



NAEM MEMBER APPRECIATION WEEK 25

VIRTUAL EVENT: JANUARY 29, 2025



Welcome to Member Appreciation Week

VIRTUAL EVENT
JAN. 27-31, 2025



NAEM MEMBER APPRECIATION WEEK 25



- Monday: Empowering Members, Driving Change
- Tuesday: NAEM Annual Member Meeting
- Wednesday: Webinar
Preparing for Climate-Related Disclosures
- Thursday: Discount Day
- Friday: Raffle Day!

Participating in events
and purchasing an item
enters you into the raffle



Your Community for Connections, Learning, Collaboration

NAEM: Harnessing the Power of Peers to make an Impact



Preparing for Climate-Related Disclosures


- Jami Patrick, Montrose Environmental Group
- Kelvin Sanborn, GE Healthcare
- Nickie Cashdollar, Arrow Electronics



Preparing for Climate- Related Disclosures

Jami Patrick
Vice President, Sustainability

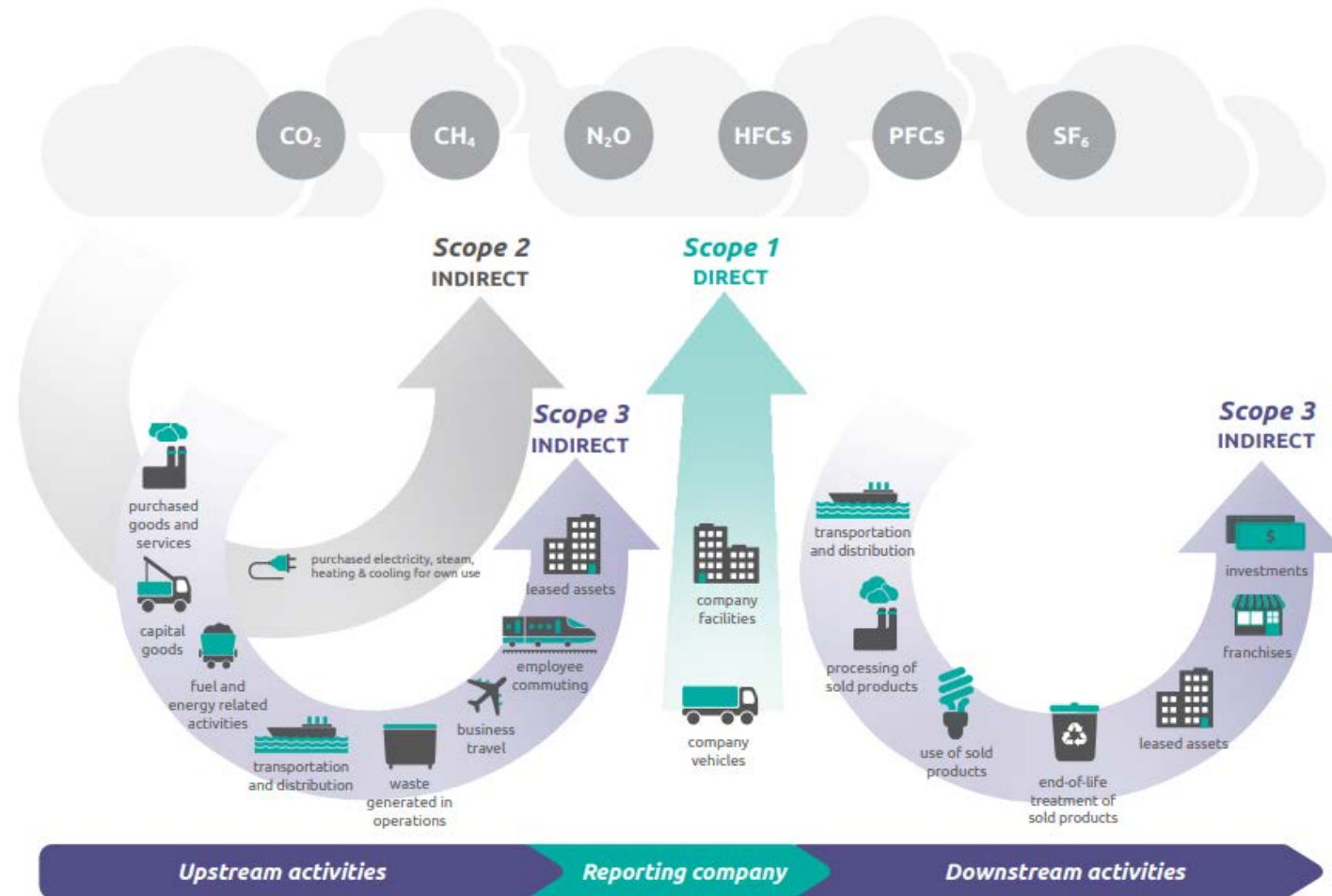




A Quick Lesson in Climate Impact and Climate Risk

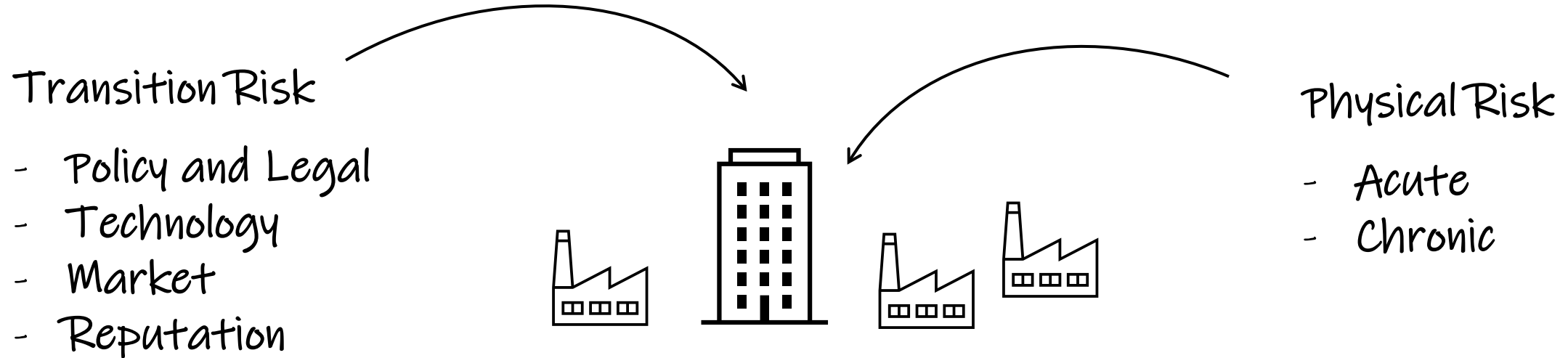
GHG Emissions and Impact on Climate

- Companies impact the environment through **direct and indirect activities**.
- Many activities result in **greenhouse gas (GHG) emissions**, which contribute to climate change.
- Companies can seek to better understand their impacts by undertaking a **GHG inventory**.
- The **GHG Protocol Accounting and Reporting Standards** are the globally recognized frameworks for GHG accounting.
- Post-inventory, companies can set **goals and targets for emissions reductions** and develop/implement actions to achieve them.



