

# How KPA Helps Support Your ESG Goals

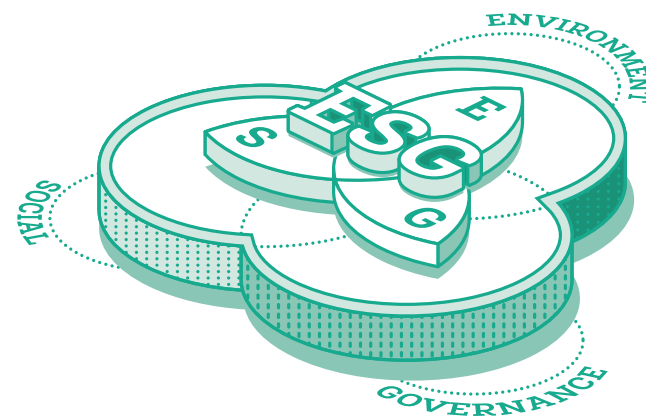
## What is ESG?

*Short for Environmental, Social, and Governance, ESG criteria are a set of standards for a company's operations that investors use to screen potential investments through a socially conscious lens.*

And here's what it's not.

According to McKinsey, "The magnitude of investment flow suggests that ESG is much more than a fad or a feel-good exercise."

EHS professionals are uniquely positioned to take the lead on ESG initiatives. Developing and reporting on ESG demonstrates your company's strong corporate leadership and governance. This focus on measuring and improving ESG metrics tends to positively impact a company's brand, legal liability, and financial position.



# Key Benefits of ESG Initiatives

## Streamlined Regulatory Compliance



Companies with established ESG targets signal to regulators that they're putting good faith toward following regulatory guidelines. And with this good faith potentially comes a lowered level of regulatory scrutiny and more leniency on the off-chance regulators find areas that are out of compliance.

## Improved Efficiencies



You've heard the adage, "What gets measured gets improved." ESG strategies tend to find the inefficiencies hiding across an organization. And this improved transparency can impact operating expenses across many parts of the company.

## Company Valuation



Having a focus on ESG demonstrates that a business is lower risk and has good practices, which increases valuation in the eyes of investors. Public companies want their brand to be included in ESG conscious investment funds. Funds are becoming more selective on ESG-focused companies. Funds that filter-out companies who have low ESG performance or no disclosures at all, essentially reduce the number of buyers for their stock, reducing the stock demand, and therefore, reducing their valuation.

## Stronger ROI



Given these first two benefits, streamlined compliance and improved efficiency, it makes sense that ESG initiatives would also impact your bottom line. The data supports this premise as well. [An analysis of over 2,000 studies by McKinsey](#) found that ESG propositions positively impacted equity returns 63% of the time.

## Improved Employee Engagement



There's plenty of data to support this benefit as well. [Marsh & McLennan](#) found that organizations with the highest employee satisfaction had ESG scores 14% higher than the global average. McKinsey also states that "A strong ESG proposition can help companies attract and retain quality employees, enhance employee motivation by instilling a sense of purpose, and increase productivity overall."

