

corbin esg

THE *Big* ^{SO}
WHAT™

Adapting to the
Shifting ESG Landscape



Before We Begin

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Welcome

We began building our ESG knowledge base in 2010, surveying institutional investors globally on the topic, so we can provide our clients with expert experience today.

Our growing repository of proprietary, research-based insights on the rapidly developing ESG landscape fuels our thought leadership on this important topic.

No matter where you are on your journey, we develop a tailored approach to assist you with assessing, architecting, activating, and accelerating your ESG strategy to ensure maximum investor understanding and impact.

Speaker Introductions



Rebecca Corbin

Rebecca is the Founder and CEO of Corbin Advisors and a pioneer in investor relations globally; 20+ years industry veteran, innovator executive, board advisor, and subject matter expert; earnings / guidance, M&A, transformations, crisis / activism, IPOs, shareholder value creation



Robert McConnaughey
Senior Vice President,
Investor Relations Advisory
and Community Impact

20+ years as a senior leader of global investment management firms with expertise in strategy development, organizational leadership, and ESG / Impact investing



Leahruth Jemilo
Vice President,
Head of ESG Practice

10+ years of experience working with public companies, institutional investors and nonprofit organizations; wide breadth of experience and understanding of the CSR and ESG landscape



Sudi Setlur
Vice President,
ESG and Nonprofit Advisory

15+ years; market intelligence executive utilizing data and analytics, investor relations, ESG frameworks, SASB certified Sustainability Analyst (FSA)

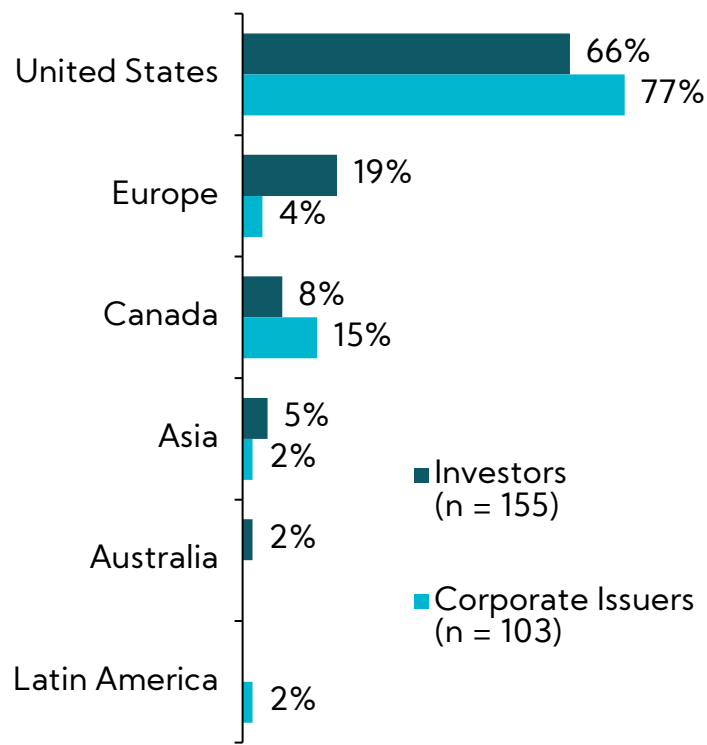
As a Specialized Research and Advisory Firm, We Offer a Comprehensive Suite of ESG Advisory Solutions:

- Materiality Assessments
- ESG Communication Gap Analysis
- Benchmarking: Peer, Customer and Best-In-Class Companies
- ESG/Sustainability Reports
- ESG Investor Presentations
- ESG Webcasts
- ESG Investor Targeting
- ESG Advisory
- Board and Executive Leadership Education

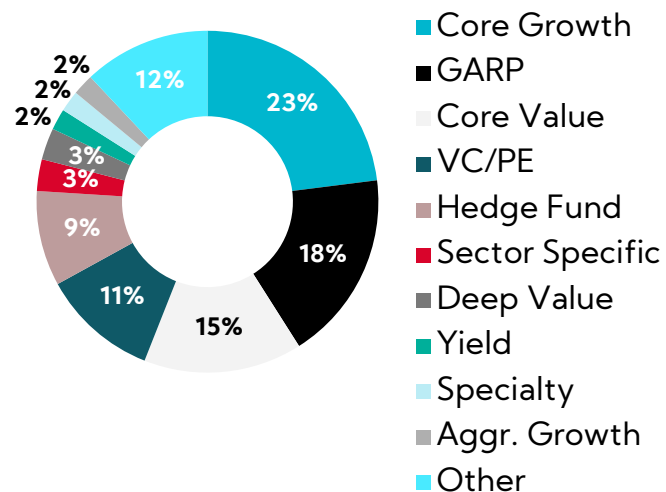
Corbin Advisors 2023 Global ESG Survey Methodology & Scope

To evaluate the emerging perspectives from both institutional investors and corporate issuers, we surveyed 155 buy-side professionals and 103 IR and C-suite executives globally from March 14 – May 17, 2023, across more than 30 focus areas relating to ESG. In aggregate, buy-side participants represent equity assets under management of ~\$10.3T.

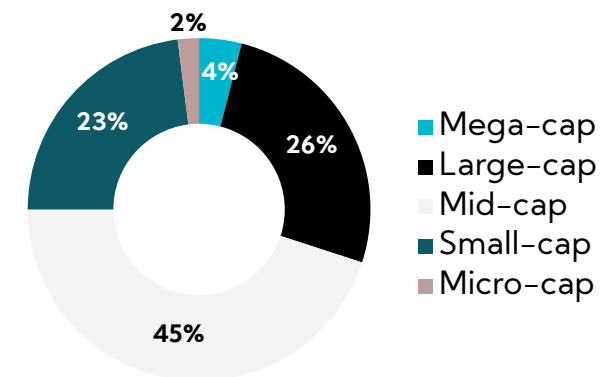
Regional Representation



Investors: By Investment Style



Corporate Issuers: By Market Cap



Sector Representation

Consumer Discretionary • Consumer Staples • Energy • Financials • Healthcare • Industrials • Materials • REITs • Technology • Utilities

Four Key Takeaways



ESG remains an influential investment factor

90% of investors place at least some importance on ESG when making investment decisions, the highest level ever recorded



Corporates are increasingly integrating ESG into long-term business strategy

More than half of issuers note executives consider ESG very important to their company's long-term success, more than doubling since 2019



As ESG is increasingly adopted by corporates, investors are finding it more challenging to discern competitive edge

With corporates seizing on both external, disclosure-related opportunities and internal structural changes to demonstrate ESG commitment, investors are looking for companies to be authentic and targeted to "cut through the noise"



ESG is seen as both risk mitigation and competitive advantage

Both investors and corporate alike report utilizing a blended approach to ESG prioritization: as a risk mitigation tool and as an opportunity to capture burgeoning opportunities to deliver alpha

Notable disconnects identified between investor preferences and corporate ESG communication practices

Reprioritization of ESG: Acknowledging “The Backlash”

Pensions&Investments

April 03, 2023 12:00 AM

Investors committed to ESG fighting against backlash

THE WALL STREET JOURNAL.

CFO JOURNAL

Companies Quiet Diversity and Sustainability Talk Amid Culture War Boycotts

Mentions of social-impact initiatives during earnings calls have declined, reversing a trend that had picked up after the killing of George Floyd in 2020

FINANCIAL TIMES

ESG backlash in the US: what implications for corporations and investors?

