

# Environmental, Social and Governance (ESG) and Why it Matters

March 2023

# Today's panel

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**Colette Crawford**

Food & Beverage Industry  
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**Tom Hopwood**

ESG Specialist  
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**Thank you for waiting, the webinar will commence shortly**

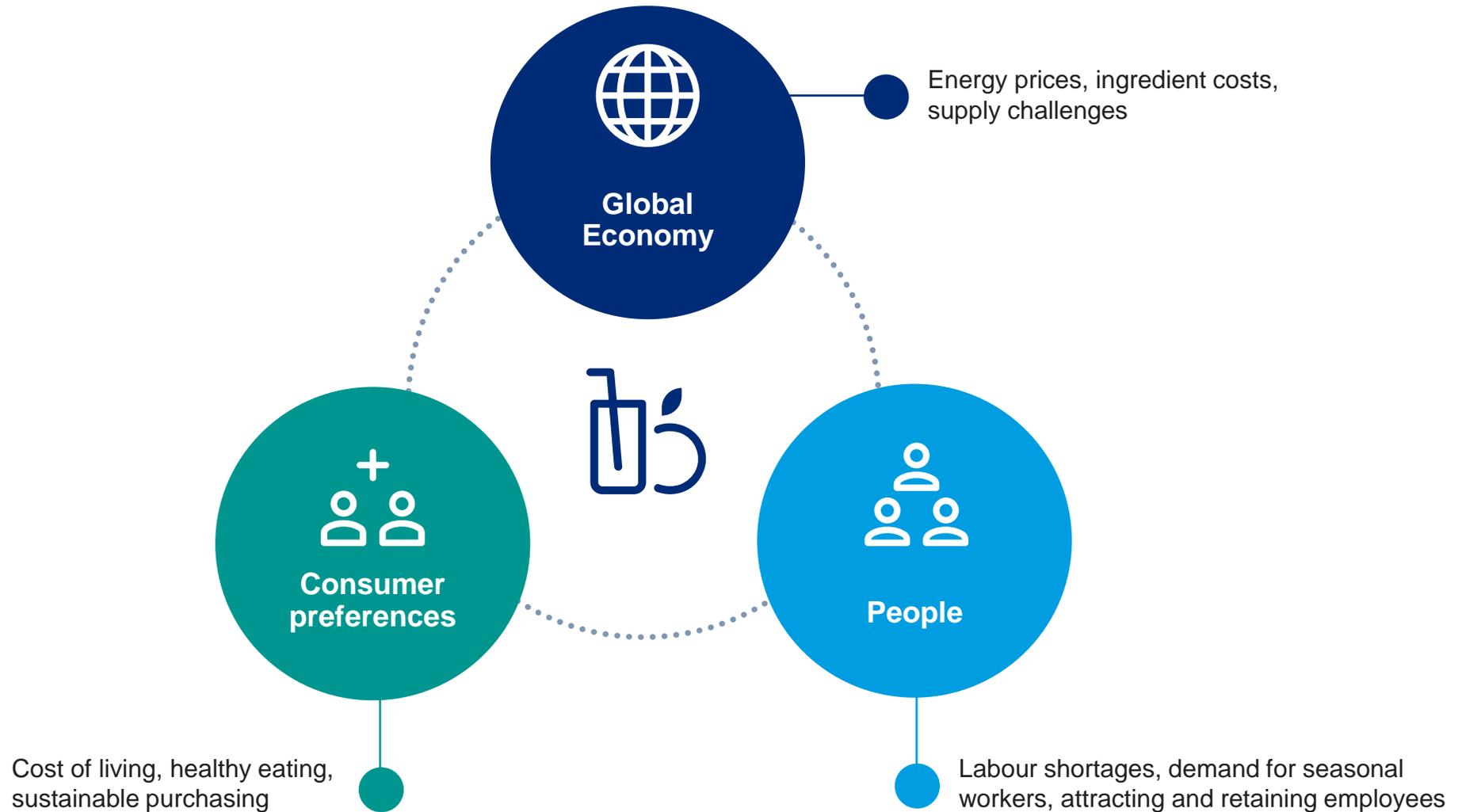


