



ESG Navigator™

ENVIRONMENT • SOCIAL • GOVERNANCE

Example C-Suite Presentation

How do we stack up on ESG?

August 2021

Purpose of this CEO Pitch Deck



If you are new to ESG Navigator

- Imagine your boss (and/or C-Suite member) asks for an update on your company's ESG performance
- Imagine you have a deck like this...
 - On your company PPT templates
 - With your company (vs. ABC Co.) data
- Your team can create this in a half-day...
 - Log-in and create your company self-assessment on ESG Navigator
 - Download any of the graphics you like and create a report like this



If you have data in ESG Navigator

- Imagine your boss (and/or C-Suite member) asks for an update on ESG
- Imagine you have a deck like this...
 - On your company PPT templates
 - With your company (vs. ABC Co.) data
- Your team can create this in a few hours...
 - Decide which slides you like/want
 - Log-in to ESG Navigator
 - Download any of the graphics you like and create your report



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- DRILL-DOWN: 12 IMPROVEMENT PRIORITIES

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Is our company future-ready?

Welcome to ESG Navigator

“It’s a simple tool using clear language to help you understand what fair, good, better, and best look like – and what’s expected of you as you progress.”

Scott Tew, VP Sustainability – Trane Technologies

About ESG Navigator

ESG Navigator empowers sustainability professionals and their companies to address the world's most pressing challenges – through **ESG benchmarking analytics** and a **strategic roadmap**, supported by a **peer network & knowledge hub** to stay abreast of the rapidly-changing landscape.

ESG Navigator is a well-established, easy-to-use, online ESG benchmarking platform – aimed at the C-Suite and shaped by 80+ companies over 20+ years – that helps companies answer the question:

How do our ESG/sustainability efforts stack up?

– vs. peer companies?

– across 15 major ESG ratings?

ESG Navigator has been licensed by **The Conference Board** (TCB) and is being rolled out to TCB's 1,000+ member companies worldwide. ESG Navigator is becoming the global standard for ESG self-assessment and planning.

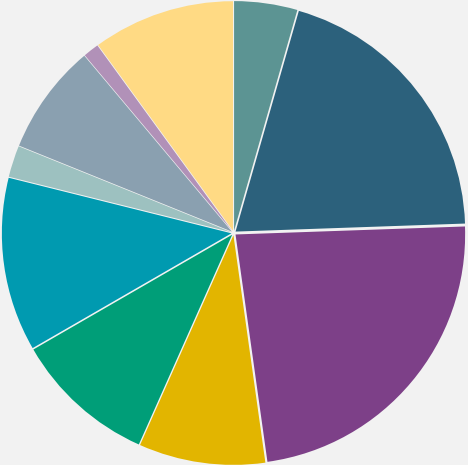
ESG Navigator is available to large companies globally (except for professional services firms), and can be accessed via <https://esgnavigator.com/> or via <https://www.conference-board.org/esg-navigator>. ESG Navigator is the wholly-owned property of Hedstrom Associates.

Additional information about **ESG Navigator** is available at: <https://esgnavigator.com/> or email Gib Hedstrom: gib@hedstromassociates.com.



Broad Industry Participation *[Data from 90 major companies]*

Industry Sector



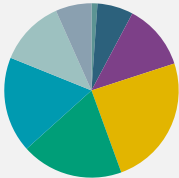
- Energy (4)
- Materials (18)
- Industrials (21)
- Consumer Discretionary (8)
- Consumer Staples (9)
- Health Care (11)
- Financials (2)
- Info Tech (7)
- Telecomm. Services (1)
- Utilities (9)

Revenue



- Less than \$1 Billion (2)
- \$1-10 Billion (28)
- \$10-20 Billion (29)
- \$20-50 Billion (18)
- Greater than \$50 Billion (13)

Headcount



- Less than 1,000 (1)
- 1,000 to 4,999 (6)
- 5,000 to 9,999 (11)
- 10,000 to 24,999 (22)
- 25,000 to 49,999 (17)
- 50,000 to 99,999 (16)
- 100,000 to 199,999 (11)
- 200,000 or more (6)

Participating Companies [Selected]



