



Experts for Financial Communication and ESG

ESG ALLIANCE



Susan Hoffmeister

Founder & Managing Director of CROSS ALLIANCE
communication and ESG ALLIANCE

Qualified Supervisory Board – Deutsche Börse

Member of the Supervisory Board at LEHNER
INVESTMENTS

5 years as Marketing Manager at Siemens/OSRAM,
London

5 years as IR Manager at Winter AG

20 years capital market experience

M. A. Business Administration



Sara Pinto

Founder & Managing Director of
ESG ALLIANCE

Director of CROSS ALLIANCE communication

Certified Environmental, Social & Governance Analyst
(EFFAS)

4 years capital market experience

6 years as Market Research Manager at
FOCUS MONEY

M.A. Business Administration & Management

ESG ALLIANCE: OUR SERVICES

Taking the pain out of ESG!



Strategy Consulting



ESG-Workshops



Strategy Development and
Implementation



EU Taxonomy

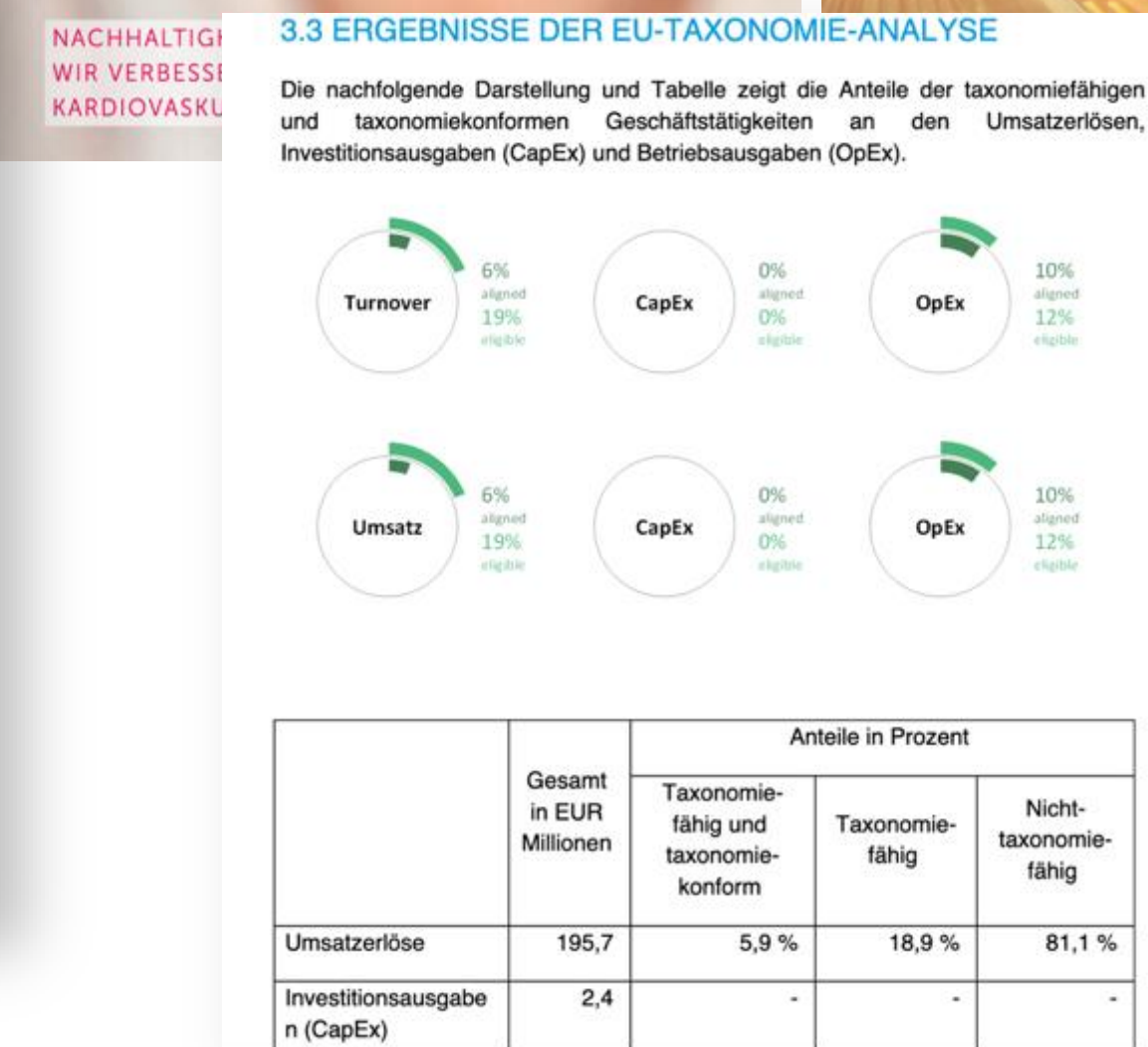
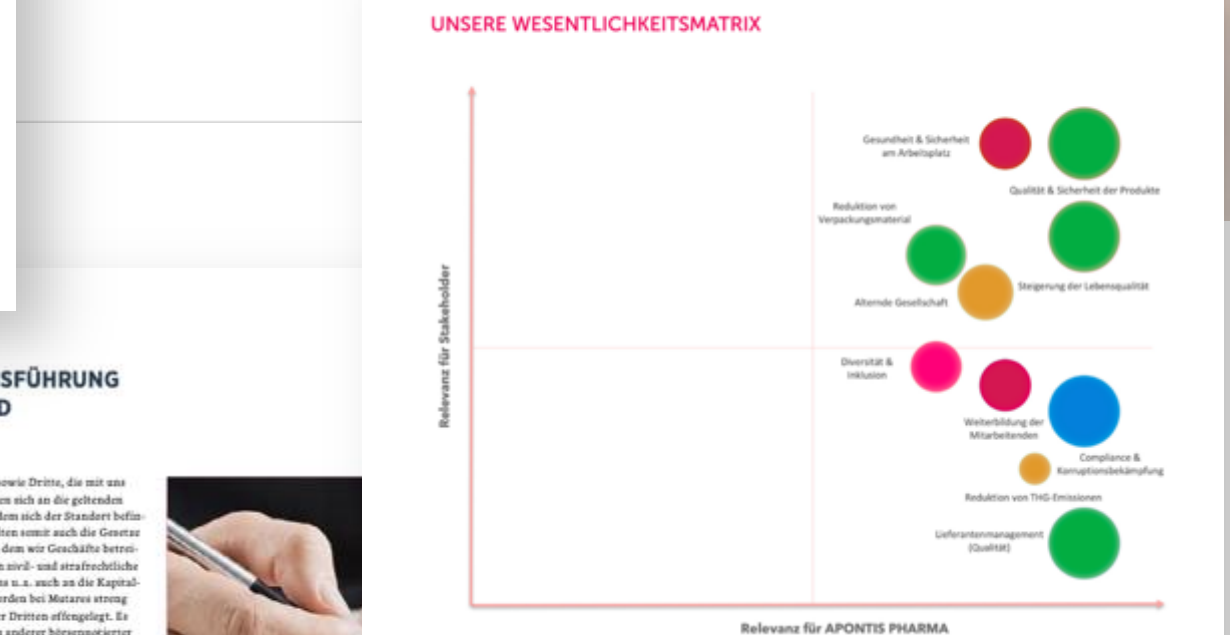
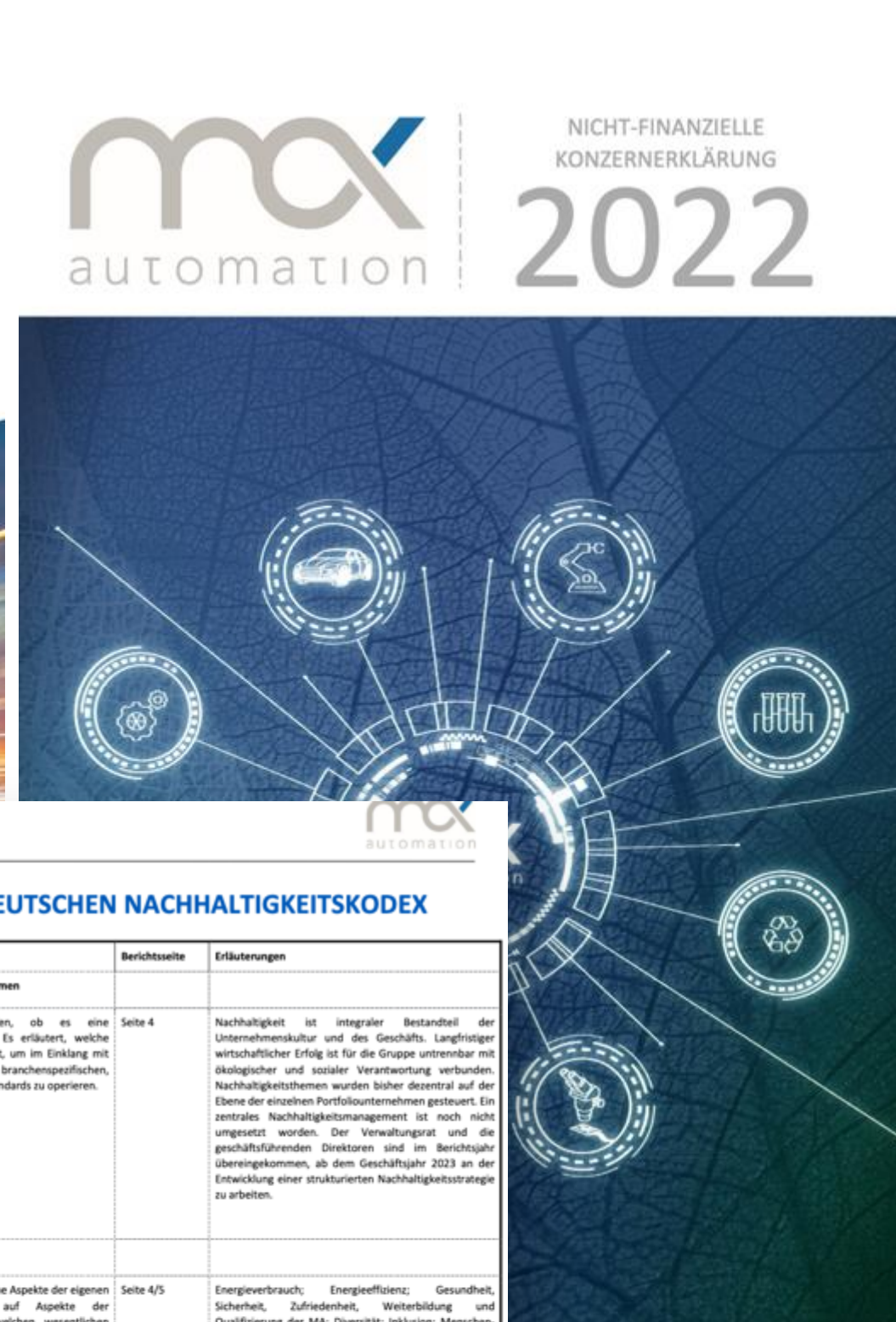
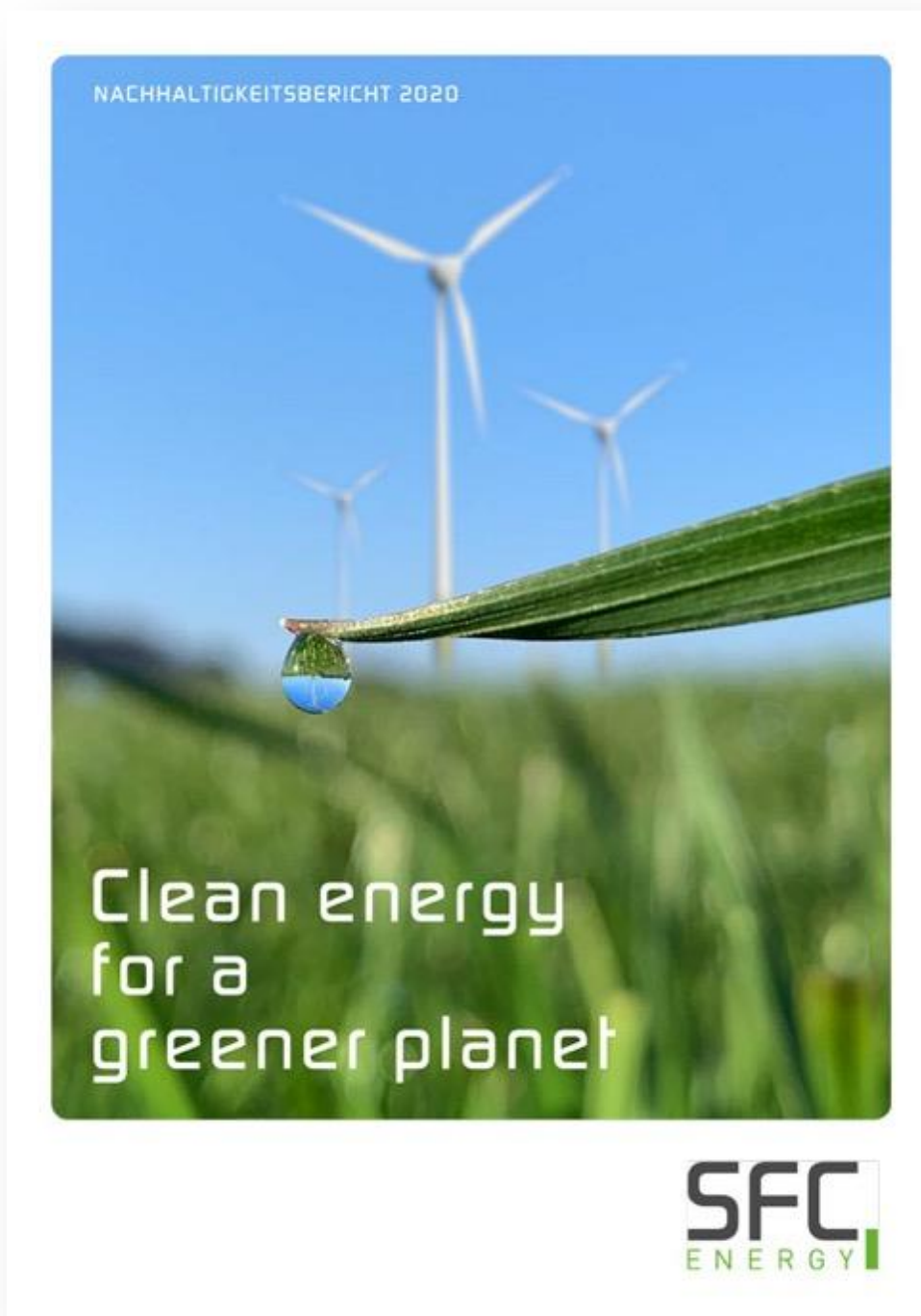