## Customer Loyalty

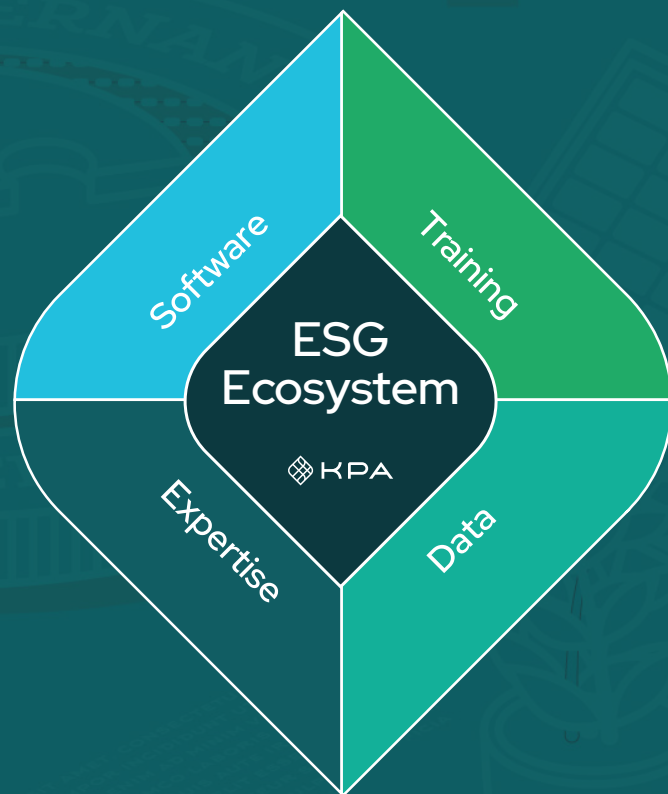


Reputation is everything – particularly when it comes to customer loyalty. Customers want to be reassured that they're supporting companies with a commitment to both their people and the environment. One study found that 88% of [consumers will be more loyal](#) to a company that supports social or environmental issues.

Focusing on ESG can have exponential impacts on your organization. ESG initiatives help companies identify areas for improvement, increase efficiency, and develop defensible audit trails.

# How KPA Helps Support Your ESG Goals

*KPA's here to help by providing consulting, software, and training to align with your ESG mission.*



## Environmental

*KPA provides software, consulting, and training to help ensure you're minimizing your impact on your local environment. This can span ensuring compliance with environmental regulations to helping develop strategies and best practices for reducing your environmental waste streams.*



## Software

With KPA's software platform, create custom forms and checklists to track your environmental initiatives.

If there is a serious incident or regulatory breach regarding environmental aspects of your organization, KPA helps by providing real-time incident management tools.

Multi-site organizations can track metrics such as fuel and electricity consumption records across the locations. After entering the data, view trends and identify areas where consumption reduction actions can be applied.

## Training

KPA's online training helps educate your employees on critical environmental and sustainability topics including:

- ◆ Clean Water Act: Section 404 Permits
- ◆ DOT Hazardous Materials
- ◆ Environmental Management Systems
- ◆ Environmental Regulations Overview
- ◆ Hazard Communication
- ◆ Stormwater Management
- ◆ Storage Tanks

## Expertise

KPA's expert environmental consultants help you adhere to regulatory requirements and suggest best practices in key sustainability and EPA-mandated areas. Focus areas include:

- ◆ Hazard Communication Program
- ◆ Injury Illness Prevention Plan
- ◆ Emergency Response Plan
- ◆ Hazardous Waste Management
- ◆ Chemical Inventories
- ◆ Tank Inventory
- ◆ EPA Generator Status
- ◆ Spill Prevention Countermeasure and Control (SPCC) Plans
- ◆ Tier II Reporting / CA Business Plans