## **Kelvyn Sampson**

Food & Beverage Industry Practice Leader  
Marsh UK

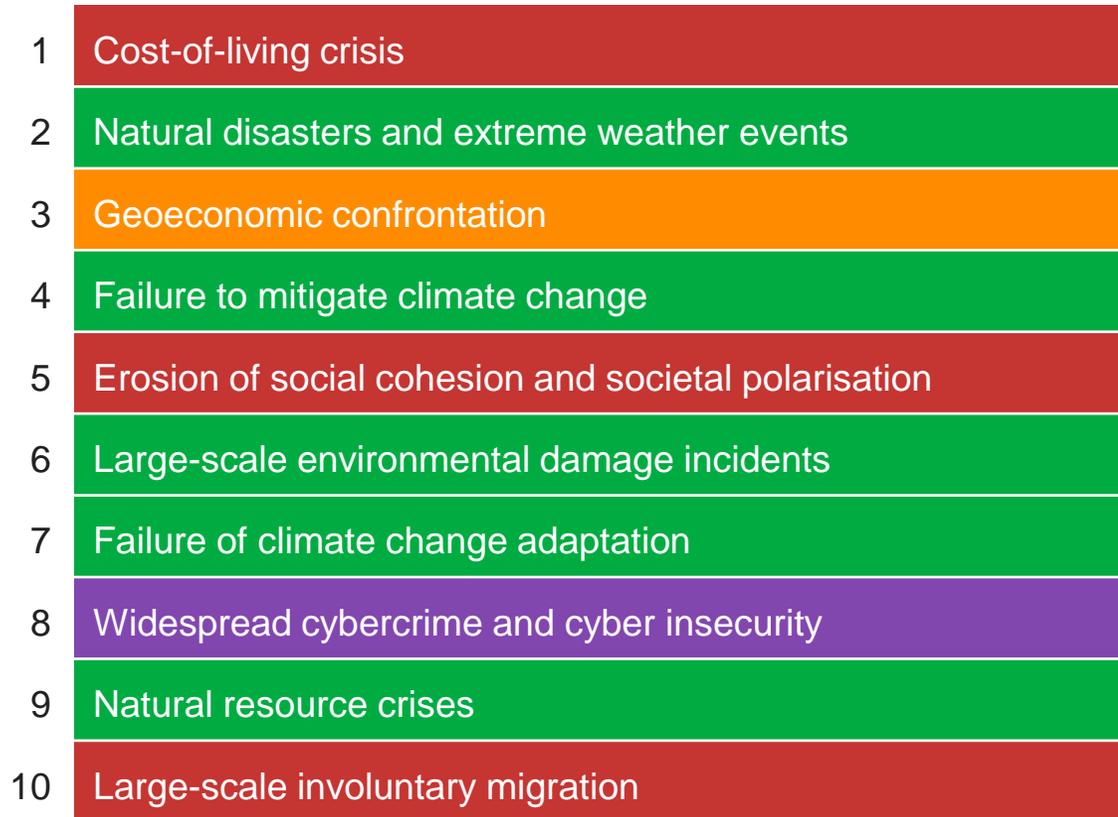
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# Food and Beverage Headwinds

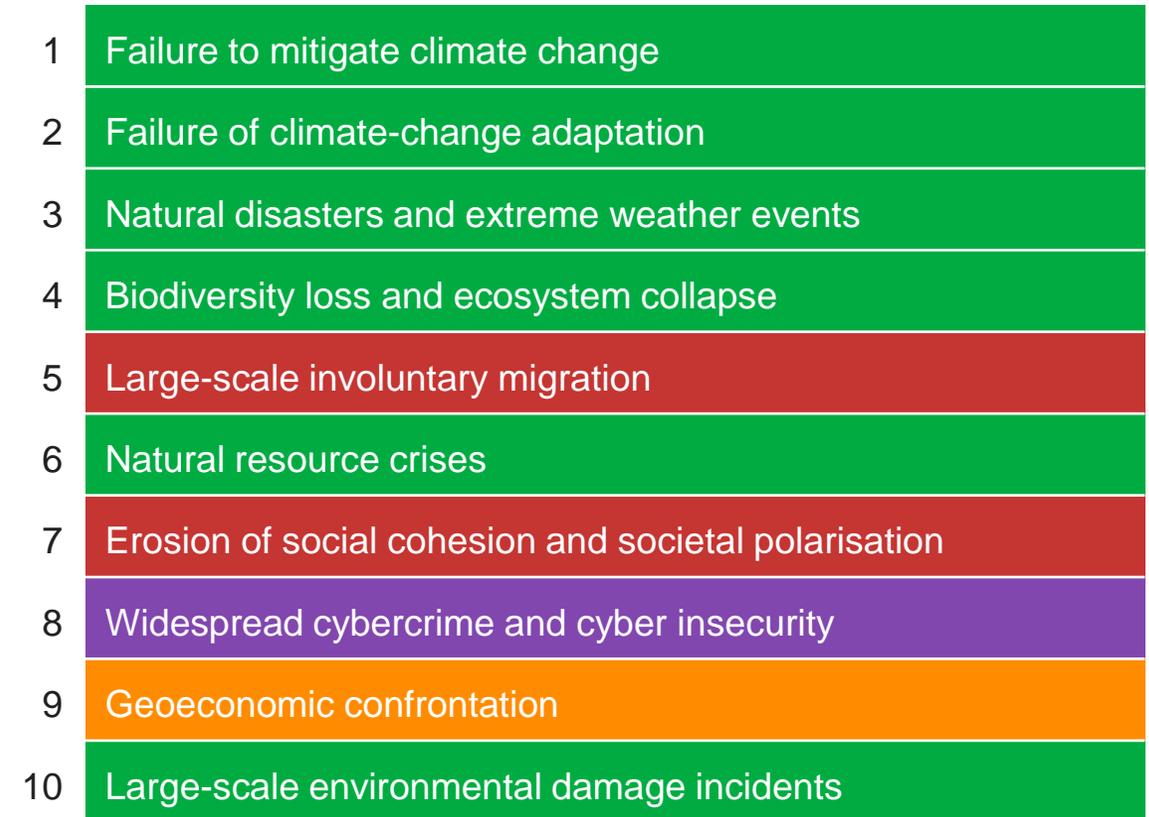


# Global risks ranked by severity over the short and long term

## 2 years



## 10 years



Risk categories | Economic | Environmental | Geopolitical | Societal | Technological

