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Collaboration.
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Kate Daniels

Industry Partnerships Director,
Oracle NetSuite

Sustainability Opportunities For The Promotional Products Industry



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Heros And Villains...

Sustainable, socially responsible forestry



The New Forests Company is a sustainable, socially responsible forestry and timber products business with plantations in Uganda and Tanzania

About

The New Forests Company was founded in 2004 with the vision of creating a sustainable timber resource in East Africa amidst rampant deforestation.

[Read More](#)



Ugandan villagers evicted to make way for forestry company - video



▶ 5:13 / 6:18

A report by Oxfam found that more than 22,000 people have been evicted from their homes and land in central Uganda to make way for a UK-based company licensed to use the land for the next 50 years. Many of the villagers evicted say they were forcibly removed and have been left destitute. They can no longer go to school. The World Bank has called for the company to open up a full investigation. Simon Rawles speaks to some of those affected.

● UN expert calls for guidelines to protect vulnerable people against 'land grabs'



Ugandan farmers kicked off their land for New Forests Company's carbon project

Posted on 23 September 2011



Ugandan farmer: 'My land gave me everything. Now I'm one of the poorest'

Land tenure in Uganda is a subject of much dispute, and last year's farming evictions have left 20,000 homeless



These people living close to Kicucula village claim to have been evicted from forest land in Mubende district, Uganda. Photograph: Simon Rawles/Oxfam

Francis Longoli, a small farmer from Kiboga district of central Uganda, is tearful: "I remember my land, three acres of coffee, many trees - mangoes and avocados. I had five acres of bananas, 10 beehives, two beautiful permanent houses. My land gave me everything. People used to call me 'omataka' - someone who owns land. Now

Uganda says could eject Oxfam over land grab claims

By Jocelyn Edwards

3 MIN READ



KAMPALA (Reuters) - Uganda has threatened to kick out Oxfam after the British charity accused the government of complicity in violent land grabs for commercial gains, according to the interior ministry.

The ministry has told Oxfam and the Uganda Land Alliance, they will lose their operating licenses if they do not retract and apologise for accusations that more than 20,000 people were evicted to make way for an international forestry company.



Uganda threatens to expel Oxfam and NGOs over land-grabbing claims

Oxfam and the Uganda Land Alliance have been threatened with deregistration by Uganda's internal affairs minister Hilary Onek



An Oxfam spokesperson said: "Last September, Oxfam published a report which highlighted the concerns of communities affected by the operations of the New Forests Company in Mubende and Kiboga districts, Uganda. These cases are now in a mediation process facilitated by the office of the compliance adviser/ombudsman of the World Bank's international finance corporation.

"Oxfam is fully committed to this mediation process and we hope that it will deliver a successful resolution of the issues under dispute. Because the mediation process is under way, we cannot offer any comment about the disputes at this time."

OUTCOMES

Resettlement

By early 2015, over 100 one-acre plots have been allocated to over 200 Mubende households so they can resettle on land that is legally theirs. The Kiboga Cooperative has acquired two parcels of land, and 100 households have been resettled.



As of January 2015, 100 Kiboga households had been resettled and over 200 Mubende households have been allocated plots for resettlement.



A member of the Mubende community stands where his new house will be built on the community's new land (Felix Davy/CAO).

OUTCOMES

Agriculture



Beans harvested from the communities' new land (CAO).

Community members have planted beans, cassava, coffee, maize, and sorghum, and in many cases the first harvest has been reaped. Cooperative members have completed plans for the construction of a storehouse to keep harvested produce. The New Forests Company has provided timber for the structure and community members will provide the labor.



Community members have planted bananas, beans, cassava, coffee, maize, and sorghum.

OUTCOMES

Local development initiatives



The company has provided chickens, training on biomass coal production, tree seedlings, and mobile health services for the communities.

“After the mediation facilitated by CAO, there was a light of hope for us and after the actual acquisition of our first land ... it was a dream come true. We can even have clean and safe water again from our own bore hole! We are grateful to CAO, NFC, Oxfam, and other partners who are supporting us through this struggle.”

