



ESG Impact

- ✔ ESG Strategy
- ✔ ESG Reporting
- ✔ Supply Chain Management
- ✔ Decarbonisation Strategy

[Introduction Deck →](#)



ESG Strategy

► What ESGI Does

- ☑ **Introducing** businesses of any size to industry best practice ESG risk management.
- ☑ **Connecting** the businesses of today with the financial, low-carbon and technology products, services and strategies of tomorrow.
- ☑ **Knowledge** of:
 - ESG Reporting Requirements.
 - Decarbonisation Strategies.
 - Responsible Investment.
 - Supply Chain Risks.
 - Asset Sustainability Performance.
- ☑ **Understanding** & identifying ESG material risks in the business, community & supply chain.





ESG Strategy

► ESG Impact Vision

Organisations in every market in the world are under immense pressures to be more transparent on Environmental, Social & Governance risks. They are being scrutinised, evaluated and measured by governments, stock exchanges, investors, financial service providers, partners, suppliers, client and customers.

“ Companies must now identify, manage, and control their ESG journey or run the risk of being un-bankable, un-fundable, un-investable, un-insurable and unable to sell products to large business without meeting these ESG Standards.

ESG Impact has a vision of helping every business communicate effectively their interests in line with their suppliers, partners, community and society in which they operate. We believe every business has a role to play beyond economic & financial benefit and should be rewarded for doing the right thing by nature, people & the planet.





Supply Chain Management

- ✔ Review supply chain risk management programs.
- ✔ Identify supply chain ESG risks, strategy & targets.
- ✔ Present new supply chain risk management strategy & programs.

ESG Strategy

- ✔ Create broad ESG strategy.
- ✔ ESG targets, strategy & risk management plans.
- ✔ Present risk mitigations & targets for strategy.

Governance Management

- ✔ Reviews Corporate policies and procedures.
- ✔ Create policy & governance improvement strategy.
- ✔ Present new policies, updated procedures & obligation.

ESG Reporting

- ✔ Identify Leading ESG reporting framework.
- ✔ ESG reporting targets, SDGs & framework.
- ✔ Create annual ESG report & ongoing reporting strategy.

Our Process



► Defining ESG

What is ESG (Investor)?

- ✔ ESG is the integration is the analysis of all material factors in investment analysis and investment decisions, including environmental, social, and governance (ESG) factors.

What is ESG (Finance)?

- ✔ The analysis of ESG risks of a business impacting credit and financial performance. ESG and sustainability aspects in an organisation's projects which impact sustainability-linked KPI's or project long-term performance.

What is ESG (Corporate)?

- ✔ Environmental, Social and Governance (ESG) is a both a framework & a methodology to improve financial and non-financial performance. This criteria captures and critiques all aspects of a business beyond business plans and financial reporting.

ESG in supply chain management?

- ✔ ESG serves as guidelines by which supply chain management strategies should be built from bottom-line to top. Gauging a supply chain's ESG performance level would be relative to the organisation's wants and needs within environmental, social and governance action.





Cyber & Digital

- ✓ Cyber Security
- ✓ Digital Risk Management
- ✓ Disaster Recovery
- ✓ Data Privacy & Security
- ✓ Critical Incident Risk Management

Environment

- ✓ GHG Emissions.
- ✓ Air Quality.
- ✓ Energy Management.
- ✓ Water & Wastewater Management.
- ✓ Water & Hazardous material.
- ✓ Ecological.
- ✓ Climate Impacts.

Business Model & Innovation

- ✓ Supply Chain Management
- ✓ Materials Sourcing
- ✓ Rate Structure & Pricing
- ✓ Business Model Resilience
- ✓ Product Packaging & Distribution
- ✓ Product Design & Lifecycle Management
- ✓ Investment, Credit & Underwriting ESG Risks

Leadership & Governance

- ✓ Management of Legal & Regulatory Environment
- ✓ Critical Incident Risk Management
- ✓ Systematic Risk Management
- ✓ Competitive Behavior
- ✓ Business Ethics

Human Capital

- ✓ Labour Relations
- ✓ Labour Practices & Compensation
- ✓ Employee Health, Safety & Wellbeing
- ✓ Employee Recruitment, Engagement & Discovery

Social Capital

- ✓ Human Rights
- ✓ Access & Affordability
- ✓ Community Relations
- ✓ Customer Welfare
- ✓ Selling Practices
- ✓ Product Labeling