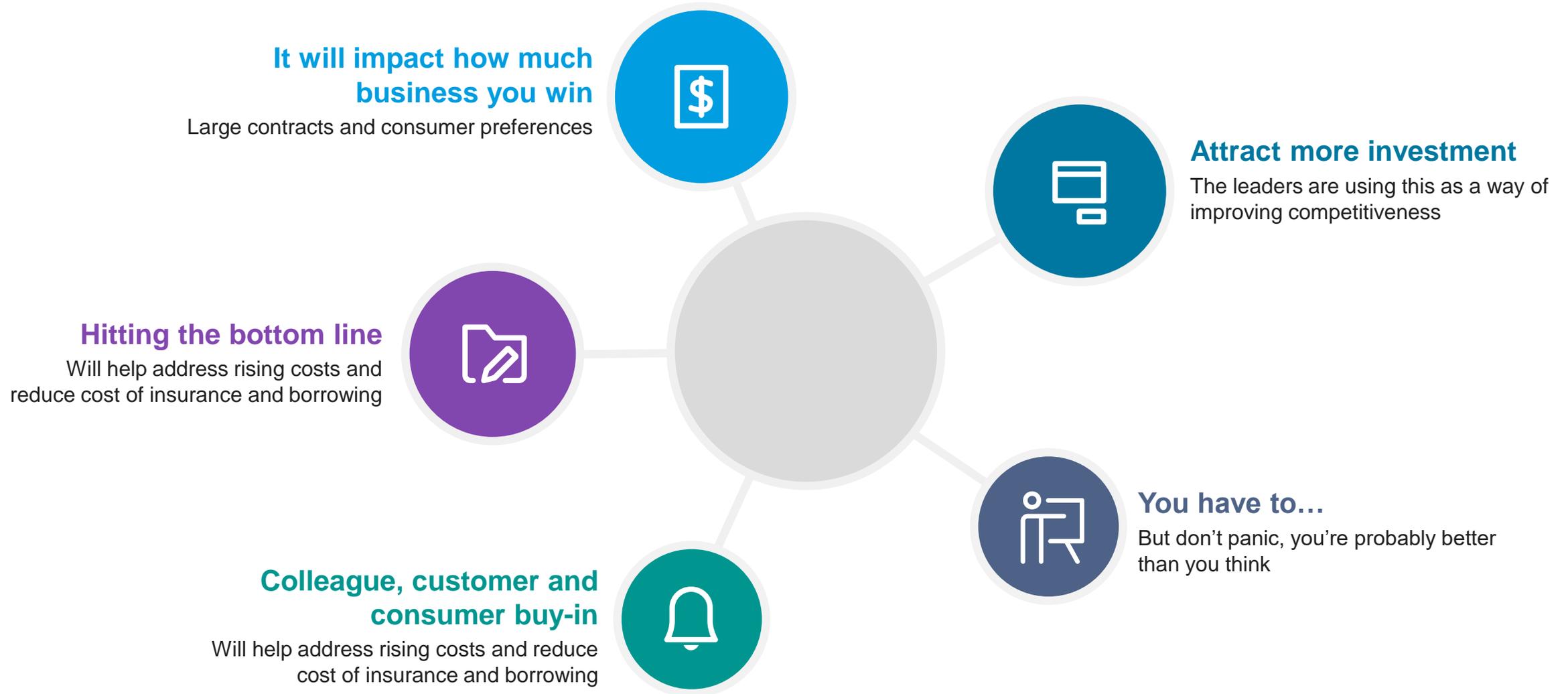


## **Colette Crawford**

Food & Beverage Industry Specialist  
Marsh UK

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# Why does ESG matter?