Source: [WRI/WBCSD Corporate Value Chain \(Scope 3\) Accounting and Reporting Standard \(PDF\)](#)

Climate Risk and Impact on an Organization



Task Force on Climate-related Financial Disclosures (TCFD) Recommendations:

Risk Management	Strategy	Governance	Metrics and Targets
Disclose how the organization identifies, assesses, and manages climate-related risks.	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning.	Disclose the organization's governance around climate-related risks and opportunities.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.

A Quick Word on TCFD

- The Taskforce has **disbanded**
- The IFRS Foundation **took over** monitoring progress of companies' disclosures
- The ISSB established the **IFRS S2: Climate-related Disclosures Standard**, fully incorporating the TCFD recommendations
- The TCFD recommendations **remain valid**
- TCFD still **commonly used** to guide public reporting on climate risk and its impacts



IFRS S2
encompasses TCFD
recommendations



The Regulatory Landscape*

* For now

U.S. SEC Climate Rule

Applies to:

Companies publicly traded in the US

Required actions/disclosures:

- **Climate-related risks** that are reasonably likely to have a material impact on the business
- The actual and potential **material impacts** of those risks
- Information about the **risk assessment process**, risk mitigation/adaptation measures, climate-related targets, *if any*
- **Scope 1 and 2 GHG emissions***