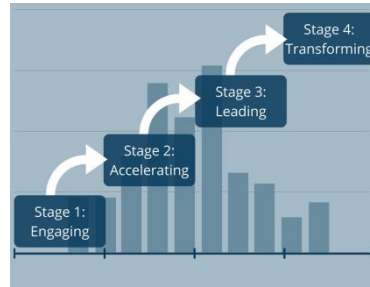


Knowing Our Position

BENCHMARK vs. INDUSTRY PEERS

Knowing Our Position

Benchmark vs. Industry Peers



Benchmark vs. ESG Ratings

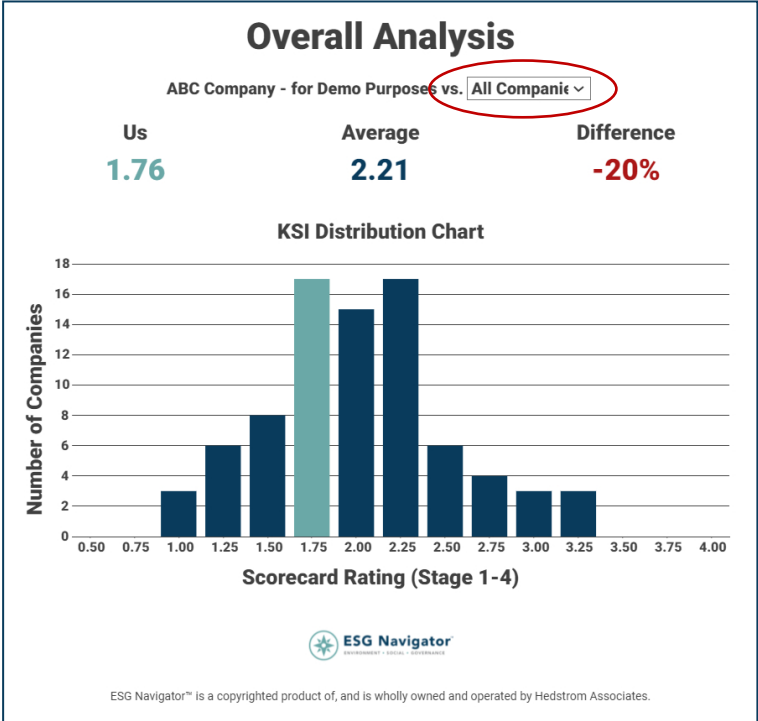


Confidential ESG Benchmarking

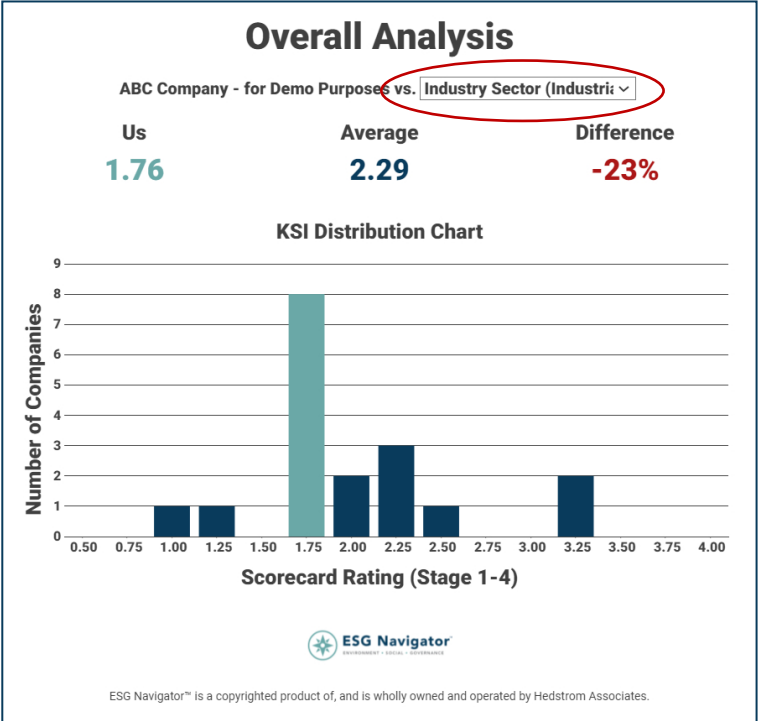
- Helps us align internally on our ESG strategy
- Easy to use; fast; powerful graphics