**Tom Hopwood**

UK ESG Specialist  
Marsh UK

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# First...some questions



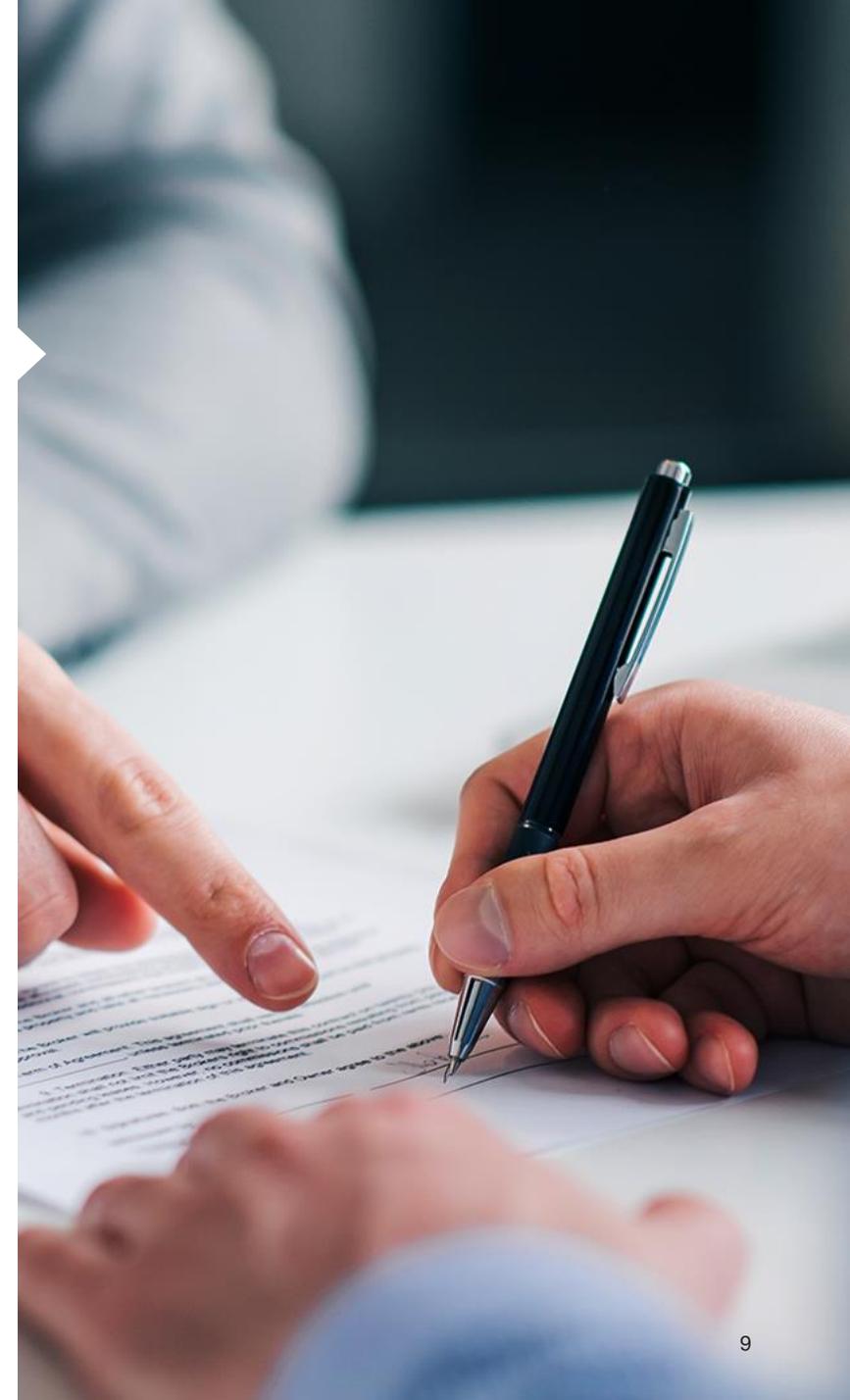
How confident are you on the topic of ESG (1-5)?



As an organisation how ready are you for the impacts of ESG (1-5)?



What is your biggest concern from an ESG perspective?



# What is ESG?



**E**

**Environmental** captures climate change, energy efficiencies, carbon footprints, greenhouse gas emissions, deforestation, biodiversity, and other environmentally sensitive issues.



**S**

**Social** covers labour standards, wages and benefits, diversity, human rights, community relations, privacy and data protection, health and safety, supply chain, and other social justice issues.



**G**

**Governance** captures the governing of the “E” and the “S” categories plus corporate governance considerations.



**A framework to measure the sustainability of an organisation. Assesses impact on society, the environment and how transparent and accountable an organisation is.**

# ESG is not just about your impact on the world...

*An “internal” view*



What is the **impact** of my organisation on the planet and people?

*An “external” view*



What is the **potential impact** of ESG risk on my organisation?

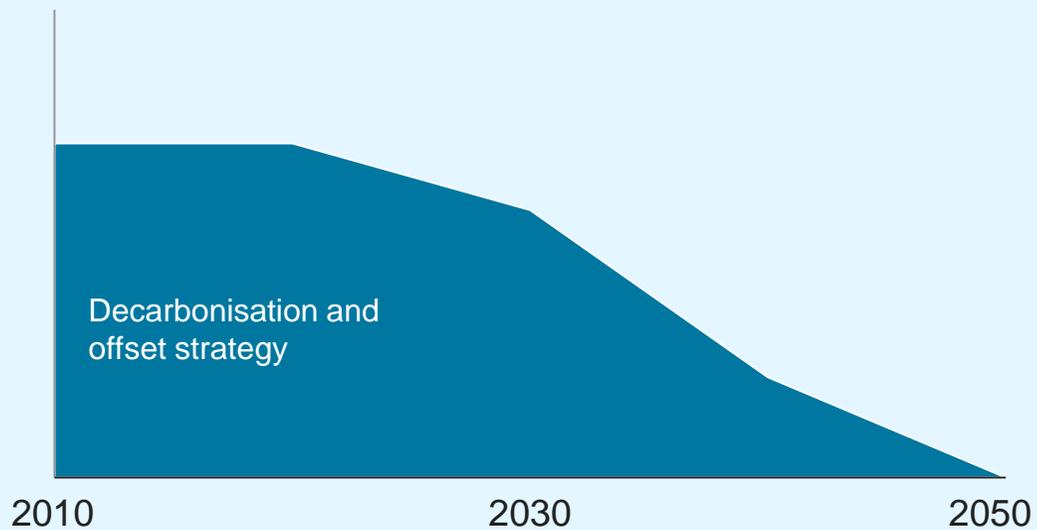
# What is Net Zero?

An "internal" view

Net Zero targets are a call for organisations to shift to a decarbonised economy – supporting the global ambition to achieve the Paris agreement to limit warming to 1.50C.

