

Sustainability Benchmarking Collaborative

Peer-to-Peer Learning

Webinar #11
November 12, 2019



Hedstrom Associates

Webinar Participants

| Company | Participant | Completed Scorecard | Priority KSIs? | Past Web's | Planned Next Step |
|-------------------------------------|------------------------------|---------------------|----------------|------------|----------------------|
| • Altria | Amanda Tate | 2018 | Yes | Yes | Update Q4 |
| • Ashland | Nicole Voss | 2018 | Yes | Yes | Update Q4 |
| • Bristol-Myers Squibb | Victoria Emerick | 2018 | ? | Yes | Update Q4 |
| • Eaton | Jon Newton | 2018, 2019 | Yes | Yes | Engage peers |
| • Ecolab | Megan Grimes | 2018, 2019 | Yes | Yes | Engage peers |
| • Eversource | Joy Woolley | 2018 | Yes | Yes | Update Q4 |
| • Hain Celestial | Erol Odabasi | 2018 | Yes | No | Update Q4 |
| • Ingersoll Rand | Jeff Moe | 2018, 2019 | Yes | No | Baseline New Co. |
| • Lear | Jack Nunes; Carolyn Markey | New | No | Yes | Create in Q4 |
| • Marriott | Claire Cutting | 2018, 2019 | Yes | Yes | Act on results |
| • Medtronic | Ginny Cassidy | 2018, 2019 | Yes | Yes | Engage peers |
| • Merck | Michael Waslin | 2018 | Yes | Yes | Update Q4 |
| • PPG | Mike Corcoran; Mark Cancilla | 2018, 2019 | Yes | Yes | Input from ~25 execs |
| • Stanley Black & Decker | Dan Fitzgerald | 2018 | (A few) | Yes | Update – Q4 |

Apologies (pre-registered but unable to attend at the last minute):

- Sha Green (Coca-Cola)
- Linda Hilbert (Consumers Energy)
- Sydney Lindquist (Hexion)
- Jack Gavin (Merck)
- Lissette Santana (PPL)

Agenda

- **Recap (10 minutes)**
 - Quick Look Back – Final 2019 Webinar
 - Update re Q4-19 and 2020 Joining / Renewal
 - Annual Review and Update of KSIs
- **Member Update & Discussion (25-30 minutes)**
 - Pulse Check
 - Mike Corcoran and Mark Cancilla – PPG
 - Discussion
- **Workshop – *Look Ahead to 2020* (15 Minutes)**
 - Small break-out groups
 - Full group discussion
- **What's Next (5 minutes)**
 - 2020 Webinar Plan
 - Actions for You

Key Learnings: 2019 Webinars

1. **Rate My Company: *2nd Half of the Year = Best Time to Update Ratings***
2. **Company Stories: Always great**
3. **New for 2020**
 - Advanced Option C
 - More analytics
 - Summary “Bubble Chart” vs. Industry Sector
 - Toggle between My Rainbow Charts and DJSI < TCFD, etc .ESG Ratings
 - Upload Excel Data (and download to revise)

Selected Participating Companies

3M

Air Products

Altria

Apex Tool

Ashland

Bristol-Myers Squibb

Campbell Soup

Chemours

Chevron

Chevron Phillips Chem.

Cisco

Coca-Cola

Con Edison

Consumers Energy

Danaher

DTE Energy

Eastman

Eaton

Ecolab

Eversource

Fluor

Hersheys

Hexion

HP

Honeywell

IBM

Ingersoll Rand

Kaiser Permanente

Kohler

Marriott

Medtronic

Merck

Momentive

NextEra

Novelis

PPL

PPG

PSEG

Sempra Energy

Sims Metal Management

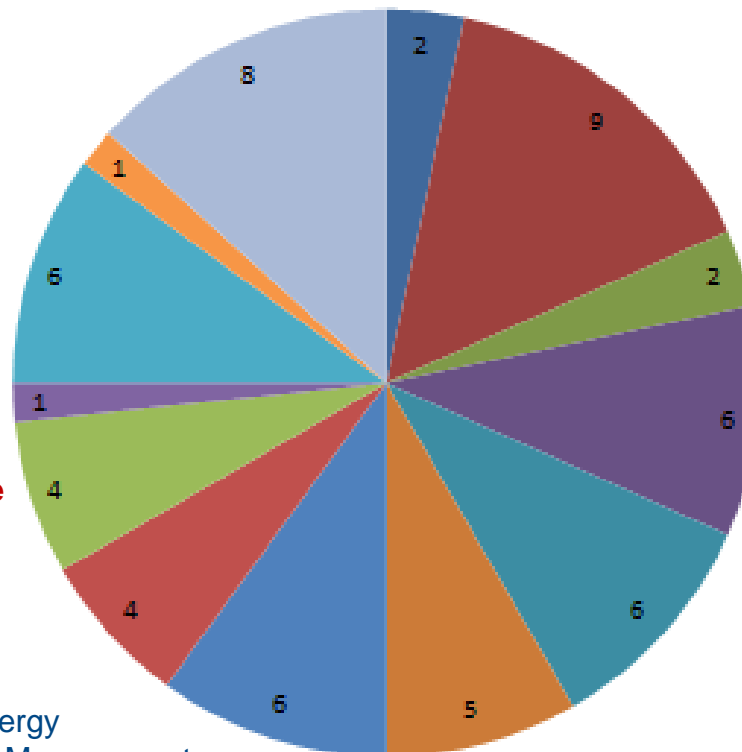
Stanley Black & Decker

UPS

Xerox

Bold Red Font = 1:1 Calls re Q4-19 and 2020 Look-Ahead

Founding Participants by Industry Sector



- **Energy (2)**
- **Materials (11)**
 - Chemicals (9)
 - Metals (2)
- **Industrials (12)**
 - Capital Goods (6)
 - Transport & Services (6)
- **Consumer Discretionary (5)**
- **Consumer Staples (6)**
- **Healthcare (8)**
 - Equipment (4)
 - Pharmaceuticals (4)
- **Financials (1)**
- **Information Technology (6)**
- **Telecom (1)**
- **Utilities (8)**