Knowing Our Position | High-Level Summary

Our Company vs. All Companies



Our Company vs. Our Industry Sector



Knowing Our Position | High-Level Summary

Our Company vs. All Companies

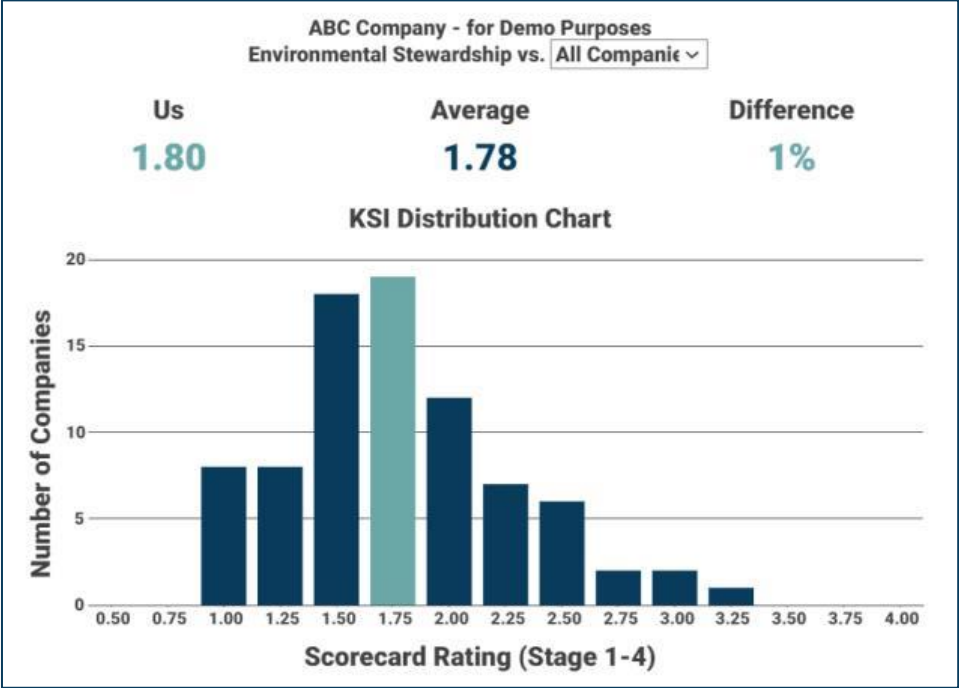


Our Company vs. Our Industry Sector

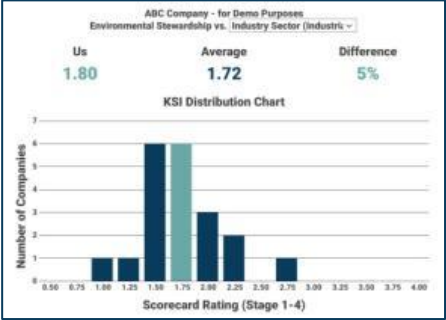


Knowing Our Position | Environmental Stewardship

Compared to: All companies currently in ESG Navigator database



Compared to:
Our industry
sector peers

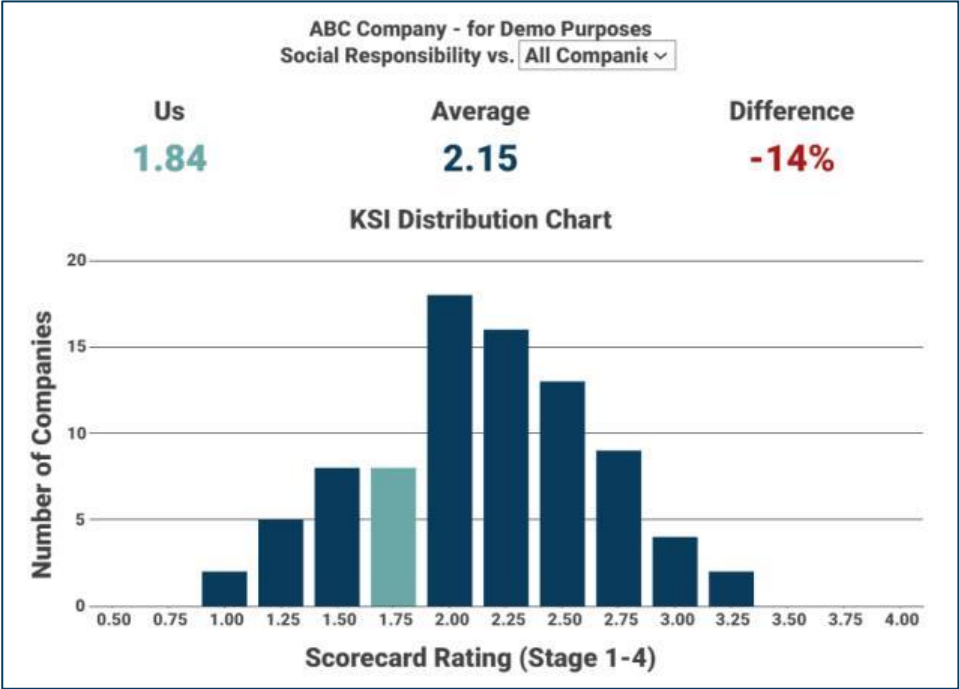


Compared to:
Our industry sub-
sector peers

A similar bar chart is available as part of the “Advanced Options”