## Carbon Neutral

- This can be achieved through a combined strategy of decarbonisation and offsets

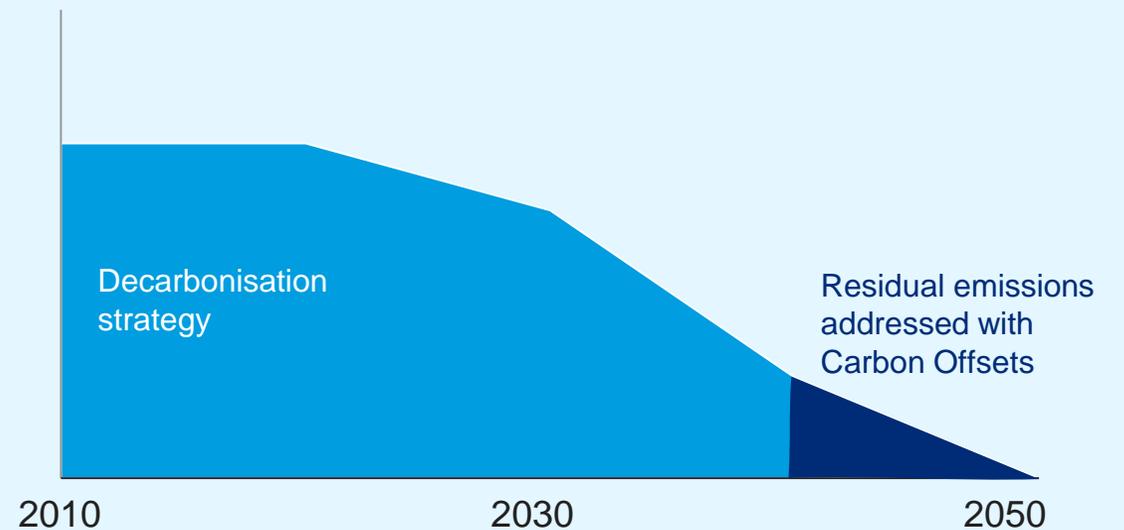


Less ambitious

VS

## Net Zero

- Emissions must be reduced as much as possible



More ambitious

# A look at some key risks and opportunities...

An "external" view

## Transition



Policy and Legal



Technology



Market



Reputation



## Physical



Acute



Chronic

Non Exhaustive

# Legal and regulatory changes are here and more coming...



## Here already:

- **TCFD** (large orgs, smaller orgs for 2025)
- **SECR** (Carbon Accounting)
- **Plastic Packaging Tax**



## Coming:

- **ESOS** (Energy Savings Opportunity Scheme)
- **TNFD** (Taskforce on Nature-Related Financial Disclosures)
- **CSRD** (Corporate Sustainability Regulatory Directors)
- **NZIA** (Net-Zero Insurance Alliance)

# ESG & Capital Providers

How is the insurance market viewing ESG?

March 2023

# ESG will play a bigger part in future underwriting strategy

Marsh undertook a survey\* of insurers to explore ESG factors and insurer underwriting strategy

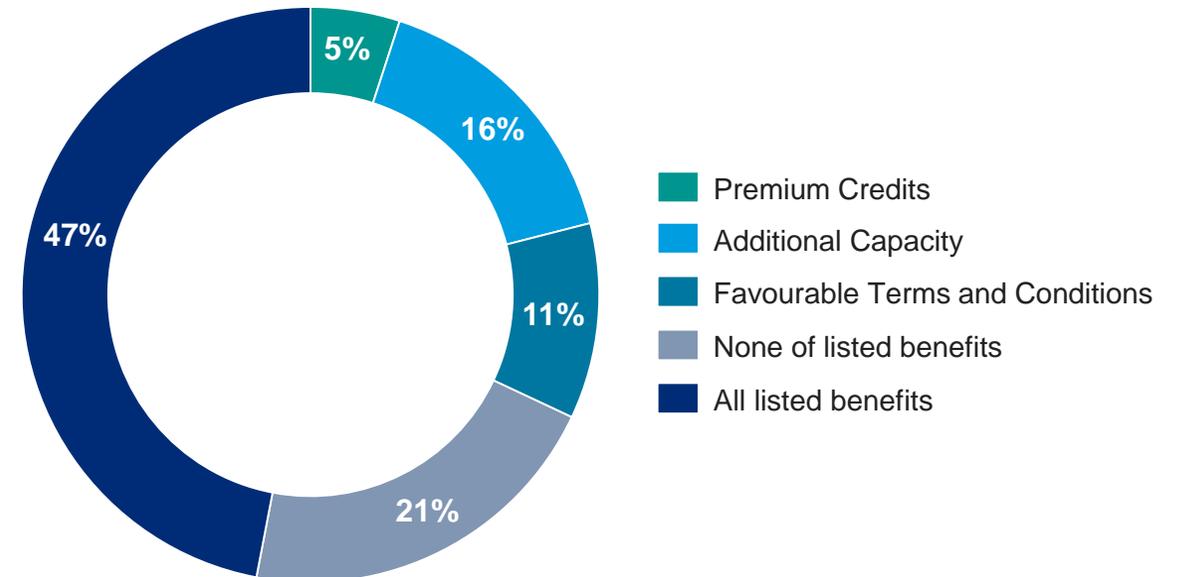
## Net Zero Insurance Alliance (NZIA)

(Re)insurers transitioning their underwriting portfolios to net zero GHG emissions by 2050



100% of insurers expect ESG factors to play a bigger role in the underwriting process in the future

If Marsh could demonstrate a client has favourable ESG metrics, would you contemplate offering any of the following?