For current list of participating companies, visit

<https://thesustainabilityscorecard.com/user/participants/>

New Join Options

- On website now
- Take effect 10-1-19
- Many new features:
 - Added after companies signed up (Basic Option)
 - In the queue Q4-19/2020
- Summary:
 - A = Free (status quo)
 - B = Basic (all new features added to date plus several new ones)
 - C = Advanced (new)
- A la Carte items:
 - Custom peer group
 - Support w/ meetings

| Scorecard Subscription Options - Feature Comparison | | Subscription Options | | |
|---|--|-----------------------------------|-------|----------|
| Effective October 1, 2019 | | Free | Basic | Advanced |
| Access the Website | | | | |
| Access the website 24/7/365 | | • | • | • |
| Download a PDF of rating criteria | | • | • | • |
| Rate Our Company: Data Collection & Data Entry | | | | |
| Enter data directly into website; update "Scorecard" anytime | | • | • | • |
| Use Standard Excel worksheet for ratings (all KSIs listed; no sorting) | | • | • | • |
| Import Excel worksheets directly to website | | • | • | New |
| Use Custom Excel worksheet for ratings (sort KSIs by topic/team) | | ✗ | • | • |
| Use automated analysis of multiple Excel worksheets | | ✗ | • | New |
| Analyze Our Results | | | | |
| 1. Compare our Company to: | | | | |
| • All companies in the system that have submitted data | | • | • | • |
| • Companies in our industry sector and sub-sector (GICS definition) | | ✗ | • | • |
| • Companies of similar size: annual revenue and FTE Headcount | | ✗ | ✗ | New |
| • Companies headquartered in our geography (U.S., Europe, etc.) | | ✗ | ✗ | New |
| • All public or private companies | | ✗ | ✗ | New |
| • Select our own benchmark group (of 6+ companies) | | À la carte selection ¹ | | |
| • Compare vs. different industry sectors (customer groups) | | À la carte selection ¹ | | |
| 2. Compare our company at which "level": | | | | |
| • Overall: Single average rating across all KSIs | | • | • | • |
| • Sections: Ratings by the 4 Sections (Governance, Strategy, etc.) | | • | • | • |
| • Elements: Ratings by the Elements within Sections | | • | • | • |
| • KSIs: Ratings by each KSI (within Elements) | | ✗ | • | • |
| • HRI: Ratings for only our Highly Relevant KSIs | | ✗ | • | • |
| 3. Download graphics | | | | |
| • Save graphics (bubble, rainbow, bar charts) as JPEG or PNG | | • | • | • |
| Prioritize our "Highly Relevant" (!) Key Sustainability Indicators | | | | |
| "Highly Relevant" KSIs you select | | ✗ | • | • |
| "Highly Relevant" KSIs of industry peers | | ✗ | ✗ | New |
| "Highly Relevant" KSIs of leading companies | | ✗ | ✗ | New |
| Action Planning | | | | |
| Best Practices: View examples as we update our ratings | | • | • | • |
| Best Practices: Download examples for our Priority (!) KSIs | | ✗ | • | New |
| Best Practices: Download library for the 17 Scorecard Elements | | ✗ | • | New |
| ESG Ratings: Evaluate our Priority KSIs vs. our TCFD input | | ✗ | ✗ | New |
| ESG Ratings: How to improve (e.g., CDP, MSCI) vs. our Priority KSIs | | ✗ | ✗ | New |
| Peer-to-Peer Learning | | | | |
| Compare Scorecard v. ESG Ratings (e.g., MSCI, CDP, ISS, DJSI, etc.) | | • | • | • |
| Access example "Pitch Deck" | | • | • | • |
| Join general Monthly Webinars | | • | • | • |
| Join Quarterly Strategy Discussion Forum | | ✗ | ✗ | New |
| ESG Impact - Powerful, current news stories for C-suite discussion | | ✗ | ✗ | New |
| Independent review, analysis, insight | | ✗ | ✗ | New |
| | | À la carte selection ¹ | | |

Option A: Free
Option B: Basic
Option C: Advanced

New Tools: Excel Spreadsheets

Improved spreadsheets for internal distribution

Excel v2.3

| Company name: | | XYZ Company | | INSTRUCTIONS: Use this worksheet internally to gather your company ratings - then upload to the website Enter your data in the YELLOW-SHADED CELLS ONLY Click in the rating box to see the arrow, then click the arrow and select from 0.5 to 4.0 For "Highly Relevant" - we recommend you select ~10-15% of the total (or ~15-25 KSIs) | | |
|---|--|--|--|--|-------------------------------|---|
| Contact name: | | G.Ryan | | | | |
| Contact email: | | gary.ryan@xyzcompany.com | | | | |
| Contact phone: | | 234-555-7122 | | | | |
| | | | | | | |
| STAGE 1 | STAGE 2 | STAGE 3 | STAGE 4 | Person responsible for rating this item (optional) | YOUR RATING (from 0.5 to 4.0) | Highly relevant to your organization? |
| | | | | | | |
| Typical of most industry peers over the past ten years; role is to create shareholder value | Sustainability ('S') is part of how the company sees its role in society | 'S' is near the core of how the company sees its role in society | 'S' is at the core of how the company sees its role in society; aligned with circular economy" | | 3.0 | <input checked="" type="checkbox"/> Highly relevant |
| Sustainability principles are not | Enables, facilitates, and | 'S' is integral to vision and | Transferring the corporation to | | | |

Excel v2.4

| Name/contact info: | | # Rated: | Rel.: | # With Comments: | | | | | | | |
|---|-------------------------------|----------------------|---------------------|------------------|----------------|----------------------|--------------|--------------|-------------------|-----------------------|--|
| Missing Data | | 4 | 2 | 0 | | | | | | | |
| INSTRUCTIONS: Use this worksheet internally to gather your company ratings - then upload to the website Enter your data in the YELLOW-SHADED CELLS ONLY Click in the rating box to see the arrow, then click the arrow and select For "Highly Relevant" - we recommend you select ~10-15% of the total (or ~15-25 KSIs) | | | | | | | | | | | |
| Typical Function Responsible (for data gathering inside company) | | | | | | | | | | | |
| STAGE 4 | YOUR RATING (from 0.5 to 4.0) | ! if Highly Relevant | Comments (optional) | C-Suite | Business Leads | Marketing & Planning | Product Team | Supply Chain | EHS - esp. E Team | Social (HR etc.) Team | |
| Full board of directors sign a personal commitment to sustainability | | | | X | | | | | | | |

New Excel Features: Excel v2.0






- Ability to hide rows
- Improved functionality

Excel 2.3 and 2.4

- ! if Highly Relevant
- Pre-sorted by function (~25-30 KSIs per team)
 - C-suite
 - Business leaders
 - Marketing & Planning
 - Product team
 - Supply chain
 - Environmental
 - Social
- Dashboard at top
 - # Rated
 - # Highly Relevant
 - # with Comments
- Ability to tailor

New Tools: Consolidating Data Inputs

Spreadsheets are returned to Hedstrom for immediate analysis and consolidation – returning consolidated results to you.

