EU's ESMA explores regulatory safeguards for ESG ratings. https://esg.conservice.com/esg-scores-why-they-matter/#:~:text=The%20ESG%20score%20is%20not,sought%20to%20address%20these%20concerns

Team 15 - STRONGEST argument AGAINST debate topic 2: ESG ratings provide a valuable framework for corporate accountability. This means once the metric offers a standardized way for companies to enact and disclose their sustainability and social responsibilities activities, it will make the data generated comparable which overall creates transparency and becomes a driving force for a more responsible business environment and positive changes to reduce harm to society and environment in general. Team 15 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: https://shorturl.at/bkpRS

Team 10 - STRONGEST argument AGAINST debate topic 2: ESG rating is not a marketing gimmick as ESG has the UN's support for long-term ESG and ESG-related laws, such as carbon emission reduction, which heavily influence investment decisions of investors. As for the accurate reflection, it is impossible to achieve an accurate reflection of a company commitment, similar to the accounting rules which cannot fully reflect every company, but the variety in ESG rating agencies provide more perspectives for better comprehensive understanding of the market. Team 10 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: https://shorturl.at/qvwC2 (UN's support and Laws related to ESG) https://shorturl.at/dBKV0 (The benefit of variety in ESG ratings) https://shorturl.at/jruGZ (Statistic of ESG investment)

Team 5 - STRONGEST argument AGAINST debate topic 2: ESG data: To calculate the ESG scores, companies utilize ESG data, which encompasses company's ESG practices and help investors understand companies' ESG-related performance in a more measurable way. Team 5 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: https://shorturl.at/zDQX7

UNIQUE argument FOR debate topic 2

Team 13 - UNIQUE argument FOR debate topic 2: ESG scores and ratings have a weak link to the company's profitability. A comparison of two Vanguard Index funds showed that a dollar invested in good companies in 2002 would have been worth 20% less than the fund that invested in bad companies such as tobacco, gambling, and defense companies in 2015. Team 13 - EVIDENCE supporting your most UNIQUE argument FOR debate topic 2: Source: Damodaran, Aswath (2023). "ESG and Value". Corporate Finance, 14 October 2023, NYU Stern. PowerPoint Presentation.

Team 7 - UNIQUE argument FOR debate topic 2: ESG scores are like the cover of a book - flashy but not always an accurate representation of the story within. It is just used to draw attention. Team 7 - EVIDENCE supporting your most UNIQUE argument FOR debate topic 2: https://rb.gy/a48q0

Team 9 - UNIQUE argument FOR debate topic 2: ESG has now been used to businesses' ideals as it focuses on collecting information on current trends which benefit the businesses in the long run, and draw attention away from potentially bigger real-world problems. Team 9 - EVIDENCE supporting your most UNIQUE argument FOR debate topic 2: https://www.mckinsey.com/capabilities/sustainability/our-insights/does-esg-really-matter-and-why

Team 8 - UNIQUE argument FOR debate topic 2: deological bias: The source has claimed that ESG are being used to advocate for a certain political agenda, using the environment as an excuse against the companies that are coerced to adopt the ESG standard. This also drives up the asset-management fee, which is also deliberate. Team 8 - EVIDENCE supporting your most UNIQUE argument FOR debate topic 2: ttps://adflegal.org/article/what-are-esg-policies-and-why-are-they-harmful

Team 6 - UNIQUE argument FOR debate topic 2: ESG scores reflect cultural narratives rather than actual impact. Trendy topics distort company practices in order to improve scores, ignoring real issues and fostering cultural complacency. Team 6 - EVIDENCE supporting your most UNIQUE argument FOR debate

topic 2: https://www.scmp.com/comment/letters/article/3233435/esg-evaluations-social-impact-must-reflect-reality-ground

Team 14 - UNIQUE argument FOR debate topic 2: ESG scores act as dynamic catalysts for corporate improvement, reflecting evolving societal demands and pressuring companies to enhance sustainability practices continually. Team 14 - EVIDENCE supporting your most UNIQUE argument FOR debate topic 2: Exxon Mobil's emission plan, a response to activist pressure, highlights ESG's impact on corporate decisions, emphasizing the role of societal concerns in shaping sustainability strategies. https://www.cnbc.com/2020/12/14/exxon-mobil-begins-to-mount-defense-of-itself-and-a-bigas-activists-circle.html

Team 12 - UNIQUE argument FOR debate topic 2: There are supports that even though ESG measurements are not 100% correct , they are still the most accurate option for assessing the ethical behavior of firms. Team 12 - EVIDENCE supporting your most UNIQUE argument FOR debate topic 2: Positive relationship between stock prices and the ESG measurement, which can be implied that they are valuable to investors point of view. Competitiveness in ESG rating firms highlights the moving into more accurate results of the ESG metrics with lower cost. (https://shorturl.at/BHLOV)

Team 16 - UNIQUE argument FOR debate topic 2: ESG is only to limit negative impact or enhance positive impact in the environment. Apiday defines ESG as a set of practices that organizations implement to limit negative impact or enhance positive impact. Therefore, it does not accurately reflect or determine a company's impact on society or the environment. The company's impact on society or the environment are contribute by many factors apart from ESG. Team 16 - EVIDENCE supporting your most UNIQUE argument FOR debate topic 2: https://shorturl.at/pDN46 and http://surl.li/mfhqk

