

ESG 考前练习题（三）

1. Which of the following is a governance issue?
 - A. Tax transparency
 - B. Health and safety
 - C. Working conditions

2. Triple bottom line accounting takes into account a company's financial performance and its:
 - A. social and governance factors.
 - B. environmental and social factors.
 - C. environmental and governance factors.

3. Which of the following investment styles often uses negative screening?
 - A. Impact investing
 - B. Thematic investing
 - C. Faith-based investing

4. Negative externalities:
 - A. result from internalization of costs.
 - B. result in private costs that are higher than societal costs.
 - C. result in societal costs that are not reflected in the prices of goods.

5. Which of the following statements about ESG integration is most accurate?
 - A. Good ESG standards lower a company's cost of capital
 - B. ESG performance and fund performance are positively correlated
 - C. ESG performance and a company's stock price are negatively correlated

6. Which of the following statements is most accurate? The Principles for Responsible Investment (PRI):
 - A. comprises six mandatory principles.
 - B. requires members to report quarterly on their responsible investment practices.
 - C. provides guidance on actions signatories can take to incorporate ESG issues into investment practice.

7. Which of the following is a minimum requirement for signatories of the Principles for Responsible Investment (PRI)?
 - A. Implementation of a responsible investment policy must be monitored by external parties
 - B. Senior-level commitment and accountability mechanisms for responsible investment implementation must be in place
 - C. The investment policy that covers the firm's responsible investment approach must apply to all assets under management

8. As policies on ESG and financial regulation mature, regulatory requirements will most likely move from:

A.mandatory to voluntary.

B.implementation and reporting to policy.

C.'comply or explain' to 'comply and explain' .

9.When an asset manager receives an investment mandate from a pension fund, the asset manager:

A.assumes a fiduciary duty to the pension fund's members.

B.becomes the legal owner of the assets under management.

C.acts as the counterparty to investment transactions on behalf of the pension fund.

10.Which of the following high-net-worth investor groups are most likely to review the ESG impact of their investment holdings?

A.Retired investors

B.Millennial investors

C.Generation X investors

11.Which of the following statements about ESG integration is most accurate? The investment mandate of sovereign wealth funds:

A.must align with ESG principles.

B.is usually aligned to the short-term objectives of their state.

C.may include secondary objectives such as economic stabilization.

12.Which of the following groupings are best described as asset owners in the financial system value chain?

A.Fund managers, endowments and banks

B.Pension funds, insurance companies and foundations

C.Sovereign wealth funds, family offices and investment consultants

13.An environmental objective of the EU Taxonomy Regulation is the transition to:

A.net zero.

B.renewable energy.

C.a circular economy.

14.According to a survey of asset owners by the Principles of Responsible Investment (PRI), which of the following clauses is most commonly included in investment mandates?

A.Voting requirements

B.Engagement requirements

C.Reporting on agreed responsible investment activities

15. According to the Intergovernmental Panel on Climate Change (IPCC) in 2018, the most likely impact of 1.5° C (2.7° F) warming is that:

A.Arctic summer sea ice is likely to be maintained.

B.the risk of an ice-free Arctic in summer is about 50% higher.

C.Arctic summer sea ice will disappear.

16. Which of the following best characterizes a climate adaptation strategy rather than a climate mitigation strategy?

- A. Deploying solar energy
- B. Building flood defenses
- C. Expanding the use of electric vehicles

17. An analyst argues that a rapid transition from conventional to electric cars would continue to put a strain on natural resources. This would best be explained by:

- A. population growth.
- B. the Jevons paradox.
- C. the shift in materials used.

18. Which of the following is one of the three principles of the circular economy?

- A. Keep products and materials in use
- B. Produce a minimal amount of non-recyclable waste
- C. Divide waste between recyclable and non-recyclable

19. An automotive supplier develops new products that will increase the fuel efficiency of vehicles. These products will most likely contribute to a reduction in the supplier's:

- A. Scope 1 emissions.
- B. Scope 2 emissions.
- C. Scope 3 emissions.

20. Which of the following statements is most accurate? An emission trading system:

- A. sets an explicit price on greenhouse gas emissions.
- B. mandates similar levels of emissions reductions for all actors.
- C. creates an economic incentive for emissions reductions to occur at the point of least cost.