Double Materiality Analysis



Sustainability Reporting

ESG ALLIANCE: OUR SERVICES



Strategie	Berichtsseite	Erläuterungen
Strategische Analyse und Maßnahmen	Seite 4	Das Unternehmen legt offen, ob es eine Nachhaltigkeitsstrategie verfolgt. Es erläutert, welche konkreten Maßnahmen es ergreift, um im Einklang mit den wesentlichen und anerkannten branchenspezifischen, nationalen und internationalen Standards zu operieren.
Wesentlichkeit	Seite 4/5	Das Unternehmen legt offen, welche Aspekte der eigenen Geschäftstätigkeit wesentlich auf Aspekte der Nachhaltigkeit einwirken und welchen wesentlichen Einfluss die Aspekte der Nachhaltigkeit auf die Geschäftstätigkeit haben. Es analysiert die positiven und negativen Wirkungen und gibt an, wie diese Erkenntnisse in die eigenen Prozesse einfließen.
Ziele	Seite 7/8 + Umwelt: 9/10 + Arbeitsmengen: 14 + Sozialbelange: 15 + Governance: 17/18	Das Unternehmen legt offen, welche qualitativen und/oder quantitativen sowie zeitlich definierten Nachhaltigkeitsziele gesetzt und operationalisiert werden und wie deren Erreichungsgrad kontrolliert wird.
Tiefe der Wertschöpfungskette	Seite 4	Das Unternehmen gibt an, welche Bedeutung Aspekte der Nachhaltigkeit für die Wertschöpfung haben und bis zu welcher Tiefe seiner Wertschöpfungskette Nachhaltigkeitskriterien überprüft werden.