THE CONFERENCE BOARD 

ESG Backlash: How Companies Can Turn Adversity Into Advantage

 **THOMSON REUTERS®**

State anti-ESG laws are expanding in scope and reach, creating a bind for companies seeking to comply with investor demands and a growing patchwork of statutes that aim to limit the use of ESG factors

Sources: WSJ: https://www.wsj.com/articles/executives-quiet-their-sustainability-talk-on-earnings-calls-amid-growing-culture-war-3a358c1f?mod=hp_lead_pos4; Conference Board: <https://www.conference-board.org/publications/ESG-backlash-adversity-to-advantage>; Financial Times: <https://www.ft.com/content/3f064321-138c-4c65-bbb9-6abcc92adead>; Pensions & Investments: <https://www.pionline.com/esg/fighting-back-against-esg-backlash>

Investor Views on “The Backlash”

In Support of ESG

“If a company has a *decent strategy around ESG – and not just greenwashing what they are doing – that will result in a better rating.*”

“*ESG is complex, and beauty is in the eye of the beholder in some senses. Our clients all have different views of what is important in ESG. Our European clients have been focused on ESG for much longer...in the U.S., it is a much looser definition. For us, the more important angle has been how does it impact the fund flows around the stock?*”

“*We believe over time companies with good ESG ratings outperform those with bad ESG rating.*”

“*Today, it is a lot more than of a priority than five years back and in five years it will be even more than what it is today.*”

“*We recognize ESG is another way to drive value and make businesses higher quality. As a firm, issues related to ESG are not core to us but are issues we think about daily. We want to make sure that dollars we put to work go toward places with the best intentions across all ESG metrics.*”

Skeptical and Against ESG

“*ESG has no bearing on our investment decisions. Its the biggest Ponzi scheme.*”

“*It does not drive investment decisions.*”

“*The quality of the information is not yet reliable enough.*”

“*It's a false paradigm.*”

“*ESG is a much more of a “woke” issue than a process for outperformance.*”

“*It is being forced on us.*”

“*Go woke, go broke.*”

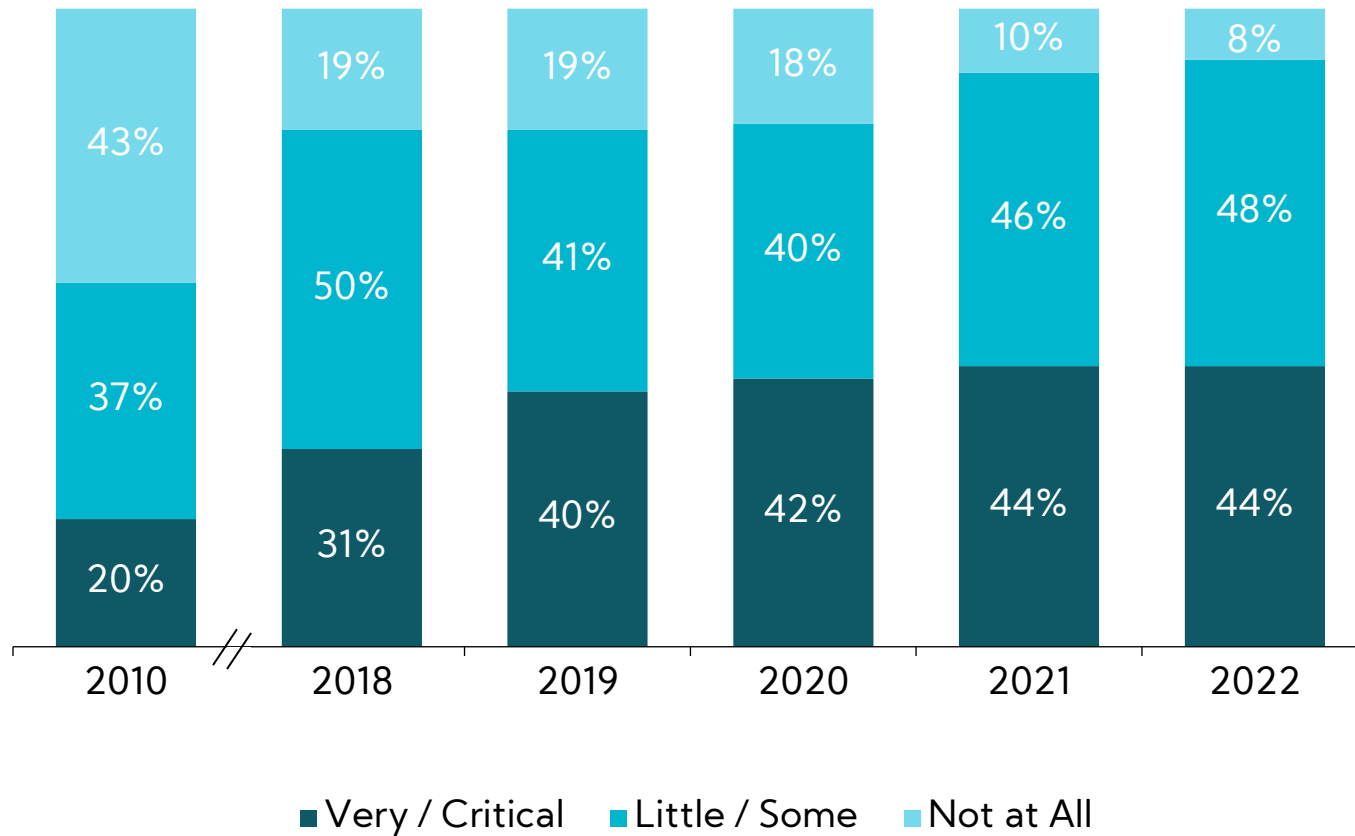
“*The entire ESG topic is just one big fraud.*”

“*ESG is the antithesis of what investment professionals should be doing for their clients*”

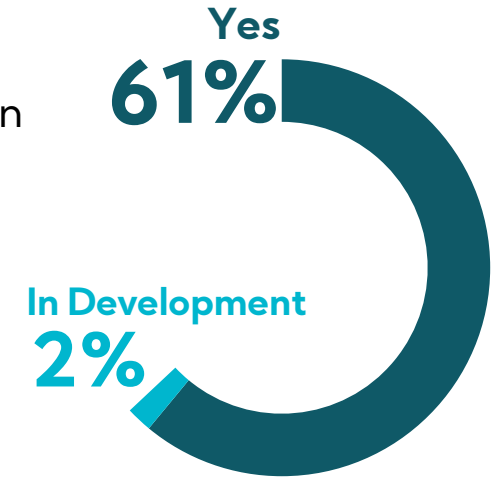


ESG Remains an Influential Investment Factor

Investors: How important is ESG to your investment thesis?