21. Which of the following statements is most accurate? The Paris Agreement:

- A. is legally binding under international law.
- B. requires signatories to update their commitments to reduce emissions every five years.
- C. defines nationally determined contributions capturing mandatory efforts to reduce emissions.

22. The EU taxonomy:

- A. is a set of recommendations for companies to report on climate-related metrics and targets.
- B. provides a proprietary tool that compares environmental disclosures across different industries.
- C. is a classification system to determine whether an economic activity is environmentally sustainable.

23. Which of the following statements is most accurate? The 'materiality map' developed by the Sustainability and Accounting Standards Board (SASB):

- A. quantifies financially material ESG factors across different industries and sectors.
- B. identifies and compares ESG disclosure topics across different industries and sectors.

C.assesses the impact of financially material ESG factors on the investment performance of a company.

24.For an energy company, Scope 1 emissions most likely result from:

- A.purchasing freight services.
- B.using the company's vehicles.
- Cdisposing of waste at the company's gas stations.

25.Green bonds are most likely defined by:

- A.the issuers' use of proceeds.
- B.the issuers' carbon emissions targets.
- C.criteria set by the European Investment Bank.

26.Offshoring is most likely a result of which the following megatrends?

- A.Automation
- B.Globalization
- C.Urbanization

27.Population aging is most likely to:

- A.result in lower healthcare expenditures.
- B.be a minor issue in the developed world.
- C.result in lower consumer goods expenditures.

28.Which of the following statements about income inequality is most accurate?

- A.Globalization is one of the drivers of growing wealth inequality
- B.Increased income inequality greatly affects society but has little impact on economic growth
- C.Across the OECD, the average income of the richest 10% of the population is about twice that of the poorest 10%

29.Which of the following is most likely classified as an environmental megatrend that has a severe social impact?

- A.Offshoring
- B.Urbanization
- C.Water scarcity

30.Which of the following statements regarding social megatrends in the developed world is most accurate?

- A.Average working hours have increased
- B.The workforce has become more diverse
- C.The average level of education has decreased

31.Companies that have signed the Bangladesh Accord pledge:

- A.not to employ child labor.
- B.to pay a minimum living wage.

C.to commit to higher health and safety standards

32.In sectors that rely on a large manual workforce, the implementation of a living wage most likely contributes to:

- A.fewer children educated.
- B.increased savings by workers.
- C.increased dependence on social services.

33.Which of the following social factors most likely impacts external stakeholder groups?

- A.Product liability
- B.Health and safety
- C.Freedom of association

34.Which of the following social factors most likely impacts internal stakeholder groups?

- A.Social opportunities
- B.Consumer protection
- C.Freedom of association

35.An analyst gathers the following information about two companies and their economic activities:

Is either company in compliance with the EU Taxonomy for Sustainable Activities?

- A.No
- B.Yes, Company 1 is in compliance
- C.Yes, Company 2 is in compliance

36.A company fails to manage its social factors effectively. Which of the following financial analysis adjustments would be most appropriate?

- A.Increase the discount rate assumption
- B.Increase the carbon tax rate assumption
- C.Decrease the potential liabilities assumption

37.Which of the following statements about minority shareholder alignment is most accurate?

- A.Dual-class shares protect minority rights
- B.Pre-emption rights protect minority shareholders
- C.Individual institutional shareholders are seldom minority shareholders

38.Which of the following countries does not have a corporate governance code?

- A.Japan
- B.The Netherlands
- C.The United States

39.The Enron, Tyco and WorldCom scandals in the United States led to the:

- A.Dodd-Frank Act.
- B.Greenbury Report.

C.Sarbanes-Oxley Act.

40. Corporate governance codes usually require which of the following board committees?

- A. Risk committee
- B. Investment committee
- C. Nominations committee

41. Corporate governance differs from country to country based on local corporate law and:

- A. culture only.
- B. historical developments only.
- C. both culture and historical developments.

