



Using ISO management systems to reach ESG goals

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# Introductions

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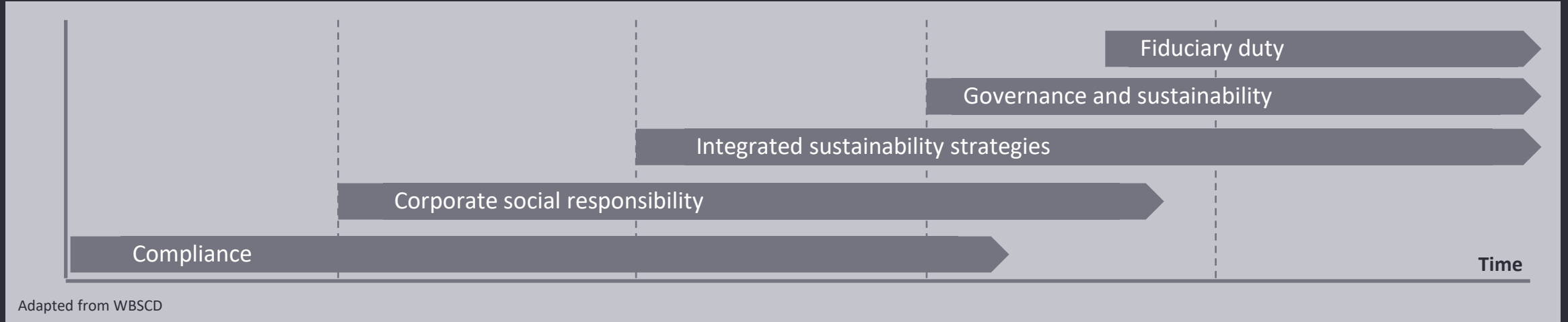
**Shannon Roberts**  
**Principal**  
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**Charlotte Pugh**  
**Managing Director**  
**Ernst & Young LLP**

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# Journey from compliance to ESG



## ESG

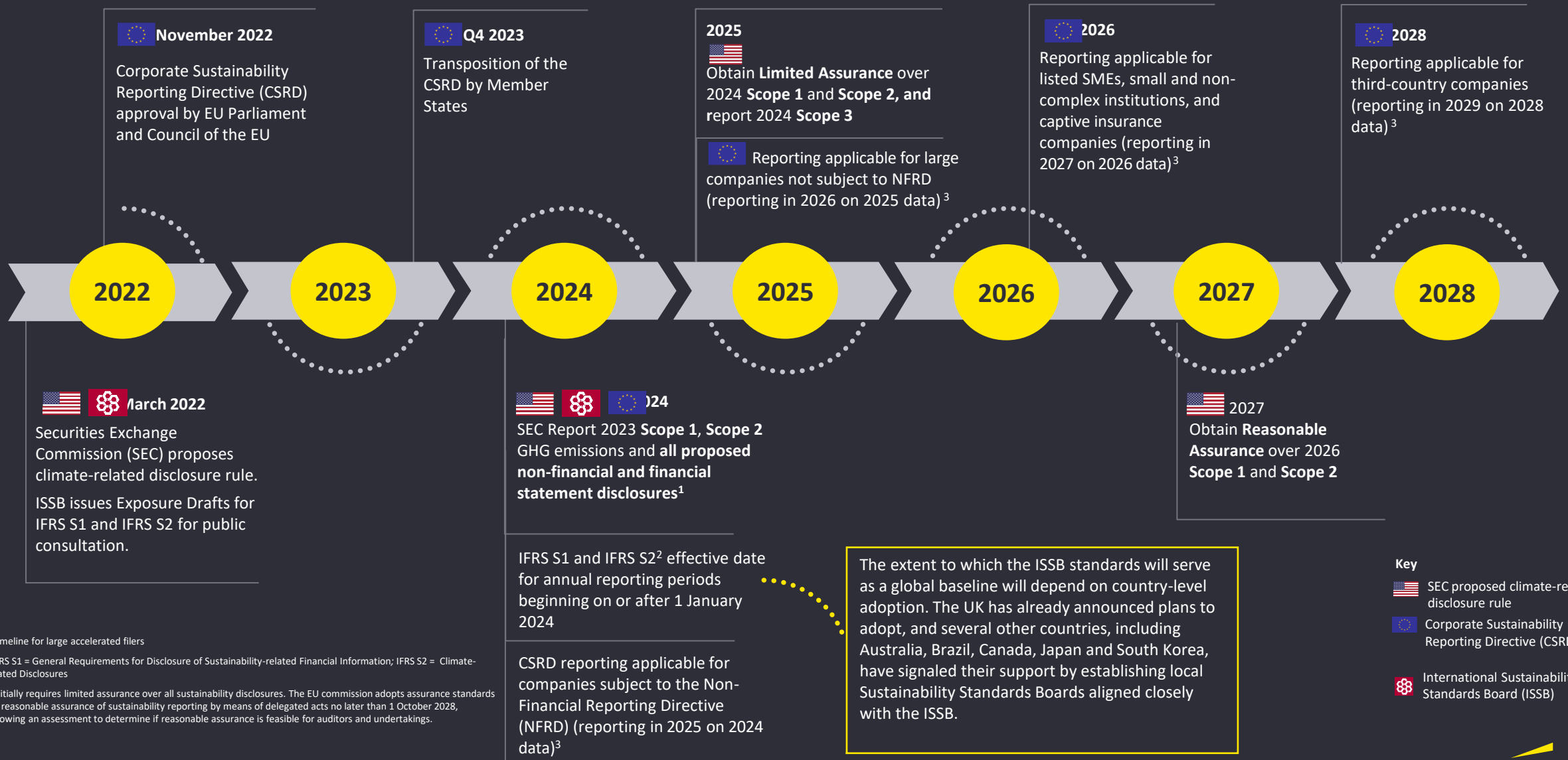
Environmental, social and governance (ESG) is often used interchangeably with the terms “sustainability” and “corporate responsibility.” Priorities vary by company and often include these topics.