Mr. Musazi Evalist, Member Land and Resettlement Committee, Kiboga Twegatte Co-operative Society

Region
Africa

Country
Uganda

Sector
Agribusiness, Food &
Water

Effective date
7/17/2015

Total FMO financing
USD 10.00 MLN

Funding
FMO NV

Environmental &
Social Category
(A, B+, B or C)
A



finnfund

New Forests Company Holdings

Region and country of operations: Africa, Rwanda, Tanzania and Uganda

Jurisdiction of registration: Mauritius

Business sector: Forestry

Date of agreement (month/year): 4/2019, 6/2020

Instrument: Equity

Finnfund's financing: USD 10,500,000 and USD 180,552

Share of Finnfund's financing: 6%

Size of project/financing:

Environmental and social category: A



Strong ESG = Access To Capital;
Better Cost Of Capital

Who's Talking To You



Kate Daniels: BA, MA, MBA

- 4 years Int'l Dev – sub-Saharan Africa
- 13 years in ESG and Impact Investing – SSA, Europe, Latin America, US
- 5 years Technology Partnerships with Oracle NetSuite

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What Does ESG Mean?



ENVIRONMENTAL

How the company/asset interacts with the environment. This could be how the underlying asset addresses environmental shocks and opportunities, as well as their impact through areas such as those below;

- GHG Emissions
- Resource use (energy, water, land)
- Waste management
- Animal welfare
- Supply chain management



SOCIAL

How the company/asset engages with society and its community. A focus on how the underlying asset creates social opportunities and manages its product liability more widely

- Workforce
 - Learning and development
 - Diversity / Opportunity
 - Commitment to high-quality benefits and conditions
- Human rights
- Health and safety
- Commitment to community / customers



GOVERNANCE

How the company/asset manages itself. This can refer to the implementing of frameworks and forums to ensure accountability and efficiency.

- Board structure / functions
- Compensation policies
- Shareholder rights
- Bribery and corruption

Consumers Care

- 76% of consumers say they **will stop buying from companies** that treat the environment, employees, or the community in which they operate poorly [[PwC](#)]
- 88% of consumers **will be more loyal** to a company that supports social or environmental issues [[Cone Communications](#)]
- ESG strategies **can affect operating profits** by as much as 60% [[McKinsey](#)]

And Leaders Know It...

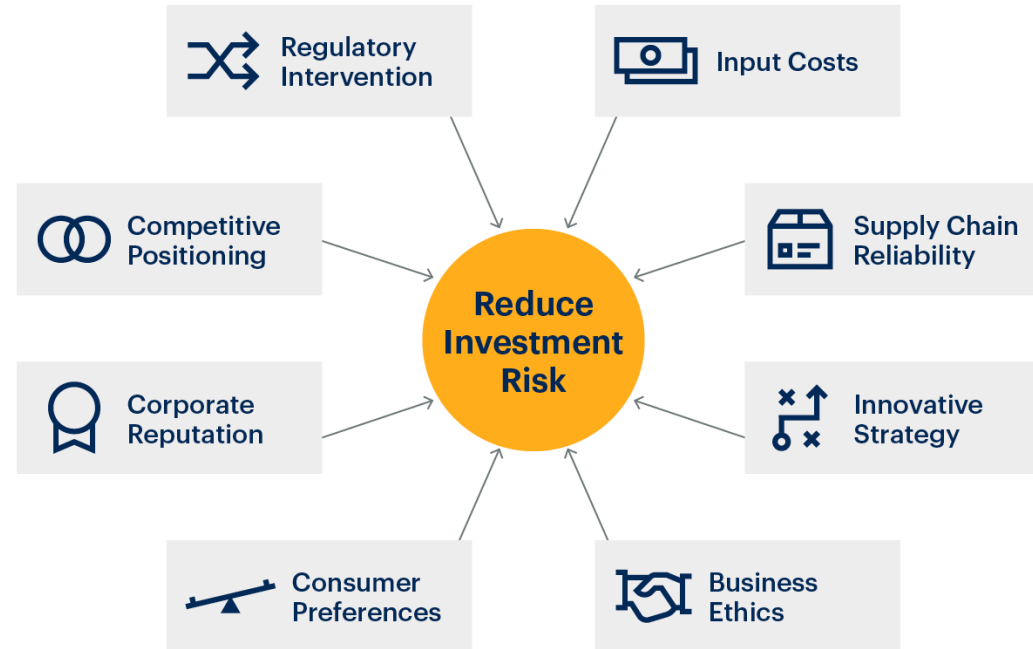
- 71% of CEOs believe it is their **personal responsibility** to ensure that the organization's ESG policies reflect the values of their customers [[KPMG](#)]
- Only 50% of companies believe their company performs very effectively against environment metrics. [[NAVEX Global](#)]
- Worse, only 39% believe their company performs well for governance, and 37% for social issues. [[NAVEX Global](#)]

Why Should You Care?