-  Scorecard ESG Rating Template 1901 - FSky.xlsx
-  Scorecard ESG Rating Template 1901 - GRyan.xlsx
-  Scorecard ESG Rating Template 1901 - RHayes.xlsx
-  Scorecard ESG Rating Template 1901 - TField.xlsx
-  Scorecard ESG Rating Template 1901 - WClements.xlsx

Hedstrom Associates

| KSI RATING SUMMARY (5 worksheets - XYZ Company) | | | | | No. Rated | Avg. Rating | HR(I) | Note(s) | # Comments |
|---|--|--|--|--|-----------|-------------|-------|--------------|------------|
| 01.01: Gov. - CEO's View re Role of Company in Society | | | | | 5 | 2.70 | 2 | Rated by all | 0 |
| 01.02: Gov. - Sustainability in Corporate Vision and Mission | | | | | 4 | 2.75 | 2 | | 0 |
| 01.03: Gov. - Sustainability in Core Values & Corporate Policies | | | | | 4 | 2.13 | 1 | | 0 |
| 01.04: Gov. - Support of International Sustainability Charters/Commitments | | | | | 4 | 2.00 | 0 | | 0 |
| 01.05: Gov. - Managing the Long-Term Viability of Core Businesses | | | | | 4 | 2.00 | 2 | | 0 |
| 01.06: Gov. - Key Business Decisions (KBDs) tied to Core Values | | | | | 4 | 3.00 | 0 | | 0 |
| 01.07: Gov. - Sustainability Ratings/Rankings | | | | | 5 | 2.30 | 1 | Rated by all | 3 |
| 01.08: Gov. - Ethics & Trust Ratings | | | | | 5 | 2.30 | 0 | Rated by all | 0 |
| 02.01: Gov. - | | | | | | | | | 0 |
| 02.02: Gov. - | | | | | | | | | 0 |
| 02.03: Gov. - | | | | | | | | | 0 |
| 02.04: Gov. - | | | | | | | | | 0 |
| 02.05: Gov. - | | | | | | | | | 0 |
| 02.06: Gov. - | | | | | | | | | 0 |
| 02.07: Gov. - | | | | | | | | | 0 |
| 02.08: Gov. - | | | | | | | | | 0 |
| 03.01: Gov. - Board Responsibility for Oversight of Sustainability | | | | | 4 | 2.88 | 2 | | 0 |
| 03.02: Gov. - Board's Sustainability Commitment | | | | | 4 | 2.88 | 2 | | 0 |
| 03.03: Gov. - Board's Sustainability Expertise | | | | | 4 | 2.38 | 0 | | 0 |
| 03.04: Gov. - Board's External Sustainability Advisors | | | | | 4 | 1.38 | 0 | | 0 |
| 03.05: Gov. - Board ESG Review of Key Business Decisions (KBDs) | | | | | 4 | 2.25 | 1 | | 0 |
| 03.06: Gov. - Reporting to Board of Most Material ESG Issues | | | | | 4 | 1.00 | 0 | | 0 |
| 03.07: Gov. - Assurance Letter/Annual Risk Review Signed by Business Leader | | | | | 4 | 1.00 | 0 | | 0 |
| 03.08: Gov. - Time Spent on Sustainability in Board Meetings | | | | | 4 | 2.00 | 0 | | 0 |
| 03.09: Gov. - Board of Directors' Sources of Sustainability Learning | | | | | 4 | 1.63 | 0 | | 0 |
| 04.01: Gov. - Materiality Assessment of Sustainability Impacts/Risks | | | | | 4 | 1.75 | 4 | HR by all | 0 |
| 04.02: Gov. - Philosophy Regarding Sustainability Goals | | | | | 5 | 2.20 | 0 | Rated by all | 0 |

Consolidated Results (details next slide)

Consolidation Report

- Listed by KSI
- # Rated
- Scores (Average, High, Low)
- Highly Relevant
 - Number
 - Percent of those rating
- Comments

The consolidated data can be automatically imported into the web portal



New analysis tool can save time...

Scorecard Intro XLS Files KSI Summary

KSI Summary



This section shows overall results for each KSI, averaged across all 5 scorecard Excel files for *DTE Energy*.

| KSI | Topic | Description | Avg. | #Rated | %Rated | Range | #HR(!) | %HR(!) | Details | Flags/Notes |
|-------|---------------------------|--|------|--------|--------|-----------|--------|--------|-------------------------|--------------|
| 01.01 | Governance and Leadership | CEO's View re Role of Company in Society | 2.70 | 5 | 100 | 2.00-3.00 | 2 | 40 | details | Rated by all |
| 01.02 | Governance and Leadership | Sustainability in Corporate Vision and Mission | 2.75 | 4 | 80 | 2.00-3.00 | 2 | 50 | details | |
| 01.03 | Governance and Leadership | Sustainability in Core Values & Corporate Policies | 2.13 | 4 | 80 | 2.00-2.50 | 1 | 25 | details | |
| 01.04 | Governance and Leadership | Support of International Sustainability Charters/Commitments | 2.00 | 4 | 80 | 2.00-2.00 | 0 | 0 | details | |
| 01.05 | Governance and Leadership | Managing the Long-Term Viability of Core Businesses | | | | | | | | |
| 01.06 | Governance and Leadership | Key Business Decisions (KBDs) tied to Core Values | | | | | | | | |
| 01.07 | Governance and Leadership | Sustainability Ratings/Rankings | | | | | | | | |
| 01.08 | Governance and Leadership | Ethics & Trust Ratings | | | | | | | | |
| 02.01 | Governance and Leadership | Speeches on Sustainability by CEO and C-Suite Executives | | | | | | | | |

01.03 - Governance and Leadership - Sustainability in Core Values & Corporate Policies
 Rated by 4 respondents. HR(!) by 1 respondents. No comments.