42. Which of the following statements about corporate governance in public companies is most accurate?

- A. Executive pay is negotiated directly between management and shareholders
- B. Executive pay may cause a conflict of interest between management and shareholders
- C. Generous executive pay packages are usually opposed by shareholders, regardless of share price performance

43. Standards determining the relationship between board tenure and independence are:

- A. clearly defined in the US.
- B. applied differently between countries.
- C. consistent among European Union members.

44. Which of the following statements about the board structure of public companies in Germany is most accurate?

- A. Shareholders and workers each appoint half the members of the supervisory board
- B. A single executive sits on the board and often bears the responsibility of both chair and CEO
- C. A single-tier board is dominated by executive directors along with a few non-executive directors

45. Two-tier board structures are most common in:

- A. France.
- B. Germany.
- C. the United Kingdom.

46. Which of the following statements about corporate governance codes is most accurate?
External auditors:

- A. ensure financial reports are free of fraud.
- B. provide an independent review of financial reports.
- C. provide absolute assurance that financial reports fairly represent the performance and position of the business.

47. Which of the following ESG factors is most often considered by traditional investment analysts?

- A.Social
- B.Governance
- C.Environmental

48.Which of the following most likely carries out the stewardship function for a pension fund?

The fund's

- A.asset manager.
- B.external auditor.
- C.underlying beneficiaries.

49.Which of the following would be considered the most effective form of investor engagement?

- A.Initiating a dialogue with the investee company following a share price fall
- B.Highlighting concerns about long-term key issues to non-executive directors of the investee company
- C.Requesting information on specific governance, social or environmental issues from the investee company

50.The UK Stewardship Code that came into effect on 1 January 2020 requires signatories to report:

- A.monthly.
- B.quarterly.
- C.annually.

51.A top-down engagement style most likely:

- A.aligns more closely with active rather than passive portfolios.
- B.involves discussions with the boards of individual companies.
- C.focuses on environmental and social issues rather than governance issues.

52.Which of the following is most likely considered an escalation of engagement?

- A.Expressing concerns through the investee company' s advisers
- B.Meeting with the chair of the investee company to discuss the issue of concern
- C.Submitting a resolution and speaking at the investee company's annual general meeting

53.A fund manager believes an investee company is not taking sufficient cyber security measures to protect customer data. By joining the Investor Forum, the fund manager could:

- A.form a concert party in respect of the company.
- B.access inside information on the company' s cyber security strategy.
- C.collectively engage with the company to improve its cyber security measures.

54.A non-profit organization published a report listing companies with a large plastic footprint. A portfolio manager believes the report will impact the valuation of a portfolio company. According to the Investor Forum, which of the following forms of engagement would be the most effective?

- A.Discussing the report with the company during their annual review dialogue
- B.Writing a tailored letter to the company requesting additional details about their plastic

footprint

C.Participating in a collective engagement in collaboration with other investors to address the report

55.Which of the following is most accurate regarding ESG issues in fixed income?

- A.The ESG interests of long-term fixed income and equity investors do not often align
- B.For sovereign issuers, ESG engagement is a more common approach than applying an ESG tilt
- C.The probability of successful engagement is higher for private debt investors than for public debt investors

56.Which of the following statements about ESG integration is most accurate?

- A.More firms integrate ESG into the investment process to lower investment risk than to enhance returns
- B.Asset managers should incorporate beneficiaries' sustainability-related preferences only if they are financially material
- C.Alternative asset investors are more likely to integrate ESG into their investment processes than fixed income investors

57.In ESG analysis, a scorecard is best characterized as a:

- A.qualitative approach.
- B.quantitative approach.
- C.hybrid of a qualitative and a quantitative approach.

58.An ESG analyst's judgement on management incentives is most relevant to which of the following asset classes?

- A.Listed equities
- B.Corporate bonds
- C.Sovereign bonds

59.Which of the following strategies are best characterized as a qualitative, rather than a quantitative, approach to ESG?

- A.Rules-based strategies
- B.Trend-following strategies
- C.Fundamental active strategies

60.According to the International Integrated Reporting Council (IIRC) framework, which of the following is classified as natural capital?

- A.Biodiversity
- B.Infrastructure
- C.Key stakeholder relationships

61.In ESG integration, materiality assessment is typically performed at the:

- A.research stage.
- B.valuation stage.

C.portfolio construction stage.