Timing:

- Starts with FY25 reporting and phases in based on filing status
- For example, a Large Accelerated Filer would have to report:
 - **FY25:** Climate-related financial disclosures in footnotes to financial statements
 - **FY25:** Climate-related risk disclosures in annual report
 - **FY26:** Scope 1 and 2 GHG emissions + material expenditures and impacts from mitigation/adaptation and target actions

Status:

Stayed; pending before the 8th Circuit Court of Appeals, but we anticipate this will NOT move forward under the current administration

* Not required for NAFs, SRCs, or ECGs

California Climate Bills

Applies to:

Companies doing business in California with annual revenue > \$500 million / \$1 billion

Required actions/disclosures:

- **Biennial (if >\$500M):** Climate financial risk report, detailing:
 - Climate-related financial risk, in accordance with TCFD/IFRS S2
 - Measures adopted to reduce and adapt to climate-related financial risk
- **Annual (if >\$1B):** Scope 1 and 2 GHG emissions
- **Annual (if >\$1B):** Scope 3 emissions

Timing:

- CARB to issue implementing regulations by July 1, 2025
- Original compliance deadlines still apply:
 - **January 1, 2026:** complete climate risk assessment and publish climate financial risk report on website
 - **2026:** Scope 1 and 2 GHG emissions, with limited assurance
 - **2027:** Scope 3 GHG emissions
 - **2030:** Scope 1 and 2 reasonable assurance (+ possible limited assurance on Scope 3)

Status:

SB 219 (which amends SB 253/SB 261)
signed into law

California Climate Bills

Timing	Requirement
July 1, 2025	<ul style="list-style-type: none"> CARB to promulgate implementing regulations
January 1, 2026	<ul style="list-style-type: none"> Post <i>Climate Financial Risk Report</i> on website, summarizing those financial risks and measures to address them
Some time in 2026	<ul style="list-style-type: none"> Report Scope 1 and 2 GHG emissions, with limited assurance on the data
Some time in 2027	<ul style="list-style-type: none"> Report Scope 1 and 2 GHG emissions, with limited assurance on the data Report Scope 3 emissions
January 1, 2028	<ul style="list-style-type: none"> Post updated <i>Climate Financial Risk Report</i> on website, summarizing those risks and measures to address them
Some time in 2028	<ul style="list-style-type: none"> Report Scope 1 and 2 GHG emissions, with limited assurance on the data Report Scope 3 emissions

CARB is soliciting feedback to inform their implementing regulations; feedback due February 14th. More information at this [link](#).

CARB has indicated they will not take enforcement action for incomplete reporting in 2026 as long as companies "make a good faith effort to retain all data relevant to emissions reporting for the entity's prior fiscal year."

- Requirements for companies DBIC with annual revenue >\$500 million (SB 261)
- Additional requirements for companies DBIC with annual revenue >\$1 billion (SB 253)

EU CSRD / ESRS E1

Applies to:

Phase 2: Large undertakings – i.e., listed or non-listed EU companies that meet two of the following:

- Annual turnover > €50 million
- Balance sheet > €25 million
- >250 employees

Phase 4: Non-EU headquartered companies that generated more than €150 million net revenue in each of the last two years AND have:

- An EU-based subsidiary that meets the definition of a large undertaking
- OR**
- An EU branch with more than €40 million net revenue

Required actions/disclosures:

- Conduct a double materiality assessment to determine material sustainability matters
- Report on material matters in accordance with the ESRS standards
 - ESRS E1: Climate Change
 - 9 disclosure requirements and ~220 data points
 - Covers climate change adaptation, mitigation, and energy

Timing:

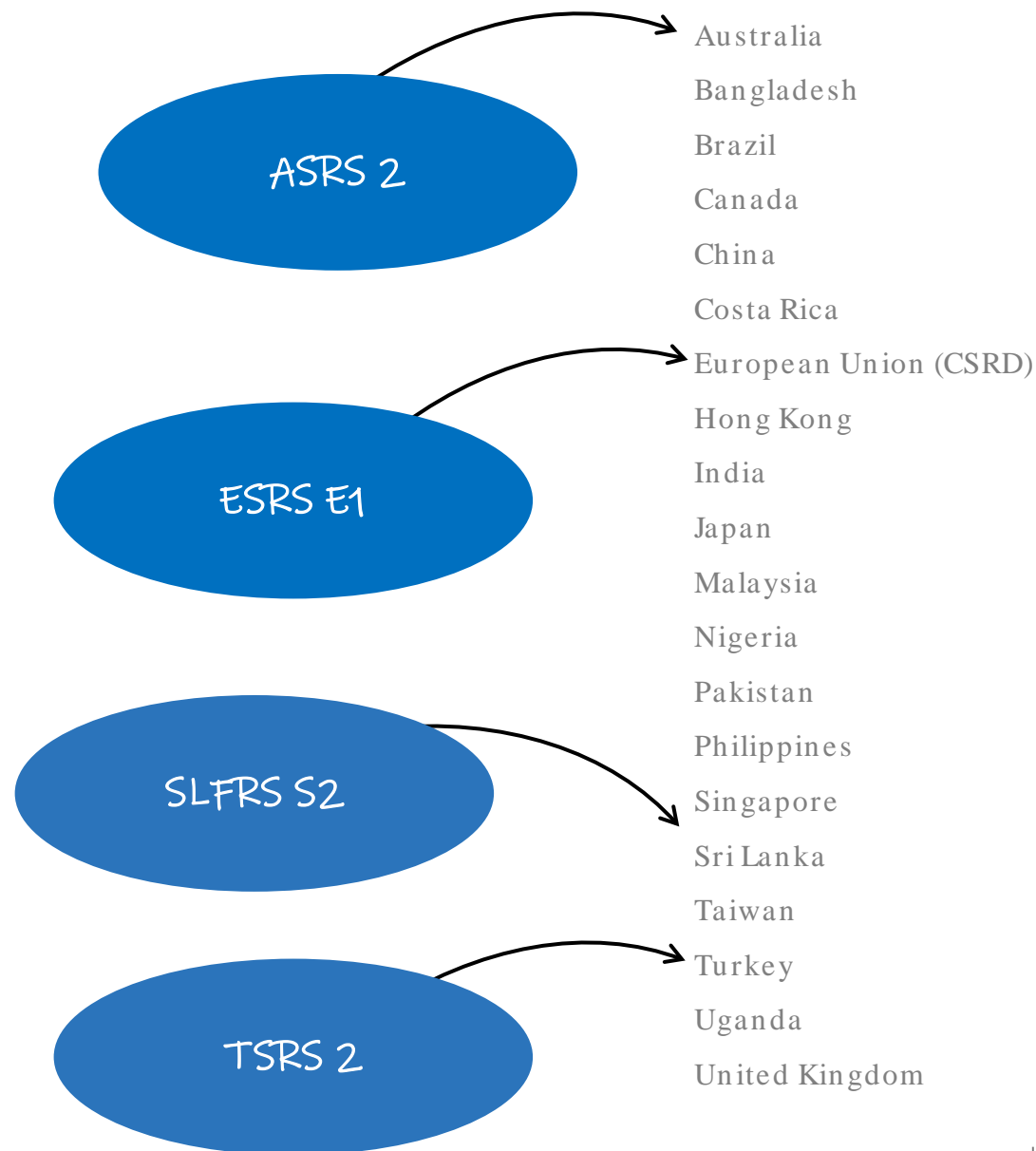
- Phase 2: FY25 reporting
- Phase 4: FY28 reporting

Status:

Active, with first reporting in 2025 for FY24

IFRS S2 and its role in other climate disclosure requirements

- Developed as a **global baseline of climate disclosures** for the capital markets
 - Provides a common language
 - Enables comparable and consistent reporting
 - Incorporates the TCFD recommendations
- No company is required to follow IFRS S2 (or S1) unless it is **adopted by a local jurisdiction** (e.g., a country) which requires it
- According to IFRS, as of September 2024 **30 jurisdictions** are on the journey to introduce ISSB Standards in their legal or regulatory frameworks, representing **57% of global gross domestic product**
- For companies based in, or doing business in, the countries listed here (+ more!), pay close attention to the adoption status for your countries of operation



Key Takeaways

- For US companies with EU subsidiaries, the **EU CSRD and ESRSE1** will likely be the driving force for climate disclosures
- For others – in particular, US domestic-only companies – the **California climate rules** will be the driver
 - First climate financial risk report due in **11 months!**
- Companies with operations/subsidiaries in non-EU, non-US countries should carefully monitor **adoption of IFRS S2**
- While deadlines for reporting may seem far away, **there is much work that must be done** to enable a company to disclose the required information.