# Your ESG Journey

Key stakeholders are already assessing you

March 2023

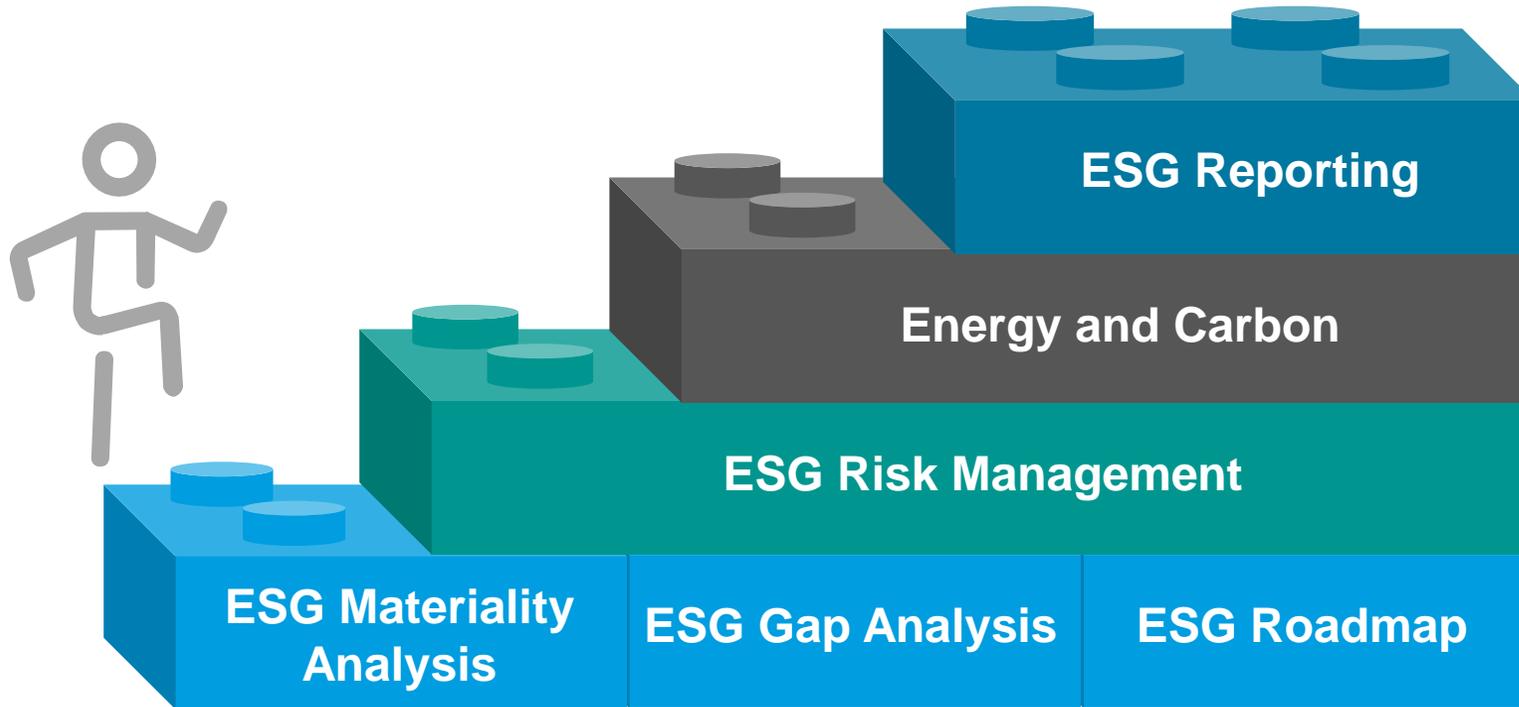


# Six steps to inform your ESG journey

Managing ESG risks is a 6-step process; these are designed to meet your immediate priorities and lay the right foundations as part of your broader ESG strategy and roadmap