ESG Risk Criteria



ESG Materiality Assessment & Report

Small developers, property groups & asset managers seeking to start their ESG journey

 Typical costs: \$9k - \$14k

 2 month program

Outcomes:

- ✓ ESG Materiality Assessment & Report
- ✓ Alignment with Sustainable Development Goals (SDGs)
- ✓ Review of Funds Management & Responsible Investment Program (if relevant)





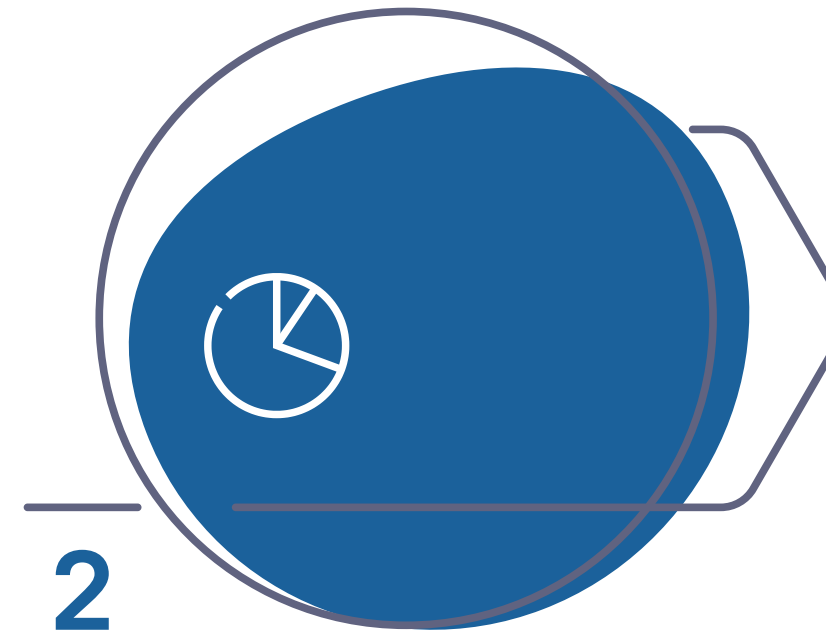
ESG Materiality Assessment & Report



Benchmarking & Data Collection

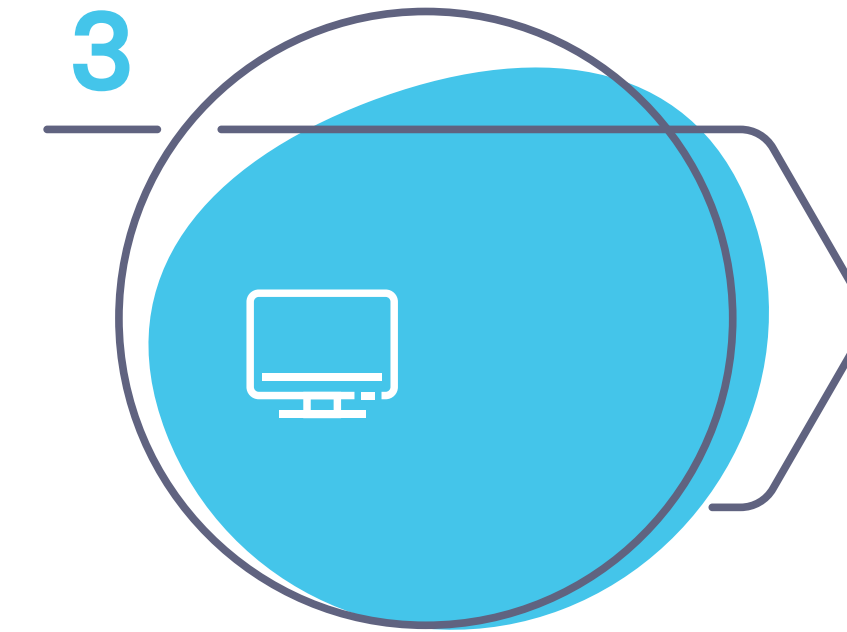
Review Policies & Procedures across:

HR, Responsible Investment, Asset Management, Development Management, Sustainability & Legal



Defining ESG, desktop review & materiality assessment

- Workshop #1
- Review Sustainable Development Goals (SDGs)
- Review Community and Social Programs
- Outline of ESG reporting frameworks
- Review Responsible Investment Policy
- Property/Asset Sustainability Review
- Outline of Sustainable Finance Products