UNIVERSITÀ DI FOGGIA

ESG: from Compliance to Mindset – a Business and Research Perspective

AGENDA

ESG: a holistic approach

ESG: the journey step by step

ESG: regulations in practice

ESG: Research Cues



ESG: a holistic approach

ESG: the journey step by step

ESG: regulations in practice

ESG: Research Cues



ESG: A HOLISTIC APPROACH



ESG: A HOLISTIC APPROACH

Areas to work on



STRATEGY



IT



GOVERNANCE

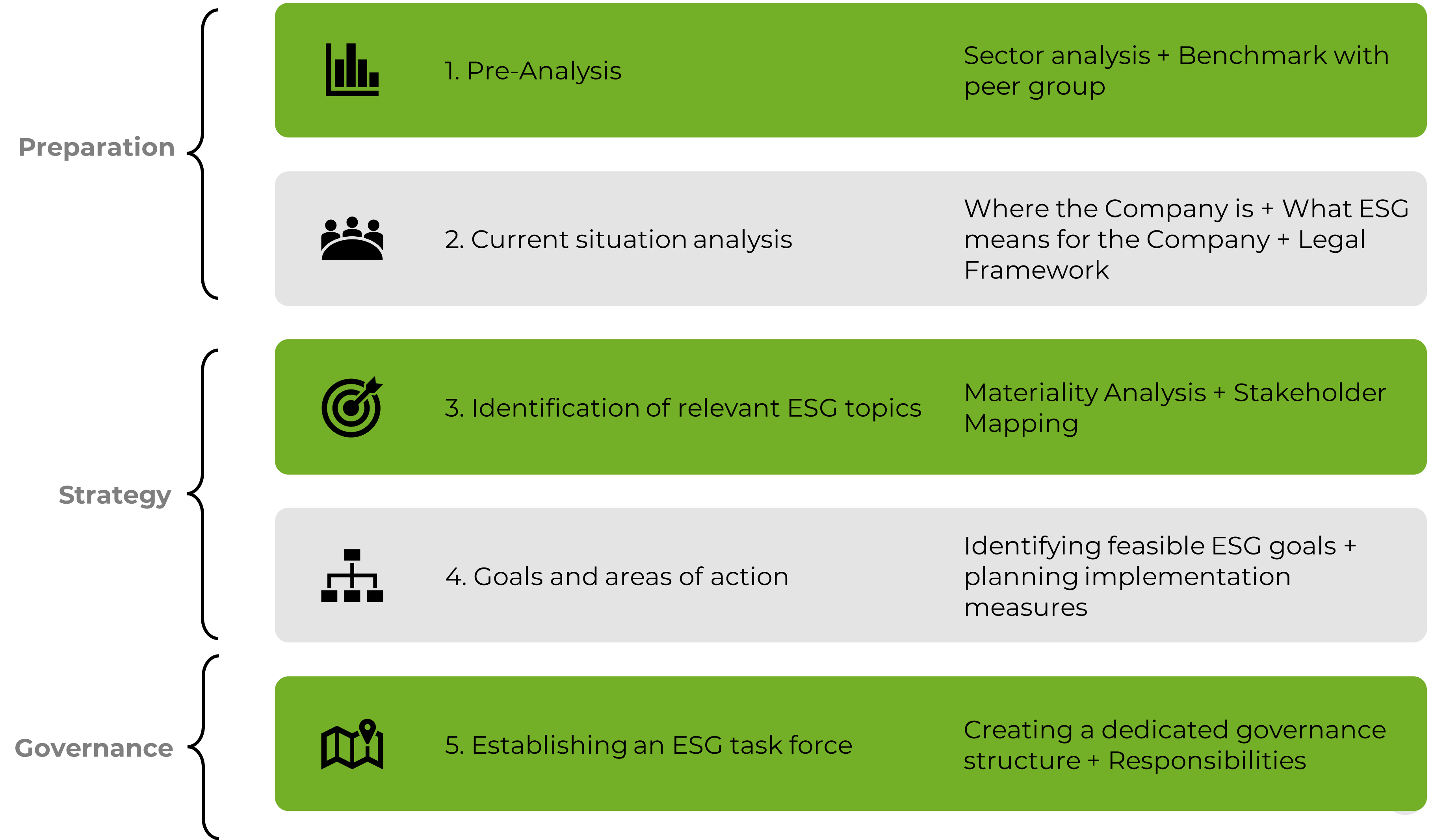


REPORTING



Goal: a holistic ESG transformation

ESG: A HOLISTIC APPROACH



ESG: a holistic approach

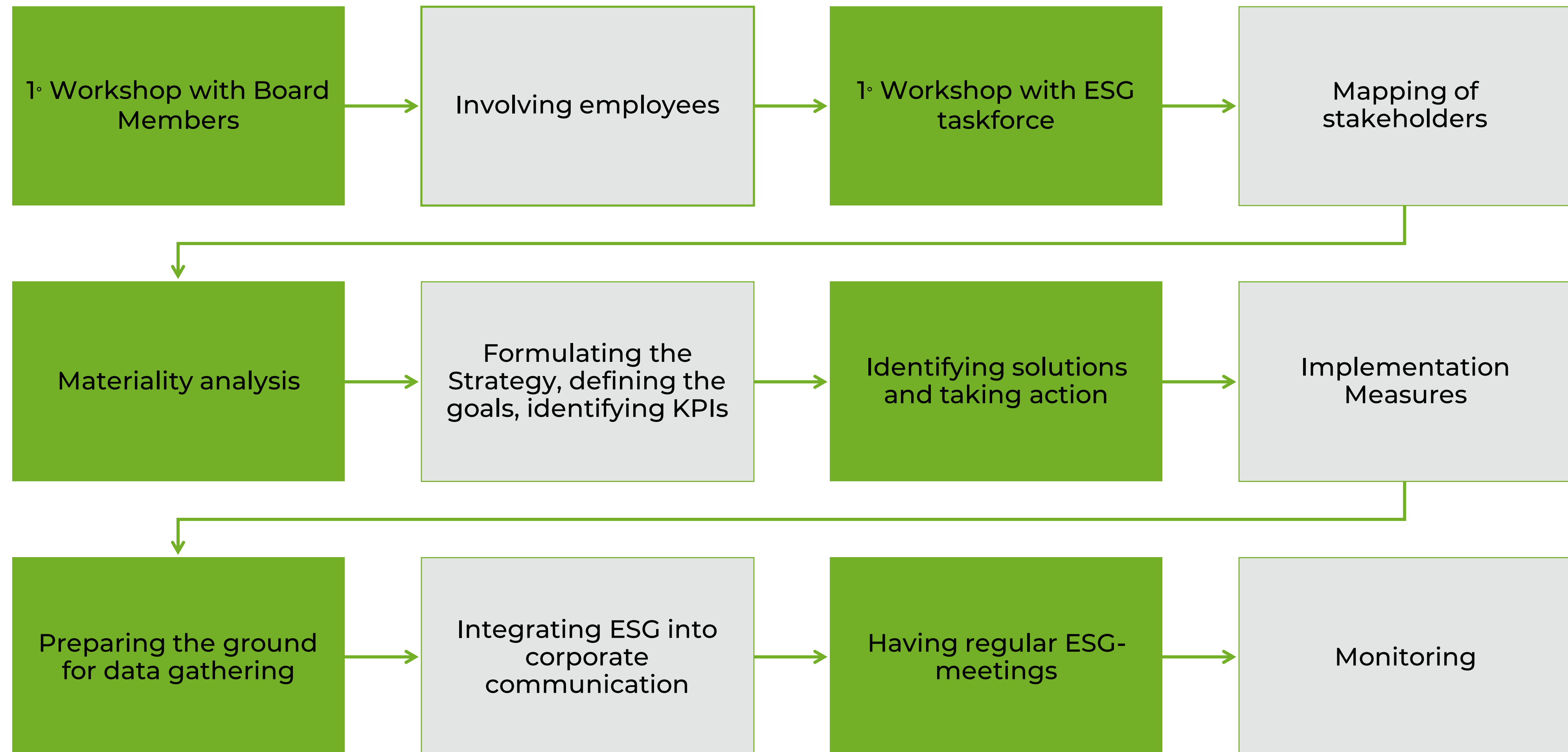
ESG: the journey step by step

ESG: regulations in practice

ESG: Research Cues



ESG: THE JOURNEY STEP BY STEP



ESG: THE JOURNEY STEP BY STEP



Brainstorming on Sustainability based on the pre-analysis



Discussing stakeholders' expectations and ESG relevant trends

Workshop with Board Members



Presenting current ESG regulations affecting the Company



Giving an input for the sustainability strategy



Drafting a plan: must have + nice to have, timing, responsibilities, people

ESG: THE JOURNEY STEP BY STEP

Workshop with ESG taskforce

Explaining the ESG plan: starting with what we have

Mapping / Analysing the stakeholders -> dialogue

Brainstorming on the material ESG topics

Using international / mandatory standards as guidelines

Materiality Analysis → ESRS + double materiality

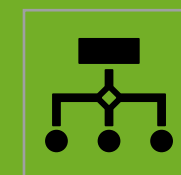
ESG: THE JOURNEY STEP BY STEP



Editing one Code of Conduct for employees and one for Suppliers & Business Partners