# You need to tell your ESG story; we have the solutions to support

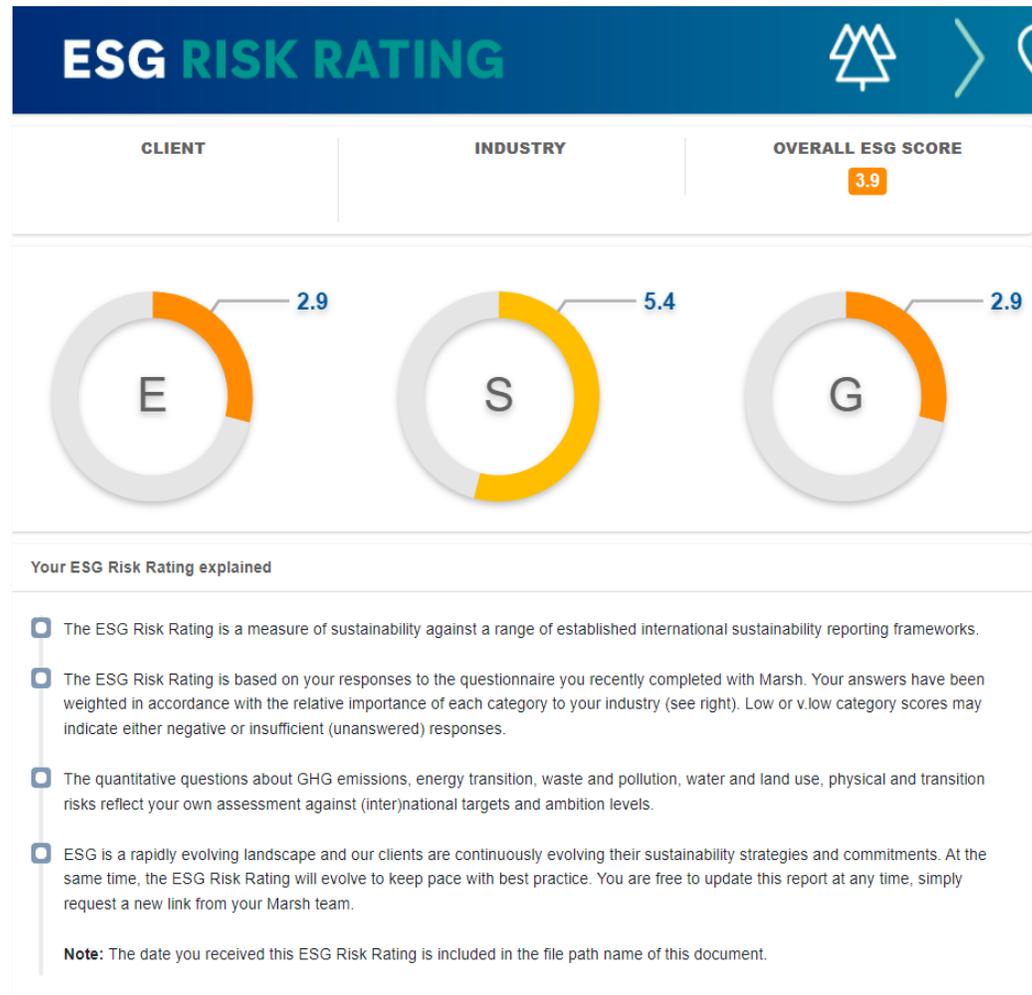


## Marsh solutions

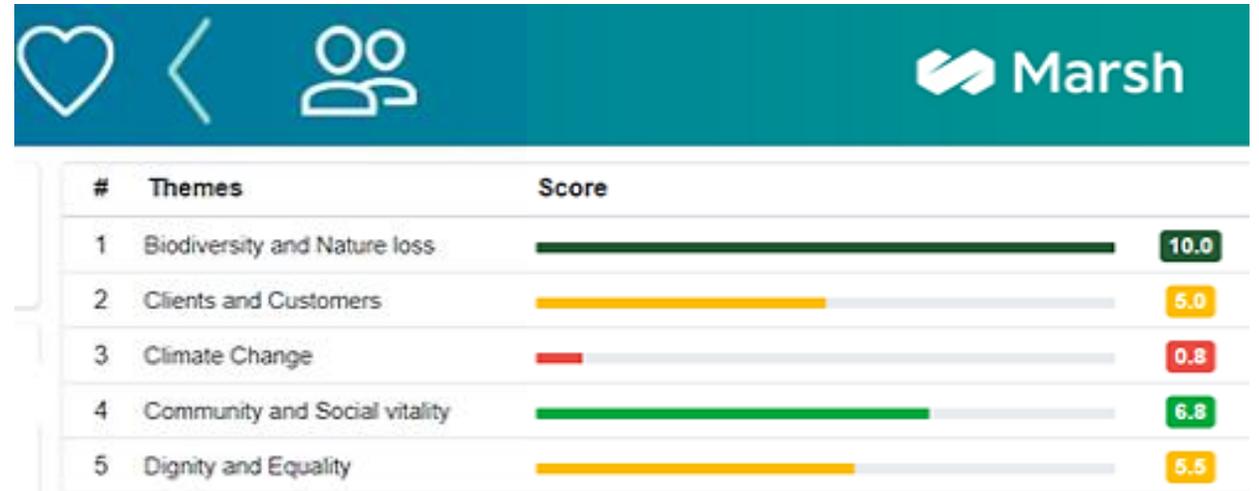
Phase 4	ESG Reporting Framework
Phase 3	Carbon Accounting, Energy Management, and Net-Zero
Phase 2	ESG Risk Management
Phase 1	ESG Strategy Builder