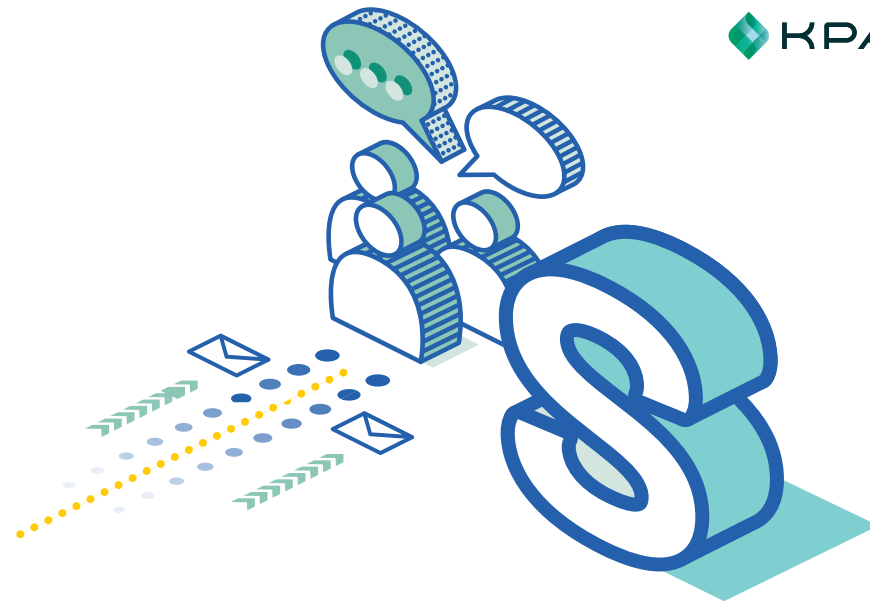
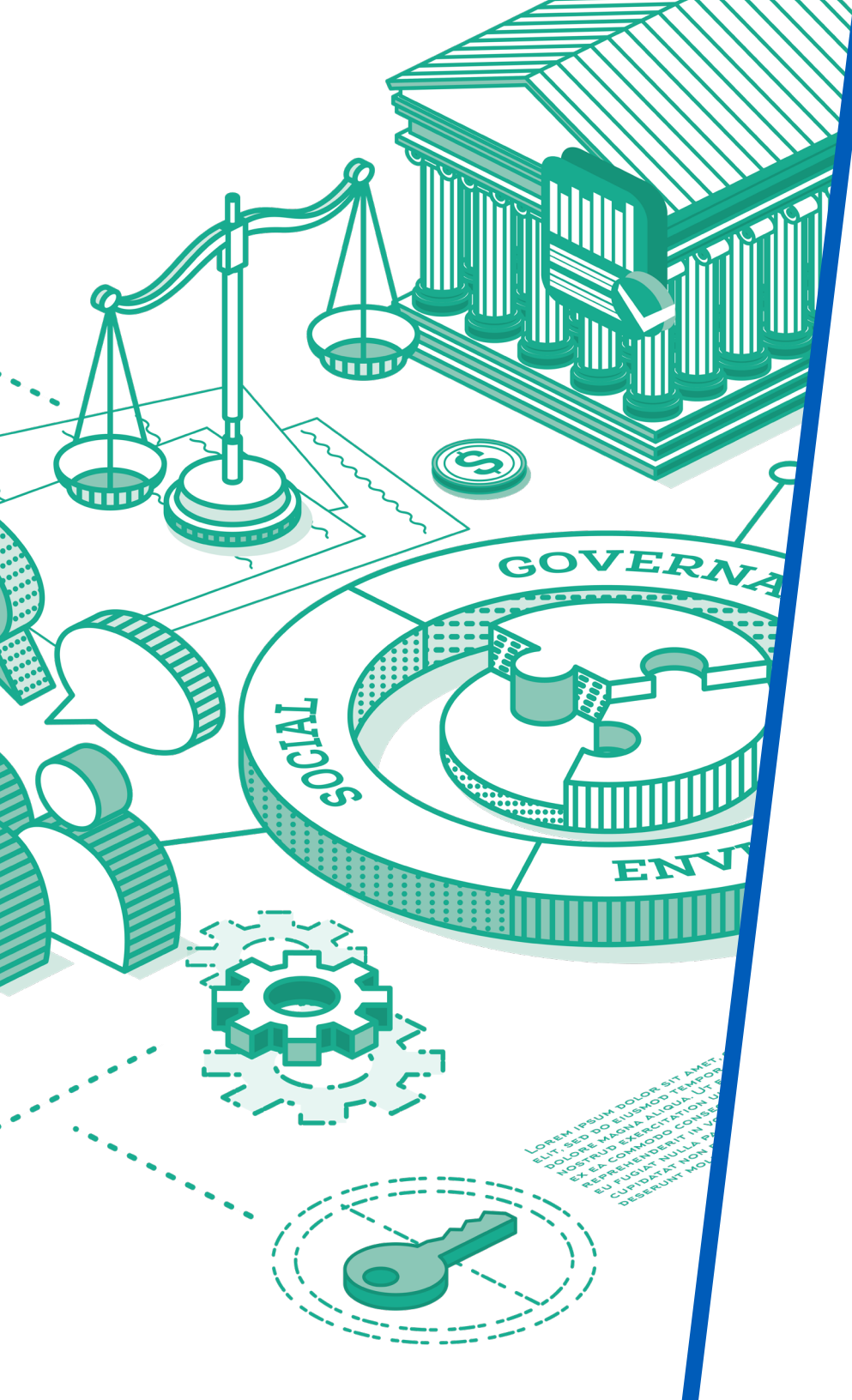
KPA provides clients with an annual report outline progress in the above areas.

## Data

KPA software makes it easy to track your environmental and sustainability initiatives.

- ◆ Analyze leading and lagging safety indicators to identify trends and implement corrective actions
- ◆ Track training completions to ensure all employees are current in regulatory and safety topics
- ◆ View your ESG metrics with configurable dashboards and drill-down reports.
- ◆ Export data to use in other business intelligence platforms.

This gives you the information you need to make informed decisions and to report the status of your ESG initiatives to your internal and external stakeholders.