Present ESG Initiatives & Material Risks/Opportunities

- Materiality Assessment Findings
- ESG Materiality Report





ESG Strategy & Reporting

Mid-sized developers, property groups & asset managers seeking to develop a comprehensive ESG strategy ESG Materiality Assessment & Report Included

 Typical costs: \$28k - \$35k

 6 month program

Outcomes:

- ✓ ESG Risk Analysis Report
- ✓ Short-medium-long term ESG Strategy
- ✓ Alignment with Sustainable Development Goals (SDGs)
- ✓ Responsible Investment Review
- ✓ Sustainable Finance Review
- ✓ Property/Asset Management Plan
- ✓ First Annual ESG Report





ESG Strategy & Reporting

Benchmarking & Data Collection

Review Policies & Procedures across:

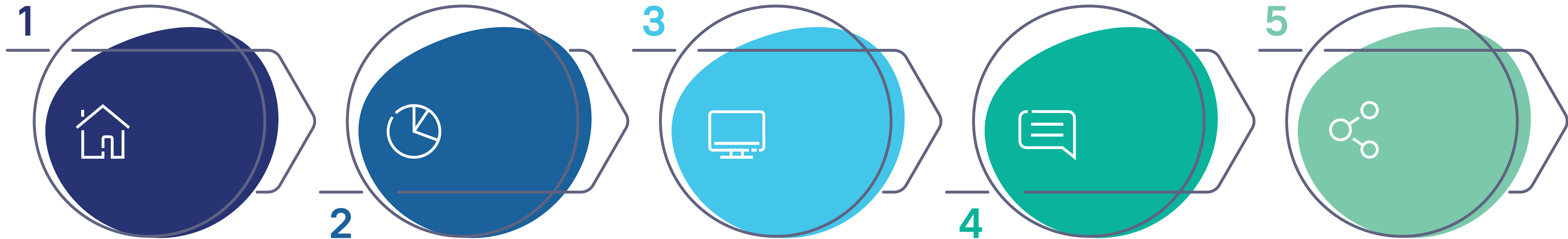
HR, Responsible Investment, Asset Management, Development Management, Sustainability & Legal

Present ESG Initiatives & Material Risks/Opportunities

- Materiality Assessment Findings
- ESG Materiality Assessment & Report
- Development of ESG Strategy Targets
- Innovation & Opportunity Analysis
- Supply Chain ESG Risk Assessment

ESG Strategy & Report

- Creation of ESG Strategy Report
- Roadmap of ESG Initiatives & Program Costs
- ESG Training & Education Program
- Asset Management Plan
- Creation of Annual ESG Report



Defining ESG, desktop review & materiality assessment

- Workshop #1
- Review Sustainable Development Goals (SDGs)
- Review Community and Social Programs
- Outline of ESG reporting frameworks
- Review Responsible Investment Policy
- Property/Asset Sustainability Review
- Outline of Sustainable Finance Products

Review feedback, create KPI's & execution process

- Workshop #2
- ESG Technology Opportunity
- Agree ESG KPIs & Targets
- Present Community and Social Program Feedback
- Responsible Investment Program Feedback
- Organisational Policy & Procedure ESG Changes
- Supply Chain ESG Risk Management Plan