## EHS

Environment, health and safety (EHS) topics are often characterized by regulatory requirements, but EHS and ESG heavily overlap as depicted by the bolded text.

Environmental	Social	Governance
<ul style="list-style-type: none"> <li>• <b>Climate risks</b></li> <li>• <b>Carbon emissions</b></li> <li>• <b>Energy efficiency</b></li> <li>• <b>Pollution and waste management</b></li> <li>• <b>Use of natural resources</b></li> <li>• <b>Clean energy and technologies</b></li> <li>• <b>Biodiversity</b></li> </ul>	<ul style="list-style-type: none"> <li>• Human capital</li> <li>• Labor relations and working conditions</li> <li>• Diversity agenda</li> <li>• <b>Employee safety</b></li> <li>• Product safety</li> <li>• Human rights</li> <li>• Child labor</li> </ul>	<ul style="list-style-type: none"> <li>• Board diversity</li> <li>• Corruption and bribery</li> <li>• Anti-money laundering</li> <li>• Business ethics</li> <li>• Risk tolerance</li> <li>• Compensation policies</li> <li>• Escalation protocols</li> </ul>

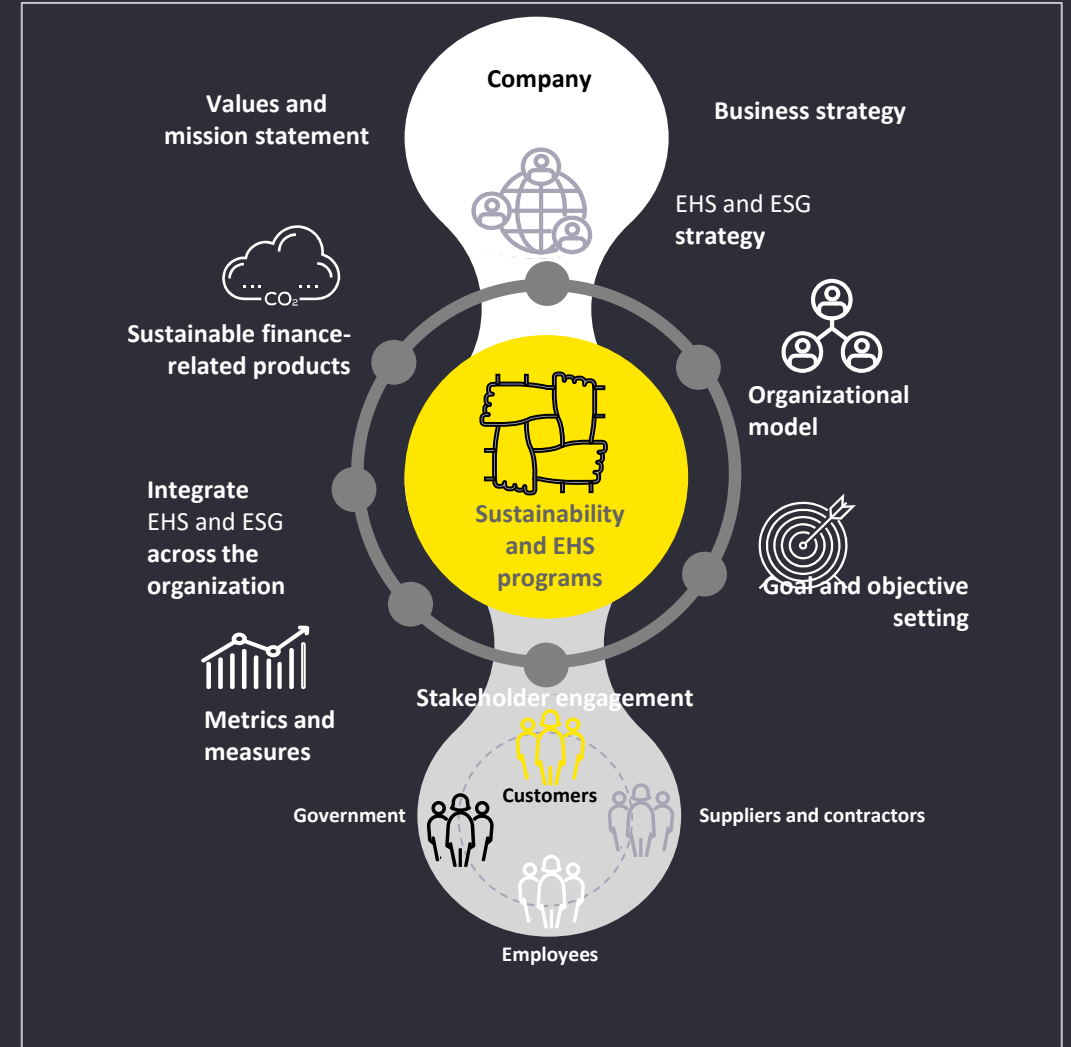
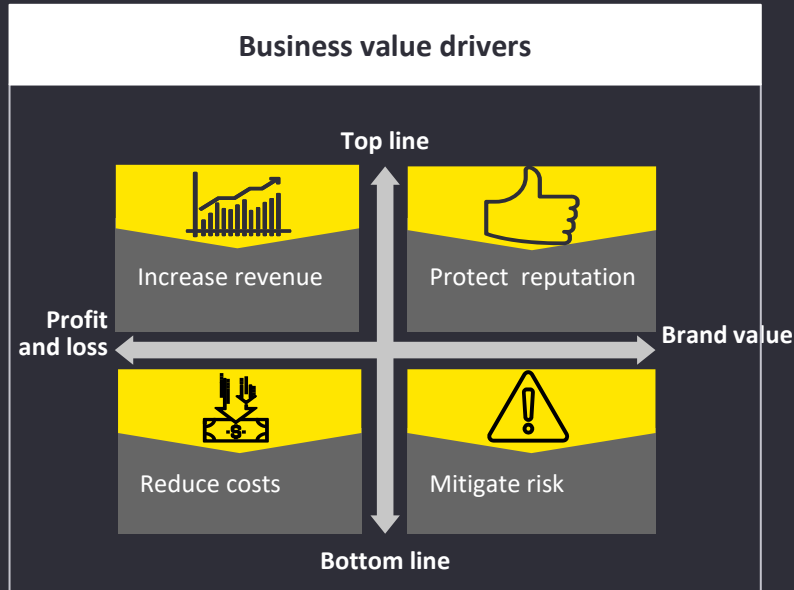
# Mandatory ESG reporting is evolving around the world