62.The most appropriate first step in developing a scorecard is to:

- A.identify sector or company specific ESG items.
- B.determine a scoring system based on best practices.
- C.benchmark the company' s performance against industry averages.

63.The management gap refers to material ESG risks that a company:

- A.does not understand.
- B.is not able to manage.
- C.is able to manage but may not have yet done so.

64.With regard to financial modelling, which of the following statements about adjustments based on ESG assessments is most accurate?

- A.Adjustments should not be made to the balance sheet
- B.The size of any cost of capital adjustment ranges from -1% to +1%
- C.Adjustments to the capital expenditures line can be direct or risk adjusted

65.Which of the following statements about company disclosure on ESG topics is most accurate?

- A.Disclosure is often compulsory under typical reporting standards
- B.Over-disclosure can be a problem, particularly of non-material ESG information
- C.Listed companies must adhere to globally uniform minimum disclosure standards

66.Which of the following analyst adjustments would best account for a company's weak environmental management policy?

- A.Apply an impairment charge on stranded assets
- B.Increase the P/E ratio used to determine the company's valuation
- C.Decrease the cost of capital used in a discounted cash flow model

67.With regard to company disclosure of ESG-related information, which of the following statements is most accurate?

- A.Disclosure of ESG-related information is compulsory under typical reporting standards
- B.Company management has flexibility to decide what ESG-related information is reported
- C.Reporting of non-material ESG-related information is encouraged by most accounting standard setters

68.Adjusting duration is an ESG integration technique most likely applied to:

- A.bonds.
- B.public equity.
- C.private equity.

69.The split incentive problem in real estate energy costs most likely refers to different motives between the:

- A.owner and the tenant.
- B.tenant and the operator.
- C.owner and the constructor.

70.Which of the following statements is most accurate?

- A.ESG ratings have a weak correlation to those of other rating agencies; credit ratings have a weak correlation to those of other rating agencies
- B.ESG ratings have a weak correlation to those of other rating agencies; credit ratings have a strong correlation to those of other rating agencies
- C.ESG ratings have a strong correlation to those of other rating agencies; credit ratings have a strong correlation to those of other rating agencies

71.Which of the following statements is most accurate? ESG data is:

- A.usually audited.
- B.often incomplete.
- C.consistently reported across sectors.

72.Which of the following statements is most accurate?

- A.Socio-political matters are eliminated from ESG factors
- B.The information used for selecting ESG factors often comes from the companies themselves
- C.ESG mutual funds are prohibited from holding investments in companies that are acknowledged as ‘bad actors’

73.The ESG rating correlation among different data providers is most likely:

- A.negatively correlated.
- B.uncorrelated.
- C.positively correlated.

74.Which of the following statements about ESG indices is most accurate? ESG scores used for weightings tilts:

- A.must be data-based only.
- B.must be ratings-based only.
- C.can be either data-based or ratings-based.

75.Which of the following organizations provides company-focused ESG ratings?

- A.Global Reporting Initiative (GRI)
- B.Morgan Stanley Capital International (MSCI)
- C.Sustainability Accounting Standards Board (SASB)

76.Which of the following is most likely classified as secondary ESG data?

- A.Surveys
- B.News articles
- C.ESG scores by rating agencies

77.Using geospatial data to track deforestation is best described as an example of:

- A.big data analysis.
- B.real-time dynamic analysis.
- C.resource, supply, and operational risk mitigation.

78.When credit investors argue that downside risk is more important than upside risk, they are most likely focused on:

- A.social factors.
- B.governance factors.
- C.environmental factors.

79.Which of the following statements about green bonds is most accurate?

- A.There is global consensus on the definition of green bonds
- B.Green bonds often have some form of verification from third party organizations
- C.Even after sustainability criteria are met, the credit risk of green bonds is assessed differently from traditional bonds

80.A coal-fired utility has no climate change adaptation strategy. Which of the following parties would be most severely impacted by a transition to a low-carbon economy?

- A.Creditors
- B.Bondholders
- C.Equity shareholders

81.Which of the following strategic asset allocation model(s) is highly sensitive to baseline assumptions?