Ratings by respondent:

Skiles 2.50

Ann Hayes (C) 2.00

Ann Hayes 2.00

Greg Ryan 2.00 HR(!)

Annual KSI Review and Update

Welcome,
Gib Hedstrom

Welcome

Benefits and Value

Our Company Scorecard

1. Rate
2. Analyze
3. Prioritize
4. Act

Compare to TCFD, DJSI, Etc.

Join

Log Out

Participating Companies

My account

Articles and Books

Rating Criteria

Monthly Webinars

Confidentiality

Welcome

Welcome, Gib Hedstrom

What Your Peers are Saying

Scott Tew shared how Ingersoll Rand has been reaping value from the Scorecard in over the past three years. Watch the short video below – from our September webinar.

Announcing Enrollment Starting October 1, 2019: New Join Options

- Download [Sustainability Benchmarking Collaborative: The Corporate Sustainability Scorecard Subscription Service](#)

2019 KSI Edits

- It's time for our annual review of all KSIs – to continually sharpen and simplify – yet retain the integrity for year-over-year comparisons.
- In 2018, we eliminated 10 KSIs and tweaked Stage 1-4 descriptors, based on member input.
- Attached [here](#) is the current working draft of proposed changes for 2020. Please review and provide input to Gib by December 31, 2019.

Participating Companies

Annual KSI Review and Update

- On Welcome Page
- Take effect 1-1-20
- Goal:
 - Streamline
 - Simplify
 - Sharpen
- Key is to retain the integrity of year-over-year ratings

Summary of Proposed Changes

- A. Combine Similar KSIs [In each case, revised the Stage 1-4 descriptors accordingly to capture both]
1. ESG Risks: 1.6 (Key Business Decisions tied to ESG Risks and Opportunities): Folded in with this the old 3.5 (Reporting to Board of Most Material ESG Issues).
 2. Ratings: 1.7 (ESG Ratings and Rankings): Folded into this the old 1.8 (Ethics and Trust Ratings).
 3. Materiality: 4.1 (Materiality Assessment of ESG Risks and Impacts): Folded into this the old 7.1 (Company Posture Regarding ESG Materiality).
 4. CSO Role: 5.6 (Chief Sustainability Officer): Fold in the old 2.7 (C-Suite Roles Regarding Sustainability) – and renamed 5.6 to be “C-Suite Roles Regarding Sustainability”
 5. Stakeholder Engagement: 6.2 (Reasons for Stakeholder Engagement): Folded in the old 4.3 (Stakeholder Input to ‘S’ Goals).
 6. Innovation: 9.4 (Sustainable Innovation Process): Folded in the old 9.5 (Sustainable Innovation Tools) and renamed as “Sustainable Innovation Process and Tools”
 7. PSS Value Proposition: 11.1 (Product, Service, Solutions (PSS) Model): Folded into this the old 11.2 (Societal Value of Products, Services and Solutions) – and renamed 11.1 as “Product, Service, Solution (PSS) Value Proposition.”
 8. Product Development: 11.3 (Sustainability in Product Development): Folded in the old 11.4 (Sustainability in Product Design) and rename as “Sustainability in Product Design and Development”
 9. Labeling: 11.5 (Product Sustainability Rating): Folded in the old 14.3 (Product Labeling) and rename as “Product Sustainability Labeling and Rating”
- B. Move KSIs to a More Logical Spot
1. Move ESG Ratings and Rankings from Vision, Mission → Goals and Metrics
 2. Move two product-related KSIs (old 14.1 & 14.2) from Environment/Products to Strategy/Products
- C. Tweak Stage 1-4 Descriptors [See following pages]

Agenda

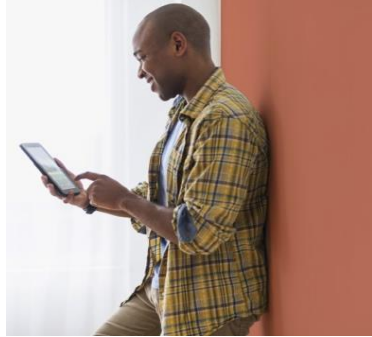
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 - 2020 Webinar Plan
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PPG: We Protect and Beautify the World...

47,000 employees



A global maker of paints, coatings, and specialty materials



A leader in all our markets: construction, consumer products, industrial and transportation markets and aftermarkets.



Headquartered in Pittsburgh, Pennsylvania, with operations in more than 70 countries.

