

Special Webcast

Key Steps to Building a Successful ESG & Sustainability Program

November 2, 2021

THE CONFERENCE BOARD



OneTrust ESG

ENVIRONMENTAL, SOCIAL & GOVERNANCE



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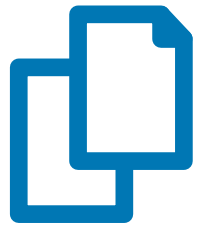


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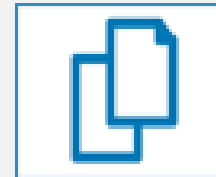


Making the most of the webcast

Ask Questions
(via the Q&A box)



Download
Resources



Today's Speakers



Phil Redman
Offering Manager, ESG
OneTrust



Paul Washington
(Moderator)
Executive Director, ESG Center
The Conference Board

Today we will be discussing:

- Introduction to Enterprise ESG
- Key Steps to Building a Successful ESG & Sustainability Program
- Best Practices for Sustainability Programs
- Q&A



Introduction to Enterprise ESG

Global Business Leaders Support ESG Convergence by Committing to Stakeholder Capitalism Metrics

- Stakeholder Capitalism Metrics offer a set of universal, comparable disclosures focused on people, planet, prosperity and governance that companies can report on, regardless of industry or region
- The move signals that private sector leaders view environmental, social and governance factors as critical to the success and long-term viability of all businesses and a unified voice is gathering pace

THE WALL STREET JOURNAL.

Investors Pile Into ETFs Devoted to Socially Responsible ESG

Funds focusing on environmental, social and corporate governance practices draw record amount

JP Morgan American trust ditches stocks on ESG concerns

FORTUNE

COMMENTARY • EQUAL PAY

Want to step up as a stakeholder capitalist? Start by measuring up on diversity

How whistleblowing became an industry in the wake of #MeToo

Bank scandal another reason why firms put more safeguards in place for staff seeking to flag up concerns

Larry Fink Turns Up Climate Change Pressure On Boards



Fink's continued urging, climate change and racial justice must find a place on the board. AFP VIA GETTY IMAGES

The 2021 version of BlackRock Chair Larry Fink's influential letter to CEOs increases the pressure on boards to position climate change for front-and-center strategic consideration. He similarly encourages companies to emphasize matters of race and ethnicity in their talent development and retention strategies.