Knowing Our Position | Social Responsibility

Compared to: All companies currently in ESG Navigator database



Compared to:
Our industry
sector peers

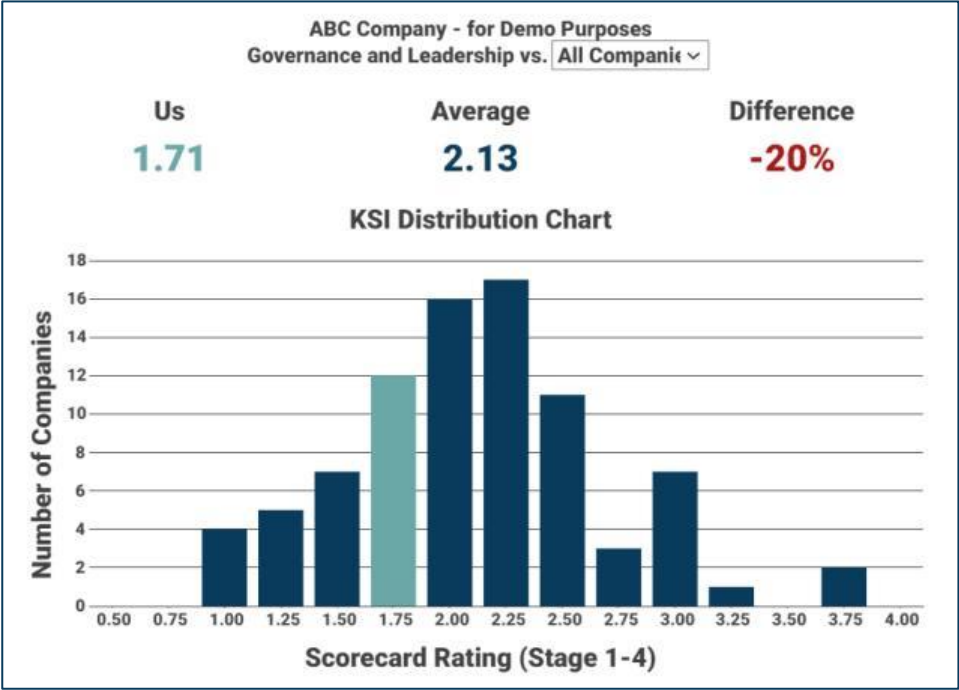


Compared to:
Our industry sub-
sector peers

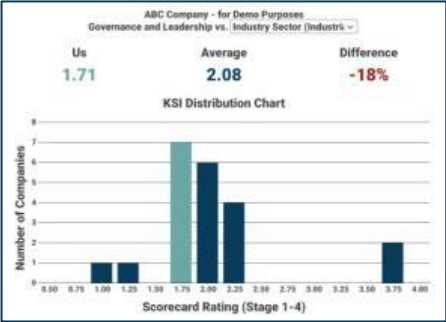
A similar bar chart is available as part of the “Advanced Options”