## Social

*Often called the human side of ESG, the “Social” components of your ESG program are essential for enhancing brand reputation and maintaining employee welfare and morale.*

As the world emerges from the COVID-19 pandemic, many employers want to foster a workplace culture that is healthy, safe, and productive. Businesses implement programs that prioritize health protection and health promotion and become an integral part of management practices.

In addition, a diverse, inclusive, and harassment-free workplace is key to attracting and retaining top talent and preserving brand reputation.

KPA’s 35 years of health and safety experience are here to help you develop an initiative that shows you put people first. Rely on safety program data, comprehensive training library, and usage metrics to demonstrate your organization values people both inside and outside the company.



## Software

With KPA's software platform, you can distribute your employee handbook and policies including anti-harassment and discrimination prevention. Every employee provides an e-signature acknowledgement they read and understood each policy.

In addition, with KPA's powerful, integrated learning management system, you can easily assign and track training across your organization.

## Expertise

KPA provides on-call HR consulting services – giving you access to experts who can answer your HR questions.

KPA's HR consultants are SHRM and PHR certified experts with over 40 years of experience handling recruiting, onboarding, performance management, leave administration, and termination issues. In addition, they provide investigation support for harassment, theft, discrimination, and retaliation claims.

## Training

KPA offers several online training programs to support your organization's commitment to social values:

### Anti-Harassment Training

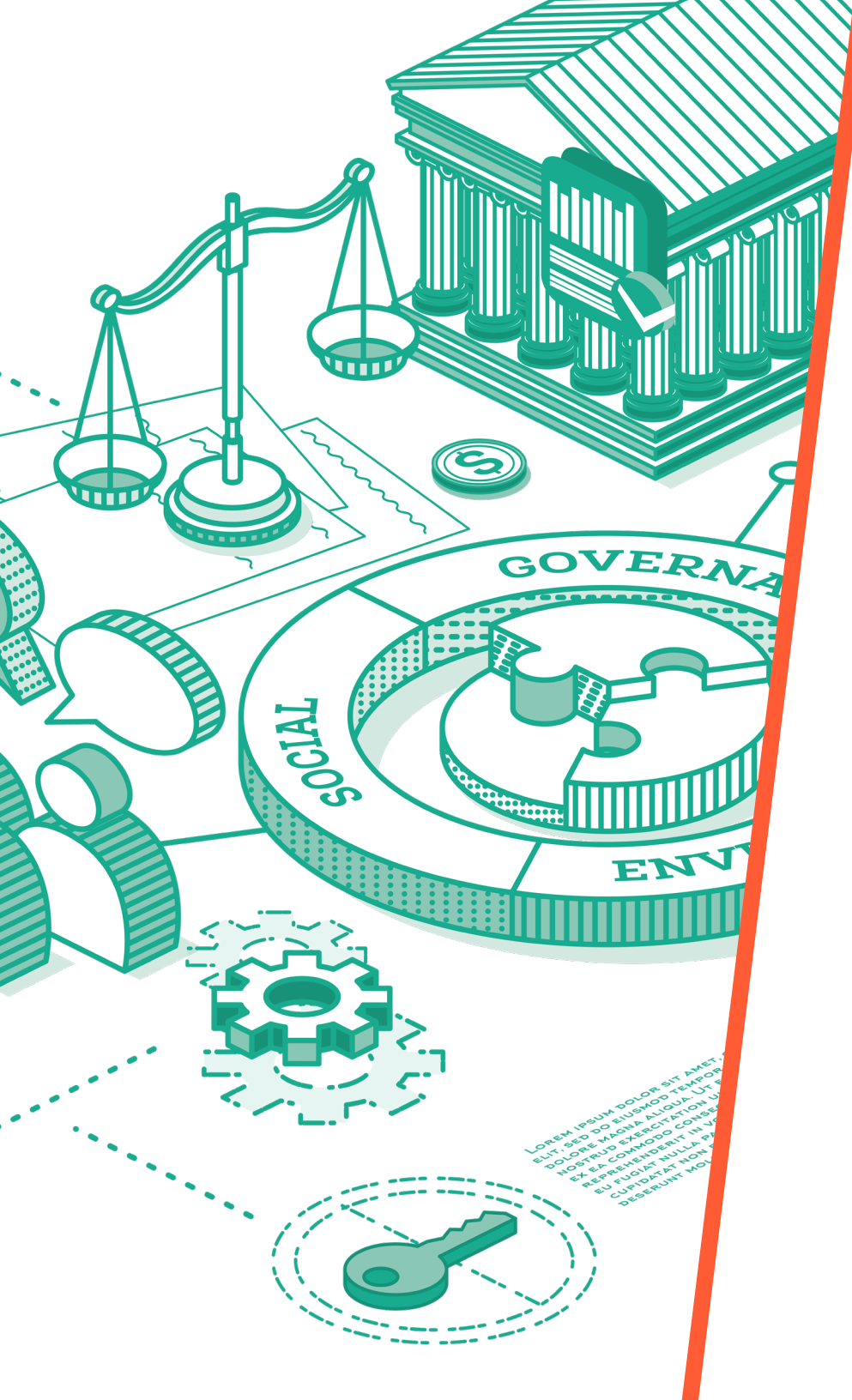
Training for supervisors and employees defines inappropriate behavior and unlawful harassment in the workplace. It provides strategies on recognizing and preventing harassment and how to report it appropriately. KPA's Anti-Harassment courses are compliant with all state-specific requirements.