TIME

Jamie Dimon: Unless We Change Capitalism, We Might Lose It Forever

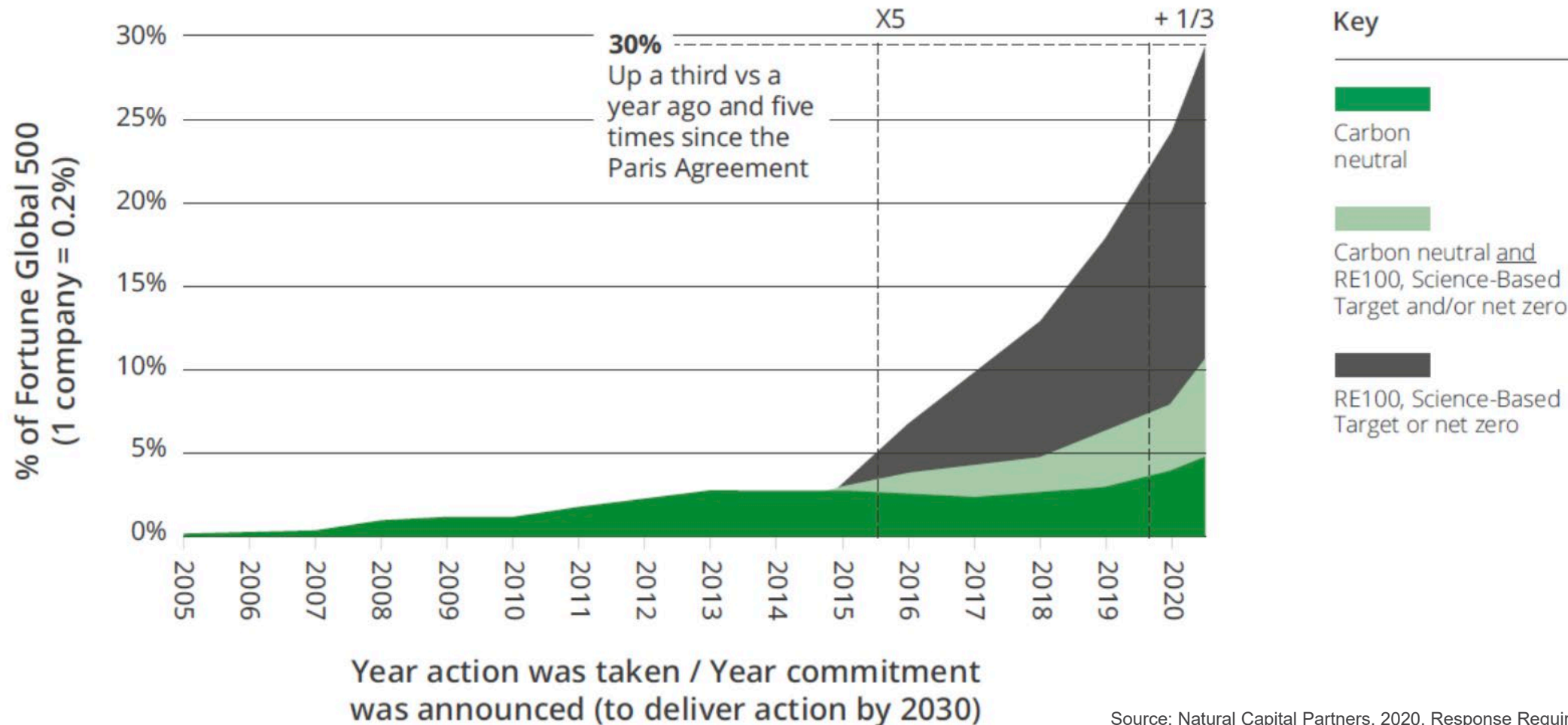
By Jamie Dimon

I am optimistic that this is possible as we enter a new decade. In August, more than 180 CEOs of leading U.S. companies signed the Business Roundtable's new statement of corporate purpose, committing to creating economic opportunity for all of their stakeholders: customers, employees, suppliers, communities and shareholders. It's a call to action to do more for everyone who works for us, and society in general.



Companies Have Set Net-Zero Targets


Percentage of Fortune Global 500 companies that have made a public commitment that they are, or will be by 2030: carbon neutral, meeting an RE100, Science-Based Target or net zero target



Source: Natural Capital Partners, 2020, Response Required, [link](#)

What is Sustainability?

THE PRACTICE OF ACCOUNTING FOR THE IMPACT OF TODAY'S DECISIONS ON TOMORROW'S RESOURCES



We do this work so we can protect natural resources as well as human resources and human rights. We want to make sure the decisions that we make today don't put future generations at risk. We want to make sure that the financial benefits gained by some don't come at great expense to others.

SUSTAINABILITY IS AN OBJECTIVE OR OUTCOME, AKIN TO PROFITABILITY OR QUALITY

What is the objective of ESG?

Show corporate citizenship and achieve profitable, long-term growth by:



Learning and listening to stakeholders' issues



Operationalizing programs to address risks and opportunities



Setting up governance for decision-making and accountability



ENVIRONMENTAL



SOCIAL



GOVERNANCE

What does a “good” ESG program look like?

Good Governance Over Environmental, Social & Economic Issues



ESG is **embedded** in corporate/brand **strategy and performance** dashboards



Board and C-suite are **fluent in** and **accountable for** ESG issues



People **across and at all levels** of the company contribute to success

Recognition for excellence comes from **transparency, good risk management, and innovative impact**: Finding ways to grow the business while also **fixing and addressing an E/S/E problem**