Knowing Our Position | Governance & Leadership

Compared to: All companies currently in ESG Navigator database



Compared to:
 Our industry
 sector peers

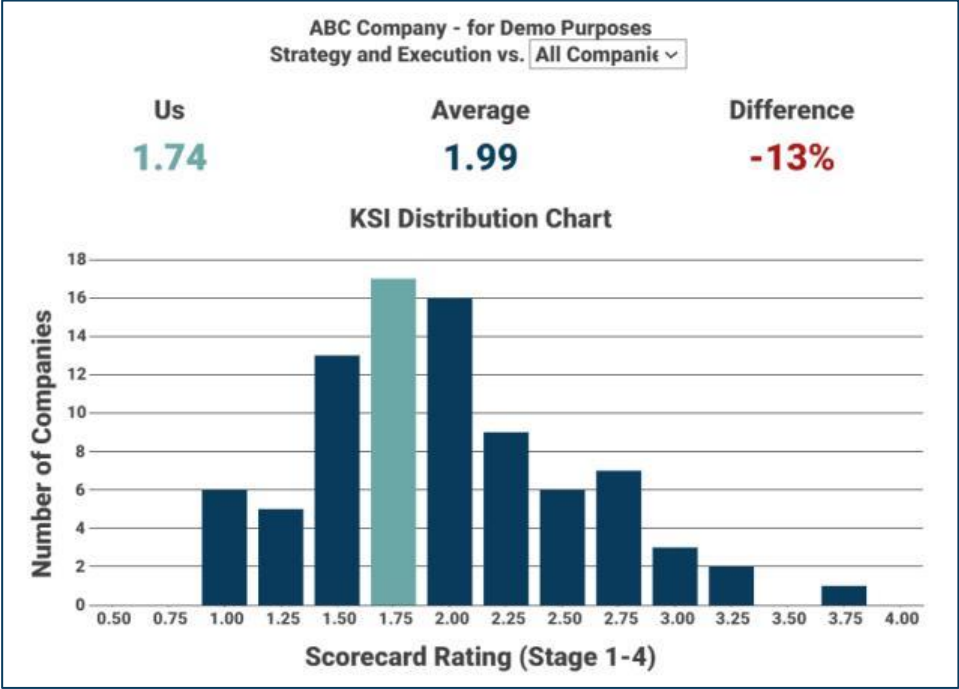


Compared to:
 Our industry sub-
 sector peers

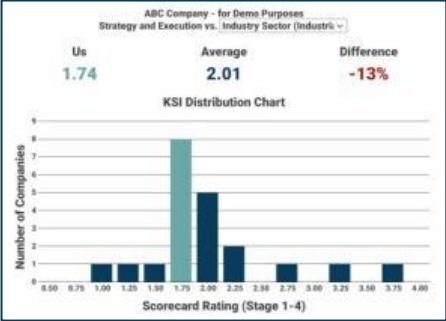
A similar bar chart is available as part of the "Advanced Options"

Knowing Our Position | Strategy & Execution

Compared to: All companies currently in ESG Navigator database



Compared to:
Our industry
sector peers



Compared to:
Our industry sub-
sector peers

A similar bar chart is available as part of the “Advanced Options”



Knowing Our Position

BENCHMARK vs. ESG RATINGS

What's our position?

ESG Navigator is mapped to 14 major ESG frameworks and ratings:



London
Stock Exchange



SUSTAINALYTICS

a Morningstar company



Knowing Our Position | ESG Ratings Gaps

KSI	Section	KSI Name	BB	CDP	G100	EcoV	FTSE	GRI	ISS	JUST	MSCI	Refin	SASB	S&P	Susty	TCFD	VE	ERC
1.1	Gov	Company Purpose	○	○	○	○	●	●	○	●	○	●	○	○	○	○	○	27
1.2	Gov	ESG/S in Vision, Mission, Values, and Policies	●	●	○	○	○	○	○	○	○	○	○	○	○	○	○	53
1.3	Gov	ESG/S Commitments (by Board and/or C-Suite)	●	●	●	○	○	○	○	○	○	○	○	○	○	○	○	51
1.4	Gov	Managing Long-Term Viability of Core Business(es)	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	40
1.5	Gov	Key Business Decisions: ESG/S Risks & Opportunities	●	●	○	○	○	○	○	○	○	○	○	○	○	○	○	56
2.1	Gov	Company's Approach to ESG/S – by CEO and C-Suite	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	31
2.2	Gov	CEO/C-Suite Messages to Investors Regarding ESG/S	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	20
2.3	Gov	CEO/C-Suite Interaction with Customers Regarding ESG/S	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	7
2.4	Gov	CEO/C-Suite Messages to Employees Regarding ESG/S	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	13
2.5	Gov	CEO's and C-Suite's Sources of ESG/S Learning	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	18
2.6	Gov	Cross-functional ESG/S Leadership Group(s)	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	20
3.1	Gov	Board Oversight of ESG/S	●	●	○	○	○	○	○	○	○	○	○	○	○	○	○	69
3.2	Gov	Board Roles, Committees and Charters	●	●	○	○	○	○	○	○	○	○	○	○	○	○	○	64
3.3	Gov	Board Independence and Expertise in ESG/S	●	○	○	○	○	○	○	○	○	○	○	○	○	○	○	56

ERC = ESG Ratings Coverage

ERC number represents % of ratings that address the KSI topic

ESG ratings fail the 80/20 rule: they only address ~20% of governance and strategy topics related to ESG.