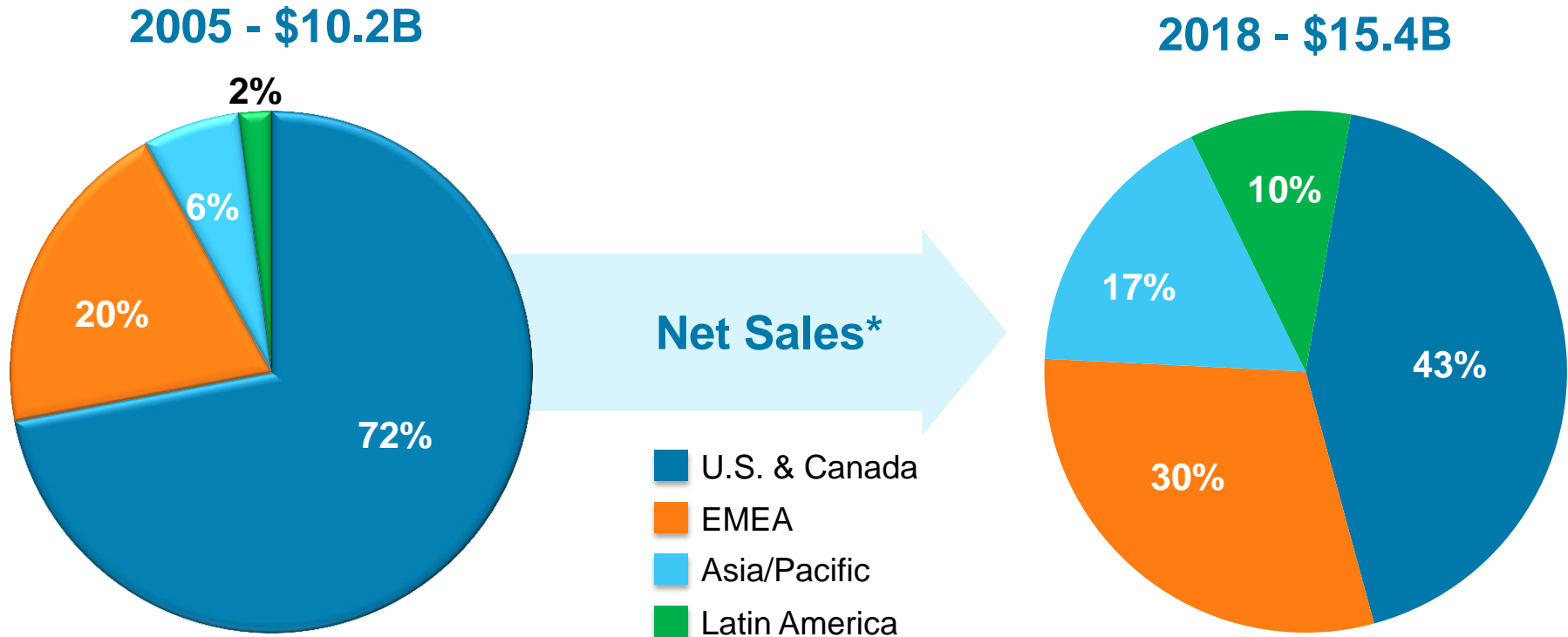


Founded in 1883



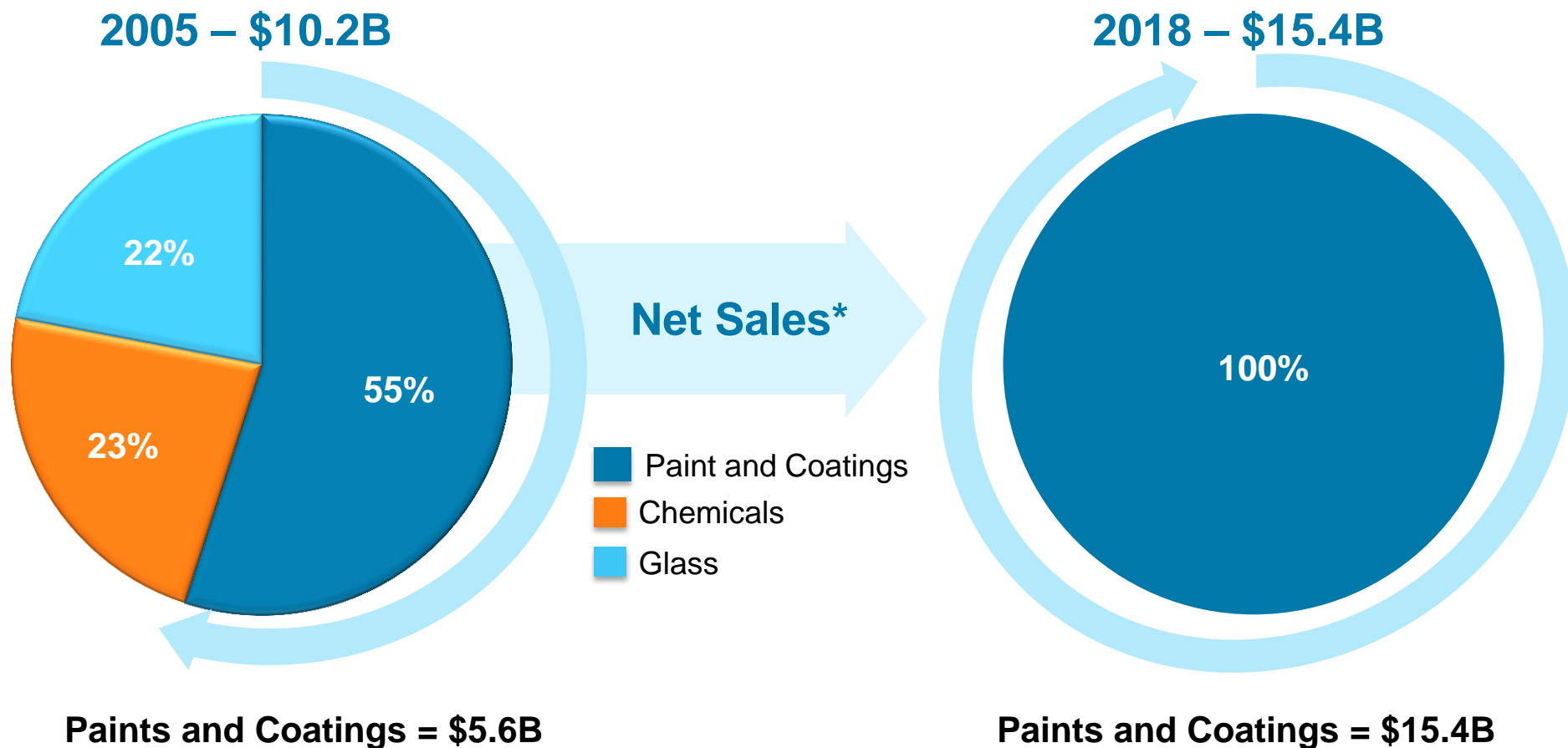
Fortune 500: Ranked 205

Our sales reflect global breadth



Global expansion delivers a more balanced paints and coatings portfolio

Our portfolio transformation



Two product segments drive our business



59%

Performance Coatings

- Aerospace
- Architectural Coatings – Americas & Asia Pacific
- Architectural Coatings – EMEA (Europe, Middle East, Africa)
- Automotive Refinish Coatings
- Protective & Marine Coatings



41%

Industrial Coatings

- Automotive OEM Coatings
- Industrial Coatings
- Packaging Coatings
- Specialty Coatings & Materials
- Coatings Services