SOCIAL

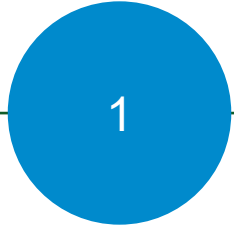
ECONOMIC

ENVIRONMENTAL

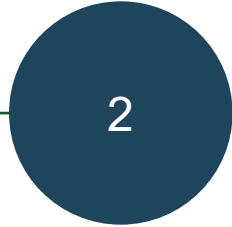
GOVERNANCE

Key Steps to Building a Successful ESG & Sustainability Program

Key Steps



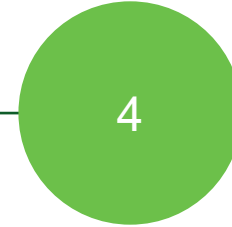
**CREATE YOUR
TEAM & IDENTIFY
STAKEHOLDERS**



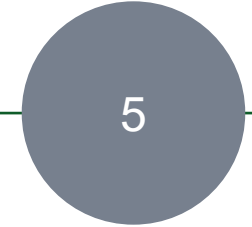
**CONDUCT A
MATERIALITY
ASSESSMENT**



**COLLECT
AND ANALYZE
DATA**



**SET GOALS,
DEFINE STRATEGY
& POLICIES**



**REDUCE &
REMEDiate**

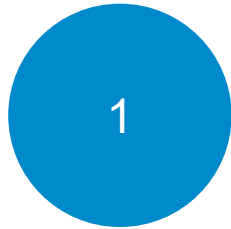
Key Steps



1

**CREATE YOUR
TEAM & IDENTIFY
STAKEHOLDERS**

Create Team, Identify Stakeholders



CREATE YOUR TEAM & IDENTIFY STAKEHOLDERS

What is the governance structure?

Who is directly responsible and for what?

Executive leadership?

Starting point—what are expectations?

Secure approval to address key issues

Key Steps



1

**CREATE YOUR
TEAM & IDENTIFY
STAKEHOLDERS**

2

**CONDUCT A
MATERIALITY
ASSESSMENT**

Assess Material Impacts

2

**CONDUCT A
MATERIALITY
ASSESSMENT**

Create a list of key initiatives across all areas

Conduct a materiality assessment—what matters to employees, customers, investors, partners?

Key Steps



1

**CREATE YOUR
TEAM & IDENTIFY
STAKEHOLDERS**

2

**CONDUCT A
MATERIALITY
ASSESSMENT**

3

**COLLECT
AND ANALYZE
DATA**

Record & Review Data



COLLECT AND ANALYZE DATA

Collect and analyze performance data

Integrate with financial/conventional data

Benchmark performance

Identify ESG-related risks

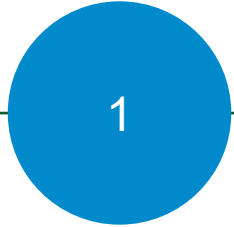
Identify commercial or shared value creation opportunities

Identify priorities based on risk assessment and value creation opportunities

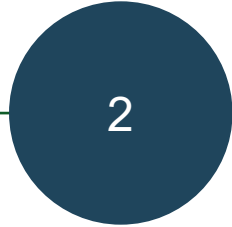
Build business cases for investments

Create Action Plan and Tasks

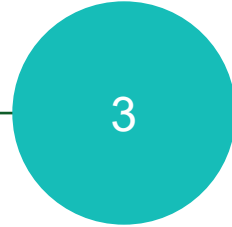
Key Steps



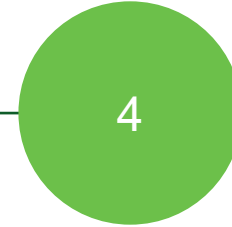
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**CONDUCT A
MATERIALITY
ASSESSMENT**



**COLLECT
AND ANALYZE
DATA**



**SET GOALS,
DEFINE STRATEGY
& POLICIES**

Define Strategy and Policies

4

**SET GOALS,
DEFINE STRATEGY
& POLICIES**

Set goals/targets (internal or public)

Create multi-year strategy

Launch or redesign policies, processes, products for impact

Manage cross-functional groups/teams

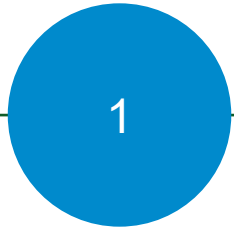
Produce reporting for internal and external use (sustainability reports, SEC filings, legally mandated disclosures, performance dashboards)