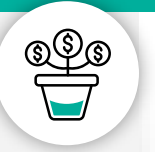


Investors: Does Your Firm Have an **ESG-dedicated Department?**



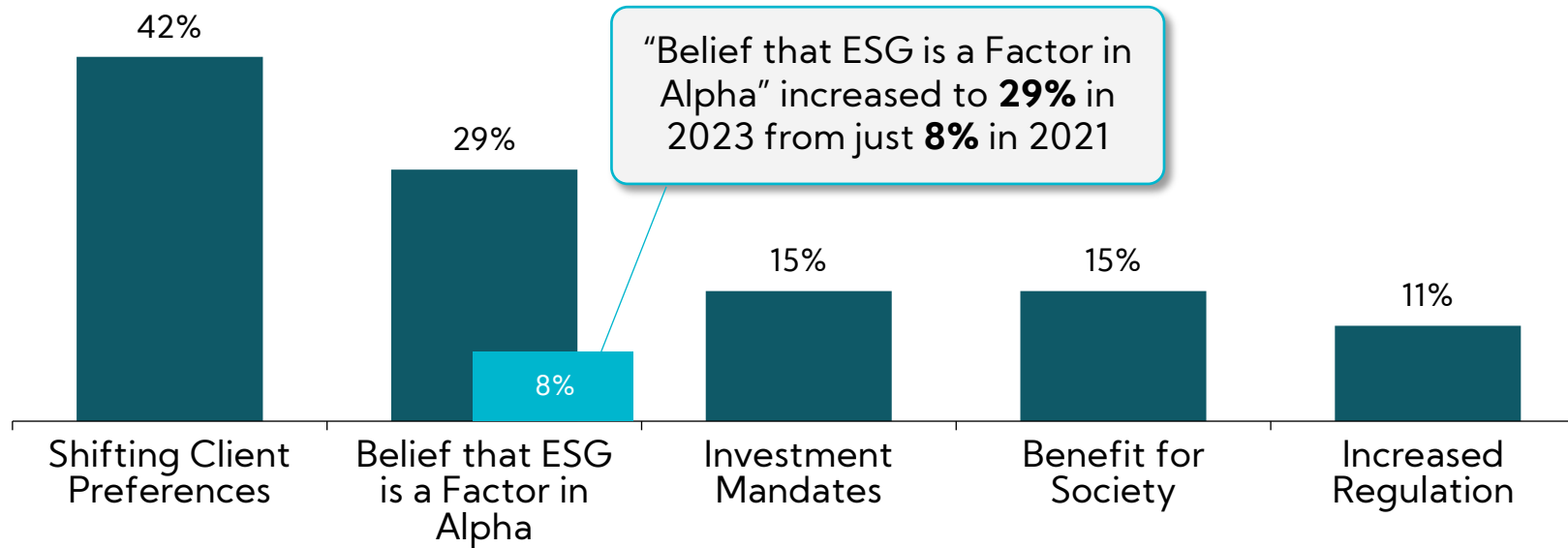
Investors: Does Your Firm Have a **Proprietary Methodology** to Evaluate ESG?





ESG Remains an Influential Investment Factor

Investors: Which of the following motivates you to incorporate ESG into your investment thesis?



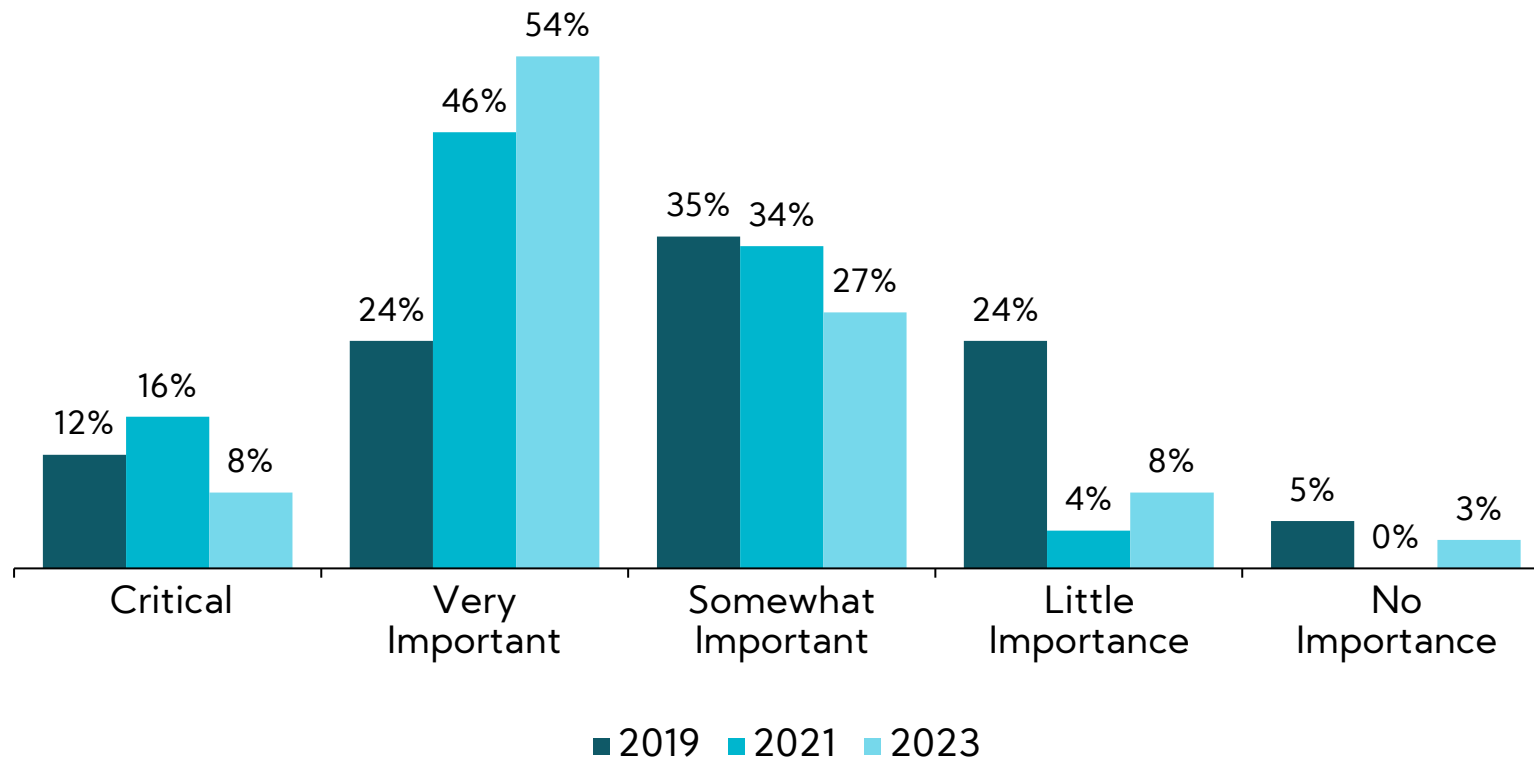
“We recognize ESG is another way to drive value and make businesses higher quality. As a firm, issues related to ESG are issues we think about daily. We want to make sure that dollars we put to work go toward places with the best intentions across all ESG metrics.”

– Investor



Corporates Increasingly Integrating ESG into Long-term Business Strategy

Corporate Issuers: How would you classify the level of importance executive leadership places on ESG as a factor in your company's long-term success?