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Why Do Investors Consider ESG in Their Investments?



[gartner.com](https://www.gartner.com)

Source: Gartner
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Gartner

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Small Group Chat:

How has the promotional materials industry changed with respect to sustainability & ESG over the last 10-15 years?

What matters most now?

Common ESG Frameworks

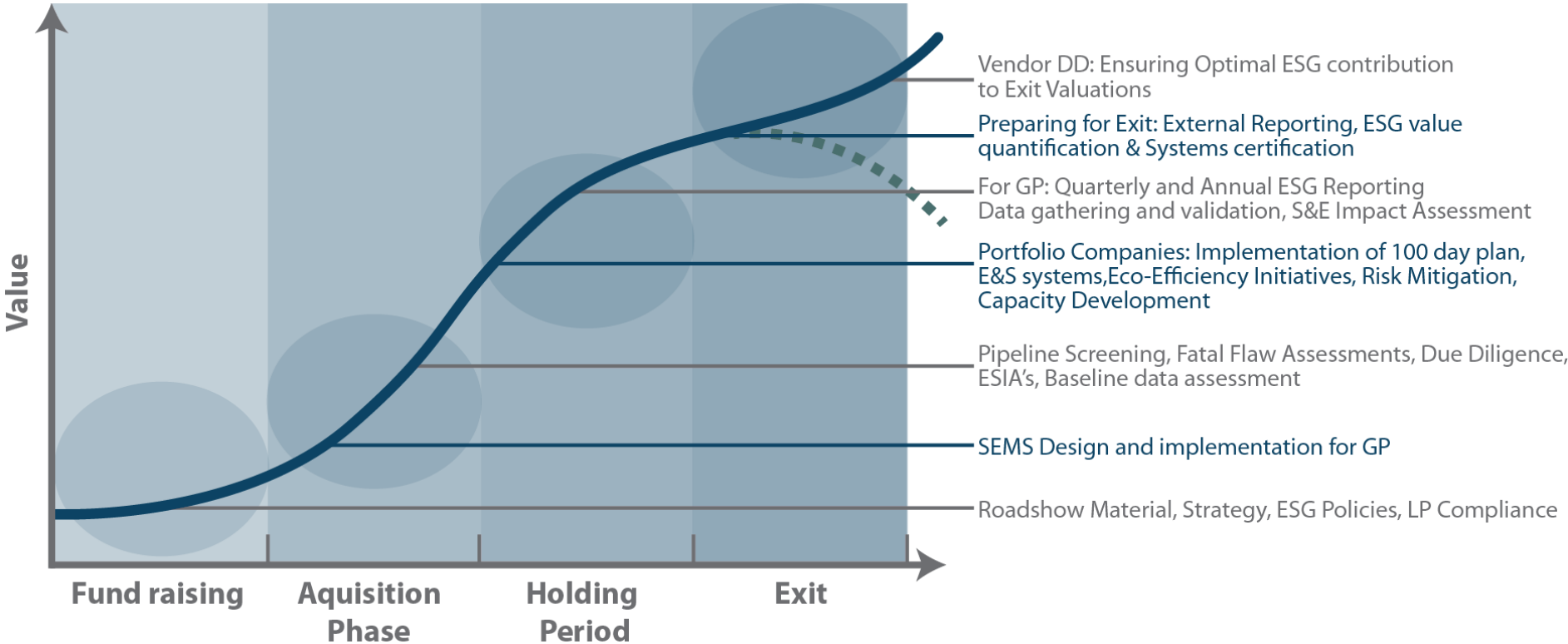


WORLD BANK GROUP

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES



ESG Throughout The Investment Lifecycle



Five Ways ESG Creates Value

A strong environmental, social, and governance (ESG) proposition links to value creation in five essential ways.

