The purpose of this study is to provide the evidence in regards to how the ESG score integration in the investment strategies affects the stock portfolio performances. The 10 year long panel data on European stocks were used to test how does the corporate ESG score correlate with returns and volatility on corporate stocks and does it (if at all) hold any explanatory power if added to popularly used asset pricing models. Data sample was divided in two based on long and short ESG reporting periods, where on each the analysis was performed separately. Furthermore, both the single sort and double sort analyses were performed to isolate size and ESG effects. Using Fama-MacBeth regression the results seem to suggest that investors are already pricing in the climate related risks as shown by the negative risk premium associated with high ESG firms. Returns and volatility of corporate stocks tend to be lower with higher ESG score, although not uniformly nor very significantly. Comparing Leaders portfolio showed that high (European) ESG scorers underperfomed S&P 500 index both in terms of return and volatility.