Panel Discussion



Jami Patrick

VP, Sustainability
Montrose Environmental Group
Find me on [LinkedIn](#)



Kelvin Sanborn

Head of ESG
GE Healthcare
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Nickie Cashdollar

ESG Regulatory Disclosure
Program Manager
Arrow Electronics
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OPEX25

EHS OPERATIONAL EXCELLENCE CONFERENCE

ORLANDO, FL | APRIL 1-2, 2025

Objective:

High-value EHS management & leadership development that supports the whole EHS team

- EHS performance across the organization
- Improving safety culture and employee engagement
- Leveraging technology to optimize EHS management
- Learning EHS regulatory and enforcement focus areas
- Benchmarking how others are maintaining EHS excellence

Audience:

- EHS practitioners responsible for environmental, health and safety management programs and initiatives
- EHS leaders driving continuous improvement and innovation



TECH25

EHS + ESG DATA & REPORTING CONFERENCE

ORLANDO, FL | APRIL 2-3, 2025

Objectives:

- To explore how digital strategy and technology tools enable EHS management, operational sustainability and corporate reporting organization
- To create a vibrant marketplace for conversation with leading software and technology experts and providers
- To gain best practices and tips for software selection, implementation and optimization from peer case studies

Audience:

- EHS, Sustainability, ESG, and related IT professionals seeking to advance their organization's digital strategy, data management and ESG reporting



FORUM²⁵

EHS & Sustainability Management Forum

The NAEM EHS & Sustainability Management Forum is:

- Features 4 Tracks, 20 breakout sessions, 3 keynotes over 2 days
- Content addresses full range of EHS and Sustainability management topics and trends
- The largest gathering of Corporate EHS and Sustainability leaders
- Programs is developed by a committee of professional peers

**Volunteer to join the planning committee
develop your leadership brand, build your network and have fun!**

IMPACT²⁵

SUSTAINABILITY IMPACT SERIES



Objective:

To “unpack” complex sustainability & ESG topics, provide practical learning and connect peers via breakout discussions

- ❖ Q2: Building Resilient & Sustainable Supply Chains: Lessons from Sector Leaders
- ❖ Q3: Strategies and Innovations to Drive Sustainable Manufacturing
- ❖ Q4: Preparing for 2026 Corporate Reporting

Audience:

- Sustainability professionals tasked with developing and advancing their operational initiatives and reporting practices

NAEM Webinars



Preparing for Climate-Related Disclosures

January 29



AI in EHS: Practical Applications & Risk Reduction

February 18



Setting Up a GHG Quantification Program

May 27



Waste Management: How Marriott Achieves Cost-Savings & Sustainability Goals

June 10

Knowledge Sharing by NAEM Affiliates

Webinars are always:

- Free to NAEM members
- Scheduled at 2:00PM ET
- Archived and Accessible on Demand