	Strong ESG proposition (examples)	Weak ESG proposition (examples)
Top-line growth	<ul style="list-style-type: none"> Attract B2B and B2C customers with more sustainable products Achieve better access to resources through stronger community and government relations 	<ul style="list-style-type: none"> Lose customers through poor sustainability practices (eg, human rights, supply chain) or a perception of unsustainable/unsafe products Lose access to resources (including from operational shutdowns) as a result of poor community and labor relations
Cost reductions	<ul style="list-style-type: none"> Lower energy consumption Reduce water intake 	<ul style="list-style-type: none"> Generate unnecessary waste and pay correspondingly higher waste-disposal costs Expend more in packaging costs
Regulatory and legal interventions	<ul style="list-style-type: none"> Achieve greater strategic freedom through deregulation Earn subsidies and government support 	<ul style="list-style-type: none"> Suffer restrictions on advertising and point of sale Incur fines, penalties, and enforcement actions
Productivity uplift	<ul style="list-style-type: none"> Boost employee motivation Attract talent through greater social credibility 	<ul style="list-style-type: none"> Deal with "social stigma," which restricts talent pool Lose talent as a result of weak purpose
Investment and asset optimization	<ul style="list-style-type: none"> Enhance investment returns by better allocating capital for the long term (eg, more sustainable plant and equipment) Avoid investments that may not pay off because of longer-term environmental issues 	<ul style="list-style-type: none"> Suffer stranded assets as a result of premature write-downs Fall behind competitors that have invested to be less "energy hungry"

McKinsey
& Company

The SEC's Forthcoming Mandatory Disclosures

Executive Summary: A Snapshot of the SEC's Climate Disclosure Proposal

What's in Scope? Greenhouse Gas (GHG) Protocols Explained

Scope 1: Direct Emissions
Company-owned, on-site emissions

Scope 2: Indirect Emissions
Purchased energy for company facilities or vehicles

Scope 3: Supply Chain Emissions
Indirect upstream or downstream emissions from supply chain*

*Scope 3—Safe harbor applied. Scope 3 required only if material or public goal set.

NET-ZERO CARBON OFFSETS: If net-zero goals are reached by renewable energy credits (RECs), the SEC will require more transparency around offsets.

Is your ESG reporting audit-ready? Anticipated rules include:

ICFR

(ICFR) Internal controls over financial reporting applied to ESG

Third-Party Assurance Phase-in Timeline on GHG Scopes 1 and 2

Category	Limited Assurance	Reasonable Assurance
LARGE ACCELERATED:	FY 2024 (Filed in FY 2025)	FY 2026 (Filed in FY 2027)
ACCELERATED FILERS:	FY 2025 (Filed in FY 2026)	FY 2027 (Filed in FY 2028)

Is your ESG reporting investor-trusted?

The goal of this proposal is to enable:
"Consistent, comparable, and decision-useful information for making investment decisions."
—SEC Chair Gary Gensler

C-level collaboration for financial and ESG reporting:

BOARD **CEO** **CFO** CSO **CRO** CAE

Are you aligned with ESG frameworks?

TCFD
Task Force on Climate-Related Financial Disclosures (TCFD)
• SEC-recommended ESG framework

Greenhouse Gas (GHG) Protocol
• Designed to measure overall carbon footprint

What are your climate-risk transition plans?

The proposed rules would require:

- **Form 10-K disclosures** on climate risk management, governance, and strategy.
- **Targets and transition plans** made by your company, as well as your plan to achieve those targets and transition plans.

Multinationals guide: What's the timeline for SEC rules, and what's already required with deadlines for ESG disclosures around the world?

Regardless of the SEC proposal, many global entities have started adopting ESG reporting rules such as in the EU, Hong Kong, Japan, New Zealand, Singapore, Switzerland, and the U.K., accelerating the timeline to prepare.

USA		EMEA		APAC	
SEC: Comment period ends May 20, 2022		TCFD	CSRD	SGX: TCFD—Phased-in Approach	
FY 2023 Reporting	FY 2024 Filing	April 6, 2022—U.K.	2025 for Large Companies	Comply or Explain—FY22	Phased-In—FY23

Examples: Congressional Bank & Altica Partners



Responsible environmental, social and governance (ESG) practices are central to our commitment to all of our stakeholders. We are committed to embedding sustainability in the foundation of our business and we believe high standard ESG practices are entirely aligned with creating long term value.

