

## Environmental Social Governance (ESG) news and trends effecting today's leading companies and organizations

20/Feb/2021

### Introduction:

President Biden's administration comes a swing back towards an increasing and more complex Environmental, Social Governance (ESG) driven playing field for companies and organizations. Whether it's climate change, a social justice driven issue or workplace safety, ESG and ESG reporting will be challenging in 2021 and beyond. Below are several changes facing leading companies and organizations in the recent news.

### News links:

#### Climate/Carbon:

- **Jaguar & Land Rover to become all electric brands by 2025.**  
In four years you're not going to hear that throaty roar from your Jag. All Jaguar and Land Rover vehicles will be electric in 4 years. Further, the company's CEO stated that they will be a carbon net carbon zero business by 2039:  
<https://www.autocar.co.uk/car-news/industry-news/jaguar-become-all-electric-brand-2025>
- **Anheuser-Busch InBev SA/NV, maker of beer brands Budweiser and Stella Artois, signed a \$10.1 billion debt facility that will cost more to service if the company falls short on a set of sustainability targets.**  
AB InBev also lays out new sustainability goals including buying 100% their electrical needs from renewable sources and to cutting their carbon emissions by 25% by 2025:  
[https://news.yahoo.com/beer-maker-signs-record-10-102824960.html?soc\\_src=social-sh&soc\\_trk=ma](https://news.yahoo.com/beer-maker-signs-record-10-102824960.html?soc_src=social-sh&soc_trk=ma)
- **Anheuser-Busch InBev SA/NV releases their new ESG based sourcing policy to promote AB InBev ESG values to their business partners' reductions in the partners' carbon emissions and water reduction usage rates along with increase recycling and reuse rates:**  
To meet their debt faculty's ESG requirements, AB InBev updated their sourcing policy to ensure AB InBev suppliers also embrace ESG transparency and reduction targets:  
[https://www.ab-inbev.com/content/dam/universaltemplate/ab-inbev/Better%20World/Our%20Policies/Responsible%20Sourcing%20Policy%20%20%20\(10.10\)\\_EN.pdf](https://www.ab-inbev.com/content/dam/universaltemplate/ab-inbev/Better%20World/Our%20Policies/Responsible%20Sourcing%20Policy%20%20%20(10.10)_EN.pdf)

▪ **Janet Yellen, President Biden's nominee to head Treasury states that the Biden administration is "fully supportive of effective carbon pricing.**

The President supports enforcement mechanisms that require polluters to bear the full cost of the carbon pollution that they emit. Is there a strong move to robust carbon tax and/or trading in the areas that you operate within? If you don't know that answer, you should fully understand this potential cost/risk to your operations:

<https://www.axios.com/yellen-biden-carbon-pricing-energy-emissions-eee629c7-b4db-4f95-9d98-874269efdddd.html>

▪ **BlackRock's Larry Fink Sets a Bolder Climate Goal in Annual Letter.**

Larry Fink is using his firm's huge influence to pressure companies to eliminate greenhouse gas emissions by 2050. Mr. Fink is now calling on all companies "to disclose a plan for how their business model will be compatible with a net-zero economy," which he defines as limiting global warming to no more than 2 degrees Celsius above preindustrial averages and eliminating net greenhouse gas emissions by 2050. "We expect you to disclose how this plan is incorporated into your long-term strategy and reviewed by your board of directors," he wrote: <https://www.nytimes.com/2021/01/26/business/dealbook/larry-fink-letter-blackrock-climate.html>

▪ **Exxon-Mobile discloses the full scope of their carbon emissions (Scope I, II & III) for the first time.**

Exxon-Mobile responds to pressure from activist investors. Exxon-Mobile's Scope III CO2e emissions of 730 million metric tones places the company as the dirtiest oil producer in the world. The 730 million metric tones of Scope II CO2e emissions is about the same amount of CO2e emissions as the entire country of Canada emits per year. Exxon-Mobile is coming under increasing investor pressure for improved visibility into their environmental and stock performance:

<https://www.reuters.com/article/us-exxon-mobil-carbon/exxon-under-investor-pressure-discloses-emissions-from-burning-its-fuels-idUSKBN29B2NQ>

▪ **Australia's climate record labelled "simply" embarrassing" and the worst among G20 nations:**

Australia does not have national policies to expand renewable energy and per capita emissions are three times the average, global report says. Australia is one of only two countries in the G20 not implementing or planning any sort of carbon price scheme, one of only four without a national policy to increase renewable energy and ranks last in cutting greenhouse gas emissions from transport. Additional information is found at:

<https://flip.it/e9bVQn>

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## Social

### ■ **The Challenges of Getting Long-COVID Patients Back to Work:**

Some people have gone months without fully recovering from the virus—here's how they've tried to manage their illness while doing their job:

<https://www.wsj.com/articles/the-challenges-of-getting-long-covid-patients-back-to-work-11613350801>

### ■ **Positive DEI Change Is Brewing in Colorado's Craft Beer Industry:**

America's brewing industry is not known for its diversity. In fact, "data reveals that all major demographic groups are underrepresented in the industry with the exception of men who happen to be white," says Dr. J Jackson-Beckham, equity and inclusion partner for the Boulder-based Brewers Association and founder of Crafted For All, an equity and inclusion consultancy:

<https://www.5280.com/2021/02/positive-change-is-brewing-in-colorados-craft-beer-industry/>

## Summary:

As the world moves out of the grips of COVID-19 in 2021, climate change, DEI and other ESG driven issues will become an increasing challenge for companies and organizations.

- What are your ESG challenges?
- How are you going to modify your values and mission to both achieve your stakeholder ESG expectations and provide your shareholders a fair return on their investment?
- How are you going to engage your employees to meet the requirements of your changing values and mission?

I'd like to hear your thoughts and offer assistance. Elk Rock Solutions LLC can provide innovative environmental, safety and social governance solutions to help you navigate this challenging territory. I look forward to hearing from you.

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Jay Hamachek



Innovative Environmental, Safety & Social Governance Solutions