Knowing Our Position | ESG Ratings Heat Maps

Section	E#	Element Name	Avg. Score	KSIs	BB	CDP	G100	EcoV	FTSE	GRI	ISS	JUST	MSCI	Refin	SASB	S&P	Susty	TCFD	VE	ERC
Gov	1	Company Purpose and Values	1.70	5	Yellow	Yellow	Green	Green	Yellow	Yellow	Green	Yellow	Green	Yellow	Green	Yellow	Green	Yellow	Yellow	45
Gov	2	CEO and C-Suite Leadership	1.83	6	Green	Green	Green	Green	Yellow	Green	Green	Green	Green	Green	Green	Green	Green	Yellow	Yellow	18
Gov	3	Board of Directors Leadership	1.00	7	Red	Green	Yellow	Green	Red	Red	Green	Red	Yellow	Red	Green	Red	Red		Red	50
Gov	4	Goals and Metrics	2.57	7	Yellow	Yellow	Green	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Green	Yellow	Yellow	Green	Yellow	67
Gov	5	Culture and Organization	1.40	5	Green	Yellow	Green	Green	Yellow	Green	Green	Green	Green	Green	Green	Green	Yellow	Yellow	Yellow	38
Gov	6	Stakeholder Engagement	2.17	6	Green	Green	Green	Green	Yellow	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	48
Gov	7	Disclosure and Reporting	1.25	6	Green	Green	Green	Green	Yellow	Yellow	Green	Yellow	Green	Yellow	Green	Yellow	Green	Yellow	Yellow	75
Str	8	Strategic Planning	1.29	7	Yellow	Yellow	Green	Green	Yellow	Green	Green	Yellow	Yellow	Yellow	Green	Green	Green	Yellow	Yellow	68
Str	9	Innovation, R&D	1.67	6	Yellow	Yellow	Yellow	Yellow	Yellow	Green	Green	Yellow	Yellow	Yellow	Green	Green	Green	Yellow	Yellow	67
Str	10	Customers and Markets	1.71	7	Green	Green	Green	Green	Yellow	Green	Green	Yellow	Green	Yellow	Green	Green	Yellow	Yellow	Yellow	38
Str	11	Products, Services and Solutions	2.29	7	Yellow	Green	Green	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Green	Yellow	Green	Green	Yellow	66
Env	12	Environment: Operations	2.56	8	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	92
Env	13	Environment: Supply Chain	1.00	7	Red	Red	Red	Yellow	Red	Red	Red	Red	Yellow	Yellow	Green	Red	Yellow	Green	Red	88
Env	14	Environment: Products	1.75	8	Yellow	Green	Green	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Green	Yellow	Green	Yellow	Yellow	54
Soc	15	Social: Workplace	2.57	7	Green	Green	Yellow	Yellow	Yellow	Green	Green	Green	Green	Green	Green	Green	Yellow	Green	Yellow	63
Soc	16	Social: Supply Chain	1.13	8	Red	Green	Yellow	Red	Red	Yellow	Green	Red	Red	Green	Yellow	Yellow	Red	Green	Red	70
Soc	17	Social: Community	1.93	7	Yellow	Green	Green	Green	Yellow	Green	Yellow	Yellow	Yellow	Yellow	Green	Green	Green	Green	Yellow	49

ESG Ratings Heat Maps

- “Stoplight” approach
- Multiple levels of detail:
 - By KSI (114)
 - By Element (17) [shown here]
 - By Section (4)

Avg. Score = Our Company’s ESG Navigator Self-Assessment Score



Charting Our Course

IDENTIFY IMPROVEMENT PRIORITIES

Where do we focus on improving – *to drive value creation?*

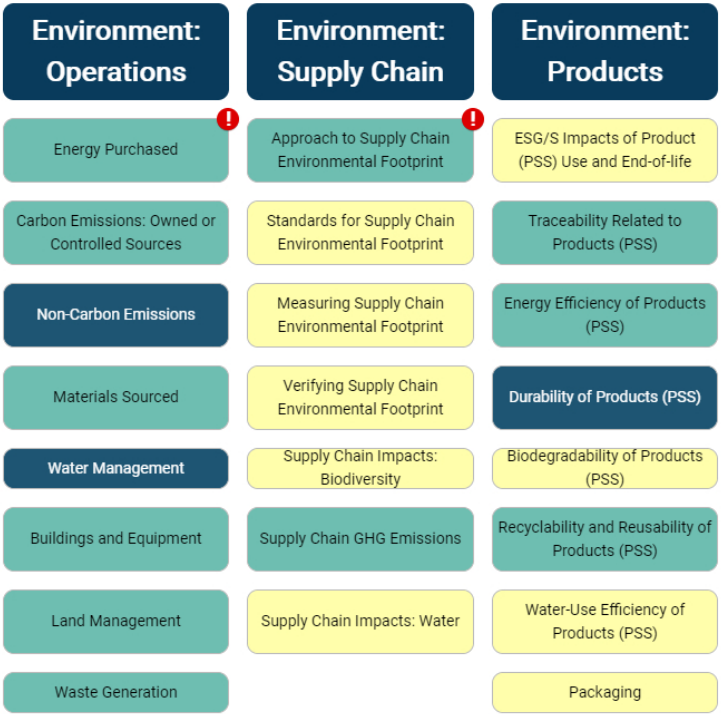
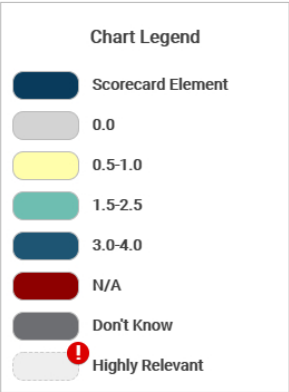
ESG Navigator – 114 Key Sustainability Indicators (KSIs)