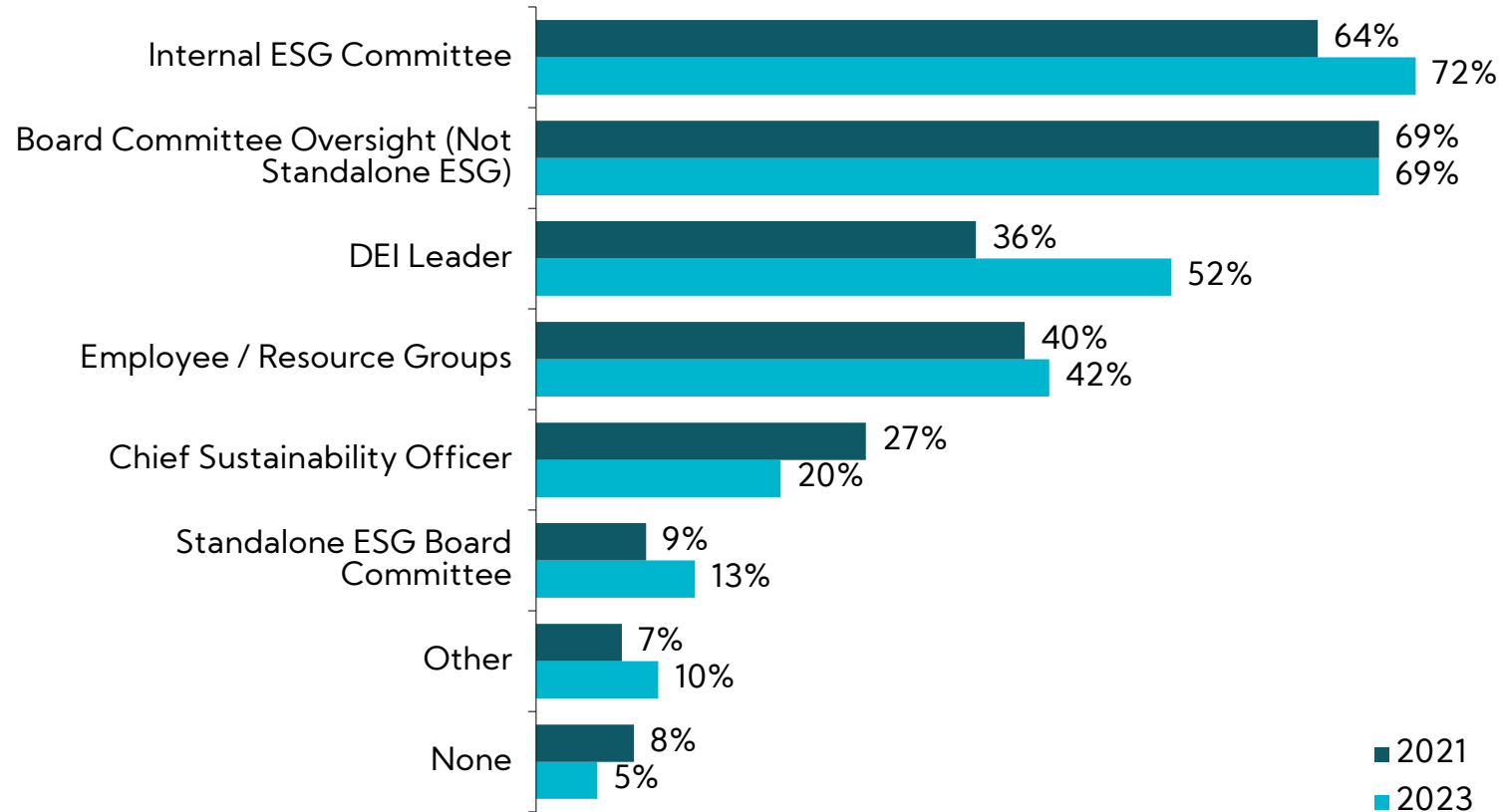
“ESG has been a priority for several years, but the intensity of our efforts has increased substantially in the past year.”

– Corporate Issuer



Corporates Increasingly Integrating ESG into Long-term Business Strategy

Corporate Issuers: What ESG-related initiatives are in place at your company?



Corporate Actions

Established Internal ESG Committee

72%

up from 64% in 2021

Have in Place a DEI Leader

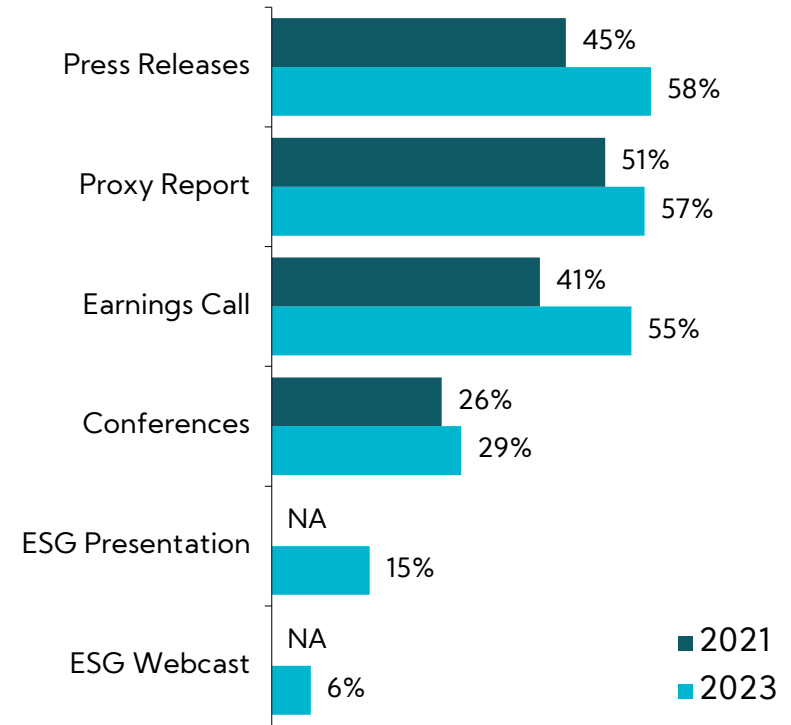
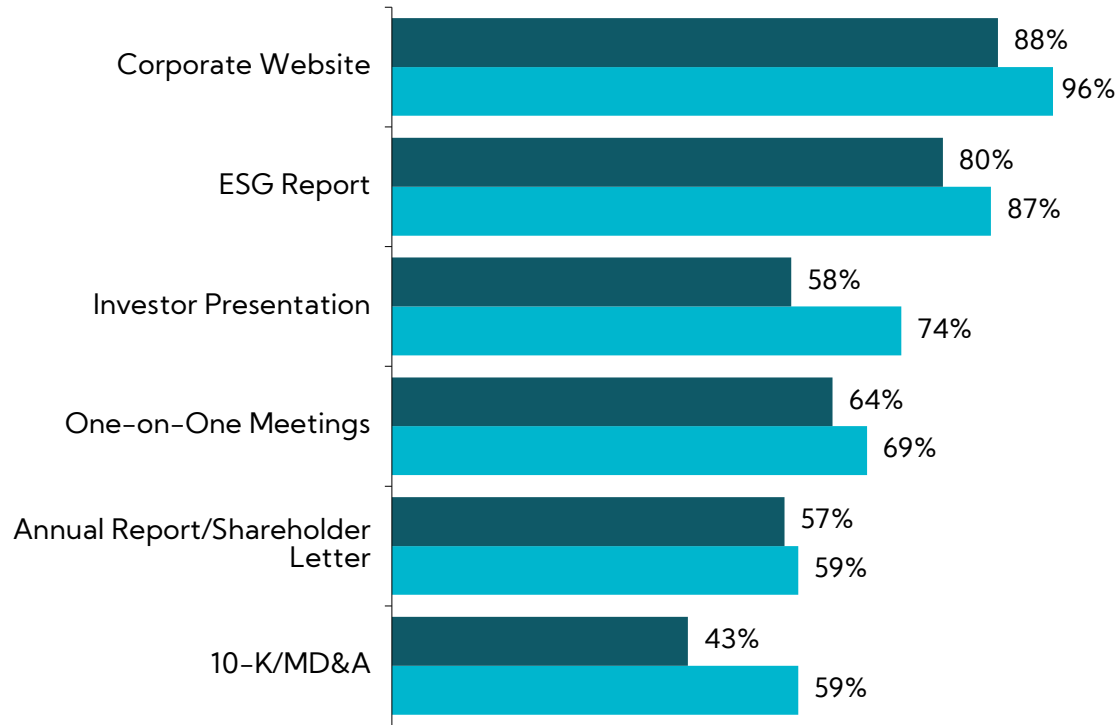
52%

up from 36% in 2021



As ESG is Increasingly Adopted by Corporates, Investors are Finding It More Challenging to Discern Competitive Edge

Corporate Issuers: In which communication platforms has your company addressed ESG?

