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The “E” in ESG

The corporate office perspective

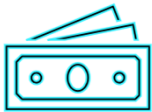
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18 March 2022

A presentation by Wood.



Topics



How the corporate office views the "E" in ESG



What is an ESG score, and how does the "E" contribute?



How inadequate early studies jeopardize the "E"





The corporate office definition of ESG

ESG is **measuring and disclosing** how **non-financial risks and opportunities** related to the to the planet and its people are managed.

- **Risk** focused
- Specific and **measurable**
- Assessed by multiple **ratings** organizations
- Targets investors, banks, insurer, governments, customers

The “E” Component of an ESG Score

COMPLIANCE
with
environmental
regulations



IMPACT of
the company
on the
environment



GOALS to
reduce
negative
impacts



PROGRESS
towards the
goals



TRANSPARENCY
in disclosures



Inadequate early studies jeopardize the “E”

COMPLIANCE



Inadequate early studies can jeopardize the future compliance of the operating facility.

Some common failure areas:

- Resilience to extreme storms/rain events
- Climate trends
- Fresh water supply and demand
- Water conveyance and impoundment volumes
- Mine impacted water quality
- Water treatment efficacy and volumes
- Groundwater contaminate migration

Inadequate early studies jeopardize the “E”

Projects with greater environmental impacts will negatively affect a company’s ESG rating

IMPACT



Carbon

- Power source
- Haulage
- Blasting
- Processing
- Transport to market
- Workforce transport
- Entrained carbon in construction materials
- Supply chain

Water

- Water abstraction
- Water discharge
- Water treatment

Land use

- Deforestation
- Sensitive ecology
- Biodiversity
- Social and cultural

Juukan Gorge: a failure of the E, S, and G



Takeaway

Early studies should be adequate to:

- Design and operate a compliant facility with adequate understanding of uncertainty and risk
- Support measurement and minimization of a multi-faceted set of impacts



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