We selected “top 12” as “Highly Relevant” to our company based on:

- Environment and Social: Key material and top priority issues
- Governance: Critical to how we run the company & integrate ESG/S into our business
- Strategy: Especially important to how we drive growth

Improvement Priorities | Environmental Stewardship

ABC Company - for Demo Purposes for Environmental Stewardship



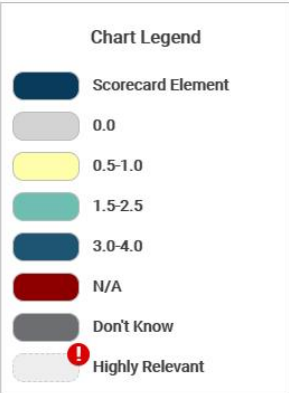
“Drill down” bar charts for each KSI (each colored box on the Rainbow Chart) are included as part of the “Advanced Options.”

Multiple versions of the KSI bar charts are available:

- comparing your company to all companies, industry sector and sub-sector
- showing ESG ratings coverage, best practices, and rating criteria.

Improvement Priorities | Social Responsibility

ABC Company - for Demo Purposes for Social Responsibility



“Drill down” bar charts for each KSI (each colored box on the Rainbow Chart) are included as part of the “Advanced Options.”

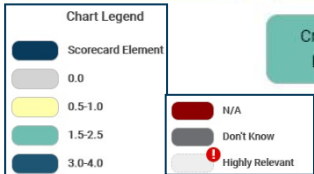
Multiple versions of the KSI bar charts are available:

- comparing your company to all companies, industry sector and sub-sector
- showing ESG ratings coverage, best practices, and rating criteria.

Improvement Priorities | Governance & Leadership

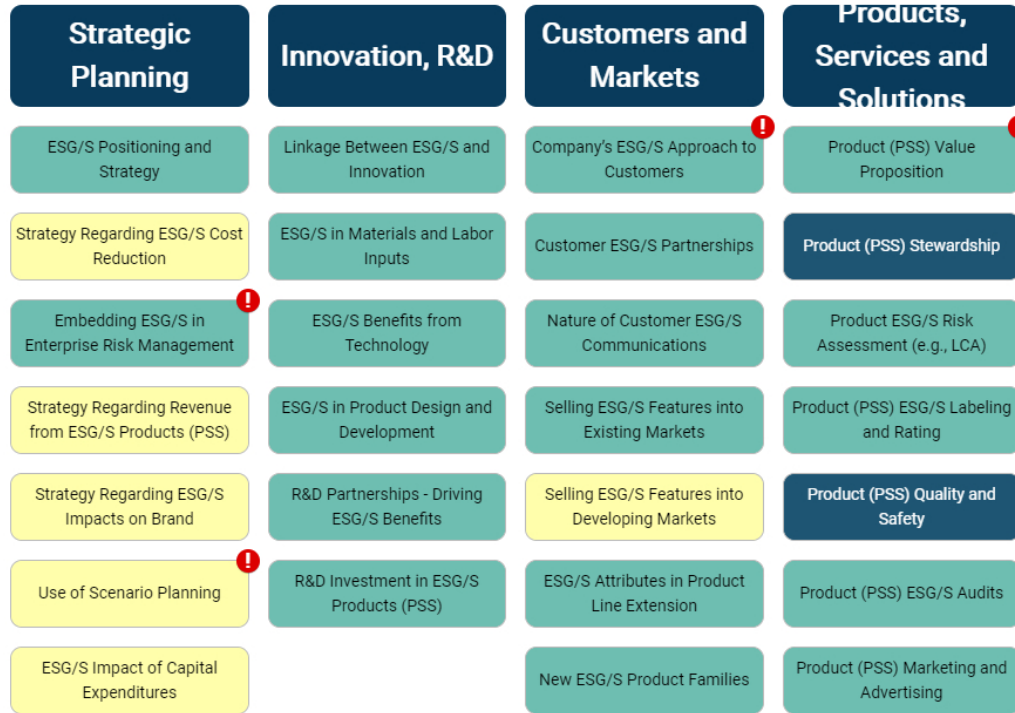
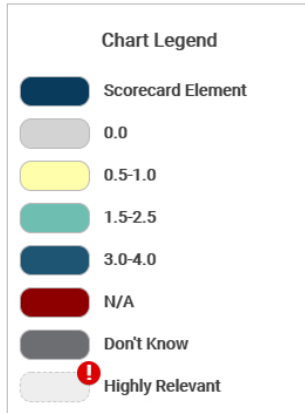
ABC Company - for Demo Purposes for Governance and Leadership