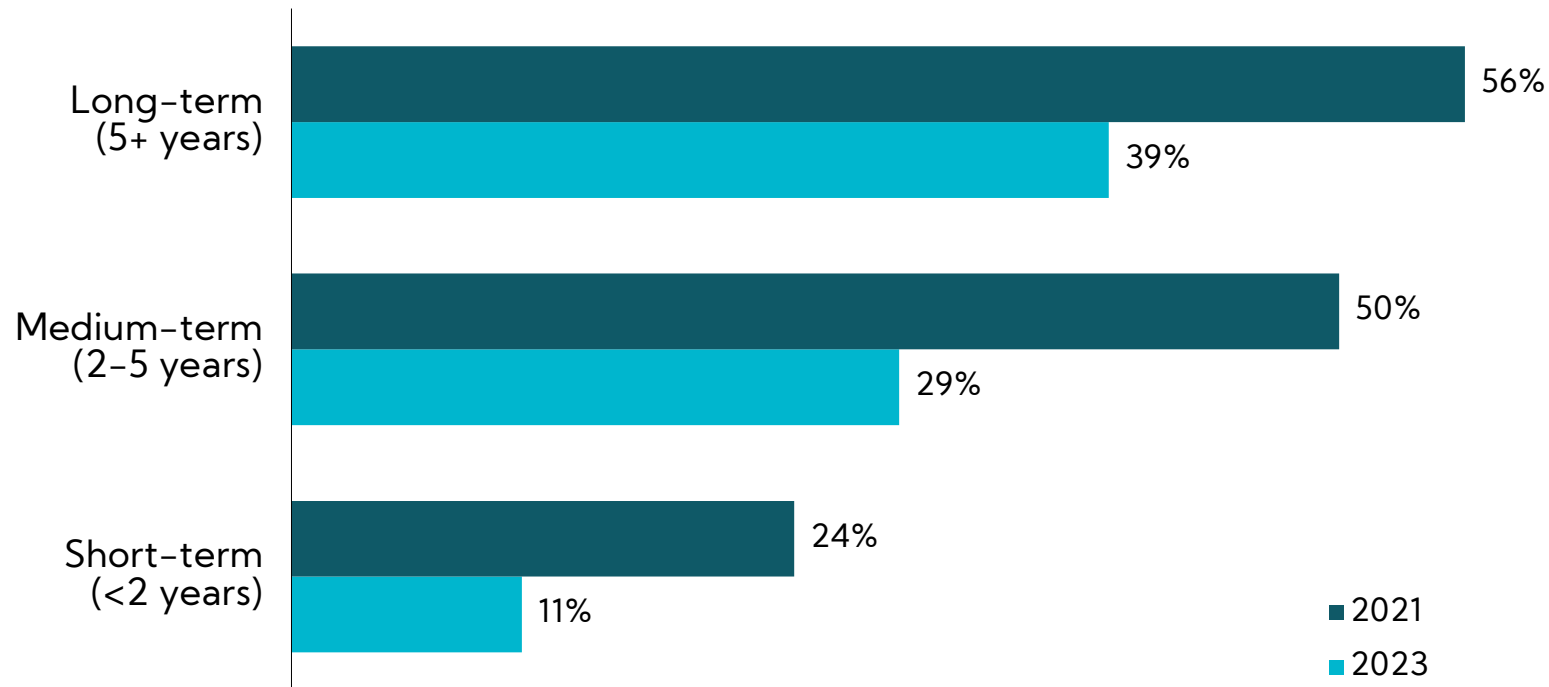


As more corporates seize on external, disclosure-related opportunities to demonstrate increasing commitments to ESG...



As ESG is Increasingly Adopted by Corporates, Investors are Finding It More Challenging to Discern Competitive Edge

Investors: Do you expect companies that integrate ESG into the business strategy to outperform?



“With how heavy the focus is being given over the near term, we probably will see some outperformance from those that have better disclosures around ESG and make more of an effort to communicate how they incorporate it within their business...it will be less a differentiator longer term.”

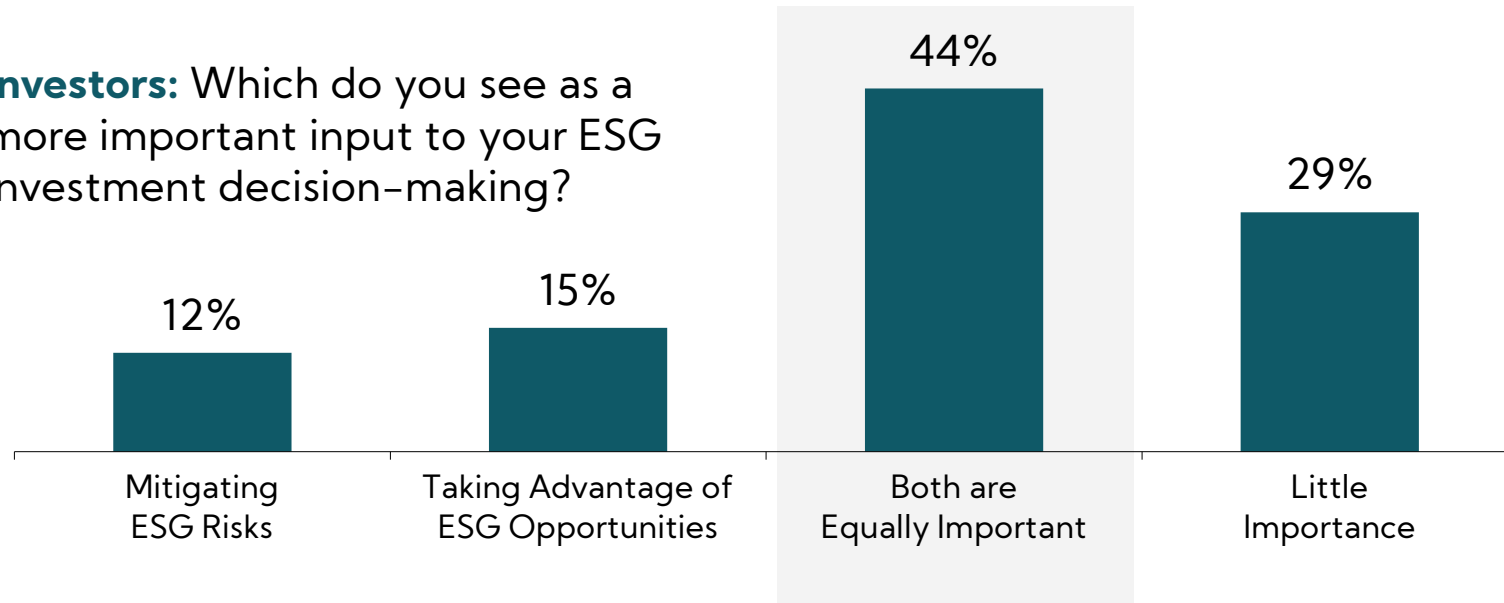
– Investor

...investors become increasingly discerning, emphasizing the need for authenticity and demonstrated outperformance



ESG as Risk Mitigation and Competitive Advantage

Investors: Which do you see as a more important input to your ESG investment decision-making?