Analysing the Supply Chain



Adaptation / Update of the Risk Management



Implementing a Whistleblowing System / Channel



Calculating the Corporate carbon Footprint

Taking Action /
Implementation Measures

ESG: a holistic approach

ESG: the journey step by step

ESG: regulations in practice

ESG: Research Cues



ESG: REGULATIONS IN PRACTICE

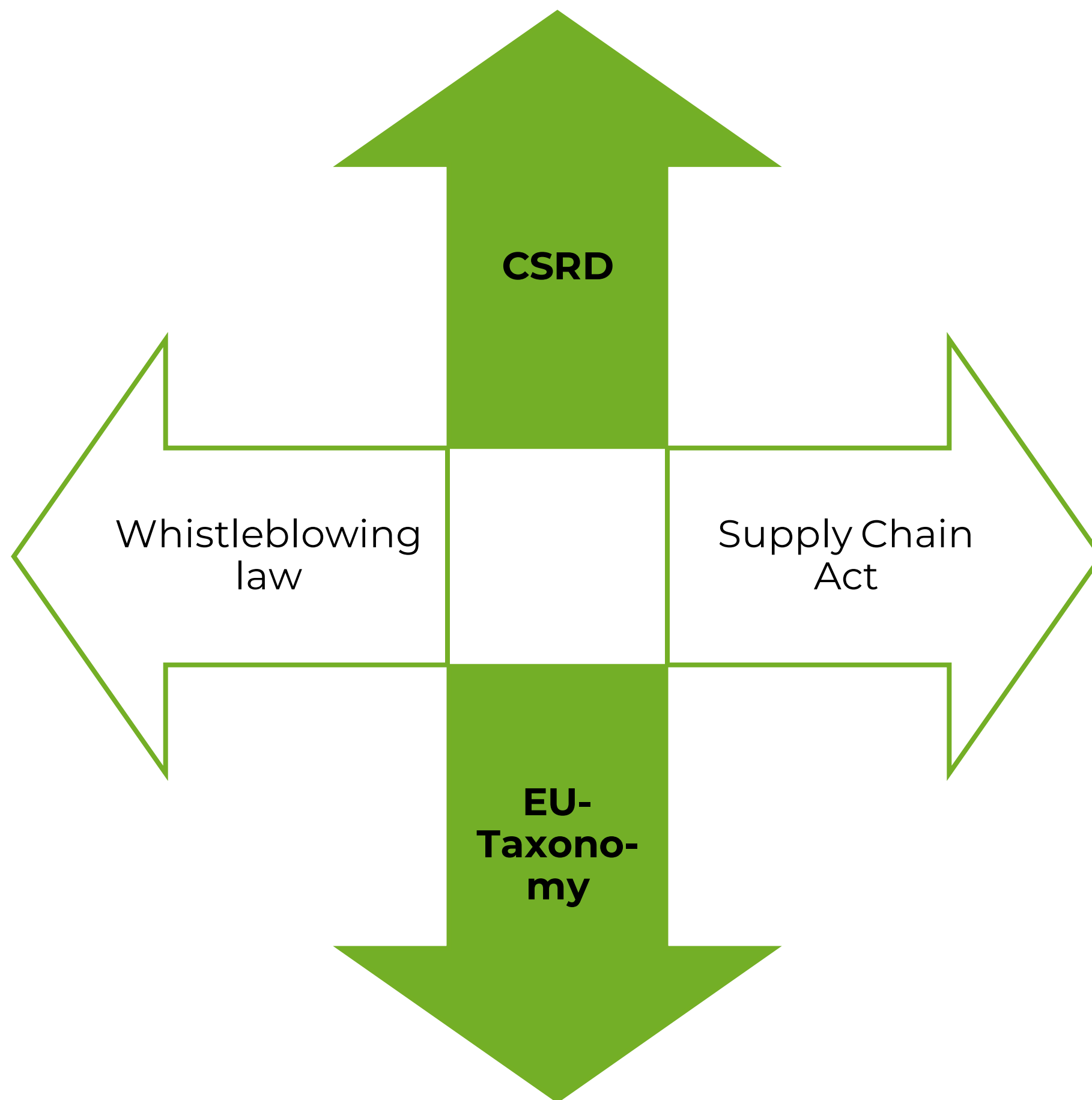
GOALS AND GUIDELINES



ESG: REGULATIONS IN PRACTICE

FRAMEWORK	OBJECTIVE	FEATURES	FOCUS
GRI Standards	<ul style="list-style-type: none"> → Guides for selecting topics that reflect the most significant economic, environmental, and social impacts of organizations in consultation with their stakeholders. → GRI includes issues related to human rights, diversity, health and safety, corruption, and biodiversity. 	<ul style="list-style-type: none"> → Global standard setter for CSR-disclosure with SASB. → Appeal to a broad stakeholder base → Modular system comprising three series of Standards*: GRI Universal Standards, GRI Sector Standards, and GRI Topic Standards. → Each Standard begins with a detailed explanation of how to use it. 	E S G
DNK	<ul style="list-style-type: none"> → Compliance with the CSR reporting obligation, EU-Taxonomy or the National Action Plan for Business and Human Rights. → Support with establishing a sustainable development strategy and offers a way into sustainability reporting. 	<ul style="list-style-type: none"> → 20 criteria → Choice between GRI or EFFAS KPIs → Comply or Explain principle 	E S G
SASB	<ul style="list-style-type: none"> → Guide for companies to the disclosure of financially material sustainability information to their investors. → Primary audience: US investors. → The approach to materiality is based on a financially oriented definition that is well-accepted by capital markets. 	<ul style="list-style-type: none"> → Global standard setter for CSR-disclosure with GRI. → Available for 77 industries. The standards are sector specific. → Focus on financial stakeholders and providers of financial capital. 	E S G
TCFD	<ul style="list-style-type: none"> → Support the alignment of climate-related risk disclosures with investors' needs. 	<ul style="list-style-type: none"> → The structure of reporting is focused on four thematic areas that are the core elements of organizations' operations: governance, strategy, risk management, and metrics and targets. 	E G
Carbon Disclosure Project	<ul style="list-style-type: none"> → Support for companies, cities, states and regions to measure and manage their risks and opportunities on climate change, water security and deforestation. 	<ul style="list-style-type: none"> → Companies must disclose their environmental information via CDP's Online Response System (ORS). 	E G