### Diversity Equity and Inclusion

Training that helps employees explore strategies to help them become advocates for diversity, equity, and inclusion within the workplace. Build awareness of values and social perspectives and recognize specific actions that can improve the social and cultural aspects of DEI.

## Data

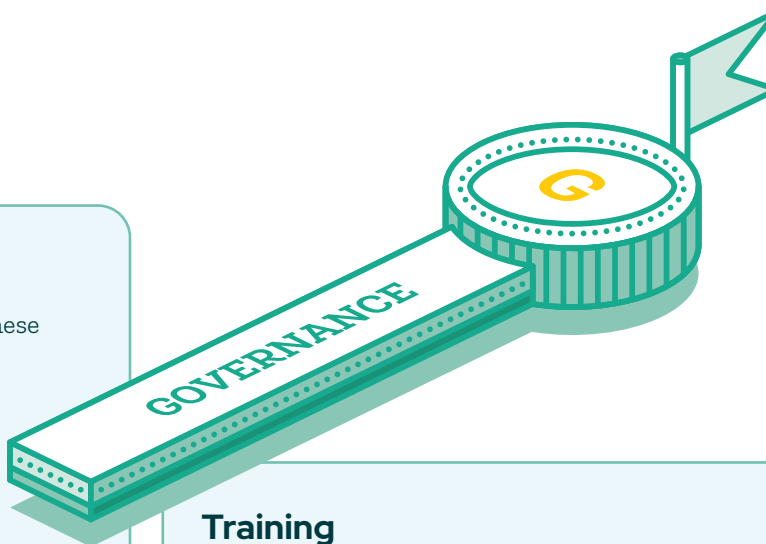
Track training completions and policy acknowledgments in KPA's platform. Use the data to follow-up with employees who are not current on training, or need to read and understand your organization's policies to ensure 100% compliance



## Governance

*Lean on KPA's comprehensive policy and training libraries along with in-depth reporting to demonstrate that your organization follows good governance practices. This governance spans ethical sales practices, adherence to a comprehensive code of conduct, and audit trails that demonstrate your commitment to good governance.*





## Software

Access a library of expert-developed policy templates spanning these areas of ethical workplace behavior:

- ◆ Code of Conduct
- ◆ Anti-Corruption
- ◆ Conflicts of Interest Disclosure
- ◆ Gift and Entertainment Policy
- ◆ And more...

Additionally, KPA consultants audit deal jackets and showroom practices to confirm and report on compliant and ethical sales practices.

## Training

A provides Ethics in the Workplace training for all employees and management, covering the benefits of ethical behavior in the workplace and specific ways to demonstrate it.

## Expertise

Our on-call certified HR experts help you navigate issues related to ethical workplace behavior.