# Your reward for making it this far

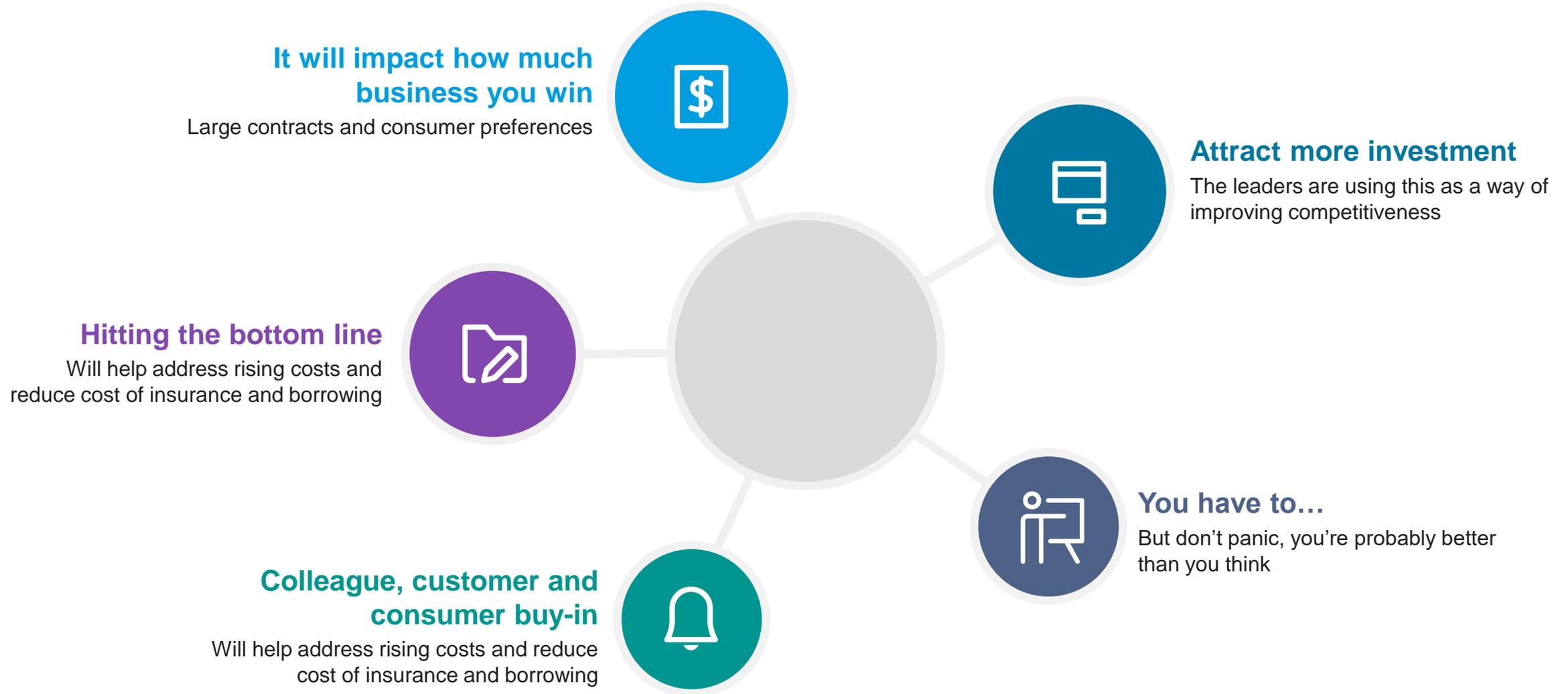
The ERR – a free benchmarking tool to show where your business currently is, measured against 10 leading global industry standards



## Example: 5 themes out of 19



# Summary – Why should we be acting on ESG?





# Q&A

To submit a question, click on the Q&A icon on your screen. Type your question in the open area and click “SUBMIT.”

If a question is not answered during today's programme, someone from Marsh will respond as soon as possible.

# Contact Details

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**Reach us through our  
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<https://www.marsh.com/ie/industries/food-beverage.html>

# Our Thought Leadership

## Global Challenges

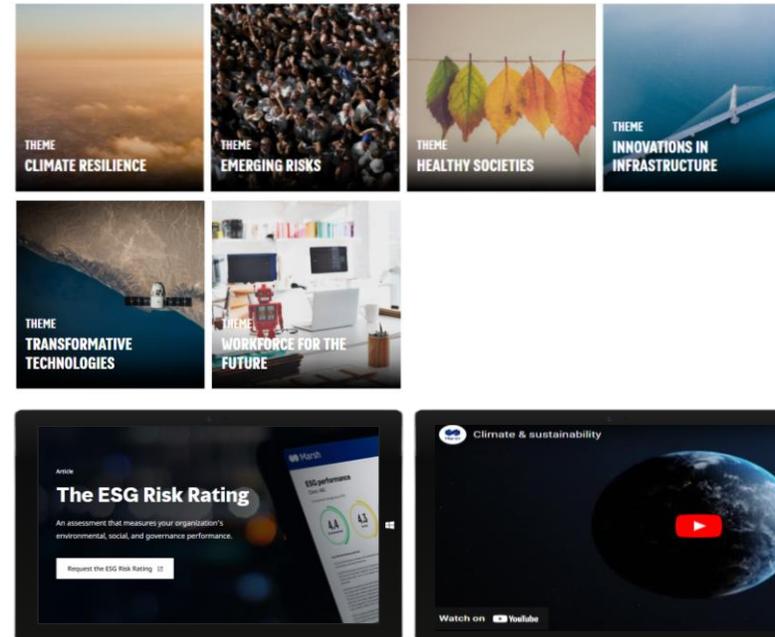


## Solutions



## Global Insights

Our research on society's most complex challenges is global in scope and cuts across sectors and industries. These trends will affect everyone: government and business, startups and incumbents, small businesses and multinational corporations...



## Industry Insights



As consumers become more health, social, and environmentally conscious, food and beverage companies around the world are evolving their business models to meet these needs.



Video  
De-mystifying Environmental, Social, and Governance (ESG) for the Retail, Food, Beverage, and Leisure industry

07/10/2022



Article  
Future-proofing your climate resilience response

07/06/2022

For the latest from Marsh and other MarshMcLennan businesses, visit: <https://www.marsh.com/uk/risks/climate-change-sustainability.html>



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