How we have used the Scorecard

1

Completed
entire scorecard
evaluation

2

21 question
subset
completed by
senior leaders

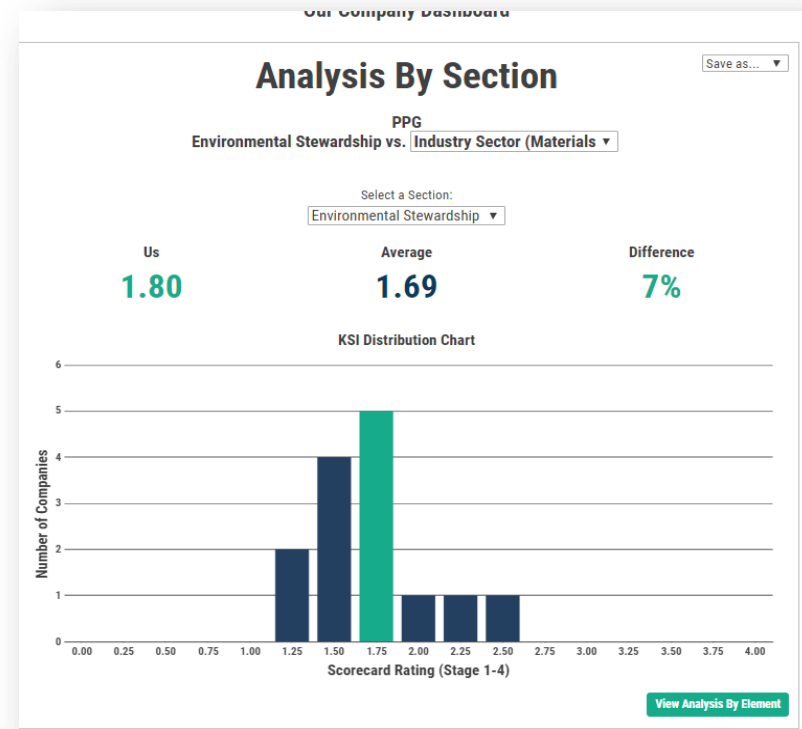
Using the Scorecard

Challenges:

- Only one rater
- Ability to assign sections to specific users

Strengths:

- Using the charts for communication
- Comparison against peers and all
- KSIs
- Maturity Model
- Best practices
- Excel version
 - Allows multiple raters
 - Customized set of questions



| Legend | Stage 1 "Engaging" | Stage 2 "Accelerating" | Stage 3 "Leading" | Stage 4 "Transforming" |
|--|-----------------------|---------------------------|----------------------|---------------------------|
| ● My Company ▲ Average (All Companies) | | | | |
| Governance and Leadership | 1 | 2 | 3 | 4 |
| Values, Mission, Vision | | ● | ▲ | |
| CEO Leadership | | ● | | |
| Board of Directors Leadership | | ▲ | | |
| Goals and Metrics | | ● | | |
| Culture and Organization | | ● | | |
| Stakeholder Engagement | | ● | ▲ | |
| Disclosure, Reporting, Transparency | | ● | ▲ | |
| Strategy and Execution | 1 | 2 | 3 | 4 |
| Strategic Planning | | ● | ▲ | |
| Innovation, Research & Development | | ▲ | ● | |
| Customers and Markets | | ● | | |
| Products, Services and Solutions | | ● | | |
| Environmental Stewardship | 1 | 2 | 3 | 4 |
| Environmental Footprint: Operations | | ▲ | ● | |
| Supply Chain - Environmental Impacts | | ● | | |

Senior Leader Survey

- Summer 2019 Intern Project
- Develop “short” executive version of the survey
 - Full survey too time intensive
 - Many of the questions were factual – didn’t need opinions
 - Terminology required knowledge of sustainability lingo
- Used unlocked version of the survey to hide rows
- ~160 rows down to 21
- Selected questions relevant to senior leaders related to their perception of sustainability at PPG
- Used web survey tool
- Survey sent in October, 2019

Questions used - examples

Board ESG Review of
Key Business
Decisions*(KBDs)

CEO Messages to
Employees re
Sustainability

Key Business
Decisions tied to
Environmental, Social,
and Governance
Risks & Opportunities

CEO / C-Suite
Meetings with
Customers re
Sustainability

Approach to
Stakeholder
Engagement

Outreach Posture,
Tools and Techniques

Corporate Marketing &
Advertising Approach
re Sustainability

Sustainability
Innovation Process

Workplace
Environment

On-line survey

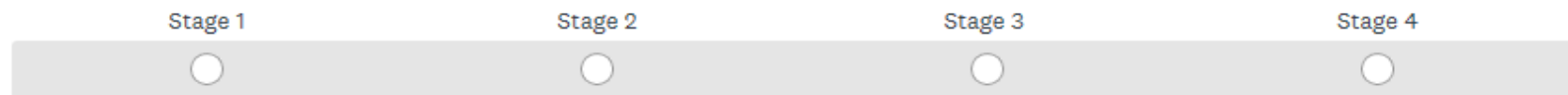
* 3. 1.6 Key Business Decisions tied to Environmental, Social, and Governance Risks & Opportunities

Stage 1: Environmental, Social, and Governance values and policy have been created but are not used.

Stage 2: Environmental, Social, and Governance elements (in core values or policy statement) are openly discussed and they are mainly utilized in crisis.

Stage 3: Environmental, Social, and Governance elements (in core values or policy statement) drive key business decisions.

Stage 4: Environmental, Social, and Governance policies go beyond driving key business decisions and have become the core to these decisions.



Survey Results – early analysis

Areas for improvement match peers:

- Supplier footprint
- Public policy

PPG Strengths relative to peers:

- Corporate Marketing's approach to Sustainability
- Sustainability in our products and services

Top 5 Sustainability Aspects identified in survey:

1. Customers and Markets
2. Products, Services and Solutions
3. Culture and Organization
4. Innovation, Research & Development
5. Goals and Metrics

Future use of scorecard

- Present survey results
 - Global Leadership Meeting
 - Sustainability Committee
- Identify best practices to address gaps
- Assess against DJSI, SASB and TCFD
- Annual sustainability report content
- Annual benchmarking



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Workshop – Groups of Three

1. Suggestions for 2020 Webinars

- a) Monthly
- b) Time: 11am EST
- c) Day: Tuesday → Thursday or Friday
- d) Format:
 - 10 minute Updates from Gib
 - 5 minute Check-in
 - 20 minute Company Presentation and discussion
 - 20 minute Workshop

2. Key Issue: Toggle between Scorecard and ESG Ratings

- a) **Rainbow Chart** – menu with Ratings to overlay (e.g., red borders)
- b) **KSI bar charts**