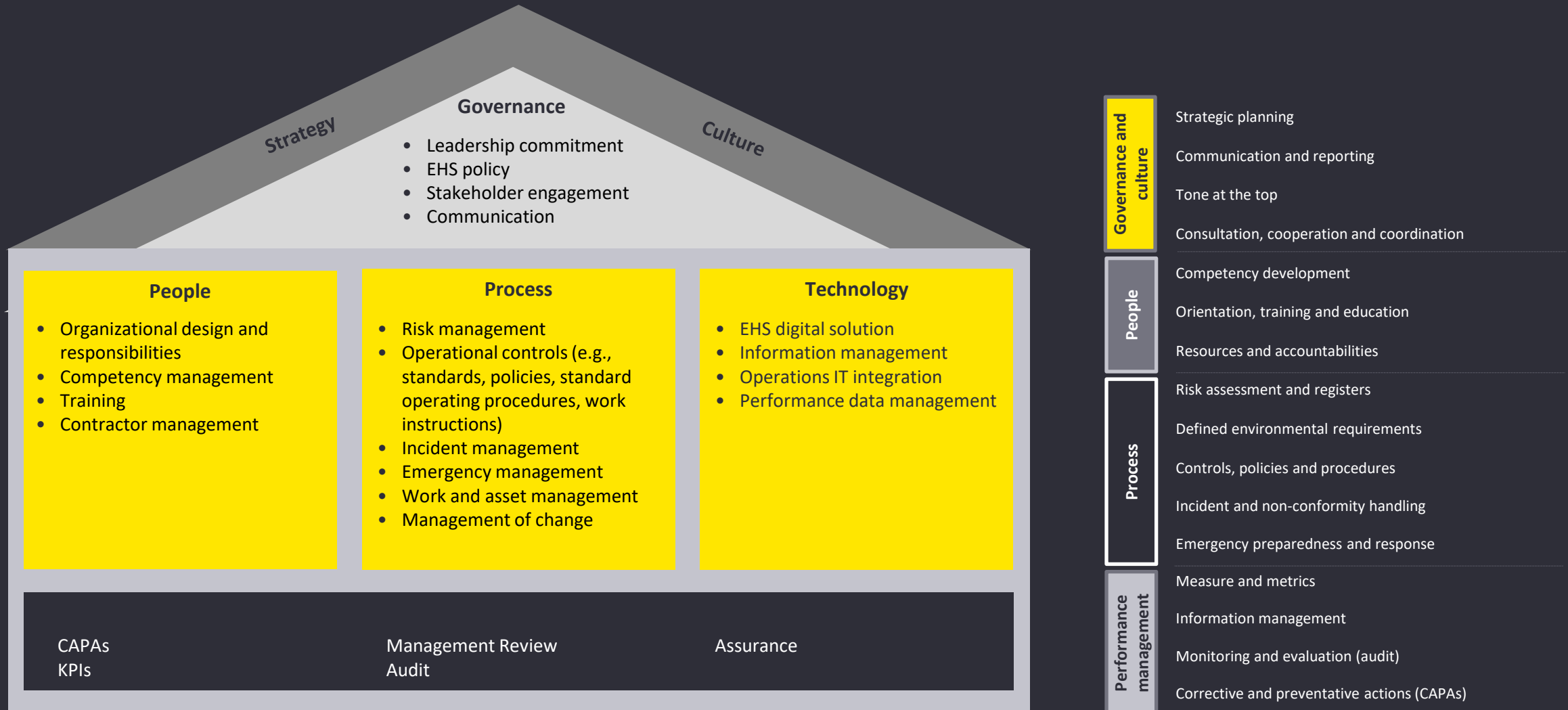
# The business value of EHS and ESG

Organizations can improve business performance through the following actions:

- Integrating sustainability and business strategy with purpose
- Engaging with stakeholders to prioritize issues and create value
- Linking EHS and ESG goals with relevant stakeholder and world challenges
- Establishing cross-functional teams and accountabilities to drive performance
- Innovating to create EHS and ESG attributes of products to capture larger market share



# Management systems are an execution framework



# Benchmarking leading EHS program practices

By aligning program improvements with core system pillars, processes can be more efficient, have clear purpose and demonstrate effectiveness.