Risk Mitigation:

- Regulatory compliance
- Oversight and accountability
- Reputational and financial risk
- Climate risk – physical and transition

Competitive Advantage:

- Customer attraction, loyalty, and demand
- Investor attraction and demand
- Talent acquisition and retention
- Innovation and increased idea exchange

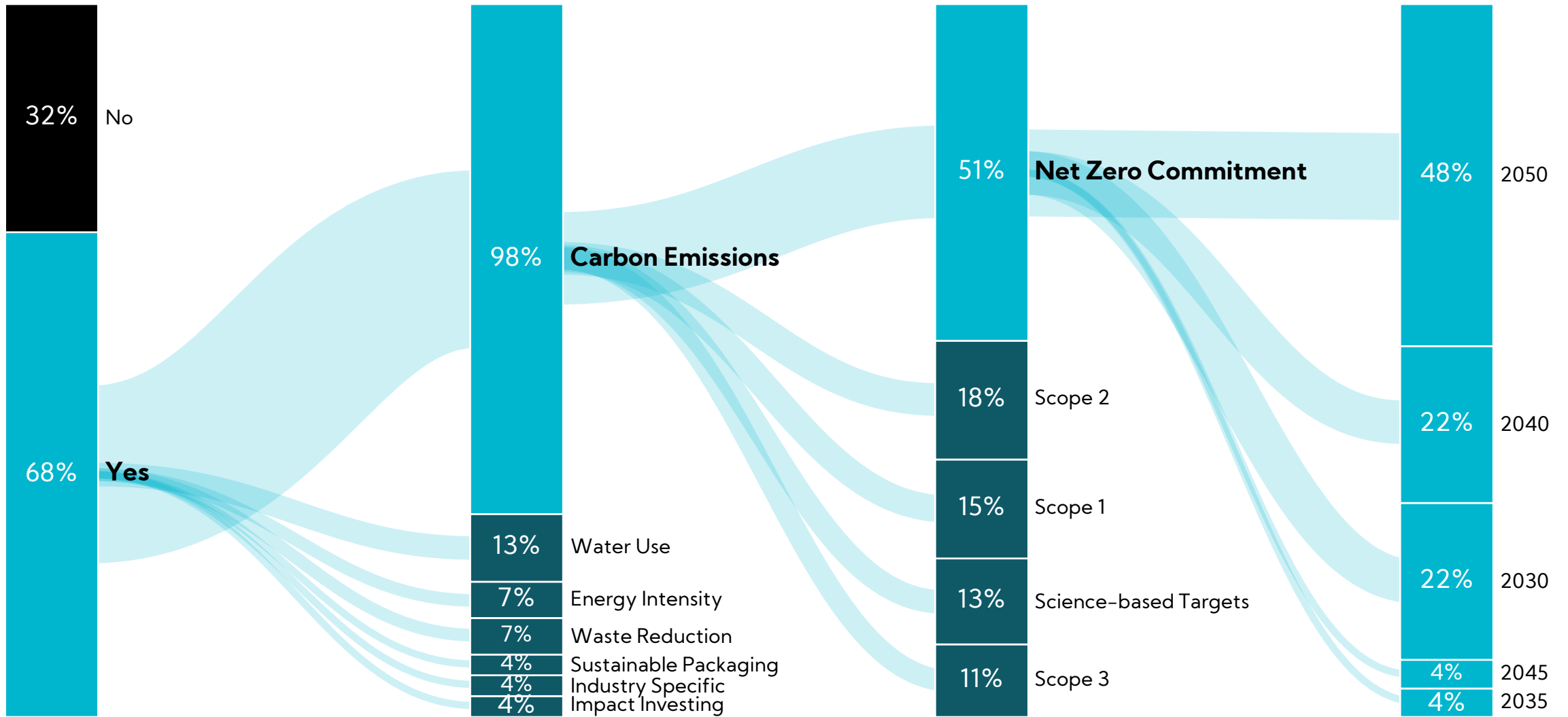
“Companies that are leading to better outcomes for society on average will lead to better outcomes for shareholders and take away some of the tail risk for shareholders. That is a selfish investment returns perspective. I would rather support a company that is making the world a better place than one making the world a worse place. Both are important but the first one is more clearcut.”