Engage stakeholders in learning/feedback

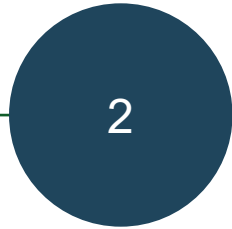
Identify key commitments and disclosures

Create policies for internal and third-party management

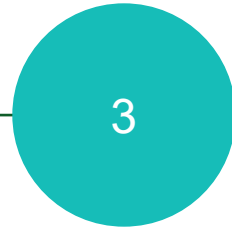
Key Steps



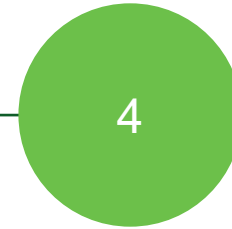
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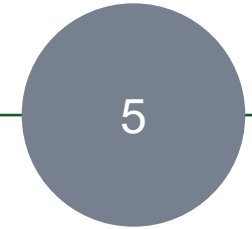
**CONDUCT A
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ASSESSMENT**



**COLLECT
AND ANALYZE
DATA**



**SET GOALS,
DEFINE STRATEGY
& POLICIES**



**REDUCE &
REMEDiate**

Lead change that transforms the business



**REDUCE &
REMEDiate**

Target areas for emissions reduction

Optimize with credits and other offsets

Build a business case for GHG reduction

Communicate goals, commitments to internal/external stakeholders

Best Practices for Sustainability Programs

Address the Whole ESG Value Chain



Best Practices for ESG & Sustainability Programs



OneTrust ESG & Sustainability

ESG PROGRAM MANAGEMENT

Environment

GHG Emissions

OneTrust ESG

Energy Management

ESG PARTNER / DATA FEED

Water Management

ESG PARTNER / DATA FEED

Waste & Hazardous Materials

OneTrust ESG

Social Capital

Human Rights & Community Relations

ESG PARTNER / DATA FEED

Customer Privacy

OneTrust Privacy

Data Security

OneTrust GRC

Product Quality & Safety

ESG PARTNER / DATA FEED

Human Capital

Labor Practices

ESG PARTNER / DATA FEED

Employee Health & Safety

ESG PARTNER / DATA FEED

Employee Engagement

ESG PARTNER / DATA FEED

Diversity & Inclusion

OneTrust ESG

Business Model

Product Lifecycle Management

ESG PARTNER / DATA FEED

Business Model Resilience

OneTrust GRC

Supply Chain Management

OneTrust Vendorpedia

Materials Sourcing Disclosures

OneTrust ESG

Governance

Business Ethics & Competitive Behavior

OneTrust Ethics

Mgmt of Legal & Regulatory Environment

GRC Partner / Data Feed

Critical Incident Risk Management

OneTrust GRC

Systematic Risk Management

OneTrust GRC

Key Focus Areas of OneTrust ESG Solution

ESG Program Management

Benchmark and report across a holistic ESG program

Sustainability

Helping organizations get to carbon-zero

Supplier Management

Managing ESG & Sustainability in supply chain

Real-Time Industry Activity Data



Make Trust a Competitive Advantage with **OneTrust**

OneTrust ESG & Sustainability Solution



*roadmap

Q&A

Visit onetrust.com to
learn more about OneTrust ESG

Upcoming Webcast Programming from The Conference Board



- [ESG Watch: How Important is ESG to Capital Markets? A Corporate Perspective \(November 9, 2021\)](#)
- [It Seemed Like a Good Idea at the Time: From Principle to Practice in Executive Compensation \(November 15, 2021\)](#)
- [Corporations and Climate Change: From Ambition to Impact \(November 18, 2021\)](#)

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<https://www.conference-board.org/webcasts/upcoming/>

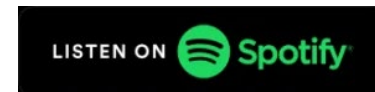


NEW Podcast Series: CEO Perspectives - Insights for What's Ahead™



Hosted by our CEO, **Steve Odland**, this bi-monthly series features in-depth interviews with thought leaders from The Conference Board to provide business executives with data-driven insights to prepare them for what's ahead.

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