ESG: REGULATIONS IN PRACTICE



ESRS – Reporting Standards

General Standards	Environment	Social	Governance
<ul style="list-style-type: none"> • ESRS 1 General requirements • ESRS 2 General strategy, governance and impacts, risks and opportunities management disclosures 	<ul style="list-style-type: none"> • ESRS E1 Climate Change • ESRS E2 Pollution • ESRS E3 Water and marine resources • ESRS E4 Biodiversity and ecosystems • ESRS E5 Resource use and circular economy 	<ul style="list-style-type: none"> • ESRS S1 Own workforce • ESRS S2 Workers in the value chain • ESRS S3 Affected communities • ESRS S4 Consumers and end-users 	<ul style="list-style-type: none"> • ESRS G1 Business conduct

ESG: REGULATIONS IN PRACTICE

[Draft] topical ESRS	Sustainability matters covered in [draft] topical ESRS		
	Topic	Sub-topic	Sub-sub-topics
[draft] ESRS E1	Climate change ⁶	<ul style="list-style-type: none">Climate change adaptationClimate change mitigationEnergy	
[draft] ESRS E2	Pollution	<ul style="list-style-type: none">Pollution of airPollution of waterPollution of soilPollution of living organisms and food resourcesSubstances of concernSustances of very high concern	
[draft] ESRS E3	Water and marine resources	<ul style="list-style-type: none">Water withdrawalsWater consumptionWater useWater discharges in water bodies and in the oceansHabitat degradation and intensity of pressure on marine resources	
[draft] ESRS E4	Biodiversity and ecosystems	<ul style="list-style-type: none">Direct impact drivers of biodiversity loss	<ul style="list-style-type: none">Climate ChangeLand-use changeDirect exploitationInvasive alien speciesPollutionOthers
		<ul style="list-style-type: none">Impacts on the state of species	Examples: <ul style="list-style-type: none">Species population sizeSpecies global extinction risk
		<ul style="list-style-type: none">Impacts on the extent and condition of ecosystems	Examples: <ul style="list-style-type: none">Land degradationDesertificationSoil sealing
		<ul style="list-style-type: none">Impacts and dependencies on ecosystem services	
[draft] ESRS E5	Circular economy	<ul style="list-style-type: none">Resources inflows, including resource useResource outflows related to products and servicesWaste	
[draft] ESRS S1	Own workforce	<ul style="list-style-type: none">Working conditions	<ul style="list-style-type: none">Secure employmentWorking timeAdequate wagesSocial dialogue

[Draft] topical ESRS	Sustainability matters covered in [draft] topical ESRS		
	Topic	Sub-topic	Sub-sub-topics
			<ul style="list-style-type: none">Freedom of association, the existence of works councils and the information, consultation and participation rights of workersCollective bargaining, including rate of workers covered by collective agreementsWork-life balanceHealth and safety
		<ul style="list-style-type: none">Equal treatment and opportunities for all	<ul style="list-style-type: none">Gender equality and equal pay for work of equal valueTraining and skills developmentEmployment and inclusion of persons with disabilitiesMeasures against violence and harassment in the workplaceDiversity
		<ul style="list-style-type: none">Other work-related rights	<ul style="list-style-type: none">Child labourForced labourAdequate housingPrivacy
[draft] ESRS S2	Workers in the value chain	<ul style="list-style-type: none">Working conditions	<ul style="list-style-type: none">Secure employmentWorking timeAdequate wagesSocial dialogueFreedom of association, including the existence of work councilsCollective bargainingWork-life balanceHealth and safety
		<ul style="list-style-type: none">Equal treatment and opportunities for all	<ul style="list-style-type: none">Gender equality and equal pay for work of equal valueTraining and skills developmentThe employment and inclusion of persons with disabilitiesMeasures against violence and harassment in the workplaceDiversity
		<ul style="list-style-type: none">Other work-related rights	<ul style="list-style-type: none">Child labourForced labour