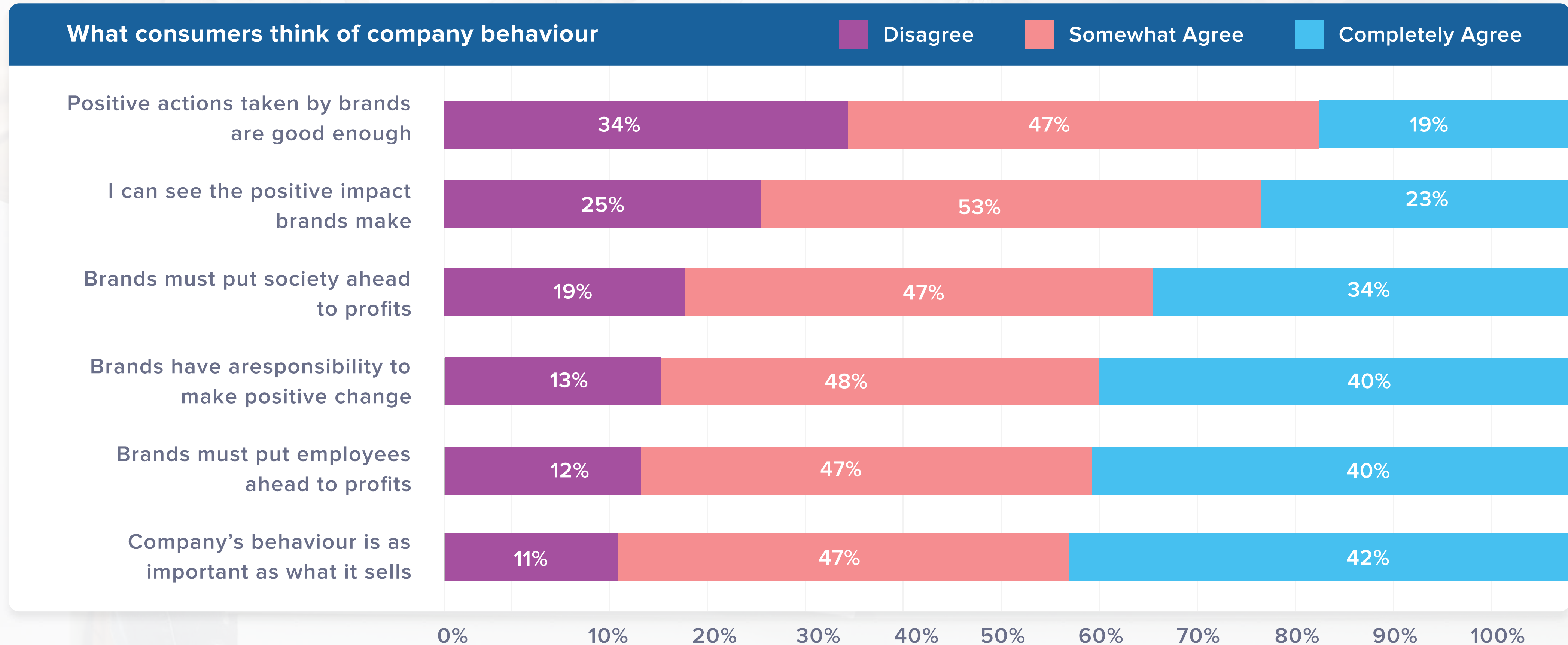


ESG Driven By Consumers

A post-COVID recovery has highlighted ESG concerns in the consumer market.

The pandemic has brought about a shift in consumer behavior across brands, channels and products. As consumers juggle with the need for physical safety, financial uncertainty and a trust deficit in society, their consumption patterns are shifting, with some changes likely to be permanent in nature.

Source: The EY Future Consumer Index, May 2020





Wealth shift to drive responsible investing

Socially Responsible Investing Interest

Currently invested in socially responsible or impact investments, or plans to invest in the future.



For businesses to thrive in the 2020s, they will need to understand the forces that will shape the next 10 years and use them to their advantage. There's no doubt that sustainability and societal impact issues will be a leading force for driving value creation." Rich Lesser, Global Chief Executive Officer, BCG, USA.



Over the past **2 two years** alone **90%** of the data ever created was generated.

ESG & Global Supply Chain

Resilient businesses are proactively managing against future disruption & risk putting processes, technology & supplier agreements in place.

Whether you are aware of this or not, your business is likely to have already been measured against someone in your value chain's ESG or supplier policy. The pandemic looks to have exacerbated this, with **72%** of organisation reported a negative impact on their supply chain due to COVID-19

The **2020** EY Survey showed that **60%** of respondents believe the supply chain has increased in importance. Half are rethinking their entire supply chain strategy as a result.