– Investor

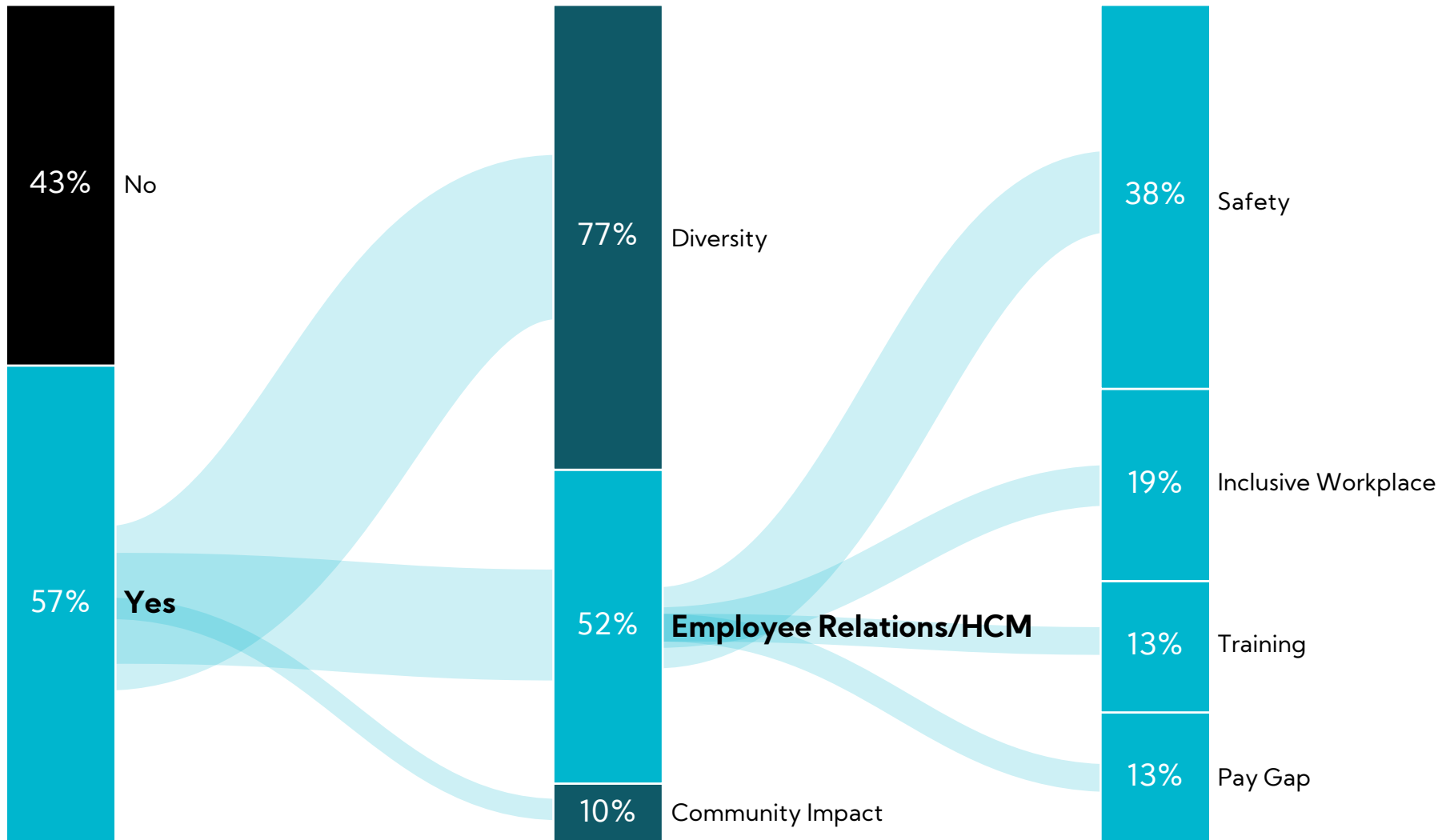
ESG Disclosure



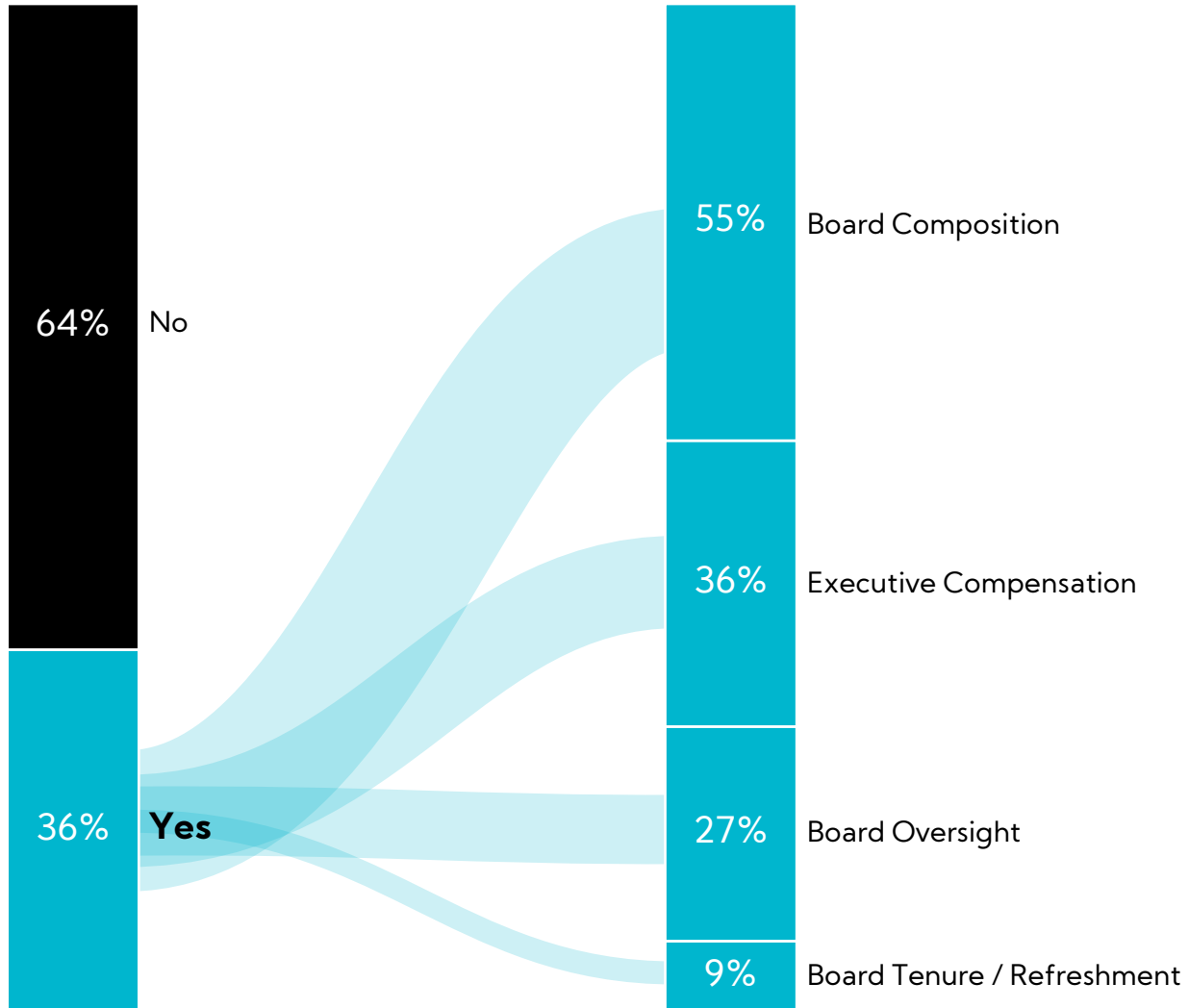
Communicated ESG Targets: ENVIRONMENTAL



Communicated ESG Targets: SOCIAL



Communicated ESG Targets: GOVERNANCE



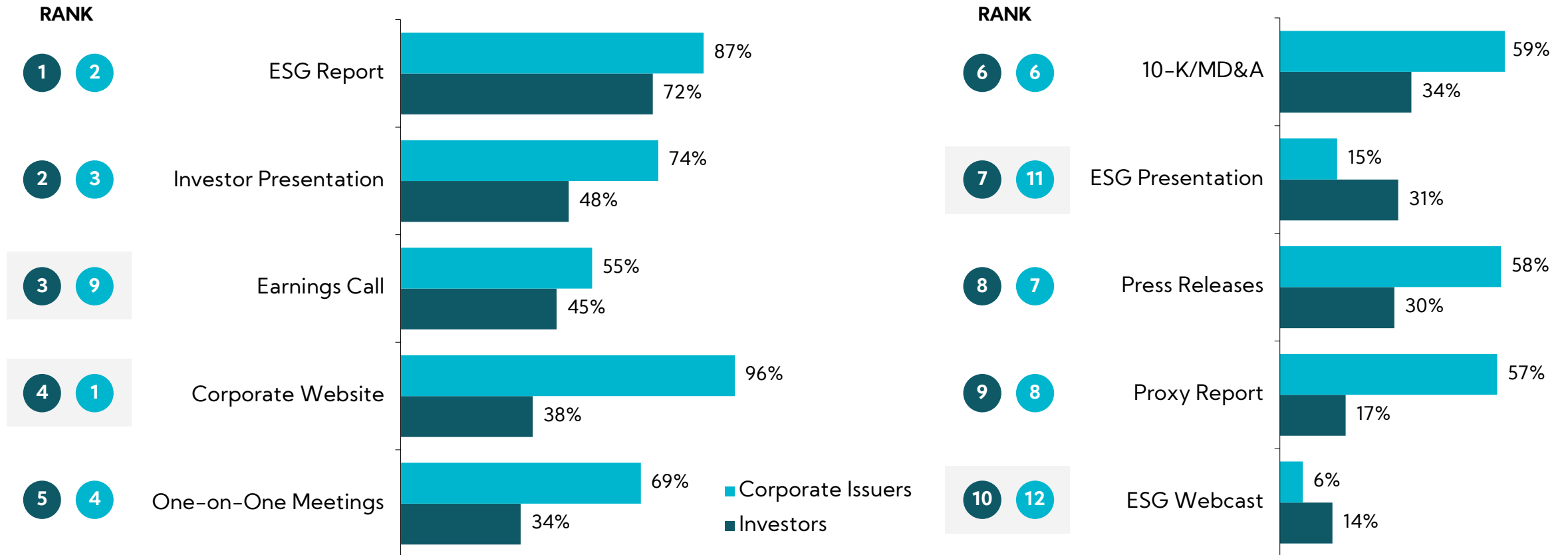
Activating Your ESG Strategy



Investor Communication & Engagement: Alignment, Disconnects, and Opportunities to Differentiate Identified

Corporate Issuers & Investors:

What sources of information do you use to address / evaluate ESG efforts and progress?



Activating Your ESG Strategy

PROGRESSING ON OUR ESG INITIATIVES

- Received the first **15L renewable natural gas** truck in April 2023 as part of a partnership with Cummins
- Placed the first two Freightliner eCascadia **battery electric vehicles** into service in Southern California in April 2023
- Installed **auxiliary power units (APUs)** on **50% of new tractors** placed into service in 1Q23, reducing tractor engine idle fuel consumption
- In February 2023, Werner's board established the position of **Lead Independent Director**, electing **Scott Arves**
- **8% YoY improvement** of CODE Assessment results, which measures organizational performance on key diversity, equity and inclusion factors
- Increasing recognition from industry organization
 - Werner named to **America's Greatest Workplaces**
 - Recognized as No. 3 employer in the nation of **Trucking**
 - Werner associate named a **Supply & Demand**



Key Growth Drivers

Strategy for Sustainable Future Growth

PEOPLE

Make WM an **employer of choice** by being a great place to work and build a career

CUSTOMERS

Delight our customers through a differentiated experience that fuels a sustainable competitive advantage

COMMUNITY

Drive exceptional reputation which underpins ongoing relationship building and positively influences regulations, policies and thought leadership

ENVIRONMENT

Lead in sustainability by preserving and protecting the environment and transitioning our business to grow through our unique sustainability service offerings

SHAREHOLDERS

Deliver strong and predictable long-term **financial performance** that rewards investors

Our strategy leverages and sustains the strongest asset network in the industry to drive best in class customer experience and growth

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Demonstrate a clear **commitment to ESG** with **consistent messaging** across communication channels, especially in **Earnings Materials and the Investor Presentation**

Activating Your ESG Strategy

Home > Planet & Society > Sustainability reporting centre

Sustainability Reporting Centre

We are committed to transparent sustainability reporting.