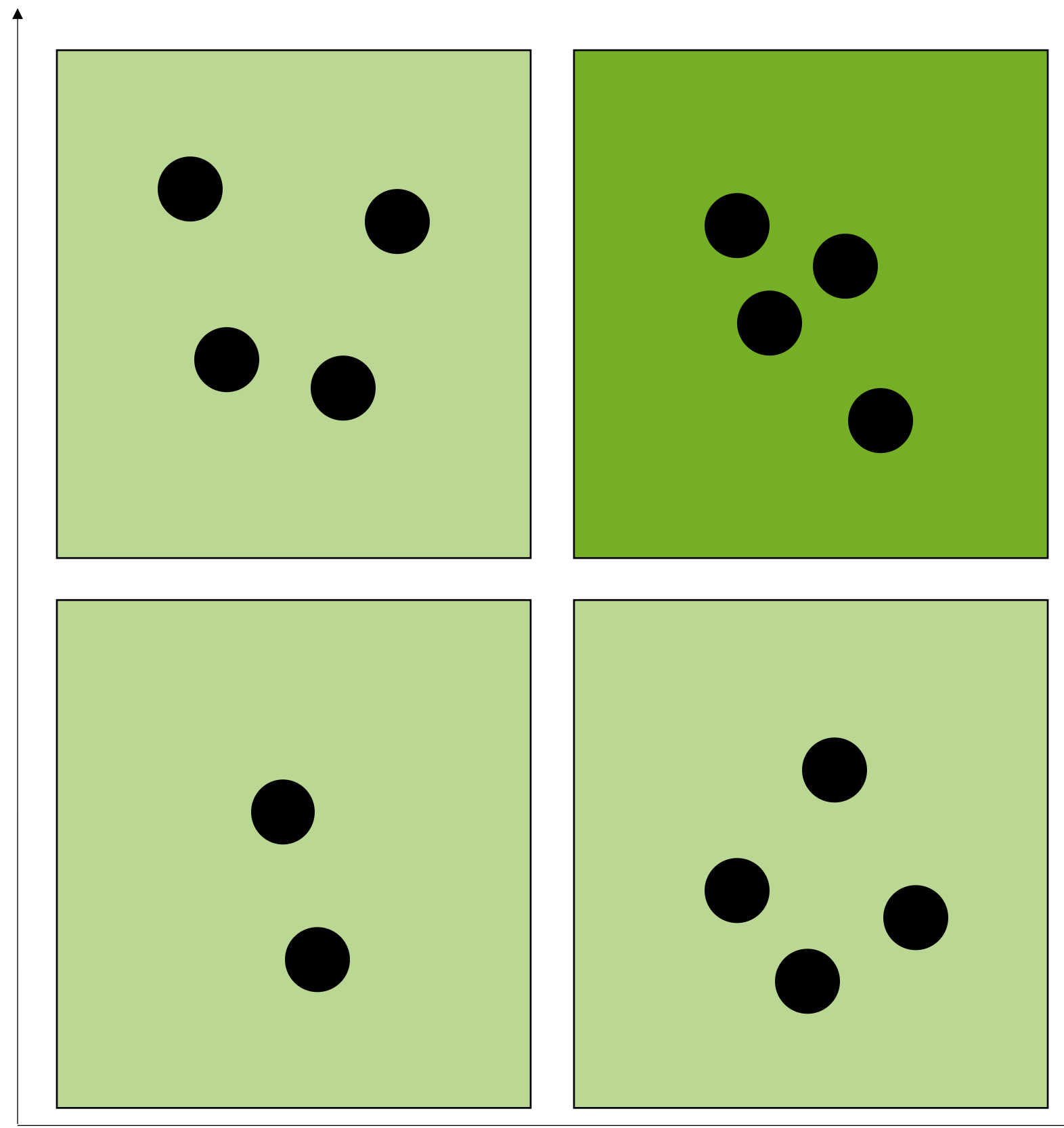
[Draft] topical ESRS	Sustainability matters covered in [draft] topical ESRS		
	Topic	Sub-topic	Sub-sub-topics
[draft] ESRS S3	Affected communities		<ul style="list-style-type: none">Adequate housingWater and sanitationPrivacy
		<ul style="list-style-type: none">Communities' economic, social and cultural rights	<ul style="list-style-type: none">Adequate housingAdequate foodWater and sanitationLand-related impactsSecurity-related impacts
		<ul style="list-style-type: none">Communities' civil and political rights	<ul style="list-style-type: none">Freedom of expressionFreedom of assemblyImpacts on human rights defenders
[draft] ESRS S4	Consumers and end-users	<ul style="list-style-type: none">Particular rights of indigenous communities	<ul style="list-style-type: none">Free, prior and informed consentSelf-determinationCultural rights
		<ul style="list-style-type: none">Information-related impacts for consumers and/or end-users	<ul style="list-style-type: none">PrivacyFreedom of expressionAccess to (quality) information
		<ul style="list-style-type: none">Personal safety of consumers and/or end-users	<ul style="list-style-type: none">Health and safetySecurity of a personProtection of children
[draft] ESRS G1	Business conduct	<ul style="list-style-type: none">Social inclusion of consumers and/or end-users	<ul style="list-style-type: none">Non-discriminationAccess to products and servicesResponsible marketing practices
		<ul style="list-style-type: none">Corporate cultureProtection of whistle-blowersAnimal welfarePolitical engagement and lobbying activitiesManagement of relationships with suppliers including payment practices	
		<ul style="list-style-type: none">Corruption and bribery	<ul style="list-style-type: none">Prevention and detection including trainingIncidents

ESG: REGULATIONS IN PRACTICE

Companies must perform a double materiality analysis: **INSIDE OUT + OUTSIDE IN**
 The ESG aspect is considered material, if it meets the criteria for impact or financial materiality or both