Team 11 - UNIQUE argument FOR debate topic 2: The absence of standardized criteria and frequent changes in rating methodology among rating agencies creates inconsistencies, undermining the reliability of ESG ratings as accurate indicators of a company's true environmental and social performance. Team 11 - EVIDENCE supporting your most UNIQUE argument FOR debate topic 2: Varying methodologies and criteria across ESG indexes lead to inconsistency. Rating agencies rely on self-reported, subjective data, worsening the subjectivity and reliability of the scoring process. In 2021, half of MSCI's 155 ESG upgrades were due to methodology changes. Now, 31,000 funds may see ESG ratings drop. http://surl.li/mfgoy http://surl.li/mfgpu http://surl.li/mfgqh http://surl.li/mfgqy http://surl.li/mfgrk

Team 15 - UNIQUE argument FOR debate topic 2: ESG ratings vary due to different methods, data sources, and presentation scales used. Some rely on public data, others on company feedback, leading to low correlation, lack of alignment, and transparency issues. Bloomberg suggests ratings gauge a company's vulnerability to external impacts rather than its sustainability efforts. A high ESG rating may indicate climate change's financial impact, not strong sustainability. Team 15 - EVIDENCE supporting your most UNIQUE argument FOR debate topic 2: "[ESG] ratings don't measure a company's impact on the Earth and society. In fact, they gauge the opposite: the potential impact of the world on the company and its shareholders."

Team 10 - UNIQUE argument FOR debate topic 2: It is impossible to achieve the term accurately (Cambridge dictionary: correct, exact, and without any mistakes) in reality. The ESG agencies will need to conduct due diligence on a company's entire supply chain which would take a great deal of resources, not to mention that there's always human error in the process. Team 10 - EVIDENCE supporting your

most UNIQUE argument FOR debate topic 2: https://shorturl.at/dnqyN (Due diligence on entire supply chain is difficult) https://shorturl.at/rMQ59 (Definition of "accurately")

Team 5 - UNIQUE argument FOR debate topic 2: Input Data Reliability & Interdependence ESG data can be adjusted or incomplete, which can skew the ESG score of that specific company. The ESG scored would also include all of its stakeholders scores and which can be interpreted according to different standards Team 5 - EVIDENCE supporting your most UNIQUE argument FOR debate topic 2: https://shorturl.at/tEHL2

UNIQUE argument AGAINST debate topic 2

Team 13 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: According to ScaleX, implementation of effective ESG policies can possibly enhance company's value, which can contribute to the improvement of the whole environment and society as a whole in the end. https://www.scalex-invest.com/blog/esg-measure-business-social-and-environmental-impact Team 13 - UNIQUE argument FOR debate topic 2: ESG scores and ratings have a weak link to the company's profitability. A comparison of two Vanguard Index funds showed that a dollar invested in good companies in 2002 would have been worth 20% less than the fund that invested in bad companies such as tobacco, gambling, and defense companies in 2015.

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Team 9 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: This article suggests that investors are more interested in investing in companies with good ESG as higher ESG performance correlates with higher returns, lower risk, and long-term business sustainability. https://greenly.earth/en-us/blog/ecology-news/why-should-investors-consider-esg-companies Team 9 - UNIQUE argument FOR debate topic 2: ESG has now been used to businesses' ideals as it focuses on collecting information on current trends which benefit the businesses in the long run, and draw attention away from potentially bigger real-world problems.

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Team 6 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: https://www.statista.com/statistics/1191751/esg-etf-increased-investment-next-year-region/ Team 6 - UNIQUE argument FOR debate topic 2: ESG scores reflect cultural narratives rather than actual impact. Trendy topics distort company practices in order to improve scores, ignoring real issues and fostering cultural complacency.

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Team 12 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: The ESG scores derive from self-reported, publicly available company data. Therefore, big corporations can influence ESG ratings in their favor by generating extensive public disclosure. (source: https://www.aut.ac.nz/news/opinion/the-esg-backlash-whats-it-all-about) Team 12 - UNIQUE argument FOR debate topic 2: There are supports that even though ESG measurements are not 100% correct , they are still the most accurate option for assessing the ethical behavior of firms.

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Team 11 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: ESG ratings rely on diverse factors, aiming for objectivity. SEC in the US targets climate disclosure standardization. UK's FCA forms ESG ratings Code of Conduct group. EU's ESMA explores regulatory safeguards for ESG ratings. https://esg.conservice.com/esg-scores-why-they-matter/#:~:text=The%20ESG%20score%20is%20not,sought%20to%20address%20these%20concerns Team 11 - UNIQUE argument FOR debate topic 2: The absence of standardized criteria and frequent changes in rating methodology among rating agencies creates inconsistencies, undermining the reliability of ESG ratings as accurate indicators of a company's true environmental and social performance.

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Team 5 - EVIDENCE supporting your STRONGEST argument AGAINST debate topic 2: https://shorturl.at/zDQX7 Team 5 - UNIQUE argument FOR debate topic 2: Input Data Reliability & Interdependence ESG data can be adjusted or incomplete, which can skew the ESG score of that specific company. The ESG scored would also include all of its stakeholders scores and which can be interpreted according to different standards