Explore the following pages for more information on our approach to reporting.

Our sustainability data and metrics

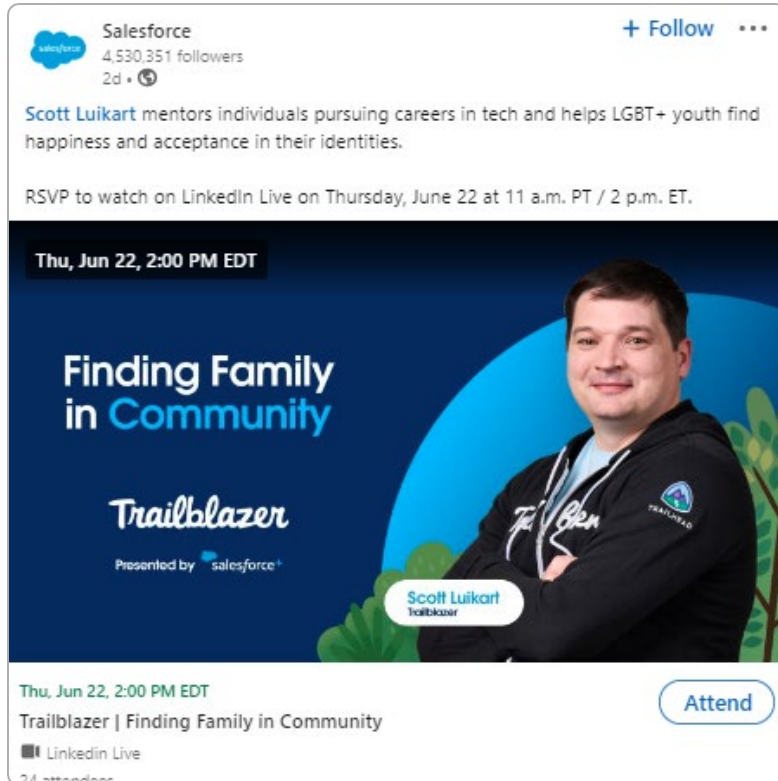
- [Annual Report and Accounts \(PDF 15.26 MB\)](#)
- [Scope and boundaries of reporting](#)
- [Independent assurance](#)
- [Sustainability performance data](#)

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As part of the overall corporate website, an **ESG Microsite** serves as an invaluable tool to **encapsulate a corporation's ESG effort**, offering **granular details, published filings and other helpful materials and information** that provides one-stop access

Activating Your ESG Strategy



Salesforce 4,530,351 followers 2d • 🌐 + Follow ...

Scott Luikart mentors individuals pursuing careers in tech and helps LGBT+ youth find happiness and acceptance in their identities.

RSVP to watch on LinkedIn Live on Thursday, June 22 at 11 a.m. PT / 2 p.m. ET.

Thu, Jun 22, 2:00 PM EDT

Finding Family in Community

Trailblazer

Presented by Salesforce

Scott Luikart Trailblazer

Thu, Jun 22, 2:00 PM EDT

Trailblazer | Finding Family in Community

LinkedIn Live

24 attendees

Attend



Salesforce 4,530,351 followers 2d • 🌐 + Follow ...

Last month, Asiapacforce, our equality group focused on empowering Salesforce employees, the Asia Pacific community and allies globally, held a special conversation celebrating Asian-Owned businesses.

Thank you so much to our panelists from Salesforce, Box and Bank of America for joining us.

Celebrating Asian-Owned Businesses

ASIAN AMERICAN & PACIFIC ISLANDER HERITAGE MONTH

with... American... Commerce... and Minis...

24 attendees



Use [LinkedIn](#) to communicate in shorthand about important ESG-related highlights and updates; use real-life anecdotes and success stories that are authentically written, not over produced and "wooden"

Activating Your ESG Strategy

ESG SCORECARD*

WORKING GROUP	GOAL	KPI	TARGET	CURRENT MEASUREMENT <small>As of December 31, 2022</small>
PRODUCTS AND SERVICES	Grow line of products with sustainability attribute(s), from 40% of Net Sales (U.S. Merchant Business) in 2021, to 50% by the end of 2023.	% of Net Sales	50%	45%
FACILITIES AND FLEET	Increase diversion rate to 40% by the end of 2023	% of Waste Diverted	40%	32%
	Improve fuel efficiency of truck fleet to 7.9 MPG through the introduction of newer and more fuel-efficient vehicles.	MPG	7.9	7.35
ENVIRONMENTAL HEALTH AND SAFETY	Implement Truckers Against Trafficking training/certification, in accordance with FMCSA, for all U.S. Commercial Motor Vehicle drivers by the end of 2023.	% of U.S. Drivers Trained & Certified	100%	80%
	Implement Environmental Management System (EMS) Program in all U.S. facilities which handle hazardous waste by the end of 2025.	# of Required Facilities with EMS Program Implemented	84	10
DIVERSITY, EQUITY AND INCLUSION	Increase employee engagement with Employee Resource Groups (ERGs)	% of ERG Members vs. All Employees	8%	8.25%
	Develop and deploy DEI Learning Modules by the end of 2Q2023	# of DEI Learning Courses Offered and % Employee Participation	3/25%	Starting 2Q-2023
HUMAN CAPITAL	Implement programs that define our culture by maintaining (or increasing) the current number of Ventiv Cultural Allies (VCAs) throughout the 2023 ally term.	# of VCAs	129	129
	Implement programs that improve the employee experience by increasing the percentage of monthly active users on BRAVO! by the end of 2023.	% Monthly Active Users	65%	69%
COMMUNITY RELATIONS	Increase talent engagement of employee volunteers	# of Skills-Based Volunteers in 2023	2,000	244
	Increase time engagement of employee volunteers	# of Volunteer Hours in 2023	4,000	650
GOVERNANCE AND REPORTING	Earn "Bronze Medal" rating from EcoVadis by the end of 2023.	EcoVadis Score	50-64	48

*Please see our 2022 Corporate Social Responsibility Report for additional information regarding how these metrics are calculated.



Distill key information – such as a scorecard – from the ESG Report into a **user-friendly, simple, and easy-to-digest One-Page Infographic**

Activating Your ESG Strategy



Engage investors
by **disclosing**
investor-centric,
material information in
an [ESG Presentation](#)

Activating Your ESG Strategy



Engage existing and target new investors by **hosting an [ESG Webcast](#)**

THE *Big* SO WHAT™

As companies become more mature in their ESG efforts and reporting, it's imperative to **"cut through the noise"** and provide effective, clear, and impactful information across investor-preferred traditional and novel channels

1. Over a decade of global investor survey data shows an increasing importance of ESG for both **corporate issuers** and **investors**
2. Recent backlash, as a result of various macro and political trends, has led to a reprioritization of ESG, but has not resulted in a slowdown among corporate issuers to incorporate ESG into business strategy
3. Majority of companies publish an ESG report, but without combining the report with other activation strategies, companies are not getting full recognition / maximum impact for their efforts

Q&A



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Thank you