- A.Mean-variance optimization (MVO) only
- B.Liability driven asset allocation (LDI) only
- C.Both mean-variance optimization (MVO) and liability driven asset allocation (LDI)

82.The CFA Institute ESG integration framework contains three levels: the research level, security level, and portfolio level. Watch lists are included within the:

- A.security level.
- B.portfolio level.
- C.research level.

83.The Task Force on Climate-related Financial Disclosures (TCFD) recommends that portfolio managers treat carbon exposure on a(n):

- A.asset basis.
- B.company basis.
- C.portfolio-weighted basis.

84.Idiosyncratic exclusions are:

- A. specific to religious investors.
- B. based upon universal conventions.
- C. not supported by global consensus.

85. Exclusions supported by global norms are best described as:

- A. universal exclusions.
- B. idiosyncratic exclusions.
- C. conduct-related exclusions.

86. Which of the following bonds would be issued to finance affordable housing projects?

- A. Social bonds
- B. Green bonds
- C. Transition bonds

87. Which of the following most likely has the highest ESG score? A sovereign debt portfolio that:

- A. has a neutral weighting to emerging market debt and US treasuries.
- B. is overweight emerging market debt and underweight US treasuries.
- C. is underweight emerging market debt and overweight US treasuries.

88. Which of the following represents the most developed asset class in terms of ESG integration?

- A. Fixed income
- B. Private equity
- C. Listed equities

89. Which of the following ESG strategies is least likely used by private equity firms?

- A. Positive screening
- B. Thematic investing
- C. Negative screening

90. Which of the following statements regarding ESG-oriented bonds is most accurate?

- A. ESG-oriented bonds benefit from universal standards
- B. The World Bank plays a leading role in developing the ESG bond market
- C. With regard to use of proceeds, ESG-oriented bonds are less transparent compared to conventional bonds

91. Which of the following statements about ESG portfolio optimization is most accurate?

- A. ESG portfolio optimization via constraints applies a fixed decision on specific securities
- B. Portfolios that optimize for a combination of ESG absolute data and subjective rankings minimize active risk to achieve both targets
- C. Optimizations with a targeted ESG exposure that requires tighter constraints may result in an increase in deviation from an optimal portfolio

92. Which of the following statements is most accurate? Best-in-class ESG strategies:

- A.demonstrate incremental gains via active ownership efforts.
- B.use a similar investment approach to exclusionary screening.
- C.exhibit inconsistent ESG scores across different ratings methodologies.

93.Excluding the tobacco sector in a passive investment strategy most likely tilts the portfolio towards a more:

- A.cyclical, value-oriented profile.
- B.cyclical, growth-oriented profile.
- C.defensive, growth-oriented profile.

94.The first step in the effective design of an ESG investment mandate is for clients to:

- A.clarify their needs and state their investment beliefs.
- B.identify material ESG factors in their investment approach.
- C.issue a request for proposals (RFP) to evaluate potential fund managers.

95.According to McKinsey & Company, which of the following is a dimension of an asset owner's investment approach?

- A.Public reporting
- B.Regulatory framework
- C.ESG risk management

96.According to CFA Institute, ESG integration:

- A.uses rights and position of ownership to influence issuers' activities.
- B.excludes issuers from the investment product based on certain ESG-related activities.
- C.explicitly considers ESG-related factors that are material to the investment risk and return.

97.Which of the following is most likely the primary driver of ESG investment for a general insurer?

- A.Fiduciary duty
- B.Awareness of the financial impacts of climate change
- C.Mitigating the implications of lengthy investment time horizons

98.Which of the following is most likely the primary driver of ESG investment for sovereign wealth funds?

- A.Fiduciary duty
- B.Reputational risk
- C.Awareness of the financial impacts of climate change

99.According to the Brunel Asset Management Accord, which of the following is of limited significance in evaluating asset managers?

- A.Short-term underperformance by an asset manager
- B.Loss of key personnel in an asset management firm
- C.Change in the investment style of an asset manager

100. Which of the following statements about ESG performance attribution is most accurate?

A. ESG engagement value is easy to measure

B. The performance impact that comes from excluding a specific sector is easy to measure

C. Continued ESG integration improves the ability to disaggregate a particular ESG driver from the broader investment decision

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