2019 Webinar Game Plan

Q1-2019

January 15
February 5
March 5

Q2-2019

April 9
May 7
June 4

Q3-2019

July 23
August 27
September 17

Q4-2019

October 15
November 12

| Updates | <ul style="list-style-type: none"> • New Analytics • Comparison to ESG Ratings • New Excel sheet | <ul style="list-style-type: none"> • Downloadable graphics | <ul style="list-style-type: none"> • Simplify structure: <ol style="list-style-type: none"> 1. Rate 2. Analyze 3. Prioritize 4. Act • Custom Excel sheet | <ul style="list-style-type: none"> • Renewal for 2020 • New Join Options • Broaden Membership |
|----------|---|--|--|---|
| Analysis | <ul style="list-style-type: none"> • PG&E Case Study <ul style="list-style-type: none"> ➢ Limits of ESG Ratings ➢ Focus on the “G” in ESG • The “G” in ESG | <ul style="list-style-type: none"> • Member sharing: <ul style="list-style-type: none"> ➢ Medtronic ➢ Marriott ➢ Kohler • ‘Pitch Decks’ | <ul style="list-style-type: none"> • Member Sharing: <ul style="list-style-type: none"> ➢ Kaiser Permanente ➢ DTE Energy ➢ Ingersoll Rand • ‘Pitch Decks’ | <ul style="list-style-type: none"> • Member Sharing: <ul style="list-style-type: none"> ➢ Workshop ➢ PPG • ‘Pitch Decks’ • Best Practices |
| Workshop | <ul style="list-style-type: none"> • Breakout groups • Comparison to External Ratings | <ul style="list-style-type: none"> • Engaging peers to do/update ratings • Creating ‘Pitch Deck’ | <ul style="list-style-type: none"> • Annual Planning <ul style="list-style-type: none"> – Priority KSIs – Action Planning • 2020 Look-Ahead | <ul style="list-style-type: none"> • Breakout groups • Annual Planning <ul style="list-style-type: none"> – Priority KSIs – Action Planning |

What if you could see this?




POSSIBLE NEW Combo Page...
Your Thoughts?

| Strategic Planning | Innovation, Research & Development | Customers and Markets | Products, Services & Solutions |
|----------------------------|------------------------------------|------------------------------------|--------------------------------|
| Positioning & Strategy | Linkage between "S" & Innovation | Posture with Customers re "S" | PSS Model |
| Strategy re Cost Reduction | Materials and Labor Inputs | Identifying Customers' Issues | Societal Value of PSS |
| Strategy re Risk Reduction | "S" Innovation via Technology | Customer "S" Partnerships | "S" in Product Development |
| Strategy re "S" Revenue | "S" Innovation Process | Communications with Customers | "S" in Product Design |
| Strategy re Brand | "S" Innovation Tools | "S" Features in Existing Markets | "Product "S" Rating |
| Issues Analysis / ERM | "S" R&D Partnerships | "S" Features in Developing Markets | Product Quality & Safety |
| Use of Scenario Planning | R&D Investments in "S" Products | "S" in Product Line Extension | Product "S" Audits |
| "S" Impact on CapEx | "S" Investment Criteria | New "S" Product Families | PSS Marketing & Advertising |

Compare To:

[Drop-down Menu]

- TCFD
- DJSI
- CDP
- ISS
- MSCI
- SASB
- **Sustainalytics**

-  = Major Overlap
-  = Partial Overlap
-  = Little/No Overlap



"Highly Relevant"