Member Drop-Ins

Just-in-Time Knowledge Sharing



The 3rd Thursday of the month

February 20th

April 20th

June 19th

August 21st

September 18th

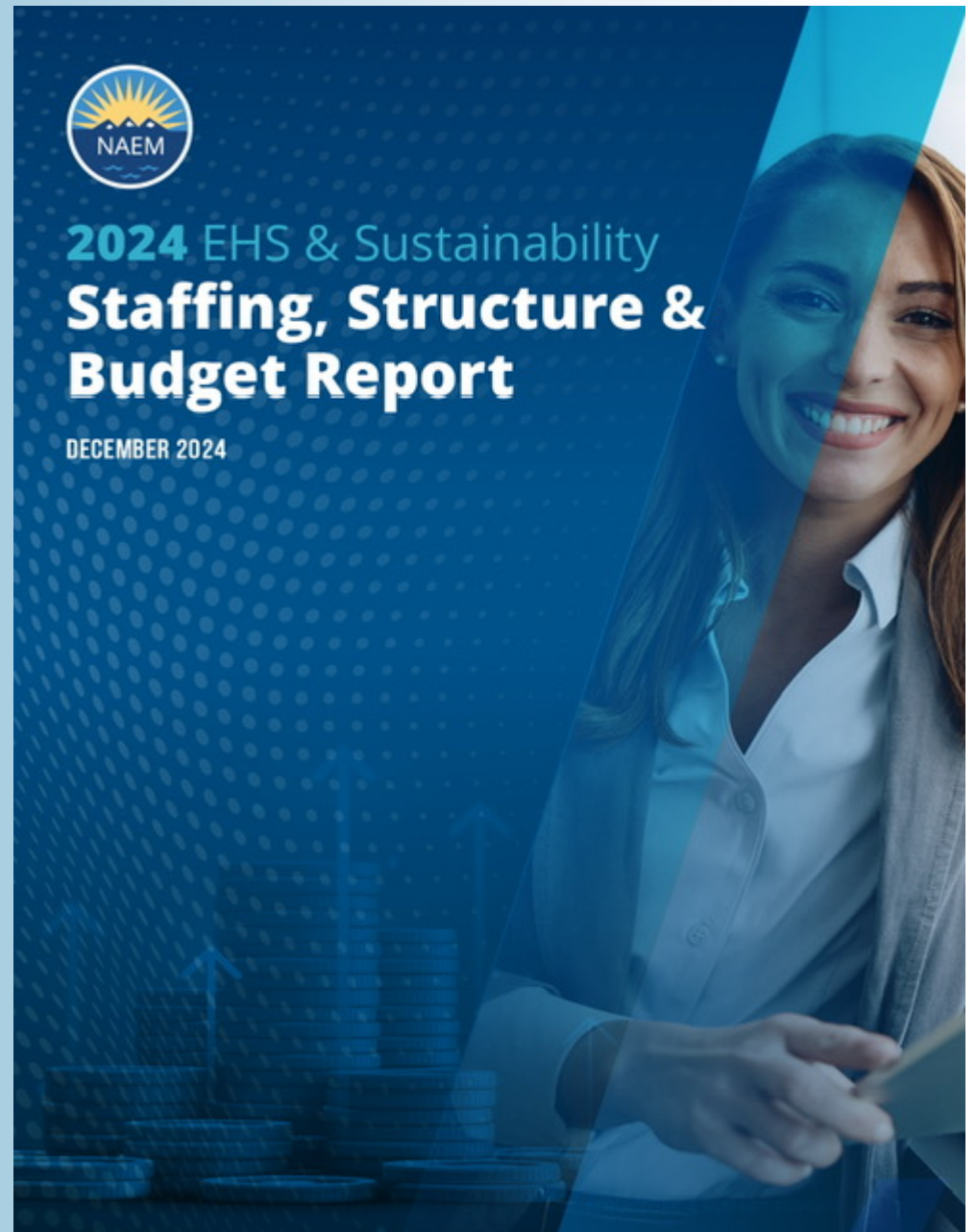
November 20th

2024 EHS&S SSB Budget Report

The #1 source for how companies are staffing, structuring, and budgeting their EHS&S departments

Distributing Next Week!

For Purchase @naem.org



Celebrating the EHS & Sustainability Community!



E+E Application:

Start: September 2024

Deadline: Dec. 7, 2024

Celebration:

April 2, 2025

NAEM's OpEx & Tech Events

Orlando, Florida



NAEM Application Deadline:

Start: May 2025

Deadline: June 27, 2025

Celebration:

October 21-23, 2025

NAEM's EHS&S Management Forum

Tucson, Arizona



ESG Strategy & Reporting Resource

CSRHub's ESG Roadmap Report offers you valuable insights and a competitive advantage

- Benchmark your company's ESG score with up to 15 companies
- Save time and money collecting ESG rater data from over 900 disparate sources

NAEM is partnering with CSRHub to bring you a worthwhile discount

- Receive a 10% Discount through January 31st

<https://www.csrhub.com/csrhub-esg-roadmap/naem>

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- **Act Now to get your 10% Discount!**



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