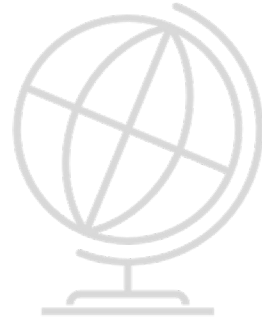




Looking at Your ESG

Beth Ann Jones, Esq.

What is ESG



ESG = Environmental, Social, Governance

Definition:

“a strategic framework for measuring a companies impact on the environment, relationships with the people and companies it’s connected to, and management practices.”

Dictionary.com Unabridged Based on the Random House Unabridged Dictionary, Random House, Inc. 2023. (n.d.). ESG. In Dictionary.com. Retrieved December 14, 2023, from <https://www.dictionary.com/browse/esg>



ESG in the USA

Executive Order on Climate-Related Financial Risk in May 2021:

- Securities and Exchange Commission (SEC) to develop a disclosure framework for environmental, social, and governance (ESG) risks for public entities
- Climate Related Disclosure Standards – pushed back to 2024
- ESG was not listed on the 2024 Examination Priorities
- SEC Investor Advisory Committee

Private and Public companies bound by:

- Department of Labor - Occupational Safety and Health Administration
- Securities and Exchange Commission
- Environmental Protection Agency
- Local and State Regulations

ESG in the European Union and the UK

EU

- Sustainable Finance Disclosure Regulation
- International Financial Reporting Standards Foundation oversees International Sustainability Standard Board
- European Sustainability Reporting Standards
- Corporate Sustainability Reporting Directive
- Light Green Funds, Dark Green Funds and Grey Funds
- Climate Mitigation Adaptation Objectives

UK

- Companies Act and the UK Corporate Governance Code
- Principles for Responsible Investing
- Financial Conduct Authority (FCA)
- Sustainability Disclosure Requirements
- FCA Labeling Classifications
- UK Sustainability Disclosure Standards
- UK Financial Reporting Council (FRC)

Environmental

- Regulatory Compliance
- Resource Management - Energy, Water
- Waste Management
- Sustainable Sources
- Pollution Mitigation



Social

- Employee Care
- Workplace Policies
- Labor Standards
- Community Impact
- Product Health and Safety
- Customer Privacy



Governance

- Supply Chain Management
- Board Diversity
- Tax Strategy
- Data and Cyber Security
- Accounting and Reporting
- Trade Sanctions
- Business Ethics



Looking at Your ESG



Environmental - Regulatory Compliance, Energy Use and Efficiency, Waste Management, Water Stewardship, Sustainable Sources, Pollution Mitigation, Ecological Impacts



Social - Employee Care, Diversity/Workplace Policies, Labor Standards, Community Impact, Product Health & Safety, Economic Contribution, Grid Reliability, Customer Privacy



Governance - Supply Chain Management, Board Diversity and Compensation, Tax Strategy, Data and Cyber Security, Accounting & Reporting, Trade Sanctions, Business Ethics



Thank You

GOT ESG?