## Leadership commitment

Setting the tone at the top to drive worker engagement for EHS operational excellence and continual improvement of the management system

## Strategic alignment

Aligning EHS strategy with the company's strategy and policies (e.g., ESG)

## Systems and processes

**Integrating the EHS management system risks with process** controls and driving consistency between enterprise and business segments

## Organizational design

**Designing** resources and stakeholders that support achieving objectives and compliance

## Technology enablement

Driving efficient and effective processes in operations with improved performance monitoring

## Cultural development

Developing stakeholder education on risk recognition, mitigation and avoidance

## Performance management

**Providing** insights through leading and lagging indicators to support understanding of changing conditions and risk, and driving toward goal achievement

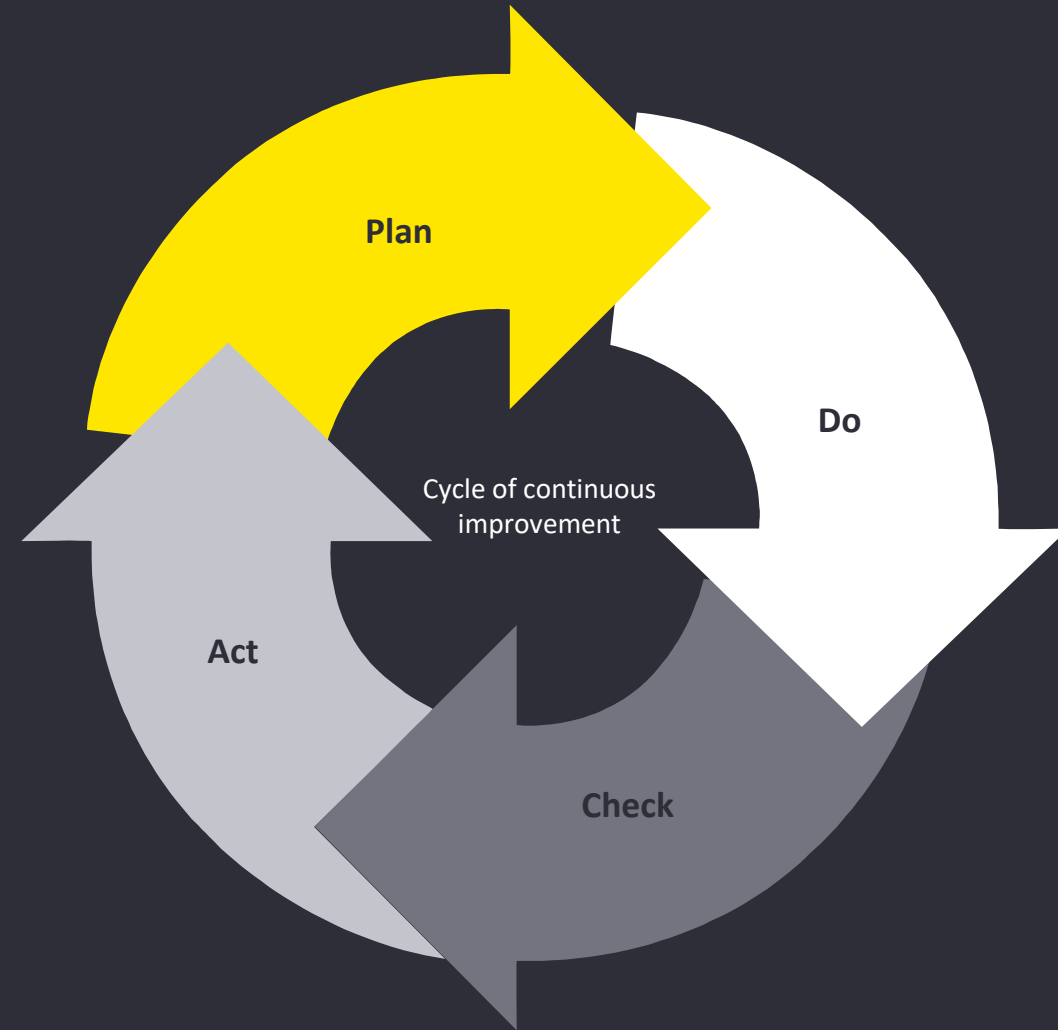
## Continuous learning

**Continuous learning** of the organization through various mechanisms to drive organizational improvement



# Panel discussion

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# Questions



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