In our judgment, companies that successfully integrate best-in-class ESG practices and drive top-tier financial performance will thrive, positioning them to make the biggest impact on advancing multi-stakeholder capitalism. This is our goal. By embedding ESG practices into our mission, across our operations, and as part of our loan selection and capital allocation process, we are reimagining how a financially successful bank should operate in a changing world. We don't pretend, however, to have all the answers. Our goal is one of consequence, but our insight as to the road ahead is only partial. We must be self-aware and engage in continual learning, reevaluation, and adaptation.

We think of ESG as a collection of responsibilities, which we are committed to both now and into the future.

Our Responsibility to Our Employees:

The strength of our employees directly impacts the strength of the overall enterprise. We are committed to utilizing nondiscriminatory hiring practices, providing competitive and equitable wages and benefits to all employees, supporting professional development, and providing the flexibility our employees need to be successful.

Our Responsibility to Our Customers:

We are committed to serving our customers, including businesses, individuals, and investors in



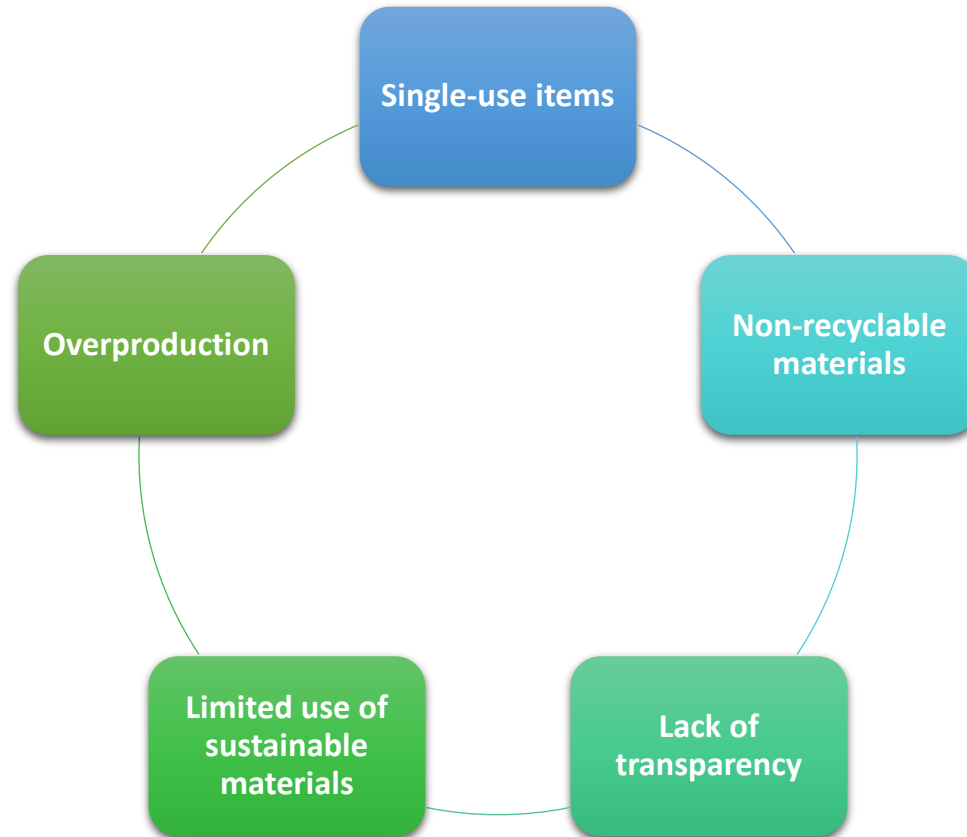
How we manage and measure impact



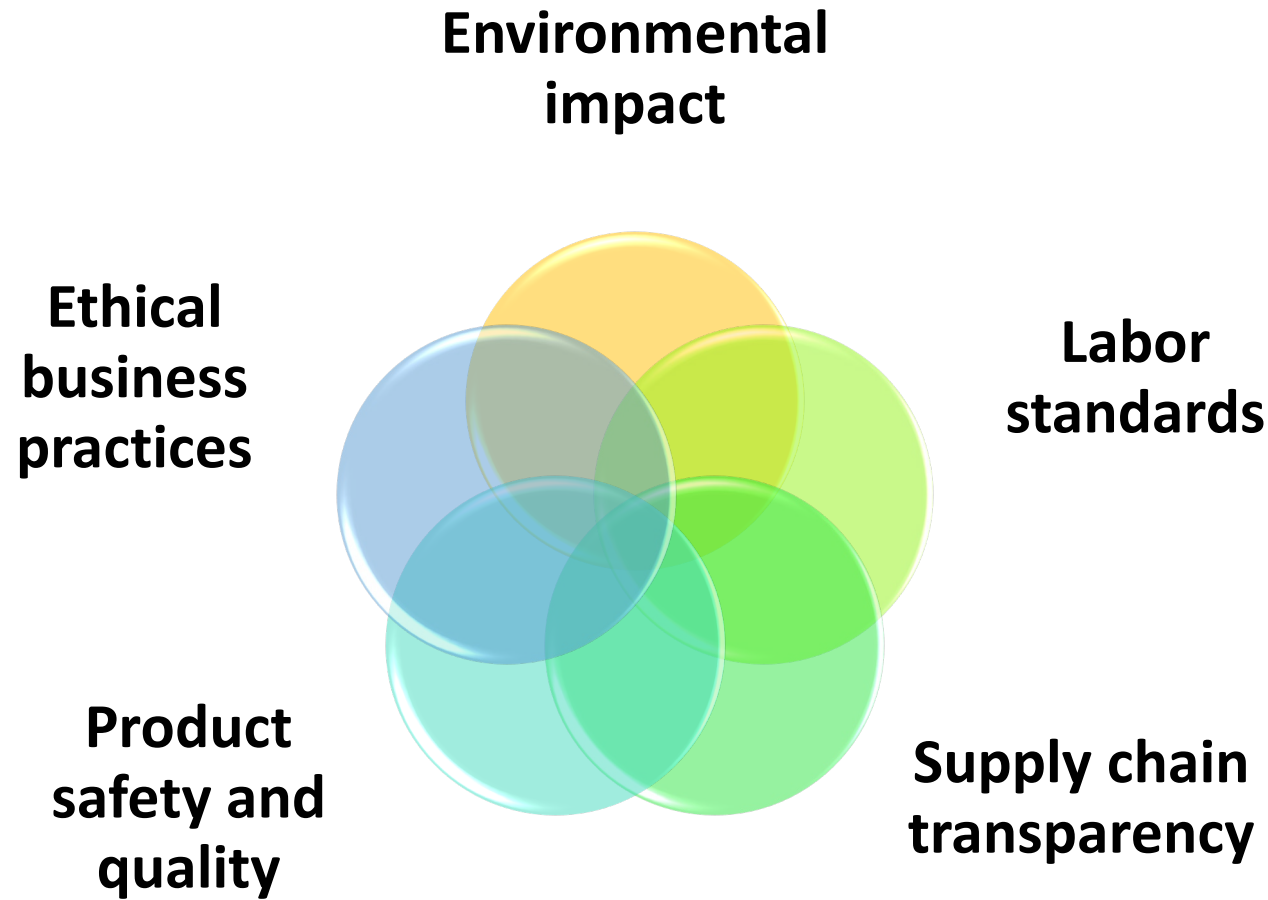
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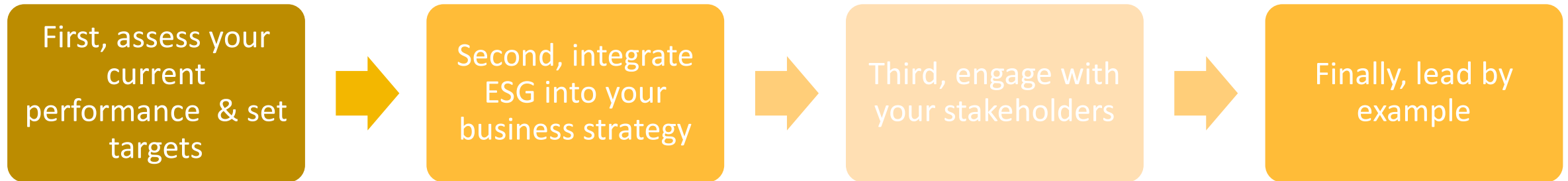
How We Get It Wrong



What Matters In Promo



What Can CEOs Do?



Small Group Chat:

What is your plan to integrate ESG & Sustainability considerations into your business? Which stakeholders will you consult?

Questions & Discussion

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