NOTE: We will improve the Rainbow Chart graphics.



Improvement Priorities | Strategy and Execution

ABC Company - for Demo Purposes for Strategy and Execution





Navigating Changes Ahead

Navigating Changes Ahead | Resources

Knowledge Hub (“Wiki”)

- Investors
 - ABCs of ESG Frameworks and Ratings
 - “Who Bought Who”
 - “What Feeds What”
- ESG Ratings Survey Data – 2021
 - Survey of 50+ global companies on ESG Ratings
 - Results on the *benefits, importance, and ROI* of each
- + More

Signposts & Best Practices Library

- Over 750+ best practice examples on ESG Navigator – each aligned to (and an example of) the 114 KSIs
 - Free online as a company creates its initial data entry – and for ongoing updates.
 - Downloadable Excel file (sortable) for Advanced Option subscribers
- Signposts: example ‘high-impact’ current news stories

Peer Network

- Monthly Webinars
 - Open to anyone who is a Registered User of ESG Navigator
 - Frequent company presentations followed by Q&A
 - Breakout groups, each with facilitator
 - Forum for asking peers relevant ESG questions

ESG Navigator Membership Options

BENCHMARKING

To Who?

Vs. What?

+ ESG RATINGS

+ EXTRAS

<p>FREE</p>	<ul style="list-style-type: none"> All Industry My Industry Sector <p>= 16 SUMMARY ANALYTICS</p>	<ul style="list-style-type: none"> Overall By Section (E+S+G+Strategy) 	<ul style="list-style-type: none"> View full ESG Ratings Maps for ABC Company (interactive bubble charts, heat maps, dashboard, etc.) View my company data for CDP; S+P only 	<ul style="list-style-type: none"> Monthly Webinars CEO Pitch Deck (Partial) Knowledge Hub (partial) – e.g., Investor Pages (ABC's etc.)
<p>STANDARD</p>	<p>All of the above – PLUS</p> <p>My Industry Sub-Sector</p> <ul style="list-style-type: none"> By Element By KSI By Prioritized KSI <p>= 456 DRILL DOWN ANALYTICS</p>	<p>All of the above – PLUS</p>	<p>All of the above – PLUS</p> <ul style="list-style-type: none"> Download full ESG Ratings Maps 24/7/365 for my company Rainbow Charts by Section (E+S+G+Strategy) – showing ESG ratings overlap 	<p>All of the above – PLUS</p> <ul style="list-style-type: none"> CEO Pitch Deck (Full) Knowledge Hub (full) Excel Toolkit Best Practices Excel Download
<p>PREMIUM</p>	<p>All of the above – PLUS</p> <ul style="list-style-type: none"> By Size (revenue) By Size (FTE/headcount) By Headquarters Location Public vs. Private [Under development] <ul style="list-style-type: none"> By prioritized KSI vs. <ul style="list-style-type: none"> 15 ESG Ratings KSI criteria Best Practices <p>= 1,000+ DRILL DOWN ANALYTICS</p>	<p>All of the above – PLUS</p>	<p>All of the above – PLUS</p> <ul style="list-style-type: none"> 114 KSI bar charts showing overlap of 15 ESG ratings KEY BENEFIT: Opportunity during the year to have immediate and early access to all new ESG Navigator features, tools, website enhancements under development 	<p>All of the above – PLUS</p> <ul style="list-style-type: none"> Quarterly ESG Strategy Forum Signposts (current news) ESG Ratings Survey 2021 Results KEY BENEFIT: Opportunity during the year to have immediate and early access to all new ESG Navigator features, tools, website enhancements under development



ESG NavigatorTM

ENVIRONMENT • SOCIAL • GOVERNANCE

To Learn More

Please visit <https://esgnavigator.com/>

or email gib@hedstromassociates.com