NFRD

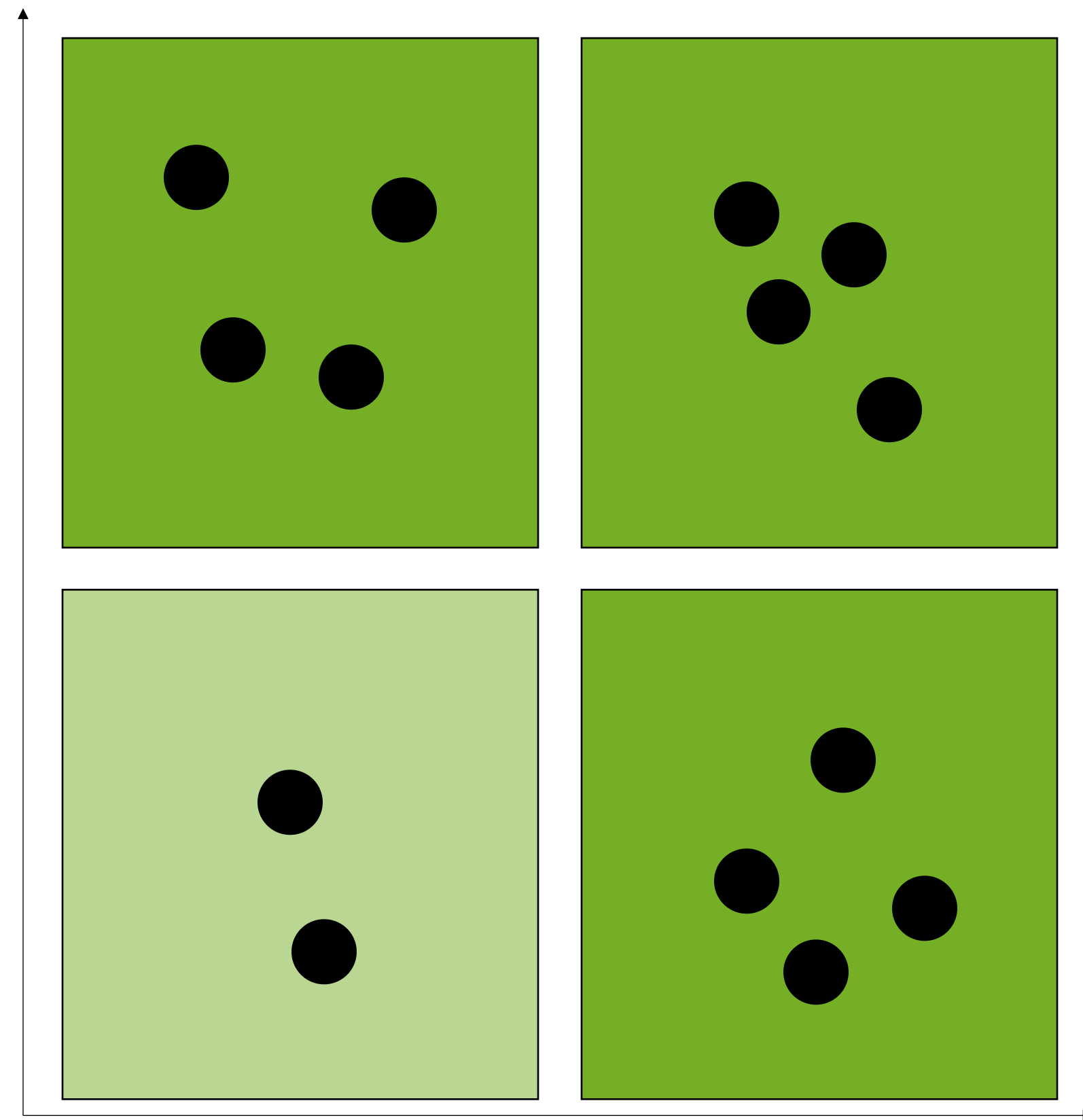
Importance for Stakeholders



Importance for Company

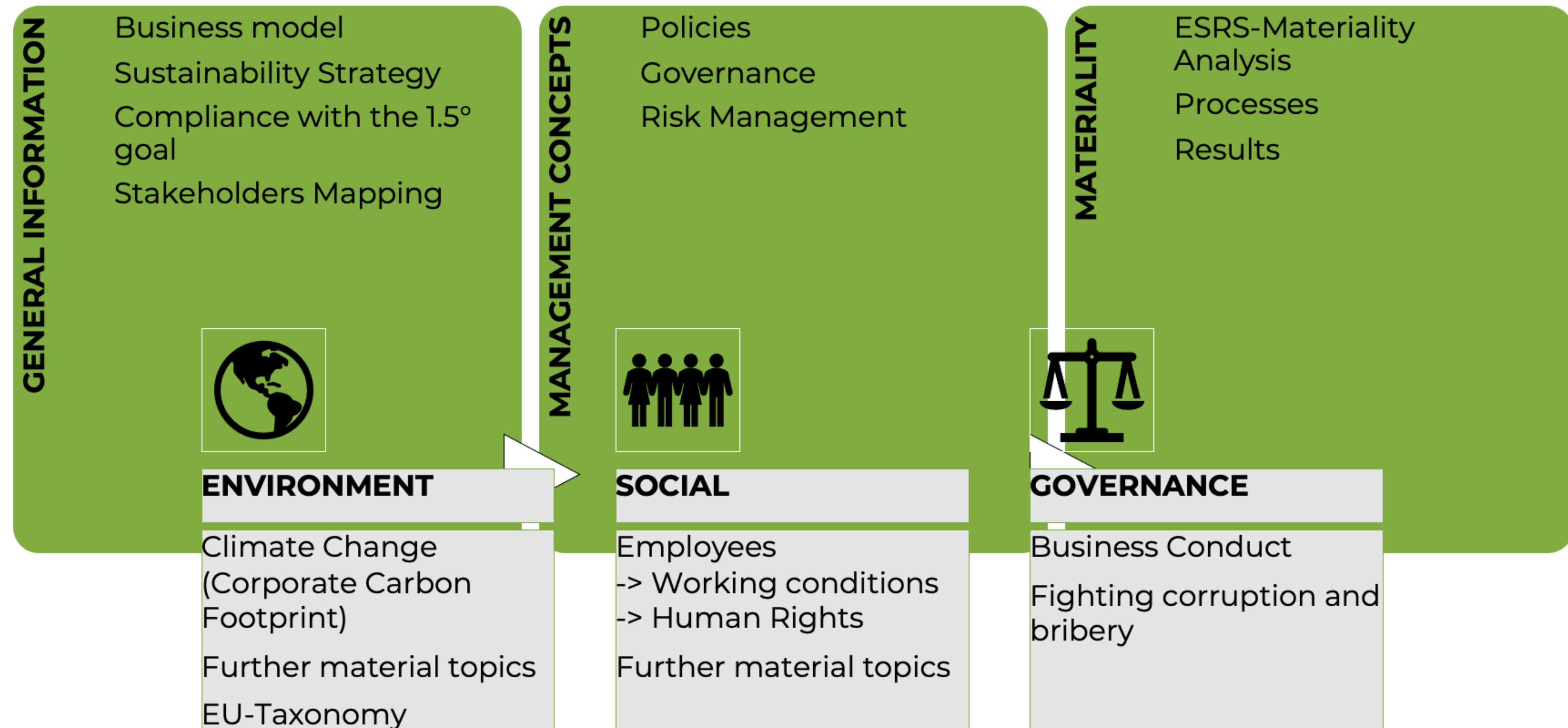
CSRD

Financial Materiality



Impact Materiality

ESG: REGULATIONS IN PRACTICE



ESG: a holistic approach

ESG: the journey step by step

ESG: regulations in practice

ESG: Research Cues

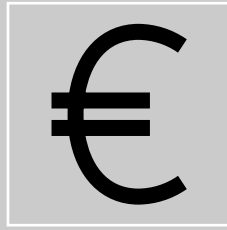


ESG: RESEARCH CUES

From pain points to research cues
to solution proposals →



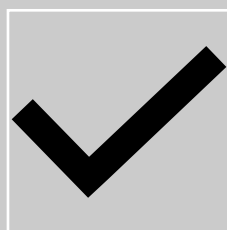
Filling the gap between legislation requirements and business approach



Adjusting the Risk Management System to integrate non-financial risks



Editing simple ESG-guidelines for daily business and communication



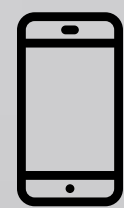
Turning pain points in opportunities

ESG: RESEARCH CUES



GET IN TOUCH

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