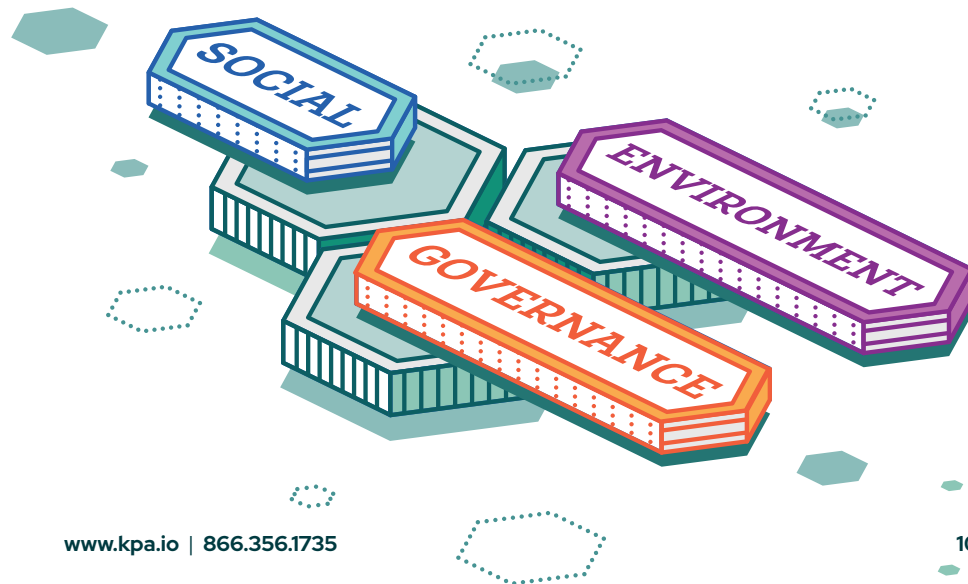
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## How Can Safety Leaders Take the Lead on ESG Initiatives?

EHS professionals are in a unique position to take the lead on ESG initiatives. You're already managing several programs that fall under the ESG umbrella. You have a great deal of data at your fingertips, and understand the value engaged employees people bring to the programs under your purview. In short, you're in a perfect position to drive performance improvements across the organization and help maintain a competitive edge.

*Given that you're a key player in any ESG initiative, how do you get one off the ground?*





## 5 Steps to Developing Your ESG Strategy

### Step 1: Develop the Mission

Here's where you ask the important question, "How do environmental, social, and governance concepts relate to our corporate mission?" Not all aspects of ESG will relate to your organization, but many will. Keep in mind, this is an activity that can't be done in a vacuum. You'll want to establish a cross-departmental team of stakeholders to answer this question as well as tackle the remaining steps. This is the point in the process where you will establish your ESG goals.

### Step 2: Determine Objectives & Strategies for Measurement

Objectives naturally flow from the goals you set in your previous step. From here your ESG framework starts to take shape. This is where you'll ask questions like, "What does success look like when we achieve our goals?" Clearly defined objectives inform key data points to monitor in order to demonstrate progress against these goals. From here you'll determine your reporting frequency and start setting baselines.

### Step 3: Identify Risks & Opportunities

As you start developing objectives and establish measurement strategies, the risks and opportunities become more apparent across your business. Which areas are you lacking data? Which parts of the organization will be more challenging to get buy-in. On the flip side, where are your quick wins? Identifying your risks and opportunities helps prioritize your initiatives to ensure you're focusing on the most impactful ones first.

### Step 4: Get Buy-In

ESG initiatives fall flat without buy-in from two key groups: your senior leadership and your employees.

Critical to the success or failure of most initiatives, senior leaders need to be both aligned and supportive of your ESG initiative. They have the ability to reinforce that ESG is an organizational priority as well as ensure proper funding and staffing.

With employees, sharing the company's ESG initiative is a great culture-building opportunity. Much like building a culture of safety, building a culture that supports ESG principles goes a long way toward employee satisfaction and retention.

### Step 5: Reporting & Transparency

Many organizations have a lot of this data at their fingertips - now, it's a matter of organizing it. The process of collecting and analyzing this critical data helps you identify areas for improvement, increase efficiencies and overcome roadblocks.

You'll want to determine not only what you're going to measure, but how often as well. Perhaps you produce an annual ESG report, with quarterly updates and monthly stakeholder reviews.

Reporting is the first step towards transparency. Transparency involves clearly articulating your ESG goals to all of your stakeholders - be they workers, management, customers, or investors. Then follow up consistently, demonstrating your progress towards those goals.



## Reach Your ESG Goals with KPA

KPA provides EHS and Workforce Compliance software and consulting services that help clients identify, remedy, and prevent problems across their enterprise.

The combination of KPA's software, consulting services, and award-winning training helps organizations minimize risk so they can focus on what's important—their core business.

*For more information, contact (866) 356-1735 or email [info@kpa.io](mailto:info@kpa.io)*