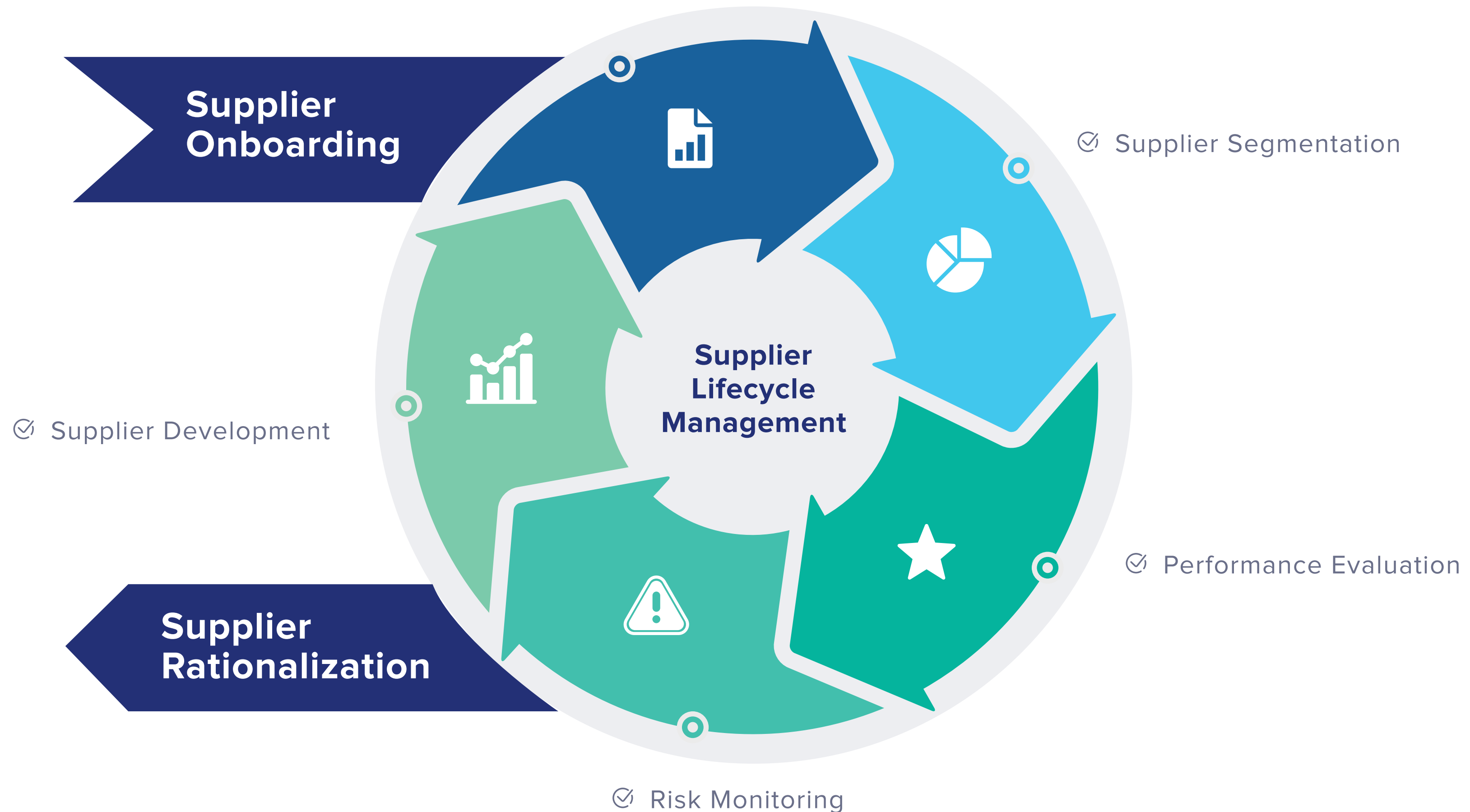
— ESG & Global Supply Chain



Supplier Lifecycle Management

✓ Onboarding ✓ Performance evaluation ✓ Risk Monitoring

☑ Registration ☑ Approval ☑ Assessment



Integrating > Automating > Optimised & Continuous Management of ESG risks



Beneath a Good ESG Strategy

ESG Reporting

Announcement of policies and pledges

Alignment with ESG Frameworks

Dedicated Web Page

Goals and targets set for 2030

Committed and Specialised team



Benchmarking

Competitive Research

Suppliers & Supply Chain risks

ESG Opportunities & Innovation



Performance Measurement

Quarterly Reviews

Stakeholder Engagement

Code of Conduct



ESG Data Collection

ESG Discussion in the boardroom

Company Specific risks



ESG Risk Management

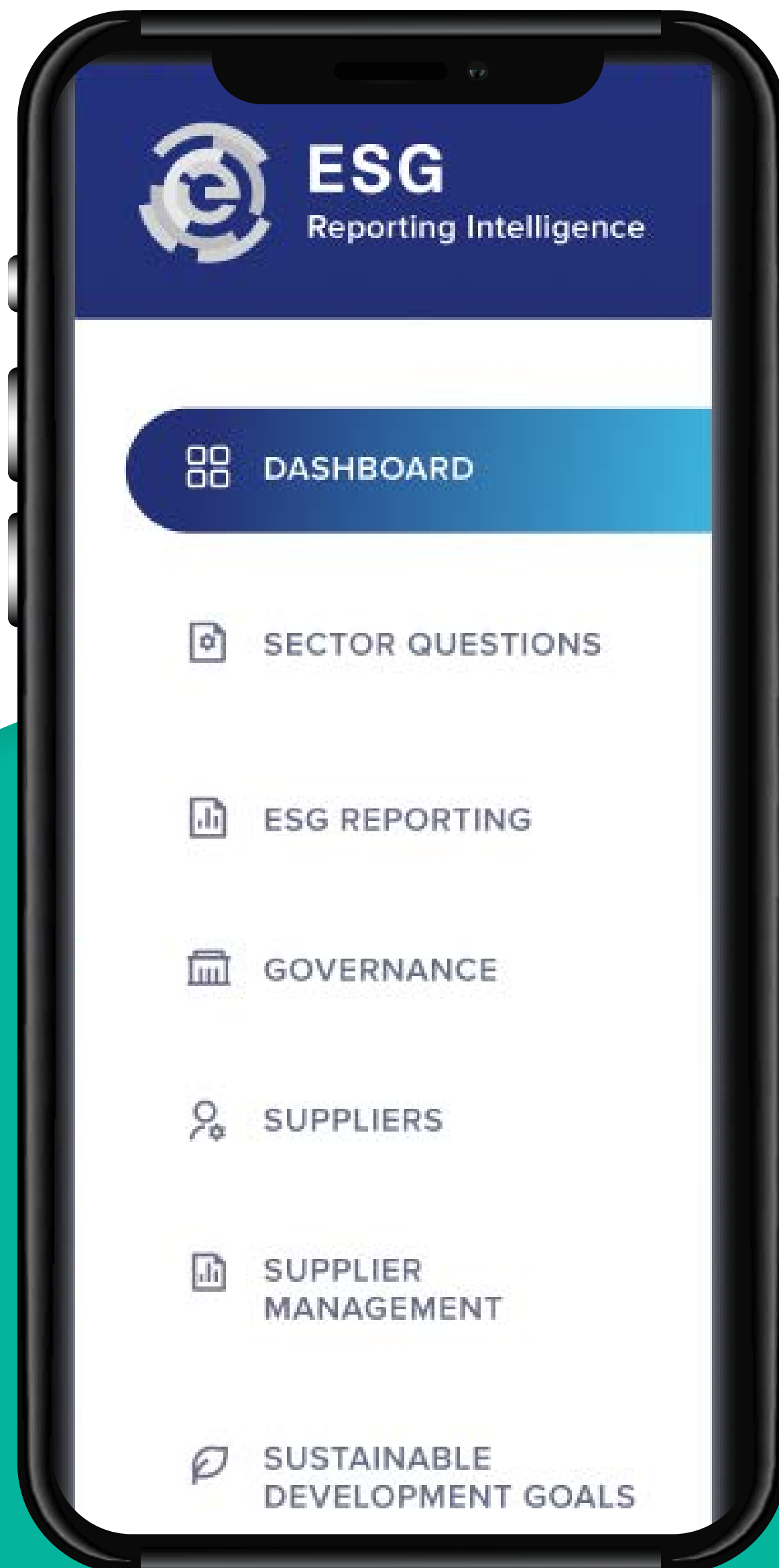
Responsibility plan/
Roadmap

ESGRI Platform

ESGRI gives you the tools to meet reporting & data expectations

Help your business and operations with:

- ✓ Direct access to best-in-class **ESG & sustainability** reporting.
- ✓ Access to a **masterclass ESG & sustainability Academy** worth over **\$100,000** for you to use at any time.
- ✓ Create a public report on your **carbon footprint**.
- ✓ A clear pathway to becoming a **carbon neutral organisation** and creating certified carbon neutral products.
- ✓ Understand your **impacts on the United Nations sustainable development goals** and create a strategy to make real impact.
- ✓ Develop **best practice procurement** processes.
- ✓ Access a complete picture and understanding of your **supply chain material risks**.
- ✓ Be rewarded for your ESG work by **accessing new products exclusive** to you.
- ✓ **Create new revenue streams** from businesses interested in your products.





ESG Impact

 James Cronan

 +61 407 667 658

 james.c@esgri.com

 www.esgimpact.com.au