11/14/2019

Rated 0.5, or 1.0

Rated 1.5 or 2.0

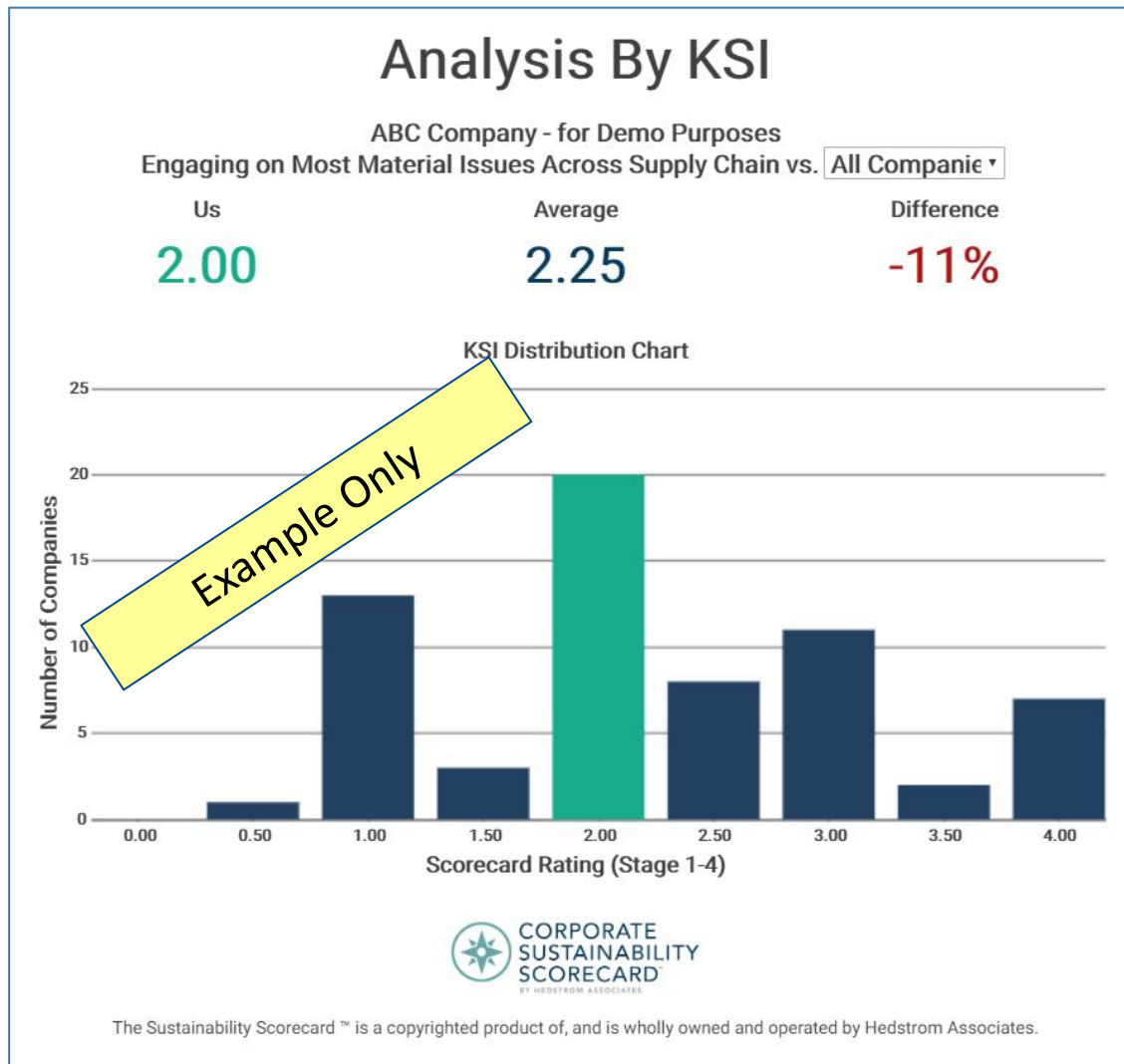
Rated 2.5 or 3.0

Rated 3.5 or 4.0

What if we also add something like this for each KSI bar chart?

Priority KSIs (Highly Relevant and we Scored < Stage 2.5,

#2: Engaging on Most Material Issues Across Supply Chain



| ESG Rating | Degree of Overlap |
|----------------|-------------------|
| TCFD | ○ |
| DJSI | ● |
| CDP | ● |
| ISS | ◐ |
| MSCI | ◐ |
| SASB | ● |
| Sustainalytics | ● |

Legend

- = Major Overlap
- ◐ = Partial Overlap
- = Little or No Overlap

Agenda

- **Recap (10 minutes)**
 - Quick Look Back – Final 2019 Webinar
 - Update re Q4-19 and 2020 Joining / Renewal
 - Annual Review and Update of KSIs
- **Member Update & Discussion (25-30 minutes)**
 - Pulse Check
 - Mike Corcoran and Mark Cancilla – PPG
 - Discussion
- **Workshop – *Look Ahead to 2020* (15 Minutes)**
 - Small break-out groups
 - Full group discussion
- **What's Next (5 minutes)**
 - 2020 Webinar Plan
 - Actions for You

Actions for All

1. 2019 Update (if not already completed)
 - Updated Excel sheets (hide rows; sort by team)
 - Target date
2. (Re)Join
 - Q4-2019: Renewal time for many subscribers
 - Advantage to annual Q4 renewal schedule
3. Review KSI Changes
 - Download from Welcome page
 - Need comments by 12/31/19

2020 Webinars: Possible Dates

All begin at 11:00am EST

| | Options Being Considered | |
|------------------|--------------------------|---------------------|
| January | Thursday, January 17 | Friday January 17 |
| February | Thursday February 6 | Friday February 7 |
| March | Thursday March 12 | Friday March 13 |
| April | Thursday April 16 | Friday April 17 |
| May | Thursday May 14 | Friday May 15 |
| June | Thursday June 18 | Friday June 19 |
| July | Thursday July 23 | Friday July 24 |
| August | Thursday August 27 | - - - - - |
| September | Thursday September 10 | Friday September 11 |
| October | Thursday October 15 | Friday October 16 |
| November | Thursday November 19 | Friday November 20 |

Outreach Activities

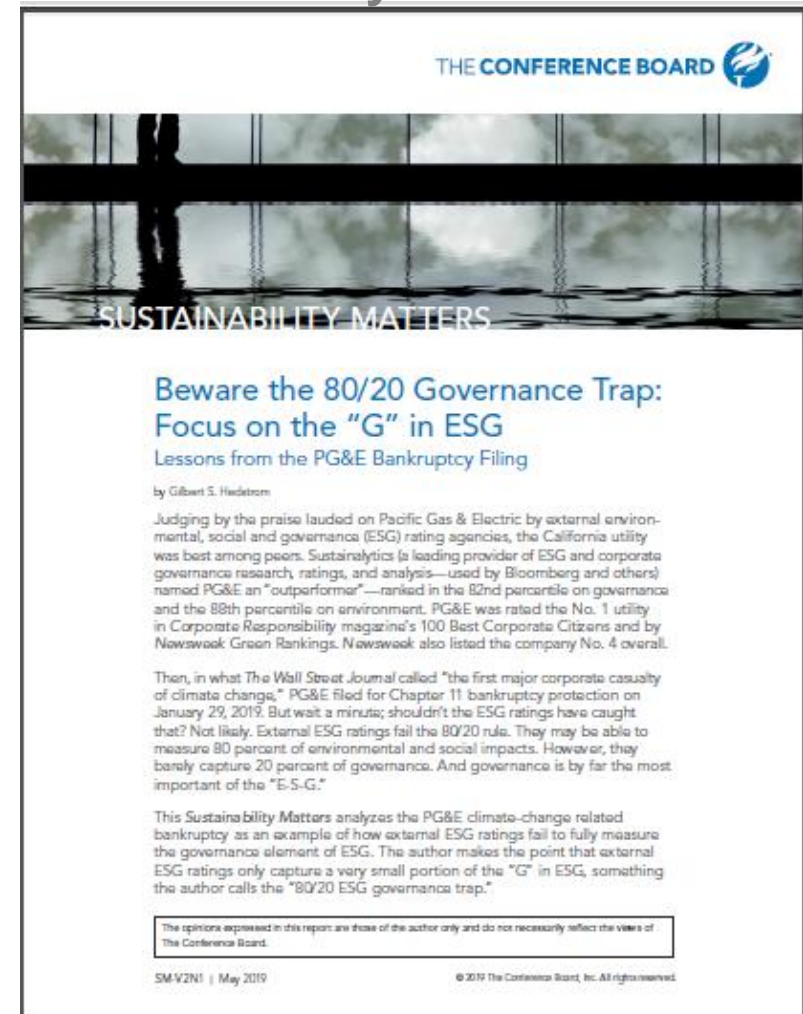
May 2019

The Aspen Institute Business & Society Program:

- December 3-4, 2019 in NYC
- Mainstream investors & corporate leaders

The Conference Board:

- TCB Global Sustainability Centre
- TCB Sustainability research experts



On behalf of our
Corporate Sustainability Scorecard team:

Thank You!

Please take 3 minutes and send Gib an
email with any comments or suggestions.

Gib Hedstrom

Ben Roberts (Webinar Mechanics and Facilitation)

Scott Sousa (Website Design)

Larry Krupp (Excel and Special Reports)